

# ROYAL ARTILLERY CHARITABLE FUND

England & Wales · Charity number 210202

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [00163205](#)

**Registered** 1964-04-29

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Rhqra  
Royal Artillery Barracks  
Larkhill  
Salisbury  
Wiltshire  
SP4 8QT

**Phone** 01980845528

**Website** [www.thegunners.org.uk](http://www.thegunners.org.uk)

## Activities

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**Objects:** (1) IN PROMOTING THE EFFICIENCY AND WELFARE OF ALL OR ANY MEMBERS OF ALL RANKS SERVING IN THE ROYAL ARTILLERY WHETHER REGULAR, SPECIAL RESERVE, RESERVE, OR TEMPORARY; AND(2) IN THE RELIEF AND ASSISTANCE OF ALL OR ANY PAST, PRESENT OR FUTURE MEMBERS OF ALL RANKS OF THE ROYAL ARTILLERY WHETHER REGULAR, SPECIAL RESERVE, RESERVE, OR TEMPORARY AND THEIR FAMILIES AND DEPENDANTS, AND THE FAMILIES AND DEPENDANTS OF ANY DECEASED MEMBER (TOGETHER REFERRED TO AS 'THE MEMBERS OF THE ROYAL ARTILLERY, THEIR FAMILIES AND DEPENDENTS') WHO ARE IN NEED OF SUCH RELIEF OR ASSISTANCE BY REASON OF POVERTY, DISABILITY, SICKNESS, INFIRMITY OR OTHERWISE.

**Activities:** Promoting efficiency and welfare of all ranks serving in the Royal Artillery, incl TA. Relief and assistance to past and present members of the Royal Artillery and their dependants who are in need Grants to soldiers and officers, serving or retired who are in need.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training, The Prevention Or Relief Of Poverty, Other Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

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- Germany
- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,359,138	£1,622,000	£43,113,047	4
2023-12-31	£1,577,315	£1,595,612	£39,655,875	4
2022-12-31	£1,790,645	£1,444,598	£41,428,359	4
2021-12-31	£1,323,428	£1,058,957	£39,374,464	4
2020-12-31	£1,546,070	£992,011	£35,594,827	4

## Trustees

Name	Role	Appointed
<b>Major General David Cullen CB, OBE</b>	Chair	2016-12-15
BRIGADIER MARK NICHOLAS POUNTAIN CBE		2018-03-23
COLONEL CHRISTOPHER COMPORT OBE TD DL		2015-12-01
Col Michael Relph MBE		2017-10-25
Colonel David Stuart Joyce		2026-06-15
Colonel Patrick James Farrell OBE ADC		2025-01-15
Colonel Philip Ashley Haigh		2025-04-23
Colonel Richard Andrew Forster		2023-10-09
Colonel Stuart Ian Hay		2024-04-22
Lieutenant Colonel Simon John Howe		2021-12-08
Owen James Adams		2025-11-26
RASM Keith Fisher		2026-06-15
Rupert James Hendry Burchett		2025-11-26
William B de C Cussans		2024-06-12

## Linked charities

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- LADY SCLATER WAR WORKROOM FUND (210202-1)
- THE SHOEBURYNESSE MEMORIAL FUND (210202-10)
- THE NAVAL MARITIME PRIZE FUND (210202-11)
- THE HUME SPRY (MAYERS) TRUST (210202-12)
- THE WALTER HOWARD LEGACY (210202-13)
- THE HARRISON TRUST (210202-14)
- ROYAL ARTILLERY ASSOCIATION TRUST FUND (210202-15)
- ROYAL REGIMENT OF ARTILLERY PRISONERS OF WAR FUND (210202-16)
- RACF PERMANENT ENDOWMENT FUND (210202-18)
- ROYAL ARTILLERY BENEVOLENT FUND (210202-19)
- FAIR BURSARY (210202-2)
- THE KHARTOUM TRUST (210202-3)
- WILLIAM STEWART CAPPER TRUST (210202-4)
- 4TH WEST LANCASHIRE OLD COMRADES' ASSOCIATION TRUST FUND (210202-5)
- MALTA CONVOY AND MARITIME DEPENDANTS FUND (210202-6)
- THE GEORGE RUNDLE TRUST (210202-7)
- THE NIGEL HADDON TRUST (210202-8)
- THE MAJOR ROGER HEAFORD DAUBNEY TRUST (210202-9)

**ROYAL ARTILLERY CHARITABLE FUND**

England & Wales - Charity number 210202

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# Accounts

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## **THE ROYAL ARTILLERY CHARITABLE FUND**

**Incorporated under the Companies Act and Limited by Guarantee**

### **REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**INCLUDING GROUP ACCOUNTS WITH  
THE ROYAL ARTILLERY ASSOCIATION  
(REGISTERED CHARITY NO 238197)**

**and**

**FINANCIAL STATEMENTS FOR  
THE ROYAL ARTILLERY CHARITABLE FUND  
(PERMANENT ENDOWMENT) (210202-18)**

**and the**

**ROYAL ARTILLERY BENEVOLENT FUND (210202-19)  
FOR THE YEAR ENDED 31 DECEMBER 2024 ARE INCLUDED  
UNDER A UNITING DIRECTION**

**Registered Company No: 163205**

**Registered Charity No: 210202**

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# THE ROYAL ARTILLERY CHARITABLE FUND

## TRUSTEES AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2024

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**President** - The Master Gunner, St James's Park , Lieutenant General Sir Andrew Gregory KBE CB DL

**Royal Artillery Charitable Fund (RACF) Trustees** - The members of the RACF Trustee Board during the year ended 31 December 2023 and up to the date of the approval of this report, were as follows:-

**Chairman** Major General DM Cullen CB OBE

### Trustees

Brigadier MN Pountain CBE	
Colonel MB Bishop MBE VR	(Retired 23 <sup>rd</sup> April 2025)
Colonel DA Butt	(Appointed 29 <sup>th</sup> July 2024)
Colonel CE Comport OBE TD DL	
Colonel CL Coton	(Retired 6 <sup>th</sup> May 2024)
Colonel MAA Dornan	(Retired 26 <sup>th</sup> July 2024)
Colonel P Haigh	(Appointed 23 <sup>rd</sup> April 2025)
Colonel PJ Farrell ADC	(Appointed 15 <sup>th</sup> January 2025)
Colonel RA Forster	
Colonel RC Harmer ADC	(Retired 20 <sup>th</sup> January 2025)
Colonel S I Hay	(Appointed 22 <sup>nd</sup> April 2024)
Colonel BMD Ingham	
Colonel MD Relph MBE	
Lieutenant Colonel S J Howe	
Major AJ Dines TD	(Retired 12 <sup>th</sup> June 2024)
Major JO Leighton TD	(Retired 12 <sup>th</sup> June 2024)
Warrant Officer Class1 (RASM) L Sanders	(Retired 31 <sup>st</sup> May 2024)
Warrant Officer Class 1 (RASM) J Lightfoot	(Appointed 31 <sup>st</sup> May 2024)
Mr WB De C Cussans	(Appointed 12 <sup>th</sup> June 2024)

A number of trustees are also involved in the governance of other charities referred to in this report. All trustees have made a declaration listing any related parties and potential conflicts of interest.

**Regimental Secretary** Colonel P Bates (Appointed 21 January 2025)  
Colonel (Retd) M G J Carter (Retired 21 January 2025)

**Finance Secretary** Mrs B Hoblyn

### Professional Advisors

**Bankers** Lloyds Bank PLC, 39 Piccadilly, London, W1V 0AA

**Solicitors** Wilsons, Alexandra House, St John's Street, Salisbury, Wiltshire, SP1 2SB

**Auditors** Saffery LLP, 71 Queen Victoria Street, London, EC4V 4BE

**Investment Managers** BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL

**Address** Artillery House, Royal Artillery Barracks, Larkhill, Wiltshire SP4 8QT.

**Registered Company No** 163205

**RACF Registered Charity No** 210202

**RAA Registered Charity No**

238197

# THE ROYAL ARTILLERY CHARITABLE FUND

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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### Introduction

The RACF Trustees submit their annual report for the year ended 31<sup>st</sup> December 2024 under the Companies Act 2006, together with the audited financial statements for that year. The accounts comply with the Companies Act 2006, the charities' governing documents and the relevant Statement of Recommended Practice (the Charities SORP (FRS102)). The RACF is a company not for profit, limited by guarantee and not having share capital. It is governed by its Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

These accounts, including the comparatives, consolidate the results of The Royal Artillery Charitable Fund and, under its Group Accounts, its subsidiary charity the Royal Artillery Association (RAA). The RACF is the sole corporate trustee of the RAA and on the advice of our auditors, the RAA is now included as part of the RACF Group Accounts.

### Objects

The objects of the RACF are to apply the charity's funds:

- In promoting the efficiency and welfare of all ranks of the Royal Artillery, whether Regular, Special Reserve, Reserve or Temporary and;
- In relief and assistance of any past, present or future members of the Royal Artillery whether Regular, Special Reserve, Reserve or Temporary and their dependants, and families and dependants of any deceased members, who are in need of such relief and assistance by reason of poverty, disability, sickness, infirmity or otherwise.

The objects of the RAA are to promote the efficiency of the Royal Artillery by:

- Maintaining contact between past and present members of the Royal Artillery, fostering mutual friendship between them and providing for social gatherings for them and;
- Fostering esprit de corps, comradeship and the welfare of the Royal Artillery and preserving its traditions.
- To relieve either generally or individually members of the RAA or past and present members of the Royal Artillery, and their dependants, who are in conditions of need, hardship or distress.

### Organisation

The duties of the RACF Board of Trustees are laid down in the Articles of Association. The Board members provide a skills-based set of abilities and experience, with some representing the serving officers and soldiers of the Regiment. The RACF works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT) and the Royal Artillery Institution (RAI), whose objects also support and promote efficiency within the Royal Artillery. The Board of Trustees meets at least twice a year as part of the Royal Artillery Board of Management alongside the trustees of the RAI. Subordinate to the Board of Trustees are the Investment Committee, the Welfare Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF and others who have been co-opted for their skills and knowledge so as to ensure that high quality advice may be provided to the RACF Board. The reports of these committees form part of the agenda of the meetings of the RACF Board of Trustees. The trustees form the membership of the RACF. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RACF Board of Trustees as required. The Chairman of the RACF is a member of the Master Gunner's Committee and updates the committee biannually on business undertaken by the Royal Artillery Board of Management.

## THE ROYAL ARTILLERY CHARITABLE FUND

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Governance

In addition to the Articles of Association, the Welfare, Investment and Finance & General-Purpose committees have their own directives, which are reviewed and agreed regularly by the trustees. Powers delegated to the Secretariat are contained in the directives. Direction to the RAA NEC is contained in the RAA Rules and GAls.

Secretariat policies, which are agreed by the trustees, are in place in order to ensure smooth and effective running of the charities. The charities' risk register is reviewed annually by the trustees. The register follows the model recommended by the Charity Commission. Identified risks are managed as laid down in the Risk Management Plan. For specific items, detailed briefs are sent to the trustees so they can consider issues in depth before meetings. Trustees also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustees and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

#### Charity Commission Governance Code

The RACF as one of the Royal Artillery charities, comes under the umbrella of the Confederation of Service Charities (Cobseo). Cobseo, in consultation with the Charity Commission, have produced a Service Charity toolkit based on the 2017 Charity Commission Governance guide. The trustees carried out a self-assessment process using the toolkit in 2019. This enabled the Board to identify a number of enhancements which can be considered to improve governance. This included a resolution to limit the tenure of trustees. A further self-assessment review was conducted in 2022. Overall this showed an improvement since 2019 but identified some areas for further review. A further review will be conducted in 2025.

#### Selection of Trustees of the RACF Board of Management

The Articles of Association state the process for the appointment of trustees. New trustees are appointed by Resolution of the existing trustees. Trustees are normally serving and retired members of the Royal Artillery.

The Master Gunner St James's Park as President is an ex-officio member of the RACF and is the Head of the Regimental Family, but he is not a trustee. The President proposes the Chairman, who will normally have been a Colonel Commandant. The appointment of the Chairman is then approved by resolution of the existing trustees. Trustees are selected for their skills and experience and their ability to understand and anticipate the needs of the serving and retired regiment. The trustees will normally include the Regimental Colonel, Colonel Reserves, Commandant Royal School of Artillery, Commander 7<sup>th</sup> Air Defence Group, Deputy Commander 1<sup>st</sup> Deep Reconnaissance Strike Brigade Combat Team, and the Royal Artillery Sergeant Major, who between them represent the interests of serving Gunner soldiers and officers. Veterans and family beneficiaries are represented by both serving and retired trustees.

#### Corporate Trustee

The RACF is the sole corporate trustee of the Royal Artillery Charitable Fund (Permanent Endowment) (RACF (PE) (210202-18), the Royal Artillery Benevolent Fund (RABF) (210202-19), the Royal Artillery Association (RAA) (238197) and the Kelly Holdsworth Artillery Trust (KHAT) (208359).

#### Uniting Direction

Under a uniting direction the accounts of the RACF (PE), and the RABF, are shown in these accounts. As indicated above the RAA funds have been included as part of the Group Accounts.

## THE ROYAL ARTILLERY CHARITABLE FUND

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Key Management Personnel

The Regimental Secretary is the Chief Executive of the RACF and RAA and is responsible for: the day-to-day management of the charities' business; implementing policies agreed by the trustees and; the management of the charities' staff. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records. The Welfare Secretary is responsible to the Regimental Secretary for processing all welfare applications and individual grants. The RAA Secretary is responsible for specific matters relating to the Association.

#### Review of Financial Activities

The following details refer to the consolidated figures of the RACF and RAA for 2024 and 2023. The disaggregated figures for RACF and RAA can be seen on the balance sheet and notes at pages 18 and 28 to 37.

The charities funds continue to be employed to support the efficiency and welfare of members of the Royal Artillery and to provide relief and assistance to past, present or future members of the Royal Artillery. The results of the charities activities are summarised on page 16.

In 2024 the charities had an excess of Income over expenditure before gains on investments of £737,138 (2023: £18,297 excess of expenditure over Income). After investment gains of £2,720,034 (2023: gains of £1,990,006) there was a net increase of funds of £3,457,172 (2023: net increase of £1,971,709).

Total income increased by £781,825 to £2,359,138, mainly due to: an increase in declared legacies and other income due to increase in bank interest. There were decreases in intangible income (due to change over of staff), decrease RAA branch income and investment income (due to lower dividend payments) but these losses were offset by the increase in legacies.

Income from the Service Giving Scheme increased by £6,778 to £268,419, which was 17.8% of income received.

There were 17 legacies totalling £977,672. This income reflects 4 accrued legacies of £981,485. The accrued legacies are higher than those recorded as received due to an accrued legacy recorded in the prior year being lower than anticipated when it was received. There were an additional 198 donations and grants, totalling £99,766 (£76,174 Donation and £24,592). Investment income also decreased by £71,956 which was 9.81% lower than was budgeted.

There are four main income streams. They are:

- Legacies.
- Investment income.
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charities.
- Donations.

Expenditure on charitable activities increased by £32,701 to £1,494,907 (2023: £1,462,206). This was due to increase in several areas:

- Grants increased overall by £62K, most significantly in support to betterment grants to the regiments and support to RAM for the refurbishment of the sexton, which is a WW2 Sexton self propelled gun.
- Event expenditure increased by £3,355.
- Salaries decreased by £6,828 mainly due to a decrease in Wages and Salaries in kind due to a change over staff.
- Support costs decreased overall by £29K, mainly due to no extensive cottage expenses and office cost due to the completion of the website in 2023.

**Review of Financial Activities continued**

- Grants from RACF to individual beneficiaries totalled £567,830 of which £197,777 was spent from the restricted RABF Funds, and the remaining £370,053 from the RACF (2023: £630,132: RABF £178,146, RACF £451,986). It is assessed that the decrease is a result of more complex cases, with one or more additional need, less cases and declining cases 2024: 60.
- Grants to regiments totalled £329,522 (2023: £326,654). This was made up of: of regimental individual welfare cases - £87,991; annual regimental welfare grants - £86,300; sports - £80,712; Betterment grants of £116,015 of which £34,745 were given to regiments; battery grants - £28,774.
- Of the £116,015 betterment grants of £81.3K were given to the RA Saddle Club and Garrison Church

The costs of raising funds decreased by £1,388 to £9,308 (2023: £10,696).

**Charitable Activities**

The RACF's principal activities during the year were as follows:

- Provision of assistance to those in need by reason of poverty, disability, sickness, infirmity or otherwise - £567,830 of which the £197,777 was spent from the restricted RABF Funds, and the remaining £370,053 from the RACF.
  - The prime method of achieving this object is by making grants to individuals.
  - Gunners in need, both serving and retired, and their dependants, are identified in a variety of ways and cases normally come from one of the following organisations: Social Services, Soldiers Sailors Airmen and Families Association (SSAFA), Royal British Legion (RBL), Officers Association (OA), Unit Welfare Officers, RAA and other regimental charities.
  - Once a Gunner, or his / her dependant, is identified as being in need, a trained external assessor, normally a member of SSAFA, OA or the RBL, interviews the potential recipient and then makes a report to the RACF. If the case involves a serving Gunner then the Unit Welfare Officer may initiate a report.

The RACF and RABF then assesses the case report and allocates charitable funds, in consultation with other eligible charities if appropriate. The proportion found by the RACF/RABF can vary depending on circumstances and is not guaranteed. On average during the year it was 36% of the total. (2023 – 34%). The external assessor decides whether the need has been met.

- Funds to relieve need are paid through the almonising organisation rather than to the individual.
- The RACF assisted 710 individual welfare cases in 2024 with grants totalling £567,830 (2023: 750 cases), of which 91 (2023: 100) were serving members of the Regiment grants totalling £87,991 other ineligible cases were declined, as they were either not Gunners or the request for support was no longer needed or out of scope (eg medical or legal fees) or duplications.
- In addition to the above, £71,025 (2023: £72,420) was paid in grants to 49 (2023: 53) Kelly Holdsworth beneficiaries and a further £32,350 (2022: £30,145) in Christmas grants to 408 (2023: 380) recipients.
- The total number of cases assisted in 2024 were 1,118 (2023: 1,187).
- No case that was assessed as eligible for and still requiring assistance was declined.
- Among the 710 individual cases, the average gross grant was £800 per case. In most instances additional funds were granted by the RBL, Army Benevolent Fund (ABF), the OA and other military and civilian charities.

**Charitable Activities continued**

- Promotion of efficiency and Welfare:
  - RACF Welfare grants totalling £86.3K were made to 22 Regular and Reserve regiments / units, in order to help deal with individual cases and support unit welfare initiatives.
  - Grants totalling £80.7K were made to Gunner sport from RACF, via the RAI, in order to assist in the maintenance of fitness and morale.
  - 37 Grants totalling £28,774 were made from RAA to batteries to promote comradeship and esprit de corps (2023: 44 totalling £35,841).
  - 6 betterment grant totalling £116,015 was made from RACF to 16RA, Kings Troop, Saddle Club, Garrison Church and a joint grant to 1 26<sup>th</sup>, 32<sup>nd</sup> and 47<sup>th</sup> Regts RA.
- ABF the Soldiers' Charity. ABF has supported a large number of Gunner cases. This year the RACF donated £79.5K to the ABF to assist them in making grants towards other smaller, specific purpose charities that support Gunners and their dependants.
- General. The RACF has provision, where appropriate, through the KHAT, to help with dependants' education costs when serving Gunners die or are in need. The RABF owns four cottages, which house Gunners in need. The RACF also helps maintain Gunner memorials.

The RAA's principal activities during the year were as follows:

- Making grants to support comradeship and welfare; raising and maintaining the profile of the RAA in order to improve comradeship for Gunners, both serving and retired;
- Providing support to members and; planning and organising national RAA events.

Apart from support to national RAA events, branches, staff and running costs, the RAA made 37 grants worth £28,774 to batteries to promote comradeship and esprit de corps (2023: 44 totalling £35,841). No grants were made in support of branches (2023: 0 totalling £NIL). Grants are allocated to enhance the collective well-being of the Regiment and its individual members, serving and retired, by supplementing shortfalls in funding on comradeship projects.

**Public Benefit**

The Objects of the charities are to promote efficiency, welfare, comradeship and esprit de corps within the serving Regiment and to assist those in need who are serving or who have served their country through service in the Royal Regiment of Artillery, and their dependants. Inextricably linked with this Object is the aim of contributing to the public good by service to the Sovereign, the Country and all its citizens. The RACF contributes considerable public benefit to the local and national community by relieving need among members of the regimental family. This in turn maximises the likelihood of the charity's beneficiaries maintaining their place as valuable, self-sufficient members of the community who are able to make a positive contribution to society. The charity works in tandem with the SSAFA, the ABF and the RBL. The trustees have taken due regard of the Charity Commission's guidance on Public Benefit.

The charity has sufficient funds to support its future operations and deliver its charitable Objects. Research carried out by the RBL has shown that there is still a very large ex-Service community, however the number of ex-servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. In the future it is assessed that, while the volume of cases might reduce, the greater complexity of needs arising from service in the Iraq and Afghanistan campaigns, may increase the cost of

**Public Benefit continued**

providing support to those in need. It is also anticipated that the recent significant increases in food and fuel costs may generate additional requests for support.

**Future Plans**

Based on an assessment that future income will remain steady in the long term, the trustees aim to maintain current expenditure in order that RACF continues to support efficiency and welfare in the Royal Regiment and to aid all members of the regimental family who are in need. Should income levels drop significantly, trustees could generate additional funds by liquidating investment assets, however this would need to be balanced by the requirement to maintain investment income for future generations. Alternatively, trustees could implement savings measures against forecasted expenditure which are presented to them annually.

The efforts of the Royal Artillery Association to promote its activities and objects has seen a significant increase in membership from both the serving and retired elements of the Regimental Family. There are now 86 Branches which include traditional geographical locations and newly formed national interest groups such as Motorcyclists, e-sports, Angling etc. Current active membership is circa 3500 which is an increase of 1500 over the past two years.

In 2024 the trustees agreed in principle to grant the Royal Artillery Museum Limited (RAML) £4M in support of the museum building project which is estimated to cost £13M. Funding for this will be split as follows: RAML – to provide £4M; RA Charities – to provide a grant of £4M; Fundraising – to deliver £5M. This is a 6-year project (2024-2029). While this a grant from the RA Charities, not a loan, it is conditions based and the funds will be released during the project timeline only if those conditions are met. At 31<sup>st</sup> December 2024 the terms of the funding had not been agreed.

**Reserves Policy**

The trustees' policy is to maintain a sufficient level of reserves to: provide a stable base and income generation for the charities' continuing activities; generate sufficient funds to cover routine management and administrative costs and; enable the charities to respond to any emergency applications for grants which may arise from time to time. The following figures show the combined funds of RACF and RAA. Disaggregated figures for the RACF can be found on pages 18 and 28 to 37 and details for the RAA reserves can be found in the separate RAA accounts.

Total funds for the charities as at 31 December 2024 were £43,113,047 (2023: £39,655,875).

Unrestricted reserves of the RACF were £27,745,582 (2023: £25,118,119) of which are not all free reserves.

Restricted Income funds for Benevolence were £5,947,169 (2023: £5,526,766) of which a large proportion is represented by investments.

Permanent Endowment were £7,466,731 (2023: £7,038,660) of which a large proportion is represented by investments.

Designated Funds were £1,953,566 (2023: £1,972,330) of which £1,843,823 (2023: £1,867,246) is for the purpose of the RAA and their specific aim and objectives and £105,084 (2023: £105,084) for the purpose of memorials.

**Reserves Policy continued**

Our risk-based approach to determining our free reserves requirement is carried out, based on the anticipated future needs of the regimental family, and the management of financial risks, particularly the uncertainty of future income from other sources.

The effect on the charity's investments as a result of the situation in Ukraine demonstrates the benefit of maintaining strong reserves in order to be able weather such market fluctuations while maintaining required levels of investment income.

Trustees review the level of reserves regularly to ensure funds are available to deliver welfare services and programmes, and to secure, as far as possible, future financial viability. Our annual review of reserves included assessing the impact of the invasion of Ukraine and the cost of living crisis on our business plans, projected income and expenditure, and on our investments.

Following that review, we determined that we should hold a minimum of £23,000,000 (£22,000,000 RACF and £1,000,000 RAA) in free reserves to be assured that we are able to sustain the support we provide to the regimental family in the long term as well as meet other obligations, irrespective of fluctuations in income and without creating the need to actively fundraise. This sum, held as part of our investment portfolio, is judged to be capable of generating sufficient investment income to meet foreseeable needs. With free reserves of £27,745,580 they currently exceed this minimum reserve outline in the policy. The trustees are content that the additional funds we hold provide ability to disinvest in order to support major capital projects if and when required, but in the meantime are held as investments generating additional income.

In 2024 the investment portfolio generated £689,808 of Income for the charities which represented 29.4% of total income received.

Without this level of income the charities' activities would be significantly curtailed.

Trustees believe that investments should be maintained at the current levels, in order to generate income and provide for current needs whilst ensuring the charities remain well placed to meet future requirements. The trustees recognise that they have no long term mandated liability for any particular level of financial grants or activity. They therefore have the ability to reduce expenditure to match income in the event of income reducing.

**Investment Policy**

The trustees' Investment Committee meets twice a year to consider the performance of the RACF's investments which are managed on a discretionary basis by BlackRock Investment Management (UK) Ltd.

The investment objective is to create sufficient income and capital growth to enable the charity to carry out their charitable objectives. The charity is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability. The charity's funds are invested on an aliquot proportion in the same funds as the other Gunner welfare / efficiency charities. This is in order to achieve economies of scale in relation to investment cost.

The trustees have given the fund managers discretion to manage the portfolio within an agreed risk profile and against agreed benchmarks. This is contained in a written directive.

At the bi-annual meeting with the investment managers the Investment Committee considers the state of the financial markets and measures the fund managers' on-going performance against specific agreed benchmarks, namely 25% FTSE All Share Index, 35% MSCI World ex UK Index, 10% MSCI Emerging Markets Index, 7.5% FTSE All Stocks Gilt Index, 5% iBoxx Sterling Non-Gilts Index, 10% IPD UK All Balanced Funds Index, 5% Alternative (IA Sector Targeted Absolute Return) and 2.5% Cash (Sterling Overnight Index Average).

## THE ROYAL ARTILLERY CHARITABLE FUND

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Investment Policy continued

Having compared performances over the last 1, 3 and 5 years, the Investment Committee are of the view that the investments have done reasonably well in relation to the market and relevant benchmarks over the longer term. While there is currently no case to prompt a change of investment policy, the performance of the fund manager will be subject to further review this year.

#### Environmental Governance and Social Considerations

The RACF's and RAA's investments are not managed with any specific environmental, social and governance (ESG) restrictions. However it is expected that the RA charities' investment managers have clearly defined ESG investment policies and that the investments are managed by an investment company which is a signatory to the UN Principles of Responsible Investment and which takes account of Environmental, Social and Governance (ESG) factors in their research and investment decision making process.

#### Fundraising

The trustees are very clear that all fundraising must be legal, open, honest and respectful. The charity does not actively engage in regular and organised fundraising, although it does receive donations and legacies. It receives the bulk of its income through investments and the Royal Artillery's 'service giving scheme'. The facility exists for individuals or organisations to make voluntary donations online. The charity does not work with any commercial partner or professional fundraisers except in order to operate an online donation facility such as 'Enthuse' and 'Just Giving'. When donations are received, they are mainly as a result of advertisements on the Gunner website and publications, and from open, group briefings to members of the serving Regiment. In addition, regiments and other Gunner organisations are encouraged to engage in sponsored activities to raise funds. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained.

Regiments, units, RAA Branches and individuals who raise funds for the charity are provided with sealed collection buckets. In the event of a complaint about any such activity, it is investigated by the Regimental Secretary. (No complaints were received in 2024). As a charity that deals with vulnerable service personnel, veterans and their dependants, all staff are aware of the requirement to treat everyone fairly and kindly with no intrusive or persistent requests or approaches for funds or undue pressure to donate.

#### Trustee Training

Trustee responsibilities and necessary training is taken very seriously. All new trustees are briefed by the Regimental Secretary on their roles and responsibilities. They are provided with the Charity Commissioners handbook "The Essential Trustee" as well as the Articles of Association as part of their induction. Recent RACF accounts, meeting minutes and policy documents are also provided. Trustee briefings and training take place, and members of the Board are encouraged to attend external trustee training and investment briefs.

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

#### Risk Management

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an

**Risk Management continued**

acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

The main risks are:

- Insufficient income to meet the need: This is managed by careful budgeting, the investment and reserves policy and by controlling the level of support provided to beneficiaries.
- Fraud: This is guarded against by having policies in place to ensure regular checks are made and that all transactions are properly authorised by two signatories.
- Conflict of interest amongst trustee members. A register of trustee interests is kept and updated annually. At the start of committee and BoM meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities such as inappropriate fundraising. This is mitigated by robust RAA Rules and General Administrative Instructions (GAIs) and the monitoring of branch fundraising activities.

**Remuneration Policy**

No trustee is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustees review staff salaries annually, and take into account the MoD pay awards for similar grades, when recommending any pay increases.

**Employees**

The RACF aims to be an organisation for which employees enjoy working and where they feel supported, valued, empowered and developed. Employees are kept fully informed about the aims and objectives of the charity and how it is achieving them. Employees are encouraged to contribute suggestions to help improve working processes and to achieve best practice. The charity is an equal opportunities employer and is committed to training and developing its staff.

**Trustees' Liability**

The trustees are the members of the RACF and the liability of the members for the debts of the RACF is limited to an amount not exceeding one pound.

**Statement of Trustees' Responsibilities**

The trustees (who are also directors of the RACF for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable charity and company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)).

The Company and charity law applicable in England & Wales and UK GAAP 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. This includes details of income and expenditure and the application of resources for the period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- adhere to the methods and principles in the Charities Statement of Recommended Practice (Charities SORP (FRS 102));
- make judgements and estimates that are reasonable and prudent;

## THE ROYAL ARTILLERY CHARITABLE FUND

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Statement of Trustees' Responsibilities continued

- state whether applicable accounting standards have been followed, subject to any material departures which are to be disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

#### Statement as to Disclosure of Information to Auditors

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with: the Companies Act 2006; the charity's governing document; the Charities Acts 2011 and; the SORP 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)).

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

This report has been prepared under the special provisions of Part 15 of the Companies Act 2006.

On behalf of the trustees     11<sup>th</sup> June 2025



Major General DM Cullen CB OBE  
Chairman RACF Board of Management

## THE ROYAL ARTILLERY CHARITABLE FUND

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Opinion

We have audited the financial statements of the Royal Artillery Charitable Fund (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Income and Expenditure, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 December 2024 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 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 the group or the parent charitable company'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.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our

## THE ROYAL ARTILLERY CHARITABLE FUND

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

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opinion on the 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 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 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.

#### **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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 where the Companies Act 2006 require 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 10-11, 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 the 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 and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

## THE ROYAL ARTILLERY CHARITABLE FUND

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

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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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

#### Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

THE ROYAL ARTILLERY CHARITABLE FUND

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2024

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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery LLP

Statutory Auditors  
71 Queen Victoria Street  
London

EC4V 4BE

Date: 10 July 2025  
Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE ROYAL ARTILLERY CHARITABLE FUND

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £	Total £
<b>Income and endowments from:</b>			<b>2024</b>			<b>2023</b>
Donations and legacies inc SPGS	2	1,505,043	1,147	-	1,506,190	638,900
Investment Income	3	499,849	189,959	-	689,808	761,764
Income from charitable activities		-	9,584	-	9,584	9,366
Other Income	4	32,138	-	-	32,138	24,766
RAA Branch Income		121,418	-	-	121,418	142,519
<b>Total income before Expenditure</b>		<b>2,158,448</b>	<b>200,690</b>	<b>-</b>	<b>2,359,138</b>	<b>1,577,315</b>
<b>Expenditure on:</b>						
Raising funds	5	(9,308)	-	-	(9,308)	(10,696)
<b>Net income available for charitable activities</b>		<b>2,149,140</b>	<b>200,690</b>	<b>-</b>	<b>2,349,830</b>	<b>1,566,619</b>
Charitable activities	6	1,273,017	200,690	21,200	1,494,907	1,462,206
RAA Branch Expenditure		117,785	-	-	117,785	122,710
<b>Total expenditure</b>		<b>1,400,110</b>	<b>200,690</b>	<b>21,200</b>	<b>1,622,000</b>	<b>1,595,612</b>
<b>Net income for the year before gains on investments</b>		<b>758,338</b>	<b>-</b>	<b>(21,200)</b>	<b>737,138</b>	<b>(18,297)</b>
Net gains on investment assets		1,850,360	420,403	449,271	2,720,034	1,990,006
<b>Net income and net movement in funds</b>		<b>2,608,698</b>	<b>420,403</b>	<b>428,071</b>	<b>3,457,172</b>	<b>1,971,709</b>
Total funds brought forward		27,090,449	5,526,766	7,038,660	39,655,875	37,584,166
<b>Total funds carried forward</b>		<b>29,699,147</b>	<b>5,947,169</b>	<b>7,466,731</b>	<b>43,113,047</b>	<b>39,655,875</b>

The notes on pages 21 to 39 form part of these financial statements

## THE ROYAL ARTILLERY CHARITABLE FUND

### CONSOLIDATED SUMMARY OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2024

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	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Total Income	2,359,138	1,577,315
Total Expenditure	1,600,800	1,574,411
Unrealised/realised gains and losses on:		
Revaluation of Investments	2,270,763	1,652,102
<b>Net income for the year</b>	<u>3,029,101</u>	<u>1,655,006</u>

Total Income comprised of £2,158,448 unrestricted funds and £200,690 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,400,109 for unrestricted funds and £200,690 for restricted funds and excludes the permanent endowment funds.

The revaluation of investments excludes the permanent endowment funds.

The summary income and expenditure account is derived from the Statement of Financial Activities on page 16 which together with the notes to the financial statements on pages 21 to 38 provide full information on the movement during the year on all funds of the charity.

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEETS**

**AT 31 DECEMBER 2024**

	Notes	Group 2024 £	Group 2023 £	RACF 2024 £	RACF 2023 £
<b>Fixed assets</b>					
Tangible	7	848,000	869,200	848,000	869,200
Investments	8	39,149,237	36,421,842	37,943,440	35,300,048
		39,997,237	37,291,042	38,791,440	36,169,248
<b>Current assets</b>					
Debtors	9	1,011,597	62,254	1,029,783	93,129
Short Term Deposits	10	1,835,248	1,921,472	1,435,345	1,397,705
Cash on Current Account		54,603	150,680	50,591	151,137
Branch Bank balances		261,339	257,707	-	-
		3,162,787	2,392,113	2,515,719	1,641,971
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	11	(46,978)	(27,280)	(42,593)	(22,590)
<b>Net current assets/(liabilities)</b>		3,115,810	2,364,833	2,473,126	1,619,381
<b>Total assets less current liabilities</b>					
		43,113,047	39,655,875	41,264,566	37,788,629
Provision for Liabilities		-	-	-	-
		43,113,047	39,655,875	41,264,566	37,788,629
<b>Funds</b>					
Unrestricted	12	27,745,581	25,118,119	27,745,582	25,118,119
Designated	12	1,953,566	1,972,330	105,084	105,084
Restricted Income	12	5,947,169	5,526,766	5,947,169	5,526,766
Permanent Endowment	12	7,466,731	7,038,660	7,466,731	7,038,660
		43,113,047	39,655,875	41,264,566	37,788,629

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEET**  
**AT 31 DECEMBER 2024**

As permitted by Section 408 of the Companies Act 2006 no separate Statement of Financial Activities for the charity alone has been presented. The net surplus of the parent company charity for the year was £3,475,937 (2023: £1,966,553).

Approved by the RACF Board of Management on 11 June 2025



Major General DM Cullen CB OBE  
Chairman RACF Board of Management

The notes on pages 21 to 39 form part of these financial statements.

**Company number: 163205**

THE ROYAL ARTILLERY CHARITABLE FUND

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
<b>Net cash used in operating activities</b>	<b>1</b>	<b>(860,757)</b>	<b>(434,983)</b>
<b><u>Cash flows from investing activities</u></b>			
Dividends, interest and rents from investments		689,808	761,764
Purchase of investments		(14,367,155)	(27,088,560)
Proceeds from sale of investments		14,386,391	27,151,278
<b>Net cash generated in investing activities</b>		<b>709,044</b>	<b>824,482</b>
Net increase in cash & cash equivalents		(151,713)	389,499
Cash and cash equivalents at the beginning of the year		2,476,984	2,087,485
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<b>2,325,271</b>	<b>2,476,984</b>

**Notes to the cash flow statement**

1.	<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2024</b>	<b>2023</b>	
		<b>£</b>	<b>£</b>	
	Net movement in funds	3,457,173	1,971,710	
	(Gains)/losses on Investments	(2,720,034)	(1,990,006)	
	Investment income	(689,808)	(761,764)	
	Investment aliquot changes	-	1	
	Decrease/(increase) in debtors	(948,981)	323,770	
	Increase/(decrease) in creditors	19,693	106	
	Depreciation charge	21,200	21,200	
	<b>Net cash used in operating activities</b>	<b>(860,757)</b>	<b>(434,983)</b>	
2.	<b>Analysis of cash and cash equivalents and net debt</b>	<b>At 1 Jan</b>	<b>Cash</b>	<b>At 31 Dec</b>
		<b>2024</b>	<b>Flow</b>	<b>2024</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Cash on short term deposit	1,921,473	(86,225)	1,835,248
	Cash current account	150,680	(96,077)	54,603
	Cash balance held in investments	147,124	26,957	174,081
	Cash held by branches	257,707	3,632	261,339
	<b>Net cash provided by operating activities</b>	<b>2,476,984</b>	<b>(151,713)</b>	<b>2,325,271</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**1. Accounting policies**

The Royal Artillery Charitable Fund is a company limited by guarantee incorporated in England and Wales. The registered office is Artillery House, Royal Artillery Barracks, Larkhill, Salisbury, SP4 8QT.

**Basis of accounting**

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Royal Artillery Charitable Fund constitutes a public benefit entity as defined by FRS102.

These accounts present the results of The Royal Artillery Charitable Fund and its subsidiary charity the Royal Artillery Association. The results have been consolidated on a line by line basis.

**Going Concern**

The trustees have a reasonable expectation that the RACF has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Subscriptions and donations**

Subscriptions and donations have been included on the basis of amounts receivable during the year.

**Legacy income**

Income from legacies is taken to the Statement of Financial Activities when received or receipt is probable and the value can be measured with sufficient reliability.

**Interest and dividends on investments**

Income from investments including interest on short term deposits are included on a receivable basis.

**Expenditure and support costs**

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered.

Supports costs are those costs which have not been directly allocate to an activity of the charities but nevertheless support these activities.

**Grant expenditure**

Grants payable are payments made in furtherance of the charitable objects of the charities. These are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**Grant expenditure continued**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**Fixed asset investments**

Investments are stated at market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

**Tangible Fixed assets**

Freehold properties are stated at deemed cost and are depreciated over their estimated useful lives of 50 years. Land is stated at deemed cost and is not depreciated.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**Financial Instruments**

The charities only have 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.

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.

**Fund accounting**

Unrestricted funds are available to use to further any of the purposes of the charities.

Designated funds are unrestricted funds of the charities which the trustees have decided at their discretion to set aside to use for a specific purpose.

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

The permanent endowment fund relates to funds received over the years from the investment portfolio where the capital received needs to be retained for the long term.

**Pensions**

Staff are enrolled in a NEST pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Critical estimates and judgements and key sources of estimation uncertainty**

In the application of the charities' accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision effects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2024 or 2023.

**2. 2024 Donations and legacies inc SPGS**

	Unrestricted	Restricted	Permanent Endowment	Total
	2024			
	£	£	£	£
Officers' subscriptions	105,042	-	-	105,042
Soldiers' subscriptions	163,377	-	-	163,377
Retired Donations	18,233	-	-	18,233
Income tax recoverable (gift aid)	9,446	-	-	9,446
Donations and Grants	99,766	-	-	99,766
Intangible Income – Wages in Kind	135,944	1,147	-	137,091
Legacies	973,235	-	-	973,235
	<u>1,505,043</u>	<u>1,147</u>	<u>-</u>	<u>1,506,190</u>

**2023 Donations and legacies inc SPGS Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2023			
	£	£	£	£
Officers' subscriptions	108,251	-	-	108,251
Soldiers' subscriptions	153,390	-	-	153,390
Retired Officers Donations	19,318	-	-	19,318
Income tax recoverable (gift aid)	8,544	-	-	8,544
Donations and Grants	47,426	-	-	47,426
Intangible Income – Wages in Kind	144,648	1,092	-	145,740
Legacies	156,231	-	-	156,231
	<u>637,808</u>	<u>1,092</u>	<u>-</u>	<u>638,900</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. 2024 Investment Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2024			
	£	£	£	£
Investments	499,849	189,959	-	689,808
	<u>499,849</u>	<u>189,959</u>	<u>-</u>	<u>689,808</u>

**2023 Investment Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2023			
	£	£	£	£
Investments	571,797	189,967	-	716,764
	<u>571,797</u>	<u>189,967</u>	<u>-</u>	<u>716,764</u>

**4. 2024 Other Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2024			
	£	£	£	£
Interest received on short term deposits	31,136	-	-	31,136
Event income	938	-	-	938
Merchandise income	52	-	-	52
Christmas card income	942	-	-	942
Alanbrooke Club	(930)	-	-	(930)
	<u>32,138</u>	<u>-</u>	<u>-</u>	<u>32,138</u>

**2023 Other Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2023			
	£	£	£	£
Interest received on short term deposits	22,256	-	-	22,256
Event income	2,547	-	-	2,547
Merchandise income	154	-	-	154
Christmas card income	766	-	-	766
Alanbrooke Club	(957)	-	-	(957)
	<u>24,766</u>	<u>-</u>	<u>-</u>	<u>24,766</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. 2024 Cost of Raising Funds**

	Unrestricted	Restricted	Permanent Endowment	Total
	2024			
	£	£	£	£
Fundraising costs	9,308	-	-	9,308
	<u>9,308</u>	<u>-</u>	<u>-</u>	<u>9,308</u>

**2023 Cost of Raising Funds Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
Fundraising costs	10,696	-	-	10,696
	<u>10,696</u>	<u>-</u>	<u>-</u>	<u>10,696</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**6. 2024 Charitable Activities**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
<b>Welfare</b>		<b>2024</b>		
Welfare grants – 1,118 (2023: 1,187) individual cases	370,053	197,777		567,830
Welfare grants to institutions:				
Gunner Magazine	10,000	-	-	10,000
Royal Artillery Sports	80,712	-	-	80,712
Army Benevolent Fund	79,500	-	-	79,500
Other Grants:				
Regiments and Batteries	86,300	-	-	86,300
Regimental Welfare/Comradeship	28,774	-	-	28,774
RAM	93,166	-	-	93,166
Betterment Grants	116,015	-	-	116,015
NMA Maintenance	3,324	-	-	3,324
Awards	3,202	-	-	3,202
General grants	5,990	-	-	5,990
RA Memorials	9,354	-	-	9,354
Events				
RA Assembly	17,431	-	-	17,431
NMA	5,726	-	-	5,726
Gunner Sunday	1,381	-	-	1,381
	<u>910,928</u>	<u>197,777</u>	<u>-</u>	<u>1,108,705</u>
Support Cost to Charitable Activities:				
Wages and salaries	130,663	-	-	130,663
Employers Pension Contribution	7,278	-	-	7,278
Employers Nationals Insurance	12,821	-	-	12,821
Wages and salaries in kind	135,944	1,147	-	137,091
	<u>286,706</u>	<u>1,147</u>	<u>-</u>	<u>287,853</u>
Insurance	2,523	-	-	2,523
Printing, stationery and advertising	1,927	-	-	1,927
Office cost (inc. publicity & postage, IT)	17,353	-	-	17,353
T&S	14,721	-	-	14,721
Branch travel	10,462	-	-	10,462
Misc	2,974	-	-	2,974
Training	180	-	-	180
Bank charges	727	-	-	727
Cottage expenses	-	1,766	-	1,766
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	17,892	-	-	17,892
Audit under provision 2023	804	-	-	804
Legal and professional fees	5,820	-	-	5,820
Total support costs	<u>362,089</u>	<u>1,766</u>	<u>21,200</u>	<u>386,202</u>
<b>2024 Total Expenditure</b>	<u>1,273,017</u>	<u>200,690</u>	<u>21,200</u>	<u>1,494,907</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**2023 Charitable Activities Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
<b>Welfare</b>		<b>2023</b>		
Welfare grants – 1,187 (2022: 1,234) individual cases	451,986	178,146		630,132
Welfare grants to institutions:				
Gunner Magazine	10,000	-	-	10,000
Royal Artillery Sports	80,280	-	-	80,280
Army Benevolent Fund	79,500	-	-	79,500
Other Grants:				
Regiments and Batteries	80,580	-	-	80,580
Regimental Welfare/Comradeship	35,841	-	-	35,841
RAM	40,000	-	-	40,000
Betterment Grants	46,452	-	-	46,452
Awards	1,733	-	-	1,733
General grants	9,750	-	-	9,750
RA Memorials	11,137	-	-	11,137
Events				
RA Assembly	14,564	-	-	14,564
NMA	5,220	-	-	5,220
Gunner Sunday	1,399	-	-	1,399
	<u>868,442</u>	<u>178,146</u>	<u>-</u>	<u>1,046,588</u>
Support Cost to Charitable Activities:				
Wages and salaries	124,596	-	-	124,596
Employers Pension Contribution	12,240	-	-	12,240
Employers Nationals Insurance	12,105	-	-	12,105
Wages and salaries in kind	144,648	1,092	-	145,740
	<u>293,589</u>	<u>1,092</u>	<u>-</u>	<u>294,681</u>
Insurance	2,523	-	-	2,523
Printing, stationery and advertising	1,549	-	-	1,549
Office cost (inc. publicity & postage, IT)	20,600	-	-	20,600
T&S	17,014	-	-	17,014
Branch travel	12,539	-	-	12,539
Misc	1,108	-	-	1,108
Training	95	-	-	95
Bank charges	604	-	-	604
Cottage expenses	-	21,187	-	21,187
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	18,378	-	-	18,378
Legal and professional fees	4,140	-	-	4,140
Total support costs	<u>372,137</u>	<u>21,187</u>	<u>21,200</u>	<u>415,618</u>
<b>2023 Total Expenditure</b>	<u>1,240,581</u>	<u>200,425</u>	<u>21,200</u>	<u>1,462,206</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**6. Charitable Activities continued**

The average number of persons employed by the Fund during the year was:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
Office and administration	<u>4</u>	<u>4</u>

There were no employees with emoluments above £60,000. The following payments were made to Key Management Personnel: £15,915 (2023: £16,021).

One trustee received out of pocket expenses of £955 in 2024 (2023: £1,156). This was as a result of all meetings being conducted online.

**7. 2024 Tangible Fixed assets**  
**Group and RACF**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Permanent Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>2024</b>		
			<b>Cottage Homes</b>	
Deemed cost at 31 December 2023	-	-	1,081,200	1,081,200
At 31 December 2023	<u>-</u>	<u>-</u>	<u>1,081,200</u>	<u>1,081,200</u>
Depreciation at 1 January 2023	-	-	212,000	212,000
Charge for the year	-	-	21,200	21,200
At 31 December 2023	<u>-</u>	<u>-</u>	<u>233,200</u>	<u>233,200</u>
Net book value at 31 December 2024	<u>-</u>	<u>-</u>	<u>848,000</u>	<u>848,000</u>
Net book value at 31 December 2023	<u>-</u>	<u>-</u>	<u>848,000</u>	<u>848,000</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. 2024 Fixed Asset Investments**

**8a. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2024
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	24,774,137	5,463,276	6,184,429	36,421,842
Net additions at cost	9,794,264	2,225,264	2,378,067	14,397,595
Sales proceeds	(9,807,348)	(2,228,239)	(2,381,244)	(14,416,831)
Net realised/unrealised gains	1,850,360	420,403	449,271	2,720,034
Aliquot Changes	-	-	-	-
Cash Commitments	18,093	4,111	4,393	26,597
<b>Market value at 31 December</b>	<b>26,629,506</b>	<b>5,884,815</b>	<b>6,634,916</b>	<b>39,149,237</b>
<b>Historical value at 31 December</b>	<b>23,046,401</b>	<b>5,236,164</b>	<b>5,595,714</b>	<b>33,878,279</b>
<b>Investment / Cash Breakdown</b>				
Investments	26,511,083	5,857,910	6,606,162	38,975,155
Bank Settled Account	118,398	26,900	28,748	174,046
Bank Unsettled Account	25	5	6	36
	<b>26,629,506</b>	<b>5,884,815</b>	<b>6,634,916</b>	<b>39,149,237</b>

**8b.RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2024
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	23,652,343	5,463,276	6,184,429	35,300,048
Net additions at cost	9,350,816	2,225,264	2,378,067	13,954,147
Sales proceeds	(9,363,310)	(2,228,239)	(2,381,244)	(13,972,793)
Net realised/unrealised gains	1,766,586	420,403	449,270	2,636,259
Aliquot Changes	-	-	-	-
Cash Commitments	17,275	4,111	4,393	25,779
<b>Market value at 31 December</b>	<b>25,423,710</b>	<b>5,884,815</b>	<b>6,634,915</b>	<b>37,943,440</b>
<b>Historical value at 31 December</b>	<b>22,002,950</b>	<b>5,236,164</b>	<b>5,595,714</b>	<b>32,834,828</b>
<b>Investment / Cash Breakdown</b>				
Investments	25,310,648	5,857,910	6,606,162	37,774,720
Bank Settled Account	113,034	26,900	28,748	168,682
Bank Unsettled Account	24	5	6	35
	<b>25,423,706</b>	<b>5,884,815</b>	<b>6,634,916</b>	<b>37,943,437</b>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

The following holdings exceeded 5% of the total portfolio value at 31 December 2024 and are considered material for the 2024 group and charity accounts:

	£	£
	<b>Group</b>	<b>RACF</b>
BLK Char UK EQ Fund A Inc (24.20%)	9,472,441	9,180,690
ISHARE MSCI USA ESG Enhance (18.70%)	7,320,679	7,095,202
BFM-BLK Emerging Markets (9.68%)	3,790,367	3,673,624
BGF Glob Long Horizon (6.78%)	2,652,704	2,571,001
BSF Syst ESG Wrld EQ FD (5.19%)	2,031,141	1,968,582
TACT OPP FD X ACC (5.13%)	2,009,503	1,947,610

All of the holdings listed are in collective investment vehicles as opposed to single securities.

**2023 Fixed Asset Investments**

**8c. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2023
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	23,368,136	5,153,222	5,833,446	34,354,804
Net additions at cost	18,459,004	4,070,640	4,607,966	27,137,610
Sales proceeds	(18,501,663)	(4,080,049)	(4,618,616)	(27,200,328)
Net realised/unrealised gains	1,353,602	298,500	337,903	1,990,005
Aliquot Changes	(1)	-	-	(1)
Cash Commitments	95,059	20,963	23,730	139,752
<b>Market value at 31 December</b>	<u>24,774,137</u>	<u>5,463,276</u>	<u>6,184,429</u>	<u>36,421,842</u>
<b>Historical value at 31 December</b>				

**Investment / Cash Breakdown**

Investments	24,674,063	5,441,208	6,159,447	36,274,718
Bank Settled Account	68,855	15,184	17,188	101,227
Bank Unsettled Account	31,219	6,884	7,794	45,897
	<u>24,774,137</u>	<u>5,463,276</u>	<u>6,184,429</u>	<u>36,421,842</u>

**8d. RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2023
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	22,310,008	5,153,222	5,833,446	33,296,676
Net additions at cost	17,623,166	4,070,640	4,607,966	26,301,772
Sales proceeds	(17,663,894)	(4,080,049)	(4,618,616)	(26,362,559)
Net realised/unrealised gains	1,292,310	298,500	337,903	1,928,713
Aliquot Changes	(1)	-	-	(1)
Cash Commitments	90,754	20,963	23,730	135,447
<b>Market value at 31 December</b>	<u>23,652,343</u>	<u>5,463,276</u>	<u>6,184,429</u>	<u>35,300,048</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

Investment / Cash Breakdown

Investments	23,556,801	5,441,208	6,159,447	35,157,456
Bank Settled Account	65,737	15,184	17,188	98,109
Bank Unsettled Account	29,805	6,884	7,794	44,483
	<u>23,652,343</u>	<u>5,463,276</u>	<u>6,184,429</u>	<u>35,300,048</u>

**9. Debtors**

	<b>Total 2024</b>	<b>Total 2023 Group</b>	<b>Total 2024</b>	<b>Total 2023 RACF</b>
	£	£	£	£
Royal Artillery Association	-	-	19,029	34,918
Income tax repayments	2,170	2,514	2,150	2,498
Accrued Service Giving Income	27,119	30,025	26,169	25,998
Sundry Debtors	823	-	950	-
Legacies Receivable	981,485	29,715	981,485	29,715
	<u>1,011,597</u>	<u>62,254</u>	<u>1,029,783</u>	<u>93,129</u>

**10. Current Asset Investments**

	<b>Total 2024</b>	<b>Total 2023 Group</b>	<b>Total 2024</b>	<b>Total 2023 RACF</b>
	£	£	£	£
Short term deposits (incl investment balance)	1,835,248	1,921,472	1,435,345	1,397,705
	<u>1,835,248</u>	<u>1,921,472</u>	<u>1,435,345</u>	<u>1,397,705</u>

**11. Creditors**

	<b>Total 2024</b>	<b>Total 2023 Group</b>	<b>Total 2024</b>	<b>Total 2023 RACF</b>
	£	£	£	£
Amounts falling due within one year:				
Accruals	46,974	27,280	42,594	22,590
	<u>46,974</u>	<u>27,280</u>	<u>42,594</u>	<u>22,590</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. Movement in Funds**

**Current year Group**

	<b>Balance at 1 January 24</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>Net Gain on Investment</b>	<b>Transfers</b>	<b>Balance at 31 December 24</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted</b>						
General Fund	<u>25,118,119</u>	<u>1,914,468</u>	<u>(1,053,589)</u>	<u>1,766,583</u>	<u>-</u>	<u>27,745,581</u>
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	<u>1,867,246</u>	<u>243,980</u>	<u>(346,521)</u>	<u>83,777</u>	<u>-</u>	<u>1,848,482</u>
	<u>1,972,330</u>	<u>243,980</u>	<u>(346,521)</u>	<u>83,777</u>	<u>-</u>	<u>1,953,566</u>
<b>Restricted Funds</b>						
RABF	<u>5,526,766</u>	<u>200,690</u>	<u>(200,690)</u>	<u>420,403</u>	<u>-</u>	<u>5,947,169</u>
<b>Endowment Funds:</b>						
RABF	5,504,137	-	(21,200)	334,340	-	5,817,277
RACF	<u>1,534,523</u>	<u>-</u>	<u>-</u>	<u>114,931</u>	<u>-</u>	<u>1,649,454</u>
	<u>7,038,660</u>	<u>-</u>	<u>(21,200)</u>	<u>449,271</u>	<u>-</u>	<u>7,466,731</u>
<b>Total</b>	<u>39,655,875</u>	<u>2,359,138</u>	<u>(1,622,000)</u>	<u>2,720,034</u>	<u>-</u>	<u>43,113,047</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Movement in Funds continued**

**Current year RACF**

	Balance at 1 January 24	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 24
	£	£	£	£	£	£
<b>Unrestricted</b>						
Designated Funds – Memorial	105,084	-	-	-	-	105,084
General Fund	25,118,119	1,914,468	(1,053,588)	1,766,583	-	27,745,582
	<u>25,223,203</u>	<u>1,914,468</u>	<u>(1,053,588)</u>	<u>1,766,583</u>	<u>-</u>	<u>27,850,666</u>
<b>Restricted Funds</b>						
RABF	<u>5,526,766</u>	<u>200,690</u>	<u>(200,690)</u>	<u>420,403</u>	<u>-</u>	<u>5,947,169</u>
<b>Endowment Funds:</b>						
RABF	5,504,137	-	(21,200)	334,340	-	5,817,277
RACF	1,534,523	-	-	114,931	-	1,649,454
	<u>7,038,660</u>	<u>-</u>	<u>(21,200)</u>	<u>449,271</u>	<u>-</u>	<u>7,466,731</u>
<b>Total</b>	<u>37,788,629</u>	<u>2,115,158</u>	<u>(1,275,478)</u>	<u>2,636,257</u>	<u>-</u>	<u>41,264,566</u>

Memorial Fund is a designated fund in order to support any future work required in the church. This fund had been designated by the trustees' as the amount required towards the building of Chapel and Cloister in the Garrison Church at Larkhill in 2018. Due to the final bill being higher than anticipated, the RACF trustees agreed to transfer additional income to cover the remainder of the bill. In the event however the additional sum was cleared through a third party donation. The trustees have chosen to leave this sum in a designated fund in order to support any future work required in the church.

RABF Restricted Fund - This fund is to support welfare and housing activities.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Movement in Funds continued**

RABF Permanent Endowment Fund – This fund is to support welfare and housing activities.

RACF Permanent Endowment Fund - This fund is to support the charitable activities of RACF which include efficiency, benevolence and relief in need.

**Prior year Group**

	<b>Balance at 1 January 23</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>Net Losses on Investment</b>	<b>Transfers</b>	<b>Balance at 31 December 23</b>
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	23,766,770	1,107,240	(1,048,962)	1,292,310	761	25,118,119
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	1,862,090	269,650	(325,025)	61,292	(761)	1,867,246
	1,967,174	269,650	(325,025)	61,292	(761)	1,972,330
<b>Restricted Funds</b>						
RABF	5,228,265	200,425	(200,425)	298,501	-	5,526,766
<b>Endowment Funds:</b>						
RABF	5,271,611	-	(21,200)	253,726	-	5,504,137
RACF	1,450,346	-	-	84,177	-	1,534,523
	6,721,957	-	(21,200)	337,903	-	7,038,660
<b>Total</b>	<b>37,684,166</b>	<b>1,577,315</b>	<b>(1,595,612)</b>	<b>1,990,006</b>	<b>-</b>	<b>39,655,875</b>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**Movement in Funds continued**

**Prior year RACF**

	Balance at 1 January 23	Incoming Resources	Outgoing Resources	Net losses on Investment	Transfers	Balance at end 31 December 23
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	105,084	-	-	-	-	105,084
	23,766,770	1,107,240	(1,048,201)	1,292,310		25,118,119
<b>Designated</b>	23,871,854	1,107,240	(1,048,201)	1,292,310	-	25,223,203
Memorials						
<b>Restricted Funds</b>	5,228,265	200,425	(200,425)	298,501	-	5,526,766
RABF						
<b>Endowment Funds:</b>	5,271,611	-	(21,200)	253,726	-	5,504,137
RABF	1,450,346	-	-	84,177	-	1,534,523
RACF	6,721,957	-	(21,200)	337,903	-	7,038,660
<b>Total</b>	35,822,076	1,307,665	(1,269,826)	1,928,714	-	37,788,629

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**13. 2024 Analysis of net assets between funds Group**

Current year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2024	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,884,816	62,353	5,947,169
	-	5,884,816	62,353	5,947,169
<b>Permanent Endowment:</b>				
RABF	848,000	4,979,029	(9,752)	5,817,277
RACF	-	1,655,886	(6,432)	1,649,454
	848,000	6,634,915	(16,184)	7,466,731
<b>Unrestricted funds:</b>				
RACF	-	25,423,706	2,321,875	27,745,581
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
RAA	-	1,205,800	642,682	1,848,482
	-	1,205,800	747,766	1,953,566
	848,000	39,149,237	3,115,810	43,113,047

**2024 Analysis of net assets between funds RACF**

Current year – RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2024	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,884,816	62,353	5,947,169
	-	5,884,816	62,353	5,947,169
<b>Permanent Endowment:</b>				
RABF	848,000	4,979,029	(9,752)	5,817,277
RACF	-	1,655,886	(6,432)	1,649,454
	848,000	6,634,915	(16,184)	7,466,731
<b>Unrestricted funds:</b>				
RACF	-	25,423,709	2,321,873	27,745,582
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
	848,000	37,943,440	2,473,126	41,264,566

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**2023 Analysis of prior year net assets between funds Group continued**

Prior year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2023	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,463,276	63,490	5,526,766
	-	5,463,276	63,490	5,526,766
<b>Permanent Endowment:</b>				
RABF	869,200	4,643,785	(8,848)	5,504,137
RACF	-	1,540,644	(6,121)	1,534,523
	869,200	6,184,429	(14,969)	7,038,660
<b>Unrestricted funds:</b>				
RACF	-	23,652,343	1,465,776	25,118,119
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
RAA	-	1,121,793	745,453	1,867,246
	869,200	1,121,793	850,537	1,972,330

**2023 Analysis of prior year net assets between funds RACF**

Prior year - RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2023	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,463,276	63,490	5,526,766
	-	5,463,276	63,490	5,526,766
<b>Permanent Endowment:</b>				
RABF	869,200	4,643,785	(8,848)	5,504,137
RACF	-	1,540,644	(6,121)	1,534,523
	869,200	6,184,429	(14,969)	7,038,660
<b>Unrestricted funds:</b>				
RACF	-	23,652,343	1,465,776	25,118,119
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
	869,200	35,300,048	1,619,381	37,788,629

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**15. Related Parties**

Income of £268,419 (2023: £261,641) was received from the Royal Artillery General Charitable Trust (RAGCT). Both Charities have a number of trustees in common. This Income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel.

Details of donations between connected entities are disclosed in note 6.

At the year end, balances due to and from related entities are disclosed in notes 9 and 11.

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**16. 2023 Represent comparatives for the Statement of Financial Activities**

**Income and endowments from:**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £
			<b>2023</b>		
Donations and legacies inc SPGS	2	637,808	1,092	-	638,900
Investment Income	3	571,797	189,967	-	761,764
Other Charitable Income		-	9,366	-	9,366
Other Income	4	24,766	-	-	24,766
Branch Income		142,519	-	-	142,519
<b>Total income before Expenditure</b>		<b>1,376,890</b>	<b>200,425</b>	<b>-</b>	<b>1,577,315</b>
<b>Expenditure on:</b>					
Raising funds	5	(10,696)	-	-	(10,696)
<b>Net income available for charitable activities</b>		<b>1,366,194</b>	<b>200,425</b>	<b>-</b>	<b>1,566,619</b>
Charitable activities	6	1,240,581	200,425	21,200	1,462,206
Branch Expenditure		122,710	-	-	122,710
<b>Total expenditure</b>		<b>1,373,987</b>	<b>200,425</b>	<b>21,200</b>	<b>1,595,612</b>
<b>Net income for the year before gains on investments</b>		<b>2,903</b>	<b>-</b>	<b>(21,200)</b>	<b>(18,297)</b>
Net gains/(losses) on investment assets		1,353,602	298,501	337,903	1,990,006
<b>Net movement in funds</b>		<b>1,356,505</b>	<b>298,501</b>	<b>316,703</b>	<b>1,971,709</b>
Total funds brought forward		25,733,944	5,228,265	6,721,957	37,684,166
<b>Total funds carried forward</b>		<b>27,090,449</b>	<b>5,526,766</b>	<b>7,038,660</b>	<b>39,655,875</b>



**ROYAL ARTILLERY CHARITABLE FUND**

England & Wales - Charity number 210202

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# Accounts

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## **THE ROYAL ARTILLERY CHARITABLE FUND**

Incorporated under the Companies Act and Limited by Guarantee

### **REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

**INCLUDING GROUP ACCOUNTS WITH  
THE ROYAL ARTILLERY ASSOCIATION  
(REGISTERED CHARITY NO 238197)**

and

**FINANCIAL STATEMENTS FOR  
THE ROYAL ARTILLERY CHARITABLE FUND  
(PERMANENT ENDOWMENT) (210202-18)  
and the  
ROYAL ARTILLERY BENEVOLENT FUND (210202-19)  
FOR THE YEAR ENDED 31 DECEMBER 2023 ARE INCLUDED  
UNDER A UNITING DIRECTION**

**Registered Company No: 163205**

**Registered Charity No: 210202**

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# THE ROYAL ARTILLERY CHARITABLE FUND

## TRUSTEES AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

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**President** - The Master Gunner, St James's Park , Lieutenant General Sir Andrew Gregory KBE CB DL

**Royal Artillery Charitable Fund (RACF) Trustees** - The members of the RACF Trustee Board during the year ended 31 December 2023 and up to the date of the approval of this report, were as follows:-

**Chairman** Major General DM Cullen CB OBE

### Trustees

Brigadier MN Pountain CBE	
Colonel MB Bishop MBE VR	
Colonel RC Christopher MBE	(Retired 4 September 2023)
Colonel CE Comport OBE TD DL	
Colonel CL Coton	(Appointed 20 September 2023. Retired 6 May 2024)
Colonel MAA Dornan	
Colonel C Fletcher-Wood OBE	(Retired 8 June 2023)
Colonel RA Forester	(Appointed 9 October 2023)
Colonel RC Harmer ADC	
Colonel S I Hay	(Appointed 22 April 2024)
Colonel BMD Ingham	(Appointed 22 November 2023)
Colonel C Palmer	(Retired 17 October 2023)
Colonel MD Relph MBE	
Colonel G Taylor CBE	(Retired 28 <sup>th</sup> June 2023)
Lieutenant Colonel S J Howe	
Major AJ Dines TD	(Retired 12 June 2024)
Major JO Leighton TD	(Retired 12 June 2024)
Warrant Officer Class1 (RASM) L Sanders	(Retired 31 May 2024)
Warrant Officer Class 1 (RASM) J Lightfoot	(Appointed 31 May 2024)

A number of trustees are also involved in the governance of other charities referred to in this report. All trustees have made a declaration listing any related parties and potential conflicts of interest.

**Regimental Secretary** Colonel (Retd) M G J Carter

**Finance Secretary** Mrs B Hoblyn

### Professional Advisors

**Bankers** Lloyds Bank PLC, 39 Piccadilly, London, W1V 0AA

**Solicitors** Wilsons, Alexandra House, St John's Street, Salisbury, Wiltshire, SP1 2SB

**Auditors** Saffery LLP, 71 Queen Victoria Street, London, EC4V 4BE

**Investment Managers** BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL

**Address** Artillery House, Royal Artillery Barracks, Larkhill, Wiltshire SP4 8QT.

**Registered Company No** 163205

**RACF Registered Charity No** 210202

**RAA Registered Charity No** 238197

# THE ROYAL ARTILLERY CHARITABLE FUND

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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### Introduction

The RACF Trustees submit their annual report for the year ended 31<sup>st</sup> December 2023 under the Companies Act 2006, together with the audited financial statements for that year. The accounts comply with the Companies Act 2006, the charities' governing documents and the relevant Statement of Recommended Practice (the Charities SORP (FRS102)). The RACF is a company not for profit, limited by guarantee and not having share capital. It is governed by its Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

These accounts, including the comparatives, consolidate the results of The Royal Artillery Charitable Fund and, for the first time include, under its Group Accounts, its subsidiary charity the Royal Artillery Association (RAA). The RACF is the sole corporate trustee of the RAA and on the advice of our auditors, the RAA is now included as part of the RACF Group Accounts.

### Objects

The objects of the RACF are to apply the charity's funds:

- In promoting the efficiency and welfare of all ranks of the Royal Artillery, whether Regular, Special Reserve, Reserve or Temporary and;
- In relief and assistance of any past, present or future members of the Royal Artillery whether Regular, Special Reserve, Reserve or Temporary and their dependants, and families and dependants of any deceased members, who are in need of such relief and assistance by reason of poverty, disability, sickness, infirmity or otherwise.

The objects of the RAA are to promote the efficiency of the Royal Artillery by:

- Maintaining contact between past and present members of the Royal Artillery, fostering mutual friendship between them and providing for social gatherings for them and;
- Fostering esprit de corps, comradeship and the welfare of the Royal Artillery and preserving its traditions.
- To relieve either generally or individually members of the RAA or past and present members of the Royal Artillery, and their dependants, who are in conditions of need, hardship or distress.

### Organisation

The duties of the RACF Board of Trustees are laid down in the Articles of Association. The Board members provide a skills-based set of abilities and experience, with some representing the serving officers and soldiers of the Regiment. The RACF works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT) and the Royal Artillery Institution (RAI), whose objects also support and promote efficiency within the Royal Artillery. The Board of Trustees meets at least twice a year as part of the Royal Artillery Board of Management alongside the trustees of the RAI. Subordinate to the Board of Trustees are the Investment Committee, the Welfare Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF and others who have been co-opted for their skills and knowledge so as to ensure that high quality advice may be provided to the RACF Board. The reports of these committees form part of the agenda of the meetings of the RACF Board of Trustees. The trustees form the membership of the RACF. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RACF Board of Trustees as required. The Chairman of the RACF is a member of the Master Gunner's Committee and updates the committee biannually on business undertaken by the Royal Artillery Board of Management.

# THE ROYAL ARTILLERY CHARITABLE FUND

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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### Governance

In addition to the Articles of Association, the Welfare, Investment and Finance & General-Purpose committees have their own directives, which are reviewed and agreed regularly by the trustees. Powers delegated to the Secretariat are contained in the directives. Direction to the RAA NEC is contained in the RAA Rules and GAIs.

Secretariat policies, which are agreed by the trustees, are in place in order to ensure smooth and effective running of the charities. The charities' risk register is reviewed annually by the trustees. The register follows the model recommended by the Charity Commission. Identified risks are managed as laid down in the Risk Management Plan. For specific items, detailed briefs are sent to the trustees so they can consider issues in depth before meetings. Trustees also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustees and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

### Charity Commission Governance Code

The RACF as one of the Royal Artillery charities, comes under the umbrella of the Confederation of Service Charities (Cobseo). Cobseo, in consultation with the Charity Commission, have produced a Service Charity toolkit based on the 2017 Charity Commission Governance guide. The trustees carried out a self-assessment process using the toolkit in 2019. This enabled the Board to identify a number of enhancements which can be considered to improve governance. This included a resolution to limit the tenure of trustees. A further self-assessment review was conducted in 2022. Overall this showed an improvement since 2019 but identified some areas for further review. A further review will be conducted in 2025.

### Selection of Trustees of the RACF Board of Management

The Articles of Association state the process for the appointment of trustees. New trustees are appointed by Resolution of the existing trustees. Trustees are normally serving and retired members of the Royal Artillery.

The Master Gunner St James's Park as President is an ex-officio member of the RACF and is the Head of the Regimental Family, but he is not a trustee. The President proposes the Chairman, who will normally have been a Colonel Commandant. The appointment of the Chairman is then approved by resolution of the existing trustees. Trustees are selected for their skills and experience and their ability to understand and anticipate the needs of the serving and retired regiment. The trustees will normally include the Regimental Colonel, Colonel Reserves, Commandant Royal School of Artillery, Commander 7<sup>th</sup> Air Defence Group, , Deputy Commander 1<sup>st</sup> Deep Reconnaissance Strike Brigade Combat Team, and the Royal Artillery Sergeant Major, who between them represent the interests of serving Gunner soldiers and officers. Veterans and family beneficiaries are represented by both serving and retired trustees.

### Corporate Trustee

The RACF is the sole corporate trustee of the Royal Artillery Charitable Fund (Permanent Endowment) (RACF (PE) (210202-18), the Royal Artillery Benevolent Fund (RABF) (210202-19), the Royal Artillery Association (RAA) (238197) and the Kelly Holdsworth Artillery Trust (KHAT) (208359). The RAA have this year been included as part of the RACF group accounts as a subsidiary charity of RACF. They have also prepared a separate set of accounts for submission to the Charity Commission.

### Uniting Direction

Under a uniting direction the accounts of the RACF (PE), and the RABF, are shown in these accounts. As indicated above the RAA funds have been included as part of the Group Accounts.

**Key Management Personnel**

The Regimental Secretary is the Chief Executive of the RACF and RAA and is responsible for: the day-to-day management of the charities' business; implementing policies agreed by the trustees and; the management of the charities' staff. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records. The Welfare Secretary is responsible to the Regimental Secretary for processing all welfare applications and individual grants. The RAA Secretary is responsible for specific matters relating to the Association.

**Review of Financial Activities**

The following details refer to the consolidated figures of the RACF and RAA for 2023 and 2022. The disaggregated figures for RACF and RAA can be seen on the balance sheet and notes at pages 18 and 28 to 37.

The charities funds continue to be employed to support the efficiency and welfare of members of the Royal Artillery and to provide relief and assistance to past, present or future members of the Royal Artillery. The results of the charities activities are summarised on page 16.

In 2023 the charities had an excess of expenditure over income before gains on investments of £18,297 (2022: £346,047 excess of Income over expenditure). After investment gains of £1,990,006 (2022: losses of £4,090,240) there was a net increase of funds of £1,971,709 (2022: net loss of £3,744,193).

Total income decreased by £213,330 to £1,577,315, mainly due to: a decrease in declared legacies and other grants and donations. There were increases in intangible income (due to salary increases), increase RAA branch income and investment income (due to higher dividend payments) but these gains were offset by the decrease in legacies (Noting that 2022 saw a significant single legacy).

Income from the Service Giving Scheme increased by £3,867 to £261,641, which was 41.02% of income received.

There were 10 legacies totalling £156,231. This income reflects 2 accrued legacies of £29,715, which were notified in 2022 and still outstanding. There were an additional 171 donations, totalling £47,426. Investment income also increased by £1,490 which was 9.18% higher than was budgeted.

There are four main income streams. They are:

- Investment income.
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charities.
- Legacies.
- Donations.

Expenditure on charitable activities increased by £150,549 to £1,462,206 (2022: £1,311,657). This was due to increase in several areas:

- Grants to institution increased overall by £68K, most significantly in support to regimental sport and betterment grants to the regiments.
- Salaries increased overall £44K, this was due to salary increase, cost of living awards.
- Event expenditure increased by £5,167.
- Support costs increased overall by £26K, mainly due to cottage expenses and office cost due to the rebranding of the website.
- Grants from RACF to individual beneficiaries totalled £630,132, of which £178,146 was spent from the restricted RABF Funds, and the remaining £451,986 from the RACF (2022: £624,416: RABF £183,763,

**Review of Financial Activities continued**

- RACF £440,653). It is assessed that this increase is a result of increased need for support during the cost of living crisis and a general increase in inflation.
- Grants to regiments totalled £326,654 (2022: £251,634). This was made up of: of regimental individual welfare cases - £83,501; annual regimental welfare grants - £80,580; sports - £80,280; Betterment grants - £46,452; battery grants - £35,841.

The costs of raising funds increased by £9,518 to £10,696 (2022: £1,178). This was mainly due to the RACF sponsoring a team event. Funds raised by this event will be donated to the RACF.

**Charitable Activities**

The RACF's principal activities during the year were as follows:

- Provision of assistance to those in need by reason of poverty, disability, sickness, infirmity or otherwise - £630,132, of which the £178,146 was spent from the restricted RABF Funds, and the remaining £451,986 from the RACF.
  - The prime method of achieving this object is by making grants to individuals.
  - Gunners in need, both serving and retired, and their dependants, are identified in a variety of ways and cases normally come from one of the following organisations: Social Services, Soldiers Sailors Airmen and Families Association (SSAFA), Royal British Legion (RBL), Officers Association (OA), Unit Welfare Officers, RAA and other regimental charities.
  - Once a Gunner, or his / her dependant, is identified as being in need, a trained external assessor, normally a member of SSAFA, OA or the RBL, interviews the potential recipient and then makes a report to the RACF. If the case involves a serving Gunner then the Unit Welfare Officer may initiate a report.

The RACF and RABF then assesses the case report and allocates charitable funds, in consultation with other eligible charities if appropriate. The proportion found by the RACF/RABF can vary depending on circumstances and is not guaranteed. On average during the year it was 34% of the total. (2022 – 35%). The external assessor decides whether the need has been met.

- Funds to relieve need are paid through the almonising organisation rather than to the individual.
- The RACF assisted 750 individual welfare cases in 2023 with grants totalling £554,692 (2022: 747 cases), of which 100 (2022: 84) were serving members of the Regiment grants totalling £83,501. 50 other ineligible cases were declined, as they were either not Gunners or the request for support was no longer needed or out of scope (eg medical or legal fees) or duplications.
- In addition to the above, £72,420 (2022: £76,720) was paid in grants to 53 (2022: 56) Kelly Holdsworth beneficiaries and a further £30,145 (2022: £33,100) in Christmas grants to 380 (2022: 324) recipients.
- The total number of cases assisted in 2023 were 1,187 (2022: 1,234).
- No case that was assessed as eligible for and still requiring assistance was declined.
- Among the 750 individual cases, the average gross grant was £877 per case. In most instances additional funds were granted by the RBL, Army Benevolent Fund (ABF), the OA and other military and civilian charities.

Charitable Activities continued

- Promotion of efficiency and Welfare:
  - RACF Welfare grants totalling £81K were made to 22 Regular and Reserve regiments / units, in order to help deal with individual cases and support unit welfare initiatives.
  - Grants totalling £80.3K were made to Gunner sport from RACF, via the RAI, in order to assist in the maintenance of fitness and morale.
  - 44 Grants totalling £35,841 were made from RAA to batteries to promote comradeship and esprit de corps (2022: 32 totalling £29,163).
  - 4 betterment grant totalling £46,452 was made from RACF to 3<sup>rd</sup> RHA, 4<sup>th</sup> Regt RA and a joint grant to 19<sup>th</sup> 26<sup>th</sup>, 32<sup>nd</sup> and 47<sup>th</sup> Regts RA, 26RA, 32RA and 47RA.
- ABF the Soldiers' Charity. ABF has supported a large number of Gunner cases. This year the RACF donated £79.5K to the ABF to assist them in making grants towards other smaller, specific purpose charities that support Gunners and their dependants.
- General. The RACF has provision, where appropriate, through the KHAT, to help with dependants' education costs when serving Gunners die or are in need. The RABF owns four cottages, which house Gunners in need. The RACF also helps maintain Gunner memorials.

The RAA's principal activities during the year were as follows:

- Making grants to support comradeship and welfare; raising and maintaining the profile of the RAA in order to improve comradeship for Gunners, both serving and retired;
- Providing support to members and; planning and organising national RAA events.

Apart from support to national RAA events, branches, staff and running costs, the RAA made 44 grants worth £35,841 to batteries to promote comradeship and esprit de corps (2022: 32 totalling £29,163). No grants were made in support of branches (2022: 1 totalling £750). Grants are allocated to enhance the collective well-being of the Regiment and its individual members, serving and retired, by supplementing shortfalls in funding on comradeship projects.

Public Benefit

The Objects of the charities are to promote efficiency, welfare, comradeship and esprit de corps within the serving Regiment and to assist those in need who are serving or who have served their country through service in the Royal Regiment of Artillery, and their dependants. Inextricably linked with this Object is the aim of contributing to the public good by service to the Sovereign, the Country and all its citizens. The RACF contributes considerable public benefit to the local and national community by relieving need among members of the regimental family. This in turn maximises the likelihood of the charity's beneficiaries maintaining their place as valuable, self-sufficient members of the community who are able to make a positive contribution to society. The charity works in tandem with the SSAFA, the ABF and the RBL. The trustees have taken due regard of the Charity Commission's guidance on Public Benefit.

The charity has sufficient funds to support its future operations and deliver its charitable Objects. Research carried out by the RBL has shown that there is still a very large ex-Service community, however the number of ex-servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. In the future it is assessed that, while the volume of cases might reduce, the greater complexity of needs arising from service in the Iraq and Afghanistan campaigns, may increase the cost of

**Public Benefit continued**

providing support to those in need. It is also anticipated that the recent significant increases in food and fuel costs may generate additional requests for support.

**Future Plans**

Based on an assessment that future income will remain steady in the long term, the trustees aim to maintain current expenditure in order that RACF continues to support efficiency and welfare in the Royal Regiment and to provide assistance to all members of the regimental family who are in need. Should income levels drop significantly, trustees have the ability to generate additional funds by liquidating investment assets, however this would need to be balanced by the requirement to maintain investment income for future generations.

Work has commenced on improving the Association's ability to promote the RAA amongst the recently retired and serving soldiers and to recruit new members.

In 2020 the trustees agreed to earmark £1.8M of capital funds for future transfer to the Royal Artillery Museum (RAM). Of this £300K was to have been in the form of a grant and £1.5M in the form of a loan. Although the offer of this sum was withdrawn following the retraction of the offer of a suitable site for the museum, the trustees are likely to consider, making a similar level of funding available in the future once the conditions upon which the original offer was made are met. The current situation is that a revised plan has been approved in principle by the Master Gunner's Committee and a new site approved by the Chief of the General Staff. Trustees will be invited to reconsider a revised bid for funding in 2024.

**Reserves Policy**

The trustees' policy is to maintain a sufficient level of reserves to: provide a stable base and income generation for the charities' continuing activities; generate sufficient funds to cover routine management and administrative costs and; enable the charities to respond to any emergency applications for grants which may arise from time to time. The following figures show the combined funds of RACF and RAA. Disaggregated figures for the RACF can be found on pages 18 and 28 to 37 and details for the RAA reserves can be found in the separate RAA accounts.

Total funds for the charities as at 31 December 2023 were £39,655,875 (2022: £37,684,166).

Unrestricted reserves of the RACF were £25,118,119 (2022: £23,766,770) of which are all free reserves.

Restricted Income funds for Benevolence were £5,526,766 (2022: £5,228,265) of which a large proportion is represented by investments.

Permanent Endowment were £7,038,660 (2022: £6,721,957) of which a large proportion is represented by investments.

Designated Funds were £1,972,330 (2022: £1,967,174) of which £1,867,246 (2022: £1,862,090) is for the purpose of the RAA and their specific aim and objectives and £105,084 (2022: £105,084) for the purpose of memorials.

Our risk-based approach to determining our free reserves requirement is carried out, based on the anticipated future needs of the regimental family, and the management of financial risks, particularly the uncertainty of future income from other sources. The effect on the charity's investments as a result of the situation in Ukraine demonstrates the benefit of maintaining strong reserves in order to be able weather such market fluctuations while maintaining required levels of investment income.

**Reserves Policy continued**

Trustees review the level of reserves regularly to ensure funds are available to deliver welfare services and programmes, and to secure, as far as possible, future financial viability. Our annual review of reserves included assessing the impact of the invasion of Ukraine and the cost of living crisis on our business plans, projected income and expenditure, and on our investments.

Following that review, we determined that we should hold a minimum of £22,500,000 (£21,000,000 RACF and £1,500,000 RAA) in free reserves to be assured that we are able to sustain the support we provide to the regimental family in the long term as well as meet other obligations, irrespective of fluctuations in income and without creating the need to actively fundraise. This sum, held as part of our investment portfolio, is judged to be capable of generating sufficient investment income to meet foreseeable needs. With free reserves of £26,973,440, they currently exceed this minimum reserve outline in the policy. The trustees are content that the additional funds we hold provide ability to disinvest in order to support major capital projects if and when required, but in the meantime are held as investments generating additional income.

In 2023 the investment portfolio generated £761,764 of Income for the charities which represented 45% of total income received.

Without this level of income the charities' activities would be significantly curtailed.

Trustees believe that investments should be maintained at the current levels, in order to generate income and provide for current needs whilst ensuring the charities remain well placed to meet future requirements. The trustees recognise that they have no long term mandated liability for any particular level of financial grants or activity. They therefore have the ability to reduce expenditure to match income in the event of income reducing.

**Investment Policy**

The trustees' Investment Committee meets twice a year to consider the performance of the RACF's investments which are managed on a discretionary basis by BlackRock Investment Management (UK) Ltd.

The investment objective is to create sufficient income and capital growth to enable the charity to carry out their charitable objectives. The charity is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability. The charity's funds are invested on an aliquot proportion in the same funds as the other Gunner welfare / efficiency charities. This is in order to achieve economies of scale in relation to investment cost.

The trustees have given the fund managers discretion to manage the portfolio within an agreed risk profile and against agreed benchmarks. This is contained in a written directive.

At the bi-annual meeting with the investment managers the Investment Committee considers the state of the financial markets and measures the fund managers' on-going performance against specific agreed benchmarks, namely 25% FTSE All Share Index, 35% MSCI World ex UK Index, 10% MSCI Emerging Markets Index, 7.5% FTSE All Stocks Gilt Index, 5% iBoxx Sterling Non-Gilts Index, 10% IPD UK All Balanced Funds Index, 5% Alternative (IA Sector Targeted Absolute Return) and 2.5% Cash (Sterling Overnight Index Average).

Having compared performances over the last 1, 3 and 5 years, the Investment Committee are of the view that the investments have done reasonably well in relation to the market and relevant benchmarks over the longer term. While there is currently no case to prompt a change of investment policy, the performance of the fund manager will be subject to further review this year.

### Environmental Governance and Social Considerations

The RACF's and RAA's investments are not managed with any specific environmental, social and governance (ESG) restrictions. However it is expected that the RA charities' investment managers have clearly defined ESG investment policies and that the investments are managed by an investment company which is a signatory the UN Principles of Responsible Investment and which takes account of Environmental, Social and Governance (ESG) factors in their research and investment decision making process.

### Fundraising

The trustees are very clear that all fundraising must be legal, open, honest and respectful. The charity does not actively engage in regular and organised fundraising, although it does receive donations and legacies. It receives the bulk of its income through investments and the Royal Artillery's 'service giving scheme'. The facility exists for individuals or organisations to make voluntary donations online. The charity does not work with any commercial partner or professional fundraisers except in order to operate an online donation facility such 'Enthuse' and 'Just Giving'. When donations are received, they are mainly as a result of advertisements on the Gunner website and publications, and from open, group briefings to members of the serving Regiment. In addition, regiments and other Gunner organisations are encouraged to engage in sponsored activities to raise funds. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained.

Regiments, units, RAA Branches and individuals who raise funds for the charity are provided with sealed collection buckets. In the event of a complaint about any such activity, it is investigated by the Regimental Secretary. (No complaints were received in 2023). As a charity that deals with vulnerable service personnel, veterans and their dependants, all staff are aware of the requirement to treat everyone fairly and kindly with no intrusive or persistent requests or approaches for funds or undue pressure to donate.

### Trustee Training

Trustee responsibilities and necessary training is taken very seriously. All new trustees are briefed by the Regimental Secretary on their roles and responsibilities. They are provided with the Charity Commissioners handbook "The Essential Trustee" as well as the Articles of Association as part of their induction. Recent RACF accounts, meeting minutes and policy documents are also provided. Trustee briefings and training take place, and members of the Board are encouraged to attend external trustee training and investment briefs.

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

### Risk Management

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

The main risks are:

- Insufficient income to meet the need: This is managed by careful budgeting, the investment and reserves policy and by controlling the level of support provided to beneficiaries.

**Risk Management continued**

- Fraud: This is guarded against by having policies in place to ensure regular checks are made and that all transactions are properly authorised by two signatories.
- Conflict of interest amongst trustee members. A register of trustee interests is kept and updated annually. At the start of committee and BoM meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities such as inappropriate fundraising. This is mitigated by robust RAA Rules and General Administrative Instructions (GAls) and the monitoring of branch fundraising activities.

**Remuneration Policy**

No trustee is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustees review staff salaries annually, and take into account the MoD pay awards for similar grades, when recommending any pay increases.

**Employees**

The RACF aims to be an organisation for which employees enjoy working and where they feel supported, valued, empowered and developed. Employees are kept fully informed about the aims and objectives of the charity and how it is achieving them. Employees are encouraged to contribute suggestions to help improve working processes and to achieve best practice. The charity is an equal opportunities employer and is committed to training and developing its staff.

**Trustees' Liability**

The trustees are the members of the RACF and the liability of the members for the debts of the RACF is limited to an amount not exceeding one pound.

**Statement of Trustees' Responsibilities**

The trustees (who are also directors of the RACF for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable charity and company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)).

The Company and charity law applicable in England & Wales and UK GAAP 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. This includes details of income and expenditure and the application of resources for the period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- adhere to the methods and principles in the Charities Statement of Recommended Practice (Charities SORP (FRS 102));
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures which are to be disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with: the Companies Act 2006; the charity's governing document; the Charities Acts 2011 and; the SORP 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)).

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

This report has been prepared under the special provisions of Part 15 of the Companies Act 2006.

On behalf of the trustees *12 June* June 2024



Major General DM Cullen CB OBE  
Chairman RACF Board of Management

## Opinion

We have audited the financial statements of the Royal Artillery Charitable Fund (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Income and Expenditure, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 December 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## 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 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 the group or the parent charitable company'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.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our

## THE ROYAL ARTILLERY CHARITABLE FUND

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

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opinion on the 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 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 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.

#### **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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 where the Companies Act 2006 require 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 10-11, 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 the 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 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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

## THE ROYAL ARTILLERY CHARITABLE FUND

### INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

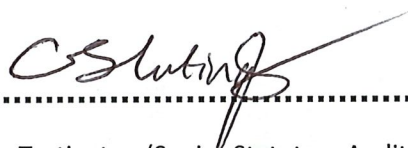
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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery LLP

Chartered Accountants

Statutory Auditors  
71 Queen Victoria Street  
London

EC4V 4BE

Date: 12 June 2024

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

THE ROYAL ARTILLERY CHARITABLE FUND

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £	Total £	Total £
			2023				2022
<b>Income and endowments from:</b>							
Donations and legacies inc SPGS	2	637,808	1,092	-	638,900		938,900
Investment Income	3	571,797	189,967	-	761,764		715,274
Income from charitable activities		-	9,366	-	9,366		9,251
Other Income	4	24,766	-	-	24,766		7,126
RAA Branch Income		142,519	-	-	142,519		120,094
<b>Total income before Expenditure</b>		<b>1,376,890</b>	<b>200,425</b>	-	<b>1,577,315</b>		<b>1,790,645</b>
<b>Expenditure on:</b>							
Raising funds	5	(10,696)	-	-	(10,696)		(1,178)
<b>Net income available for charitable activities</b>		<b>1,366,194</b>	<b>200,425</b>	-	<b>1,566,619</b>		<b>1,789,467</b>
Charitable activities	6	1,240,581	200,425	21,200	1,462,206		1,311,657
RAA Branch Expenditure		122,710	-	-	122,710		131,763
<b>Total expenditure</b>		<b>1,373,987</b>	<b>200,425</b>	<b>21,200</b>	<b>1,595,612</b>		<b>1,444,598</b>
<b>Net income for the year before gains on investments</b>		<b>2,903</b>	-	<b>(21,200)</b>	<b>(18,297)</b>		<b>346,047</b>
Net (losses)/gains on investment assets		1,353,602	298,501	337,903	1,990,006		(4,090,240)
<b>Net (expenditure)/income and net movement in funds</b>		<b>1,356,505</b>	<b>298,501</b>	<b>316,703</b>	<b>1,971,709</b>		<b>(3,744,193)</b>
Total funds brought forward		25,733,944	5,228,265	6,721,957	37,684,166		41,428,359
<b>Total funds carried forward</b>		<b>27,090,449</b>	<b>5,526,766</b>	<b>7,038,660</b>	<b>39,655,875</b>		<b>37,684,166</b>

The notes on pages 21 to 39 form part of these financial statements

## THE ROYAL ARTILLERY CHARITABLE FUND

### CONSOLIDATED SUMMARY OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2023

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	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Total Income	1,577,315	1,790,645
Total Expenditure	1,574,411	1,423,398
Unrealised/realised gains and losses on:		
Revaluation of Investments	1,652,102	(3,395,717)
<b>Net income for the year</b>	<u>1,655,006</u>	<u>(3,028,470)</u>

Total Income comprised of £1,376,890 unrestricted funds and £200,425 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,373,987 for unrestricted funds and £200,425 for restricted funds and excludes the permanent endowment funds.

The revaluation of investments excludes the permanent endowment funds.

The summary income and expenditure account is derived from the Statement of Financial Activities on page 16 which together with the notes to the financial statements on pages 21 to 38 provide full information on the movement during the year on all funds of the charity.

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEETS**  
**AT 31 DECEMBER 2023**


	Notes	Group 2023 £	Group 2022 £	RACF 2023 £	RACF 2022 £
<b>Fixed assets</b>					
Tangible	7	869,200	890,400	869,200	890,400
Investments	8	36,421,842	34,354,804	35,300,048	33,296,676
		37,291,042	35,245,204	36,169,248	34,187,076
<b>Current assets</b>					
Debtors	9	62,254	386,023	93,129	411,405
Short Term Deposits	10	1,921,472	1,812,777	1,397,705	1,218,593
Cash on Current Account		150,680	28,677	151,137	28,242
Branch Bank balances		257,707	238,658	-	-
		2,392,113	2,466,135	1,641,971	1,658,240
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	11	(27,280)	(27,173)	(22,590)	(23,240)
<b>Net current assets/(liabilities)</b>		2,364,833	2,438,962	1,619,381	1,635,000
<b>Total assets less current liabilities</b>					
Provision for Liabilities		-	-	-	-
		39,655,875	37,684,166	37,788,629	35,822,076
<b>Funds</b>					
Unrestricted	12	25,118,119	23,766,770	25,118,119	23,766,770
Designated	12	1,972,330	1,967,174	105,084	105,084
Restricted Income	12	5,526,766	5,228,265	5,526,766	5,228,265
Permanent Endowment	12	7,038,660	6,721,957	7,038,660	6,721,957
		39,655,875	37,684,166	37,788,629	35,822,076

THE ROYAL ARTILLERY CHARITABLE FUND

BALANCE SHEET  
AT 31 DECEMBER 2023

As permitted by Section 408 of the Companies Act 2006 no separate Statement of Financial Activities for the charity alone has been presented. The net surplus of the parent company charity for the year was £1,966,553 (2022: deficit of £3,552,388).

Approved by the RACF Board of Management on **12** June 2024



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Major General DM Cullen CB OBE  
Chairman RACF Board of Management

The notes on pages 21 to 39 form part of these financial statements.

Company number: 163205

THE ROYAL ARTILLERY CHARITABLE FUND

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	<u>2023</u> £	<u>2022</u> £
<b>Net cash used in operating activities</b>	1	(434,983)	(633,164)
<u>Cash flows from investing activities</u>			
Dividends, interest and rents from investments		761,764	715,274
Purchase of investments		(27,088,560)	(6,286,331)
Proceeds from sale of investments		27,151,278	6,223,300
<b>Net cash generated in investing activities</b>		824,482	652,243
Net increase in cash & cash equivalents		389,499	19,079
Cash and cash equivalents at the beginning of the year		2,087,485	2,068,406
<b>Cash and cash equivalents at end of the year</b>	2	<u>2,476,984</u>	<u>2,087,485</u>

**Notes to the cash flow statement**

1.	<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2023</b> £	<b>2022</b> £	
	Net movement in funds	1,971,710	(3,744,193)	
	(Gains)/losses on Investments	(1,990,006)	4,090,240	
	Investment income	(761,764)	(715,274)	
	Investment aliquot changes	1	6	
	Decrease/(increase) in debtors	323,770	(187,742)	
	Increase/(decrease) in creditors	106	(97,401)	
	Depreciation charge	21,200	21,200	
	<b>Net cash used in operating activities</b>	<u>(434,983)</u>	<u>(633,164)</u>	
2.	<b>Analysis of cash and cash equivalents and net debt</b>	<b>At 1 Jan</b> <b>2023</b> £	<b>Cash</b> <b>flow</b> £	<b>At 31 Dec</b> <b>2023</b> £
	Cash on short term deposit	1,812,777	108,696	1,921,473
	Cash current account	28,677	122,003	150,680
	Cash balance held in investments	7,373	139,751	147,124
	Cash held by branches	238,658	19,049	257,707
	<b>Net cash provided by operating activities</b>	<u>2,087,485</u>	<u>389,499</u>	<u>2,476,984</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1. Accounting policies**

The Royal Artillery Charitable Fund is a company limited by guarantee incorporated in England and Wales. The registered office is Artillery House, Royal Artillery Barracks, Larkhill, Salisbury, SP4 8QT.

**Basis of accounting**

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Royal Artillery Charitable Fund constitutes a public benefit entity as defined by FRS102.

These accounts present the results of The Royal Artillery Charitable Fund and its subsidiary charity the Royal Artillery Association. The results have been consolidated on a line by line basis.

**Going Concern**

The trustees have a reasonable expectation that the RACF has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Subscriptions and donations**

Subscriptions and donations have been included on the basis of amounts receivable during the year.

**Legacy income**

Income from legacies is taken to the Statement of Financial Activities when received or receipt is probable and the value can be measured with sufficient reliability.

**Interest and dividends on investments**

Income from investments including interest on short term deposits are included on a receivable basis.

**Expenditure and support costs**

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered.

Supports costs are those costs which have not been directly allocate to an activity of the charities but nevertheless support these activities.

**Grant expenditure**

Grants payable are payments made in furtherance of the charitable objects of the charities. These are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Grant expenditure continued**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**Fixed asset investments**

Investments are stated at market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

**Tangible Fixed assets**

Freehold properties are stated at deemed cost and are depreciated over their estimated useful lives of 50 years. Land is stated at deemed cost and is not depreciated.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**Financial Instruments**

The charities only have 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.

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.

**Fund accounting**

Unrestricted funds are available to use to further any of the purposes of the charities.

Designated funds are unrestricted funds of the charities which the trustees have decided at their discretion to set aside to use for a specific purpose.

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

The permanent endowment fund relates to funds received over the years from the investment portfolio where the capital received needs to be retained for the long term.

**Pensions**

Staff are enrolled in a NEST pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Critical estimates and judgements and key sources of estimation uncertainty**

In the application of the charities' accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2023 or 2022.

**2. 2023 Donations and legacies inc SPGS**

	Unrestricted	Restricted	Permanent Endowment	Total
	<b>2023</b>			
	£	£	£	£
Officers' subscriptions	108,251	-	-	108,251
Soldiers' subscriptions	153,390	-	-	153,390
Retired Donations	19,318	-	-	19,318
Income tax recoverable (gift aid)	8,544	-	-	8,544
Donations and Grants	47,426	-	-	47,426
Intangible Income – Wages in Kind	144,648	1,092	-	145,740
Legacies	156,231	-	-	156,231
	637,808	1,092	-	638,900

**2022 Donations and legacies inc SPGS Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	<b>2022</b>			
	£	£	£	£
Officers' subscriptions	105,415	-	-	105,415
Soldiers' subscriptions	152,359	-	-	152,359
Retired Officers Donations	19,945	-	-	19,945
Income tax recoverable (gift aid)	7,406	-	-	7,406
Donations and Grants	65,011	-	-	65,011
Intangible Income – Wages in Kind	136,688	1,045	-	137,733
Legacies	451,031	-	-	451,031
	937,855	1,045	-	938,900

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**3. 2023 Investment Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2023			
	£	£	£	£
Investments	571,797	189,967	-	716,764
	<u>571,797</u>	<u>189,967</u>	<u>-</u>	<u>716,764</u>

**2022 Investment Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Investments	536,104	179,170	-	715,274
	<u>536,104</u>	<u>179,170</u>	<u>-</u>	<u>715,274</u>

**4. 2023 Other Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2023			
	£	£	£	£
Interest received on short term deposits	22,256	-	-	22,256
Event income	2,547	-	-	2,547
Merchandise income	154	-	-	154
Christmas card income	766	-	-	766
Alanbrooke Club	(957)	-	-	(957)
	<u>24,766</u>	<u>-</u>	<u>-</u>	<u>24,766</u>

**2022 Other Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Interest received on short term deposits	649	-	-	649
Event income	2,782	-	-	2,782
Merchandise income	144	-	-	144
Christmas card income	773	-	-	773
Registration fees	3,733	-	-	3,733
Alanbrooke Club	(955)	-	-	(955)
	<u>7,126</u>	<u>-</u>	<u>-</u>	<u>7,126</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. 2023 Cost of Raising Funds**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
Fundraising costs	10,696	-	-	10,696
	<u>10,696</u>	<u>-</u>	<u>-</u>	<u>10,696</u>

**2022 Cost of Raising Funds Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
Fundraising costs	1,178	-	-	1,178
	<u>1,178</u>	<u>-</u>	<u>-</u>	<u>1,178</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. 2023 Charitable Activities**

	Unrestricted	Restricted	Permanent Endowment	Total
		2023		
	£	£	£	£
<u>Welfare</u>				
Welfare grants – 1,187 (2022: 1,234) individual cases	451,986	178,146		630,132
Welfare grants to institutions:				
Gunner Magazine	10,000	-	-	10,000
Royal Artillery Sports	80,280	-	-	80,280
Army Benevolent Fund	79,500	-	-	79,500
Other Grants:				
Regiments and Batteries	80,580	-	-	80,580
Regimental Welfare/Comradeship	35,841	-	-	35,841
RAM	40,000	-	-	40,000
Betterment Grants	46,452	-	-	46,452
Awards	1,733	-	-	1,733
General grants	9,750	-	-	9,750
RA Memorials	11,137	-	-	11,137
Events				
RA Assembly	14,564	-	-	14,564
NMA	5,220	-	-	5,220
Gunner Sunday	1,399	-	-	1,399
	<u>868,442</u>	<u>178,146</u>	<u>-</u>	<u>1,046,588</u>
Support Cost to Charitable Activities:				
Wages and salaries	124,596	-	-	124,596
Employers Pension Contribution	12,240	-	-	12,240
Employers Nationals Insurance	12,105	-	-	12,105
Wages and salaries in kind	144,648	1,092	-	145,740
	<u>293,589</u>	<u>1,092</u>	<u>-</u>	<u>294,681</u>
Insurance	2,523	-	-	2,523
Printing, stationery and advertising	1,549	-	-	1,549
Office cost (inc. publicity & postage, IT)	20,600	-	-	20,600
T&S	17,014	-	-	17,014
Branch travel	12,539	-	-	12,539
Misc	1,108	-	-	1,108
Training	95	-	-	95
Bank charges	604	-	-	604
Cottage expenses	-	21,187	-	21,187
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	18,378	-	-	18,378
Legal and professional fees	4,140	-	-	4,140
Total support costs	<u>372,139</u>	<u>22,279</u>	<u>21,200</u>	<u>415,618</u>
<b>2023 Total Expenditure</b>	<u><u>1,240,581</u></u>	<u><u>200,425</u></u>	<u><u>21,200</u></u>	<u><u>1,462,206</u></u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**2022 Charitable Activities Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
<u>Welfare</u>	£	£	£	£
Welfare grants – 1,234 (2021: 1031) individual cases	440,653	183,763	-	624,416
Welfare grants to institutions:				
Gunner Magazine	5,000	-	-	5,000
Royal Artillery Sports	50,378	-	-	50,378
Army Benevolent Fund	89,000	-	-	89,000
Other Grants:				
Regiments and Batteries	81,000	-	-	81,000
Regimental Welfare/Comradeship	29,163	-	-	29,163
RAM	47,200	-	-	47,200
Betterment Grants	9,800	-	-	9,800
Awards	1,639	-	-	1,639
General grants	3,650	-	-	3,650
RA Memorials	10,891	-	-	10,891
Events				
RA Assembly	10,717	-	-	10,717
NMA	3,615	-	-	3,615
Gunner Sunday	1,684	-	-	1,684
	<u>784,390</u>	<u>183,763</u>	<u>-</u>	<u>968,153</u>
Support Cost to Charitable Activities:				
Wages and salaries	97,856			97,856
Employers Pension Contribution	10,324			10,324
Employers Nationals Insurance	4,532			4,532
Wages and salaries in kind	136,688	1,045	-	137,733
	<u>249,400</u>	<u>1,045</u>	<u>-</u>	<u>250,445</u>
Insurance	2,523	-	-	2,523
Printing, stationery and advertising	793	-	-	793
Office cost (inc. publicity & postage, IT)	12,147	-	-	12,147
T&S	13,242	-	-	13,242
Branch travel	12,325	-	-	12,325
Misc	2,035	-	-	2,035
Bank charges	623	-	-	623
Cottage expenses	-	4,658	-	4,658
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	19,926	-	-	19,926
Legal and professional fees	3,587	-	-	3,587
Total support costs	<u>316,691</u>	<u>5,703</u>	<u>21,200</u>	<u>343,594</u>
<b>2022 Total Expenditure</b>	<u><u>1,100,991</u></u>	<u><u>189,466</u></u>	<u><u>21,200</u></u>	<u><u>1,311,657</u></u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. Charitable Activities continued**

The average number of persons employed by the Fund during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Office and administration	<u>4</u>	<u>4</u>

There were no employees with emoluments above £60,000. The following payments were made to Key Management Personnel: £16,021 (2022: £13,894).

One trustee received out of pocket expenses of £1,156 in 2023 (2022: NIL). This was as a result of all meetings being conducted online.

**7. 2023 Tangible Fixed assets**  
Group and RACF

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Permanent Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>2023</b>		
			<b>Cottage Homes</b>	
Deemed cost at 31 December 2022	-	-	1,081,200	1,081,200
At 31 December 2022	<u>-</u>	<u>-</u>	<u>1,081,200</u>	<u>1,081,200</u>
Depreciation at 1 January 2022	-	-	190,800	190,800
Charge for the year	-	-	21,200	21,200
At 31 December 2022	<u>-</u>	<u>-</u>	<u>212,000</u>	<u>212,000</u>
Net book value at 31 December 2023	<u>-</u>	<u>-</u>	<u>869,200</u>	<u>869,200</u>
Net book value at 31 December 2022	<u>-</u>	<u>-</u>	<u>890,400</u>	<u>890,400</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. 2023 Fixed Asset Investments**

**8a. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2023
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	23,368,136	5,153,222	5,833,446	34,354,804
Net additions at cost	18,459,004	4,070,640	4,607,966	27,137,610
Sales proceeds	(18,501,663)	(4,080,049)	(4,618,616)	(27,200,328)
Net realised/unrealised gains	1,353,602	298,500	337,903	1,990,005
Aliquot Changes	(1)	-	-	(1)
Cash Commitments	95,059	20,963	23,730	139,752
<b>Market value at 31 December</b>	<b>24,774,137</b>	<b>5,463,276</b>	<b>6,184,429</b>	<b>36,421,842</b>
<b>Historical value at 31 December</b>	<b>22,529,038</b>	<b>4,968,180</b>	<b>5,623,979</b>	<b>33,121,197</b>
<b>Investment / Cash Breakdown</b>				
Investments	24,674,063	5,441,208	6,159,447	36,274,718
Bank Settled Account	68,855	15,184	17,188	101,227
Bank Unsettled Account	31,219	6,884	7,794	45,897
	24,774,137	5,463,276	6,184,429	36,421,842

**8b. RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2023
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	22,310,008	5,153,222	5,833,446	33,296,676
Net additions at cost	17,623,166	4,070,640	4,607,966	26,301,772
Sales proceeds	(17,663,894)	(4,080,049)	(4,618,616)	(26,362,559)
Net realised/unrealised gains	1,292,310	298,500	337,903	1,928,713
Aliquot Changes	(1)	-	-	(1)
Cash Commitments	90,754	20,963	23,730	135,447
<b>Market value at 31 December</b>	<b>23,652,343</b>	<b>5,463,276</b>	<b>6,184,429</b>	<b>35,300,048</b>
<b>Historical value at 31 December</b>	<b>22,023,788</b>	<b>4,968,180</b>	<b>5,623,979</b>	<b>32,615,947</b>
<b>Investment / Cash Breakdown</b>				
Investments	23,556,801	5,441,208	6,159,447	35,157,456
Bank Settled Account	65,737	15,184	17,188	98,109
Bank Unsettled Account	29,805	6,884	7,794	44,483
	23,652,343	5,463,276	6,184,429	35,300,048

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

The following holdings exceeded 5% of the total portfolio value at 31 December 2023 and are considered material for the 2023 group and charity accounts:

	£	£
	<b>Group</b>	<b>RACF</b>
BLK Char UK EQ Fund A Inc (33.05%)	11,353,004	11,003,331
BlackRock Dev Mkt Sust Equity (28.22%)	9,694,362	9,395,776
BlackRock Char UK Bond Fund A Inc (13.71%)	4,709,893	4,559,013
BFM-BLK Emerging Markets (10.90%)	3,742,801	3,627,523
TACT OPP FD X ACC (5.49%)	1,884,187	1,826,154

All of the holdings listed are in collective investment vehicles as opposed to single securities.

**2022 Fixed Asset Investments**

**8c. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2022
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	26,107,109	5,745,016	6,529,394	38,381,519
Net additions at cost	4,275,962	955,162	1,055,207	6,286,331
Sales proceeds	(4,233,089)	(933,495)	(1,056,716)	(6,223,300)
Net realised/unrealised gains	(2,782,181)	(613,536)	(694,523)	(4,090,240)
Aliquot Changes	(6)	-	-	(6)
Cash Commitments	341	75	84	500
<b>Market value at 31 December</b>	<u>23,368,136</u>	<u>5,153,222</u>	<u>5,833,446</u>	<u>34,354,804</u>
<b>Historical value at 31 December</b>	<u>23,068,341</u>	<u>5,087,108</u>	<u>5,758,607</u>	<u>33,914,056</u>

**Investment / Cash Breakdown**

Investments	23,363,122	5,152,115	5,832,194	34,347,431
Bank Settled Account	3,800	839	949	5,588
Bank Unsettled Account	1,214	268	303	1,785
	<u>23,368,136</u>	<u>5,153,222</u>	<u>5,833,446</u>	<u>34,354,804</u>

**8d. RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2022
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	24,924,958	5,745,016	6,529,394	37,199,368
Net additions at cost	4,079,782	954,570	1,054,537	6,088,889
Sales proceeds	(4,041,411)	(933,495)	(1,056,716)	(6,031,622)
Net realised/unrealised gains	(2,653,640)	(612,944)	(693,853)	(3,960,437)
Aliquot Changes	(6)	-	-	(6)
Cash Commitments	325	75	84	484
<b>Market value at 31 December</b>	<u>22,310,008</u>	<u>5,153,222</u>	<u>5,833,446</u>	<u>33,296,676</u>

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

Investment / Cash Breakdown

Investments	22,305,221	5,152,115	5,832,194	33,289,530
Bank Settled Account	3,628	839	949	5,416
Bank Unsettled Account	1,159	268	303	1,730
	<u>22,310,008</u>	<u>5,153,222</u>	<u>5,833,446</u>	<u>33,296,676</u>

**9. Debtors**

	Total 2023	Total 2022 Group	Total 2023	Total 2022 RACF
	£	£	£	£
Royal Artillery Association	-	-	34,918	28,778
Income tax repayments	2,514	2,696	2,498	2,668
Accrued Service Giving Income	30,025	28,803	25,998	25,435
Sundry Debtors	-	-	-	-
Legacies Receivable	29,715	354,524	29,715	354,524
	<u>62,254</u>	<u>386,023</u>	<u>93,129</u>	<u>411,405</u>

**10. Current Asset Investments**

	Total 2023	Total 2022 Group	Total 2023	Total 2022 RACF
	£	£	£	£
Short term deposits (incl investment balance)	1,921,472	1,812,777	1,397,705	1,218,593
	<u>1,921,472</u>	<u>1,812,777</u>	<u>1,397,705</u>	<u>1,218,593</u>

**11. Creditors**

	Total 2023	Total 2022 Group	Total 2023	Total 2021 RACF
	£	£	£	£
Amounts falling due within one year:				
Accruals	27,280	27,173	22,590	23,240
	<u>27,280</u>	<u>27,173</u>	<u>22,590</u>	<u>23,240</u>

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Movement in Funds

Current year Group

	Balance at 1 January 23	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 23
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	23,766,770	1,107,240	(1,048,962)	1,292,310	761	25,118,119
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	1,862,090	269,650	(325,025)	61,292	(761)	1,867,246
	1,967,174	269,650	(325,025)	61,292	(761)	1,972,330
<b>Restricted Funds</b>						
RABF	5,228,265	200,425	(200,425)	298,501	-	5,526,766
<b>Endowment Funds:</b>						
RABF	5,271,611	-	(21,200)	253,726	-	5,504,137
RACF	1,450,346	-	-	84,177	-	1,534,523
	6,721,957	-	(21,200)	337,903	-	7,038,660
<b>Total</b>	<u>37,684,166</u>	<u>1,577,315</u>	<u>(1,595,612)</u>	<u>1,990,006</u>	<u>-</u>	<u>39,655,875</u>

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Movement in Funds continued

Current year RACF

	Balance at 1 January 23	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 23
	£	£	£	£	£	£
<b>Unrestricted</b>						
Designated Funds – Memorial	105,084	-	-	-	-	105,084
General Fund	23,766,770	1,107,240	(1,048,201)	1,292,310	-	25,118,119
	<u>23,871,854</u>	<u>1,107,240</u>	<u>(1,048,201)</u>	<u>1,292,310</u>	<u>-</u>	<u>25,223,203</u>
<b>Restricted Funds</b>						
RABF	5,228,265	200,425	(200,425)	298,501	-	5,526,766
<b>Endowment Funds:</b>						
RABF	5,271,611	-	(21,200)	253,726	-	5,504,137
RACF	1,450,346	-	-	84,177	-	1,534,523
	<u>6,721,957</u>	<u>-</u>	<u>(21,200)</u>	<u>337,903</u>	<u>-</u>	<u>7,038,660</u>
<b>Total</b>	<u>35,822,076</u>	<u>1,307,665</u>	<u>(1,269,826)</u>	<u>1,928,714</u>	<u>-</u>	<u>37,788,629</u>

Memorial Fund is a designated fund in order to support any future work required in the church. This fund had been designated by the trustees' as the amount required towards the building of Chapel and Cloister in the Garrison Church at Larkhill in 2018. Due to the final bill being higher than anticipated, the RACF trustees agreed to transfer additional income to cover the remainder of the bill. In the event however the additional sum was cleared through a third party donation. The trustees have chosen to leave this sum in a designated fund in order to support any future work required in the church.

RABF Restricted Fund - This fund is to support welfare and housing activities.

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Movement in Funds continued

RABF Permanent Endowment Fund – This fund is to support welfare and housing activities.

RACF Permanent Endowment Fund - This fund is to support the charitable activities of RACF which include efficiency, benevolence and relief in need.

Prior year Group

	Balance at 1 January 22	Incoming Resources	Outgoing Resources	Net Losses on Investment	Transfers	Balance at 31 December 22
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	25,989,899	1,359,890	(926,696)	(2,656,323)	-	23,766,770
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	2,053,895	241,289	(307,236)	(125,858)	-	1,862,090
	2,158,979	241,289	(307,236)	(125,858)	-	1,967,174
<b>Restricted Funds</b>						
RABF	5,841,801	189,466	(189,466)	(613,536)	-	5,228,265
<b>Endowment Funds:</b>						
RABF	5,814,317	-	(21,200)	(521,506)	-	5,271,611
RACF	1,623,363	-	-	(173,017)	-	1,450,346
	7,437,680	-	(21,200)	(694,523)	-	6,721,957
<b>Total</b>	41,428,359	1,790,645	(1,444,598)	(4,090,240)	-	37,684,166

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

Movement in Funds continued									
Prior year RACF		Balance at 1 January 22	Incoming Resources	Outgoing Resources	Net losses on Investment	Transfers	Balance at end 31 December 22		
	£	£	£	£	£	£	£		
<b>Unrestricted</b>									
General Fund	25,989,899	1,359,890	(926,696)	(2,656,323)	-	23,766,770			
<b>Designated</b>									
Memorials	105,084	-	-	-	-	105,084			
<b>Restricted Funds</b>									
RABF	5,841,801	189,466	(189,466)	(613,536)	-	5,228,265			
<b>Endowment Funds:</b>									
RABF	5,814,317	-	(21,200)	(521,506)	-	5,271,611			
RACF	1,623,363	-	-	(173,017)	-	1,450,346			
	7,437,680	-	(21,200)	(694,523)	-	6,721,957			
<b>Total</b>	39,374,464	1,549,356	(1,137,362)	(3,964,382)	-	35,822,076			

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**13. 2023 Analysis of net assets between funds Group**

Current year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2023	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,463,276	63,490	5,526,766
	-	5,463,276	63,490	5,526,766
<b>Permanent Endowment:</b>				
RABF	869,200	4,643,785	(8,848)	5,504,137
RACF	-	1,540,644	(6,121)	1,534,523
	869,200	6,184,429	(14,969)	7,038,660
<b>Unrestricted funds:</b>				
RACF	-	23,652,343	1,465,776	25,118,119
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
RAA	-	1,121,793	745,453	1,867,246
	-	1,121,793	850,537	1,972,330
	869,200	36,421,841	2,364,834	39,655,875

**2023 Analysis of net assets between funds RACF**

Current year – RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2023	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,463,276	63,490	5,526,766
	-	5,463,276	63,490	5,526,766
<b>Permanent Endowment:</b>				
RABF	869,200	4,643,785	(8,848)	5,504,137
RACF	-	1,540,644	(6,121)	1,534,523
	869,200	6,184,429	(14,969)	7,038,660
<b>Unrestricted funds:</b>				
RACF	-	23,652,343	1,465,776	25,118,119
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
	869,200	35,300,048	1,619,381	37,788,629

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**2022 Analysis of prior year net assets between funds Group continued**

Prior year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2022	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,153,222	75,043	5,228,265
	-	5,153,222	75,043	5,228,265
<b>Permanent Endowment:</b>				
RABF	890,400	4,380,238	973	5,271,611
RACF		1,453,208	(2,862)	1,450,346
	890,400	5,833,446	(1,889)	6,721,957
<b>Unrestricted funds:</b>				
RACF	-	22,310,008	1,456,762	23,766,770
<b>Designated funds:</b>				
Memorials		-	105,084	105,084
RAA	-	1,058,128	803,962	1,862,090
	890,400	34,354,804	2,438,962	37,684,166

**2022 Analysis of prior year net assets between funds RACF**

Prior year - RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2022	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,153,222	75,043	5,228,265
	-	5,153,222	75,043	5,228,265
<b>Permanent Endowment:</b>				
RABF	890,400	4,380,238	973	5,271,611
RACF	-	1,453,208	(2,862)	1,450,346
	890,400	5,833,446	(1,889)	6,721,957
<b>Unrestricted funds:</b>				
RACF	-	22,310,008	1,456,762	23,766,770
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
	890,400	33,296,676	1,635,000	35,822,076

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**15. Related Parties**

Income of £261,641 (2022: £257,774) was received from the Royal Artillery General Charitable Trust (RAGCT). Both Charities have a number of trustees in common. This Income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel.

Details of donations between connected entities are disclosed in note 6.

At the year end, balances due to and from related entities are disclosed in notes 9 and 11.

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023

16. 2022 Represent comparatives for the Statement of Financial Activities

Income and endowments from:

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £
			2022		
Donations and legacies inc SPGS	2	937,855	1,045	-	938,900
Investment Income	3	536,104	179,170	-	715,274
Other Charitable Income		-	9,251	-	9,251
Other Income	4	7,126	-	-	7,126
Branch Income		120,094	-	-	120,094
<b>Total income before Expenditure</b>		<b>1,601,179</b>	<b>189,466</b>	-	<b>1,790,645</b>
<b>Expenditure on:</b>					
Raising funds	5	(1,178)	-	-	(1,178)
<b>Net income available for charitable activities</b>		<b>1,600,001</b>	<b>189,466</b>	-	<b>1,789,467</b>
Charitable activities	6	1,100,991	189,466	21,200	1,311,657
Branch Expenditure		131,763	-	-	131,763
<b>Total expenditure</b>		<b>1,233,932</b>	<b>189,466</b>	<b>21,200</b>	<b>1,444,598</b>
<b>Net income for the year before gains on investments</b>		<b>367,247</b>	-	<b>(21,200)</b>	<b>346,047</b>
Net gains/(losses) on investment assets		(2,782,181)	(613,536)	(694,523)	(4,090,240)
<b>Net movement in funds</b>		<b>(2,414,934)</b>	<b>(613,536)</b>	<b>(715,723)</b>	<b>(3,744,193)</b>
Total funds brought forward		28,148,878	5,841,801	7,437,680	41,428,359
<b>Total funds carried forward</b>		<b>25,733,944</b>	<b>5,228,265</b>	<b>6,721,957</b>	<b>37,684,166</b>



**ROYAL ARTILLERY CHARITABLE FUND**

England & Wales - Charity number 210202

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# Accounts

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# **THE ROYAL ARTILLERY CHARITABLE FUND**

Incorporated under the Companies Act and Limited by Guarantee

## **REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**INCLUDING GROUP ACCOUNTS WITH  
THE ROYAL ARTILLERY ASSOCIATION  
(REGISTERED CHARITY NO 238197)**

and

**FINANCIAL STATEMENTS FOR  
THE ROYAL ARTILLERY CHARITABLE FUND  
(PERMANENT ENDOWMENT) (210202-18)**

and the

**ROYAL ARTILLERY BENEVOLENT FUND (210202-19)  
FOR THE YEAR ENDED 31 DECEMBER 2022 ARE INCLUDED  
UNDER A UNITING DIRECTION**

**Registered Company No: 163205**

**Registered Charity No: 210202**

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**President**

The Master Gunner, St James's Park , Lieutenant General Sir Andrew Gregory KBE CB DL

**Royal Artillery Charitable Fund (RACF) Trustees**

The members of the RACF Trustee Board during the year ended 31 December 2022 and up to the date of the approval of this report, were as follows:-

**Chairman** Major General DM Cullen CB OBE

**Trustees**

Brigadier MN Pountain CBE	
Colonel MB Bishop MBE VR	(Appointed 7 <sup>th</sup> June 2022)
Colonel RC Christopher MBE	(Appointed 7 <sup>th</sup> June 2022)
Colonel CE Comport OBE TD DL	
Colonel MAA Dornan	
Colonel C Fletcher-Wood OBE	
Colonel RC Harmer ADC	(Appointed 7 <sup>th</sup> June 2022)
Colonel C Palmer	
Colonel MD Relph MBE	
Colonel G Taylor CBE	
Lieutenant Colonel S J Howe	
Major AJ Dines TD	
Major JO Leighton TD	
Warrant Officer Class1 (RASM) L Sanders	(Appointed 7 <sup>th</sup> June 2022)

A number of trustees are also involved in the governance of other charities referred to in this report. All trustees have made a declaration listing any related parties and potential conflicts of interest.

**Regimental Secretary** Colonel (Retd) M G J Carter

**Finance Secretary** Mrs B Hoblyn

**Professional Advisors**

**Bankers** Lloyds Bank PLC, 39 Piccadilly, London, W1V 0AA

**Solicitors** Wilsons, Alexandra House, St John's Street, Salisbury, Wiltshire, SP1 2SB

**Auditors** Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

**Investment Managers** BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL

**Address** Artillery House, Royal Artillery Barracks, Larkhill, Wiltshire SP4 8QT.

**Registered Company No** 163205

**RACF Registered Charity No** 210202

**RAA Registered Charity No** 238197

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Introduction**

The RACF Trustees submit their annual report for the year ended 31<sup>st</sup> December 2022 under the Companies Act 2006, together with the audited financial statements for that year. The accounts comply with the Companies Act 2006, the charities' governing documents and the relevant Statement of Recommended Practice (the Charities SORP (FRS102)). The RACF is a company not for profit, limited by guarantee and not having share capital. It is governed by its Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

These accounts, including the comparatives, consolidate the results of The Royal Artillery Charitable Fund and, for the first time include, under its Group Accounts, its subsidiary charity the Royal Artillery Association (RAA). The RACF is the sole corporate trustee of the RAA and on the advice of our auditors, the RAA is now included as part of the RACF Group Accounts.

**Objects**

The objects of the RACF are to apply the charity's funds:

- In promoting the efficiency and welfare of all ranks of the Royal Artillery, whether Regular, Special Reserve, Reserve or Temporary and;
- In relief and assistance of any past, present or future members of the Royal Artillery whether Regular, Special Reserve, Reserve or Temporary and their dependants, and families and dependants of any deceased members, who are in need of such relief and assistance by reason of poverty, disability, sickness, infirmity or otherwise.

The objects of the RAA are to promote the efficiency of the Royal Artillery by:

- Maintaining contact between past and present members of the Royal Artillery, fostering mutual friendship between them and providing for social gatherings for them and;
- Fostering esprit de corps, comradeship and the welfare of the Royal Artillery and preserving its traditions.
- To relieve either generally or individually members of the RAA or past and present members of the Royal Artillery, and their dependants, who are in conditions of need, hardship or distress.

**Organisation**

The duties of the RACF Board of Trustees are laid down in the Articles of Association. The Board members provide a skills-based set of abilities and experience, with some representing the serving officers and soldiers of the Regiment. The RACF works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT) and the Royal Artillery Institution (RAI), whose objects also support and promote efficiency within the Royal Artillery. The Board of Trustees meets at least twice a year as part of the Royal Artillery Board of Management alongside the trustees of the RAI. Subordinate to the Board of Trustees are the Investment Committee, the Welfare Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF and others who have been co-opted for their skills and knowledge so as to ensure that high quality advice may be provided to the RACF Board. The reports of these committees form part of the agenda of the meetings of the RACF Board of Trustees. The trustees form the membership of the RACF. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RACF Board of Trustees as required. The Chairman of the RACF is a member of the Master Gunner's Committee and updates the committee biannually on business undertaken by the Royal Artillery Board of Management.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Governance**

In addition to the Articles of Association, the Welfare, Investment and Finance & General-Purpose committees have their own directives, which are reviewed and agreed regularly by the trustees. Powers delegated to the Secretariat are contained in the directives. Direction to the RAA NEC is contained in the RAA Rules and GAIs.

Secretariat policies, which are agreed by the trustees, are in place in order to ensure smooth and effective running of the charities. The charities' risk register is reviewed annually by the trustees. The register follows the model recommended by the Charity Commission. Identified risks are managed as laid down in the Risk Management Plan. For specific items, detailed briefs are sent to the trustees so they can consider issues in depth before meetings. Trustees also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustees and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

**Charity Commission Governance Code**

The RACF as one of the Royal Artillery charities, comes under the umbrella of the Confederation of Service Charities (Cobseo). Cobseo, in consultation with the Charity Commission, have produced a Service Charity toolkit based on the 2017 Charity Commission Governance guide. The trustees carried out a self-assessment process using the toolkit in 2019. This enabled the Board to identify a number of enhancements which can be considered to improve governance. This included a resolution to limit the tenure of trustees. A further self-assessment review was conducted in 2022. Overall this showed an improvement since 2019 but identified some areas for further review.

**Selection of Trustees of the RACF Board of Management**

The Articles of Association state the process for the appointment of trustees. New trustees are appointed by Resolution of the existing trustees. Trustees are normally serving and retired members of the Royal Artillery.

The Master Gunner St James's Park as President is an ex-officio member of the RACF and is the Head of the Regimental Family, but he is not a trustee. The President proposes the Chairman, who will normally have been a Colonel Commandant. The appointment of the Chairman is then approved by resolution of the existing trustees. Trustees are selected for their skills and experience and their ability to understand and anticipate the needs of the serving and retired regiment. The trustees will normally include the Regimental Colonel, Colonel Reserves, Commandant Royal School of Artillery, Commander 7 Air Defence Group, Commander Surveillance Field Army Troops, Deputy Commander 1<sup>st</sup> Deep Reconnaissance Strike Brigade Combat Team, and the Royal Artillery Sergeant Major, who between them represent the interests of serving Gunner soldiers and officers. Veterans and family beneficiaries are represented by both serving and retired trustees.

**Corporate Trustee**

The RACF is the sole corporate trustee of the Royal Artillery Charitable Fund (Permanent Endowment) (RACF (PE) (210202-18), the Royal Artillery Benevolent Fund (RABF) (210202-19), the Royal Artillery Association (RAA) (238197) and the Kelly Holdsworth Artillery Trust (KHAT) (208359). The RAA have this year been included as part of the RACF group accounts as a subsidiary charity of RACF. They have also prepared a separate set of accounts for submission to the Charity Commission.

**Uniting Direction**

Under a uniting direction the accounts of the RACF (PE), and the RABF, are shown in these accounts. As indicated above the RAA funds have been included as part of the Group Accounts.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Key Management Personnel**

The Regimental Secretary is the Chief Executive of the RACF and RAA and is responsible for: the day-to-day management of the charities' business; implementing policies agreed by the trustees and; the management of the charities' staff. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records. The Welfare Secretary is responsible to the Regimental Secretary for processing all welfare applications and individual grants. The RAA Secretary is responsible for specific matters relating to the Association.

**Review of Financial Activities**

The following details refer to the consolidated figures of the RACF and RAA for 2022 and 2021. The disaggregated figures for RACF and RAA can be seen on the balance sheet and notes at pages 18 and 28 to 37

The charities funds continue to be employed to support the efficiency and welfare of members of the Royal Artillery and to provide relief and assistance to past, present or future members of the Royal Artillery. The results of the charities activities are summarised on page 16. In 2022 the charities had an excess of Income over expenditure before gains on investments of £346,047 (2021: £192,242 excess of Income over expenditure). After investment losses of £4,090,240 (2022: gains of £3,626,874) there was a net decrease of funds of £3,744,193 (2021: net gain of £3,819,116). Investment losses were directly attributable to the invasion of Ukraine.

Total income increased by £318,790 to £1,790,645, mainly due to: an increase in declared legacies; an increase in intangible income due to salary increases and increase RAA branch Income. There was a decrease in investment income due to dividend payments being the volatility of the markets in 2022, which effected the dividends received, but this loss was offset by the declared legacies.

Income from the Service Giving Scheme decreased by £3,513 to £257,774, which was 14.4% of income received.

There were 9 legacies totalling £451,031. This income reflects 4 accrued legacies of £354,524, which were notified in 2022. There were an additional 224 donations, totalling £57,222. Investment income also decreased by £18,813 which was 17.21% lower than was budgeted.

Raising Funds decreased by £71,799 to £1,178 (2021: £72,977). This is because in 2021, the quarterly investment fee had to be paid on receipt of quarterly invoices but in 2022 the new Investment Management Agreement agreed quarterly fees were to be taken at source.

Charitable activities increased by £168,397 to £1,311,657 (2021: £1,143,260). This was mainly due to an increase of £100,871 for RACF individual welfare cases due to an increase in support provided and an additional £45,000 being provided for institutional grants. The latter included: an increase in the annual grant to the Army Benevolent Fund; the introduction of 'betterment' grants to Regiments from RACF and; increased support to regimental heritage. There was also an increase in event expenditure of £11,436. Travel and subsistence (including RAA branches) increased by £15,117. Grants from RACF to individual beneficiaries totalled £624,416, of which £183,763 was spent from the restricted RABF Funds, and the remaining £440,653 from the RACF (2021: £523,545: RABF £198,194, RACF £325,351). It is assessed that this increase is a result of increased casework activity in the case of individual grants due to greater need for support during the cost of living crisis and a general increase in inflation. Grants to regiments totalled £251,634 (2021: £224,889). This was made up of: of Regimental individual welfare cases - £80,293, Welfare Grants - £81K, Battery Grant - £29,163, Sports - £51,378 – Betterment Grant - £9,800.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Review of Financial Activities continued**

There are four main income streams. They are:

- Investment income.
- Legacies.
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charities.
- Donations.

The trustees approve the forecast of income and expenditure annually and monitor it regularly through the Finance & General Purpose Committee and at Board meetings. Whilst the interest earned on investments and income from the SGS can be reasonably estimated, the income from both legacies and donations will fluctuate from year to year.

**Charitable Activities**

The RACF's principal activities during the year were as follows:

- Provision of assistance to those in need by reason of poverty, disability, sickness, infirmity or otherwise - £624,416, of which the £183,763 was spent from the restricted RABF Funds, and the remaining £440,653 from the RACF.
  - The prime method of achieving this object is by making grants to individuals.
  - Gunners in need, both serving and retired, are identified in a variety of ways and cases normally come from one of the following organisations: Social Services, Soldiers Sailors Airmen and Families Association (SSAFA), Royal British Legion (RBL), Officers Association (OA), Unit Welfare Officers, RAA and other regimental charities.
  - Once a Gunner, or his / her dependant, is identified as being in need, a trained external assessor, normally a member of SSAFA, OA or the RBL, interviews the potential recipient and then makes a report to the RACF. If the case involves a serving Gunner then the Unit Welfare Officer may initiate a report.

The RACF and RABF then assesses the case report and allocates charitable funds, in consultation with other eligible charities if appropriate. The proportion found by the RACF/RABF can vary depending on circumstances and is not guaranteed. On average during the year it was 35% of the total. The external assessor decides whether the need has been met.

- Funds to relieve need are paid through the almonising organisation rather than to the individual.
- The RACF assisted 747 individual welfare cases in 2022 with grants totalling £434,303 (2021:607 cases), of which 84 (2021:60) were serving members of the Regiment grants totalling £80,293. 61 other ineligible cases were declined, as they were either not Gunners or the request for support was no longer needed or out of scope (eg medical or legal fees) or duplications.
- In addition to the above, £76,720 (2021: £66,120) was paid in grants to 56 (2021: 47) Kelly Holdsworth beneficiaries and a further £33,100 (2021: £20,857) in Christmas grants to 324 (2021: 377) recipients.
- The total number of cases assisted in 2022 were 1,234.
- No case that was assessed as eligible for and still requiring assistance was declined.
- Among the 747 individual cases, the average gross grant was £836 per case. In most instances additional funds were granted by the RBL, Army Benevolent Fund (ABF), the OA and other military and civilian charities.
- Funds to relieve need are paid through the almonising organisation rather than to the individual.

**Charitable Activities continued**

- Promotion of efficiency and Welfare:
  - RACF Welfare grants totalling £81K were made to 23 Regular and Reserve regiments / units, in order to help deal with individual cases and support unit welfare initiatives.
  - Grants totalling £50.4K were made to Gunner sport from RACF, via the RAI, in order to assist in the maintenance of fitness and morale.
  - 32 Grants totalling £29,163 were made from RAA to batteries to promote comradeship and esprit de corps (2021: 21 totalling £22,337).
  - 1 betterment grant totalling £9,800 was made from RACF to 4<sup>th</sup> Regiment RA.
- ABF the Soldiers' Charity. ABF has supported a large number of Gunner cases. This year the RACF donated £89K to the ABF to assist them in making grants towards other smaller, specific purpose charities that support Gunners and their dependants.
- General. The RACF has provision, where appropriate, through the KHAT, to help with dependants' education costs when serving Gunners die or are in need. The RABF owns four cottages, which house Gunners in need. The RACF also helps maintain Gunner memorials.

The RAA's principal activities during the year were as follows:

- Making grants to support comradeship and welfare; raising and maintaining the profile of the RAA in order to improve comradeship for Gunners, both serving and retired;
- providing support to members and; planning and organising national RAA events.

Apart from support to national RAA events, branches, staff and running costs, the RAA made 32 grants worth £29,163 to batteries to promote comradeship and esprit de corps (2021: 21 totalling £22,337). One grant worth £750 was made in support of branches (2021: 2 totalling £687). Grants are allocated to enhance the collective well-being of the Regiment and its individual members, serving and retired, by supplementing shortfalls in funding on comradeship projects.

**Public Benefit**

The Objects of the charities are to promote efficiency, welfare, comradeship and esprit de corps within the serving Regiment and to assist those in need who are serving or who have served their country through service in the Royal Regiment of Artillery, and their dependants. Inextricably linked with this Object is the aim of contributing to the public good by service to the Sovereign, the Country and all its citizens. The RACF contributes considerable public benefit to the local and national community by relieving need among members of the regimental family. This in turn maximises the likelihood of the charity's beneficiaries maintaining their place as valuable, self-sufficient members of the community who are able to make a positive contribution to society. The charity works in tandem with the SSAFA, the ABF and the RBL. The trustees have taken due regard of the Charity Commission's guidance on Public Benefit.

The charity has sufficient funds to support its future operations and deliver its charitable Objects. Research carried out by the RBL has shown that there is still a very large ex-Service community, however the number of ex-servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. In the future it is assessed that, while the volume of cases might reduce, the greater complexity of needs arising from service in the Iraq and Afghanistan campaigns, may increase the cost of providing support to those in need. It is also anticipated that the recent significant increases in food and fuel costs may generate additional requests for support.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Future Plans**

Based on an assessment that future income will remain steady in the long term, the trustees aim to maintain current expenditure in order that RACF continues to support efficiency and welfare in the Royal Regiment and to provide assistance to all members of the regimental family who are in need. Should income levels drop significantly, trustees have the ability to generate additional funds by liquidating investment assets, however this would need to be balanced by the requirement to maintain investment income for future generations.

Work has commenced on improving the Association's ability to promote the RAA amongst the recently retired and serving soldiers and recruit new members.

In 2020 the trustees agreed to earmark £1.8M of capital funds for future transfer to the Royal Artillery Museum (RAM). Of this £300K was to have been in the form of a grant and £1.5M in the form of a loan. Although the offer of this sum was withdrawn following the retraction of the offer of a suitable site for the museum, the trustees are likely to consider, making a similar level of funding available in the future once the conditions upon which the original offer was made are met. The current situation is that a revised plan has been approved in principle by the Master Gunner's Committee and a new site approved by the Chief of the General Staff. Trustees will be invited to reconsider a revised bid for funding in 2023

**Reserves Policy**

The trustees' policy is to maintain a sufficient level of reserves to: provide a stable base and income generation for the charities' continuing activities; generate sufficient funds to cover routine management and administrative costs and; enable the charities to respond to any emergency applications for grants which may arise from time to time. The following figures show the combined funds of RACF and RAA. Disaggregated figures for the RACF can be found on pages 18 and 28 to 37 and details for the RAA reserves can be found in the separate RAA accounts.

Total funds for the charities as at 31 December 2022 were £37,684,166 (2021: £41,428,359).

Unrestricted reserves of the RACF were £23,766,770 (2021: £25,989,899) of which are all free reserves

Restricted Income funds for Benevolence were £5,228,265 (2021: £5,841,801) of which a large proportion is represented by investments.

Permanent Endowment were £6,721,957 (2021: £7,437,680) of which a large proportion is represented by investments.

Designated Funds were £1,967,174 (2021: £2,158,979) of which £1,860,090 (2021: £2,053,895) is for the purpose of the RAA and their specific aim and objectives and £105,084 (2021: £105,084) for the purpose of memorials.

Our risk-based approach to determining our free reserves requirement is carried out, based on the anticipated future needs of the regimental family, and the management of financial risks, particularly the uncertainty of future income from other sources. The effect on the charity's investments as a result of the situation in Ukraine demonstrates the benefit of maintaining strong reserves in order to be able weather such market fluctuations while maintaining required levels of investment income.

Trustees review the level of reserves regularly to ensure funds are available to deliver welfare services and programmes, and to secure, as far as possible, future financial viability. Our annual review of reserves included assessing the impact of the invasion of Ukraine and the cost of living crisis on our business plans, projected income and expenditure, and on our investments.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Reserves Policy continued**

Following that review, we determined that we should hold a minimum of £21,500,000 (£20,000,000 RACF and £1,500,000 RAA) in free reserves to be assured that we are able to sustain the support we provide to the regimental family in the long term as well as meet other obligations, irrespective of fluctuations in income and without creating the need to actively fundraise. This sum, held as part of our investment portfolio, is judged to be capable of generating sufficient investment income to meet foreseeable needs. With free reserves of £25,628,860, they currently exceed this minimum reserve outline in the policy. The trustees are content that the additional funds we hold provide ability to disinvest in order to support major capital projects if and when required, but in the meantime are held as investments generating additional income.

In 2022 the investment portfolio generated £715,274 of Income for the charities which represented 40% of total income received.

Without this level of income the charities' activities would be significantly curtailed.

Trustees believe that investments should be maintained at the current levels, in order to generate income and provide for current needs whilst ensuring the charities remain well placed to meet future requirements. The trustees recognise that they have no long term mandated liability for any particular level of financial grants or activity. They therefore have the ability to reduce expenditure to match income in the event of income reducing.

**Investment Policy**

The trustees' Investment Committee meets twice a year to consider the performance of the RACF's investments which are managed on a discretionary basis by BlackRock Investment Management (UK) Ltd.

The investment objective is to create sufficient income and capital growth to enable the charity to carry out their charitable objectives. The charity is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability. The charity's funds are invested on an aliquot proportion in the same funds as the other Gunner welfare / efficiency charities. This is in order to achieve economies of scale in relation to investment cost.

The trustees have given the fund managers discretion to manage the portfolio within an agreed risk profile and against agreed benchmarks. This is contained in a written directive.

At the bi-annual meeting with the investment managers the Investment Committee considers the state of the financial markets and measures the fund managers' on-going performance against specific agreed benchmarks, namely 25% FTSE All Share Index, 35% MSCI World ex UK Index, 10% MSCI Emerging Markets Index, 7.5% FTSE All Stocks Gilt Index, 5% iBoxx Sterling Non-Gilts Index, 10% IPD UK All Balanced Funds Index, 5% Alternative (IA Sector Targeted Absolute Return) and 2.5% Cash (Sterling Overnight Index Average).

Having compared performances over the last 1, 3 and 5 years, the Investment Committee are of the view that the investments have done reasonably well in relation to the market and relevant benchmarks over the longer term. While there is currently no case to prompt a change of investment policy, the performance of the fund manager will be subject to further review this year.

**Environmental Governance and Social Considerations**

The RACF's and RAA's investments are not managed with any specific environmental, social and governance (ESG) restrictions. However it is expected that the RA charities' investment managers have clearly defined ESG investment policies and that the investments are managed by an investment company which is a signatory the

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Environmental Governance and Social Considerations continued**

UN Principles of Responsible Investment and which takes account of Environmental, Social and Governance (ESG) factors in their research and investment decision making process.

**Fundraising**

The trustees are very clear that all fundraising must be legal, open, honest and respectful. The charity does not actively engage in regular and organised fundraising, although it does receive donations and legacies. It receives the bulk of its income through investments and the Royal Artillery's 'service giving scheme'. The facility exists for individuals or organisations to make voluntary donations online. The charity does not work with any commercial partner or professional fundraisers except in order to operate an online donation facility such 'Enthuse' and 'Just Giving'. When donations are received, they are mainly as a result of advertisements on the Gunner website and publications, and from open, group briefings to members of the serving Regiment. In addition, regiments and other Gunner organisations are encouraged to engage in sponsored activities to raise funds. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained.

Regiments, units, RAA Branches and individuals who raise funds for the charity are provided with sealed collection buckets. In the event of a complaint about any such activity, it is investigated by the Regimental Secretary. (No complaints were received in 2022). As a charity that deals with vulnerable service personnel, veterans and their dependants, all staff are aware of the requirement to treat everyone fairly and kindly with no intrusive or persistent requests or approaches for funds or undue pressure to donate.

**Trustee Training**

Trustee responsibilities and necessary training is taken very seriously. All new trustees are briefed by the Regimental Secretary on their roles and responsibilities. They are provided with the Charity Commissioners handbook "The Essential Trustee" as well as the Articles of Association as part of their induction. Recent RACF accounts, meeting minutes and policy documents are also provided. Trustee briefings and training take place, and members of the Board are encouraged to attend external trustee training and investment briefs.

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

**Risk Management**

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

The main risks are:

- Insufficient income to meet the need: This is managed by careful budgeting, the investment and reserves policy and by controlling the level of support provided to beneficiaries.
- Fraud: This is guarded against by having policies in place to ensure regular checks are made and that all transactions are properly authorised by two signatories.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Risk Management continued**

- Conflict of interest amongst trustee members. A register of trustee interests is kept and updated annually. At the start of committee and BoM meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities such as inappropriate fundraising. This is mitigated by robust RAA Rules and General Administrative Instructions (GAIs) and the monitoring of branch fundraising activities.

**Remuneration Policy**

No trustee is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustees review staff salaries annually, and take into account the MoD pay awards for similar grades, when recommending any pay increases.

**Employees**

The RACF aims to be an organisation for which employees enjoy working and where they feel supported, valued, empowered and developed. Employees are kept fully informed about the aims and objectives of the charity and how it is achieving them. Employees are encouraged to contribute suggestions to help improve working processes and to achieve best practice. The charity is an equal opportunities employer and is committed to training and developing its staff.

**Trustees' Liability**

The trustees are the members of the RACF and the liability of the members for the debts of the RACF is limited to an amount not exceeding one pound.

**Statement of Trustees' Responsibilities**

The trustees (who are also directors of the RACF for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable charity and company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)).

The Company and charity law applicable in England & Wales and UK GAAP 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. This includes details of income and expenditure and the application of resources for the period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- adhere to the methods and principles in the Charities Statement of Recommended Practice (Charities SORP (FRS 102));
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures which are to be disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Statement as to Disclosure of Information to Auditors**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with: the Companies Act 2006; the charity's governing document; the Charities Acts 2011 and; the SORP 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)).

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

This report has been prepared under the special provisions of Part 15 of the Companies Act 2006.

On behalf of the trustees

 June 2023



Major General DM Cullen CB OBE  
Chairman RACF Board of Management

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Opinion**

We have audited the financial statements of the Royal Artillery Charitable Fund (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Income and Expenditure, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 affairs of the group and the parent charitable company as at 31 December 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 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.

**Other matter**

The comparative consolidated financial statement figures for the year ended 31 December 2021 have not been audited. However, the individual solo entities were audited and an unmodified opinion on those statements was expressed on 27 June 2022.

**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 the group or the parent charitable company'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.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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opinion on the 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 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 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.

**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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 where the Companies Act 2006 require 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 10-11, 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 the 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 and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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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 as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

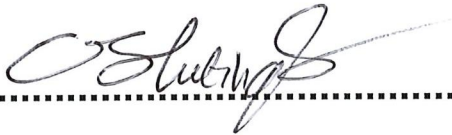
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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Cara Turlington (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

Chartered Accountants

Statutory Auditors  
71 Queen Victoria Street  
London

EC4V 4BE

Date: 8 June 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE ROYAL ARTILLERY CHARITABLE FUND

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £	Total As restated £
			2022			2021
<b>Income and endowments from:</b>						
Donations and legacies inc SPGS	2	937,855	1,045	-	938,900	657,374
Investment Income	3	536,104	179,170	-	715,274	734,062
Income from charitable activities		-	9,251	-	9,251	8,652
Other Income	4	7,126	-	-	7,126	4,319
RAA Branch Income		120,094	-	-	120,094	67,446
<b>Total income before Expenditure</b>		<b>1,601,179</b>	<b>189,466</b>	<b>-</b>	<b>1,790,645</b>	<b>1,471,855</b>
<b>Expenditure on:</b>						
Raising funds	5	(1,178)	-	-	(1,178)	(72,977)
<b>Net income available for charitable activities</b>		<b>1,600,001</b>	<b>189,466</b>	<b>-</b>	<b>1,789,467</b>	<b>1,398,878</b>
Charitable activities		1,100,991	189,466	21,200	1,311,657	1,143,260
RAA Branch Expenditure	6	131,763	-	-	131,763	63,376
<b>Total expenditure</b>		<b>1,233,932</b>	<b>189,466</b>	<b>21,200</b>	<b>1,444,598</b>	<b>1,279,613</b>
<b>Net income for the year before gains on investments</b>		<b>367,247</b>	<b>-</b>	<b>(21,200)</b>	<b>346,047</b>	<b>192,242</b>
Net (losses)/gains on investment assets		(2,782,181)	(613,536)	(694,523)	(4,090,240)	3,626,874
<b>Net (expenditure)/income and net movement in funds</b>		<b>(2,414,934)</b>	<b>(613,536)</b>	<b>(715,723)</b>	<b>(3,744,193)</b>	<b>3,819,116</b>
Total funds brought forward		28,148,878	5,841,801	7,437,680	41,428,359	37,609,243
<b>Total funds carried forward</b>		<b>25,733,944</b>	<b>5,228,265</b>	<b>6,721,957</b>	<b>37,684,166</b>	<b>41,428,359</b>

The notes on pages 21 to 39 form part of these financial statements

**CONSOLIDATED SUMMARY OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Total Income	1,790,645	1,471,855
Total Expenditure	1,423,398	1,246,349
Unrealised/realised gains and losses on:		
Revaluation of Investments	(3,395,717)	3,009,877
<b>Net income for the year</b>	<u>(3,028,470)</u>	<u>3,235,383</u>

Total Income comprised of £1,601,179 unrestricted funds and £189,466 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,417,695 for unrestricted funds and £5,703 for restricted funds and excludes the permanent endowment funds.

The revaluation of investments excludes the permanent endowment funds.

The summary income and expenditure account is derived from the Statement of Financial Activities on page 16 which together with the notes to the financial statements on pages 21 to 38 provide full information on the movement during the year on all funds of the charity.

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEETS**  
**AT 31 DECEMBER 2022**

	Notes	Group 2022 £	Group 2021 £	RACF 2022 £	RACF 2021 £
<b><u>Fixed assets</u></b>					
Tangible	7	890,400	911,600	890,400	911,600
Investments	8	34,354,804	38,381,519	33,296,676	37,199,368
		35,245,204	39,293,119	34,187,076	38,110,968
<b><u>Current assets</u></b>					
Debtors	9	386,023	198,281	411,405	152,964
Short Term Deposits	10	1,812,777	1,777,279	1,218,593	1,178,541
Cash on Current Account		28,677	33,927	28,242	22,962
Branch Bank balances		238,658	250,327	-	-
		2,466,135	2,259,814	1,658,240	1,354,467
<b><u>Current liabilities</u></b>					
Creditors: Amounts falling due within one year	11	(27,173)	(124,574)	(23,240)	(90,971)
<b>Net current assets/(liabilities)</b>		2,438,962	2,135,240	1,635,000	1,263,496
<b>Total assets less current liabilities</b>					
Provision for Liabilities		37,684,166	41,428,359	35,822,076	39,374,464
		-	-	-	-
		37,684,166	41,428,359	35,822,076	39,374,464
<b><u>Funds</u></b>					
Unrestricted	12	23,766,770	25,989,899	23,766,770	25,989,899
Designated	12	1,967,174	2,158,979	105,084	105,084
Restricted Income	12	5,228,265	5,841,801	5,228,265	5,841,801
Permanent Endowment	12	6,721,957	7,437,680	6,721,957	7,437,680
	13	37,684,166	41,428,359	35,822,076	39,374,464

THE ROYAL ARTILLERY CHARITABLE FUND

BALANCE SHEET  
AT 31 DECEMBER 2022

Approved by the RACF Board of Management on  June 2023

  
.....  
Major General DM Cullen CB OBE  
Chairman RACF Board of Management

The notes on pages 21 to 39 form part of these financial statements.

Company number: 163205

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	<u>2022</u> £	<u>2021</u> £
<b>Net cash used in operating activities</b>	<b>1</b>	<u>(633,164)</u>	<u>122,642</u>
<u>Cash flows from investing activities</u>			
Dividends, interest and rents from investments		715,274	734,087
Purchase of investments		(6,286,331)	(39,077,332)
Proceeds from sale of investments		6,223,300	39,075,332
<b>Net cash generated in investing activities</b>		<u>652,243</u>	<u>732,087</u>
Net increase in cash & cash equivalents		19,079	854,729
Cash and cash equivalents at the beginning of the year		2,068,406	1,213,677
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<u>2,087,485</u>	<u>2,068,406</u>

**Notes to the cash flow statement**

1.	<b>Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2022</b> £		<b>2021</b> £
	Net movement in funds			3,819,117
		(3,744,193)		
	Losses/(gains) on Investments	4,090,240	(3,626,874)	
	Investment income	(715,274)	(734,087)	
	Investment aliquot changes	6		
	(Increase)/decrease in debtors	(187,742)	532,300	
	(Decrease)/increase in creditors	(97,401)	110,986	
	Depreciation charge	21,200	21,200	
	<b>Net cash used in operating activities</b>	<u>(633,164)</u>		<u>122,642</u>
2.	<b>Analysis of cash and cash equivalents and net debt</b>	<b>At 1 Jan</b> <b>2022</b> £	<b>Cash</b> <b>flow</b> £	<b>At 31 Dec</b> <b>2022</b> £
	Cash on short term deposit	1,777,274	35,503	1,812,777
	Cash current account	33,927	(5,250)	28,677
	Cash balance held in investments	6,878	495	7,373
	Cash held by branches	250,327	(11,669)	238,658
	<b>Net cash provided by operating activities</b>	<u>2,068,406</u>	19,079	<u>2,087,485</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. Accounting policies**

The Royal Artillery Charitable Fund is a company limited by guarantee incorporated in England and Wales. The registered office is Artillery House, Royal Artillery Barracks, Larkhill, Salisbury, SP4 8QT.

**Basis of accounting**

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Royal Artillery Charitable Fund constitutes a public benefit entity as defined by FRS102.

These accounts present the results of The Royal Artillery Charitable Fund and its subsidiary charity the Royal Artillery Association. The results have been consolidated on a line by line basis.

**Going Concern**

The trustees have a reasonable expectation that the RACF has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Subscriptions and donations**

Subscriptions and donations have been included on the basis of amounts receivable during the year.

**Legacy income**

Income from legacies is taken to the Statement of Financial Activities when received or receipt is probable and the value can be measured with sufficient reliability.

**Interest and dividends on investments**

Income from investments including interest on short term deposits are included on a receivable basis.

**Expenditure and support costs**

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered.

Supports costs are those costs which have not been directly allocate to an activity of the charities but nevertheless support these activities.

**Grant expenditure**

Grants payable are payments made in furtherance of the charitable objects of the charities. These are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Grant expenditure continued**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**Fixed asset investments**

Investments are stated at market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

**Tangible Fixed assets**

Freehold properties are stated at deemed cost and are depreciated over their estimated useful lives of 50 years. Land is stated at deemed cost and is not depreciated.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**Financial Instruments**

The charities only have 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.

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.

**Fund accounting**

Unrestricted funds are available to use to further any of the purposes of the charities.

Designated funds are unrestricted funds of the charities which the trustees have decided at their discretion to set aside to use for a specific purpose.

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

The permanent endowment fund relates to funds received over the years from the investment portfolio where the capital received needs to be retained for the long term.

**Pensions**

Staff are enrolled in a NEST pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**Prior year restatement**

The presentation of the Royal Artillery Charitable Fund has been amended this year so that they present a consolidated picture of the Royal Artillery Charitable Fund and its subsidiary Royal Artillery Association in accordance with the Charity SORP. The changes made do not affect the individually reported total funds but instead reflect the income and capital elements of the group combined.

**Critical estimates and judgements and key sources of estimation uncertainty**

In the application of the charities' accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision effects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2022 or 2021.

**2. 2022 Donations and legacies inc SPGS**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Officers' subscriptions	105,415			105,415
Soldiers' subscriptions	152,359			152,359
Retired Donations	19,945			19,945
Income tax recoverable (gift aid)	7,406			7,406
Donations and Grants	65,011			65,011
Intangible Income – Wages in Kind	136,688	1,045	-	137,733
Legacies	451,031			451,031
	937,855	1,045	-	938,900

**2021 Donations and legacies inc SPGS Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Officers' subscriptions	105,740	-	-	105,740
Soldiers' subscriptions	155,547	-	-	155,547
Retired Officers Donations	21,608	-	-	21,608
Income tax recoverable (gift aid)	12,436	-	-	12,436
Donations and Grants	57,354	-	-	57,354
Intangible Income – Wages in Kind	127,848	1,014	-	128,862
Legacies	175,827	-	-	175,827
	656,360	1,014	-	657,374

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**3. 2022 Investment Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Investments	536,104	179,170	-	715,274
	<u>536,104</u>	<u>179,170</u>	<u>-</u>	<u>715,274</u>

**2021 Investment Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Investments	518,069	215,993	-	734,062
	<u>518,069</u>	<u>215,993</u>	<u>-</u>	<u>734,062</u>

**4. 2022 Other Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Interest received on short term deposits	649	-	-	649
Event income	2,782	-	-	2,782
Merchandise income	144	-	-	144
Christmas card income	773	-	-	773
Registration fees	3,733	-	-	3,733
Alanbrooke Club	(955)	-	-	(955)
	<u>7,126</u>	<u>-</u>	<u>-</u>	<u>7,126</u>

**2021 Other Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Interest received on short term deposits	25	-	-	25
Event income	1,302	-	-	1,302
Merchandise income	187	-	-	187
Christmas card income	1,409	-	-	1,409
Registration fees	680	-	-	680
Alanbrooke Club	716	-	-	716
	<u>4,319</u>	<u>-</u>	<u>-</u>	<u>4,319</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. 2022 Cost of Raising Funds**

	Unrestricted	Restricted	Permanent Endowment	Total
	2022			
	£	£	£	£
Fundraising costs	1,178	-	-	1,178
	<u>1,178</u>	<u>-</u>	<u>-</u>	<u>1,178</u>

**2021 Cost of Raising Funds Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
Fundraising costs	2,065	-	-	2,065
Investment management Fees	48,234	10,614	12,064	70,912
	<u>50,299</u>	<u>10,614</u>	<u>12,064</u>	<u>72,977</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. 2022 Charitable Activities**

	Unrestricted	Restricted	Permanent Endowment	Total
		2022		
Welfare	£	£	£	£
Welfare grants – 1,234 (2021: 1,031) individual cases	440,653	183,763		624,416
Welfare grants to institutions:				
Gunner Magazine	5,000			5,000
Royal Artillery Sports	50,378			50,378
Army Benevolent Fund	89,000			89,000
Other Grants:				
Regiments and Batteries	81,000			81,000
Regimental Welfare/Comradeship	29,163			29,163
RAM	47,200			47,200
Betterment Grants	9,800			9,800
Awards	1,639			1,639
General grants	3,650			3,650
RA Memorials	10,891			10,891
Events				
RA Assembly	10,717			10,717
NMA	3,615			3,615
Gunner Sunday	1,684			1,684
	<u>784,390</u>	<u>183,763</u>	<u>-</u>	<u>968,153</u>
Support Cost to Charitable Activities:				
Wages and salaries	97,856			97,856
Employers Pension Contribution	10,324			10,324
Employers Nationals Insurance	4,532			4,532
Wages and salaries in kind	136,688	1,045	-	137,733
	<u>249,400</u>	<u>1,045</u>	<u>-</u>	<u>250,445</u>
Insurance	2,523	-	-	2,523
Printing, stationery and advertising	793	-	-	793
Office cost (inc. publicity & postage, IT)	12,147	-	-	12,147
T&S	13,242	-	-	13,242
Branch travel	12,325	-	-	12,325
Misc	2,035	-	-	2,035
Bank charges	623	-	-	623
Cottage expenses	-	4,658	-	4,658
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	19,926	-	-	19,926
Legal and professional fees	3,587	-	-	3,587
Total support costs	<u>316,691</u>	<u>5,703</u>	<u>21,200</u>	<u>343,594</u>
<b>2022 Total Expenditure</b>	<u>1,100,991</u>	<u>189,466</u>	<u>21,200</u>	<u>1,311,657</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2021 Charitable Activities Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	2021 £	£	£
<u>Welfare</u>				
Welfare grants – 1,031 (2020: 1,256) individual cases	325,351	198,194		523,545
Welfare grants to institutions:				
Gunner Magazine	3,840			3,840
Royal Artillery Sports	51,902			51,902
Army Benevolent Fund	79,500			79,500
Other Grants:				
Regiments and Batteries	84,200			84,200
Regimental Welfare/Comradeship	23,024			23,024
RAM	-			-
Betterment Grants	-			-
Awards	1,100			1,100
General grants	5,675			5,675
RA Memorials	772			772
Events				
RA Assembly	453			453
NMA	2,543			2,543
NMA Maintenance	32,488			32,488
Gunner Sunday	1,674			1,674
	<u>612,522</u>	<u>198,194</u>	<u>-</u>	<u>810,716</u>
Support Cost to Charitable Activities:				
Wages and salaries	111,439			111,439
Employers Pension Contribution	4,272			4,272
Employers Nationals Insurance	6,294			6,294
Wages and salaries in kind	127,848	1,014	-	128,862
	<u>249,853</u>	<u>1,014</u>	<u>-</u>	<u>250,867</u>
Insurance	2,163	-	-	2,163
Printing, stationery and advertising	1,125	-	-	1,125
Office cost (inc. publicity & postage, IT)	17,786	-	-	17,786
T&S	6,969	-	-	6,969
Branch travel	3,481	-	-	3,481
Misc	2,770	-	-	2,770
Training	192	-	-	192
Bank charges	779	-	-	779
Cottage expenses	-	5,251	-	5,251
Depreciation (Cottages)	-	-	21,200	21,200
Audit and accountancy fees	14,070	-	-	14,070
Audit under provision 2020	3,030	-	-	3,030
Legal and professional fees	2,861	-	-	2,861
Total support costs	<u>305,079</u>	<u>6,265</u>	<u>21,200</u>	<u>332,544</u>
<b>2021 Total Expenditure</b>	<u>917,601</u>	<u>204,459</u>	<u>21,200</u>	<u>1,143,260</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. Charitable Activities continued**

The average number of persons employed by the Fund during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Office and administration	4	4

There were no employees with emoluments above £60,000. The following payments were made to Key Management Personnel: £13,894 (2021: £13,592).

No trustees received any out of pocket expenses in 2022 (2021: NIL). This was as a result of all meetings being conducted online.

**7. 2022 Tangible Fixed assets**  
Group and RACF

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Permanent Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>2022</b>	<b>Cottage Homes</b>	
Deemed cost at 31 December 2022	-	-	1,081,200	1,081,200
At 31 December 2022	-	-	1,081,200	1,081,200
Depreciation at 1 January 2022	-	-	169,600	169,600
Charge for the year	-	-	21,200	21,200
At 31 December 2022	-	-	190,800	190,800
Net book value at 31 December 2022	-	-	890,400	890,400
Net book value at 31 December 2021	-	-	911,600	911,600

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. 2022 Fixed Asset Investments**

**8a. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2022
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	26,107,109	5,745,016	6,529,394	38,381,519
Net additions at cost	4,275,962	955,162	1,055,207	6,286,331
Sales proceeds	(4,233,089)	(933,495)	(1,056,716)	(6,223,300)
Net realised/unrealised gains	(2,782,181)	(613,536)	(694,523)	(4,090,240)
Aliquot Changes	(6)	-	-	(6)
Cash Commitments	341	75	84	500
<b>Market value at 31 December</b>	<b>23,368,136</b>	<b>5,153,222</b>	<b>5,833,446</b>	<b>34,354,804</b>
<b>Historical value at 31 December</b>	<b>23,068,341</b>	<b>5,087,108</b>	<b>5,758,607</b>	<b>33,914,056</b>
<b>Investment / Cash Breakdown</b>				
Investments	23,363,122	5,152,115	5,832,194	34,347,431
Bank Settled Account	3,800	839	949	5,588
Bank Unsettled Account	1,214	268	303	1,785
	<b>23,368,136</b>	<b>5,153,222</b>	<b>5,833,446</b>	<b>34,354,804</b>

**8b. RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2022
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	24,924,958	5,745,016	6,529,394	37,199,368
Net additions at cost	4,079,782	954,570	1,054,537	6,088,889
Sales proceeds	(4,041,411)	(933,495)	(1,056,716)	(6,031,622)
Net realised/unrealised gains	(2,653,640)	(612,944)	(693,853)	(3,960,437)
Aliquot Changes	(6)	-	-	(6)
Cash Commitments	325	75	84	484
<b>Market value at 31 December</b>	<b>22,310,008</b>	<b>5,153,222</b>	<b>5,833,446</b>	<b>33,296,676</b>
<b>Historical value at 31 December</b>	<b>22,023,788</b>	<b>5,087,108</b>	<b>5,758,607</b>	<b>32,869,503</b>
<b>Investment / Cash Breakdown</b>				
Investments	22,305,221	5,152,115	5,832,194	33,289,530
Bank Settled Account	3,628	839	949	5,416
Bank Unsettled Account	1,159	268	303	1,730
	<b>22,310,008</b>	<b>5,153,222</b>	<b>5,833,446</b>	<b>33,296,676</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

The following holdings exceeded 5% of the total portfolio value at 31 December 2022 and are considered material for the 2022 group and charity accounts:

	£	£
	<b>Group</b>	<b>RACF</b>
BLK Char UK EQ Fund A Inc (33.05%)	11,353,004	11,003,331
BlackRock Dev Mkt Sust Equity (28.22%)	9,694,362	9,395,776
BlackRock Char UK Bond Fund A Inc (13.71%)	4,709,893	4,559,013
BFM-BLK Emerging Markets (10.90%)	3,742,801	3,627,523
TACT OPP FD X ACC (5.49%)	1,884,187	1,826,154

All of the holdings listed are in collective investment vehicles as opposed to single securities.

**2021 Fixed Asset Investments**

**8c. Group**

	Unrestricted	Restricted	Permanent Endowment	Total 2021
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	23,671,647	5,209,079	5,920,284	34,801,010
Net additions at cost	26,580,397	5,849,166	6,647,763	39,077,326
Sales proceeds	(26,579,041)	(5,848,867)	(6,647,424)	(39,075,332)
Net realised/unrealised gains	2,467,000	542,877	616,997	3,626,874
Cash Commitments	(32,894)	(7,239)	(8,226)	(48,359)
<b>Market value at 31 December</b>	<u>26,107,109</u>	<u>5,745,016</u>	<u>6,529,394</u>	<u>38,381,519</u>
<b>Historical value at 31 December</b>	<u>23,674,557</u>	<u>5,209,719</u>	<u>5,921,012</u>	<u>34,805,288</u>

**Investment / Cash Breakdown**

Investments	26,102,432	5,743,986	6,528,224	38,374,642
Bank Settled Account	3,212	707	803	4,722
Bank Unsettled Account	1,465	323	367	2,155
	<u>26,107,109</u>	<u>5,745,016</u>	<u>6,529,394</u>	<u>38,381,519</u>

**8d. RACF**

	Unrestricted	Restricted	Permanent Endowment	Total 2021
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	22,599,776	5,209,079	5,920,284	33,729,139
Net additions at cost	25,376,816	5,849,166	6,647,763	37,873,745
Sales proceeds	(25,375,521)	(5,848,867)	(6,647,424)	(37,871,812)
Net realised/unrealised gains	2,355,292	542,877	616,997	3,515,166
Cash Commitments	(31,405)	(7,239)	(8,226)	(46,870)
<b>Market value at 31 December</b>	<u>24,924,958</u>	<u>5,745,016</u>	<u>6,529,394</u>	<u>37,199,368</u>
<b>Historical value at 31 December</b>	<u>22,602,554</u>	<u>5,209,719</u>	<u>5,921,012</u>	<u>33,733,285</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

Investment / Cash Breakdown

Investments	24,920,492	5,743,986	6,528,224	37,192,702
Bank Settled Account	3,067	707	803	4,577
Bank Unsettled Account	1,399	323	367	2,089
	<u>24,924,958</u>	<u>5,745,016</u>	<u>6,529,394</u>	<u>37,199,368</u>

**9. Debtors**

	<b>Total 2022</b>	<b>Total 2021 Group</b>	<b>Total 2022</b>	<b>Total 2021 RACF</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Royal Artillery Association	-	-	28,778	34,296
Income tax repayments	2,696	2,332	2,668	2,333
Accrued Service Giving Income	28,803	26,226	25,435	22,835
Sundry Debtors	-	2,500	-	2,500
Legacies Receivable	354,524	167,223	354,524	91,000
	<u>386,023</u>	<u>198,281</u>	<u>411,405</u>	<u>152,964</u>

**10. Current Asset Investments**

	<b>Total 2022</b>	<b>Total 2021 Group</b>	<b>Total 2022</b>	<b>Total 2021 RACF</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Short term deposits (incl investment balance)	1,812,777	1,777,279	1,218,593	1,178,541
	<u>1,812,777</u>	<u>1,777,279</u>	<u>1,218,593</u>	<u>1,178,541</u>

**11. Creditors**

	<b>Total 2022</b>	<b>Total 2021 Group</b>	<b>Total 2022</b>	<b>Total 2021 RACF</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts falling due within one year:				
Investment Management and Commission Fees	-	70,911	-	70,911
Accruals	27,173	53,663	23,240	20,060
	<u>27,173</u>	<u>124,574</u>	<u>23,240</u>	<u>90,971</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. Movement in Funds**

**Current year Group**

	Balance at 1 January 22	Incoming Resources	Outgoing Resources	Net Loss on Investment	Transfers	Balance at 31 December 22
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	25,989,899	1,359,890	926,696	(2,656,323)	-	23,766,770
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	2,053,895	241,289	307,236	(125,858)	-	1,862,090
	2,158,979	241,289	307,236	(125,858)	-	1,967,174
<b>Restricted Funds</b>						
RABF	5,841,801	189,466	189,466	(613,536)	-	5,228,265
<b>Endowment Funds:</b>						
RABF	5,814,317	-	21,200	(521,506)	-	5,271,611
RACF	1,623,363	-	-	(173,017)	-	1,450,346
	7,437,680	-	21,200	(694,523)	-	6,721,957
<b>Total</b>	<b>41,428,359</b>	<b>1,790,645</b>	<b>1,444,598</b>	<b>(4,090,240)</b>	<b>-</b>	<b>37,684,166</b>

THE ROYAL ARTILLERY CHARITABLE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022

Movement in Funds continued

Current year RACF

	Balance at 1 January 22	Incoming Resources	Outgoing Resources	Net Loss on Investment	Transfers	Balance at 31 December 22
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	25,989,899	1,359,890	926,696	(2,656,323)	-	23,766,770
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
<b>Restricted Funds</b>						
RABF	5,841,801	189,466	189,466	(613,536)	-	5,228,265
<b>Endowment Funds:</b>						
RABF	5,814,317	-	21,200	(521,506)	-	5,271,611
RACF	1,623,363	-	-	(173,017)	-	1,450,346
	7,437,680	-	21,200	(694,523)	-	6,721,957
<b>Total</b>	39,374,464	1,549,356	1,137,362	(3,964,382)	-	35,822,076

Memorial Fund is a designated fund in order to support any future work required in the church. This fund had been designated by the trustees' as the amount required towards the building of Chapel and Cloister in the Garrison Church at Larkhill in 2018. Due to the final bill being higher than anticipated, the RACF trustees agreed to transfer additional income to cover the remainder of the bill. In the event however the additional sum was cleared through a third party donation. The trustees have chosen to leave this sum in a designated fund in order to support any future work required in the church.

RABF Restricted Fund - This fund is to support welfare and housing activities.

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Movement in Funds continued**

RABF Permanent Endowment Fund – This fund is to support welfare and housing activities.

RACF Permanent Endowment Fund - This fund is to support the charitable activities of RACF which include efficiency, benevolence and relief in need.

**Prior year Group**

	Balance at 1 January 21	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 21
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	23,347,458	1,097,767	810,615	2,355,292	-	25,989,899
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
RAA	2,014,416	148,429	220,661	111,708	-	2,053,895
	2,119,500	148,429	220,661	111,708	-	2,158,979
<b>Restricted Funds</b>						
RABF	5,288,338	225,659	215,073	542,877	-	5,841,801
<b>Endowment Funds:</b>						
RABF	5,381,001	-	30,264	463,580	-	5,814,317
RACF	1,472,946	-	3,000	153,417	-	1,623,363
	6,853,947	-	33,264	616,997	-	7,437,680
<b>Total</b>	37,609,243	1,471,855	1,279,613	3,626,874	-	41,428,359

THE ROYAL ARTILLERY CHARITABLE FUND

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

Movement in Funds continued

Prior year RACF

	Balance at 1 January 21	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at end 31 December 21
	£	£	£	£	£	£
<b>Unrestricted</b>						
General Fund	23,347,458	1,097,767	810,615	2,355,292	-	25,989,899
<b>Designated</b>						
Memorials	105,084	-	-	-	-	105,084
<b>Restricted Funds</b>						
RABF	5,288,338	225,659	215,073	542,877	-	5,841,801
<b>Endowment Funds:</b>						
RABF	5,381,001	-	30,264	463,580	-	5,814,317
RACF	1,472,946	-	3,000	153,417	-	1,623,363
	6,853,947	-	33,264	616,997	-	7,437,680
<b>Total</b>	<b>35,594,827</b>	<b>1,323,426</b>	<b>1,058,952</b>	<b>3,515,166</b>	<b>-</b>	<b>39,374,464</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. 2022 Analysis of net assets between funds Group**

Current year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2022	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,153,222	75,043	5,228,265
	-	5,153,222	75,043	5,228,265
<b>Permanent Endowment:</b>				
RABF	890,400	4,380,238	973	5,271,611
RACF			(2,862)	1,450,346
		1,453,208		
	890,400	5,833,446	(1,889)	6,721,957
<b>Unrestricted funds:</b>				
RACF	-	22,310,008	1,456,762	23,766,770
<b>Designated funds:</b>				
Memorials		-	105,084	105,084
RAA	-	1,058,128	803,962	1,862,090
	890,400	34,354,804	2,438,962	37,684,166

**2022 Analysis of net assets between funds RACF**

Current year – RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2022	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,153,222	75,043	5,228,265
	-	5,153,222	75,043	5,228,265
<b>Permanent Endowment:</b>				
RABF	890,400	4,380,238	973	5,271,611
RACF	-	1,453,208	(2,862)	1,450,346
	890,400	5,833,446	(1,889)	6,721,957
<b>Unrestricted funds:</b>				
RACF	-	22,310,008	1,456,762	23,766,770
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
	890,400	33,296,676	1,635,000	35,822,076

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2021 Analysis of prior year net assets between funds Group continued**

Prior year - Group	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2021	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,745,016	96,785	5,841,801
	-	5,745,016	96,785	5,841,801
<b>Permanent Endowment:</b>				
RABF	911,600	4,905,855	(3,138)	5,814,317
RACF	-	1,623,539	(176)	1,623,363
	911,600	6,529,394	(3,314)	7,437,680
<b>Unrestricted funds:</b>				
RACF	-	24,924,958	1,064,941	25,989,899
<b>Designated funds:</b>				
Memorials	-	-	105,084	105,084
RAA	-	1,182,151	871,744	2,053,895
	911,600	38,381,519	2,135,240	41,428,359

**2021 Analysis of prior year net assets between funds RACF**

Prior year - RACF	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2021	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,745,016	96,785	5,841,801
	-	5,745,016	96,785	5,841,801
<b>Permanent Endowment:</b>				
RABF	911,600	4,905,855	(3,138)	5,814,317
RACF	-	1,623,539	(176)	1,623,363
	911,600	6,529,394	(3,314)	7,437,680
<b>Unrestricted funds:</b>				
RACF	-	24,924,958	1,064,941	25,989,899
<b>Designated funds:</b>				
Memorials			105,084	105,084
	911,600	37,199,368	1,263,496	39,374,464

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**15. Related Parties**

Income of £257,774 (2021: £261,287) was received from the Royal Artillery General Charitable Trust (RAGCT). Both Charities have a number of trustees in common. This Income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel.

Details of donations between connected entities are disclosed in note 6.

At the year end, balances due to and from related entities are disclosed in notes 9 and 11.

**NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. 2021 Represent comparatives for the Statement of Financial Activities**

**Income and endowments from:**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £
			2021		
Donations and legacies inc SPGS	2	656,360	1,014	-	657,374
Investment Income	3	518,094	215,993	-	734,087
Other Charitable Income		-	8,652	-	8,652
Other Income	4	4,296	-	-	4,296
Branch Income		67,446	-	-	67,446
<b>Total income before Expenditure</b>		<b>1,246,169</b>	<b>225,659</b>	<b>-</b>	<b>1,471,855</b>
<b>Expenditure on:</b>					
Raising funds	5	(50,299)	(10,614)	(12,064)	(72,977)
<b>Net income available for charitable activities</b>		<b>1,195,897</b>	<b>215,045</b>	<b>(12,064)</b>	<b>1,398,878</b>
Charitable activities	6	917,601	204,459	21,200	1,143,260
Branch Expenditure		63,376	-	-	63,376
<b>Total expenditure</b>		<b>1,031,276</b>	<b>215,073</b>	<b>33,264</b>	<b>1,279,613</b>
<b>Net income for the year before gains on investments</b>		<b>214,920</b>	<b>10,586</b>	<b>(33,264)</b>	<b>192,242</b>
Net gains/(losses) on investment assets		2,467,000	542,877	616,997	3,626,874
<b>Net movement in funds</b>		<b>2,681,920</b>	<b>553,463</b>	<b>583,733</b>	<b>3,819,116</b>
Total funds brought forward		25,466,958	5,288,338	6,853,947	37,609,243
<b>Total funds carried forward</b>		<b>28,148,878</b>	<b>5,841,801</b>	<b>7,437,680</b>	<b>41,428,359</b>



**ROYAL ARTILLERY CHARITABLE FUND**

England & Wales - Charity number 210202

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# Accounts

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# **THE ROYAL ARTILLERY CHARITABLE FUND**

**Incorporated under the Companies Act and Limited by Guarantee**

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**and**

## **FINANCIAL STATEMENTS FOR THE ROYAL ARTILLERY CHARITABLE FUND (PERMANENT ENDOWMENT) (210202-18)**

**and the**

## **ROYAL ARTILLERY BENEVOLENT FUND (210202-19) FOR THE YEAR ENDED 31 DECEMBER 2021 ARE INCLUDED UNDER A UNITING DIRECTION**

**Registered Company No: 163205**

**Registered Charity No: 210202**

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**President**

The Master Gunner, St James's Park , Lieutenant General Sir Andrew Gregory KBE CB DL

**Royal Artillery Charitable Fund (RACF) Trustees**

The members of the RACF Trustee Board during the year ended 31 December 2021 and up to the date of the approval of this report, were as follows:-

**Chairman** Major General DM Cullen CB OBE

**Trustees**

Brigadier MN Pountain CBE	
Colonel WG Prior MBE	Retired 23 Nov 21
Colonel CE Comport OBE TD DL	
Colonel C Fletcher-Wood OBE	
Colonel MD Relph MBE	
Colonel G Taylor CBE	Commander 7 <sup>th</sup> Air Defence Group
Col R Murphy TD VR QVRM	Deputy Commander 1 <sup>st</sup> Artillery Brigade (Retired 7 Feb 22)
Colonel AB Phillips	Commandant Royal School of Artillery (Retired 23 Jul 21)
Colonel C Palmer	Deputy Commander 1 <sup>st</sup> ISR Brigade
Colonel MAA Dornan	Comdt Royal School of Artillery (Appointed 26 July 21)
Major S Howe	Chief of Staff Regimental Headquarters (Appointed 8 Dec 21)
Major AJ Dines TD	
Major JO Leighton TD	

A number of trustees are also involved in the governance of other charities referred to in this report. All trustees have made a declaration listing any related parties and potential conflicts of interest.

**Regimental Secretary** Colonel M G J Carter

**Finance Secretary** Mrs B Hoblyn

**Professional Advisors**

**Bankers** Lloyds Bank PLC, 39 Piccadilly, London, W1V 0AA

**Solicitors** Wilsons, Alexandra House, St John's Street, Salisbury, Wiltshire, SP1 2SB

**Auditors** Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

**Investment Managers** BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL

**Address** Artillery House, Royal Artillery Barracks, Larkhill, Wiltshire SP4 8QT.

**Registered Company No** 163205

**Registered Charity No** 210202

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Introduction**

The RACF Trustees submit their annual report for the year ended 31<sup>st</sup> December 2021 under the Companies Act 2006, together with the audited financial statements for that year. The accounts comply with the Companies Act 2006, the Charity's governing document and the relevant Statement of Recommended Practice (the Charities SORP (FRS102)). The RACF is a company not for profit, limited by guarantee and not having share capital. It is governed by its Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

**Objects**

The objects of the RACF are to apply the charity's funds:

- a) In promoting the efficiency and welfare of all ranks of the Royal Artillery, whether Regular, Special Reserve, Reserve or Temporary and;
- b) In relief and assistance of any past, present or future members of the Royal Artillery whether Regular, Special Reserve, Reserve or Temporary and their dependants, and families and dependants of any deceased members, who are in need of such relief and assistance by reason of poverty, disability, sickness, infirmity or otherwise.

**Organisation**

The duties of the RACF Board of Trustees are laid down in the Articles of Association. The Board members provide a skills-based set of abilities and experience, with some representing the serving officers and soldiers of the Regiment. The RACF works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT), the Royal Artillery Institution (RAI) and the Royal Artillery Association (RAA), whose objects also support and promote efficiency within the Royal Artillery. The RACF is the sole corporate trustee for the RAA. The Board of Trustees meets at least twice a year as part of the Royal Artillery Board of Management alongside the trustees of the RAI. Subordinate to the Board of Trustees are the Investment Committee, the Welfare Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF and others who have been co-opted for their skills and knowledge so as to ensure that high quality advice may be provided to the RACF Board. The reports of these committees form part of the agenda of the meetings of the RACF Board of Trustees. The trustees form the membership of the RACF. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RACF Board of Trustees as required. The Chairman of the RACF is a member of the Master Gunner's Committee and updates the committee biannually on business undertaken by the Royal Artillery Board of Management.

**Governance**

In addition to the Articles of Association, the Welfare, Investment and Finance & General-Purpose committees have their own directives, which are reviewed and agreed regularly by the trustees. Powers delegated to the Secretariat are contained in the directives.

Secretariat policies, which are agreed by the trustees, are in place in order to ensure smooth and effective running of the charity. The charity's risk register is reviewed annually by the trustees. Identified risks are managed as laid down in the Risk Management Plan. For specific items, detailed briefs are sent to the trustees so they can consider issues in depth before meetings. Trustees also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustees and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

### **Charity Commission Governance Code**

The RACF as one of the Royal Artillery charities, comes under the umbrella of the Confederation of Service Charities (Cobseo). Cobseo, in consultation with the Charity Commission, have produced a Service Charity toolkit based on the 2017 Charity Commission Governance guide. The trustees carried out a self-assessment process using the toolkit in 2019. This enabled the Board to identify a number of enhancements which can be considered to improve governance. This included a resolution to limit the tenure of trustees. A further self-assessment review will be conducted in 2022.

### **Selection of Trustees of the RACF Board of Management**

The Articles of Association state the process for the appointment of trustees. New trustees are appointed by Resolution of the existing trustees. Trustees are normally serving and retired members of the Royal Artillery.

The Master Gunner St James's Park as President is an ex-officio member of the RACF and is the Head of the Regimental Family, but he is not a trustee. The President proposes the Chairman, who will normally have been a Colonel Commandant. The appointment of the Chairman is then approved by resolution of the existing trustees. Trustees are selected for their skills and experience and their ability to understand and anticipate the needs of the serving and retired regiment. The trustees will normally include the Commandant, Royal School of Artillery, Commander 7 AD Group and Deputy Commanders from 1 Arty Bde and 1 ISR Bde, who represent the interests of a large proportion of serving Gunner soldiers and officers.

### **Corporate Trustee**

The RACF is the sole corporate trustee of the Royal Artillery Charitable Fund (Permanent Endowment) (RACF (PE) (210202-18), the Royal Artillery Benevolent Fund (RABF) (210202-19), the Royal Artillery Association (RAA) (238197) and the Kelly Holdsworth Artillery Trust (KHAT) (208359).

### **Uniting Direction**

Under a uniting direction the accounts of the RACF (PE), and the RABF, are shown in these accounts. Those of the KHAT are attached for ease of reference. RAA accounts are prepared and audited separately.

### **Key Management Personnel**

The Regimental Secretary is the Chief Executive of the RACF and is responsible for: the day-to-day management of the charity's business; implementing policies agreed by the trustees and; the management of the charity's staff. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records. The Welfare Secretary is responsible to the Regimental Secretary for processing all welfare applications and individual grants.

### **Review of Financial Activities**

The charity's funds continue to be employed to support the efficiency and welfare of members of the Royal Artillery and to provide relief and assistance to past, present or future members of the Royal Artillery. The results of the charity's activities are summarised on page 15. In 2021 the charity had an excess of Income over expenditure before gains on investments of £264,471 (2020: £554,059 excess of Income over expenditure). After investment gains of £3,515,166 (2020: losses of £406,046) there was a net increase of funds of £3,779,637 (2020: net gain of £148,013).

**Review of Financial Activities continued**

Total income increased by £24,193 to £1,323,428, mainly due to an increase in declared legacies. It should be noted however that despite an increase in investment value, there was a decrease in investment income. Dividend payments were reduced to move into the global equity fund, but this loss was offset by the declared legacy.

Income from the Service Giving Scheme increased by £4,073 to £220,852, which was 14% of income received.

There were 10 legacies totalling £188,744. This income reflects 2 accrued legacies of £91,000, which were notified in 2021. £90,000 has since been received in the early part of 2022. There were an additional 155 donations, totalling £39,850. Investment income also decreased by £101,261 but achieved 18.9% higher than was budgeted.

Raising Funds increased by £70,177 to £70,793 (2020: £616) due to a change in policy with our investment manager, such that quarterly investment fee will now be paid at on receipt of quarterly invoices and not taken at source.

Charitable activities increased by £243,604 to £988,164 (2020: £744,560). This was mainly due to increased expenditure on some of the activities funded by the charity following the lifting of some COVID19 restrictions, however, the 2020 account included a significant decrease in expenditure as a result of reversing the proposed 2020 £300K grant award to the Royal Artillery Museum. Grants to individual beneficiaries totalled £523,545, of which £198,194 was spent from the restricted RABF Funds, and the remaining £325,351 from the RACF (2020: £540,215: RABF £211,832, RACF £328,383). It is assessed that this reduction is as a result of reduced casework activity during COVID19 restrictions, coupled with difficulties with a new case management system, as opposed to a reduction in need, grants to regiments and totalled £224,889 (2020: £258,812).

There are four main income streams. They are:

- Investment income.
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charity.
- Legacies.
- Donations.

The trustees approve the forecast of income and expenditure annually and monitor it regularly through the Finance & General Purpose Committee and at Board meetings. Whilst the interest earned on investments and income from the SGS can be reasonably estimated, the income from both legacies and donations will fluctuate from year to year.

**Charitable Activities**

The Company's principal activities during the year were as follows:

- Provision of assistance to those in need by reason of poverty, disability, sickness, infirmity or otherwise - £523,545, of which the £198,194 was spent from the restricted RABF Funds, and the remaining £325,351 from the RACF.
  - The prime method of achieving this object is by making grants to individuals.
  - Gunners in need, both serving and retired, are identified in a variety of ways and cases normally come from one of the following organisations: Social Services, Soldiers Sailors Airmen and Families Association (SSAFA), Royal British Legion (RBL), Officers Association (OA), Unit Welfare Officers, RAA and other regimental charities.
  - Once a Gunner, or his / her dependant, is identified as being in need, a trained external assessor, normally a member of SSAFA, OA or the RBL, interviews the potential recipient and then makes a report to the RACF. If the case involves a serving Gunner then the Unit Welfare Officer may initiate a report.

**Charitable Activities continued**

The RACF and RABF then assesses the case report and allocates charitable funds, in consultation with other eligible charities if appropriate. The proportion found by the RACF/RABF can vary depending on circumstances and is not guaranteed. On average during the year it was 35% of the total. The external assessor decides whether the need has been met.

- Funds to relieve need are paid through the almonising organisation rather than to the individual.
  - The charity assisted 607 cases in 2021 (2020:817 cases), of which 60 (2020:73) were serving members of the Regiment. 20 other ineligible cases were declined, as they were not Gunners or the request for support was out of scope (eg medical or legal fees) or duplications.
  - In addition to the above £66,120 (2020: £48,730) was paid in grants to 47 (2020: 47) Kelly Holdsworth beneficiaries and a further £20,857 (2020: £20,144) in Christmas grants to 377 (2020: 392) recipients.
  - A further 20 cases were closed without a grant being made as a result of lack of information or need being resolved by other means.
  - No case that was assessed as eligible for and still requiring assistance was declined.
  - Among the 607 individual cases, the average gross grant was £717 per case. In most instances additional funds were granted by the RBL, Army Benevolent Fund (ABF), the OA and other military and civilian charities.
  - Funds to relieve need are paid through the almonising organisation rather than to the individual.
- Promotion of efficiency and Welfare:
    - Welfare grants totalling £84.2K were made to 23 Regular
    - and Reserve regiments / units, in order to help deal with individual cases and support unit welfare initiatives.
    - Grants totalling £51.9K were made to Gunner sport, via the RAI, in order to assist in the maintenance of fitness and morale.
  - ABF the Soldiers' Charity. ABF has supported a large number of Gunner cases. This year the RACF donated £79,500 to the ABF to assist them in making grants towards other smaller, specific purpose charities that support Gunners and their dependants.
  - General. The RACF has provision, where appropriate, through the KHAT, to help with dependants' education costs when serving Gunners die or are in need. The RABF owns four cottages, which house Gunners in need. The RACF also helps maintain Gunner memorials.

**Public Benefit**

The Objects of the RACF are to promote efficiency and welfare within the serving Regiment and to assist those in need who are serving or who have served their country through service in the Royal Regiment of Artillery, and their dependants. Inextricably linked with this Object is the aim of contributing to the public good by service to Her Majesty, the Country and all its citizens. The RACF contributes considerable public benefit to the local and national community by relieving need among members of the regimental family. This in turn maximises the likelihood of the charity's beneficiaries maintaining their place as valuable, self-sufficient members of the community who are able to make a positive contribution to society. The charity works in tandem with the SSAFA, the ABF and the RBL. The trustees have taken due regard of the charity Commission's guidance on Public Benefit.

### **Future Plans**

The charity has sufficient funds to support its future operations and deliver its charitable Objects. Research carried out by the RBL has shown that there is still a very large ex-Service community, however the number of ex-servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. In the future it is assessed that, while the volume of cases might reduce, the greater complexity of needs arising from service in the Iraq and Afghanistan campaigns, may increase the cost of providing support to those in need. It is also anticipated that the recent significant increases in food and fuel costs may generate additional requests for support.

Based on an assessment that future income will remain steady in the long term, the trustees aim to maintain current expenditure in order that RACF continues to support efficiency and welfare in the Royal Regiment and to provide assistance to all members of the regimental family who are in need. Should income levels drop significantly, trustees have the ability to generate additional funds by liquidating investment assets, however this would need to be balanced by the requirement to maintain investment income for future generations.

In 2020 the trustees agreed to earmark £1.8M of capital funds for future transfer to the Royal Artillery Museum (RAM). Of this £300K was to have been in the form of a grant and £1.5M in the form of a loan. Although the offer of this sum has now been withdrawn following the retraction of the offer of a suitable site for the museum, the trustees are likely to consider making a similar level of funding available in the future once the conditions upon which the original offer was made are met. It is understood that a revised plan will be presented to the Master Gunners Committee in July 2022. It is assessed that, following the removal of legally enforced Covid precautions, levels of activity will continue to return to near normal during 2022. The trustees have budgeted accordingly for the current year.

### **Reserves Policy**

The trustees' policy is to maintain a sufficient level of reserves to: provide a stable base and income generation for the charity's continuing activities; generate sufficient funds to cover routine management and administrative costs and; enable the charity to respond to any emergency applications for grants which may arise from time to time.

Total funds as at 31 December 2021 were £39,374,464 (2020: £35,594,827).

Unrestricted reserves were £26,094,984 (2020: £23,452,542) of which £25,989,900 are free reserves.

Restricted Income funds for Benevolence were £5,841,800 (2020: £5,288,338) of which a large proportion is represented by investments.

Permanent Endowment were £7,437,680 (2020: £6,853,947) of which a large proportion is represented by investments.

Designated Funds were £105,084 (2020: £105,084) for the purpose of memorials.

Our risk-based approach to determining our free reserves requirement is carried out, based on the anticipated future needs of the regimental family, and the management of financial risks, particularly the uncertainty of future income from other sources.

Trustees review the level of reserves regularly to ensure funds are available to deliver welfare services and programmes, and to secure, as far as possible, future financial viability. Our annual review of reserves included assessing the impact of Covid-19 on our business plans, projected income and expenditure, and on our investments.

Following that review, we determined that we should hold a minimum of £20,000,000 in free reserves to be assured that we are able to sustain the support we provide to the regimental family in the long term as well as

### **Reserves Policy continued**

meet other obligations, irrespective of fluctuations in income and without creating the need to actively fundraise. This sum, held as part of our investment portfolio, is judged to be capable of generating sufficient investment income to meet foreseeable needs. With free reserves of £25,989,900 currently exceed this requirement. The trustees are content that the additional funds we hold provide ability to disinvest in order to support major capital projects if and when required, but in the meantime are held as investments generating additional income.

In 2021 the investment portfolio generated £706,505 for the charity, of which RACF received as in year income, which represent 45% of total income received.

Without this level of income the charity's activities would be significantly curtailed.

Trustees believe that investments should be maintained at the current levels, in order to generate income and provide for current needs whilst ensuring the charity remains well placed to meet future requirements. The trustees recognise that they have no long term mandated liability for any particular level of financial grants or activity. They therefore have the ability to reduce expenditure to match income in the event of income reducing.

### **Investment Policy**

The trustees' Investment Committee meets twice a year to consider the performance of the RACF's investments which are managed on a discretionary basis by BlackRock Investment Management (UK) Ltd.

The investment objective is to create sufficient income and capital growth to enable the charity to carry out their charitable objectives. The charity is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability. The charity's funds are invested on an aliquot proportion in the same funds as the other Gunner welfare / efficiency charities. This is in order to achieve economies of scale in relation to investment cost.

The trustees have given the fund managers discretion to manage the portfolio within an agreed risk profile and against agreed benchmarks. This is contained in a written directive.

At the bi-annual meeting with the investment managers the Investment Committee considers the state of the financial markets and measures the fund managers' on-going performance against specific agreed benchmarks, namely 30% FTSE All Share Index, 30% MSCI World ex UK Index, 10% MSCI Emerging Markets Index, 7.5% FTSE All Stocks Gilt Index, 5% iBoxx Sterling Non-Gilts Index, 10% IPD UK All Balanced Funds Index, 5% Alternative (IA Sector Targeted Absolute Return) and 2.5% Cash ( Sterling Overnight Index Average).

Having compared performances over the last 1, 3 and 5 years, the Investment Committee are of the view that the investments have done reasonably well in relation to the market and relevant benchmarks over the longer term. While there is currently no case to prompt a change of investment policy, the performance of the fund manager will be subject to further review this year.

### **Environmental Governance and Social Considerations**

The RACF's investments are not managed with any specific environmental, social and governance (ESG) restrictions. However it is expected that the RA charities' investment managers have clearly defined ESG investment policies and that the investments are managed by an investment company which is a signatory the UN Principles of Responsible Investment and which takes account of Environmental, Social and Governance (ESG) factors in their research and investment decision making process.

### **Fundraising**

The trustees are very clear that all fundraising must be legal, open, honest and respectful. The charity does not actively engage in regular and organised fundraising, although it does receive donations and legacies. It receives the bulk of its income through investments and the Royal Artillery's 'service giving scheme'. The facility exists for individuals or organisations to make voluntary donations online. The charity does not work with any commercial partner or professional fundraisers except in order to operate an online donation facility such 'Enthuse' and 'Just Giving'. When donations are received they are mainly as a result of advertisements on the Gunner website and publications, and from open, group briefings to members of the serving Regiment. In addition, regiments and other Gunner organisations are encouraged to engage in sponsored activities to raise funds. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained.

Regiments, units, RAA Branches and individuals who raise funds for the charity are provided with sealed collection buckets. In the event of a complaint about any such activity, it is investigated by the Regimental Secretary. (No complaints were received in 2021). As a charity that deals with vulnerable service personnel, veterans and their dependants, all staff are aware of the requirement to treat everyone fairly and kindly with no intrusive or persistent requests or approaches for funds or undue pressure to donate.

### **Trustee Training**

Trustee responsibilities and necessary training is taken very seriously. All new trustees are briefed by the Regimental Secretary on their roles and responsibilities. They are provided with the Charity Commissioners handbook "The Essential Trustee" as well as the Articles of Association as part of their induction. Recent RACF accounts, meeting minutes and policy documents are also provided. Trustee briefings and training take place, and members of the Board are encouraged to attend external trustee training and investment briefs.

### **Risk Management**

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

The main risks are:

- Insufficient income to meet the need: This is managed by careful budgeting, the investment and reserves policy and by controlling the level of support provided to beneficiaries.
- Fraud: This is guarded against by having policies in place to ensure regular checks are made and that all transactions are properly authorised by two signatories.
- Conflict of interest amongst trustee members. A register of trustee interests is kept and updated annually. At the start of committee and BoM meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities such as inappropriate fundraising. This is mitigated by robust RAA Rules and General Administrative Instructions (GAIs) and the monitoring of branch fundraising activities.

### **Remuneration Policy**

No trustee is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustees review staff salaries annually, and take into account the MoD pay awards for similar grades, when recommending any pay increases.

### **Employees**

The RACF aims to be an organisation for which employees enjoy working and where they feel supported, valued, empowered and developed. Employees are kept fully informed about the aims and objectives of the charity and how it is achieving them. Employees are encouraged to contribute suggestions to help improve working processes and to achieve best practice. The charity is an equal opportunities employer and is committed to training and developing its staff.

### **Trustees' Liability**

The trustees are the members of the RACF and the liability of the members for the debts of the RACF is limited to an amount not exceeding one pound.

### **Statement of Trustees' Responsibilities**

The trustees (who are also directors of the RACF for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable charity and company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)).

The Company and charity law applicable in England & Wales and UK GAAP 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. This includes details of income and expenditure and the application of resources for the period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- adhere to the methods and principles in the Charities Statement of Recommended Practice (Charities SORP (FRS 102));
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures which are to be disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

### **Statement as to Disclosure of Information to Auditors**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with: the Companies Act 2006; the charity's governing document; the Charities Acts 2011 and; the SORP 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)).

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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This report has been prepared under the special provisions of Part 15 of the Companies Act 2006.

On behalf of the trustees 7<sup>th</sup> June 2022

A handwritten signature in blue ink, appearing to read 'DM Cullen', is written over a horizontal dotted line.

Major General DM Cullen CB OBE  
Chairman RACF Board of Management

### **Opinion**

We have audited the financial statements of Royal Artillery Charitable Fund for the year ended 31 December 2021 which comprise the statement of financial activities, summary income and expenditure, the balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's state of affairs as at 31 December 2021 and of its 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; and
- have been prepared in accordance with the Companies Act 2006.

### **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 financial statements section of our report. We are independent of the 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 the charitable company'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.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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 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 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.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Other information continued**

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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. 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. 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.



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Cara Turlington – Senior statutory auditor  
Saffery Champness LLP

Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4 4BE

Date: 27 June 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE ROYAL ARTILLERY CHARITABLE FUND

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £	Total As restated £
			2021			2020
<b>Income and endowments from:</b>						
Donations and legacies inc SPGS	2	606,444	1,014	-	607,458	476,062
Investment Income	3	490,609	215,993	-	706,602	807,863
Income from charitable activities		-	8,652	-	8,652	7,401
Other Income	4	716	-	-	716	7,909
<b>Total income before Expenditure</b>		<b>1,097,769</b>	<b>225,659</b>	-	<b>1,323,428</b>	<b>1,299,235</b>
<b>Expenditure on:</b>						
Raising funds	5	(48,115)	(10,614)	(12,064)	(70,793)	(616)
<b>Net income available for charitable activities</b>		<b>1,049,654</b>	<b>215,045</b>	<b>(12,064)</b>	<b>1,252,635</b>	<b>1,298,619</b>
Charitable activities	6	762,504	204,460	21,200	988,164	744,560
<b>Total expenditure</b>		<b>810,619</b>	<b>215,074</b>	<b>33,264</b>	<b>1,058,957</b>	<b>745,176</b>
<b>Net income for the year before gains on investments</b>		<b>287,150</b>	<b>10,585</b>	<b>(33,264)</b>	<b>264,471</b>	<b>554,059</b>
Net gains/(losses) on investment assets		2,355,292	542,877	616,997	3,515,166	(406,046)
<b>Net income and net movement in funds</b>		<b>2,642,442</b>	<b>553,462</b>	<b>583,733</b>	<b>3,779,637</b>	<b>148,013</b>
Total funds brought forward		23,452,542	5,288,338	6,853,947	35,594,827	35,446,814
<b>Total funds carried forward</b>		<b>26,094,984</b>	<b>5,841,800</b>	<b>7,437,680</b>	<b>39,374,464</b>	<b>35,594,827</b>

The notes on pages 20 to 32 form part of these financial statements

**SUMMARY OF INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Total Income	1,323,428	1,299,235
Total Expenditure	1,025,693	723,976
Unrealised/realised gains and losses on:		
Revaluation of Investments	2,898,169	(342,316)
<b>Net income for the year</b>	<u>3,195,904</u>	<u>232,943</u>

Total Income comprised of £1,097,769 for unrestricted funds and £225,659 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,008,813 for unrestricted funds and £6,266 for restricted funds and excludes the permanent endowment funds.

The revaluation of investments excludes the permanent endowment funds.

The summary income and expenditure account is derived from the Statement of Financial Activities on page 15 which together with the notes to the financial statements on pages 20-32 provide full information on the movement during the year on all funds of the charity.

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEET**  
**AT 31 DECEMBER 2021**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total £	Total As restated £	2020
<b>Fixed assets</b>							
Tangible	7	-	-	911,600	911,600	932,800	
Investments	8	24,924,958	5,745,016	6,529,394	37,199,368	33,729,139	
		24,924,958	5,745,016	7,440,994	38,110,968	34,661,939	
<b>Current assets</b>							
Debtors	9	152,964	-	-	152,964	60,314	
Short Term Deposits	10	1,178,541	-	-	1,178,541	841,262	
Cash on Current Account		22,344	618	-	22,962	33,573	
Resident Contribution		-	-	-	-	9,235	
Interfund Balance		(92,852)	96,166	(3,314)	-	-	
		1,260,997	96,784	(3,314)	1,354,467	944,384	
<b>Current liabilities</b>							
Creditors: Amounts falling due within one year	11	(90,971)	-	-	(90,971)	(11,496)	
Net current assets/(liabilities)		1,170,026	96,784	(3,314)	1,263,496	932,888	
Total assets less current liabilities		26,094,984	5,841,800	7,437,680	39,374,464	35,594,827	
Provision for Liabilities		-	-	-	-	-	
		26,094,984	5,841,800	7,437,680	39,374,464	35,594,827	
<b>Funds</b>							
Unrestricted	12	25,989,900	-	-	25,989,900	23,347,458	
Memorial Fund	12	105,084	-	-	105,084	105,084	
Restricted Income	12	-	5,841,800	-	5,841,800	5,288,338	
Permanent Endowment	12	-	-	7,437,680	7,437,680	6,853,947	
	13	26,094,984	5,841,800	7,437,680	39,374,464	35,594,827	

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEET**  
**AT 31 DECEMBER 2021**

Approved by the RACF Board of Management on 7<sup>th</sup> June 2022



Major General DM Cullen CB OBE  
Chairman RACF Board of Management

The notes on pages 20 to 32 form part of these financial statements.

**Company number: 163205**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	<u>2021</u> £	<u>2020</u> £
<b>Net cash used in operating activities</b>	<b>1</b>	(424,871)	(525,454)
<b><u>Cash flows from investing activities</u></b>			
Dividends, interest and rents from investments		706,602	807,863
Purchase of investments		(37,873,745)	(11,585,304)
Proceeds from sale of investments		37,871,812	11,580,902
<b>Net cash generated in investing activities</b>		<u>704,669</u>	<u>803,461</u>
Net increase in cash & cash equivalents		279,798	278,008
Cash and cash equivalents at the beginning of the year		928,371	650,363
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<u><u>1,208,169</u></u>	<u><u>928,371</u></u>

**Notes to the cash flow statement**

<b>1. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>	
	<b>£</b>	<b>£</b>	
Net movement in funds	3,779,637	148,013	
(Gains)/losses on Investments	(3,515,166)	406,044	
Investment income	(706,602)	(807,863)	
Decrease/(increase) in debtors	(83,415)	(11,908)	
Increase/(Decrease) in creditors	79,475	(280,942)	
Depreciation charge	21,200	21,200	
<b>Net cash used in operating activities</b>	<u>(424,871)</u>	<u>(525,454)</u>	
<b>2. Analysis of cash and cash equivalents and net debt</b>	<b>At 1 Jan</b>	<b>Cash</b>	<b>At 31 Dec</b>
	<b>2021</b>	<b>flow</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash on short term deposit	841,262	337,279	1,178,541
Cash current account	33,573	(10,611)	22,962
Cash balance held in investments	53,536	(46,870)	6,666
<b>Net cash provided by operating activities</b>	<u>928,371</u>	<u>279,798</u>	<u>1,208,169</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. Accounting policies**

The Royal Artillery Charitable Fund is a company limited by guarantee incorporated in England and Wales. The registered office is Artillery House, Royal Artillery Barracks, Larkhill, Salisbury, SP4 8QT.

**Basis of accounting**

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Royal Artillery Charitable Fund constitutes a public benefit entity as defined by FRS102.

**Going Concern**

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Subscriptions and donations**

Subscriptions and donations have been included on the basis of amounts receivable during the year.

**Legacy income**

Income from legacies is taken to the Statement of Financial Activities when received or receipt is probable and the value can be measured with sufficient reliability.

**Interest and dividends on investments**

Income from investments including interest on short term deposits are included on a receivable basis.

**Expenditure and support costs**

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered.

Supports costs are those costs which have not been directly allocate to an activity of the charity but nevertheless support these activities.

**Grant expenditure**

Grants payable are payments made in furtherance of the charitable objects of the charity. These are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Fixed asset investments**

Investments are stated at market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

**Tangible Fixed assets**

Freehold properties are stated at deemed cost and are depreciated over their estimated useful lives of 50 years. Land is stated at deemed cost and is not depreciated.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.

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.

**Fund accounting**

Unrestricted funds are available to use to further any of the purposes of the 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 are donations which the donor has specified are to be solely used for particular areas of the charity's work or specific projects being undertaken by the charity.

The permanent endowment fund relates to funds received over the years from the investment portfolio where the capital received needs to be retained for the long term.

**Prior Year restatement**

The presentation of Royal Artillery Charitable Fund have been amended this year so that the permanent endowments are reflected in accordance with the Charity SORP and Charity Law. The changes made do not affect the reported total funds but instead reflect the income and capital elements of the fund separately. In reviewing the presentation grants between funds have been eliminated from the reported total.

Therefore in the comparative figures for 2020 total income and total expenditure have reduced by £246,745. The net income of £148,013 and total funds of £35,594,827 remain unchanged.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Pensions**

Staff are enrolled in a NEST pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable

**Critical estimates and judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2021 or 2020.

**2. 2021 Donations and legacies inc SPGS**

	Unrestricted	Restricted	Permanent Endowment	Total 2021
	£	£	£	£
		<b>2021</b>		
Officers' subscriptions	92,524	-	-	92,524
Soldiers' subscriptions	128,328	-	-	128,328
Retired Donations	21,608	-	-	21,608
Income tax recoverable (gift aid)	12,436	-	-	12,436
Donations and Grants	47,961	-	-	47,961
Intangible Income – Wages in Kind	114,843	1,014	-	115,857
Fundraising	-	-	-	-
Legacies	188,744	-	-	188,744
	<u>606,444</u>	<u>1,014</u>	<u>-</u>	<u>607,458</u>

**2020 Donations and legacies inc SPGS**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
		<b>2020</b>		
Officers' subscriptions	90,935	-	-	90,935
Soldiers' subscriptions	125,845	-	-	125,845
Retired Officers Donations	22,408	-	-	22,408
Income tax recoverable (gift aid)	5,483	-	-	5,483
Donations and Grants	67,426	-	-	67,426
Intangible Income – Wages in Kind	114,441	1,014	-	115,455
Fundraising	85	-	-	85
Legacies	48,425	-	-	48,425
	<u>475,048</u>	<u>1,014</u>	<u>-</u>	<u>476,062</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. 2021 Investment Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Investments	490,609	215,993	-	706,602
	<u>490,609</u>	<u>215,993</u>	<u>-</u>	<u>706,602</u>

**2020 Investment Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2020			
	£	£	£	£
Investments	578,014	229,849	-	807,863
	<u>578,014</u>	<u>229,849</u>	<u>-</u>	<u>807,863</u>

**4. 2021 Other Income**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Interest received on short term deposits	-	-	-	-
Alanbrooke club	716	-	-	716
	<u>716</u>	<u>-</u>	<u>-</u>	<u>716</u>

**2020 Other Income Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2020			
	£	£	£	£
Government Grants – Furlough	5,819	-	-	5,819
Interest received on short term deposits	192	-	-	192
Alanbrooke club	1,898	-	-	1,898
	<u>7,909</u>	<u>-</u>	<u>-</u>	<u>7,909</u>

**5. 2021 Cost of Raising Funds**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
Fundraising costs	2,065	-	-	2,065
Investment commission and management	46,050	10,614	12,064	68,728
	<u>48,115</u>	<u>10,614</u>	<u>12,064</u>	<u>70,793</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2020 Cost of Raising Funds Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2020			
	£	£	£	£
Fundraising costs	616	-	-	616
	<u>616</u>	<u>-</u>	<u>-</u>	<u>616</u>

**6. Charitable Activities**

	Unrestricted	Restricted	Permanent Endowment	Total
	2021			
	£	£	£	£
<u>Welfare</u>				
Welfare grants – 607 (2020: 817) individual cases	325,351	198,194	-	523,545
Welfare grants to institutions:				
Gunner Magazine	3,840	-	-	3,840
Royal Artillery Sports	51,902	-	-	51,902
Army Benevolent Fund	79,500	-	-	79,500
Regiments	84,200	-	-	84,200
RA Memorials	772	-	-	772
General Grants	4,675	-	-	4,675
	<u>550,240</u>	<u>198,194</u>	<u>-</u>	<u>748,434</u>
Support Cost to Charitable Activities:				
Wages and salaries	57,541	-	-	57,541
Wages and salaries in kind	114,843	1,014	-	115,857
Employers Nationals Insurance	4,272	-	-	4,272
Employers Pension Contribution	3,680	-	-	3,680
	<u>180,336</u>	<u>1,014</u>	<u>-</u>	<u>181,350</u>
Insurance	903	-	-	903
Printing & stationery	1,086	-	-	1,086
Publicity	700	-	-	700
Postage	1,373	-	-	1,373
Network maintenance	10,561	-	-	10,561
Travel & Subsistence (incl BOM & AGM)	300	-	-	300
Miscellaneous	118	-	-	118
Training	96	-	-	96
Bank charges	508	-	-	508
Cottage expenses	-	5,252	-	5,252
Depreciation (cottages)	-	-	21,200	21,200
Audit and accountancy fees	10,560	-	-	10,560
Audit Under provision 2020	3,030	-	-	3,030
Legal and professional fees	2,693	-	-	2,693
Total support costs	<u>212,264</u>	<u>6,266</u>	<u>21,200</u>	<u>239,730</u>
<b>2021 Total Expenditure</b>	<u>762,504</u>	<u>204,460</u>	<u>21,200</u>	<u>988,164</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2020 Charitable Activities Comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2020			
<u>Welfare</u>	£	£	£	£
Welfare grants – 949 (2019: 1,086) individual cases	328,383	211,832	-	540,215
Welfare grants to institutions:				
Gunner Magazine	10,000	-	-	10,000
Royal Artillery Sports	67,000	-	-	67,000
Army Benevolent Fund	65,000	-	-	65,000
Not Forgotten Association	1,000	-	-	1,000
Veterans Aid	3,000	-	-	3,000
King Edward VII Hospital	3,000	-	-	3,000
Army Widows Association	1,000	-	-	1,000
Scottish Veterans Garden City Assoc	2,000	-	-	2,000
RAA Grants	7,935	-	-	7,935
Regiments and Batteries	82,500	-	-	82,500
RA Memorials	14,492	-	-	14,492
General Grants	1,885	-	-	1,885
	587,195	211,832	-	799,027
Grants Payable to RAM – Cancelled	(300,000)	-	-	(300,000)
	287,195	211,832	-	499,027
Support Cost to Charitable Activities:				
Wages and salaries	60,976	-	-	60,976
Wages and salaries in kind	114,441	1,014	-	115,455
Employers Nationals Insurance	4,599	-	-	4,599
Employers Pension Contribution	3,687	-	-	3,687
	183,703	1,014	-	184,717
Insurance	1,928	-	-	1,928
Printing & stationery	1,369	-	-	1,369
Publicity	120	-	-	120
Postage	1,064	-	-	1,064
Network maintenance	4,604	-	-	4,604
Travel & Subsistence (incl BOM & AGM)	1,498	-	-	1,498
Miscellaneous	386	-	-	386
Bank charges	560	-	-	560
Cottage expenses	-	4,218	-	4,218
Depreciation (cottages)	-	-	21,200	21,200
Audit and accountancy fees	10,560	-	-	10,560
Audit Under provision 2018	5,610	-	-	5,610
Legal and professional fees	7,699	-	-	7,699
Total support costs	219,101	5,232	21,200	245,533
<b>Total charitable activities</b>	<b>506,296</b>	<b>217,064</b>	<b>21,200</b>	<b>744,560</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6. Charitable Activities continued**

The average number of persons employed by the Fund during the year was:

	<b>2021 Number</b>	<b>2020 Number</b>
Office and administration	<u>4</u>	<u>4</u>

There were no employees with emoluments above £60,000. The following payments were made to Key Management Personnel: £13,592 (2020: £14,076).

No trustees received any out of pocket expenses in 2021 (2020: NIL). This was as a result of all meetings being conducted online.

**7. 2021 Fixed Assets**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Permanent Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>2021</b>		
			<b>Cottage Homes</b>	
Deemed cost at 31 December 2021	-	-	1,081,200	1,081,200
At 31 December 2021	<u>-</u>	<u>-</u>	<u>1,081,200</u>	<u>1,081,200</u>
Depreciation at 1 January 2021	-	-	148,400	148,400
Charge for the year	-	-	21,200	21,200
At 31 December 2021	<u>-</u>	<u>-</u>	<u>169,600</u>	<u>169,600</u>
Net book value at 31 December 2021	<u>-</u>	<u>-</u>	<u>911,600</u>	<u>911,600</u>
Net book value at 31 December 2020	<u>-</u>	<u>-</u>	<u>932,800</u>	<u>932,800</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**8.2021 Fixed Asset Investments**

	Unrestricted	Restricted	Permanent Endowment	Total
	£	£	£	£
<b>2021</b>				
<b>Quoted investments</b>				
Market value at 1 January	22,599,776	5,209,079	5,920,284	33,729,139
Net additions at cost	25,376,816	5,849,166	6,647,763	37,873,745
Sales proceeds	(25,375,521)	(5,848,867)	(6,647,424)	(37,871,812)
Net realised/unrealised gains	2,355,292	542,877	616,997	3,515,166
Cash Commitments	(31,405)	(7,239)	(8,226)	(46,870)
<b>Market value at 31 December</b>	<b>24,924,958</b>	<b>5,745,016</b>	<b>6,529,394</b>	<b>37,199,368</b>
<b>Historical value at 31 December</b>	<b>22,602,554</b>	<b>5,209,719</b>	<b>5,921,012</b>	<b>33,733,285</b>
<b>Investment / Cash Breakdown</b>				
Investments	24,920,492	5,743,986	6,528,224	37,192,702
Bank Settled Account	3,067	707	803	4,577
Bank Unsettled Account	1,399	323	367	2,089
	<b>24,924,958</b>	<b>5,745,016</b>	<b>6,529,394</b>	<b>37,199,368</b>

The following holdings exceeded 5% of the total portfolio value at 31 December 2021 and are considered material:

	£
BFM-BLK Emerging Markets (10.79%)	4,141,438
BlackRock Char UK Bond Fund A Inc (9.86%)	3,783,706
BLK Char UK EQ Fund A Inc (30.73%)	11,795,416
BlackRock Dev Mkt Sust Equity (33.03%)	12,675,055
TACT OPP FD X ACC (5.09%)	1,953,126

All of the holdings listed are in collective investment vehicles as opposed to single securities.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2020 Fixed Asset Investments comparison**

	Unrestricted	Restricted	Permanent Endowment	Total
	2020			
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	22,868,244	9,773,476	1,488,120	34,129,840
Split Benevolent between permanent and income	-	(3,868,685)	3,868,685	-
Net additions at cost	7,762,578	2,004,370	1,818,356	11,585,304
Sales proceeds	(7,759,628)	(2,003,608)	(1,817,666)	(11,580,902)
Net realised/unrealised gains	(272,066)	(70,250)	(63,730)	(406,046)
Aliquote Changes	14	(626,387)	626,371	(2)
Cash Commitments	634	163	148	945
<b>Market value at 31 December</b>	<b>22,599,776</b>	<b>5,209,079</b>	<b>5,920,284</b>	<b>33,729,139</b>
<b>Historical value at 31 December</b>	<b>20,259,976</b>	<b>4,469,112</b>	<b>5,064,994</b>	<b>29,764,082</b>

**9. Debtors**

	Restricted	Unrestricted	Permanent Endowment	Total	Total for RACF 2020
	2021				
	£	£	£	£	£
Royal Artillery Association	34,296	-	-	34,296	33,540
Income tax repayments	2,333	-	-	2,333	3,223
Accrued Service Giving Income	22,835	-	-	22,835	18,583
Sundry Debtors	2,500	-	-	2,500	4,968
Legacies Receivable	91,000	-	-	91,000	-
	<u>152,964</u>	<u>-</u>	<u>-</u>	<u>152,964</u>	<u>60,314</u>
				4	

**10. 2021 Current Asset Investments**

	Restricted	Unrestricted	Permanent Endowment	Total
	2021			
	£	£	£	£
Short term deposits (incl investment balance)	<u>1,178,541</u>	<u>--</u>	<u>--</u>	<u>1,178,541</u>

**2020 Current Asset Investments**

	Restricted	Unrestricted	Permanent Endowment	Total
	2020			
	£	£	£	£
Short term deposits (incl investment balance)	<u>841,262</u>	<u>--</u>	<u>--</u>	<u>841,262</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**11. 2021 Creditors**

	Restricted	Unrestricted	Permanent Endowment	Total	Total for RACF 2020
	£	2021 £	£	£	£
Amounts falling due within one year:					
Investment Management and Commission Fees	70,911	-	-	70,911	-
Accruals	20,060	-	-	20,060	11,496
	<u>90,971</u>	<u>-</u>	<u>-</u>	<u>90,971</u>	<u>11,496</u>

**12. Movement in Funds****Current year**

	Balance at 1 January 21	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 21
	£	£	£	£	£	£
<b>Unrestricted</b>						
Designated Funds – Memorials	105,084	-	-	-	-	105,084
General Fund	23,347,458	1,097,769	810,619	2,355,292	-	25,989,900
	<u>23,452,542</u>	<u>1,097,769</u>	<u>810,619</u>	<u>2,355,292</u>	<u>-</u>	<u>26,094,984</u>
<b>Restricted Funds</b>						
RABF	5,288,338	225,659	215,074	542,877	-	5,841,800
<b>Endowment Funds:</b>						
RABF	5,381,001	-	30,264	463,580	-	5,814,317
RACF	1,472,946	-	3,000	153,417	-	1,623,363
	<u>6,853,947</u>	<u>-</u>	<u>33,264</u>	<u>616,997</u>	<u>-</u>	<u>7,437,680</u>
<b>Total</b>	<u>35,594,827</u>	<u>1,323,428</u>	<u>1,058,957</u>	<u>3,515,166</u>	<u>-</u>	<u>39,374,464</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Prior year**

	Balance at 1 January 20	Incoming Resources	Outgoing Resources	Net Gain on Investment	Transfers	Balance at 31 December 20
	£	£	£	£	£	£
<b>Unrestricted</b>						
Designated Funds – Memorials	105,084	-	-	-	-	105,084
General Fund	23,065,464	1,060,971	506,912	(272,066)	-	23,347,457
	<u>23,170,548</u>	<u>1,060,971</u>	<u>506,912</u>	<u>(272,066)</u>	<u>-</u>	<u>23,452,541</u>
<b>Restricted Funds</b>						
RABF	<u>5,692,913</u>	<u>238,264</u>	<u>217,064</u>	<u>(70,250)</u>	<u>-</u>	<u>5,913,863</u>
<b>Endowment Funds:</b>						
RABF	4,822,685	-	21,200	(46,026)	-	4,755,459
RACF	1,490,668	-	-	(17,704)	-	1,472,964
	<u>6,313,353</u>	<u>-</u>	<u>21,200</u>	<u>(63,730)</u>	<u>-</u>	<u>6,228,423</u>
<b>Total</b>	<u>35,446,814</u>	<u>1,299,235</u>	<u>745,176</u>	<u>(406,046)</u>	<u>-</u>	<u>35,594,826</u>

Memorial Fund is a designated fund in order to support any future work required in the church. This fund had been designated by the trustees' as the amount required towards the building of Chapel and Cloister in the Garrison Church at Larkhill in 2018. Due to the final bill being higher than anticipated, the RACF trustees agreed to transfer additional income to cover the remainder of the bill. In the event however the additional sum was cleared through a third party donation. The trustees have chosen to leave this sum in a designated fund in order to support any future work required in the church.

RABF Restricted Fund - This fund is to support welfare and housing activities.

RABF Permanent Endowment Fund – This fund is to support welfare and housing activities.

RACF Permanent Endowment Fund - This fund is to support the charitable activities of RACF which include efficiency, esprit de corps, benevolence and relief in need.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. Analysis of net assets between funds**

Current year	Tangible Fixed Assets	Investments	Current assets/(liabilities) 2021	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,745,016	96,784	5,841,800
	-	5,745,016	96,784	5,841,800
<b>Permanent Endowment:</b>				
RABF	911,600	4,905,855	(3,138)	5,814,317
RACF	-	1,623,539	(176)	1,623,363
	911,600	6,529,394	(3,314)	7,437,680
<b>Unrestricted funds:</b>				
RACF	-	24,924,958	1,170,026	26,094,984
	911,600	37,199,368	1,263,496	39,374,464
<b>Prior year</b>	Tangible Fixed Assets	Investments	Current assets 2020	Net Total
		£	£	£
<b>Restricted funds:</b>				
RABF	-	5,209,079	79,259	5,288,338
	-	5,209,079	79,259	5,288,338
<b>Permanent Endowment:</b>				
RABF	932,800	4,448,201	-	5,381,011
RACF	-	1,472,083	863	1,472,946
	932,800	5,920,284	863	6,853,947
<b>Unrestricted funds:</b>				
RACF	-	22,599,776	852,766	23,452,542
	932,800	33,729,139	932,888	35,594,827

**14. Related Parties**

Income of £242,460 (2020: £216,780) was received from the Royal Artillery General Charitable Trust (RAGCT). Both Charities have a number of trustees in common. This Income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel.

Net assets include a debt of £32,112 (2020: £33,540) which is accrued from the Royal Artillery Association (RAA). The RACF is the sole corporate trustee of the RAA. This income relates to Investment fees owed from RAA to RACF. It is intended that the outstanding balance will be repaid over the next two years.

Details of donations between connected entities are disclosed in note 6.

At the year end, balances due to and from related entities are disclosed in notes 9 and 11.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**16. 2020 Represent comparatives for the Statement of Financial Activities**

**Income and endowments from:**

	Notes	Unrestricted Income Fund £	Restricted Funds (Benevolence) £	Permanent Endowments £	Total As restated £
			2021		2020
Donations and legacies inc SPGS	2	475,048	1,014	-	476,062
Investment Income	3	578,014	229,849	-	807,863
Other Income	4	7,909	7,401	-	15,310
<b>Total income before Expenditure</b>		<b>1,060,971</b>	<b>238,264</b>	-	<b>1,299,235</b>
<b>Expenditure on:</b>					
Raising funds	5	(616)	-	-	(616)
<b>Net income available for charitable activities</b>		<b>1,060,355</b>	<b>238,264</b>	-	<b>1,298,619</b>
Charitable activities	6	506,296	217,064	21,200	744,560
<b>Total expenditure</b>		<b>506,912</b>	<b>217,064</b>	<b>21,200</b>	<b>745,176</b>
<b>Net income for the year before gains on investments</b>		<b>554,059</b>	<b>21,200</b>	<b>(21,200)</b>	<b>554,059</b>
Net gains/(losses) on investment assets		(272,066)	(70,250)	(63,730)	(406,046)
<b>Net movement in funds</b>		<b>281,993</b>	<b>(49,050)</b>	<b>(84,930)</b>	<b>148,013</b>
Total funds brought forward		23,170,549	5,337,388	6,938,877	35,446,814
<b>Total funds carried forward</b>		<b>23,452,542</b>	<b>5,288,338</b>	<b>6,938,947</b>	<b>35,594,827</b>





**ROYAL ARTILLERY CHARITABLE FUND**

England & Wales - Charity number 210202

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# Accounts

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# **THE ROYAL ARTILLERY CHARITABLE FUND**

Incorporated under the Companies Act and Limited by Guarantee

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

and

## **FINANCIAL STATEMENTS FOR THE ROYAL ARTILLERY CHARITABLE FUND (PERMANENT ENDOWMENT) (210202-18)**

and the

## **ROYAL ARTILLERY BENEVOLENT FUND (210202-19) FOR THE YEAR ENDED 31 DECEMBER 2020 ARE INCLUDED UNDER A UNITING DIRECTION**

## **THE 2020 ACCOUNTS OF THE KELLY HOLDSWORTH ARTILLERY TRUST (208359) ARE ATTACHED**

**Registered Company No: 163205**

**Registered Charity No: 210202**

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**President**

The Master Gunner, St James's Park , Lieutenant General Sir Andrew Gregory KBE CB DL

**Royal Artillery Charitable Fund (RACF) Trustees**

The members of the RACF Trustee Board during the year ended 31 December 2020 and up to the date of the approval of this report, were as follows:-

**Chairman** Major General DM Cullen CB OBE

**Trustees**

Brigadier MN Pountain CBE	
Colonel WG Prior MBE	
Colonel CE Comport OBE TD DL	
Colonel C Fletcher-Wood OBE	
Colonel GH Malec	Commander 7 <sup>th</sup> Air Defence Group (Resigned 16 Oct 20)
Colonel MD Relph MBE	
Major AJ Dines TD	
Major JO Leighton TD	
Colonel G Taylor	Commander 7 <sup>th</sup> Air Defence Group (Appointed 24 Nov 20)
Col R Murphy TD VR QVRM	Deputy Commander 1 <sup>st</sup> Artillery Brigade
Colonel AB Phillips	Commandant Royal School of Artillery
Colonel C Palmer	Deputy Commander 1 <sup>st</sup> ISR Brigade (Appointed 10 Feb 20)

A number of trustees are also involved in the governance of other charities referred to in this report. All trustees have made a declaration listing any related parties and potential conflicts of interest.

**Regimental Secretary** Colonel M G J Carter

**Finance Secretary** Mrs B Hoblyn

**Professional Advisors**

**Bankers** Lloyds Bank PLC, 39 Piccadilly, London, W1V 0AA

**Solicitors** Wilsons, Alexandra House, St John's Street, Salisbury, Wiltshire, SP1 2SB

**Auditors** Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

**Investment Managers** BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London, EC2N 2DL

**Address** Artillery House, Royal Artillery Barracks, Larkhill, Wiltshire SP4 8QT.

**Registered Company No** 163205

**Registered Charity No** 210202

### **Introduction**

The RACF Trustees submit their annual report for the year ended 31<sup>st</sup> December 2020 under the Companies Act 2006, together with the audited financial statements for that year. The accounts comply with the Companies Act 2006, the Charity's governing document and the relevant Statement of Recommended Practice (the Charities SORP (FRS102)). The RACF is a company not for profit, limited by guarantee and not having share capital. It is governed by its Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

### **Objects**

The objects of the RACF are to apply the charity's funds:

- a) In promoting the efficiency and welfare of all ranks of the Royal Artillery, whether Regular, Special Reserve, Reserve or Temporary and;
- b) In relief and assistance of any past, present or future members of the Royal Artillery whether Regular, Special Reserve, Reserve or Temporary and their dependants, and families and dependants of any deceased members, who are in need of such relief and assistance by reason of poverty, disability, sickness, infirmity or otherwise.

### **Organisation**

The duties of the RACF Board of Trustees are laid down in the Articles of Association. The Board members provide a skills-based set of abilities and experience with some representing the serving officers and soldiers of the Regiment. The RACF works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT), the Royal Artillery Institution (RAI) and the Royal Artillery Association (RAA), whose objects also support and promote efficiency within the Royal Artillery. The RACF is the sole corporate trustee for the RAA. The Board of Trustees meets twice a year as part of the Royal Artillery Board of Management alongside the trustees of the RAI. Subordinate to the Board of Trustees are the Investment Committee, the Welfare Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF and others who have been co-opted for their skills and knowledge so as to ensure that high quality advice may be provided to the RACF Board. The reports of these committees form part of the agenda of the meetings of the RACF Board of Trustees. The trustees form the membership of the RACF. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RACF Board of Trustees as required. The Chairman of the RACF is a member of the Master Gunner's Committee and updates the committee biannually on business undertaken by the Royal Artillery Board of Management.

### **Governance**

In addition to the Articles of Association, the Welfare, Investment and Finance & General-Purpose committees have their own directives, which are reviewed and agreed regularly by the trustees. Powers delegated to the Secretariat are contained in the directives.

Secretariat policies, which are agreed by the trustees, are in place in order to ensure smooth and effective running of the charity. The charity's risk register is reviewed annually by the trustees. Identified risks are managed as laid down in the Risk Management Plan. For specific items, detailed briefs are sent to the trustees so they can consider issues in depth before meetings. Trustees also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustees and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

### **Charity Commission Governance Code**

The RACF as one of the Royal Artillery charities, comes under the umbrella of the Confederation of Service Charities (Cobseo). Cobseo, in consultation with the Charity Commission, have produced a Service Charity toolkit based on the 2017 Charity Commission Governance guide. The trustees carried out a self-assessment process using the toolkit in 2019. This enabled the Board to identify a number of enhancements which can be considered to improve governance. This included a resolution to limit the tenure of trustees. A further self-assessment review will be conducted in 2022.

### **Selection of Trustees of the RACF Board of Management**

The Articles of Association state the process for the appointment of trustees. New trustees are appointed by Resolution of the existing trustees. Trustees are normally serving and retired members of the Royal Artillery.

The Master Gunner St James's Park as President is an ex-officio member of the RACF and is the Head of the Regimental Family, but he is not a trustee. The President proposes the Chairman, who will normally have been a Colonel Commandant. The appointment of the Chairman is then approved by resolution of the existing trustees. Trustees are selected for their skills and experience and their ability to understand and anticipate the needs of the serving and retired regiment. The trustees will normally include the Commandant, Royal School of Artillery, Commander 7 AD Group and Deputy Commanders from 1 Arty Bde and 1 ISR Bde, who represent a large proportion of serving Gunner soldiers and officers.

### **Corporate Trustee**

The RACF is the sole corporate trustee of the Royal Artillery Charitable Fund (Permanent Endowment) (RACF (PE) (210202-18), the Royal Artillery Benevolent Fund (RABF) (210202-19), the Royal Artillery Association (RAA) (238197) and the Kelly Holdsworth Artillery Trust (KHAT) (208359).

### **Uniting Direction**

Under a uniting direction the accounts of the RACF (PE), and the RABF, are shown in these accounts. Those of the KHAT are attached for ease of reference. RAA accounts are prepared and audited separately.

### **Key Management Personnel**

The Regimental Secretary is the Chief Executive of the RACF and is responsible for: the day-to-day management of the charity's business; implementing policies agreed by the trustees and; the management of the charity's staff. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records. The Welfare Secretary is responsible to the Regimental Secretary for processing all welfare applications and individual grants.

### **Review of Financial Activities**

The charity's funds continue to be employed to support the efficiency and welfare of members of the Royal Artillery and to provide relief and assistance to past, present or future members of the Royal Artillery. The results of the charity's activities are summarised on page 15. In 2020 the charity had an excess of Income over expenditure before gains on investments of £554,059 (2019: £389,638 excess of expenditure over income). After investment losses of £406,046 (2019: gains of £3,960,155) there was a net increase of funds of £148,013 (2019: net gain of £3,570,517).

Total income increased by £237,253 to £1,546,070. This was mainly due to an increase in investment income, legacies and donations. Income from the Service Giving Scheme increased by £3,311 to £216,780. There were 4

**Review of Financial Activities continued**

legacies totalling £48,425. There were an additional 191 donations, totalling £63,477. Investment income also increased by £138,446.

Total Charitable expenditure decreased by £136,126 to £1,291,395 (2019: £1,427,521). This is mainly due to a reduction in activities funded by the charity due to COVID19 restrictions. However this figure does not include the cancellation of the proposed 2019 £300K grant towards the Royal Artillery Museum. When this is taken into account overall total expenditure decreased by £736,126 to £991,395. Grants to individual beneficiaries totalled £540,215 (2019: £687,362). It is assessed that this reduction is as a result of reduced casework activity during COVID19 restrictions as opposed to a reduction in need. Grants to regiments and institutions before transfers to and from connected charities totalled £258,812 (2019: £612,961).

There are four main income streams. They are:

- Investment income.
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charity.
- Legacies.
- Donations.

The majority of funding comes from investment income and the SPGS. Despite a significant drop in the value of investments due to reaction to COVID19 in the Spring, our portfolio recovered well and, at year end, was just 1.17% below its 31 December 2019 value. As a result our income from investment generated £807,863, which was 17.1% higher in comparison to last year albeit 1.84% below budget. Income from the SPGS was unaffected by COVID19.

The trustees approve the forecast of income and expenditure annually and monitor it regularly through the Finance & General Purpose Committee and at Board meetings. Whilst the interest earned on investments and income from the SGS can be reasonably estimated, the income from both legacies and donations will fluctuate from year to year.

**Charitable Activities**

The Company's principal activities during the year were as follows:

- **Provision of assistance to those in need by reason of poverty, disability, sickness, infirmity or otherwise - £540,215**
  - The prime method of achieving this object is by making grants to individuals.
  - Gunners in need, both serving and retired, are identified in a variety of ways and cases normally come from one of the following organisations: Social Services, Soldiers Sailors Airmen and Families Association (SSAFA), Royal British Legion (RBL), Officers Association (OA), Unit Welfare Officers, RAA and other regimental charities.
  - Once a Gunner, or his / her dependant, is identified as being in need, a trained external assessor, normally a member of SSAFA, OA or the RBL, interviews the potential recipient and then makes a report to the RACF. If the case involves a serving Gunner then the Unit Welfare Officer may initiate a report.
  - The RACF then assesses the case report and allocates charitable funds, in consultation with other eligible charities if appropriate. The proportion found by the RACF can vary depending on circumstances and is not guaranteed. On average during the year it was 35% of the total. The external assessor decides whether the need has been met.
  - Funds to relieve need are paid through the almonising organisation rather than to the individual.
  - The charity assisted 817 cases in 2020 (2019:949 cases), of which 73 (2019:83) were serving members of the Regiment. 50 other ineligible cases were declined, as they were not Gunners or the request for support was out of scope (eg medical or legal fees) or duplications.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Charitable Activities continued**

- A further 50 cases were closed without a grant being made as a result of lack of information or need being resolved by other means.
  - No case that was assessed as eligible for and still requiring assistance was declined.
  - Among the 817 individual cases, the average grant was £707 per case. In most instances additional funds were granted by the RBL, Army Benevolent Fund (ABF), the OA and other military and civilian charities
  - Funds to relieve need are paid through the almonising organisation rather than to the individual.
- Promotion of efficiency and Welfare:
    - The charity made 23 grants to Regular and Reserve regiments for welfare provision (2019: 23).
    - Welfare grants totalling £82.5K were made to Regular and Reserve regiments / units, in order to help deal with individual cases and support unit welfare initiatives.
    - Grants totalling £67K were made to Gunner sport, via the RAI, in order to assist in the maintenance of fitness and morale.
    - Grants totalling £7,935 were made, via the RAA, to batteries for the welfare of their personnel. This has a widespread benefit and enabled commanders to fund quality of life activities to enhance morale and esprit de corps.
  - ABF the Soldiers' Charity. ABF has supported a large number of Gunner cases. This year the RACF donated £65,000 to the ABF to assist them in making grants towards other smaller, specific purpose charities that support Gunners and their dependants.
  - General. The RACF also made direct grants totalling £10,550, to a number of other external charities which help or house Gunners in need. It makes Christmas grants to those identified during the year as most in need. It has provision, where appropriate, through the KHAT, to help with dependants' education costs when serving Gunners die or are in need. The RABF owns four cottages, which house Gunners in need. The RACF also helps maintain Gunner memorials.

**Public Benefit**

The Objects of the RACF are to promote efficiency and welfare within the serving Regiment and to assist those in need who are serving or who have served their country through service in the Royal Regiment of Artillery, and their dependants. Inextricably linked with this Object is the aim of contributing to the public good by service to Her Majesty, the Country and all its citizens. The RACF contributes considerable public benefit to the local and national community by relieving need among members of the regimental family. This in turn maximises the likelihood of the charity's beneficiaries maintaining their place as valuable, self-sufficient members of the community who are able to make a positive contribution to society. The charity works in tandem with the SSAFA, the ABF and the RBL. The trustees have taken due regard of the charity Commission's guidance on Public Benefit.

**Future Plans**

The charity has sufficient funds to support its future operations and deliver its charitable Objects. Research carried out by the RBL has shown that there is still a very large ex-Service community, however the number of ex-servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. In the future it is assessed that, while the volume of cases might reduce, the greater complexity of needs arising from service in the Iraq and Afghanistan campaigns, may increase the cost of providing support to those in need.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Future Plans continued**

Based on an assessment that future income will remain steady in the long term, the trustees aim to maintain current expenditure in order that RACF continues to support efficiency and welfare in the Royal Regiment and to provide assistance to all members of the regimental family who are in need. Should income levels drop significantly, trustees have the ability to generate additional funds by liquidating investment assets, however this would need to be balanced by the requirement to maintain investment income for future generations.

In 2019 the trustees agreed to earmark £1.8M of capital funds for future transfer to the Royal Artillery Museum (RAM). Of this £300K was to have been in the form of a grant and £1.5M in the form of a loan. Although the offer of this sum has now been withdrawn following the retraction of the offer of a suitable site for the museum, the trustees are likely to consider making a similar level of funding available in the future once the conditions upon which the original offer was made are met. There is currently no timeframe for this.

**Reserves Policy**

The trustees' policy is to maintain a sufficient level of reserves, within the investment portfolio, to provide: a stable base and income generation for the charity's continuing activities; sufficient funds to cover routine management and administrative costs and; enable the charity to respond to any emergency applications for welfare grants, which arise from time to time. In 2020 the charity's investments generated £808,055 of income. This was some 52.29% of total income. Without this level of income the charity's activities and support to those in need would be significantly curtailed. The reserves, in the form of investments, in both the RACF and the RABF are judged sufficient by the trustees to meet the current and future demand. The trustees review the reserves position on a regular basis to ensure that excessive funds are not accumulated. Trustees are mindful of the potential increased cost of providing assistance and relief especially to those suffering from mental illness as a result of military service. They therefore believe the reserves should be maintained at the current levels, in order to provide for current needs whilst ensuring the charity remains well placed to meet future requirements. The trustees recognise that they have no long term mandated liability for any particular level of benevolence. They therefore have the ability either to reduce expenditure to match any reduction in income or to liquidate unrestricted assets of £28,635,796 to make additional funds available in year, however as indicated above, this would need to be balanced by the requirement to maintain investment as a means of providing income for future generations.

**Investment Policy**

The trustees' Investment Committee meets twice a year to consider the performance of the RACF's investments which are managed on a discretionary basis by BlackRock Investment Management (UK) Ltd.

The investment objective is to create sufficient income and capital growth to enable the charity to carry out their charitable objectives. The charity is expected to exist in perpetuity and investments are managed to meet the investment objective and ensure this sustainability. The charity's funds are invested on an aliquot proportion in the same funds as the other Gunner welfare / efficiency charities. This is in order to achieve economies of scale in relation to investment cost.

The trustees have given the fund managers discretion to manage the portfolio within an agreed risk profile and against agreed benchmarks. This is contained in a written directive.

At the bi-annual meeting with the investment managers the Investment Committee considers the state of the financial markets and measures the fund managers' on-going performance against specific agreed benchmarks, namely 30% FTSE All Share Index, 30% MSCI World ex UK Index, 10% MSCI Emerging Markets Index, 7.5% FTSE All Stocks Gilt Index, 5% iBoxx Sterling Non-Gilts Index, 10% IPD UK All Balanced Funds Index, 5% Alternative (IA Sector Targeted Absolute Return) and 2.5% Cash (7 Day Sterling LIBOR).

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Investment Policy continued**

Having compared performances over the last 1, 3 and 5 years, the Investment Committee are of the view that the investments have done reasonably well in relation to the market and relevant benchmarks, and that there is currently no case to prompt a change of investment policy.

**Environmental Governance and Social Considerations**

The RACF's investments are not managed with any specific environmental, social and governance (ESG) restrictions. However it is expected that the RA charities' investment managers have clearly defined ESG investment policies and that the investments are managed by an investment company which is a signatory the UN Principles of Responsible Investment and which takes account of Environmental, Social and Governance (ESG) factors in their research and investment decision making process.

**Fundraising**

The trustees are very clear that all fundraising must be legal, open, honest and respectful. The charity does not actively engage in regular and organised fundraising, although it does receive donations and legacies. It receives the bulk of its income through investments and the Royal Artillery's 'service giving scheme'. The facility exists for individuals or organisations to make voluntary donations online. The charity does not work with any commercial partner or professional fundraisers except in order to operate an online donation facility such 'Charity Checkout'. When donations are received they are mainly as a result of advertisements on the Gunner website and publications, and from open, group briefings to members of the serving Regiment. In addition, regiments and other Gunner organisations are encouraged to engage in sponsored activities to raise funds. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained.

Regiments, units, RAA Branches and individuals who raise funds for the charity are provided with sealed collection buckets. In the event of a complaint about any such activity, it is investigated by the Regimental Secretary. (No complaints were received in 2020). As a charity that deals with vulnerable service personnel, veterans and their dependants, all staff are aware of the requirement to treat everyone fairly and kindly with no intrusive or persistent requests or approaches for funds or undue pressure to donate.

**Trustee Training**

Trustee responsibilities and necessary training is taken very seriously. All new trustees are briefed by the Regimental Secretary on their roles and responsibilities. They are provided with the Charity Commissioners handbook "The Essential Trustee" as well as the Articles of Association as part of their induction. Recent RACF accounts, meeting minutes and policy documents are also provided. Trustee briefings and training take place, and members of the Board are encouraged to attend external trustee training and investment briefs.

**Risk Management**

The trustees maintain a continuous oversight of the principal areas of the charity's operations and the major risks, which may arise in these areas. In the opinion of the trustees the charity has established resources and review systems which, under normal conditions, should allow the risks identified to be mitigated to an acceptable level. A risk management plan is produced and approved by trustees each year and managed actively by the trustees, the Regimental Secretary and his staff.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Risk Management continued**

The main risks are:

- Insufficient income to meet the need: This is managed by careful budgeting, the investment and reserves policy and by controlling the level of support provided to beneficiaries.
- Fraud: This is guarded against by having policies in place to ensure regular checks are made and that all transactions are properly authorised by two signatories.
- Conflict of interest amongst trustee members. A register of trustee interests is kept and updated annually. At the start of committee and BoM meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities such as inappropriate fundraising. This is mitigated by robust RAA Rules and General Administrative Instructions (GAIs) and the monitoring of branch fundraising activities.

**COVID19 Impact Assessment**

The economic impact of the current COVID19 situation has inevitably had an adverse effect on our financial position, particularly our investments. As at 6 April 2020 our investment portfolio had lost some £5,579,875 (16.35%) in value to £28,549,964 from £34,129,840. The Investment Committee have reviewed the situation and taken the view that our funds are invested for the long term and that we should not be making changes to our investment policy or asset weighting at this stage. Clearly however the loss of capital has had a direct impact on our predicted annual investment income for 2020.

As at 31 December 2020 capital investment values had regained by £5,179,175 to £33,729,139, which is 1.17% below the 31 December 2019 figure. Despite capital losses in Q2, the total income from investments was £807,863 which was 1.84% below budget. Our fund managers assess that the portfolio is structurally sound and 2021 should not see any significant losses but dividends will be lower looking ahead as the vaccine-led economic restart accelerates.

Our second main source of income is through the Service Giving Scheme. This has been unaffected by the COVID19 position. Trustees recognise however that some individuals may withdraw from the scheme in the event of a drop in household income later this year if and when furlough schemes are due to finish. We anticipate a reduction in donations raised through sponsored activities but that standing orders and direct debits will be relatively unaffected. We have not taken a view on the possible effect on legacies. We do not believe any loss of income will materially affect the ability to deliver our charitable outputs, largely because many of the events and activities funded by the charity have been or may be cancelled or postponed while restrictions remain in place.

One of the benefits of holding reasonably large and diversified investments is that we are well placed to weather any future economic downturn, however in order to mitigate the expected in-year loss of income we conducted a review of planned expenditure and were able to identify compensating measures to potentially offset this loss if required. The majority of possible savings were deemed to be either inevitable (due to cancellation of activity) or acceptable (ie minimal impact on efficiency within the serving regiment or in support of serving, veteran and family welfare).

The trustees have taken the view that, if required, we could offset loss of income but that no action needed to be taken to 'balance the books' in year.

The trustees are confident that the charity remains a going concern for the foreseeable future and at least for the next 12 months.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Remuneration Policy**

No trustee is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustees review staff salaries annually, and take into account the MoD pay awards for similar grades, when recommending any pay increases.

**Employees**

The RACF aims to be an organisation for which employees enjoy working and where they feel supported, valued, empowered and developed. Employees are kept fully informed about the aims and objectives of the charity and how it is achieving them. Employees are encouraged to contribute suggestions to help improve working processes and to achieve best practice. The charity is an equal opportunities employer and is committed to training and developing its staff.

**Trustees' Liability**

The trustees are the members of the RACF and the liability of the members for the debts of the RACF is limited to an amount not exceeding one pound.

**Statement of Trustees' Responsibilities**

The trustees (who are also directors of the RACF for the purposes of Company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable charity and company law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (UK GAAP)).

The Company and charity law applicable in England & Wales and UK GAAP 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. This includes details of income and expenditure and the application of resources for the period. In preparing these financial statements, the trustee are required to:

- select suitable accounting policies and then apply them consistently;
- adhere to the methods and principles in the Charities Statement of Recommended Practice (Charities SORP (FRS 102));
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures which are to be disclosed and explained in the financial statements;
- prepare the financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in business.

The trustees are also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Statement as to Disclosure of Information to Auditors**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with: the Companies Act 2006; the charity's governing document; the Charities Acts 2011 and; the SORP 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)).

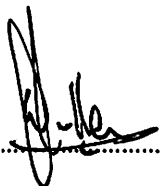
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

This report has been prepared under the special provisions of Part 15 of the Companies Act 2006.

On behalf of the trustees

 June 2021



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Major General DM Cullen CB OBE  
Chairman RACF Board of Management

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Opinion**

We have audited the financial statements of Royal Artillery Charitable Fund for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's state of affairs as at 31 December 2020 and of its 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; and
- have been prepared in accordance with the Companies Act 2006.

**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 financial statements section of our report. We are independent of the 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 the charitable company'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.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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 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 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.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Other information continued**

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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the 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 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 charitable company or to cease operations, or have no realistic alternative to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. 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. 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.

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2020

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*Liz Hazell*

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Liz Hazell (Senior Statutory Auditor)  
For and on behalf of Saffery Champness LLP

Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4A 3BE

Date: *22 June 2021*.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE ROYAL ARTILLERY CHARITABLE FUND

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

Income and Expenditure	Notes	RACF			RACF Permanent Endowment Fund	RABF Fund	2020 Total	2019 Total
		Unrestricted Funds	Restricted Funds	£				
<b>Income and endowments from:</b>								
Donations and legacies inc SPGS	2	720,869	-	1,014	1,014	722,897	629,048	
Investment Income	3	543,011	-	35,003	229,849	807,863	669,417	
Other Income	4	7,909	-	-	7,401	15,310	10,352	
<b>Total income before Expenditure</b>		<b>1,271,789</b>	<b>-</b>	<b>36,017</b>	<b>238,264</b>	<b>1,546,070</b>	<b>1,308,817</b>	
<b>Expenditure on:</b>								
Raising funds	5	(616)	-	-	-	(616)	29,066	
<b>Net income available for charitable activities</b>		<b>1,271,173</b>	<b>-</b>	<b>36,017</b>	<b>238,264</b>	<b>1,545,454</b>	<b>1,337,883</b>	
Charitable activities	6	717,114	-	36,017	238,264	991,395	1,727,521	
<b>Total expenditure</b>		<b>717,114</b>	<b>-</b>	<b>36,017</b>	<b>238,264</b>	<b>991,395</b>	<b>1,727,521</b>	
<b>Net income for the year before gains on investments</b>		<b>554,059</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>554,059</b>	<b>(389,638)</b>	
Net gains/(losses) on investment assets		(272,065)	-	(17,722)	(116,259)	(406,046)	3,960,155	
<b>Net movement in funds</b>		<b>281,994</b>	<b>-</b>	<b>(17,722)</b>	<b>(116,259)</b>	<b>148,013</b>	<b>3,570,517</b>	
Total funds brought forward		23,170,548	-	1,490,668	10,785,598	35,446,814	31,876,297	
<b>Total funds carried forward</b>		<b>23,452,542</b>	<b>-</b>	<b>1,472,946</b>	<b>10,669,339</b>	<b>35,594,827</b>	<b>35,446,814</b>	

The notes on pages 19 to 29 form part of these financial statements

THE ROYAL ARTILLERY CHARITABLE FUND


**BALANCE SHEET**  
**AT 31 DECEMBER 2020**

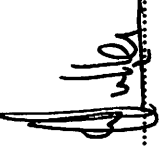
	Note	RACF £	RACF(PE) £	RABF £	2020 £	2019 £
<b><u>Fixed assets</u></b>						
Tangible	7	-	-	932,800	932,800	954,000
Investments	8	22,599,776	1,472,083	9,657,280	33,729,139	34,129,840
		22,599,776	1,472,083	10,590,080	34,661,939	35,083,840
<b><u>Current assets</u></b>						
Debtors	9	60,314	863	69,406	130,583	120,005
Short Term Deposits	10	841,262	-	-	841,262	569,088
Cash on Current Account		32,955	-	618	33,573	28,683
Residents contributions		-	-	9,235	9,235	7,905
		934,531	863	79,259	1,014,653	725,681
<b><u>Current liabilities</u></b>						
Creditors: Amounts falling due within one year	11	(81,765)	-	-	(81,765)	(362,707)
<b>Net current assets</b>		852,766	863	79,259	932,888	362,974
<b>Total assets less current liabilities</b>		23,452,542	1,472,946	10,669,339	35,594,827	35,446,814
		23,452,542	1,472,946	10,669,339	35,594,827	35,446,814
<b><u>Funds</u></b>						
Unrestricted		23,347,458	-	5,288,338	28,635,796	29,028,377
Memorial Fund	13	105,084	-	-	105,084	105,084
Permanent Endowment		-	1,472,946	5,381,001	6,853,947	6,313,353
		23,452,542	1,472,946	10,669,339	35,594,827	35,446,814

THE ROYAL ARTILLERY CHARITABLE FUND

**BALANCE SHEET**  
**AT 31 DECEMBER 2020**

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Approved by the RACF Board of Management on  June 2021

  
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Major General DM Cullen CB OBE  
Chairman RACF Board of Management

The notes on pages 19 to 29 form part of these financial statements.

**Company number: 163205**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	<u>2020</u> £	<u>2019</u> £
<b>Net cash used in operating activities</b>	<b>1</b>	(525,454)	(865,629)
<b><u>Cash flows from investing activities</u></b>			
Dividends, interest and rents from investments		807,863	669,877
Purchase of investments		(11,585,304)	(7,141,227)
Proceeds from sale of investments		11,580,902	7,075,194
<b>Net cash generated in investing activities</b>		<u>803,461</u>	<u>603,844</u>
Net increase in cash & cash equivalents		278,008	(261,785)
Cash and cash equivalents at the beginning of the year		650,363	912,148
<b>Cash and cash equivalents at end of the year</b>	<b>2</b>	<u>928,371</u>	<u>650,363</u>

**Notes to the cash flow statement**

<b>1. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2020</b>	<b>2019</b>	
	£	£	
Net movement in funds	148,013	3,570,517	
(Gains)/losses on Investments	406,046	(3,960,155)	
Investment income	(807,863)	(669,877)	
Appropriation from STLG	-	(13,559)	
Decrease/(increase) in debtors	(11,908)	402,449	
Decrease in creditors	(280,942)	(216,204)	
Depreciation charge	21,200	21,200	
<b>Net cash used in operating activities</b>	<u>(525,454)</u>	<u>(865,629)</u>	
<b>2. Analysis of cash and cash equivalents and net debt</b>	<b>At 1 Jan</b>	<b>Cash</b>	<b>At 31 Dec</b>
	<b>2020</b>	<b>flow</b>	<b>2020</b>
	£	£	£
Cash on short term deposit	569,088	272,174	841,262
Cash current account	28,683	4,890	33,573
Cash balance held in investments	52,592	944	53,536
<b>Net cash provided by operating activities</b>	<u>650,363</u>	<u>278,008</u>	<u>928,371</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting policies**

The Royal Artillery Charitable Fund is a company limited by guarantee incorporated in England and Wales. The registered office is Artillery House, Royal Artillery Barracks, Larkhill, Salisbury, SP4 8QT.

**Basis of accounting**

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Royal Artillery Charitable Fund constitutes a public benefit entity as defined by FRS102.

**Going Concern**

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Subscriptions and donations**

Subscriptions and donations have been included on the basis of amounts receivable during the year.

**Legacy income**

Income from legacies is taken to the Statement of Financial Activities when received or receipt is reasonably certain and the value can be measured with sufficient reliability.

**Interest and dividends on investments**

Income from investments including interest on short term deposits are included on a receivable basis.

**Expenditure and support costs**

Expenditure is recognised in the period in which it is incurred and includes attributable VAT which cannot be recovered.

Supports costs are those costs which have not been directly allocate to an activity of the charity but nevertheless support these activities.

**Grant expenditure**

Grants payable are payments made in furtherance of the charitable objects of the charity. These are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Fixed asset investments**

Investments are stated at market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

**Tangible Fixed assets**

Freehold properties are stated at deemed cost and are depreciated over their estimated useful lives of 50 years. Land is stated at deemed cost and is not depreciated.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

**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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. 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.

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.

**Fund accounting**

Unrestricted funds are available to use to further any of the purposes of the 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 are donations which the donor has specified are to be solely used for particular areas of the charity's work or specific projects being undertaken by the charity.

The permanent endowment fund relates to funds received over the years from the investment portfolio where the capital received needs to be retained for the long term.

**Pensions**

Staff are enrolled in a NEST pension scheme. Contributions are charged in the Statement of Financial Activities as they become payable

**Critical estimates and judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Critical estimates and judgements and key sources of estimation uncertainty continued**

only that period, or in the period of the revision and future periods where the revision effects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2020 or 2019.

**2. 2020 Donations and legacies inc SPGS**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
		2020		
Officers' subscriptions	90,935	-	-	90,935
Soldiers' subscriptions	125,845	-	-	125,845
Retired Donations	22,408	-	-	22,408
Income tax recoverable (gift aid)	5,483	-	-	5,483
Donations and Grants	67,426	-	-	67,426
Intangible Income – Wages in Kind	113,427	1,014	1,014	115,455
Fundraising	85	-	-	85
Donations Connected Charities RACF PE	35,003	-	-	35,003
Donations Connected Charities RABF	211,832	-	-	211,832
Legacies	48,425	-	-	48,425
	<u>720,869</u>	<u>1,014</u>	<u>1,014</u>	<u>722,897</u>

**2019 Donations and legacies inc SPGS**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
		2019		
Officers' subscriptions	87,381	-	-	87,381
Soldiers' subscriptions	126,088	-	-	126,088
Retired Officers Donations	23,298	-	-	23,298
Income tax recoverable (gift aid)	8,960	-	-	8,960
Donations and Grants	63,736	-	-	63,736
Intangible Income – Wages in Kind	89,211	966	966	91,143
Fundraising	1,463	-	-	1,463
Donations Connected Charities RACF PE	28,091	-	-	28,091
Donations Connected Charities RABF	168,339	-	-	168,339
Legacies	30,549	-	-	30,549
	<u>627,116</u>	<u>966</u>	<u>966</u>	<u>629,048</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. 2020 Investment Income**

	RACF	RACF (PE)	RABF	Total
	2020			
	£	£	£	£
Investments	543,011	35,003	229,849	807,863
	<u>543,011</u>	<u>35,003</u>	<u>229,849</u>	<u>807,863</u>

**2019 Investment Income Comparison**

	RACF	RACF (PE)	RABF	Total
	2019			
	£	£	£	£
Investments	447,508	29,352	192,557	669,417
	<u>447,508</u>	<u>29,352</u>	<u>192,557</u>	<u>669,417</u>

**4. 2020 Other Income**

	RACF	RACF (PE)	RABF	Total
	2020			
	£	£	£	£
Government Grants – Furlough	5,819	-	-	5,819
Interest received on short term deposits	192	-	-	192
Alanbrooke club	1,898	-	-	1,898
Residents Contribution	-	-	7,401	7,401
	<u>7,909</u>	<u>-</u>	<u>7,401</u>	<u>15,310</u>

**2019 Other Income Comparison**

	RACF	RACF (PE)	RABF	Total
	2019			
	£	£	£	£
Interest received on short term deposits	460	-	-	460
Alanbrooke club	-	-	657	657
Residents Contribution	-	-	9,892	9,892
	<u>460</u>	<u>-</u>	<u>10,549</u>	<u>11,009</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. 2020 Cost of Raising Funds**

	RACF	RACF (PE)	RABF	Total
	2020			
	£	£	£	£
Fundraising costs	616	-	-	616
	<u>616</u>	<u>-</u>	<u>-</u>	<u>616</u>

**2019 Cost of Raising Funds Comparison**

	RACF	RACF (PE)	RABF	Total
	2019			
	£	£	£	£
Fundraising costs	1,661	-	-	1,661
Investment commission and management fees	(40,260)	1,261	8,272	(30,727)
	<u>(38,599)</u>	<u>1,261</u>	<u>8,272</u>	<u>(29,066)</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. Charitable Activities**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
		2020		
<u>Welfare</u>				
Welfare grants – 817 (2019: 949) individual cases	540,215	-	-	540,215
Welfare grants to institutions:				
Gunner Magazine	10,000	-	-	10,000
Royal Artillery Sports	67,000	-	-	67,000
Army Benevolent Fund	65,000	-	-	65,000
Not Forgotten Association	1,000	-	-	1,000
Veterans Aid	3,000	-	-	3,000
King Edward VII Hospital	3,000	-	-	3,000
Army Widows Association	1,000	-	-	1,000
Scottish Veterans Garden City Assoc	2,000	-	-	2,000
RAA Grants	7,935	-	-	7,935
Regiments	82,500	-	-	82,500
RA Memorials	14,492	-	-	14,492
General Grants	1,885	-	-	1,885
Donations to connected charities (RACF)	-	35,003	211,832	246,835
	<u>799,027</u>	<u>35,003</u>	<u>211,832</u>	<u>1,045,862</u>
Grants Payable to RAM cancelled	<u>(300,000)</u>	-	-	<u>(300,000)</u>
	<u>499,027</u>	<u>35,003</u>	<u>211,832</u>	<u>745,862</u>
Support Cost to Charitable Activities:				
Wages and salaries	60,976	-	-	60,976
Wages and salaries in kind	113,427	1,014	1,014	115,455
Employers Nationals Insurance	4,599	-	-	4,599
Employers Pension Contribution	3,687	-	-	3,687
	<u>182,689</u>	<u>1,014</u>	<u>1,014</u>	<u>184,717</u>
Insurance	1,928	-	-	1,928
Printing & stationery	1,369	-	-	1,369
Publicity	120	-	-	120
Postage	1,064	-	-	1,064
Network maintenance	4,604	-	-	4,604
Travel & Subsistence (incl BOM & AGM)	1,498	-	-	1,498
Miscellaneous	386	-	-	386
Bank charges	560	-	-	560
Cottage expenses	-	-	4,218	4,218
Depreciation (cottages)	-	-	21,200	21,200
Audit and accountancy fees	10,560	-	-	10,560
Audit Under provision 2019	5,610	-	-	5,610
Legal and professional fees	7,699	-	-	7,699
Total support costs	<u>218,087</u>	<u>1,014</u>	<u>26,432</u>	<u>245,533</u>
<b>2020 Total Expenditure</b>	<u>717,114</u>	<u>36,017</u>	<u>238,264</u>	<u>991,395</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2019 Charitable Activities Comparison**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
	2019			
<b>Welfare</b>				
Welfare grants – 949 (2018: 1,086) individual cases	687,362	-	-	687,362
Welfare grants to institutions:				
Gunner Magazine	20,000	-	-	20,000
Royal Artillery Sports	65,000	-	-	65,000
Army Benevolent Fund	65,000	-	-	65,000
Not Forgotten Association	1,000	-	-	1,000
Veterans Aid	3,000	-	-	3,000
King Edward VII Hospital	3,000	-	-	3,000
RAA Grants	60,000	-	-	60,000
Regiments and Batteries	87,500	-	-	87,500
RA Memorials	7,461	-	-	7,461
General Grants	1,000	-	-	1,000
Donations to connected charities (RACF)	-	28,091	168,339	196,430
	<u>1,000,323</u>	<u>28,091</u>	<u>168,339</u>	<u>1,196,753</u>
Grants Payable (RAM)	300,000	-	-	300,000
	<u>1,300,323</u>	<u>28,091</u>	<u>168,339</u>	<u>1,496,753</u>
<b>Support Cost to Charitable Activities:</b>				
Wages and salaries	63,605	-	-	63,605
Wages and salaries in kind	89,211	966	966	91,143
Employers Nationals Insurance	5,442	-	-	5,442
Employers Pension Contribution	3,683	-	-	3,683
	<u>161,941</u>	<u>966</u>	<u>966</u>	<u>163,873</u>
Insurance	1,957	-	-	1,957
Printing & stationery	361	-	-	361
Publicity	1,205	-	-	1,205
Postage	2,199	-	-	2,199
Network maintenance	5,669	-	-	5,669
Travel & Subsistence (incl BOM & AGM)	3,672	-	-	3,672
Miscellaneous	40	-	-	40
Training	498	-	-	498
Bank charges	748	-	-	748
Cottage expenses	-	-	4,638	4,638
Depreciation (cottages)	-	-	21,200	21,200
Audit and accountancy fees	10,560	-	-	10,560
Audit Under provision 2018	630	-	-	630
Legal and professional fees	13,518	-	-	13,518
Total support costs	<u>202,998</u>	<u>996</u>	<u>26,804</u>	<u>230,768</u>
<b>Total charitable activities</b>	<u>1,503,321</u>	<u>29,057</u>	<u>195,143</u>	<u>1,727,521</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020****6. Charitable Activities continued**

The average number of persons employed by the Fund during the year was:

	2020 Number	2019 Number
Office and administration	4	4

There were no employees with emoluments above £60,000. The following payments were made to Key Management Personnel: £14,076 (2019: £13,310).

No trustees received any out of pocket expenses in 2020 (2019: NIL). This was as a result of all meetings being conducted online.

**7. 2020 Fixed Assets**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
			2020 Cottage Homes	
Deemed cost at 31 December 2020	-	-	1,081,200	1,081,200
At 31 December 2020	-	-	1,081,200	1,081,200
Depreciation at 1 January 2020	-	-	127,200	127,200
Charge for the year	-	-	21,200	21,200
At 31 December 2020	-	-	148,400	148,400
Net book value at 31 December 2020	-	-	932,800	932,800
Net book value at 31 December 2019	-	-	954,000	954,000

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8.2020 Fixed Asset Investments**

	RACF	RACF (PE)	RABF	Total
	2020			
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	22,868,244	1,488,120	9,773,476	34,129,840
Net additions at cost	7,762,584	505,632	3,317,088	11,585,304
Sales proceeds	(7,759,635)	(505,439)	(3,315,828)	(11,580,902)
Net realised/unrealised gains	(272,065)	(17,722)	(116,259)	(406,046)
Aliquote Changes	15	1,451	(1,468)	(2)
Cash Commitments	633	41	271	945
<b>Market value at 31 December</b>	<b>22,599,776</b>	<b>1,472,083</b>	<b>9,657,280</b>	<b>33,729,139</b>
<b>Historical value at 31 December</b>	<b>19,943,040</b>	<b>1,299,031</b>	<b>8,552,011</b>	<b>29,764,082</b>
<b>Investment / Cash Breakdown</b>				
Investments	22,563,903	1,469,746	9,641,952	33,675,601
Bank Settled Account	2,764	180	1,180	4,124
Bank Unsettled Account	33,109	2,157	14,148	49,414
	<b>22,599,776</b>	<b>1,472,083</b>	<b>9,657,280</b>	<b>33,729,139</b>

The following holdings exceeded 5% of the total portfolio value at 31 December 2020 and are considered material:

	£
BFM-BLK Emerging Markets (12.89%)	4,408,677
BlackRock Char UK Bond Fund A Inc (8.89%)	3,089,998
BLK Char UK EQ Fund A Inc (31.39%)	10,097,166
BlackRock Global Income Fund (31.36%)	10,897,785

All of the holdings listed are in collective investment vehicles as opposed to single securities.

**2019 Fixed Asset Investments comparison**

	RACF	RACF (PE)	RABF	Total
	2019			
	£	£	£	£
<b>Quoted investments</b>				
Market value at 1 January	20,253,908	1,317,830	8,656,324	30,228,062
Net additions at cost	4,784,887	311,674	2,044,666	7,141,227
Sales proceeds	(4,740,643)	(308,792)	(2,025,759)	(7,075,194)
Net realised/unrealised gains	2,653,451	172,838	1,133,866	3,960,155
Cash Commitments	(83,359)	(5,430)	(35,621)	(124,410)
<b>Market value at 31 December</b>	<b>22,868,244</b>	<b>1,448,120</b>	<b>9,773,476</b>	<b>34,129,840</b>
<b>Historical value at 31 December</b>	<b>20,099,590</b>	<b>1,309,228</b>	<b>8,588,907</b>	<b>29,997,725</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. Debtors**

	RACF	RACF (PE)	RABF	Total	Total for RACF 2019
	£	£	£	£	£
RACF	-	863	69,406	70,269	52,147
Royal Artillery Association	33,540	-	-	33,540	33,369
Income tax repayments	3,223	-	-	3,223	11,536
Accrued Service Giving Income	18,583	-	-	18,583	18,453
Sundry Debtors	4,968	-	-	4,968	4,500
	<u>60,314</u>	<u>863</u>	<u>69,406</u>	<u>130,583</u>	<u>120,005</u>

**10. 2020 Current Asset Investments**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
Short term deposits (incl investment balance)	<u>841,262</u>	<u>--</u>	<u>--</u>	<u>841,262</u>

**2019 Current Asset Investments**

	RACF	RACF (PE)	RABF	Total
	£	£	£	£
Short term deposits (incl investment balance)	<u>569,088</u>	<u>--</u>	<u>--</u>	<u>569,088</u>

**11. 2020 Creditors**

	RACF	RACF (PE)	RABF	Total	Total 2019
	£	£	£	£	£
Amounts falling due within one year:					
RACF (PE)	863	-	-	863	2,548
RABF	69,406	-	-	69,406	49,599
Accruals	11,496	-	-	11,496	10,560
RAM	-	-	-	-	300,000
	<u>81,765</u>	<u>-</u>	<u>-</u>	<u>81,765</u>	<u>362,707</u>

Creditors have decreased significantly due to the cancellation of the £300K grant award to RAM, as reported in the 2019 trustees' report. The offer of this sum has now been withdrawn following the retraction of the offer of a suitable site for the museum, but the trustees are likely to consider making a similar level of funding available in the future once the conditions upon which the original offer was made are met. There is currently no timeframe for this.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**12. Provisions for Liabilities – Staff Terminal Leaving Gratuity**

	2020		2019	
Movements:	£	£	£	£
At 1 January		-		13,559
Allocation of interest		-		339
Leaving payments in year		-		(13,898)
<b>At 31 December 2020</b>		-		-

**13. Designated Fund – Memorial Fund**

	2020		2019	
	£	£	£	£
At 1 January		105,084		105,936
Transfer from Income and Expenditure account		-		(852)
Expenditure		-		(852)
		105,084		105,084

This fund had been designated by the trustees' as the amount required towards the building of Chapel and Cloister in the Garrison Church at Larkhill in 2018. Due to the final bill being higher than anticipated, the RACF trustees agreed to transfer additional Income to cover the remainder of the bill.

**14. Related Parties**

Income of £216,780 (2019: £213,469) was received from the Royal Artillery General Charitable Trust (RAGCT). Both Charities have a number of trustees in common. This Income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel.

Net assets include a debt of £33,540 (2019: £33,369) which is accrued from the Royal Artillery Association (RAA). The RACF is the sole corporate trustee of the RAA. This income relates to Investment fees owed from RAA to RACF. It is intended that the outstanding balance will be repaid over the next two years.

Details of donations between connected entities are disclosed in note 6.

At the year end, balances due to and from related entities are disclosed in notes 9 and 11.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. 2019 Comparatives for the Statement of Financial Activities**

<u>Income and Expenditure</u>	RACF		RACF Permanent		RABF	2019
	Unrestricted	Restricted	Endowment	Fund		
Income	Funds	Funds	Fund	Fund	Fund	£
Donations and legacies inc SPGS	£ 627,116	-	£ 966	966	966	629,048
Investment Income	447,508	-	29,352	29,352	192,557	669,417
Other Income	460	-	-	-	9,892	10,352
<b>Total income before Expenditure</b>	<b>1,075,084</b>	-	<b>30,318</b>	<b>30,318</b>	<b>203,415</b>	<b>1,308,817</b>
<u>Expenditure on:</u>						
Raising funds	38,599	-	(1,261)	(1,261)	(8,272)	29,066
<b>Net income available for charitable activities</b>	<b>1,113,683</b>	-	<b>29,057</b>	<b>29,057</b>	<b>195,143</b>	<b>1,337,883</b>
Charitable activities	1,503,321	-	29,057	29,057	195,143	1,727,521
<b>Total expenditure</b>	<b>1,503,321</b>	-	<b>29,057</b>	<b>29,057</b>	<b>195,143</b>	<b>1,727,521</b>
<b>Net income for the year before gains on investments</b>	<b>(389,638)</b>	-	-	-	-	<b>(389,638)</b>
Net gains/(losses) on investment assets	2,653,451	-	172,838	172,838	1,133,866	3,960,155
<b>Net movement in funds</b>	<b>2,263,813</b>	-	<b>172,838</b>	<b>172,838</b>	<b>1,133,866</b>	<b>3,570,517</b>
Total funds brought forward	20,906,735	-	1,317,830	1,317,830	9,651,732	31,876,297
<b>Total funds carried forward</b>	<b>23,170,548</b>	-	<b>1,490,668</b>	<b>1,490,668</b>	<b>10,785,598</b>	<b>35,446,814</b>

**KELLY HOLDSWORTH ARTILLERY TRUST INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES**

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**Independent examiner's report to the trustees of Kelly Holdsworth Artillery Trust**

I report to the trustees on my examination of the accounts of the Kelly Holdsworth Artillery Trust (the Trust) for the year ended 31 December 2020.

**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').

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.

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.

  
.....  
Date: 22 June 2021  
Liz Hazell FCA  
Saffery Champness LLP  
Chartered Accountants  
71 Queen Victoria Street  
London  
EC4V 4BE

**KELLY HOLDSWORTH ARTILLERY TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Accounted for by the RACF under a uniting direction.

<b><u>Income</u></b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>Income available for charitable application</b>			
Donation		-	-
Legacies		-	-
		<hr/>	<hr/>
		-	-
<b><u>Expenditure on Charitable Activities</u></b>			
Charitable activities		-	-
		<hr/>	<hr/>
		-	-
<b>Total resources expended</b>		<hr/> <hr/>	<hr/> <hr/>
		-	-
<b>Net (outgoing) resources for the year</b>		-	-
<b><u>Net movement in funds</u></b>		<hr/>	<hr/>
		-	-
Fund balances brought forward at 1 <sup>st</sup> January		500	500
<b>Fund balances carried forward at 31<sup>st</sup> December</b>		500	500

All funds of the Kelly Holdsworth Artillery Trust were transferred into the Royal Artillery Benevolent Fund in January 2008. The fund is maintained with a balance of £500 in order to be able to accept any future legacies.

**Objects**

The Objects of the KHAT are:

(1) to relieve either generally or individually beneficiaries and their families and dependants who are in need by virtue of financial hardship, sickness, disability or the effects of old age through the provision of grants, loans, gifts, pensions or otherwise.

(2) the provision of housing accommodation for past members of the Royal Artillery who are in need by virtue of financial hardship, sickness, disability or the effects of old age.

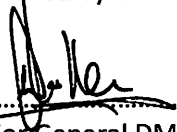
**KELLY HOLDSWORTH ARTILLERY TRUST**

**BALANCE SHEET**  
**AT 31 DECEMBER 2020**

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	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>			-		-
<b>Current assets</b>					
Bank Balance		500		500	
		<u>500</u>		<u>500</u>	
<b>Current liabilities</b>		-		-	
<b>Net current assets</b>			500		500
<b>Net assets</b>			<u>500</u>		<u>500</u>
<b>Funds</b>					
Unrestricted			500		500
			<u>500</u>		<u>500</u>

Approved by the Board of Management on 1<sup>st</sup> June 2021.

  
.....  
Major General DM Cullen CB OBE  
RACF Board of Management