

Company number: 05454676  
Charity Number: 1111106

# The Royal Artillery Centre for Personal Development

Report and financial statements  
For the year ended 31 July 2022

# The Royal Artillery Centre for Personal Development

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### For the year ended 31 July 2022

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# The Royal Artillery Centre for Personal Development

## Reference and administrative information

For the year ended 31 July 2022

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**Company number** 05454676 – incorporated in the United Kingdom

**Charity number** 1111106 – registered in England & Wales

**Registered address** Old Fire Station  
Salt Lane  
Salisbury  
Wiltshire  
SP1 1DU

**Operational address** Royal Artillery Barracks  
Larkhill  
Wiltshire  
SP4 8QT

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Major General R M Clements  
Brigadier N Budd (Appointed 1 June 2022)  
WO2 T Alexander  
WO2 A Assad  
Mr O Adams  
Colonel M Dornan  
Colonel S Ellison  
Brigadier C Hewitt (Resigned 01 June 2022)  
Mr T Jackson  
Mr J B Knowles  
Colonel C Palmer  
Mrs A J Storey

<b>Key management personnel</b>	Claire Foxley	Chief Executive	
	Simon Upton	Operations Director	(Retired 14 July 2022)
	John Le Feuvre	Operations Director	(Appointed 15 July 2022)

**Secretary** Brunswick Company Secretaries Limited

**Bankers** Lloyds Bank  
1st Floor  
3 Town Quay  
Southampton  
SO14 2AQ

**Bankers (continued)** CAF Bank Limited

# **The Royal Artillery Centre for Personal Development**

## **Reference and administrative information**

**For the year ended 31 July 2022**

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25 Kings Hill Avenue  
Kings Hill  
West Malling  
ME19 4JQ

Nationwide Building Society  
Kings Park Road  
Moulton Park  
Northampton  
NN3 6NW

### **Solicitors**

Blake Morgan  
New Kings Court  
Tollgate  
Chandler's Ford  
Eastleigh  
Hampshire  
SO53 3LG

### **Auditor**

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



# **The Royal Artillery Centre for Personal Development**

## **Trustees' annual report**

### **For the year ended 31 July 2022**

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The trustees present their report and the audited financial statements for the year ended 31 July 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and Activities**

### **Purposes and aims**

The Royal Artillery Centre for Personal Development operates as RACPD.

RACPD's Charitable Object is:

'To promote the efficiency of the Armed Forces of the Crown and in particular the Royal Artillery by improving the competencies, performance, morale and retention of serving military personnel, MOD Civil Servants and support to veterans through involvement in nationally recognised education, training and vocational schemes.'

RACPD's Mission is:

We provide outstanding personal and professional development to soldiers, dependants, and veterans whether they are in early recruit or trade training, mid-career, undergoing resettlement or developing a second career. We want to enable better life opportunities for soldiers and their families.

The long-term Vision is that:

RACPD will inspire, encourage, challenge, and fully support learners and staff to achieve their best. We will be the provider of choice, delivering relevant programmes of learning, aligning military skills with recognised civilian qualifications. We will increase our flexibility and reach through wider use online technology and to enable staff and learners to work remotely at a time/location that results in success. Income will be maximised by excellent learner and staff management whilst retaining a grade one experience and achievement.

Through our work, we will:

- Provide soldiers with a 'second chance' in their education and thereby enhance their self-confidence, skills, knowledge, and life chances.
- Remove financial barriers to soldiers who wish to undertake personal development.
- Support the Royal Artillery in developing the professional skills, motivation, and welfare of its soldiers, thereby improving performance, and increasing retention.

## Principal Activities

We provide vocational education and training programmes to soldiers and officers in the Royal Artillery. This enables them to:

- Develop their literacy, numeracy, IT, and communication skills and thus increase self-confidence and widen aspirations.
- Increase their employability in the Armed Forces and subsequent career, thereby making a more positive contribution to the British labour market.
- Gain transferable and recognisable civilian qualifications and improve their professional skills, thereby increasing the effectiveness and efficiency of the Royal Artillery.

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

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

This report will include brief reference to Covid-19, albeit the main effect was as a result of the Covid restrictions in AY 20/21 which have then been exacerbated by the crisis in Ukraine. The biggest effect of both those events was the large number of learner suspensions. Whilst timely and overall achievement rates are lower than last year, they remain outstanding and higher than national and overall Army rates.

## Our Core Activities

### Delivering Qualifications

One of the Charity's priorities is to increase the number of soldiers who achieve nationally recognised, transferable qualifications. These qualifications improve soldiers' promotion prospects within the Army and increase their chances of employment when they leave the Army.

The range and level of civilian qualifications we offer is broad and meets the needs of soldiers throughout their military careers. These include qualifications from Level 1 to Level 4, which are listed on the Regulated Qualification Framework (RQF), in the following areas:

- Logistics (including aviation)
- Telecommunications
- Horse Care and Management
- Information Communication Technologies (ICT)
- Leadership and Management



## The Royal Artillery Centre for Personal Development

### Trustees' annual report

#### For the year ended 31 July 2022

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- English, Maths, and ICT Functional Skills (FS)
- Teacher Education

The key income generating programmes that the Charity delivers are apprenticeships in Logistics (including Aviation programmes), Telecommunications and horsecare. These are funded through the employer levy, administered by the Army apprenticeship team.

#### **Delivering Educational Support, Information, Advice and Guidance**

The majority of our programmes and advice are delivered within the workplace in regiments based in UK. This removes the geographical barriers that exist for many remotely located soldiers who are unable to attend a Further Education College or travel to Larkhill to attend courses. RACPD employs staff to specifically provide apprenticeship and educational support and information, advice and guidance to soldiers and their dependants. These members of staff, known as Personal Development Advisors and Mentors (PDA/M), are embedded within the Royal Artillery regiments and they are uniquely placed to offer an accessible and flexible service to soldiers.

The Regimental Learning Centres, managed by qualified Functional Skills teachers, provide a unique and vital service to soldiers and their families. A range of courses, qualifications and Information, Advice and Guidance (IAG) are offered at flexible times to fit around soldiers' operational commitments.

The majority of our employees are former servicemen/women, or dependants of serving soldiers, who understand the culture and challenges those soldiers (our learners) face. This understanding of our beneficiaries' needs is vital to the success of the programmes.

## **Achievements and performance**

The Charity's activities and beneficiaries are described below. All its charitable activities focus on soldiers and their dependants and are undertaken to further The Royal Artillery Centre for Personal Development's charitable purposes for public benefit.

### **Performance Statistics**

#### **Registrations**

Up until 31 July 2021, every soldier joining the Royal Artillery (RA) was offered the opportunity to gain an apprenticeship in Driving Goods Vehicles (DGV). Some of these remain on programme but due to suspension will be complete by the end of AY2022/23. From 1 August 2020, in line with apprenticeship reform and a transition from frameworks to standards, they were offered an opportunity to start on the Express Delivery Operative standard apprenticeship. This offer of a first apprenticeship is important to the recruiting effort and ensures that young soldiers, who may not have had a positive school experience, have the opportunity to achieve a Level 2 (GCSE equivalent) qualification.

Registrations have been affected this year by a number of factors. Determining factors include

Trustees' annual report

For the year ended 31 July 2022

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fluctuating numbers graduating from ITT, no military training courses for aviation learners, no progression apprenticeship for strike trade, progression apprenticeships not endorsed by IfATE, and no level 2 Telecommunications as this framework was not replaced by a standard.

Overall apprenticeship registrations have reduced by 28%, due to the reasons given above as well as issues with the Army recruiting website which was off grid for over six weeks. There was a 37% decrease in logistics registrations and a 57% decrease in ITT registrations<sup>1</sup>. Aviation Operations registrations decreased by 33% but should increase once the requisite courses start being held again. The Telecommunications registrations increased by 112% to the new Digital Support Technician apprenticeship being fully rolled out. Functional Skills registrations increased by 26% due to the increased number of mandatory L2 tests

Notwithstanding the effect of the Ukraine crisis and recruiting issues, the outlook for occupancy in AY 22/23 is reasonably positive. There should be an increase in recruits completing ITT, a wider range of learners able to attend DST and aviation courses.

Learning and Development course registrations reduced this year by 57%; we have continued to offer the L3 and L4 teaching qualifications, but uptake has been minimal. The level 2 and level 3 supporting teaching courses have continued but registrations for these decreased a small amount in AY 2021/22 compared to the prior year. CAVA/IQA delivery increased as green assessors and local educational institutions were still keen to gain the award, despite it no longer being mandatory for staff supporting apprenticeships. Team Leading courses took place in regiments, in slightly larger numbers than last year but due to the residual issues from Covid and a change in delivery method by the Army, there was only a small increase of 40 learners.

IT (ITQ) registrations only increased by 1 learner as this is now a course that we do not market heavily due to tutor time being focussed on apprenticeship and some standalone FS. The most popular 'other' course remains the First Aid at Work course, although learners were also inducted on to the level 4 IAG qualification. We have maintained our partnerships with other training providers and for a small fee we refer learners to them; the most popular of these courses continue to be Door Supervisor and the Institution of Occupational Safety and Health (IOSH) qualification.

PROGRAMME	2021 – 2022	2020 – 2021	2019 – 2020	2018 – 2019	2017 – 20212018	2016 – 2017	2015 – 2016	2014 – 2015
Aviation Operations on the Ground	4	6	7	14	3	32	44	53

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<sup>1</sup> The level 2 Driving Goods Vehicle/Express Delivery Operative apprenticeship accounts for over half of all logistics registrations.



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Telecommunications	53	25	301	178	229	245	294	368
Logistics (Includes Forklift truck and driver CPC (10))	291	460	380	427	536	756	777	654
Horse care	21	23	19	26	3	13	7	11
Leadership & Management	176	136	373	275	380	326	343	366
Learning Centres Literacy & Numeracy	38	26	5	15	19	6	N/A	N/A
Assessor & Verifier Awards	15	2	15	17	21	24	28	36
Learning and Development	12	28	42	58	106	20	76	104
ICT	41	40	54	111	98	182	194	217
Key/Functional Skills	729	538	354	490	655	788	893	1383
Other courses [1]	158	61	39	126	181	44	N/A	N/A
Referrals to other training providers	56	20	80	104	N/A	N/A	N/A	N/A
<b>TOTALS</b>	<b>1594</b>	<b>1365</b>	<b>1669</b>	<b>1737</b>	<b>2231</b>	<b>2436</b>	<b>2656</b>	<b>3192</b>

[1] Courses include IAG and First Aid at Work.

### Achievement rates<sup>2</sup>

Achievement rates for qualifications are a key performance indicator (KPI) since they demonstrate both the quality of delivery and the support for soldiers. RACPD monitors quality of delivery closely and on a quarterly basis through performance management reviews. Improvements in programme planning and overall quality assurance remain an integral part of the Self-Assessment Report and Quality Improvement Plan. Additionally, the PDA/M role remains critical to support the soldiers, regiments, and apprenticeship programme managers in delivering qualifications and providing advice and guidance to learners.

We continue to have some of the highest achievement rates, not only within the Army, but also nationally<sup>3</sup>, in all our programmes. This year, the overall achievement rate for our apprenticeship programme was 83% and the timely achievement was 82%. Although this was a timely decrease from last year, these results are still outstanding in comparison to Army and National averages and given the local and global environment. The overall achievement rate for the telecommunications programme was 95% and the logistics programmes was 86%. Aviation apprentices are only on standards for which there is currently no KPI and agreed method of measurement. Two apprentices undertook EPA, both achieved Merit passes. A number have

<sup>2</sup> Achievement. Once the learning has been completed the qualification is classed as 'achieved.' There are two categories of achievement; Overall achievement - the total number of learners that have finished through completion of all the learning activities; Timely achievement - the number of learners that are achieved on or before their planned end date or no more than 90 days after it.

<sup>3</sup> National achievement rates (2020/21): Overall - 68.9%.

reached Gateway for both Aviation and Express Delivery Operative and are awaiting EPA due to delays by the end point assessment organisations.

The overall pass rate for FS English and maths has reduced with English decreasing marginally from 87% to 83% and maths decreasing from 64% to 49%. This is a direct effect of the change in policy and lowered exam pass mark during Covid flexibilities. It includes the period when flexibilities were rescinded (from January 2022) and progression learners were once again required to test even if they were likely to fail. The impact of this change in policy on the L2 pass rate affected overall pass rates across both levels of the qualification.

The analysis and use of data continue to be very good. Maintaining success rates and other KPIs over a sustained period demonstrates our effective data and management information systems (MIS). MIS reports identify action areas that are highlighted at quarterly performance reviews. The focus in the last year has been to maintain overall and timely achievement rates as well as possible. This has been a challenge given the increased tempo of the Army and therefore the difficulty of tracking, locating, and supporting learners.

The average achievement rate for all other RACPD programmes and courses was 88%.

## Achievements and Wider Benefits

It is important to recognise that we do not measure the success of our delivery by achievement statistics alone; the impact of these achievements on individuals' lives is equally important. The effort and commitment soldiers put in to gain qualifications and thereby enhance their life chances is acknowledged through the Personal Development Awards programme every year. Learners are nominated by their regiment and overall winners announced at an awards ceremony which took place in October 2021 at which prizes which included certificates and cash awards (totalling over £6,000) were presented.

The *matrix* standard became a mandatory requirement for FE delivery for RACPD in 2014. The assessment is completed over three years with an initial visit and two follow up interim assessments. This year the inspector conducted a monitoring check as normal for year three and recommended ongoing accreditation status. Some apprenticeship framework programmes and short courses are accredited by Awarding Organisations and their quality assurance checks include Standard Verifier visits. A number of these took place throughout the year, virtually, and all were complimentary on the standard of delivery, the outcomes for learners and the quality of the administration. The visits for apprenticeship delivery should end in AY 2022/23 but will continue for short courses.

The employment of PDA/Ms remains a significant investment for the Charity. Their role continues to develop and whilst regimental support to soldiers' education and personal development is still important, their main focus has moved to the apprenticeship programme. The tangible benefit of that is evident in the number of soldiers achieving their apprenticeships and the ability to maintain timely success rates despite the challenges faced.



## The Royal Artillery Centre for Personal Development

### Trustees' annual report

#### For the year ended 31 July 2022

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Many of the regiments are in fairly remote locations, with limited access to Further Education Colleges. Every Learning Centre's primary focus is delivery of Functional Skills for apprenticeships however, they also deliver the supplementary and elective IT qualification (primarily British Computing Society (BCS) ITQ Level 2). ITQ overall achievement rates remain high; there have been 188 tests by 43 learners taken at ITQ at level 2 with an 83% pass rate. Level 3 (ITQ Advance units) has been more limited this year with only 4 learners testing (7 tests) with a pass rate of 71%. The BCS recognised that the centre's performance and quality has been maintained at the highest level (awarded Green status at audit). In addition, we offered standalone Functional Skills to reservists and civilians and a total of 90 tests were sat in either English, maths or ICT with an overall pass rate of 76%.

Over the year, the Charity continued to provide wider support and services which help to improve the life chances of individuals and the efficiency of the Royal Artillery, including:

- Courses or referral to courses in Door Security and Health & Safety which enabled soldiers to gain qualifications in sectors known to be employer friendly and relevant to Army service. We delivered qualifications in First Aid at Work and Information Advice and Guidance (IAG).
- Policy advice provided to the Royal Artillery on all personal development matters ensuring that subject matter expertise and knowledge of the civilian education and labour market were made available to policy-makers.
- Personal development and Information, Advice and Guidance (IAG) given to soldiers and officers enabling them to make informed decisions about which courses to attend and which qualifications would support them both in-career and when they leave the Army.
- Roadshows were completed virtually to regiments to brief all officers and soldiers on the Army apprenticeship programme, the RA offer, and the other support available from RACPD.
- The personal development funds normally awarded directly to regiments to support their Personal Development Programme (eg the purchase of equipment, improvement of educational facilities) have not been reinvigorated but regiments have been informed that should they need additional PD funds, they should request support from RACPD.

### Beneficiaries of our services

In total, during the academic year 2021–22, RACPD registered 1594 learners onto educational programmes, compared to 1365 last year. The overall pass rate across all programmes is 88%. Those who did not achieve were mainly apprenticeship learners who withdrew themselves voluntarily, were posted away from the role that required the training or they left the Army. Whenever possible RACPD staff encourage learners to complete their qualifications before disengaging from a programme but this is not always possible. Learners completing formal qualifications make up the majority of the beneficiaries but there is still a significant number who request advice and guidance without being formally registered on a course with RACPD. While

they may later enrol on a course, it is just as likely that the PDA/M, Learning Centre Manager (LCM) or another member of staff will signpost them to an alternative training provider if that is the right pathway for the learner.

Performance is measured in a variety of ways. The Royal Artillery sets Key Performance Indicators for the apprenticeship programme based on the number of learners starting a programme, completing a programme and the time within which completion is achieved. This has yet to change for standards but we expect KPIs to be based around Gateway completion. Quality of delivery is also measured and an audit programme, run by the Army, takes place biennially. Programme managers set specific targets for their teams based on knowledge of courses taking place either in the RSA or externally in the regiments and these are reported internally to the Operations Director. Impact is measured in a similar fashion, through the number of soldiers engaging with education and when available through destination data if a soldier leaves the Army and is successfully employed as a direct result of having engaged with RACPD.

## Financial review

The overall deficit, before gains on investments, of £(533,354) is worse than planned. This was due in part, to increased expenditure (salaries), but mostly to apprenticeship income being significantly lower than forecast.

The Charity receives most of its earned income for apprenticeship delivery, which is funded in small part by the ESFA, with the majority now being paid by the employer (Army) through the employer levy. The Charity is heavily dependent upon this income to support the many other programmes and services that RACPD offers the Royal Artillery.

Army apprenticeship funding in this period was 80% of the Charity's overall income of £1,494,977 which is lower than normal as many other sources of income (college funded courses) underperformed due to lack of team leading courses and the fall out of Covid-19. The total apprenticeship funding received was £1,199,023 which is £274,975 less than last year.

Expenditure increased from £1,744,422 last year to £2,028,331, an increase of £283,909, due mainly to increased salaries for additional staff required to support apprenticeships in the standards era (increased requirement for teaching and administration). The salary bill represents 71% of overall spending which is slightly lower than last year (73%) and has increased by a total of £166,899.

Future financial planning is predicated on maintaining the current apprenticeship programme income and being supported by additional educational activities and courses. The apprenticeship contract was won in May 2018 and run for five years (from 1 August 2018 until 31 July 2023 including a one-year extension requested by the Army and agreed by RACPD).



## Investment powers and policy

Investment powers are governed by the memorandum and articles of association and permit the Charity's funds to be invested in any way the trustees wish. The Board keeps its investment strategy under constant review, in accordance with the Charity Commission's guidelines for best practice. The key features are:

- A return on investments which allows the Charity to continue to deliver services over a period of time.
- Maintaining and, if possible, enhancing the value of funds whilst they are invested.
- Managing risk.

Based on this framework the trustees have agreed the following principles:

- Capital investment periods should be linked to the financial risks identified on the Risk Register. Given the volatility of government policy and Army recruiting and manning, two of the three main operational risks require immediate funds if they come to fruition.
- Investments should be divided into:
  - Short term, easy access funds, up to one year.
  - Longer term investments which could be invested for periods from two to five years and provide capital appreciation and an income.

The trustees, having considered the liquidity requirements of operating RACPD and the Reserves Policy, previously adopted a policy of keeping available funds in short term easy access accounts until the economic conditions were more certain. However, alternative medium-term investments were approved on the grounds that the sum agreed should be invested for a minimum of 4 years but should still remain easily accessible. £1,300,000 was invested in a CAF Defence Capital Growth Fund in 2016 and a further £500,00 was invested with Quilter Cheviot. Within this FY, Trustees agreed to a transfer of £370,000 cash from CAF to Quilter Cheviot investments so that both accounts held similar amounts. Investments in both funds fell this year; CAF experienced £51,8096 losses bringing the total to £1,050,776. Losses on the Quilter investment for this year were £60,117 bringing the investment total to £1,058,410.

Specific performance objectives were not set for investments this year, outside of the budgetary expectations. Interest from other investments (bank interest) reduced and was £186 compared to £188 last year.

## Principal risks and uncertainties

The significant risks to which the Charity is exposed fall into two categories – those macro risks which are largely outside its control and those micro risks which are, at least to some extent, within its operational control. The main external macro risks are derived from the potential for changes in government and Army apprenticeship policy and funding, including the lower RA recruiting/allocation figures, and the consequent changes in income; Covid-19 second wave has now been removed but the knock-on effect of the Ukraine crisis has been added to the macro risks. The micro-risks include learners attending and achieving Functional Skills which have

increased in length and difficulty, recruiting suitably qualified and experienced staff, maintaining learners on programmes in a fast-moving environment and the effects of new standards with the requirement for End Point Assessment.

All risks are reviewed regularly by the SMT and wherever possible risks are mitigated or managed within routine business. A risk register is maintained for scrutiny by the Board of Trustees every six months, albeit the senior management team review it more regularly. There is little by way of mitigation for the macro risks until the full implications of an ongoing Ukraine campaign and British Army assistance becomes clearer, and RA recruiting returns to 'normal' levels. Micro risks are mitigated against through normal routine procedures such as monitoring and regular audits.

The Charity's principal financial instrument, other than investments, is cash and bank deposits. The credit risk associated with cash is limited as the counterparties have reasonable credit ratings.

The Charity has maintained a positive cash position throughout the year and the exposure to liquidity risk is considered to be minimal.

## Fundraising Practice

RACPD does not engage in public fundraising and does not use professional fundraisers or commercial participators. RACPD nevertheless observes the relevant fundraising regulations and codes. During the year RACPD received no complaints relating to its fundraising practice.

## Reserves Policy and Going Concern

The trustees' Reserves Policy takes into account the following factors:

- The Charity is very heavily dependent on funds from Government departments and now employers. Government policy on post-16 education and training is dynamic.
- The level of reserves must allow for any radical shift in Government and Army policy which may reduce the Charity's income significantly.
- The trustees have a long-term commitment to delivering the Charity's Objects and wish to maintain sufficient funds to allow the Charity to continue to operate if external funding were to be removed completely. In the event that funding ceases, the Charity will retain sufficient funds to provide for the learners registered on its programmes to complete their personal development plan.
- The strategic plan requires the expansion of the RACPD's programmes. Specific initiatives have been identified which extend the Charity's scope to provide additional public benefit and better fulfil its objectives.
- The strategy also recognises the need for the Charity to adapt its operating model in response to changes in the environment in which it operates, and sufficient funds must be maintained for transformation of the operating model should this be required.



## **The Royal Artillery Centre for Personal Development**

### **Trustees' annual report**

#### **For the year ended 31 July 2022**

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Trustees believe the charity is a going concern. The Army apprenticeship contract is confirmed for another year to 31 July 2023 and reserves remain high at over £2.47m, which is more than sufficient should any crisis or business continuity issue arise. The new contract, which has a six-year tenure, has been publicised and a tender submitted. Contract award will take place in March 2023 and trustees are confident that RACPD will be the successful provider.

The trustees have assessed the level of reserves needed to meet specific requirements and have chosen to invest those reserves to build capital and ensure that charitable activities can continue to take place. Such activity includes allocations of money to enable personal development resources and staging of events but also enhancement of staffing in regiments to support the wider educational advice and guidance outside of apprenticeships.

Current (unrestricted) General funds total £473,417. There are no material uncertainties regarding the Charity's ability to continue as a going concern.

## Plans for the Future

The Government's decision to reduce the size of the Army has had an ongoing impact on the Charity's operations, further exacerbated by the glitch in Capita's recruiting software earlier in the year. Recruiting should return to a normal footing in AY 22/23 and may increase during AY 23/24 especially if the Ukraine crisis continues. To mitigate the loss of funding due to inconsistent numbers coming through initial training, and to mitigate ESFA policy (that requires delivery of apprenticeships outside of the Army contract to remain a 'Main Provider'), the Charity has inducted 18 civilian apprentices onto Equine apprenticeship programmes. Development of other new programmes continues at levels 2 and 3 and through its trading subsidiary, Sheldrake Training Limited is now recognised by Ofqual to carry out end point assessment (currently registered for aviation, equine groom and express delivery operative). The Board of Trustees remains committed to delivering its existing three-year strategic plan and to enhance delivery of a wider range of opportunities to Service personnel and their families. Work continues to further develop the Virtual Learning Environment so that it can be utilised more for apprenticeship programmes across the board as well as for Functional Skills and teacher education. Sheldrake Training Limited, is slowly building up its reputation, range of delivery and consequent turnover. It will take time to deliver an independent funding stream and until that happens, cash reserves are being retained. This decision is reflected in the Charity's reserves policy.

## Structure, Governance and Management

The Charity is governed by up to eleven trustees, who are also the members. The previous number of 9 trustees increased by two last year due to the agreed requirement for representation on the Board by serving military non-commissioned officers. It remains an appropriately sized forum to ensure a good range of relevant expertise and to enable timely decision-making. The trustees hold three Board meetings each year which is sufficient to review operational business as well as an AGM which reviews performance over the whole year. In addition, in a normal year they meet in May for development and appraisal, and to discuss strategy in an unrestricted forum. The number of meetings, their format and timings provide sufficient opportunity to review and update the strategy and to oversee and assure performance on a quarterly basis. Meetings this year were held face to face, including the AGM.

The trustees delegate operational control, including full management of staff, to the Chief Executive (Claire Foxley) who is directly supported by the Director of Operations (John Le Feuvre). They are supported by three heads of department (MIS, Teaching & Learning and Quality) who together constitute the Senior Management Team.

The Board nominates individual trustees to hold responsibility for key regulatory matters: Health & Safety; Safeguarding; Data Protection; Equality & Diversity and Security. The Board has three committees: Audit; Finance and Remuneration. The Chair of each committee holds Board responsibility for those specific matters.



The Board decides the Charity's three-year strategy, which is reviewed each year in May/June. Additionally, in Q3, Trustees endorse the Chief Executive's annual Business Plan, which sets out the forthcoming income and expenditure budgets for the next academic year. The Board has endorsed a scheme of delegation in which the trustees delegate limited spending authority to the Chief Executive, while retaining authority to spend single amounts not exceeding £60,000. The trustees also retain authority to appoint (executive) directors.

The organisation is a charitable company limited by guarantee, incorporated on 17 May 2005, and registered as a charity on 31 August 2005 with articles amended on 24 February 2014. The company was established under a memorandum of association, which established the Objects and powers of the charitable company and is governed under its articles of association. All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in the notes to the accounts.

### **Appointment of Trustees**

The memorandum provides for eleven trustees, of which two are serving in the Royal Artillery (RA) and four as Army officers in Staff appointments outside of the RA (but all ex-Gunners). The serving trustees are directly linked to their military roles, which is on the basis that those roles command or train the Charity's beneficiaries. These 'military' trustees are only appointed as trustees for the duration of their specific military role, normally two years. The memorandum was updated in this year to include two serving non-commissioned officer positions and amended so that trustees may now serve two tenures of three years. Those holding the position of committee chair or with extensive experience in a specialist area may be retained for a further three-year rotation.

A skills scan is conducted periodically to identify the skills gap among trustees so that new trustees may be recruited to provide the missing skills and experience. Such trustees are found either through recruitment via charity trustee organisations, or local networking. As a result, the Board recruited two serving soldiers as "former learners". The Board conducts a biannual analysis of their effectiveness, and this was last conducted in September 2022 using the Cobseo Governance Tool. This gave an overall green rating with some minor considerations for improvement, mainly around trustee responsibilities. These will be acted upon during the next AY.

### **Trustee Induction and Training**

All trustees attend an induction briefing lasting up to three hours before their first Board meeting. The briefing, which is preceded by receipt of a comprehensive information pack, is led by the Chief Executive, who with the Operations Director, briefs the new trustee on the organisational structure, three-year strategic plan, current business plan, operations, and forthcoming initiatives. This is followed by a governance briefing by the Board Secretary on the trustee's responsibilities as a company director and trustee. The briefing includes details of when and how the Board meetings are held. New trustees are appraised of their specific Board responsibilities via committee

## Trustees' annual report

For the year ended 31 July 2022

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membership (Audit / Finance / Remuneration) and /or Board lead on regulatory matters such as Health & Safety, Safeguarding, Data Protection, Security, or Equality & Diversity. During this induction, and at subsequent events, the trustees meet key RACPD staff.

Subsequently, but preferably within three months of induction, the trustee will attend a formal, professional charity governance training course delivered by Civil Society.

## Related Parties and Relationships with other Organisations

RACPD was a member of Cobseo (The Confederation of Service Charities) up until February 2022 but decided to relinquish membership for the time being due to limitations in relevance and financial constraints. RACPD has a wholly owned trading subsidiary, Sheldrake Training Limited, which was incorporated on 17 March 2016.

## Remuneration Policy for Key Management Personnel

The Remuneration Committee endorses the pay policy and takes advice from the Chief Executive on any cost of living increases in salary. These are then recommended to the Board for endorsement once the Finance Committee has agreed affordability. Changes in salary are normally effective from the start of the Financial Year on 1 August and salaries are benchmarked against the Charity, Further Education, and public sectors.

## Statement of Responsibilities of the Trustees

The trustees (who are also directors of The Royal Artillery Centre for Personal Development for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group 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 UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

Trustees' annual report

For the year ended 31 July 2022

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The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

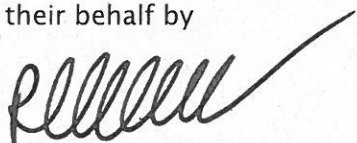
In so far as the trustees are aware:

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

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees on 31 July 2022 was 11 (2021: 13). The trustees are members of the Charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the Charity.

The trustees' annual report has been approved by the trustees on 9 December 2022 and signed on their behalf by



Maj Gen R M Clements  
Chairman



## Opinion

We have audited the financial statements of Royal Artillery Centre for Personal development (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

## Basis for opinion

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

## Conclusions relating to going concern

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

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

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

## Independent auditor's report

To the members of

The Royal Artillery Centre for Personal Development

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### Other Information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Independent auditor's report

To the members of

The Royal Artillery Centre for Personal Development

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### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

### Capability of the audit in detecting irregularities

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

- We enquired of management and the audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;



## Independent auditor's report

To the members of

### The Royal Artillery Centre for Personal Development

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- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.



## **Independent auditor's report**

**To the members of**

**The Royal Artillery Centre for Personal Development**

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To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

**DATE**

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

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The Royal Artillery Centre for Personal Development

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 July 2022

	Note	Unrestricted General £	Unrestricted Designated £	2022 Total £	Unrestricted General £	Unrestricted Designated £	2021 Total £
<b>Income from:</b>							
Charitable activities							
Army Apprenticeships		1,199,023	-	1,199,023	1,473,998	-	1,473,998
Educational Training		130,624	-	130,624	117,828	-	117,828
Trading activities		72,332	-	72,332	45,830	-	45,830
Other		66,089	-	66,089	36,291	-	36,291
Investments		26,909	-	26,909	37,003	-	37,003
<b>Total income</b>		<b>1,494,977</b>	<b>-</b>	<b>1,494,977</b>	<b>1,710,950</b>	<b>-</b>	<b>1,710,950</b>
<b>Expenditure on:</b>							
Investment management fees		8,600	-	8,600	7,460	-	7,460
Charitable activities							
Army Apprenticeships		1,838,846	-	1,838,846	1,594,782	-	1,594,782
Educational Training		115,312	-	115,312	100,461	-	100,461
Trading activities		65,287	-	65,287	41,719	-	41,719
<b>Total expenditure</b>	2	<b>2,028,045</b>	<b>-</b>	<b>2,028,045</b>	<b>1,744,422</b>	<b>-</b>	<b>1,744,422</b>
<b>Net (expenditure)/income before net gains/(losses) on investments</b>		<b>(533,068)</b>	<b>-</b>	<b>(533,068)</b>	<b>(33,472)</b>	<b>-</b>	<b>(33,471)</b>
<b>Net gains/(losses) on investments</b>	9	<b>(111,926)</b>	<b>-</b>	<b>(111,926)</b>	<b>187,610</b>	<b>-</b>	<b>187,610</b>
<b>Net income / (expenditure) for the year and net movement in funds</b>	3	<b>(644,994)</b>	<b>-</b>	<b>(644,994)</b>	<b>154,138</b>	<b>-</b>	<b>154,139</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,118,697	2,000,000	3,118,697	964,559	2,000,000	2,964,559
<b>Total funds carried forward</b>		<b>473,703</b>	<b>2,000,000</b>	<b>2,473,703</b>	<b>1,118,697</b>	<b>2,000,000</b>	<b>3,118,697</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

# The Royal Artillery Centre for Personal Development

## Balance sheet

Company no. 05454676

As at 31 July 2022

	Note	The group 2022 £	2021 £	The charity 2022 £	2021 £
<b>Fixed assets:</b>					
Tangible assets	8	32,382	59,392	32,382	59,392
Investments	9	2,109,185	2,202,990	2,109,185	2,202,991
		<u>2,141,567</u>	<u>2,262,382</u>	<u>2,141,567</u>	<u>2,262,383</u>
<b>Current assets:</b>					
Debtors	12	227,659	370,495	258,274	378,570
Cash at bank and in hand		225,332	596,383	182,820	582,634
		<u>452,991</u>	<u>966,878</u>	<u>441,094</u>	<u>961,204</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(120,853)	(110,563)	(116,002)	(109,000)
		<u>332,138</u>	<u>856,315</u>	<u>325,092</u>	<u>852,204</u>
<b>Net current assets</b>		<u>332,138</u>	<u>856,315</u>	<u>325,092</u>	<u>852,204</u>
<b>Total net assets</b>	15	<u>2,473,705</u>	<u>3,118,697</u>	<u>2,466,659</u>	<u>3,114,587</u>
<b>The funds of the charity:</b>	16				
Unrestricted income funds:					
Designated funds		2,000,000	2,000,000	2,000,000	2,000,000
General funds		473,705	1,118,697	466,659	1,114,587
Total unrestricted funds		<u>2,473,705</u>	<u>3,118,697</u>	<u>2,466,659</u>	<u>3,114,587</u>
<b>Total charity funds</b>		<u>2,473,705</u>	<u>3,118,697</u>	<u>2,466,659</u>	<u>3,114,587</u>

Approved by the trustees on

and signed on their behalf by

Major General R M Clements  
Trustee



The Royal Artillery Centre for Personal Development

Consolidated statement of cash flows

For the year ended 31 July 2022

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

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(645,280)	154,138
Depreciation charges	49,935	42,239
Loss on disposal of fixed assets	-	-
(Gains)/losses on investments	111,926	(187,610)
Dividends, interest and rent from investments	(26,909)	(37,003)
(Increase)/decrease in debtors	143,312	(99,434)
Increase/(decrease) in creditors	10,290	17,284
Net cash (used in)/provided by operating activities	(356,726)	(110,386)
Cash flows from investing activities:		
Dividends and interest from investments	26,722	37,003
Purchase of fixed assets	(22,925)	(22,285)
Proceeds from the sale of investments	411,633	507,441
Purchase of investments	(639,060)	(308,546)
Cash movement in investments	209,305	(228,251)
Net cash used in investing activities	(14,325)	(14,638)
Change in cash and cash equivalents in the year	(371,051)	(125,024)
Cash and cash equivalents at the beginning of the year	596,383	721,407
Cash and cash equivalents at the end of the year	225,332	596,383

# The Royal Artillery Centre for Personal Development

## Notes to the financial statements

For the year ended 31 July 2022

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### 1 Accounting policies

#### a) Statutory information

The Royal Artillery Centre for Personal Development is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Old Fire Station, Salt Lane, Salisbury, Wiltshire, SP1 1DU. The principal place of business is Royal Artillery Barracks, Larkhill, Wiltshire, SP4 8QT.

#### b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Sheldrake Training Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as a summary of the result for the year is disclosed in the notes to the accounts.

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

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

#### c) Public benefit entity

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

#### d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Further information can be found in the trustees' annual report.

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

#### e) Income

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.



# The Royal Artillery Centre for Personal Development

## Notes to the financial statements

For the year ended 31 July 2022

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### 1 Accounting policies (continued)

#### f) Interest receivable

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

#### g) Fund accounting

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

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

#### h) Expenditure and irrecoverable VAT

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

- Investment management fees relate to fees incurred in the management of the charity's investments
- Trading activities relate to the costs incurred by the group of delivering educational activities outside of its charitable objects.
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

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

#### i) Allocation of support costs

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

● Army Apprenticeship	80%
● Education Training	5%
● Support costs	14%
● Governance costs	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Army Apprenticeship	94%
● Education Training	6%

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

#### j) Operating leases

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



**1 Accounting policies (continued)**

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

● Portacabin	4 years
● Computers	3 years
● Fixtures & Fittings	5 years
● Motor Vehicles	4 years
● Online Learning Portal	3 years

**l) Listed investments and common investment funds**

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

**Investments in subsidiaries**

Investments in the subsidiary are at cost.

**m) Debtors**

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

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

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

**o) Creditors and provisions**

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

**p) 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.

**q) Pensions**

The charity operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activity.

The Royal Artillery Centre for Personal Development

Notes to the financial statements

For the year ended 31 July 2022

2a Analysis of expenditure (current year)

	Charitable activities					Investment management fees £	Trading activities £	Governance costs £	Support costs £	2022 Total £	2021 Total £
	Apprenticeship £	Army £	Educational Training £								
Staff costs (Note 4)	-	1,149,123	71,820	-	-	-	-	14,364	201,097	1,436,404	1,269,505
Registration fees	-	57,818	3,614	760	-	-	-	723	10,118	73,032	77,212
External trainers	-	56,448	3,528	18,014	-	-	-	706	9,878	88,574	83,587
Other direct course fees	-	5,368	336	-	-	-	-	67	939	6,710	4,991
PD Grants	-	18,003	1,125	-	-	-	-	225	3,151	22,504	36,966
Marketing & PD Promotion	-	10,211	638	-	-	-	-	128	1,787	12,764	8,414
Other	-	32,440	2,045	45,399	-	-	-	409	5,727	86,021	30,672
Motor Expenses	-	15,045	940	-	-	-	-	188	2,633	18,806	10,266
Insurance	-	9,585	599	-	-	-	-	120	1,677	11,981	12,338
Depreciation	-	3,673	230	-	-	-	-	46	643	4,591	1,499
Professional Fees	8,600	17,352	1,085	1,115	-	-	-	217	3,037	31,405	33,521
Trustees' meetings and expenses	-	12,831	802	-	-	-	-	160	2,245	16,039	6,743
Travel and Subsistence	-	11,997	750	-	-	-	-	150	2,099	14,996	8,957
Resources	-	22,961	1,435	-	-	-	-	287	4,018	28,701	28,474
IT Support	-	64,820	4,051	-	-	-	-	810	11,344	81,025	69,243
Development Projects	-	75,594	4,725	-	-	-	-	945	13,229	94,493	62,034
Redundancy	-	-	-	-	-	-	-	-	-	-	-
	8,600	1,563,269	97,722	65,287	-	-	-	19,544	273,622	2,028,045	1,744,422
Support costs	-	257,205	16,417	-	-	-	-	-	(273,622)	-	-
Governance costs	-	18,372	1,172	-	-	-	-	(19,544)	-	-	-
Total expenditure 2022	8,600	1,838,846	115,312	65,287	-	-	-	-	-	2,028,045	-
Total expenditure 2021	7,460	1,594,782	100,461	41,719	-	-	-	-	-	-	1,744,422
Depreciation in relation to IT development projects is included within Development Projects.											

Depreciation in relation to IT development projects is included within Development Projects.

The Royal Artillery Centre for Personal Development

Notes to the financial statements

For the year ended 31 July 2022

2b Analysis of expenditure (prior year)

	Investment management fees £	Charitable activities					Support costs £	Total 2021 £
		Apprenticeship £	Army £	Educational Training £	Trading activities £	Governance costs £		
Staff costs (Note 4)	-	1,015,604	-	63,475	-	12,695	177,731	1,269,505
Registration fees	-	59,689	-	3,731	2,600	746	10,446	77,212
External trainers	-	42,715	-	2,670	30,193	534	7,475	83,587
Other direct course fees	-	3,992	-	250	-	50	699	4,991
PD Grants	-	29,573	-	1,848	-	370	5,175	36,966
Marketing & PD Promotion	-	6,731	-	421	-	84	1,178	8,414
Other	-	18,267	-	1,142	7,841	228	3,194	30,672
Motor Expenses	-	8,213	-	513	-	103	1,437	10,266
Insurance	-	9,871	-	617	-	123	1,727	12,338
Depreciation	-	1,198	-	75	-	15	211	1,499
Professional Fees	7,460	18,489	-	1,622	1,085	324	4,541	33,521
Trustees' meetings and expenses	-	5,395	-	337	-	67	944	6,743
Travel and Subsistence	-	7,166	-	448	-	89	1,254	8,957
Resources	-	22,779	-	1,424	-	285	3,986	28,474
IT Support	-	55,395	-	3,462	-	692	9,694	69,243
Development Projects	-	49,627	-	3,102	-	620	8,685	62,034
Redundancy	-	-	-	-	-	-	-	-
	7,460	1,354,704	-	85,137	41,719	17,025	238,377	1,744,422
Support costs	-	-	224,074	14,303	-	-	(238,377)	-
Governance costs	-	-	16,004	1,021	-	(17,025)	-	-
<b>Total expenditure 2021</b>	<b>7,460</b>	<b>1,594,782</b>		<b>100,461</b>	<b>41,719</b>	<b>-</b>	<b>-</b>	<b>1,744,422</b>



The Royal Artillery Centre for Personal Development

Notes to the financial statements

For the year ended 31 July 2022

3 Net income / (expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	49,935	42,239
Auditor's remuneration (excluding VAT): Audit	10,750	10,050

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,278,872	1,136,728
Social security costs	114,132	94,656
Employer's contribution to defined contribution pension schemes	43,400	38,121
	1,436,404	1,269,505

The following number of employees received employee benefits in excess of £60,000 (excluding employer national insurance and employer pension contributions) during the year between:

	2022 No.	2021 No.
£70,000 – £79,999	1	1

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £220,176 (2021: £215,306).

The Charity trustees were not paid or received any other benefits from employment with the Charity in the year (2021: £0). No Charity trustee received payment for professional or other services supplied to the Charity (2021: £0).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £788 (2021: £233) incurred by 4 (2021: 4) members relating to attendance at meetings of the trustees.

5 Staff numbers

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

	2022 No.	2021 No.
Army Apprenticeships	41	37
Training Courses	1	1
Support	5	5
	47	43

6 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. (2021: £nil).

## Notes to the financial statements

For the year ended 31 July 2022

## 7 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Sheldrake Training Limited distributes available profits under gift aid to the parent charity. There was no charge to corporation tax in the year.

## 8 Tangible fixed assets

Group and charity	Online Learning Portal £	Portacabin £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>						
At the start of the year	328,393	79,236	20,550	164,233	46,730	639,142
Additions in year	3,127	-	-	19,798	-	22,925
Adjustment in year	-	-	-	-	-	-
At the end of the year	331,520	79,236	20,550	184,031	46,730	662,067
<b>Depreciation</b>						
At the start of the year	270,833	79,236	20,550	162,401	46,730	579,750
Charge for the year	45,344	-	-	4,591	-	49,935
At the end of the year	316,177	79,236	20,550	166,992	46,730	629,685
<b>Net book value</b>						
At the end of the year	15,343	-	-	17,039	-	32,382
At the start of the year	57,560	-	-	1,832	-	59,392

All of the above assets are used for charitable purposes.

## 9 Listed investments

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Fair value at the start of the year	2,202,989	1,986,024	2,202,989	1,986,025
Additions at cost	639,060	308,546	639,060	308,546
Disposal proceeds	(411,633)	(507,441)	(411,633)	(507,441)
Change in cash held	(209,305)	228,251	(209,305)	228,251
Net gain on change in fair value	(111,926)	187,610	(111,926)	187,610
Fair value at the end of the year	2,109,185	2,202,990	2,109,185	2,202,991

## Investments comprise:

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
UK Common investment funds	1,045,945	1,255,888	1,045,945	1,255,888
Listed investments	1,036,472	709,394	1,036,472	709,394
Cash	28,402	237,708	28,402	237,708
Investment in subsidiary company	-	-	-	1
	2,110,819	2,202,990	2,110,819	2,202,991



# The Royal Artillery Centre for Personal Development

## Notes to the financial statements

For the year ended 31 July 2022

### 10 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Sheldrake Training Limited, a company registered in England and Wales (Company Number 10070090). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the charitable company. The trustee Stephen Ellison together with the Chief Executive are also directors of the subsidiary. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	72,332	45,830
Cost of sales	(45,759)	(40,229)
Gross profit	26,573	5,601
Administrative expenses	(19,529)	(1,491)
Operating profit and profit on ordinary activities	7,044	4,110
Retained earnings		
Brought forward	4,110	32,171
Profit for the year	7,044	4,110
Distribution to parent under gift aid	(4,110)	(32,171)
Carried forward	7,044	4,110
The aggregate of the assets, liabilities and funds was:		
Assets	45,341	18,682
Liabilities	(38,297)	(14,571)
Funds	7,044	4,111

### 11 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	1,422,645	1,697,291
Result for the year	(652,324)	182,199

### 12 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	86,309	162,473	86,159	157,573
Amounts due from trading subsidiary	—	—	33,445	13,008
Prepayments	43,994	36,165	43,871	36,132
Accrued income	97,356	171,857	94,799	171,857
	227,659	370,495	258,274	378,570

## 13 Creditors: amounts falling due within one year

	The group 2022 £	2021 £	The charity 2022 £	2021 £
Trade creditors	37,246	33,257	32,393	31,692
Taxation and social security	31,655	29,768	31,655	29,768
Other creditors	8,311	9,588	8,313	9,590
Accruals	43,641	37,950	43,641	37,950
	<u>120,853</u>	<u>110,563</u>	<u>116,002</u>	<u>109,000</u>

## 14 Pension scheme

The group operates a defined contribution scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge of £43,400 (2021: £38,121) represents contributions payable by the group into the fund. At the year end there were contributions outstanding of £8,313 (2021: £9,590).

## 15a Analysis of group net assets between funds (current year)

	Unrestricted General £	Unrestricted Designated £	Total funds £
Tangible fixed assets	32,382	–	32,382
Investments	109,185	2,000,000	2,109,185
Net current assets	331,850	–	331,850
Net assets at the end of the year	<u>473,417</u>	<u>2,000,000</u>	<u>2,473,417</u>

## 15b Analysis of group net assets between funds (prior year)

	Unrestricted General £	Unrestricted Designated £	Total funds £
Tangible fixed assets	59,392	–	59,392
Investments	202,990	2,000,000	2,202,990
Net current assets	856,315	–	856,315
Net assets at the end of the year	<u>1,118,697</u>	<u>2,000,000</u>	<u>3,118,697</u>

## 16a Movements in funds (current year)

	At 1 August 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2022 £
Unrestricted funds:					
Designated funds:					
Strategic Funds	1,900,000	–	–	–	1,900,000
Facilities Funds	100,000	–	–	–	100,000
Total designated funds	<u>2,000,000</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>2,000,000</u>
General funds	<u>1,118,697</u>	<u>1,383,051</u>	<u>(2,028,045)</u>	<u>–</u>	<u>473,703</u>
Total unrestricted funds	<u>3,118,697</u>	<u>1,383,051</u>	<u>(2,028,045)</u>	<u>–</u>	<u>2,473,703</u>
Total funds	<u>3,118,697</u>	<u>1,383,051</u>	<u>(2,028,045)</u>	<u>–</u>	<u>2,473,703</u>



# The Royal Artillery Centre for Personal Development

## Notes to the financial statements

For the year ended 31 July 2022

### 16b Movements in funds (prior year)

	At 1 August 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2021 £
<b>Unrestricted funds:</b>					
Designated funds:					
Strategic Funds	1,900,000	-	-	-	1,900,000
Facilities Funds	100,000	-	-	-	100,000
<b>Total designated funds</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>
<b>General funds</b>	<b>964,559</b>	<b>1,898,560</b>	<b>(1,744,422)</b>	<b>-</b>	<b>1,118,697</b>
<b>Total unrestricted funds</b>	<b>2,964,559</b>	<b>1,898,560</b>	<b>(1,744,422)</b>	<b>-</b>	<b>3,118,697</b>
<b>Total funds</b>	<b>2,964,559</b>	<b>1,898,560</b>	<b>(1,744,422)</b>	<b>-</b>	<b>3,118,697</b>

#### Purposes of designated funds

The Strategic fund was kept at £1,900,000 to meet the level of reserves that the trustees agreed were required for contingency.

Strategic funds – PDA/LC, has been allocated a fund of £1,400,000 over 5 years to fund 50% of the PDA (Personal Development Advisors)/LC (Learning Centres) expenditure as agreed by the trustees and the remainder was used in the year.

The Facilities Funds represents monies set aside to relocate the charity to a suitable long term location.

### 17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

