

RAECTI
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2022

Charity No: 1189700

RAECTI

CONTENTS

FOR THE YEAR ENDED 31 March 2022

CONTENTS

	Page
Legal and administrative information	1
Trustees' Annual Report	2 - 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes forming part of the financial statements	8 - 10

RAECTI

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 March 2022

Registered charity name **RAECTI**

Charity registration number **1189700**

Trustees Christian Samuel Halliday Hewitt
Helen Veness
Victoria Parker-Smith

**Registered office and
Principal place of activity** ROYAL ARTILLERY EQUESTRIAN CENTRE
BAKER BARRACKS
THORNEY ISLAND
EMSWORTH
PO10 8DH

Independent Examiner Alice Smith ACMA
Smith Howie Consulting Ltd
2 Glenwood Road
Southbourne
West Sussex
PO10 8NL

RAECTI

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 March 2022

The trustees, who are listed on page 1, are also Trustees for the purposes of charity law, present their report and the unaudited accounts of the charity for the year ended 31 March 2022.

Objectives and Activities

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

RAECTI's objects continue to be the provision of provide accessible horse-riding opportunities to individuals (serving (tri-service), veterans and the local civilian community), in an inclusive and empowering environment, as well as promoting the efficiency of the Armed Forces by increasing physical fitness and robustness by providing equestrian facilities, equipment and training, and promoting battle back for wounded, injured and sick service personnel.

The Centre provides recreational horse riding for service personnel, families and veterans.

The Centre also actively encourages more distant members and local community to participate in riding and provides something for all levels of experience.

The Centre runs various activities throughout the year for both adults, young people and children, and supports other charities.

Achievements and Performance, Plans for Future Years

The RAECTI is an award-winning Riding Club, the Centre continues to provide accessible opportunities for physical and mental wellness to individuals (serving personnel (tri-service), veterans and the local community).

The Centre focuses to initiate and further advance fitness, confidence, empowerment, self-awareness, self-regulation, relationships and learn new skills, adjacent to this the therapeutic benefits of allowing our service personnel to interact with the horses' compliments both general wellbeing and mental health.

The Centre gives the opportunity to all serving members on Thorney Island to have a weekly riding lesson at no cost. This continues to see new service personnel take up this offer, for them to destress, relax and to learn a new skill. We also have many children and dependants getting involved; either through lessons or volunteering for the charity. Our weekly parent and toddler group (Trotting Tots) for dependants is very popular for young families. During holiday times the Centre hosts pony days, riding camps and lots of activities for children. Great for fundraising.

There are outside clubs that come in and use the RAECTI facilities to help with our fundraising. This normally takes the form of training days and shows. These are open to all and all the fundraising is very well received.

The RAECTI has strong links with the Royal Artillery Saddle Club. Both soldiers and officers who ride for the Royal Artillery.

We work with other charities such as Blind Veterans UK, Help for Heroes, Step Together, Battle Back and others to support both veterans and those just needing our assistance.

The RAECTI horse strength remains at 6 horses and 4 ponies. We plan to increase by 2 horses rather than one to ensure our ability to serve the soldiers on TI (approx. £14k).

The cross-country course has fallen into disrepair and is not able to be used. With minimal funding (circa £10k) and effort the course should be reenergised to a hybrid training area for cross-country training and jumps practice area allowing all levels to participate.

RAECTI

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 March 2022

RAECTI has made stable refurbishments to the structure currently in place and has erected an equine isolation shelter to conform with British Horse Standards.

The outdoor riding arena is being assessed for maintenance and repairs to keep it in good order.

Equipment will need to be upgraded through the year to deliver safe training – jumps and tack are the main items, along with other smaller infrastructure builds and refurbishments, such as disabled toilets, lights for the horse walker and maintenance.

Covid19

Whilst RAECTI were closed for lessons and all activities due to COVID 19 we remained open for livery horses and essential care for our school equines. With planning we managed to do this and furloughed all non-essential staff until lessons could restart. Due to COVID-19 the RAECTI had limited opportunity to conduct fund raising activities other than some online horse events.

Financial review

During the year income, including gift aid where applicable, were receivable amounting to £244,131 (5 months to 31.3.21: £81,103) of which £nil (5 months to 31.3.21: £2,000) were restricted and £244,131 (5 months to 31.3.21: £98,948) were unrestricted.

As at 31 March 2022 the charity's funds amounted to £90,432 (5 months to 31.3.21: £59,043), of which £nil (5 months to 31.3.21: £1,200) were restricted and £90,432 (5 months to 31.3.21: £57,843) were unrestricted, comprising cash of £58,076 (5 months to 31.3.21: £49,043).

The accounts are prepared on an accruals basis.

Structure, governance and management

RAECTI was first registered as a charity on 21st November 2014, and then re-registered as a CIO on 1st November 2021, and is governed by its constitution. The charity is managed by a Committee comprising the Trustees. The Charity works closely with other military charities and local community.

Trustees are appointed by associated with the current Thorney Island serving regiment. New trustees are briefed by their predecessor and shadow the appointment before taking it up. They are also provided with Terms of Reference.

RAECTI

TRUSTEES ANNUAL REPORT

FOR THE YEAR ENDED 31 March 2022

Responsibilities of trustees

The Charities Commission requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Commission charity reporting and accounting guidance. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charity No. 1189700

BAKER BARRACKS
THORNEY ISLAND
EMSWORTH
PO10 8DH

INDEPENDENT EXAMINER'S REPORT

FOR THE YEAR ENDED 31 March 2022

I report on the accounts of the charity for the year ended 31 March 2022, which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under charity law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

Please note that to date RAECTI has not been required to register for VAT as much of the income is subject to an exemption from VAT as confirmed by HMRC's VAT Education Manual at VATEDU40200, and the income outside of this has been below the VAT registration threshold. However as RAECTI has increased incomes, Vat registration is likely to be required in the near future. Key to ensuring compliance with HMRC guidelines is understanding both which income streams are and are not subject to VAT, and how to ensure that once, VAT registered, all book keeping is appropriately organised so that the right amounts of VAT are reclaimed, as there will be partial exemptions for some income streams. RAECTI are in the process of obtaining appropriate advice, so I am satisfied that they are undertaking appropriate action with regards to any VAT requirements. I 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.

Alice Smith ACMA
30th August 2022

Smith Howie Consulting Ltd
2 Glenwood Road, Southbourne, West Sussex PO10 8NL

RAECTI

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2022

		Unrestricted £	31.3.22 Restricted £	Total £	31.3.21 Total £
	Notes				
Incoming Resources					
Incoming resources from generated funds	2	241,331	2,800	244,131	81,103
Total incoming resources		241,331	2,800	244,131	81,103
Resources Expended	3				
Costs of generating funds		206,691	4,000	210,691	59,334
Charitable activities		-	-	-	-
Other resources expended		2,051	-	2,051	3,206
Total expenditure		208,742	4,000	212,742	62,540
Net incoming/(outgoing) resources		32,165	(4,000)	32,165	18,562
Fund balances brought forward at 31 October 2021	7 & 8	59,043	1,200	59,043	40,481
Fund balances carried forward At 31 March 2022	8	90,432	-	90,432	59,043

The notes on pages 8 to 10 form part of these accounts.

RAECTI**BALANCE SHEET AS AT 31 March 2022**

	Notes	31.3.22	31.3.21
		£	£
Capital Property	5	39,328	-
Current assets			
Debtors	6	3,874	-
Cash at bank and in hand		<u>58,375</u>	<u>59,043</u>
		59,043	59,043
Current Liabilities		<u>51,104</u>	<u>-</u>
Net assets		<u>90,432</u>	<u>59,043</u>
Represented by:			
Restricted funds	6	-	1,200
Unrestricted funds	6	90,432	57,843
		<u>90,432</u>	<u>59,043</u>

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 130 of the Charities Act 2011

Approved by the Trustees and signed on its behalf by

Charity Registration Number:1189700

The notes on pages 8 to 10 form part of these accounts

1. Accounting policies

1.1 Basis of preparation of accounts

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The accounts are prepared on an accruals basis.

RAECTI meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Tangible fixed assets and depreciation

- 1.2** Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value, over their expected useful lives.

Income

- 1.3** Income is received by way of donations, lesson fees, memberships, subscriptions and sale of products, and is included in full in the Statement of Financial Activities in the year in which it is receivable. Gifts in kind are included in income at a value which is an estimate of the financial costs borne by the donor where such a cost is quantifiable and measurable. No income is recognized where there is no financial cost borne by a third party. Other income is included when received.

Expenditure

- 1.4** Expenditure comprises activities undertaken which are directly identifiable as wholly or mainly in support of the charity's objectives. Governance expenditure relates to compliance with constitutional and statutory requirements. Fundraising activities include expenditure on the various activities, events, projects and programmes undertaken and include both the direct costs and support costs relating to those activities. Support costs have been allocated to activities on a basis consistent with the use of resources, for example staff and subcontractor costs by time spent and other costs by usage. Resources expended include attributable VAT which cannot be recovered.

1.5 Funds

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds include donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific activities or projects being undertaken by the Charity.

RAECTI

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 March 2022

2.	Incoming resources from generated funds	31.3.22	31.3.22	31.3.22	31.3.21
		Unrestricted £	Restricted £	Total £	Total £
	Income	240,416	2,800	243,216	81,103
	Gift aid	914	-	914	-
		244,131	2,800	244,131	81,103
3.	Expenditure	31.3.22	31.3.22	31.3.22	31.3.22
		Unrestricted £	Restricted £	Total £	Total £
	Cost of generating funds				
	Expenditure	206,691	4,000	210,691	59,334
		206,691	4,000	210,691	59,334
	Other resources expended				
	Professional Fees	2,051	-	2,051	3,206
		2,051	-	2,051	3,206
		208,472	4,000	212,742	62,540

Included within expenditure are Independent Examiners fees for this year of £400 (Oct 2021: £0)

4. Staff costs

The charity paid staff costs in the year to 31.3.22 of £122,508 (5 months to 31.3.21 : £36,237). No emoluments were paid to any Trustee for their services during the year.

5. Tangible Fixed Assets

	Stable Refurbishments £	Equipment £	Total £
Cost:			
Additions	30,879	13,515	44,394
Cost at 31.3.22	30,879	13,515	44,394
Depreciation:			
Charge for Period	2,835	2,231	5,066
Depreciation at 31.3.22	2,835	2,231	5,066
NBV 31.3.22	28,044	11,284	39,328

6. Analysis of Charitable Funds

	Balance at 31 March 2021 £	Incoming Resources £	Resources Expended £	Fund at 31 March 2022 £
Restricted Funds	1,200	2,800	(4,000)	-
Unrestricted Funds				
General Fund	57,843	241,331	(208,472)	90,432
Total Funds	59,043	244,131	(212,742)	90,432