

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2020
for
Sandhurst Trust

Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

**Contents of the Financial Statements
for the Year Ended 31 December 2020**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10 to 14

**Report of the Trustees
for the Year Ended 31 December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives of the Charity

The Sandhurst Trust has two charitable objects:

Object 1: To promote the efficiency of the armed forces of the Crown and in particular the Royal Military Academy (RMA) Sandhurst in such charitable ways as the trustees from time to time think fit.

Object 2: To advance education and research in the fields of leadership and management and the training of effective managers and leaders in civil and military life.

Significant activities in the year and achievements

2020 was a challenging year for the charity. Due to the Ministry of Defence restrictions during the pandemic, the Royal Military Academy was closed to the public thereby precluding income generation from events. Furthermore, the charity took advantage of the Government furlough scheme meaning that all staff bar the Director remained on furlough throughout the year.

The Trust continues to be supported by the patron, The King of Bahrain, with the annual support grant of £70k paid. Furthermore, the grant from the Chief of The General Staff was increased to £61k and both of these grants were fully utilised keeping the charity running and solvent. Reserves were utilised to enable limited disbursement to take place totalling £55k (this had been £107k in 2019).

Public benefit

The Royal Military Academy Sandhurst (RMAS) has an international reputation for the training of Army officers as leaders and managers. All Army officers take this training and subsequent military experience back into the civil arena at the end of their military career whether this is short or long. The Trust supports RMAS by providing prizes and leadership grants to enhance training activity and also provides leadership grants for members of the charity out in the Field Army. During the year, the charity supported the Centre for Army Leadership with the provision of books for the leadership library and provided prizes in support of both RMAS and the Intermediate Command and Staff Course. The charity also supported two educational websites run by serving Army officers, the Army Leader and The Wavell Room.

During 2020 The Trust charitably disbursed £55k. Before lockdown, the charity provided 179 grants for sporting tours and adventurous training expeditions. After lockdown, the focus shifted to welfare support within RMAS, especially to those International Officer Cadets who were unable to travel home during the summer and Christmas recesses. The total grants to International Cadets was £24k. The Trust also supported Lucknow Paroon which houses the cadets injured during training and the continued provision of a hired golf buggy for them cuts down the amount of walking required on the large 660 acre site.

**Report of the Trustees
for the Year Ended 31 December 2020**

FINANCIAL REVIEW

Reserves policy

To meet its objects, The Trust has agreed a budgeting and reserves policy that enables it to make the appropriate allocation of funds while at the same time securing a sound financial basis for the future activities of the trust. The allocation of the funds and resources are agreed by the trustees in the overall light of the Trusts strategic needs.

The Trust holds several types of reserves. Some are restricted, meaning that they have been given for specific purposes or have conditions attached that means they can only be spent in a specific way.

Some reserves are in the form of designated funds that are put aside by the Trustees to represent fixed and other assets, which cannot be readily converted into cash.

Finally, The Trust holds general funds or free reserves for three principal reasons:

- i. To supply working capital to enable the Trust to manage fluctuations in its cash-flow
- ii. To enable the trust to invest in other operations that complement the objectives of the trust
- iii. To provide protection in the case of any unforeseen costs or to enable an orderly winding up of the Trust

The reserves policy adopted by the trustees has established, at the current levels of activity, the target range for the free reserves is between £100,000 and £150,000. Total reserves at the end of the financial year were £139,502., which is within the range that the Trustees feel are necessary to protect for any of the events set out above.

Going concern

Since the Balance Sheet date of 31 December 2019, the Trust, in line with all other charities, commercial businesses and general lives, has been adversely impacted by the global COVID-19 pandemic, including cancellation of virtually all events and external activities after March 2020. The Trustees have taken advantage of Governmental support measures, including 'furlough' scheme claims, and have cut other costs where possible; fortunately, the Trust continues to benefit from regular donations and grants to maintain income such that the Trustees consider that the Trust can continue as a going concern for the foreseeable future - the Trustees will continue to keep the financial position of the charity under regular review.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

In accordance with the decision taken by the Trustees during 2013, in consultation with the Charities Commission and with appropriate legal advice, The Sandhurst Trust (Charity number 1154476; Company number 08722309) was launched with effect from 1 Jan 2014. All assets and liabilities of the Sandhurst Foundation were transferred to the Sandhurst Trust as a result of a Transfer Agreement between the trustees of each organisation (and with the authority of the Charities Commission). Sandhurst Trust is a company limited by guarantee and governed by its memorandum and articles of association. Consequently, the Sandhurst Foundation has been removed from the Register of Charities.

Methods of appointing trustees

There are three ex officio trustees: The Commandant, the Assistant Commandant and the Director of Studies of the Royal Military Academy Sandhurst. Other Trustees, between 3 and 9, are co-opted.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08722309 (England and Wales)

Registered Charity number

1154476

Registered office

Old College
The Royal Military Academy
Sandhurst
Camberley
Surrey
GU15 4PQ

**Report of the Trustees
for the Year Ended 31 December 2020**

Trustees

Trustees of the Sandhurst Trust during the year 20120 were:

Major General P A E Nanson CB CBE (ex officio and Chairman - until 31 March 2020)

Major General D F Capps CBE (ex officio and Chairman - from 01 April 2020)

Lieutenant General (Retired) Sir Simon Mayall KBE CB

Brigadier J S A Carr-Smith (ex officio)

Brigadier (Retired) I N A Thomas OBE (ex officio)

Mr R C R Anderson

Lieutenant Colonel S W Bartlett QVRM TD

Mr W R W Gornall-King

Ms J A D James

Mr S Taylor

Mr T R Sherwood

Mr P R J Smith

Independent Examiner

A M Skilton

ACA

Brewers Chartered Accountants

Boume House

Queen Street

Gomshall

Surrey

GU5 9LY

Approved by order of the board of trustees on 27 September 2021 and signed on its behalf by:

Major Gen D F Capps CBE - Trustee

Independent Examiner's Report to the Trustees of Sandhurst Trust

Independent examiner's report to the trustees of Sandhurst Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A M Skilton
ACA
Brewers Chartered Accountants
Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

27 September 2021

Sandhurst Trust

**Statement of Financial Activities
for the Year Ended 31 December 2020**

		31.12.20 Unrestricted fund £	31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	393,397	940,789
EXPENDITURE ON			
Raising funds	3	138,305	951,727
Other		208,633	-
Total		346,938	951,727
NET INCOME/(EXPENDITURE)		46,459	(10,938)
RECONCILIATION OF FUNDS			
Total funds brought forward		103,582	114,520
TOTAL FUNDS CARRIED FORWARD		150,041	103,582

The notes form part of these financial statements

Balance Sheet
31 December 2020

	Notes	31.12.20 Unrestricted fund £	31.12.19 Total funds £
FIXED ASSETS			
Intangible assets	8	3,180	3,180
CURRENT ASSETS			
Stocks	9	24,872	29,697
Debtors	10	15,685	141,313
Cash at bank and in hand		156,748	162,683
		<u>197,305</u>	<u>333,693</u>
CREDITORS			
Amounts falling due within one year	11	(50,444)	(233,291)
NET CURRENT ASSETS		<u>146,861</u>	<u>100,402</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		150,041	103,582
NET ASSETS/(LIABILITIES)		<u>150,041</u>	<u>103,582</u>
FUNDS	12		
Unrestricted funds		150,041	103,582
TOTAL FUNDS		<u>150,041</u>	<u>103,582</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Balance Sheet - continued
31 December 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 27 September 2021 and were signed on its behalf by:

Major Gen D F Capps CBE - Trustee

Sandhurst Trust

**Cash Flow Statement
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(5,935)</u>	<u>39,490</u>
Net cash (used in)/provided by operating activities		<u>(5,935)</u>	<u>39,490</u>
Cash flows from financing activities			
		<u>-</u>	<u>12,054</u>
Net cash provided by financing activities		<u>-</u>	<u>12,054</u>
Change in cash and cash equivalents in the reporting period			
		<u>(5,935)</u>	<u>51,544</u>
Cash and cash equivalents at the beginning of the reporting period		<u>162,683</u>	<u>111,139</u>
Cash and cash equivalents at the end of the reporting period		<u>156,748</u>	<u>162,683</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.20 £	31.12.19 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	46,459	(10,938)
Adjustments for:		
Decrease/(increase) in stocks	4,825	(6,390)
Decrease/(increase) in debtors	125,628	(116,793)
(Decrease)/increase in creditors	(182,847)	173,611
Net cash (used in)/provided by operations	<u>(5,935)</u>	<u>39,490</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>162,683</u>	<u>(5,935)</u>	<u>156,748</u>
	<u>162,683</u>	<u>(5,935)</u>	<u>156,748</u>
Total	<u>162,683</u>	<u>(5,935)</u>	<u>156,748</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.12.20	31.12.19
	£	£
Donations	174,755	160,951
Other income	218,642	779,838
	<u>393,397</u>	<u>940,789</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

3. RAISING FUNDS

Raising donations and legacies

	31.12.20	31.12.19
	£	£
Direct costs	138,305	667,074
Support costs	-	284,653
	<u>138,305</u>	<u>951,727</u>

4. SUPPORT COSTS

	Management	Finance	Other	Totals
	£	£	£	£
Other resources expended	<u>186,009</u>	<u>7,452</u>	<u>15,172</u>	<u>208,633</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

6. STAFF COSTS

	31.12.20	31.12.19
	£	£
Wages and salaries	80,875	160,862
Social security costs	68,938	66,293
Other pension costs	17,653	5,811
	<u>167,466</u>	<u>232,966</u>

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

	31.12.20	31.12.19
	6	6

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	940,789
EXPENDITURE ON	
Raising funds	951,727
NET INCOME/(EXPENDITURE)	<u>(10,938)</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	114,520
TOTAL FUNDS CARRIED FORWARD	<u>103,582</u>

8. INTANGIBLE FIXED ASSETS

	IPR on Medals £
COST	
At 1 January 2020 and 31 December 2020	<u>3,180</u>
NET BOOK VALUE	
At 31 December 2020	<u>3,180</u>
At 31 December 2019	<u>3,180</u>

9. STOCKS

	31.12.20	31.12.19
	£	£
Stocks	<u>24,872</u>	<u>29,697</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	404	121,096
Other debtors	14,748	12,473
VAT	533	7,744
	<u>15,685</u>	<u>141,313</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade creditors	-	79,592
Social security and other taxes	13,305	(451)
Other creditors	16,963	-
Accruals and deferred income	15,000	148,974
Commandant's fund loan	5,176	5,176
	<u>50,444</u>	<u>233,291</u>

12. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	103,582	46,459	150,041
TOTAL FUNDS	<u>103,582</u>	<u>46,459</u>	<u>150,041</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	393,397	(346,938)	46,459
TOTAL FUNDS	<u>393,397</u>	<u>(346,938)</u>	<u>46,459</u>

Comparatives for movement in funds

	At 1.1.19	Net movement in funds	At 31.12.19
	£	£	£
Unrestricted funds			
General fund	114,520	(10,938)	103,582
TOTAL FUNDS	<u>114,520</u>	<u>(10,938)</u>	<u>103,582</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	940,789	(951,727)	(10,938)
TOTAL FUNDS	<u>940,789</u>	<u>(951,727)</u>	<u>(10,938)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	114,520	35,521	150,041
TOTAL FUNDS	<u>114,520</u>	<u>35,521</u>	<u>150,041</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,334,186	(1,298,665)	35,521
TOTAL FUNDS	<u>1,334,186</u>	<u>(1,298,665)</u>	<u>35,521</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2020.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.