



THE WOMEN'S ROYAL ARMY CORPS ASSOCIATION

(incorporating the QMAAC and ATS Comrades Association)

PATRON

HER MAJESTY THE QUEEN

VICE PATRONS

HIS GRACE THE LORD ARCHBISHOP OF CANTERBURY
THE ARCHBISHOP OF WESTMINSTER
THE FREE CHURCHES MODERATOR

PRESIDENT

HER ROYAL HIGHNESS THE DUCHESS OF KENT GCVO

ANNUAL REPORT 2016

Registered Charity Number 206184

**REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016
FOR THE WOMEN'S ROYAL ARMY CORPS ASSOCIATION**

Rothmans Audit LLP
Chartered Accountants & Statutory Auditors
Avebury House
St Peter Street
Winchester
Hampshire
SO23 8BN

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

The Trustees submit their report and the financial statements of the Women's Royal Army Corps Association for the period ended 30 September 2016. At the July 2015 Trustees meeting, the Trustees agreed the broad strategy and areas of activity including the policies for grant making, investments, and reserves. The day-to-day administration of the Association is delegated to the Association Secretary, processing and handling of benevolent cases is delegated to the Benevolent Fund Secretary and the day to day financial expenditure is delegated to the Chairman of the Grants Committee, the Honorary Treasurer, the Benevolent Fund Secretary and the Finance Officer. All of whom are supported by the Office Manager.

CHARITABLE OBJECT

The charitable object of the Association is:

To promote the efficiency of the Army by:

- a. Maintaining contact between former members of Queen Mary's Auxiliary Corps (QMAAC), the Auxiliary Territorial Service (ATS), the Auxiliary Territorial Service Territorial Army (ATS TA), Women's Royal Army Corps (WRAC), Women's Royal Army Corps Territorial Army (WRAC TA), WRAC Territorial and Volunteer Reserve (WRAC TAVR) and women still serving in the Army, fostering mutual friendship between them and providing for social gatherings.
- b. Fostering esprit de corps, comradeship, welfare and preserving the traditions of the QMAAC, ATS, ATS (TA), WRAC, WRAC (TA) and WRAC (TAVR).

The administration and activities of the WRAC Association are governed by the WRAC Association Constitution 2013.

The trustees have referred to the guidance contained in the Charities Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities of the charity. In particular, the trustees consider how planned activities will contribute to the aims and activities they have set.

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS

Branch Meetings, Reunions and Events

The Council, consisting of the Officers of the WRAC Association, the Area Chairmen and 2 Life Vice Presidents, are responsible for the maintenance of contact between all our members as well as taking active steps to foster esprit de corps and comradeship. The main instrument to achieve this is through our Branches that are structured on an area basis. The WRAC Association has 8 Areas and a National and Overseas section. There are 42 regional Branches that provide the local focus for members. Each Branch arranges its own calendar of activities to suit the local need. In addition the WRAC Association now welcomes Informal Branches where the membership is low but there is still a desire to meet up. There are 15 such groups, several of which have been formed via Facebook. There is also a Headquarters Branch for unaffiliated members. The WRAC Association headquarters provides support and advice as and when required.

Each Area holds an annual Reunion thus promoting the objects of the WRAC Association, namely fostering and maintaining esprit de corps, comradeship and welfare, as well as preserving the traditions of all the corps and services in which the members served.

A Grand Reunion is organised by the charity headquarters every 3 years, and as such did not take place in this financial year.

In November 2015 120 members paraded at the National Service of Remembrance at the Cenotaph in London. There were no associated costs to the charity; members travelled at their own expense.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS (continued...)

Branch Meetings, Reunions and Events (continued...)

In March 2016 the Annual General Meeting (AGM) was held at the Victory Services Club, London and was attended by 95 members. The cost of the AGM (£2,562) included hire of the venue and afternoon tea for all attendees. Travel for members was at own expense.

HM The Queen is Patron of the WRAC Association and in June 2016 12 members attended The Patron's Lunch on The Mall in London. Tickets were £150 per head; 6 members purchased their own tickets and 4 were allocated via a Prize Draw open to all WRAC Association members and 2 complimentary tickets were received from the Association's Patron. A further 25 members participated in The Patron's Lunch Entertainment Parade. All travel to the event was at member's own expense. The Prize Draw raised £1,115 and attributed donations made at the time of ticket purchase were £397.

All these gatherings confirmed the enduring need for the WRAC Association to continue to provide opportunities for ex-servicewomen to meet up and renew contact with colleagues as well as to make new friends with those who had shared and experienced service life.

The Journal

The journal of the WRAC Association, *Lioness*, is published twice a year and distributed to all members. As well as providing news from the branches, articles and news of future WRAC Association events, *Lioness* contains a section through which members can try to trace old comrades and share memories of their service. Since the 2013/2 edition the magazine has also been recorded as an audio version, a CD is available free of charge by post at a cost of £200 to the charity. Past copies of the WRAC Association journals can be viewed by via the member's area of the website. As the distribution of *Lioness* meets the charitable object a (legal advice received 29 June 2015) the Trustees voted on 29 September 2015 that the full cost of editions 2016/1 and 2016/2 be met from the Benevolence Funds. On 06 July 2016 Trustees voted that the full cost of *Lioness*, circa £20K per year, would continue to be met from the Benevolent Fund, subject to review after 5 years (2021). The *Lioness* was distributed to approximately 3,200 members, beneficiaries and relatives of deceased members. The *Lioness* serves a wider public benefit as it is read by friends, family and neighbours; as is evident from the submissions received by the Editor i.e. letters, stories and announcements.

Website

In 2016 improvements were made to the website to enable users to set up recurring payments for both donations and annual subscriptions. The new system provides a more straightforward user experience which should streamline the process and increase traffic to the site. It is therefore planned that the £1.5K cost of the improvements will be offset by the increase in payments received. Social networking has become an important means of communication with our members and the Association official Facebook page is now well used. This sits alongside the unofficial Facebook groups that continue to thrive and sponsor their own gatherings all over the UK.

Invitations from other Organisations

As well as WRAC Association activities, members have continued to receive invitations from other organisations such as the Not Forgotten Association and the Royal British Legion. Some of these invitations are allocated to the branches, however some are also administered by the charity headquarters. The charity often receives queries from the local and national press and have assisted where possible. One such success this year was for 2 members, who served with the ATS and attended the BBC's One Show.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS (continued...)

Benevolent Grants and Grant Making Policy

The charity awards grants of money to purchase specific goods, services or facilities for eligible ex-servicewomen, or their dependants, in need.

The charity also provides general maintenance grants to ex-servicewomen who are elderly, alone, with minimal income and in ill health. This activity was formerly undertaken by the Princess Royal's Memorial Fund (PRMF), which was removed from the Register of Charities in July 2000 when its monies were transferred to the ATS & WRAC Association Benevolent Fund. However, the assets of this fund are ring-fenced, at the wishes of the Trustees, so that the Memorial to the late Princess Royal survives through the provision of these maintenance payments.

The Grants Committee, constituted in accordance with the Charity Commissioners' Scheme, met on 17 occasions during the 11 month reporting period. The following persons acted as members on one or more occasion:

Trustees

Col (Retd) AK Brown
Mrs C Corker
Lt Col (Retd) S Donovan
Lt Col RC Griffiths MBE
(Retd) MCM Jones
Col (Retd) IM McCord
Maj (Retd) CH Merrington- Rust MBE
Maj RD Patrick
Col (Retd) AJ Smith - Chairman
Maj (Retd) JA Walton

Council and co-opted members

Maj (Retd) L Davies
Mrs W Hooton
Mrs A Orlinski
Mrs MBS Purkis Maj
Maj (Retd) D Ryder
Lt Col (Retd) J Young

The Trustees balance the short-term need for income to pay grants and annuities to those who served in the QMAAC, and the ATS with the future requirements of those who served in the WRAC up to April 1992. The current policy is that all income, after administration expenses have been met, should be available for grants purposes. In addition, the Trustees, when reviewing the performance of the Fund, decide whether donations and legacies received during the year can be used for grants purposes or should be invested.

Applications for grants are made through almonising agencies, predominantly SSAFA the Armed Forces charity and The Royal British Legion, and the grants are paid to these agencies for disbursement on behalf of the charity rather than direct to applicants. The Trustees delegate the activities of assessing applications and awarding grants to the Benevolent Fund Secretary and a grants sub-committee who have the discretionary power to make grants within a limit specified from time to time by the Trustees – £1,000 since January 2014 Trustees' meeting.

Each month at least one major grants committee meeting (MGCM) is held and maximum use is made of Skype, Google Hangouts and GoToMeeting to optimise the opportunity for Trustees and members to participate. The MGCMs consider applications for:

- new nursing home fee top-up grants;
- recurring general maintenance grants;
- grants in excess of £1,000;
- former service-women with less than 6 months service;
- assistance to former servicewomen who have already received grants in excess of their guideline pro rata for service, currently £600 per annum; and
- grants for applicants who fall outside the guidelines set by the Trustees to ensure that the funds continue to meet the demand.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS (continued...)

Benevolent Grants and Grant Making Policy (continued...)

There is no minimum service requirement that would bar an applicant from receiving help, although the Trustees do set guidelines based on service to ensure that the funds continue to meet demand. However, financial need remains the determining factor in assessing each individual grant.

The current financial limit for one-off awards was increased from £2,000 to £3,000 at the July 2014 Trustees meeting.

The current financial limits, agreed by the Trustees in July 2016, are:

<u>Type of grant</u>	<u>Maximum award</u>	<u>Remarks</u>
Nursing Home Fee top-ups	£40 per week	Previously £35 per week
PRMF maintenance grant	£34 per week with a £60 Christmas bonus	Previously £29 per week with a £60 Christmas bonus

The circumstances of each recipient of a PRMF maintenance grant is reviewed on an annual basis to assess if they still require assistance. The Trustees will withdraw the assistance if there is no longer any financial need.

Details of how to apply for grants are available on the charity's website: www.wraccassociation.org.uk and published in the Lioness.

A REVIEW OF ACHIEVEMENTS AND PERFORMANCE: How the benevolence grants delivered public benefit

In September 2015 the Trustees authorised a budget for 2016 of £210,000 for one-off and NHF top-up grants and a further £36,500 for PRMF maintenance grants. In January 2016 the Trustees agreed that the financial year would run from 1 October – 30 September. In financial year 2015 the Benevolent Fund received 370 applications for assistance on behalf of former servicewomen of the ATS and WRAC, an average of 30.83 per month. In the 11 months of this Report the Benevolent Fund received 296 applications for assistance, equivalent to 26.91 cases per month and a decrease of 13% on 2015. Of the 296 applications, 10 were on behalf of former servicewomen in receipt of an ABF The Soldiers' Charity annual maintenance grant. In all, 80 applications were on behalf of former ATS servicewomen and 216 applications on behalf of former-WRAC servicewomen. Of the 296 applications received, 222 met the criteria for assistance from the Benevolent Fund and 8 met the criteria for assistance from ABF The Soldiers' Charity. A total of 10 former servicewomen were assisted with NHF top-ups and 23 former-servicewomen received maintenance grants from the PRMF.

The total amount of money distributed, including in-year refunds and returned grants, was £145,894 from the Benevolent Fund and £40,318 from the PRMF. This represents a decrease in expenditure on 2015 of £52,862 (26.5%) for the Benevolent Fund and an increase in expenditure of £10,550 (35.4%) for the PRMF. The underspend from the Benevolent Fund of £64,106 (30.5%), on the original budget of £210,000, was a result of the decline in the number of applications received and because the reporting period was 11 rather than the usual 12 months. The overspend of £3,818 (10.5%) from the PRMF resulted from the increase in both the numbers of eligible applicants and the rate of the allowance. Of note is that the Benevolent Fund expenditure on NHF top-ups of £15,914 represented a decrease of £3,267 (17.1%) on 2015.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
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REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued...)

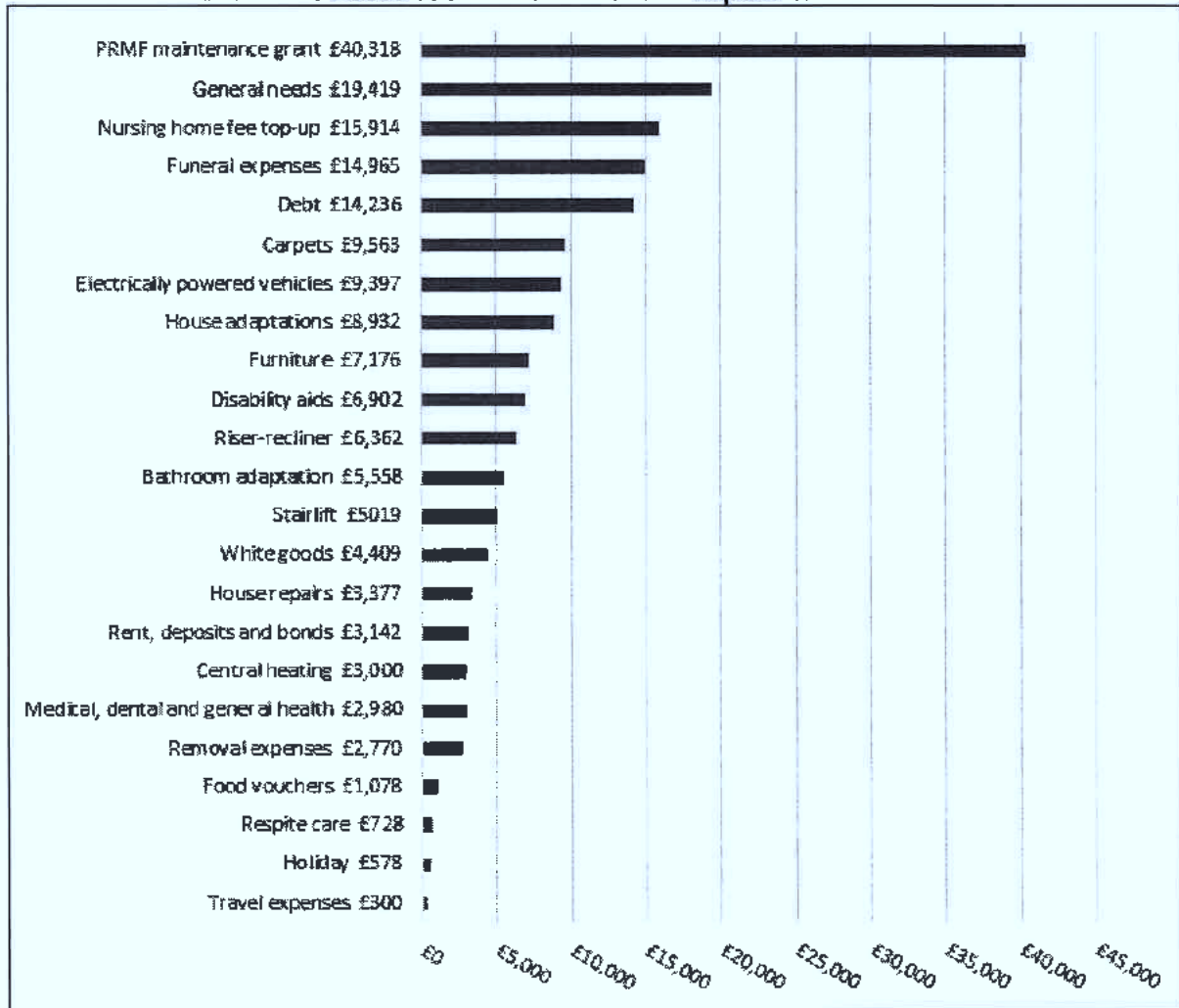
In all, grants were awarded in 23 categories, the most costly of which were PRMF maintenance grants, meeting general needs, Nursing Home Fee top-ups, assistance with funeral expenses, and debt.

A Christmas gift of £25 was also handed in person by the Vice President to each of the Chelsea Pensioners who were servicewomen. Likewise a contribution of £10 was made towards the Scottish Area's Christmas gifts for ex-servicewomen at The Erskine Home.

As well as making grants from its own funds, the Benevolent Fund again received support from many other Service and civilian charities and the Trustees would like to thank the following organisations for their support:

- | | |
|--|---|
| ABF The Soldiers' Charity | Burma Star Association |
| ssafa the Armed Forces charity | Veterans' Aid |
| The Royal British Legion | Combat Stress and BLESMA |
| The Royal British Legion (Women's Section) | Not Forgotten Association |
| PoppyScotland | Royal Commonwealth Ex-Services League |
| The Royal Naval Benevolent Trust | Other Corps and Regimental Associations |
| The Royal Air Force Benevolent Fund | |
| The Officers' Association | |

ATS & WRAC Association Benevolent Fund Expenditure 2015 – 2016



**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
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MONITORING ACHIEVEMENT

The charity's key performance indicators are summarised in the table below and evidence to demonstrate the difference the charity's work has made to the circumstances of its beneficiaries and the wider benefits to their families can be found below in a sample of quotations from the many letters/emails received by the charity's headquarters.

	Outcome 2016 (11 mth period)	Target 2016 (11 mth period)	Outcome 2015	Target 2015
One-off and NHF Top-Up Grants	£145,894	£210,000	£198,756	£210,000
PRMF Maintenance Grants	£40,318	£36,500	£29,768	£31,500
Number of Applications Received	296	-	370	-
Successful Applications as %	75%	-	93%	-
Award of Christmas Gifts	£290	-	£150	-
Reach of each edition of the Lioness	3,600	-	3,072	-
Membership numbers	3,163	-	@ 3000	-
Major events held i.e Grand Reunions/Armed Forces Day	n/a	n/a	2 x events	2 x events

Examples of Thank You Letters from Beneficiaries

'I would just like to say a huge thank you for your help. I received a new mattress and cooker. I have also been awarded a recurring maintenance grant which has come as a lovely surprise and is most helpful. Thank you once again for the assistance from the ATS & WRAC Association Benevolent Fund – you have been fantastic.' *£440 for a mattress and cooker and £34 per week maintenance payment.*

Two daughters write, 'Mother felt she could rely on her insurance policy [for her funeral]. She would be really pleased to know that you helped her daughters to sort things out when funds were not enough. People often don't hear about the good work you do. Thank you again from both of us and all the family.' £2,000 funeral expenses.

'I would like to thank all concerned for the help and support given to my daughter and me to ensure that our house move became a reality. I am overwhelmed by the kindness shown to us. Without your help our circumstances would never have changed and words cannot express how grateful we are for that.' *£1,000: £700 for carpets, £149.99 for furniture and £80.01 in food vouchers.*

'I wish to express my thanks for your input to help provide me with items which will make my life a little easier.' *£659 for a bath-lift and Occupational Therapy report.*

'I want to thank the ATS & WRAC Association Benevolent Fund for the generous contribution via ssafa towards the installation of a stair-lift for my husband and myself. Without the funding he would have remained a prisoner in his bedroom as we were unable to carry him downstairs all of the time. It has made a great deal of difference to his life, even though with his dementia and other complex medical issues he doesn't realise it. The fact is my life is a lot better for it. Thank you for your help.' *£1,000 towards the cost of a stair-lift.*

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
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MONITORING ACHIEVEMENT (continued...)

Comments about the Lioness

'I love the magazine'.

"Thank you for sending me the Lioness, I look forward to every issue".

"Lioness just get's better every issue".

"I love to read all the ATS & WRAC stories".

FINANCIAL REVIEW

The main income stream for both the Association and the Benevolent Fund is the income derived from the investment portfolio supplemented from time to time by legacies and donations. The Association also receives income from subscriptions. Life Membership is no longer offered and members pay £10 annually. Current Life Members have been invited to make a similar donation on an annual basis. This year's improvements to the payment method through the website is hoped to ensure that more of our members set up a continuous annual payment and in so doing help towards the sustainability of the charity.

The WRAC Association, excluding the total Benevolent Funds (Restricted Funds) showed a net outgoing resource, before transfers, of £29,360 compared to a net outgoing resource of £51,331 in 2015. The gain on investments was £29,834 compared to a loss of £5,629 in 2015.

In terms of the Benevolent Funds there was a net outgoing resource of £86,789 compared to one of £85,631 in 2015. The gain on investments was £407,022 this year compared to a loss of £7,914 in 2015.

At the end of this financial year it is clear to see that the income gained from invested Restricted Funds for the Benevolent Fund more than adequately meet the need. However, of concern is the longevity of the Association as a whole beyond the next 8 years or so. The Trustees will face this challenge in their future planning for the charity.

INVESTMENT POLICY AND PERFORMANCE

The charity is a long term investor and the objective of the charity's investment policy is to produce the best financial return within an acceptable level of risk and balance income and capital returns. The assets should be managed to at least maintain the real capital value of the funds whilst generating a sustainable level of investment income to support the current charitable activities. The Investment Policy directs that Trustees' instruct Brewin Dolphin to manage the charity's investments. The portfolio is managed on an income and growth return basis. Trustees have agreed the strategic asset allocation and the investment manager reports performance to trustees biannually. This allows Trustees to have full visibility of and be fully involved with the management of the portfolio. Indeed the relationship has been excellent thus far, with Brewin Dolphin attending both Trustees meetings in this financial year to deliver their report and answer questions from Trustees. The volatility caused by the global economic outlook and more specifically the uncertainty for the UK economy in the light of Brexit means the portfolio is focussed on high quality investments that have a proven track record of dealing with difficult economic conditions. Whilst high quality global equities comprise the majority of the portfolio it is also well diversified by using a variety of other asset classes. Formal rebalancing of the portfolio will take place annually unless Trustees believe it is prudent not to do so. Investment management costs are charged to the portfolio.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016****RISK MANAGEMENT**

Risk Management is a standing item on the Agenda at Trustees meetings and the Risk Register is regularly reviewed and revised by the EFC. The overarching risk remains finance, but is far better mitigated against with effective investment management and a robust relationship between Association Officers and Brewin Dolphin. The principal risk on an operational level that the Association faces is the obsolescence and withdrawal of support to the existing software Beneficiaries Database. This could result in all historical records of benevolence granted being lost and Grants Committee Members not receiving all the correct facts when considering cases. The granting of benevolence is a vital aspect of the Association and a database is a critical tool for benevolence management. The risk has been reduced slightly by purchasing a new laptop but a new software package that satisfies all the Benevolence Fund requirements needs to be purchased and installed. Work is ongoing to fully identify the requirements and the potential software replacement packages, the Trustees will decide on the replacement system at their meeting in February 2017 and it should be installed shortly afterwards. The Trustees agreed in 2014 to purchase a new Beneficiaries Database but due to delays and interoperability issues with COBSEO it was decided that the software selected at that time was not suitable.

RESERVES STRATEGY

Trustees agreed cash reserves of 7.5% of total fund values will be held in deposit accounts to ensure the charity's expenditure can be met in a timely manner and to cover any trough in income. The level of cash reserve held for the Association and Benevolent Fund is reviewed annually and any change notified to the Investment Manager giving as much notice as possible to ensure optimum sale value in cases where Trustees request payments out of capital. Income and expenditure as well as the level of cash reserves is monitored by the Finance Officer and reported quarterly to the Vice President and Honorary Treasurer through the EFC. In order to ensure stability in the grant making programme 12 months expenditure is budgeted for and agreed by Trustees the previous year. The reworking of a Reserves Policy is a piece of work identified for the next financial year.

As at 30 September 2016 the charity held total reserves of £6,240,398 of which £618,113 were unrestricted, £23,398 designated and £5,598,887 restricted.

PLANS FOR THE FUTURE

The WRAC Association is looking forward to a series of commemorative events over the next 3 years. Preparations are well underway for the 100th anniversary of the formation of the Women's Army Auxiliary Corps (WAAC) in 2017. In addition we will celebrate the 100th anniversary of the WRAC Association, and its predecessor organisations, in 2019. Both of these events offer a great opportunity to raise the profile of the charity and gain new members as well as meeting the objects of the charity.

In regard to our grant making this will continue at the same pace as previous years but with the aim of improving awareness amongst the general public. The charity would like to see an increase in the number of applications made to the Fund.

The revised Constitution 2013 will be put to the members at the AGM in March 2017.

The Trustees anticipate a programme of change commencing in 2017 to include work on the areas of fundraising and PR and marketing. The aim will be to raise the profile of the charity and engage more stakeholders as we move forwards and in so doing secure a sustainable future for the WRAC Association.

Any costs attributed to future plans for the charity are identified and entered on to the 5 Year Costed Action Plan which is reviewed by the EFC at every meeting. This is a useful piece of work which fell out of the Strategic Review held in 2014.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016****STRUCTURE, GOVERNANCE AND MANAGEMENT****Status of the Charity**

The Women's Royal Army Corps Association, incorporating Queen Mary's Army Auxiliary Corps and Auxiliary Territorial Service Comrades Association, is a registered charity, founded by a trust deed in 1919. The Association is governed by the rules and regulations set down in the trust deed.

Following advice received from the Charity Commissioner during the year ended 31 October 2000, two related but previously separate charities (The Auxiliary Territorial Service Benevolent Fund & the Women's Royal Army Corps Benevolent Fund, and The Princess Royal's Memorial Fund) were amalgamated with the Association.

The Auxiliary Territorial Service Benevolent Fund was established by a trust deed on 1st August 1944. The Women's Royal Army Corps Benevolent Fund was established by a trust deed on 28th December 1950. The Benevolent Funds were combined under a scheme of the Charity Commissioner on 28th April 1961. This scheme was superseded by another scheme on 21st October 1964, and subsequent supplemental orders dated 17th February 1993 and 3rd April 1997.

The combined Benevolent Funds formed a registered charity, governed by the rules and regulations set down in the amended trust deeds. Following amalgamation with the Association, the charitable registration of the Benevolent Funds, under charity number 247793, was removed and the funds were re-registered as a subsidiary charity of the WRAC Association.

The Princess Royal's Memorial Fund was established under a trust deed dated 30 March 1966, and was a registered charity, under charity number 248204. Following amalgamation with the Association, the separate charitable registration has ceased.

Charity Name

WRAC Association (incorporating Queen Mary's Army Auxiliary Corps and The Auxiliary Territorial Service Comrades Association).

Charity Number

206184

Principal Address

Unit 39
Basepoint Business Centre
1 Winnall Valley Road
Winchester
Hampshire
SO23 0LD

Banker

Royal Bank of Scotland
67-68 High Street
Winchester
Hampshire
SO23 9DA

Auditor

Rothman Pantall LLP
Avebury House
6 Saint Peter Street
Winchester
Hampshire
SO23 8BN

Investment Manager

Brewin Dolphin
12 Smithfield Street
London
EC1A 9BD

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
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STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued...)

The Trustees and Council of the Association

The WRAC Association Constitution 2013 was adopted by a unanimous vote at the AGM 2013. The Constitution 2013 distinguishes between Trustees and Council.

The Trustees are the Managing Trustees of the WRAC Association and are:

- The Association Officers – Vice President, Chairman of the Executive and Finance Committee, Chairman of the ATS & WRAC Association Benevolent Fund Grants Committee, and the Honorary Treasurer
- Elected Members – up to 12. An Elected Member shall be proposed by any other Trustee and is to be approved by the Trustees. An Elected Member shall serve for up to 3 years and thereafter may be re-appointed with annual ratification by the Trustees.

Council sets the strategy for relationships with WRAC Association Branches and the wider Service charity sector and is a decision-making forum for Strategic and Operational Change as it affects the Association and its members. Council consists of:

- The Association Officers
- All Life Vice Presidents
- All Area Chairmen
- Editor of the Lioness - ex officio
- Honorary Appointments within the Association to act as ex officio members (Lawyer, Padre and Finance)

Executive and Finance Committee

The Executive and Finance Committee (EFC) is responsible for the execution of the WRAC Association's business in accordance with the Trustees' and Council's strategic direction and is accountable to the Trustees and Council for all aspects of its delivery in support of the WRAC Association's Object. It is supported by other Sub Committees formed for specific purposes. The members of the Executive and Finance Committee are:

- Chairman
- Chairman of Benevolent Fund Grants Committee
- Honorary Treasurer
- Additional members may be co-opted and sub committees formed as required.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued...)

Those who have held office since 1 November 2015 are as follows:

Trustees

Col (Retd) AK Brown	Vice President	Appointed July 2014
Lt Col RC Griffiths MBE	Chairman of the EFC	Appointed July 2014
Col (Retd) AJ Smith	Chairman of the Benevolent Fund	Reappointed July 2016 (1 year)
	Honorary Treasurer	Reappointed July 2016 (1 year)
Col (Retd) IM McCord		Reappointed July 2016 (1 year)
Mrs C Corker		Appointed Trustee July 2016
Maj (Retd) B Davies		Reappointed July 2016 (1 year)
Lt Col (Retd) S Donovan		Appointed Trustee May 2015
Maj (Retd) MCM Jones		Reappointed July 2016 (1 year)
Mrs K Loftus		Appointed Trustee April 2015
Maj (Retd) CH Merrington-Rust MBE		Reappointed July 2016 (1 year)
Brig (Retd) NP Moffat CBE		Resigned February 2016
Brig (Retd) SP Nield CBE		Reappointed July 2016 (1 year)
Maj (Retd) RD Patrick MBE		Reappointed July 2016 (1 year)
Maj (Retd) J Walton MBE		Reappointed July 2016 (1 year)

Council

Association Officers

Col (Retd) AK Brown	Vice President	Appointed July 2014
Lt Col RC Griffiths MBE	Chairman of the EFC	Appointed July 2014
Col (Retd) AJ Smith	Chairman of the Benevolent Fund	Reappointed July 2016 (1 year)
	Honorary Treasurer	Reappointed July 2016 (1 year)
Col (Retd) IM McCord		

Life Vice Presidents

Brig (Retd) Dame Joanna Kelleher DBE		
Lt Col (Retd) The Lady Martha Bruce OBE TD DL		
Brig (Retd) SP Nield CBE		
Col (Retd) FM Cook		
Mrs E Carter MBE		
Brig (Retd) NP Moffat CBE		Appointed July 2011
Lt Col (Retd) SJ Westlake MBE		Appointed August 2015

Area Chairmen

Mrs S Bingham	South & SW	Appointed July 2016
Mrs WL Hooton	Eastern	Appointed January 2011
Mrs KR McGregor	South East	Retired February 2016
	London & SE	Vacant
Mrs A Orlinski	Northern	Appointed April 2015
Mrs MBS Purkis	Wales & W Midlands	Appointed 1992
Maj (Retd) D Ryder	East Midlands	Appointed January 2006
Lt Col (Retd) JM Young	Scotland & NI	Appointed January 2007

Ex-Officio Appointments

Maj (Retd) S Hatton	Editor of <i>Lioness</i>	Appointed January 2012
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Honorary Appointments

Col (Retd) IM McCord	Honorary Treasurer	Ratified March 2016
The Reverend S Wing	Honorary Padre	

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016****STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued...)****The Role of Trustees**

Individual Trustee training is now well established, as is the format of 3 meetings per year with one meeting being an Away Day for 'the discussion of strategic issues. The recruitment of suitable trustees remains a concern and this is even more so as we move into a period of considerable change. It is anticipated that the Board of Trustees will reduce considerably in 2017 and this will require careful management. Nominations for trustee are regularly called for, both in the Lioness and at the AGM. The role of the Trustee is now firmly established and the statutory requirements are being met in full.

On appointment, all Trustees receive a copy of the current Annual Report and Accounts, the WRAC Association Constitution 2013 with Annex A, the Duties of a Trustee and a copy of the Charity Commissioners' note 'The Essential Trustee'. A covering letter from the Vice President accompanies this pack of documents. Annual Trustee training has been introduced for all Trustees and new Trustees are required to attend a COBSEO Training Day within 3 months of appointment. A skills audit identified skills shortages and in addition to appointing Trustees with those skills training is also being investigated to cover gaps.

To provide the level of Governance necessary for the WRAC Association the Trustees are expected to attend annually all 3 Trustees Meetings, the AGM and at least one major grants committee meeting a year during which they receive a briefing by the Chairman of the Grants Committee as required. The WRAC Association continues to subscribe to the Charity Commission's on-line updates and the COBSEO newsletter and distributes updates to Trustees as and when appropriate. All Trustees have been encouraged to sign up to the monthly Gov.UK updates on charity governance.

The Trustees have recruited one Non Executive Member (NEM) who in addition to her financial legal skills brings a wealth of business experience with her, and are looking at recruiting further NEM to provide a wider breadth of experience to assist the Trustees.

Trustees are required to disclose all relevant interests and register them with the Vice President and in accordance with the WRAC Association's policy are to withdraw from decisions where a conflict of interest arises.

The Role of Area Chairman

The Area Chairman role has been reviewed and updated; with the number of Branches each Chairmen has the responsibility for adjusted to bring a better balance to the workload. Currently the London and South East Area Chairman is a vacant appointment but work is ongoing to recruit a new Area Chairman. The annual commitment for Area Chairmen is attendance at the AGM, 2 Council Meetings, an Area Reunion and at least one major grants committee meeting during which they receive a briefing from the Chairman of the Grants Committee as required.

It has proven difficult to recruit Area Chairmen as long standing appointees retire. Their role and indeed the Branches within their Areas, is changing as we move away from the formal structure established in 1992. The current trend is towards more informal Branches who meet in small groups and communicate by social networks. Our presence on such sites such as Facebook has increased by a very large amount and this is supported by our own Facebook page and our website. Membership numbers remain a concern and the Area Chairman are key to this. Council remains their consolidated voice to the Trustees and we are working towards an output based approach with the key purpose of ensuring Part 1.a of the WRAC Association's charitable object is met.

KEY MANAGEMENT PERSONNEL REMUNERATION

The Trustees consider that the Board of Trustees comprise the key management personnel of the charity in charge of directing and controlling the Association; and direct the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the reporting year. Details of Trustee expenses and related party transactions are disclosed in this report.

**REPORT OF THE TRUSTEES AND COUNCIL OF THE ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

GOVERNANCE

Work continues to improve the governance of the WRAC Association in response to the changing regulations issued by the Charity Commission. The Expenses Policy has been updated to provide more guidance to Trustees and Area Chairmen as to which duties expenses can be claimed. This financial year has seen the Internal Audit process put into full effect and has provided assurance to the Trustees of the newly appointed Finance Officer.

The Constitution 2013 has been revised and will be put to the members at the AGM in March 2017. A Skills Audit has taken place and the result of this is that the charity has been able to appoint new Trustees who possess specialist skills in investments and IT.

The financial costs of governance are budgeted for and borne by the charity as part of necessary operating costs, details are listed in this report.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient 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 Trustees are responsible for the maintenance and integrity of the charity 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

Approved by the Trustees on 7 February 2017

Signed on behalf of the board 

Colonel (Retired) Alison Brown, Chairman Date 7 February 2017

**THE WOMEN'S ROYAL ARMY CORPS ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

We have audited the financial statements of The Women's Royal Army Corps Association for the year ended 30 September 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**THE WOMEN'S ROYAL ARMY CORPS ASSOCIATION
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Rothmans Audit LLP
Chartered Accountants and Statutory Auditors
Avebury House
St Peter Street
Winchester
Hampshire
SO23 8BN

Rothmans Audit LLP

Date: *7th February 2017*

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

	Notes	Unrestricted			Total Funds Period 01.11.15 to 30.09.16 £	Total Funds Year Ended 31.10.15 £
		General Funds £	Designated Funds £	Restricted Funds £		
INCOME FROM:						
Donations and legacies	1	29,935	-	8,728	38,663	59,745
Charitable activities	2	571	-	-	571	31,986
Investments	3	15,993	-	162,944	178,937	174,349
Other income	4	6,953	-	235	7,188	9,185
TOTAL INCOME		53,452	-	171,907	225,359	275,265
EXPENDITURE ON:						
Raising funds	6	3,946	-	26,218	30,164	-
Charitable activities	7	78,866	-	232,478	311,344	410,777
Total Expenditure		82,812	-	258,696	341,508	410,777
Net Gains / (losses) on investments	9	29,834	-	407,022	436,856	(13,543)
NET INCOME / (EXPENDITURE)		474	-	320,233	320,707	(149,055)
Transfers between funds	15	2,775	(2,775)	-	-	-
NET MOVEMENT IN FUNDS		3,249	(2,775)	320,233	320,707	(149,055)
RECONCILIATION OF FUNDS:						
Total Funds brought forward	18	614,864	26,173	5,278,654	5,919,691	6,068,746
Total funds carried forward		618,113	23,398	5,598,887	6,240,398	5,919,691

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


All income and expenditure derive from continuing activities.

The notes on pages 18 to 34 form part of these financial statements.

**BALANCE SHEET
AS AT 30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible Fixed Assets	8	3,072	4,199
Investments	9	6,175,591	5,764,238
		<u>6,178,663</u>	<u>5,768,437</u>
CURRENT ASSETS			
Stock	10	2,429	4,181
Debtors	11	11,039	51,319
Cash at bank and in hand	12	65,300	106,765
		<u>78,768</u>	<u>162,265</u>
LIABILITIES			
Creditors: Amounts falling due within one year	13	17,033	11,011
		<u>17,033</u>	<u>11,011</u>
NET CURRENT ASSETS		61,735	151,254
TOTAL NET ASSETS		<u>6,240,398</u>	<u>5,919,691</u>
FUNDS OF THE CHARITY			
Restricted Funds:			
The Benevolent Funds	16	4,700,451	4,475,229
The Princess Royal's Memorial Fund	17	898,436	803,425
Unrestricted funds:			
General Funds	18	618,113	614,864
Designated funds:			
Membership life subscription fund	15	23,398	26,173
TOTAL FUNDS	18	<u>6,240,398</u>	<u>5,919,691</u>

The financial statements were approved by the Board of Trustees on ~~7 February 2017~~ and were signed on its behalf by:



Colonel (Retired) Alison Brown, Chairman

The notes on pages 18 to 34 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

ACCOUNTING POLICIES**BASIS OF ACCOUNTING**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity has chosen to early-adopt the amendments made by SORP FRS102 Update Bulletin 1: Amendments to 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

The charity constitutes a public benefit entity as defined by FRS 102.

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) issued on 16 July 2014, as amended by Update Bulletin 1, rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The presentational and functional currency of the charity is Pound Sterling. The accounts are rounded to the nearest pound.

The Charity's principle office is Unit 39, Basepoint Business Centre, 1 Winnall Valley Road, Winchester, Hampshire, SO23 0LD.

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

With respect to the next reporting period, 2016-17, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.)

CHANGE OF ACCOUNTING PERIOD

The accounts have been prepared for the 11 month period from 1 November 2015 to 30 September 2016. The comparative amounts presented in the accounts (including the related notes) are for the 12 month period from 1 November 2014 to 31 October 2015 and are therefore not entirely comparable.

The change of the reporting date was approved by the Board of Trustees in January 2016. This change was made to better align the financial year with the Charity's operational year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

Reconciliation of reported net income:

	<u>£</u>
Net income / (expenditure) as previously stated	(135,512)
Adjustment for gains/(losses) on investments now treated as a component of net income	(13,543)
2015 net income as restated	<u>(149,055)</u>

There have been no changes to the charity's equity at the date of transition, nor at the end of the previous financial reporting period, as a result of the transition to FRS102.

The charity has taken advantage of the exemption under FRS102 Section 35.10(q) not to apply paragraphs PBE34.75 to PBE34.86 in respect of combinations effected before the date of transition to FRS102.

FUND STRUCTURE

Following advice received from the Charity Commissioners during the year ended 31 October 2001, two related, but previously separate charities (The Auxiliary Territorial Service Benevolent Fund & The Women's Royal Army Corps Benevolent Fund, and The Princess Royal's Memorial Fund) were amalgamated with the Association.

The Benevolent Fund is a restricted Fund that provides one-off grants and nursing home fees to ex-service women. The Princess Royal's Memorial Fund is a restricted Fund which provides annuities to ex-service women. In addition, there is an unrestricted but designated funds for life subscriptions that make transfers to the unrestricted fund, as income received in advance is realised.

The funds of these amalgamated charities are treated as restricted by the Trustees, and are only applied for the purposes specified in the original objects of the charities concerned.

These financial statements present in aggregate, the results for the period ended 30 September 2016 and the balance sheet position as at 30 September 2016, for the three original charities with comparatives for the year ended 31 October 2015.

THE BRANCHES OF THE ASSOCIATION

The Branches of the Association do not expressly further its Objects through any explicit or implicit power provided by the Association's Constitution; neither control nor management is exercised. Furthermore, the Association's Constitution recognises formally the distinctiveness of a Branch's financial commitments from that of its own. On that basis, Council has decided to separate any financial connection that has existed and recognise in a clear and transparent way that there is no financial dependency of the Association on the Branches or vice-versa and that neither control nor management has been or will be exercised. As such branch income and expenditure is not recognised in these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

INCOME RECOGNITION

All incoming resources are recognised once the charity has entitlement to the income, it is probable that the income will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Donations are recognised upon receipt. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis, and has been classified under headings that aggregate all costs related to that category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. They are accounted for when the recipient has a reasonable expectation that they will receive a grant, and the Trustees have agreed to pay the grant without condition.

All resources expended are inclusive of irrecoverable VAT.

ALLOCATION OF MANAGEMENT AND ADMINISTRATION COSTS

Management and administration costs, including support costs and governance costs, have been allocated between charitable activities as shown in note 7.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit.

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 investments which are measured at their fair value as described more fully below..

TANGIBLE FIXED ASSETS

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	– Straight Line over 3 years
Office equipment	– Straight Line over 10 years

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

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.

The Trust does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

CREDITORS

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

LIFE SUBSCRIPTIONS

Life subscriptions are accounted for when received, and allocated to specific designated funds to be released to general funds on a straight line basis over a period of 20 years.

PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the income and expenditure account.

FUNDS RECEIVED AS AGENT

Where the charity receives resources which it is bound to pay over to a specified third party the transaction is not recognised in these accounts as the charity has no discretion over the use to which the funds are applied. The receipt of funds is not recognised as income nor is the distribution of funds recognised as expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

1. DONATIONS AND LEGACIES

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
Unrestricted		
Annual Association subscriptions	9,102	5,275
Donations to the Association	16,832	13,671
Legacies	4,001	5,100
	<u>29,935</u>	<u>24,046</u>
Designated		
Membership life subscriptions	-	1,450
	<u>-</u>	<u>1,450</u>
Restricted		
The Benevolent Funds:		
Donations	1,569	4,046
Legacies	408	22,582
Grants Returned	6,751	7,121
The Princess Royal's Memorial Fund:		
Legacies	-	500
Grants Returned	-	-
	<u>8,728</u>	<u>34,249</u>
	<u>38,663</u>	<u>59,745</u>

2. INCOME FROM CHARITABLE ACTIVITIES

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
Unrestricted		
Lioness Publication Income - Donations	571	2,345
Income from Grand Reunion	-	29,641
	<u>571</u>	<u>31,986</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

3. INVESTMENT INCOME

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
Unrestricted		
Dividend income	15,818	19,554
Deposit & SIB accounts interest	175	399
	<u>15,993</u>	<u>19,953</u>
Restricted		
The Benevolent Funds:		
Dividend income	143,252	130,091
Deposit & SIB accounts interest	300	531
The Princess Royal's Memorial Fund:		
Dividend income	19,209	23,449
Deposit & SIB accounts interest	183	325
	<u>162,944</u>	<u>154,396</u>
	<u>178,937</u>	<u>174,349</u>

4. OTHER INCOME

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
Unrestricted		
Memorabilia Sales	2,880	6,349
Patrons Lunch Prize Draw	1,115	-
Gift Aid Tax	2,958	2,316
	<u>6,953</u>	<u>8,665</u>
Restricted		
Gift Aid Tax	235	520
	<u>7,188</u>	<u>9,185</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

5. EMPLOYEES

	Period 01.11.15 to 30.09.16	Year Ended 31.10.15
The average weekly number of persons (excluding Trustees) employed by the Association during the year was:		
Office & Administration	<u>4</u>	<u>3</u>
	<u>£</u>	<u>£</u>
Staff costs for the above persons:		
Wages & Salaries	59,045	58,875
Social Security Costs	1,853	2,614
Pension Costs	2,573	3,500
	<u>63,471</u>	<u>64,989</u>

No employees received employee benefits in excess of £60,000.

The charity considers the Board of Trustees to be its key management personnel. No Trustee received any remuneration for services to the Association in the current or previous year. Reimbursements for travel expenses totalling £3,702 were made to 8 Trustees (2015: £5,836 to 9 trustees) and of £2,756 to 6 council members (2015: £1,861 to 6 council members).

The charity makes contributions to defined benefit pension schemes on behalf of its employees. The costs of these contributions are allocated between unrestricted and restricted funds on the basis of the time spent by each employee on the activities undertaken by each fund.

6 RAISING FUNDS

	Period 01.11.15 to 30.09.16	Year Ended 31.10.15
	<u>£</u>	<u>£</u>
RESTRICTED		
Benevolent Fund - Investment Management	23,028	-
Princess Royal Memorial Fund - Investment Management	3,190	-
	<u>26,218</u>	<u>-</u>
UNRESTRICTED		
Investment Management	3,946	-
	<u>3,946</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

7. CHARITABLE ACTIVITIES

	Direct Costs £	Grant Funding £	Support Costs £	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
Unrestricted Funds					
Maintaining contact and fostering friendships	10,262	-	68,604	78,866	135,981
Restricted Funds:					
Fostering esprit de corps, comradeship and welfare	19,072	179,957	33,449	232,478	274,796
	<u>29,334</u>	<u>179,957</u>	<u>102,053</u>	<u>311,344</u>	<u>410,777</u>

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
UNRESTRICTED		
Direct Costs		
Lioness publication costs	-	11,940
Grand Reunion	-	40,979
Remembrance	200	337
RH Chelsea	-	180
NMA Maintenance	5,700	2,325
Memorabilia Purchases for Shop	3,430	5,168
Standard Bearers	73	820
Flowers	28	720
Presentations	73	649
Patrons Lunch	758	-
Armed Forces Day	-	132
	<u>10,262</u>	<u>63,250</u>
Support Costs		
Staff Costs	44,658	43,709
Travel & meeting expenses	944	759
Printing, postage & stationery	2,373	2,877
Sundry office expenses	11,531	14,381
Governance - Auditors Remuneration - Audit	1,500	1,500
Governance - Auditors Remuneration - Other	600	600
Governance - AGM	1,281	-
Governance - Trustees meetings, training & advice	999	3,656
Governance - Trustees Costs	2,569	3,388
Governance - Council Costs	2,149	1,861
	<u>68,604</u>	<u>72,731</u>
TOTAL UNRESTRICTED	<u><u>78,866</u></u>	<u><u>135,981</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

7. CHARITABLE ACTIVITIES (continued...)

	Period 01.11.15 to 30.09.16 £	Year Ended 31.10.15 £
RESTRICTED		
Direct Costs - Grant Funding		
Benevolent Funds grants to 214 (2015: 318) individuals	145,895	198,756
Princess Royal's Memorial Fund grants to 28 (2015: 26) individuals	34,062	29,768
	<u>179,957</u>	<u>228,524</u>
Direct Costs (Benevolent Funds)		
Lioness publication costs	18,837	5,513
RH Chelsea	235	-
Armed Forces Day 2015	-	395
	<u>19,072</u>	<u>5,908</u>
Support Costs (Benevolent Funds)		
Staff Costs	18,813	21,280
Travel & meeting expenses	526	400
Printing, postage & stationery	1,824	543
Sundry office expenses	7,165	8,133
Governance - Auditors Remuneration - Audit	1,500	1,500
Governance - Auditors Remuneration - Other	600	600
Governance - AGM	1,281	-
Governance - Trustees meetings, training & advice	514	5,460
Governance - Trustees Costs	1,226	2,448
	<u>33,449</u>	<u>40,364</u>
TOTAL RESTRICTED	<u>232,478</u>	<u>274,796</u>

The total amount of Governance costs, as shown above, was £14,219 (2015: £21,013), of which £9,098 (2015: £11,005) relates to unrestricted funds and £5,121 (2015: £10,008) relates to restricted funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

8. TANGIBLE FIXED ASSETS

	Computer Equipment £	Fixtures & Fittings £	Total £
COST			
At 1 November 2015	4,451	3,570	8,021
Additions	-	-	-
Disposals	-	-	-
At 30 September 2016	<u>4,451</u>	<u>3,570</u>	<u>8,021</u>
DEPRECIATION			
At 1 November 2015	3,211	611	3,822
Charge for year	800	327	1,127
Elimination on Disposals	-	-	-
At 30 September 2016	<u>4,011</u>	<u>938</u>	<u>4,949</u>
NET BOOK VALUE			
At 30 September 2016	<u>440</u>	<u>2,632</u>	<u>3,072</u>
At 31 October 2015	<u>1,240</u>	<u>2,959</u>	<u>4,199</u>

Note: Fixed assets are allocated between funds as follows:

Unrestricted Fund	279	1,799	2,078
Restricted Funds - Benevolent Funds	161	833	994
Net Book Value at 30 September 2016	<u>440</u>	<u>2,632</u>	<u>3,072</u>
Unrestricted Fund	941	2,032	2,973
Restricted Funds - Benevolent Funds	299	927	1,226
Net Book Value at 31 October 2015	<u>1,240</u>	<u>2,959</u>	<u>4,199</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

9. INVESTMENTS

	2016	2015
	£	£
Unrestricted general funds:		
Brewin Dolphin Portfolio	576,090	417,314
M&G Charifund Units	-	130,769
Canaccord Gen Inv Cgwm Remap 4 Dis Nav	-	1,604
COIF Deposit Account	25,240	50,240
	<u>601,330</u>	<u>599,927</u>
Restricted Benevolent Funds:		
Brewin Dolphin Portfolio	4,690,843	3,401,964
M&G Charifund Units	-	992,420
COIF Deposit Account	64,000	64,000
	<u>4,754,843</u>	<u>4,458,384</u>
Restricted Princess Royal's Memorial Fund:		
Brewin Dolphin Portfolio	766,766	337,005
M&G Charifund Units	-	316,270
COIF Deposit Account	52,652	52,652
	<u>819,418</u>	<u>705,927</u>
Total investments at market value	<u><u>6,175,591</u></u>	<u><u>5,764,238</u></u>

	2016	2015
	£	£
Investments at fair value comprise:		
Listed Investments	5,924,957	5,597,346
Cash held within the investment portfolio	250,634	166,892
	<u>6,175,591</u>	<u>5,764,238</u>

The historical cost of these investments, purchased at various dates, is as follows:

	2016	2015
	£	£
Unrestricted general funds	569,682	570,183
Restricted funds:		
Benevolent Funds	4,442,605	3,706,384
Princess Royal's Memorial Fund	701,762	423,505
	<u>5,714,049</u>	<u>4,700,072</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

9. INVESTMENTS (continued)

	<u>2016</u> £	<u>2015</u> £
Market value brought forward at 1 November	5,764,238	5,947,782
Additions	1,904,953	4,164,039
Disposals	(1,962,897)	(4,353,596)
Unrealised gains	469,297	6,013
Market value carried forward at 30 September 2016	<u>6,175,591</u>	<u>5,764,238</u>

Note:

Unrealised gains (as above)	469,297	6,013
Losses on disposal of investments	(32,441)	(19,556)
Total gains / (losses) on investments	<u>436,856</u>	<u>(13,543)</u>

10 STOCK

	<u>2016</u> £	<u>2015</u> £
Memorabilia Stock	2,429	4,181
	<u>2,429</u>	<u>4,181</u>

During the period, £3,430 of expenses were recognised in respect of stock sold during the year.

11. DEBTORS

	<u>2016</u> £	<u>2015</u> £
Due Within One Year:		
Prepayments	8,522	4,651
Accrued Income	-	42,523
Other Debtors	2,517	4,145
	<u>11,039</u>	<u>51,319</u>
Unrestricted		
Restricted	4,020	9,814
	<u>7,019</u>	<u>41,505</u>
	<u>11,039</u>	<u>51,319</u>

The 2015 accrued income relates to investment dividends for the period which were received after the year end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

12. CASH AT BANK & IN HAND

	<u>2016</u> £	<u>2015</u> £
Current accounts	21,619	20,880
Deposit accounts	43,447	85,543
Cash in hand	234	342
	<u>65,300</u>	<u>106,765</u>
Unrestricted	10,738	25,991
Restricted	54,562	80,774
	<u>65,300</u>	<u>106,765</u>

13. CREDITORS

	<u>2016</u> £	<u>2015</u> £
Amounts falling due within one year:		
Accruals	13,543	5,073
Credit Card	87	943
Deferred Income	3,403	4,995
	<u>17,033</u>	<u>11,011</u>
Unrestricted	6,313	8,791
Restricted	10,720	2,220
	<u>17,033</u>	<u>11,011</u>
	<u>2016</u> £	<u>2015</u> £
Deferred income:		
Deferred income brought forward	4,995	16,326
Income released in current year	(4,995)	(16,326)
Income deferred in current year	3,403	4,995
Deferred income carried forward	<u>3,403</u>	<u>4,995</u>

The deferred income relates to membership subscriptions for the next financial period which were received during the current year. In 2015 the brought forward deferred income also included tickets sold in advance for the 2015 Grand Reunion.

Accruals include £1,820 in respect of grants payable on behalf of ABF: The Soldiers Charity as noted below.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

14. FUNDS RECEIVED AS AGENT

During the year the WRAC Benevolent Funds received £20,020 (2015: £22,880) from the ABF in response to requests for assistance in meeting the needs of beneficiaries. During the year £18,200 (2015: £22,880) was paid out to those beneficiaries. As at 30 September 2016 funds of £1,820 were held on behalf of the ABF (2015: £NIL) and the liability to pay these funds is included in Accruals above.

15. DESIGNATED FUNDS

	Life Membership £	Total 2016 £	Total 2015 £
1 November 2015	26,173	26,173	27,798
Subscription Income	-	-	1,450
Transfers to general funds	(2,775)	(2,775)	(3,075)
30 September 2016	<u>23,398</u>	<u>23,398</u>	<u>26,173</u>

Designated funds relate to membership life subscriptions which are released to general funds on a straight line basis over a period of 20 years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

16. THE BENEVOLENT FUNDS

	<u>2016</u> £	<u>2015</u> £
1 November 2015	4,475,229	4,562,415
Incoming resources		
Voluntary Income	8,728	33,749
Investment Income	143,552	130,622
Other incoming resources	235	520
Resources expended		
Raising Funds	(23,028)	-
Charitable activities	(198,416)	(245,028)
Gains on investments	294,151	(7,049)
30 September 2016	<u>4,700,451</u>	<u>4,475,229</u>

Cumulative unrealised gains on investments included in The Benevolent Funds balance at the year end amounted to £312,238 (2015: £752,000)

The Benevolent Funds including the Princess Royal Memorial Fund is the restricted fund representing the activities of The Auxiliary Territorial Service and The Women's Royal Army Corps Benevolent Fund (incorporating the Princess Royal's Memorial Fund), which is a subsidiary charity of the WRAC association. The funds may be applied only in pursuance of the objects of the charity, namely:

- To promote the interests and welfare of persons who have served in the Corps in such ways as are charitable in law; and
- The relief of persons in need who are either:
 - Persons who have served in the Corps; or
 - The children or dependents of any person (alive or dead) who has served in the Corps

The Trustees may relieve persons in need by:

- Making grants of money to them; or
- Providing or paying for goods, services or facilities for them; or
- Making grants of money to other persons or bodies who provide goods, services or facilities to those in need.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

17. THE PRINCESS ROYAL'S MEMORIAL FUND

	2016	2015
	£	£
1 November 2015	803,425	809,784
Incoming resources		
Voluntary Income	-	500
Investment Income	19,392	23,774
Resources expended:		
Raising Funds	(3,190)	-
Charitable activities	(34,062)	(29,768)
Unrealised gains on investments	112,871	(865)
30-Sep	<u>898,436</u>	<u>803,425</u>

Cumulative unrealised gains on investments included in The Princess Royal's Memorial Fund balance at the year end amounted to £117,656 (2015: £282,422)

The Princess Royal's Memorial Fund is included within the Auxiliary Territorial Service and Women's Royal Army Corps Association Benevolent Fund (including the Princess Royal's Memorial Fund).

Historically this was a separate charity and for disclosure purposes the Trustees wish this to be separately identified.

18. TOTAL FUNDS OF THE ASSOCIATION

	1 Nov	Incoming	Outgoing		30 Sep
	2015	Resources	Resources	Transfers	2016
	£	£	£	£	£
Unrestricted Funds:					
General funds	614,864	83,286	(82,812)	2,775	618,113
Designated funds:					
Membership life subscription fund	26,173	-	-	(2,775)	23,398
Restricted Funds:					
The Benevolent Funds	4,475,229	446,666	(221,444)	-	4,700,451
The Princess Royal's Memorial Fund	803,425	132,263	(37,252)	-	898,436
	<u>5,919,691</u>	<u>662,215</u>	<u>(341,508)</u>	<u>-</u>	<u>6,240,398</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 NOVEMBER 2015 TO 30 SEPTEMBER 2016**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	TOTAL £
Unrestricted Funds:			
General funds	603,408	14,701	618,109
Designated funds:			
Membership life subscription fund	-	23,398	23,398
Lioness life subscription fund	-	-	-
Restricted Funds:			
The Benevolent Funds	4,755,837	(55,382)	4,700,455
The Princess Royal's Memorial Fund	819,418	79,018	898,436
	<u>6,178,663</u>	<u>61,735</u>	<u>6,240,398</u>

Cumulative unrealised gains on investments included within the unrestricted general funds balance at the year end amounted to £31,648 (2015: £29,744)

20 ULTIMATE CONTROLLING PARTY

The charity is controlled by its Trustees.

21 RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year, other than the reimbursement of expenses to Trustees as disclosed in note 5.

THE WOMEN'S ROYAL ARMY CORPS ASSOCIATION

PERIOD ENDED 30 SEPTEMBER 2016

IN MEMORIAM

Donations were made by individuals and branches in memory of the following:

Mairwen Prangley RIP	WRAC Association
Eleanor Bowles RIP	Both Funds
Jean MacDowell RIP	WRAC Association
M Ashfield RIP	WRAC Association
Joan Elizabeth Pope RIP	WRAC Association
Mrs Veronica Shiells RIP	ATS and WRAC Association Benevolent Fund

LEGACIES

ATS and WRAC Association Benevolent Fund	Mrs FT Goff RIP	£359
Princess Royal's Memorial Fund	Nil	
WRAC Association	Mrs Phyllis Edith Young RIP Mrs Mary Elizabeth Millard RIP	£2,000 £2,000

INDIVIDUAL DONATIONS

ATS and WRAC Association Benevolent Fund	60 individual donations totalling £1,539
Princess Royal's Memorial Fund	Nil
WRAC Association	304 individual donations totalling £16,717

BRANCH DONATIONS

ATS and WRAC Association Benevolent Fund	Portsmouth
WRAC Association	Mediterranean Cleveland Bristol Wirral Chester Plymouth

AREA DONATIONS

Nil