

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2021
for
Sandhurst Trust

Harlands Accountants (Newquay) Limited
35 High Cross Street
St Austell
Cornwall
PL25 4AN

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for the Year Ended 31 December 2021**

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**Report of the Trustees
for the Year Ended 31 December 2021**

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 2021. 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

2021 saw the charity slowly recovering from restrictions due to the covid pandemic. The early part of the year saw all but one of the staff furloughed under the government scheme, remaining so until September. The Sandhurst Commandant finally permitted a resumption of events in September and the Trust was able to run several lucrative private events as clients returned to the site.

The Trust continues to be supported by the Patron, The King of Bahrain, with the annual grant of £70k paid. Furthermore, the grant in aid from the Chief of the General Staff was increased to £63k and both grants were fully utilised keeping the charity running and solvent. Reserves, which had been run down during the early part of the year, were re-established at a low level but with a plan to restore the cash reserve to £75k by the end of 2022. The flurry of events at the end of the year, and the reintroduction of leadership grants to the Cadets in December, enabled the disbursement to reach £83k an improvement on the £55k in 2020 but still down on the £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 2021 The Trust charitably disbursed £83k including 150 grants to Officer Cadets going on adventurous training expeditions. Furthermore, as the country emerged from the pandemic, eight grants were supplied to members taking their soldiers adventurous training. Welfare continued to be a major activity, with support to international cadets forced to remain at RMAS during the recesses, unable to return home due to covid restrictions. Grants to international cadets rose to £44k during the year (up from 24k in 2020). Furthermore, the collapse of the Afghan Government in August caused significant issues for the seven cadets still under training. The Trust stepped in to pay them for the two months until FCO funding became available. Additionally, several Afghan alumni were evacuated under Operation Pitting and The Trust provided assistance for them and their families as they settled in the UK and waited for state benefits to be processed. £7k of the £44k provided to international cadets was used in this way. At other far end of the scale, The Trust provided a wreath for the parents of an Officer Cadet who died in training in 2012 to lay at his memorial tree in the grounds.

Finally, The Trust supported Lucknow Platoon, which houses the cadets injured during training, and the continued provision of a hired golf buggy cuts down the amount of walking required on the large 660 acre site.

Sandhurst Trust

Report of the Trustees for the Year Ended 31 December 2021

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 £224,581 (2021: £150,541), 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

Sandhurst Trust

Report of the Trustees for the Year Ended 31 December 2021

Trustees

Trustees of the Sandhurst Trust during the year 2021 were:

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) - resigned 15 November 2021

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

Colonel R N Alston - appointed 1 August 2022

R Tanna - appointed 1 June 2022

Independent Examiner

Deborah Edwards

BA (Hons) FCA

Harlands Accountants (Newquay) Limited

35 High Cross Street

St Austell

Cornwall

PL25 4AN

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

tim sherwood

.....
Mr T R Sherwood - 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 2021.

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 BA (Hons) FCA 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.

Deborah Edwards
BA (Hons) FCA
Harlands Accountants (Newquay) Limited
35 High Cross Street
St Austell
Cornwall
PL25 4AN

Date:

Sandhurst Trust

**Statement of Financial Activities
for the Year Ended 31 December 2021**

		31.12.21 Unrestricted fund £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	578,514	393,397
Investment income	3	<u>15</u>	<u>-</u>
Total		<u>578,529</u>	<u>393,397</u>
 EXPENDITURE ON			
Raising funds	4	307,071	138,305
Other		<u>196,918</u>	<u>208,633</u>
Total		<u>503,989</u>	<u>346,938</u>
 NET INCOME		74,540	46,459
 RECONCILIATION OF FUNDS			
Total funds brought forward		150,041	103,582
 TOTAL FUNDS CARRIED FORWARD		<u>224,581</u>	<u>150,041</u>

The notes form part of these financial statements

Sandhurst Trust

**Balance Sheet
31 December 2021**

		31.12.21 Unrestricted fund £	31.12.20 Total funds £
FIXED ASSETS	Notes		
Intangible assets	9	3,180	3,180
CURRENT ASSETS			
Stocks	10	23,168	24,872
Debtors	11	7,871	15,685
Cash at bank and in hand		<u>248,273</u>	<u>156,748</u>
		279,312	197,305
CREDITORS			
Amounts falling due within one year	12	(57,911)	(50,444)
NET CURRENT ASSETS		<u>221,401</u>	<u>146,861</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		224,581	150,041
NET ASSETS		<u>224,581</u>	<u>150,041</u>
FUNDS	13		
Unrestricted funds		<u>224,581</u>	<u>150,041</u>
TOTAL FUNDS		<u>224,581</u>	<u>150,041</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 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.

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 and were signed on its behalf by:

tim sherwood
Mr T R Sherwood - Trustee

The notes form part of these financial statements

Sandhurst Trust

**Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>91,510</u>	<u>(5,935)</u>
Net cash provided by/(used in) operating activities		<u>91,510</u>	<u>(5,935)</u>
Cash flows from investing activities			
Interest received		<u>15</u>	<u>-</u>
Net cash provided by investing activities		<u>15</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		91,525	(5,935)
Cash and cash equivalents at the beginning of the reporting period		<u>156,748</u>	<u>162,683</u>
Cash and cash equivalents at the end of the reporting period		<u>248,273</u>	<u>156,748</u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.21	31.12.20
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	74,540	46,459
Adjustments for:		
Interest received	(15)	-
Decrease in stocks	1,704	4,825
Decrease in debtors	7,814	125,628
Increase/(decrease) in creditors	<u>7,467</u>	<u>(182,847)</u>
Net cash provided by/(used in) operations	<u><u>91,510</u></u>	<u><u>(5,935)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>156,748</u>	<u>91,525</u>	<u>248,273</u>
	<u>156,748</u>	<u>91,525</u>	<u>248,273</u>
Total	<u><u>156,748</u></u>	<u><u>91,525</u></u>	<u><u>248,273</u></u>

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

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

	31.12.21	31.12.20
	£	£
Donations	179,704	174,755
Other income	<u>398,810</u>	<u>218,642</u>
	<u>578,514</u>	<u>393,397</u>

3. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Interest receivable - trading	<u>15</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. RAISING FUNDS

Raising donations and legacies

	31.12.21	31.12.20
	£	£
Direct costs	<u>307,071</u>	<u>138,305</u>

5. SUPPORT COSTS

	Management	Finance	Other	Totals
	£	£	£	£
Other resources expended	<u>168,597</u>	<u>12,600</u>	<u>15,721</u>	<u>196,918</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	135,135	149,813
Other pension costs	<u>15,924</u>	<u>17,653</u>
	<u>151,059</u>	<u>167,466</u>

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

	31.12.21	31.12.20
	<u>6</u>	<u>6</u>
Staff		

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

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund
	£
INCOME AND ENDOWMENTS FROM	
Donations and legacies	<u>393,397</u>
EXPENDITURE ON	
Raising funds	138,305
Other	<u>208,633</u>
Total	<u>346,938</u>
NET INCOME	46,459

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

RECONCILIATION OF FUNDS

Total funds brought forward

103,582

TOTAL FUNDS CARRIED FORWARD

150,041

9. INTANGIBLE FIXED ASSETS

IPR on
Medals
£

COST

At 1 January 2021 and
31 December 20213,180

NET BOOK VALUE

At 31 December 2021

3,180

At 31 December 2020

3,180

10. STOCKS

31.12.21

31.12.20

£

£

Stocks

23,16824,872

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.12.21

31.12.20

£

£

Trade debtors

3,600

404

Other debtors

4,271

14,748

VAT

-

533

7,87115,685

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

31.12.21

31.12.20

£

£

Social security and other taxes

14,962

13,305

VAT

6,776

-

Other creditors

11,846

16,963

Accruals and deferred income

19,151

15,000

Commandant's fund loan

5,176

5,176

57,91150,444

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

13. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	150,041	74,540	224,581
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>150,041</u>	<u>74,540</u>	<u>224,581</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	578,529	(503,989)	74,540
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>578,529</u>	<u>(503,989)</u>	<u>74,540</u>

Comparatives for 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
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>103,582</u>	<u>46,459</u>	<u>150,041</u>

Comparative 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
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>393,397</u>	<u>(346,938)</u>	<u>46,459</u>

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

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	103,582	120,999	224,581
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	103,582	120,999	224,581

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**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

13. MOVEMENT IN FUNDS - continued

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	971,926	(850,927)	120,999
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>971,926</u>	<u>(850,927)</u>	<u>120,999</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

Sandhurst Trust**Detailed Statement of Financial Activities
for the Year Ended 31 December 2021**

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	179,704	174,755
Other income	<u>398,810</u>	<u>218,642</u>
	578,514	393,397
Investment income		
Interest receivable - trading	<u>15</u>	-
Total incoming resources	578,529	393,397
EXPENDITURE		
Raising donations and legacies		
Direct costs	307,071	138,305
Support costs		
Management		
Wages	135,135	149,813
Pensions	15,924	17,653
Insurance	-	1,652
Postage and stationery	2,473	1,705
Marketing	7,679	11,198
Sundries	5,725	942
Website costs	-	942
Computer expenses	<u>1,661</u>	<u>2,104</u>
	168,597	186,009
Finance		
Bank charges	12,600	7,452
Other		
Accountancy fees	<u>15,721</u>	<u>15,172</u>
Total resources expended	<u>503,989</u>	<u>346,938</u>
Net income	<u><u>74,540</u></u>	<u><u>46,459</u></u>