



Annual Report 2014-15



Founding purpose of the OA

The primary object of the Association shall be by grants of money loans guarantees and other financial methods to relieve distress among the following persons (whether men or women) and their wives, widows, husbands, widowers, children and dependants namely persons who have at any time held a commission in Our Naval, Military or Air Forces and to aid and assist and promote the interests of all such persons in such ways as are legally charitable.

To re-establish ex-Officers of Our Forces in civil life.

THE OFFICERS' ASSOCIATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015

Contents

Chairman's Introduction	6
Chief Executive Officer's Report	7
Trustees' Report:	8
Benevolence Report	9
Employment Report	16
Marketing and Communications	21
Support	22
Financial Review	23
Consolidated statement of financial activities	28
Charity statement of financial activities	29
Consolidated and Charity balance sheets	30
Notes to the financial statements	31
Independent auditors' report	38
Charity information	39

Introduction By The Chairman Of Trustees



Alex Spofforth
Chairman of Trustees

The Officers' Association (OA) is in the fortunate position of working with a number of other very effective charities, and I begin my introduction to the 2015 Annual Report by recognising the important financial support and practical collaboration of the stakeholders listed on pages 41 and 42, as well as our own team's work in the development of modern systems and approaches to our charity's work. I would particularly like to acknowledge the ongoing support from The Royal British Legion, which continues to be a major source of funding to the charity.

None of the services we deliver would be possible without the help in the field of our Honorary Representatives, the support of employers who continue to recognise the talent in officers from our Services, and my fellow Trustees, to all of whom I express deepest thanks.

We have two 'pistons' working hard in harmony all year round to deliver assistance to our beneficiaries: our Employment and Benevolence teams. Both have become more and more professional each year, and have needed more funding to get them to that position. They have been managed by incredibly able and patient leaders and manned by people who understand, just like the officers and families we look after, the meaning of excellent team work.

2015 has seen the development of an effective regional presence in Bristol, Leeds and Portsmouth, specifically aimed at improving the delivery of our Employment services and products beyond the London office. The Benevolence Department has seen the introduction and implementation of "The Independence Star™" system, which provides a holistic approach to assessing benevolence needs, both financial and non-financial. This carefully designed analytical tool gives the OA a unique capability to enhance the delivery of our Benevolence services, the success of which is vital to the reputation and credibility of the OA in its core purpose.

'Life beyond the Services' can be both rewarding and fulfilling; and this Nation now appreciates and is employing the skills nurtured through military service. As the recession fades, economic growth needs such talent and experience. The past was not always as positive. The families of my friends who were less fortunate and those who continue to struggle with the longer lasting and emerging issues from more recent campaigns will continue to need our help. We must remain vigilant and listen hard.

Finally, following the handover by The Officers' Association of the bequest from Barclay Hankin to Christ's Hospital in 2013, the Chairman of Governors reports that the first 'presentee' to benefit from the Hankin fund is now at the School. As Trustees agreed when the bequest was transferred, in order to meet most closely the conditions in the will of Major Hankin (a former Royal Signals Officer), a shoulder plate with the Royal Signals 'Mercury' badge is to be worn by the presentee.

Chief Executive Officer's Report



Lee Holloway
Chief Executive Officer

2014-15 was very much an aspirational year for The Officers' Association (OA): a year where the Employment and Benevolence Departments were encouraged to formulate new ideas and concepts aimed at extending the capabilities of the charity. The ideas taken forward formed part of a three year strategy designed to raise the profile of the organisation, improve quality of service, and increase the number of beneficiaries.

As in the previous year, much of the focus remained with the Employment Department, with the defining and re-structuring of the services available to those undergoing the transition into civilian employment; and setting up Business Development teams to work with employers regionally. The newly established office in Leeds is fully manned and operational, and getting busier as word spreads amongst the Armed Forces community. The office in Bristol has also opened for business and, with some revision over the forthcoming year, will meet the needs of job seekers in the West and South West of the country.

The Career Transition Partnership (CTP) contract came to an end on 30th September 2015, with the new contract awarded to the incumbent provider, Right Management. As I write this report, the OA is in negotiation with Right Management to continue in its role as a sub-contractor to the programme and potentially extend its services. I would hope that by this time next year I will be in a position to report the OA to be under contract and positioned to offer improved services to the CTP and its clients.

The Benevolence Department continues to provide a superb service to our beneficiaries. Assistance in its various forms has increased and we adjusted thresholds to ensure we were meeting need. However, it is acknowledged that more has to be done to ensure that the knowledge of what is available is more widely spread to those who qualify for help. Strategic discussions concerning the Benevolence Department over the coming year will focus on gaining a better understanding of the community the OA serves, and a more accurate picture of the numbers of potential beneficiaries, where they are located and what the priorities should be.

In last year's report I mentioned the intention to develop an analysis tool which would allow the department to assess the impact of its services on the beneficiaries. The tool is now fully developed and embedded as part of the overall processes followed by the department. Refinements of the Independence Star analysis tool will continue as we learn more about the benefits to both beneficiaries and Honorary Representatives.

The coming year will require the OA to improve its ability to communicate its services to both serving and retired officers. Initial steps have been taken to tailor the communications strategy to raising the OA's profile within those two communities, and measuring the resulting outcome. We shall also be publishing in the spring an Impact Report which will demonstrate the difference we are making to people's lives.

Trustees' Report

The Trustees present their Annual Report and the audited financial statements for the year ended 30 September 2015.

Trustees, Volunteers and Staff

Trustees. The Charity has 10 Trustees (page 39).

Volunteers. The Trustees would like to thank the volunteers for their contribution:

- **Honorary Representatives.** A total of **175** “Hon Reps” in the United Kingdom and overseas play a key role by visiting and investigating the circumstances of potential beneficiaries.
- **Employment Volunteers.** Some **600** volunteers on the Network Contact List give vital support to job seekers, supplementing Career Consultant advice with sector and role specific knowledge and guidance.
- **Caseworkers from other charities.** Caseworkers from the Soldiers, Sailors, Airmen and Families Association (SSAFA), The Royal British Legion (TRBL), the Royal Air Force Association (RAFA), the Royal Commonwealth Ex-Services League (RCEL) and Zimbabwe A National Emergency (ZANE) visit places where the OA does not have Hon Reps.

Our Staff. The Trustees are grateful for the dedication, hard work and expertise of the **24** full time and **7** part time salaried staff during another busy year.

Co-operation with other organisations and charities

- During the year, the OA administered £420,000 in co-operation and almonisation from 63 charities. This resulted in 4,400 payments to individuals, suppliers to our beneficiaries, care homes and other organisations. Much of the work of the small team of Benevolence Secretaries is involved with contacting other charities, service and civilian, to augment the OA's own payments. The OA is grateful to these charities who share an interest in the welfare of our beneficiaries. Our beneficiaries are always informed about the charity which has contributed with their contact details to allow the beneficiary the opportunity to thank them personally.
- The OA is an occupant of Mountbarrow House under licence from ABF-The Soldiers' Charity and shares many building services with them. The OA has found this arrangement efficient and cost-effective and is grateful to The Soldiers' Charity for their co-operation.
- The OA is a member of Cobseo, the Confederation of Service Charities; the OA's CEO sits on both their Executive Committee and Finance Committee.
- The OA has worked with the Regular Forces Employment Association (RFEA) and OA Scotland as the Joint Employment Partnership (JEP), sub-contracted to the Career Transition Partnership formed by Right Management and the Ministry of Defence to provide resettlement services to service leavers. The JEP board consists of the Chairman, Alastair Singleton (OA Trustee), the Managing Director, Brigadier Stephen Gledhill, and two Directors, the OA CEO and the Chief Executive of OA Scotland, Mary-Clare MacFarlane. The Managing Director is invited to be in attendance at the OA Executive Committee. The RFEA and OA also share the services of a receptionist at Mountbarrow House and, during the bidding process for the CTP re-let, jointly employed a Business Development Manager to engage with potential prime contractors.
- A full list of charities and organisations with whom the OA worked in 2014 -15 is at the end of the Report.

> Benevolence Report

Overview

The Officers' Association's Benevolence Department's primary purpose is to make grants for the benefit of individuals. Grants fall into two main areas: regular allowances, predominantly for elderly beneficiaries on low incomes, and one-off grants towards specific items such as disability equipment. In addition, the OA provides grants to bridge the gap between the fees charged for residential care and the funds that the individual can provide from personal, family and/or local authority sources.

The OA does not generally give grants to other charities other than for the administration costs of beneficiaries overseas. These payments are included in the operating costs of the Benevolence Department.

The Benevolence Department also gives advice to former officers and their families on a range of subjects from statutory benefits to accommodation issues.

Objectives

One of the longer term challenges faced by the Benevolence Department is the need to communicate the capability and services available to potential beneficiaries. In order to ensure that the OA has a thorough understanding of the numbers and distribution of those who need assistance, the OA has over the past year been building the case for funding to commission research into accurately assessing the beneficiary demographics. Subject to funding, it is intended that the work will start by April 2016.

In line with the strategy set by the Trustees at the beginning of the year, the main task was to measure the impact of the services the department delivers. Over the course of the year focus moved towards providing a more holistic service for its beneficiaries, using a new analysis and reporting system: "The Independence Star", a bespoke tool created for The Officers' Association. Much time has been devoted to developing the tool and to training our Honorary Representatives (Hon Reps) in its use, following a successful six month pilot scheme which ended in March 2015.

At the same time, a programme to modernise and update the content on the OA website was initiated to improve the quality and accessibility of advice given online to beneficiaries. This involved a review, re-write and re-formatting of the content in the Benevolence section of the website. This successful outcome has been achieved with support from the John Lewis Partnership's Golden Jubilee Trust whereby a volunteer is able to help a charity with a project. Adam Reed from John Lewis spent three months with the OA developing the content of the website for those beneficiaries who are able to self-help. This provided the platform to develop the department's marketing.

It was also an opportunity to incorporate the newly established sub-brands based on The Independence Star which reflect the six areas of activity of the department, as shown below.



These six categories allowed advice and services on offer by the OA to be presented in a much more user friendly manner which, in addition to new images and a consistent navigation system, produce a far more rewarding experience to visitors.

These simple improvements have laid the groundwork for a programme of developments on the website which will be carried out through the coming year.

It is becoming more apparent that loneliness and isolation are growing problems, with research showing that loneliness can be detrimental to a person's mental and physical wellbeing. Local government funding cuts have led to the closure of day centres, clubs and activities which may have helped reduce the impact of isolation on the older population.

During 2015 the Head of Benevolence has been investigating routes towards helping beneficiaries who may be lonely and lacking in any sort of companionship. The provision of an internal "befriending" service was considered. However, for a number of reasons this was thought to be impractical. Age UK already provides a befriending telephone service, and The Silver Line provides a similar service as well as a pen pal scheme. Working with these two charities, a project has been initiated which will be launched in 2016. This has been made possible with the kind support of the Civil Service Insurance Service Charity Fund which is providing the funding.

Disabled Officers' Garden Homes, Watford

The OA continues to be responsible for selecting new tenants for the Disabled Officers' Garden Homes at Leavesden, near Watford. The Estate is managed by Haig Homes whilst the OA provides assistance for the welfare of residents when this is needed. Finding occupants who satisfy all the criteria of the Charitable Objects is proving to be challenging and the OA will be liaising with Haig Homes to increase advertising whilst working together to find a solution.

Financial Assistance

Regular Payments. Of the **690** individuals (710 in 2013-14) given financial help this year, **459** beneficiaries (490 in 2013-14) on low incomes received regular help in the form of a Standard Allowance.

Homes Assistance. In addition, **47** beneficiaries (50 in 2013-14) received Care Home "top-up" fees and **11** beneficiaries (14 in 2013-14) received payments to help them to be cared for in their own home. The OA is grateful to a number of associated charities (see page 41-42) for their generous grants without which the beneficiaries could not have been accommodated in the most appropriate home for them.

"I want to thank you on behalf of my father and family. We are delighted with the award from the OA, the Regiment and The Soldiers' Charity. Managing my father's affairs and his wellbeing is hard as we see him struggle with Alzheimer's. He is physically healthy and has great memories of his 58 years with Mum. We believe he is best off at home and it is heart warming to ring and hear him laugh with his carer. And he can get out and about locally. Without the support we could not have coped."

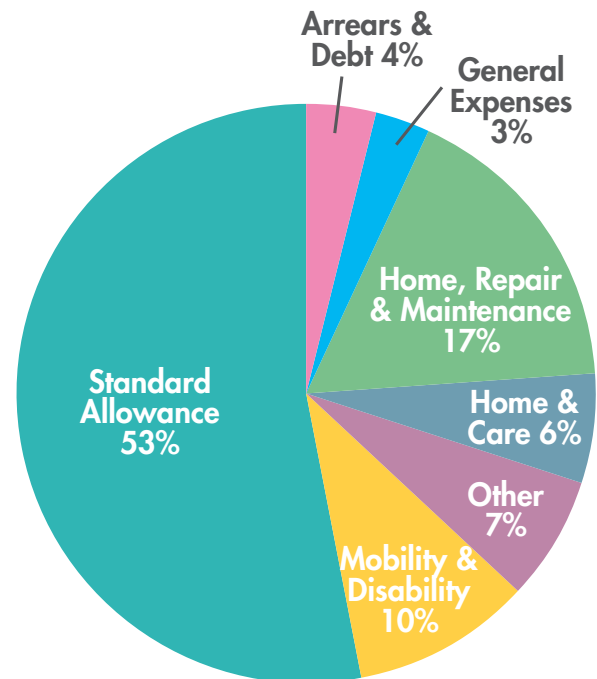
Mrs C, daughter of former Army Officer

One-off Grants. This year, **361** beneficiaries (458 in 2013-14) received “one-off” payments; some of these beneficiaries also received regular help. One-off grants accounted for 33% of the total expended.

Overseas Cases. The OA assisted **159** beneficiaries (146 in 2013-14) in **30** countries (25 in 2013-14) this year. The highest numbers are: 47 in Zimbabwe, 18 in South Africa and 13 in Spain. The Royal Commonwealth Ex-Services League (RCEL) assists the OA by making payments in Commonwealth and former Commonwealth countries: the OA paid the RCEL an administration fee of £20K for this help.

Property Improvement Loans. During the year, the number of cases fell from seven to six due to the repayment of a loan.

Grants by Category



“Following the death of my husband and a spell of sickness when I lost my job, I must thank you for helping me with an annual allowance. When you told me that the RAFBF was also helping with a one-off grant, I couldn’t believe it. Not only am I better off financially, but my distress and worry about my situation have also gone. I cannot thank you enough and the Honorary Representative who was so understanding about my situation.”

Mrs T, widow of former RAF Officer

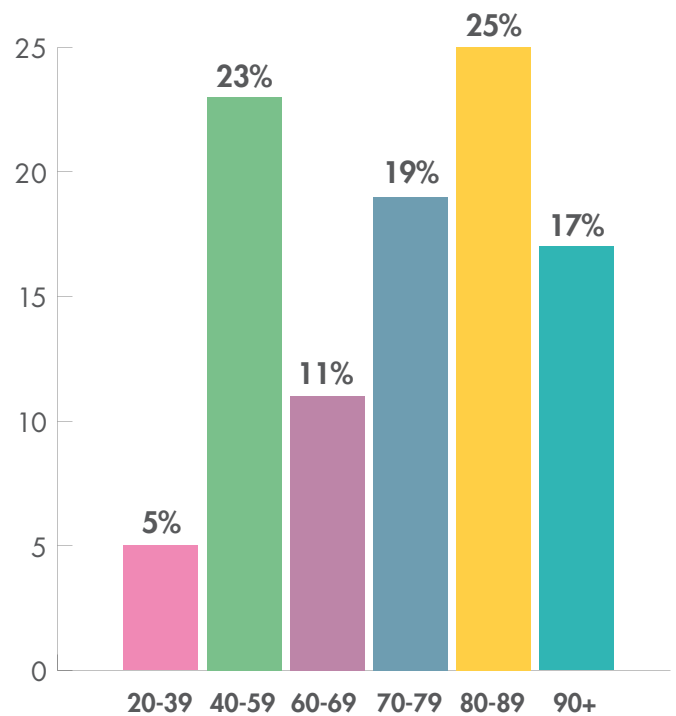
“I write with grateful thanks to the OA and the Royal Navy Officers’ Charity for the continued support and generosity. Here in Spain the utility bills, food and living expenses have all gone up so much. I am so lucky to have survived living in London during WWII and now thanks to you all I can enjoy my latter years worry-free. Thank you again for being there for me.”

Mrs F, widow of former RN Officer

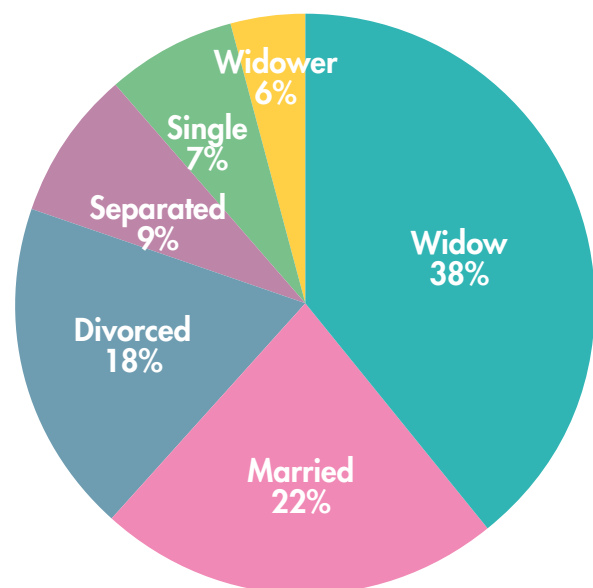
Those we help

Our beneficiaries comprise 58% Army, 26% RAF and 16% Royal Navy. Some 42% of beneficiaries are aged 80 or older, with women making up the greater share, being 59% of those we assist. Adding together the ostensible “singles”, which total 77% , highlights the potential issues of loneliness and isolation. The OA has started to consider how we might help with these issues particularly.

Age of Beneficiaries



Marital Status



Not only financial assistance but also advice

In addition to the website which provides help to those who can self-help, the OA's support extends beyond financial assistance. In addition to the 690 beneficiaries who received advice and payments, another 236 received advice, assistance and signposting to other charities. Supporting these **926** people (920 in 2013-14) involved some 13500 e-mails and telephone calls over the year. Advice is a valuable Benevolence team output; it is often more time consuming than paying grants.



The role of an Hon Rep



Ken Roberts OStJ
OA Honorary Representative

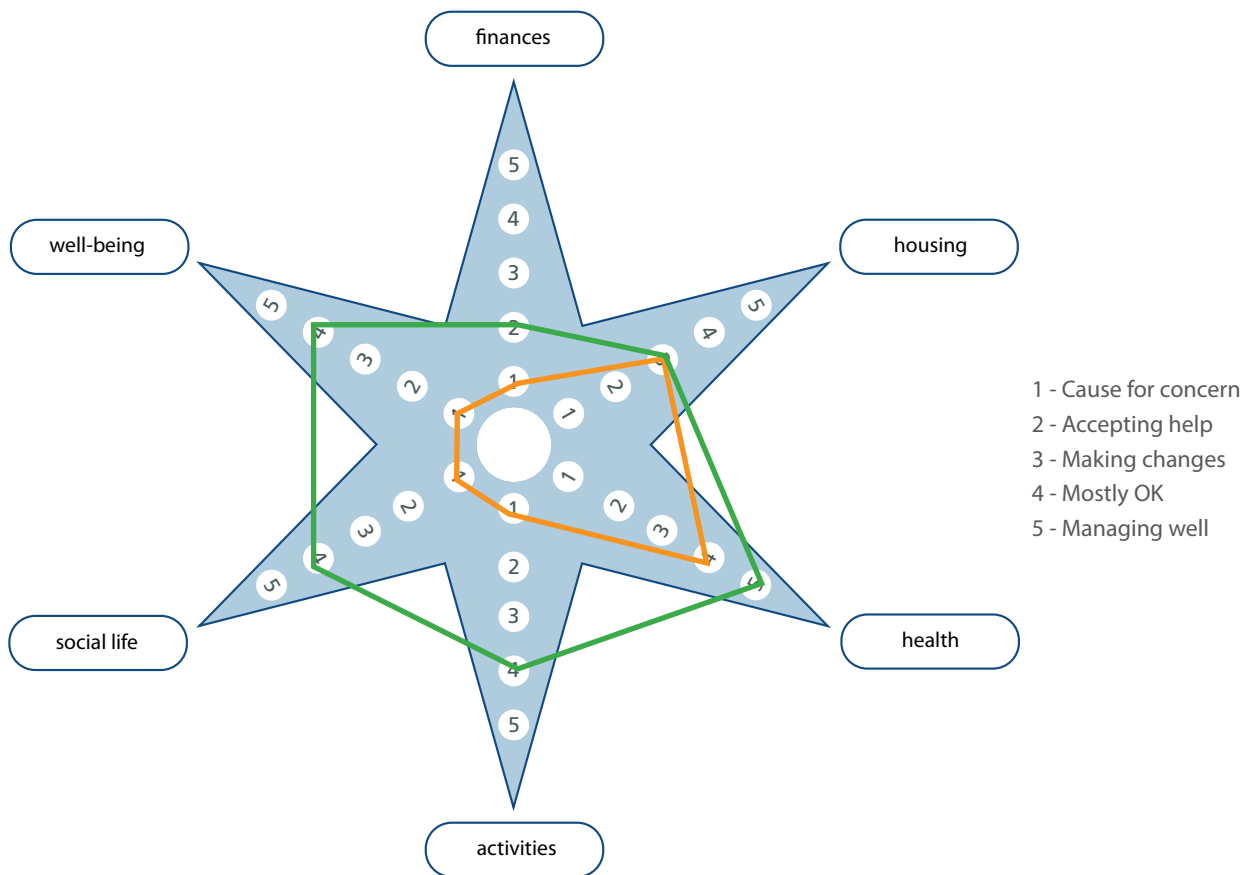
Ken Roberts OStJ served in the Royal Army Medical Corps (RAMC) as a regular from 1974 to 2010, retiring as a Lieutenant Colonel. Ken has been an Hon Rep at the OA for five years.

“The role of the Hon Rep is to act as the eyes and ears of the OA. Hon Reps need to be discreet, sensitive, empathetic and non-judgemental in their dealings with beneficiaries. Most importantly, they need to be good listeners, and be prepared to deal with personal and sensitive information often under circumstances when beneficiaries are ill and/or distressed.”

“Hon Reps are supported by the staff at the OA, and receive full training. I have thoroughly enjoyed my experience in this role, and have had the privilege of meeting and working with beneficiaries, and observing at first hand just how much they have been assisted by the OA.”

The Independence Star™

Our new analysis and reporting system takes a holistic approach to a beneficiary's needs. It gives a structure for our Hon Reps to work with, which in turn enables an applicant to describe their needs and to prioritise the areas where they require assistance to make changes in their lives. This new system also gives consistent and high quality information which enables the Benevolence team to focus on the help required. The additional benefits are an ability to evaluate our performance, plan new services to benefit our community, and measure the impact of our work.



Independence Star™ example

Year 1 ————
Year 2 ————

The tool concentrates on six areas of potential need: finance, social life, housing, health, activities and well-being, as we recognise that not only might our beneficiaries need financial assistance but may also, for example, feel lonely. The illustration above gives an instant snapshot of Year 1 (prior to help being given) and Year 2 (after help has been given). The further out from the centre at each point, the better the client feels about their situation.

It has been gratifying that the beneficiaries and the Hon Reps have welcomed this new approach. However, it needs to be recognised that this is a “slow burn” project and will take at least two years to be used for every beneficiary, when we have reviewed their progress over time.

Benefits for our applicants

- Hands responsibility to applicant whilst structuring conversation
- Greater engagement from applicant
- Hon Reps apply holistic approach
- Makes progress visible and identifies next steps

"The Star helped expose and give insight into the very acute problems affecting my life, in a very positive way. I felt someone cared. This Independent Star review was the first step. The OA was so kind and respectful of my feelings and situation. I was left feeling very positive about trying to feel like a person."

Beneficiary

"The Star really helped my client to focus - it was a turning point. If we had used our "old" assessment process we would still be in the same place, but this is a transformation. It was as if the Star had dragged the information out, and then we could give the right support."

Hon Rep

We are grateful for the assistance of Triangle Consulting in our work on The Independence Star.

> Employment Report

Overview

The OA Employment Department's primary purpose is to enable former officers (job seekers) to gain sustainable employment. To achieve this we aim to develop their knowledge (OA Insight), assist in the building of personal networks (OA Connect) and work with employers and organisations to bring jobs and other opportunities (OA Appointments).

A growing number of organisations (both charitable and profit making) offer transition support to those leaving the Services. However, the OA is unique in offering tailored advice and targeted services for officers seeking to enter the executive jobs market. By focussing on this particular niche, the OA has been able to build its expertise and better understand job seekers to ensure maximum "added value". This focus has encouraged effective employer engagement across a wide range of roles and sectors. The OA also provides contact between job seekers and former officers already established in civilian roles who volunteer to provide advice and guidance to those in transition. The OA strives to adopt the latest industry best practice and to modernise channels giving access to its services. It has also strongly supported the employer leadership agenda in officer transition.

In 2014-15 the OA continued to supplement, but not duplicate, the transition services offered by the Career Transition Partnership (CTP) for Service leavers. This is especially important since the executive jobs market often requires a different approach, with a much greater emphasis on networking and the need to research opportunities as well as achieving effective personal branding and marketing. It is these and other more specialist areas that the OA particularly seeks to assist job seekers with.

Objectives

The major focuses for 2014-15 were to continue broadening the geographical reach of employment services with the opening of a Bristol Office and consolidation of services from the Leeds and Portsmouth Offices; further expansion of the services on offer to job seekers and their spouses; and increasing business development activities to provide greater engagement with employers pre-disposed to employing and supporting former officers.

Going forward in 2015-16, the department has identified a number of key development areas, these include:

- Growing the online community of serving and former officers and improving engagement between these groups (both on and off line) and employers.
- Increasing the number of job seekers and former officers accessing the department's services.
- Developing and implementing a strategy to support the officers' spouses.
- Building relationships with organisations/charities/associations which work with serving and retired officers, with the aim of signposting services and support to the mutual benefit of all parties.
- Exploring options for working more closely with the CTP and delivering services as part of the wider CTP contract.
- Increasing the department's portfolio of employer programmes in the attraction, recruitment and retention spaces.
- Further development of productive relationships with employers and other organisations to the benefit of job seeker outcomes.

“The introduction of a Leeds office makes the OA far more accessible for those of us who don’t live in London.”

Job seeker

“I have been very impressed by the OA in helping with my transition. The events and workshops run in NE England have all been excellent and represent outstanding value for Service leavers.”

Job seeker

Regional Offices

During 2014-15 the OA continued the strategy of strengthening its regional footprint. Services for job seekers are now offered across all regional offices from networking events to workshops and 1:1 career consultations and symposia. Workshops have covered LinkedIn, Networking, Business Start Up and sector/role specific topics such as Project Management. Networking opportunities targeting job seekers and employers were provided through OA sponsored events, focussing around a keynote speaker, and local networking groups set up by former officers were also promoted. Insight events run by employers were actively supported and promoted by the OA, providing job seekers with opportunities to engage productively with those seeking to recruit former officers.

The Bristol office was launched in May 2015 with an event attended by over 80 employers, network contact volunteers, local influencers and job seekers. Other highlights from this office have included a professional development training pilot, run in conjunction with the Institute of Directors (IOD). Relationships have also been built with the resettlement team at Abbey Wood who have promoted the OA and provided opportunities to engage with those in transition.

The Leeds office has continued to consolidate and expand the services on offer to those stationed or looking to settle in the north of England. These have included a symposium at the University of York. Whilst take up of these services by job seekers has been slower in comparison with the South West, a continued effort to raise the awareness of the OA through local engagement with the CTP, Reserves and Army Brigades is proving effective. A pilot Project Management workshop bringing together job seekers, employers and network contact volunteers, proved very popular and will provide a blueprint for future activities.

Job Seeker Services

Support to Spouses: Research was commissioned from the Evidence Centre (an independent research organisation) to learn more about the barriers to spouses finding employment and the support required. The report recommendations will be taken forward in 2015-16 with the implementations of new services envisaged in late 2016. The OA is grateful to Seafarers UK for funding this research.

“The OA Careers Consultant gave authentic and invaluable insights into the process of work researching and personal networking. I came away with the sense of much work to do, but a much clearer idea of where best to concentrate and sequence my efforts. I would strongly recommend the OA one-to-one to other Service leavers.”

Job seeker

Salary Survey: Over 1000 former officers took part in the OA’s salary survey, providing valuable insight into typical salaries officers achieved on leaving the Services. This survey was conducted across various regions, roles and sectors. The information gathered will be incorporated into the transition App due to be launched in 2016.

“Officers have great leadership skills, they are able to motivate and influence people, they are confident as well as being good at problem solving and making decisions quickly.”

Kevin Moylan
Head of Project Management - Nationwide

Employer Engagement

The Business Development (BD) team was expanded in 2015 with the arrival of two regional BD managers (North and South West) and a part-time BD consultant based out of the Bristol office. The main focus to date has been on developing the OA Employment Department BD strategy and over arching delivery framework; standardising processes and sharing best practice across all regions; identifying, prioritising and engaging with high value employers; developing and implementing programmes for employers and other organisations to support the job seeker agenda.

Business Development Strategy. The over arching BD strategy is based upon delivery of professional, high value, bespoke support to organisations with the aim of developing and implementing programmes in the Attraction – Recruitment – Retention spaces. This is a key differentiator from other organisations who have tended to focus more on transaction relationships with employers with the aim of sourcing jobs or offering a standard programme delivery format not specifically tailored to the organisation or a particular issue. The key aim going forward into 2015-16 is to further develop the OA’s expertise and evidence based collateral across all areas; the latter including case studies, insight papers and delivery tools which can be used with successive employers. This together with establishment of employer leadership groups will define the OA as a leader and key influencer in the transition space, creating another point of differentiation.

Business Development Activities. Business Development activities in all regions are now starting to gain traction and a number of employer relationships have already been developed which are bringing tangible outcomes for job seekers. Employer programmes which have been delivered or are currently being developed include Nationwide Building Society, Zurich Insurance, Asda, Network Rail, WYG, University of West of England, Health and Social Care Information Centre, NHS Sheffield Teaching Hospital, AMCO Rail and Institute of Directors.





“An extremely informative day. Very focussed and directed advice being offered throughout the event. Overall an excellent afternoon which re-energised and confirmed that I was making progress in the right direction.”

Job seeker

CTP

Throughout 2014-15, the OA acted as sub-contractor for the existing contract, and engaged with potential prime contractors bidding for the new (CTP 2015) contract which was awarded to Right Management (the existing contractor) with effect from 1 October 2015.

Those we helped

In 2014-15 the number of new job seekers who registered for OA services (Jobs Board, Network Contact List, Events, Webinars and 1:1 consultations) was **1501**; this is in addition to the 2050 job seekers who have continued to use OA services from 2013-14.

OA INSIGHT

Almost **7000** job seekers have accessed OA Insight webinars (live and archived), compared to 1600 in 2013-14, with an additional **400** attending workshops and symposiums (153 in 2013-14).



“My thanks to OA for giving me the opportunity to attend this event which was truly inspiring. Having just commenced this transition, the OA has already provided me with the confidence to look at a wider range of potential employers.”

Job seeker

OA CONNECT

In 2014-15 OA networking events have been run in Winchester, Tidworth, Portsmouth, Catterick and Bristol with some **400** job seekers, network contact volunteers and employers attending; this was a new initiative for 2014-15 and so there is no comparable value for 2013-14. Three further local networking groups run by former officer volunteers have been promoted and supported by the OA: the Two Roses (Leeds), Alma Networking Group (Bristol) and Onward Group (Manchester).

The network contact volunteer list, which connects job seekers with former officers already established in civilian roles has remained relatively stable over the last year with some **600** members; it is highly regarded as a resource for researching roles and sectors as well as seeding new networks.

OA APPOINTMENTS

Executive Jobs Board. The Executive jobs board advertised nearly **800** roles in 2014-15 from employers with roles suitable for service leavers; an increase of 33% from the 600 published in 2013-14. All roles are also heavily promoted through the OA Connect LinkedIn Group and via Twitter. Over **1500** users accessed the jobs board each month, each logging in an average of 5 times per month. A weekly email, which promotes jobs, events and other services, is regularly opened by over **2500** job seekers. These values have remained consistent from 2013-14.

Job Seeker Engagement

The OA conducted **736** career consultations in 2014-15; this represents a decrease from the 1040 conducted in 2013-14 which was heavily influenced by MOD redundancy rounds.. These interviews provided tailored advice to job seekers with a very specific officer focus.

> Marketing and Communications

Overview

The primary function of the Marketing & Communications Department is to provide support for Benevolence and Employment activities through its website and social media channels, events, PR and advertising. The team consists of a Marketing & Communications Manager, supported by a Communications Executive and a part-time researcher.

Objectives and Activities

The key objective is to raise awareness of the OA and the services it provides.

The Department has continued “to build the brand” and has produced a variety of marketing materials to promote the full range of services offered by the OA. The online profile of the OA was raised via sustained Twitter and LinkedIn campaigns, offering tips and advice as well as signposting OA events and services.

A consultation was carried out to better understand how visitors interact with the OA website, which will influence future website development. In addition, extensive research projects were carried out to give insights into the needs of users of OA services, both in Employment and Benevolence.



> Support

Personnel

The tasks formerly carried out by the Chief Operating Officer are now split between a Head of Finance and an Administration Support Manager, both newly recruited and reporting directly to the CEO. The CEO and the three Heads of Department constitute our key management personnel, who hold delegated authority and responsibility for the day-to-day running of the charity.

Accommodation

The OA has started to consider plans for the relocation of our main office as our current lease expires in June 2018. This includes the possibility of continuing our collaboration with the ABF-The Soldiers' Charity and moving with them if suitable accommodation can be found.

Information and Communications Technology (ICT)

The Salesforce and Financial Force systems (introduced under Project ARIADNE) are now fully operational. These systems have significantly improved our ability to manage our employment and benevolence cases. Sho-Net, the Salesforce contractor which managed the project implementation, now provides second line support with an in-house Salesforce Manager providing first line support. Between them they continue to develop the two systems as our requirements evolve. In 2015-16 an ICT Strategy will be updated with the aim of guiding the development of our ICT infrastructure over the next five years.



Financial Review

Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 apply them consistently.
- Observe the methods and principles in the Charity Commission's Statement of Recommended Practice (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 proper 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 Charity's 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.

Public Benefit

The Trustees have complied with section 17 of the Charities Act 2011 requiring them to have regard to the public benefit guidance published by the Charity Commission. We assist those who have held a Commission and their families for the relief of hardship, need and the effects of disability and to assist officers into employment.



Highlights from the Accounts

Of the £3.3M income we received this year £2.1M came from the Poppy Appeal Street Collection. We would like to thank The Royal British Legion, as our major funder, for their continued support. Since this grant was higher than anticipated, we did not request funding from the larger Service charities as planned. Our income also included £456K of restricted funding from other charities. The majority of this was in the form of direct grant payments to beneficiaries or a contribution towards the OA grants awarded.

Our expenditure of £3.5M was similar to last year. In our Consolidated Statement of Financial Activities Benevolence Grants are lower this year, but the 2013-14 figure includes, for the first time, an accrual for the sum of grants committed but not yet paid. The actual grants paid out in 2014-15 has increased. This improved reporting has been made possible by the enhanced functionality of our CRM and accounting systems.

In our Consolidated Statement of Financial Activities Benevolence expenditure is higher than last year; this is primarily due to a change in the apportionment of administrative costs between Benevolence and Employment Departments.

Our current financial strategy is to budget to operate at a deficit to draw down our free reserves to the level agreed in our Reserves Policy. We are exploiting this opportunity by investing more in research, marketing, impact assessment and reporting so that we can provide a better and more effective service to our beneficiaries and communicate this improved offer to them.

Operating at a deficit requires the working capital to be closely monitored. The Head of Finance and Chief Executive are working closely with the Finance, Investment and Audit Sub-Committee (FIASC) to manage the drawdown of funds. This year £350K of units were sold; we anticipate selling a similar amount in Quarter 2 and Quarter 3 next year.

Our increased activity resulted in a deficit of £150k in 2014-15; this along with an unrealised loss on the investment portfolio resulted in the fund balance at the year end being down £340k on last year. Our fund balance therefore stands at £16.5M.

Fundraising Policy

General fundraising activity does not take place due to the Howitt agreement which laid down that the OA would be entitled to 7.5% of the Annual Poppy Appeal (now defined as the Street Collections) from the Royal British Legion, provided it did not conduct its own fundraising in competition with the Appeal.

Investment Policy

The funds of the group are invested entirely in common investment funds with the majority being in the Armed Forces Common Investment Fund (AFCIF) and the remainder with the M&G Charifund and Charibond. The monitoring of the investments is delegated to the FIASC who review performance each quarter. The OA has considered whether it should have a policy on ethical investment but has decided not to place any ethical constraints on its investment policy.

Reserves Policy

Our free reserves currently stand at £13M. During the annual review of the reserves policy it was identified that the level of free reserves was higher than appropriate. In line with the outcome of the review, free reserves will be brought down to the agreed level by operating at a deficit over time. This strategic decision will be carefully monitored through regular dialogue between the Chief Executive Officer and Head of Finance and the FIASC, which subsequently reports to the Executive Committee.

Our free reserves target now stands at £6M. This figure is based on the funding requirement of the following potential risks:

- A loss of income in the form of the annual payment from the Royal British Legion . This amounted to £2.1M this financial year which represented 62% of our total income. This amount is variable and is dependent on the Poppy Appeal street collection. The five-year payment agreement is being reviewed in 2016.
- The unpredictability of capital and income returns from investment assets which currently represent 19% of our income.
- The cost of vacating Mountbarrow House in 2017–18 and either buying or renting new office facilities within Central London. Accommodation costs in London are a large part of our overhead costs at 10%.
- The need to acquire, or rent, other office facilities outside Central London to spread the coverage of OA services to other parts of the UK. There are currently three locations outside London, two of which have commercial rental agreements.
- If the charity were to close down, the legal obligation to honour the grant awarded to beneficiaries for up to 1 year after stopping benevolence activity, the moral obligation to continue funding those in care homes and the wind up costs to close down the charity and honouring existing contracts is estimated at a cost in the region of £1.5M.

Risks

The Executive Committee has considered the major risks to which the charity is exposed and has reviewed those risks and established systems and procedures to manage them.

The Executive Committee considers the loss of funding streams to constitute the charity's primary financial risk. The OA's five-year Poppy Appeal funding agreement with The Royal British Legion expires in March 2017. This will be re-negotiated in the next financial year. The amount of funds held in reserves reflects the uncertainties within this agreement and provides a buffer should the outcome be detrimental to the OA.

Other major strategic risks are:

OA Profile. With the end of the campaign in Afghanistan, the reduced size of the Armed Forces and a competitive and crowded military charity sector there is a risk that the profile of the OA is diminished. To counter this there will be an increased emphasis on marketing the OA to raise awareness of its services, using technology to support this.

Risks cont.

Electronic/Cyber Security. Our operations are increasingly managed using electronic platforms. This is leading to greatly increased effectiveness but is a source of new risks. The key risks in this area are financial fraud and data compromise caused by a failure in our technical or procedural systems. The following steps have or are being taken:

- The choice of Salesforce CRM in part for being a highly secure, resilient platform. The configuration of this platform has been designed to limit access to information or approvals according to role and authority.
- The implementation of the Salesforce Accounting Application, Financial Force, with its robust and secure technical processes, augmented by improved internal financial controls.
- Guidance contained in the Staff Handbook has been improved. Consideration will be given to the need for enhanced staff training.
- Electronic/cyber security will be a central feature of the forthcoming Information and Communications Technology Strategy in order to ensure that appropriate technical and procedural security measures are in place for existing systems and are a central consideration for new systems.

Accommodation. The major operational risk facing the charity is the expiry of the lease in 2018 for the charity's main office. A failure to plan adequately for the likely move could result in the destabilisation of the charity's activities and a failure to deliver the charity's objectives. A planning committee has been established to consider and evaluate options available; the inclusion of a Trustee will provide Executive Committee oversight.

Structure, Governance And Management

Structure. The OA was established under Royal Charter on 30 June 1921 and registered as a charity (number 201321) with the Charity Commission on 17 April 1964. It is the parent company of the Officers' Association (Auxiliary) Limited whose financial statements have been consolidated in these financial statements.

Governance. Being governed by Royal Charter, the OA is not directly subject to the laws and codes of practice relating to the operation of companies. However, the Trustees have decided to apply both the spirit of the Combined Code, and those of its principles that can be applied to a charitable body during the year ended 30 September 2015 and in preparing this Report and the Financial Statements.

The governing document is the Royal Charter dated 30 June 1921 as amended 2 August 1946, 17 September 1946, 26 February 1964, 16 July 1966, 17 September 1996 and 17 May 2000. On 15 July 2015 a further change was approved by the Privy Council to remove the trustee status of Presidents and Vice-Presidents and to give the Trustees (The Executive Committee) the power to appoint Presidents and Vice-Presidents, subject to the approval of the Patron. The Presidents, Vice-Presidents and Trustees together form the Council of the Association.

Trustees. Trustees are recruited for their experience and expertise to ensure the Executive Committee has the full range of skills required to fulfil its role responsibly. Half the present number have been Commissioned Officers in the Services. The Executive Committee considers the appointment of Trustees, who are proposed for election at the AGM. Trustees of the OA who served during 2014-15 are listed on page 39. New Trustees are directed, before election, to the Charity Commission guidance on the responsibilities of Trustees and subsequently attend an induction session at the OA. All Trustees are encouraged to attend training to remain up to date with the law and practices affecting the sector. Most Trustees sit on at least one sub-Committee.

Management: Executive Committee. The Committee meets quarterly and is the principal OA committee which directs the policy, finance and operations of the charity. OA Senior Managers attend, report to and receive direction from the Executive Committee. The Executive Committee has five sub-Committees:

- Finance, Investment and Audit Sub-Committee (FIASC): meets quarterly; oversees the OA's finance processes and staff, scrutinises quarterly and annual figures and the draft budget, offers advice to the Executive Committee on all such matters, including investments, reserves and pensions.
- Benevolence Sub-Committee: meets quarterly; directs Benevolence policy and focuses on complex and costly cases; Trustees also conduct spot checks on activities.
- Employment Sub-Committee: meets quarterly; provides direction and oversight on Employment matters.
- Remuneration Sub-Committee: meets twice a year; considers and recommends for FIASC review and Executive Committee approval the annual pay award and other terms of employment of staff.
- Governance Committee: meets once a year; reviews the OA's governance.

Approved by the Executive Committee and signed on its behalf by

[SIGNED IN THE ORIGINAL]

A J Spofforth BA FCA

Chairman

[SIGNED IN THE ORIGINAL]

R M Sankey

Chairman, Finance, Investment and Audit sub-Committee

on 11th February 2016

Consolidated Statement of Financial Activities

FOR THE YEAR ENDED 30 SEPTEMBER 2015

<i>Notes</i>	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2015 £'000	Total 2014 £'000
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income:					
Grants					
The Poppy Appeal	2,074	-	-	2,074	1,757
ABF - The Soldiers' Charity	-	-	-	-	40
Seafarers UK	-	45	-	45	1
Donations, legacies and similar income					
Covenants and donations	39	44	-	83	15
Legacies	7	-	-	7	37
Investment Income	508	-	148	656	635
Incoming resources from charitable activities					
Career Transition Partnership income from trading subsidiary	2	89	-	89	87
Co-operation from other charities	-	367	-	367	409
Income related to Mountbarrow House	5	-	-	5	9
TOTAL INCOMING RESOURCES	2,722	456	148	3,326	2,990
RESOURCES EXPENDED					
Charitable activities					
Benevolence grants	4	1,065	405	-	1,470
Benevolence department	6	895	-	-	895
Employment department	6	1,068	5	-	1,114
Recoverable costs for Mountbarrow House		11	-	-	11
Governance Costs	6,7	27	-	27	43
TOTAL RESOURCES EXPENDED	3,066	410	-	3,476	3,533
NET OUTGOING RESOURCES	(344)	46	148	(150)	(543)
Transfer between funds	15	135	-	(135)	-
Net outgoing resources before valuations		(209)	46	13	(150)
Net (loss)/gain on sale or revaluation of investment assets	10	(89)	-	(101)	655
Net movement in funds		(298)	46	(88)	112
Fund balances brought forward at 1 October		13,687	-	3,125	16,812
FUND BALANCES CARRIED FORWARD AT 30 SEPTEMBER 2015		13,389	46	3,037	16,472

The Charity has no recognised gains or losses other than those included above. The notes on pages 31-37 form part of these financial statements.

Charity Statement of Financial Activities

FOR THE YEAR ENDED 30 SEPTEMBER 2015

<i>Notes</i>	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2015 £'000	Total 2014 £'000
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income:					
Grants					
The Poppy Appeal	2,074	-	-	2,074	1,757
ABF - The Soldiers' Charity	-	-	-	-	40
Seafarers UK	-	45	-	45	1
Donations, legacies and similar income					
Covenants and donations	39	44	-	83	15
Legacies	7	-	-	7	37
Investment Income	508	-	148	656	635
Incoming resources from charitable activities					
Career Transition Partnership income from trading subsidiary	2	184	-	184	135
Co-operation from other charities	-	367	-	367	409
Income related to Mountbarrow House	5	-	-	5	9
TOTAL INCOMING RESOURCES	2,817	456	148	3,421	3,038
RESOURCES EXPENDED					
Charitable activities					
Benevolence grants	4	1,065	405	-	1,470
Benevolence department	6	895	-	-	895
Employment department	6	1,053	5	-	1,058
Recoverable costs for Mountbarrow House		11	-	-	11
Grant to subsidiary company		111	-	-	111
Governance Costs	6,7	27	-	-	43
TOTAL RESOURCES EXPENDED	3,162	410	-	3,572	3,581
NET OUTGOING RESOURCES	(345)	46	148	(151)	(543)
Transfer between funds	15	135	-	(135)	-
Net outgoing resources before valuations		(210)	46	13	(151)
Net (loss)/gain on sale or revaluation of investment assets	10	(89)	-	(101)	655
Net movement in funds		(299)	46	(88)	112
Fund balances brought forward at 1 October		13,687	-	3,125	16,812
FUND BALANCES CARRIED FORWARD AT 30 SEPTEMBER 2015		13,388	46	3,037	16,471

The Charity has no recognised gains or losses other than those included above.
The notes on pages 31-37 form part of these financial statements.

Consolidated and Charity Balance Sheets

AS AT 30 SEPTEMBER 2015

	<i>Note</i>	GROUP		CHARITY	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
FIXED ASSETS					
Investments	10	15,092	15,636	15,092	15,636
CURRENT ASSETS					
Debtors	13	1,195	922	1,268	1,031
Cash at bank and in hand		617	617	535	508
TOTAL CURRENT ASSETS		1,812	1,539	1,803	1,539
CREDITORS: amounts falling due within one year	14	(432)	(363)	(424)	(363)
NET CURRENT ASSETS		1,380	1,176	1,379	1,176
NET ASSETS		16,472	16,812	16,471	16,812
FUNDS					
Unrestricted		13,389	13,687	13,388	13,687
Restricted		46	-	46	-
Permanent endowment		3,037	3,125	3,037	3,125
TOTAL FUNDS	15,16	16,472	16,812	16,471	16,812

The financial statements were approved and authorised for issue by the Executive Committee.

on 11th February 2016

and were signed on its behalf by:

[SIGNED IN THE ORIGINAL]

A J Spofforth BA FCA
Chairman

[SIGNED IN THE ORIGINAL]

R M Sankey
Chairman, Finance, Investment and Audit Sub-Committee

The notes on pages 31-37 form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements have been prepared under the historical costs convention as modified by the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) published by the Charity Commission in March 2005 and applicable UK Accounting Standards.

1.2 Tangible fixed assets

Fixed assets are carried at cost less depreciation. Depreciation of tangible assets is provided at rates estimated to write off cost or valuation of the relevant assets by equal amounts over their expected useful lives, at the following rates:

Office premises - over the lease term	Furniture - over 3 years
Computers - over 3 years	Office machinery - over 3 years

In accordance with a resolution of the Executive and Finance Committee, tangible fixed assets are capitalised if their initial cost is in excess of £2,500.

1.3 Investments

Investments are stated at market value at each balance sheet date, with unrealised gains and losses shown in the Statement of Financial Activities.

1.4 Incoming resources and resources expended

Incoming resources and resources expended have been accounted for on an accruals basis. This includes legacies and donations where a value can be established before payment is received.

Management and administrative expenses have been charged to respective charity activities by:

- a. Apportioning headcount costs of management and administrative staff on the basis of an assessment of the actual time spent by individuals on each activity, and
- b. Allocating the remaining headcount costs and other administrative expenses pro rata to direct expense.

1.5 Grants

Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or when the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Officers' Association.

1.6 Governance Costs

Expenditure that is directly related to governance costs is included with an allocation of the cost of the time spent by staff on the activities within the definition.

1.7 Taxation

As a charity registered in the UK, the income of OA, which is applied for charitable purposes, is exempt from taxation.

1.8 Operating leases

Rentals payable under operating leases are charged against incoming resources on a straight line basis over the lease term.

1.9 Pension costs

The pension charge in the financial statements represents contributions payable to defined contribution schemes for the year.

1.10 Basis of inclusion

The Officers' Association (Auxiliary) Limited is a 100% owned subsidiary and has been included in the consolidated financial statements on a line by line basis.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

1.11 Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. Restricted funds comprise funds subject to specific restrictions imposed by donors and funders. Details of the nature and purpose of each fund is set out in note 15.

Endowment funds comprise The Officers' Association Permanent Endowment Fund. Further details are shown in note 12. The capital is invested in perpetuity; the income from this is available for the general purposes of the Charity.

1.12 Cashflow

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the OA qualifies as a small company.

2. CAREER TRANSITION PARTNERSHIP

In 2014-15 OA formed part of the CTP which provides resettlement services to the MOD. This activity was funded by payments from Right Management Consultants who are the main contractor within this partnership. This trading activity was carried out through the Officers' Association (Auxiliary) Limited as sub-contractors through JEP, see note 11.

3. COST OF GENERATING FUNDS — INVESTMENT MANAGEMENT EXPENSES

All investments are now held within three Funds, the Armed Forces Common Investment Fund (AFCIF) managed by BlackRock, and the Charifund equities and Charibond funds managed by M&G Securities Limited. Management fees for those funds are not charged separately but absorbed within the unit values of those funds on the basis of their respective Total Expense Ratio (TER). The TER for AFCIF is reported as 0.40% (2014: 0.48%). The TER for M&G Charifund and Charibond is reported as 0.46% and 0.36% respectively (2014: 0.47% and 0.36%).

4. BENEVOLENCE GRANTS

Benevolence grants represent financial help to individuals. The Trustees' Report contains further details about these grants. We also make loans to our beneficiaries; see note 10.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

5. STAFF COSTS

	2015 £'000	2014 £'000
Staff costs were as follows:		
Wages and salaries	1,076	998
Employer's National Insurance Contribution	144	103
Pension costs	108	104
	<u>1,328</u>	<u>1,205</u>

The average monthly number of employees during the period was as follows:

25	25
<u>25</u>	<u>25</u>

The number of employees for the year whose emoluments for the year exceeded £60,000 was:

	2015	2014
£60,001 - £70,000	2	3
£70,001 - £80,000	0	1
£80,001 - £90,000	1	0
£90,001 - £100,000	0	0

Total Pension contributions for the three employees mentioned above totalled £26,390 (2014: £29,825).

6. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITY CONSOLIDATED

	Staff Costs £'000	Direct Costs £'000	Administrative Costs £'000	Total 2015 £'000	Total 2014 £'000
Benevolence Department	396	88	411	895	758
Employment Department	419	175	479	1,073	1,114
	<u>815</u>	<u>263</u>	<u>890</u>	<u>1,968</u>	<u>1,872</u>
Governance	-	7	20	27	43
	<u>815</u>	<u>270</u>	<u>910</u>	<u>1,995</u>	<u>1,915</u>

	£'000	£'000
Administrative costs comprise:		
Staff Costs	407	411
Accommodation Costs	91	110
IT Costs (includes website costs)	76	121
Unrecoverable VAT	55	50
Office Expenses	39	50
Marketing	22	52
Projects	11	69
Insurance	6	5
Legal and Professional fees	19	26
Finance costs	2	5
Marketing & Communications Department	162	-
Non-direct governance costs	20	-
	<u>910</u>	<u>899</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

7. ANALYSIS OF GOVERNANCE COSTS

	2015 £'000	2014 £'000
Management staff time on governance	8	8
Trustees expenses reimbursed	7	4
Audit fees	12	16
Strategic projects	-	15
	<u>27</u>	<u>43</u>

8. STAFF PENSION SCHEME

OA provides a voluntary, contributory group personal pension scheme which is insured with Royal London. There were 25 members of this scheme. Contributions paid by the OA in the year amounted to £108k (2014: £104k). In addition, there is a defined contribution scheme with The Equitable Life Assurance Society set up in March 2001 that is now paid-up; there are 14 members of this scheme.

9. TRUSTEES

No Trustee received any remuneration. 10 Trustees (2014: 10) were reimbursed expenses incurred in the performance of their duties. In 2015 this amounted to £7,307 (2014: £4,102).

No transactions have been undertaken in the name of or on behalf of the Charity in which any Trustee or person connected with such a Trustee has any material interest.

10. INVESTMENTS

THE GROUP AND CHARITY	Value at 1 October 2014 £'000	Additions at cost £'000	Proceeds on disposals £'000	Revaluation (loss)/gain £'000	Value at 30 September 2015 £'000
Armed Forces Common Investment Fund	10,972	-	(350)	(49)	10,573
M&G Charifund	4,321	-	-	(139)	4,182
M&G Charibond	303	-	-	(2)	301
Total Managed funds	<u>15,596</u>	<u>-</u>	<u>(350)</u>	<u>(190)</u>	<u>15,056</u>
Programme investments*	40	-	(4)	-	36
Total investments	<u>15,636</u>	<u>-</u>	<u>(354)</u>	<u>(190)</u>	<u>15,092</u>

All of the revaluation gain is unrealised.

* Programme Investments are secured and unsecured loans to beneficiaries for capital expenditure. The balance at 30 September 2015 consisted of 7 such loans of between £3K and £10K each. Interest is charged on these loans but is payable only on repayment of the loan. Interest received in the year in respect of these loans was £42 and loan capital repayment was £4,032.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

11. THE OFFICERS' ASSOCIATION (AUXILIARY) LIMITED

	2015 £	2014 £
Unlisted investments – The Officers' Association (Auxiliary) Limited		
Investment at cost	100	100

The investment represents the entire issued share capital of The Officers' Association (Auxiliary) Limited, a company registered in England and Wales (Company no.169743).

A summary of its trading results is shown below:

	2015 £	2014 £
Turnover	88,568	87,309
Grant from OA to OA (Auxiliary) Ltd	110,458	63,000
Total income	199,026	150,309
Cost of sales	184,063	135,034
Gross profit	14,963	15,275
Administrative expenses	14,579	15,026
Operating profit	384	249

12. THE OFFICERS' ASSOCIATION PERMANENT ENDOWMENT FUND

Under a Charity Commission scheme dated 21 June 2010 a new subsidiary charity was registered with the name of The Officers' Association Permanent Endowment Fund (OAPEF) under number 201321-10. The objects of the charity are:

- a. Support of former commissioned officers of the Armed Services of the Crown to re-establish themselves in civilian life: the relief in need of former commissioned officers of the Armed Services of the Crown and their dependants.
- b. To aid, assist and promote the interests of such persons in such other ways as are legally charitable including the support of former commissioned officers of the Armed Services of the Crown to re-establish themselves in civilian life.

The OA is the sole trustee of this Charity, which incorporates the funds of the Bourke Trust, an unincorporated registered charity no.209998, and the Lieutenant Humphrey Herbert Mayer Memorial Fund, an unincorporated registered subsidiary charity no.201321-6†. Those charities were de-registered on the same date. The new charity also incorporates the funds previously held under the title The Officers' Association Permanent Endowment Fund.

The capital value of this fund is now invested in M&G Charifund. The income from this investment is available to spend on the general purposes of the charity.

† Mrs M A Mayer endowed the Lieutenant Humphrey Herbert Mayer Memorial Fund through a legacy in memory of her son. Lieutenant Mayer, Royal Warwickshire Regiment was serving with 2nd Bn The Dorsetshire Regiment when he was killed at Kohima, aged 24, on 27 April 1944 while leading his platoon in a courageous attempt to silence machine guns in bunkers on the slopes of Garrison Hill.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

13. DEBTORS

	The Group		The Charity	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trade debtors	7	6	2	6
Amount due from subsidiary undertaking	-	-	78	109
Other debtors	7	49	7	49
Accrued investment income	107	110	107	110
Accrued Poppy Appeal income	1,074	757	1,074	757
	<u>1,195</u>	<u>922</u>	<u>1,268</u>	<u>1,031</u>

'Other Debtors' (above) include amounts totalling £7,122 (2014: £8,171) in respect of loans to employees for the purchase of season tickets. No interest is charged on these amounts.

14. CREDITORS: Amounts Falling Due Within One Year

	The Group		The Charity	
	2015	2014	2015	2014
Trade creditors	13	45	12	45
Grant commitments payable	334	261	334	261
Taxation and National Insurance	36	33	36	33
Other creditors	-	-	-	-
Accruals	49	24	42	24
	<u>432</u>	<u>363</u>	<u>424</u>	<u>363</u>

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2015

15. MOVEMENT IN FUNDS

	Balance b/f	Income	Expenditure	Sale or Revaluation (loss)/gain	Fund Transfers	Balance c/f
	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds: OAPEF*	3,125	148	-	(101)	(135)	3,037
Restricted Funds						
Fenton Trust ¹	-	15	(1)	-	-	14
Home of Devenish ²	-	25	(25)	-	-	-
Sandhurst Trust ³	-	4	-	-	-	4
Seafarers UK ⁴	-	5	(5)	-	-	-
Seafarers UK ⁵	-	40	(12)	-	-	28
Benevolence co-operation	-	367	(367)	-	-	-
Total Restricted Funds	-	456	(410)	-	-	46
Unrestricted Funds	13,687	2,722	(3,066)	(89)	135	13,389
Total Funds	16,812	3,326	(3,476)	(190)	-	16,472

* The OAPEF: see Note 12

¹ Fenton Trust: For the purpose of providing grants to purchase tangible goods for British born former officers.

² Home of Devenish: For the purpose of providing grants to widows of former officers who belong to the Church of England.

³ Sandhurst Trust: For the purpose of providing grants to former Army officers.

⁴ Seafarers UK: To fund Employment Department research.

⁵ Seafarers UK: For the purpose of providing grants to former officers of the RN, RM and QARNNS.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Investments £'000	Cash £'000	Other £'000	Total £'000
OA Permanent Endowment Fund	3,037	-	-	3,037
Restricted	-	46	-	46
Unrestricted				
General	11,973	617	763	13,353
Programme Investments	36	-	-	36
Total Unrestricted	12,009	617	763	13,389
Total	15,046	663	763	16,472

Independent Auditor's Report to the Trustees of The Officers' Association

We have audited the financial statements of The Officers Association for the year ended 30 September 2015 which comprise the charity and group Statement of Financial Activities, the charity and group 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 members, 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 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 23, the trustees are responsible for the preparation of financial statements which give a true and fair view.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on Financial Statements

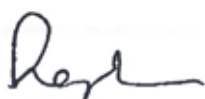
In our opinion the financial statements:

- give a true and fair view of the state of the charity's and group's affairs as at 30 September 2015, 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 and Royal Charter.

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 Trustees' Annual Report 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.



haysmacintyre
Statutory Auditor

Dated: 11th February 2016

26, Red Lion Square
London
WC1R 4AG

Charity Information

THE OFFICERS' ASSOCIATION

Incorporated under Royal Charter 1921

Charity Registration Number: 201321

Company Registration Number: RC000389

Patron: Her Majesty the Queen

Trustees:

Presidents

Air Chief Marshal Sir Clive Loader KCB OBE

Vice Admiral Sir Richard Ibbotson KBE CB DSC DL

Lieutenant General Sir Alistair Irwin KCB CBE (resigned 26 February 2015)

Lieutenant General Andrew Figgures CB CBE FREng (appointed 26 February 2015)

Vice-Presidents

Captain P B Mitford-Slade OBE

J D M Fisher Esq OBE

A J Spofforth Esq BA FCA (appointed 21 May 2015)

The above (other than A J Spofforth who is Vice-President ex officio as Chairman of Trustees) ceased to be Trustees on 15 July 2015

Chairman, Executive Committee and Honorary Treasurer

J D M Fisher Esq OBE (resigned 21 May 2015)

A J Spofforth Esq BA FCA (appointed 21 May 2015)

Members of the Executive Committee 2014-15

Air Vice Marshal L S Chisnall CB (elected 26 February 2015)

J Holdsworth Esq

Air Commodore P G Johnson OBE (resigned 26 February 2015)

Surgeon Commodore R M C McNeill Love RN (elected 26 February 2015)

Mrs J R Lynch

Air Vice Marshal the Hon D Murray CVO OBE (resigned 4 December 2014)

Major General M J Rutledge CB OBE

R M Sankey Esq

A Singleton Esq JP

Ms D Soltmann (elected 26 February 2015)

Ms D Thomas

Vice-Patrons: Major General P R F Bonnet CB MBE (resigned 19 January 2015)
M Burdick Esq
Lieutenant Commander R J Caton RD FAIA FIAM RNR
Captain A C Chambers DL
Air Commodore J Chandler CBE
Captain R M Esden MBE
F Froud Esq
Major General J C M Gordon CBE
Captain J Harvey LVO RN
Air Vice Marshal N S Howlett CB
Air Commodore P G Johnson OBE (appointed 26 February 2015)
Colonel the Reverend P Lear FCMA, Dip Theol
Major General A P W Maclellan CB CVO MBE
Colonel D O Messent MB FRCS
Brigadier J M A Nurton OBE MC
N J Reid Esq
D M F Scott Esq MA
Major General M F L Shellard CBE
Colonel M M Slattery RRC
Brigadier R A Smart OSTJ
Major General J C B Sutherland CB CBE DL
Captain I B Sutherland RN
Colonel J S K Swanston MB ChB FRGS OSTJ

Chief Executive Officer: L Holloway Esq

Senior Managers: Mrs J Killip (Head, Finance Department)
Mrs E A Strouts (Head, Benevolence Department)
Mrs E Stevens (Head, Employment and Marketing Department)

Principal Office: 1st Floor, Mountbarrow House
6-20, Elizabeth Street
London SW1W 9RB
Telephone: 020 7808 4160

Bankers (for 2014-15): The Royal Bank of Scotland
62-63, Threadneedle Street,
London EC2R 8LA
From October 2015:
Svenska Handelsbanken AB (publ)

Solicitors: GRM Law LLP
1, Bedford Row,
London WC1R 4BZ

Auditors: haysmacintyre, Chartered Accountants
26, Red Lion Square,
London WC1R 4AG

Co-operating Charities and Organisations for the Year 2014-15

The OA would like to acknowledge the financial assistance given by the following charities:

Service Charities

Burma Star Association
Help for Heroes
Officers' Association Scotland
RFEA The Forces Employment Charity
Royal Patriotic Fund Corporation
The Royal British Legion
The Royal British Legion Women's Section

Royal Navy, Royal Marines And Maritime Charities

Royal Marines Upton Kelly Memorial Fund
Royal Navy Officers' Charity
Royal Navy and Royal Marines Charity
Royal Navy and Royal Marines Childrens Fund
Seafarers UK
WRNS Benevolent Trust

Army Charities

Adjutant General's Corps Regimental Association
Army Air Corps Association
Army Benevolent Fund – The Soldiers' Charity
ATS/WRAC Association Benevolent Fund
Black Watch Association
Coldstream Guards Regimental Charitable Funds
7th Duke of Edinburgh's Own Gurkha Rifles
Gordon Highlanders Association
Grenadier Guards Association
Intelligence Corps Association
Irish Guards Association
The Kelly Holdsworth Artillery Trust
The King's Royal Hussars
The Parachute Regiment
10th Princess Mary's Own Gurkha Rifles
The Princess of Wales's Royal Regiment Benevolent Fund
Queen Alexandra's Royal Army Nursing Corps Association
1st The Queen's Dragoon Guards Benevolent Fund
The Rifles Regimental Trust
Royal Anglian Regiment Association Benevolent Fund
The Royal Armoured Corps War Memorial Benevolent Fund

The Royal Army Chaplains Department Association
Royal Army Dental Corps
Royal Army Educational Corps and Educational and Training Service Association
Royal Army Service Corps and Royal Corps of Transport Regimental Association
Royal Artillery Charitable Fund
Royal Electrical and Mechanical Engineers Association
Royal Engineers Association
Royal Engineers Officers' Widows Society
Royal Gurkha Rifles Regimental Association
Royal Logistic Corps Association Trust
Royal Regiment of Fusiliers Aid Society
Royal Signals Association
Royal Tank Regiment Association & Benevolent Fund
SAS Regimental Association
Scots Guards Charitable Fund
Sirmoor Rifles Association (UK) Trust
The Sandhurst Trust
The Ulster Defence Regiment Benevolent Fund
The Yorkshire Regiment

Royal Air Force Charities

Royal Air Force Benevolent Fund

Civilian Charities and Organisations

Association of British Travel Agents
Balmain Charitable Trust
Bank Workers' Charity
Cavell Nurses' Trust
Charity Choice
Charles Brotherton Trust
Chartered Institute of Library & Information Professionals
Civil Service Insurance Society Charity Fund
Clare Park Private Retirement Residences Ltd
Edinburgh Trust No. 2 Account
Elizabeth Finn Care
Electrical Industries Charity
Energon People
Fenton Trust (Family Action)
Guild of Aid for Gentlepeople
Home of Devenish
The Honourable Company of Air Pilots Benevolent Fund
Independent Age
The John Lewis Partnership
Parish of Wisley with Pyrford
The Printing Charity
Professionals' Aid Council
Rank M Charitable Trust
The Royal College of Nursing Benevolent Fund
St Andrew's Society for Ladies in Need
The Worshipful Company of Skinners

The OA would also like to acknowledge the help given by the following charities whose advice, support, information, invitations and volunteer networks have assisted the Benevolence Department's work:

Age UK
Age UK Espana
Association of Charity Organisations
Cobseo - the Confederation of Service Charities
Haig Housing
Maritime Charities Funding Group (Seafarers' Advice and Information Line)
Not Forgotten Association
Regular Forces Employment Association
Royal Air Force Association welfare networks
The Royal British Legion Headquarters and welfare network
Royal Commonwealth Ex-Services League
SSAFA Central Office and welfare network
Veterans Aid
ZANE (Zimbabwe A National Emergency)

The OA would further like to acknowledge the help given by the following companies and individuals whose support has assisted the Employment Department's activities:

Deloitte
Lincoln Coutts
Tedworth House
Tim Savage
Two Roses networking group

The OA is most grateful to the individuals and their families who have made bequests or donations to the charity.



The Officers' Association
Mountbarrow House, 6-20 Elizabeth Street
London SW1W 9RB

Tel: 020 7808 4160

www.officersassociation.org.uk