



**THE ROYAL ARTILLERY ASSOCIATION
(RAA)**

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

Registered Charity No: 238197

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THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2024

Trustee During the year ended 31 December 2024, and up to the date of approval of this report, the Corporate Trustee of the Association was: The Royal Artillery Charitable Fund (RACF) (CC No: 210202):

President of the RAA Lieutenant General Sir Andrew Gregory KBE CB DL

Chairman of the RAA Brigadier MN Pountain CBE

Chairman of the RACF Trustees & RA Board of Management (BoM) Major General DM Cullen CB OBE

RACF trustees during the accounting period

Brigadier MN Pountain CBE	
Colonel MB Bishop MBE VR	
Colonel DA Butt	(Appointed 29 th July 2024)
Colonel CE Comport OBE DL TD	
Colonel CL Coton	(Retired 6 th May 2024)
Colonel MAA Dornan	(Retired 26 th July 2024)
Colonel PJ Farrell ADC	(Appointed 15 th January 2025)
Colonel RA Forester	
Colonel RC Harmer ADC	(Retired 20 th January 2025)
Colonel S I Hay	(Appointed 22 nd April 2024)
Colonel BMD Ingham MBE	
Colonel MD Relph MBE	
Lieutenant Colonel SJ Howe	
Major AJ Dines TD	(Retired 12 th June 2024)
Major JO Leighton TD	(Retired 12 th June 2024)
Warrant Officer Class 1 (RASM) JL Lightfoot	(Appointed 31 st May 2024)
Mr W B de C Cussans	(Appointed 12 th 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 21st January 2025)

Col (Retd) M G J Carter (Retired 21st January 2025)

Bankers

Lloyds TSB Plc
19/21 Powys Street
Woolwich SE18 6JZ

Solicitors

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

Auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Address

Artillery House, Royal Artillery Barracks,
Larkhill,
Wiltshire SP4 8QT

Registered Charity No: 238197

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

The trustee presents the RAA report and accounts for the year ended 31st December 2024. The charity's funds are also included in the Group Accounts of the RACF.

Objects

The RAA was established in 1920 for the purpose of furthering Gunner comradeship and looking after the welfare of ex-members of the Royal Artillery and their dependents. The objects of the RAA are:

- To promote the efficiency of the Royal Artillery by:
 - a) Maintaining contact between past and present members of the Royal Artillery, fostering mutual friendship between them and providing for social gatherings for them and;
 - b) 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 RAA's sole trustee is the incorporated charity known as the RACF - Charity Number 210202. The RAA works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT), the Royal Artillery Institution (RAI) and the RACF, whose objects also support and promote efficiency within the Royal Artillery. The trustees of the RACF meet as part of the Royal Artillery Board of Management (RA BoM), which is the body responsible for the efficient coordination and management of the RACF, RAA and RAI. The RA BoM meets under its Chairman at least twice each year. In the month leading up to the Board meetings, the meetings of the Investment Committee, the Welfare Committee, the Finance and General-Purpose Committee and the RAA National Executive Committee (NEC) take place. The reports of these committees form part of the agenda for the RA BoM meetings at which policy concerning the RAA is discussed and decisions are made. The Chairman of the RA BoM is a member of the Master Gunner's Committee and updates members bi-annually on business undertaken by the Board.

The RAA is a membership organisation. Members may belong to local or national branches, serving batteries of the Royal Artillery or as individual members. Members' views, concerns and suggestions are channelled through their branch or Battery to regional representatives who are members of the National Executive Committee(NEC).

A Royal Artillery Assembly, which includes the RAA's AGM is held each year, usually in May. At the AGM members are elected to go forward as nominees to represent the RAA on the RACF board of trustees. There are three RAA representatives at any one time. They are nominated for a three-year term and may be re-elected at the end of that term. Nominations go forward to the RACF trustees who are invited to appoint nominees in accordance with the RACF Articles of Association. The governing documents of the RAA are: the Charity Commission Scheme; the Rules of the RAA and; the RAA General Administrative Instructions (GAIs). GAIs were reviewed in 2022 and a number of minor changes were approved by the trustee.

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Governance

In addition to the Charity's Scheme, the Investment Committee and the Finance & General-Purpose Committee have their own directives laid down by the RA BoM. Direction to the RAA NEC is contained in the RAA Rules and GAls.

Secretariat policies, which are agreed by the committees, trustee and the BoM, are in place in order to ensure the smooth and effective running of the charity. The charity's risk register is reviewed annually by the trustee. 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 trustee so that members can consider issues in depth before meetings. Members also receive regular reports on the value and movement of the charity's investment portfolio. The Chairman of the trustee and the Regimental Secretary meet regularly (usually weekly) to discuss issues.

Charity Commission Governance Code

The trustee, 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 has produced a Service charity toolkit based on the 2017 Charity Commission Governance guide. The trustee board carried out a self-assessment process using the toolkit in 2019. This has enabled the board to identify where a number of enhancements 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.

Key Management Personnel

The Regimental Secretary is the Chief Executive of the RAA and is responsible for: the day-to-day management of the charity's business; implementing policies agreed by the RACF trustee and; the management of the staff. He is supported by the RAA Secretary and his staff of two. The Finance Secretary is responsible to the Regimental Secretary for the accounting of funds and all financial records.

Review of Financial Activities

The charity's funds continue to be employed to support the efficiency of the Royal Artillery by supporting comradeship and promoting esprit de corps, and to relieve need, hardship or distress as stated in its Objects.

The results of the charity's activities are summarised on page 13. In 2024 the charity had an excess of expenditure over income, before gains on investments, of £102,541 (2023: Excess of expenditure over income £55,373). After investment gains of £83,777, (2023: gains of £61,292) there was a net decrease of funds of £18,564 (2023: net increase of £5,919). Investment gains were directly attributable to market movements and stock selections whilst the market slowly recovered.

There are five main income streams. They are:

- Branch Income and Subscriptions
- Service Pay Giving Scheme (SPGS), where all serving personnel are encouraged to give part of their pay to the charity.
- Donations including donations from RACF

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TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Review of Financial Activities continued

- Investment income.
- General Donations.

This year a large proportion of Income came from branch income and subscriptions which was 50% of our Income. Income from SPGS 17%, Income from donations 21% and Investment income 9% remained a consistent source of revenue.

Total central income decreased by £4,566 to £122,562. This was mainly due to a decrease in donations from RACF due to a decrease in Battery Grants in 2024. In 2024, there were no legacies (2023: 1 totalling £3,794) and 39 donations giving £7,961 (2023: 30 totalling £4,573).

Income from Branch events and subscriptions to date are £121,418 (2023: £142,522).

Income collected through the Service Pay Giving Scheme from officers, soldiers and members of the Reserve regiment has increased slightly by £1,329 to £41,721.

This year RAA received a grant of £28,774 from RACF for Battery grants (2022: £35,841).

Charity's investments generated £21,087 of income. This was 10.9% of total income, Investment income decreased slightly by £27.

Total expenditure decreased by £24,498 to £346,521. This is due to a grant to RAM for the refurbishment of Sexton, which is a WW2 Sexton self propelled gun, another contributing factor is a slight decrease in branch activity.

This is due a steady decrease in branch activities returning .

The trustee approves the forecast of income and expenditure annually and monitors it regularly through the Finance & General Purpose Committee and at Board meetings.

Charitable Activities

The RAA supports charitable activity by: 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 36 grants worth £28,774 to batteries to promote comradeship and esprit de corps (2023: 42 totalling £35,841). No grants were made in support of branches (2023: 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 Object of the RAA is to promote efficiency within the Royal Artillery by: providing comradeship to serving and retired members of the Regular and Reserve regiment; and by aiding those same members and their dependants in cases of need. 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 RAA contributes considerable public

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Public Benefit continued

benefit to the local and national community by relieving need and providing comradeship to 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 trustee has had regard to the Charity Commission's guidance on Public Benefit.

Future Plans

The charity has sufficient funds to support its future operations to deliver its charitable Objects. Research carried out by the Royal British Legion has shown that there is still a very large ex-Service community, however those ex-Servicemen who saw service in the Second World War and during National Service will gradually diminish over the next 10 years. Work has commenced on improving the Association's ability to promote the RAA amongst the recently retired and serving soldiers and recruit new members.

Reserves Policy

The trustee's policy is to maintain a sufficient level of reserves, within the investment portfolio to provide: a stable base for the charity's continuing activities; sufficient funds to cover routine management and administrative costs; make provision for any emergency applications for grants which arise from time to time. 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.

Total funds as at 31 December 2024 were £1,848,484 (2023: £1,867,248).

Unrestricted reserves included funds for the ladies section of £792 (2023: £792) were £1,587,145 (2023: £1,609,542) of which are all free reserves.

Designated Funds were £261,339 (2023: £257,706) for the purpose of RAA Branches.

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 comradeship, welfare services and programmes, and to secure, as far as possible, future financial viability.

Following the 2024 review, the trustee determined that the RAA should hold a minimum of £1,000,000 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 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 £1,587,110 (2023: £1,609,542) currently exceed this requirement. The trustee is 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 income.

In 2024 the charity's investments generated £21,087 of income. This was 9% of total income, Investment income decreased by £27 from 2023, which was due to the current volatility of the markets, which has impacted on dividends. Despite the slight fall in returns, without this income, the charity's activities and

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Reserves Policy continued

support to those in need would be significantly curtailed.

The trustee believes 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 trustee recognises that it has no long term mandated liability for any particular level of benevolence. There is therefore the ability either to reduce expenditure to match any reduction in income or to liquidate unrestricted assets 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.

Unrestricted funds were £1,587,145 (2023: £1,609,542) most of which is represented by investments, which provide a significant part of the charity's income but are available for spending if necessary.

Investment Policy

The trustee's Investment Committee meets twice a year to consider the performance of the RAA'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 its 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 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 ESG factors in their research and investment decision making process.

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Fundraising

The trustee is very clear that all fundraising must be legal, open, honest and respectful. Nationally the charity does not actively engage in regular and organised fundraising, although it does make provision through its website to receive donations and legacies. It receives the bulk of its income through investments, the Royal Artillery's 'service giving scheme' and from grants made by the RACF. 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 through online options such as 'Enthuse' and 'Just Giving'. The charity does not solicit funds through direct approaches to individuals via mailshots or online unless consent has been obtained. Branches and individuals, if they wish, may raise funds for the charity and if so are provided with sealed collection buckets. In most cases branches prefer to raise funds for the RACF. 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 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 pressure to donate.

Trustee Training

Trustee responsibilities and necessary training are taken very seriously. All new members of the trustee board 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 a copy of the Scheme. Recent RAA 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 trustee maintains a continuous oversight of the principal areas of the RAA's operations and the major risks which may arise. In the opinion of the trustee, 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 the trustee each year and actively managed by the trustee, 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 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's 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 Rules and General Administrative Instructions (GAIs) and the monitoring of branch fundraising activities.

Remuneration Policy

No member of the trustee board is paid for services as a trustee or related work, though travel and subsistence costs incurred as a trustee are reimbursed. The trustee reviews staff salaries annually and takes into account the MoD pay awards for similar grades, when agreeing any pay increases.

THE ROYAL ARTILLERY ASSOCIATION

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Employees

The RAA 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 make 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 and consider the MoD pay awards for similar grades, when recommending any pay increases.

Statement of Trustee's Responsibilities

The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustee to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity. These include details of income and expenditure and of the application of resources for the accounting period. In preparing these financial statements, the trustee is 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 trustee is also responsible for safeguarding the assets of the charity, including taking reasonable steps to prevent and detect fraud and other irregularities.

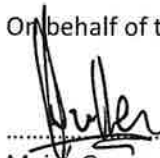
The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charities Acts 2011 and; the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)).

Statement as to Disclosure of Information to Auditors

In so far as the trustee is aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has 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.

On behalf of the trustee:


Major General DM Cullen CB OBE

11 June 2025
Chairman of the RAA trustee (RACF) Board

THE ROYAL ARTILLERY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of The Royal Artillery Association for the year ended 31 December 2024 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 state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustee's 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 charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

THE ROYAL ARTILLERY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2024

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee

As explained more fully in the Trustee's Responsibilities Statement set out on pages 8, the trustee is 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 trustee determines 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 trustee is responsible for assessing the charity'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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 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 auditors' 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 charity'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 charity by discussions with informed management and updating our understanding of the sector in which the charity operates.

THE ROYAL ARTILLERY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2024

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 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 charity'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 charity'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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustee 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 charity and the trustee as a body, for our audit work, for this report, or for the opinions we have formed.

THE ROYAL ARTILLERY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE
FOR THE YEAR ENDED 31 DECEMBER 2024

Saffery LLP

Saffery LLP

Statutory Auditors
71 Queen Victoria Street
London
EC4 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 ASSOCIATION

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

		Unrestricted Funds			
<u>Income and expenditure</u>		2024		2023	
	Note	£	£	£	£
<u>Income</u>					
Donations & Legacies incl Subscriptions	2	93,580		98,888	
Investment income		21,087		21,114	
Other Income	3	7,895		7,126	
Total of Income			122,562		127,128
Branch events and subscriptions			121,418		142,522
<u>Total income</u>			243,980		269,650
<u>Expenditure</u>					
Charitable activities	4		228,736		202,312
Branch expenditure			117,785		122,711
<u>Total expenditure</u>			346,521		325,023
Net(expenditure) before gains on investments			(102,541)		(55,373)
Net (losses)/gains on investments			83,777		61,292
<u>Net Income and net movement in funds</u>			(18,764)		5,919
Total funds brought forward			1,867,248		1,861,329
<u>Total funds carried forward</u>			1,848,484		1,867,248

The notes on pages 16 to 22 form part of these financial statements.

THE ROYAL ARTILLERY ASSOCIATION

BALANCE SHEET **31 DECEMBER 2024**

	Note	2024		2023	
		£	£	£	£
<u>Fixed assets</u>					
Investments	5		1,205,797		1,121,793
<u>Current assets</u>					
Debtors	6	3,625		4,042	
Cash	7	403,915		523,314	
Branch cash		261,339		257,706	
		668,879		785,062	
<u>Current liabilities</u>					
Creditors: Amounts falling due within one year	8	(26,192)		(39,607)	
Net current assets			642,687		745,455
<u>Net assets</u>			1,848,484		1,867,248
<u>Funds</u>					
Unrestricted	9		1,587,145		1,609,542
Designated	10		261,339		257,706
			1,848,484		1,867,248

Approved by the trustee on 11 June 2025



D M Cullen CB OBE
Major General
Chairman of the RAA Trustee (RACF) Board

The notes on pages 16 to 22 form part of these financial statements.

THE ROYAL ARTILLERY ASSOCIATION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Net cash used in operating activities	1	(136,627)	(70,237)
<u>Cash flows from investing activities</u>			
Dividends, interest and rents from investments		21,087	21,114
Purchase of investments		(443,446)	(835,838)
Proceeds from sale of investments		444,038	837,770
Net cash used in investing activities		21,679	23,046
Net increase in cash & cash equivalents		(114,948)	(47,191)
Cash & cash equivalents at the beginning of the year		785,552	832,743
Cash and cash equivalents at end of the year	2	670,604	785,552

Notes to the cash flow statement

1.	Reconciliation of net movement in funds to net cash flow from operating activities		2024 £	2024 £
	Net movement in funds		(18,764)	5,919
	Loss/(gain) on investments		(83,777)	(61,292)
	Investment income		(21,087)	(21,114)
	Decrease in debtors		417	(646)
	(Decrease)/increase in creditors		(13,416)	6,896
	Net cash used in operating activities		(136,627)	(70,237)
2.	Analysis of cash and cash equivalents and net debt	At 1 Jan 2024 £	Cash flow £	At 31 Dec 2024 £
	Cash on short term deposit	523,771	(123,868)	399,903
	Cash current account	(457)	4,469	4,012
	Cash held by branches	257,706	3,633	261,339
	Cash balance before investments	781,020	(115,766)	665,254
	Cash held in Investments	4,532	818	5,350
	Net cash provided by operating activities	785,552	(114,948)	670,604

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

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historic cost convention, except for 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 (FRS 102) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP (FRS 102) rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 2005 which has since been withdrawn.

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

Preparation of a cash flow statement

A cashflow statement is provided at page 15.

Branches

Branch transactions with third parties are accounted for gross in the financial statements and branch assets and liabilities are incorporated into the balance sheet. Individual branches receive donations to spend on comradeship within their branches and local area. Branch events are sponsored by these funds.

Investments

Investments are shown in the balance sheet at their market value. The unrealised movement in market value from one year to another is recognised in the Statement of Financial Activities.

Donations and legacies Including Subscriptions

Subscriptions and donations are recognised as income when the amounts are receivable. Legacies are recognised when received or receipt is probable and the value can be measured with sufficient reliability.

Investment income

Investment income is credited to the statement of financial activities when its receipt is probable and the amount receivable can be measured reliably.

THE ROYAL ARTILLERY ASSOCIATION

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

Fund Accounting

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

Going Concern

The trustee has 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.

Expenditure and support costs

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

Support costs are those costs which have not been directly allocated to an activity of the charity but nevertheless support these activities. All costs relate to the core charitable activities except branch expenditure which is shown separately.

Pensions

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

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.

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 except for 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

THE ROYAL ARTILLERY ASSOCIATION

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

Financial instruments continued

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.

Critical estimate and judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustee is 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 is no critical estimate, judgements or key sources of estimation in 2024 or 2023.

2	<u>Donations & Legacies (incl subscriptions)</u>	2024	2023
		£	£
	Serving regiment (Service pay Giving Scheme)	41,721	40,392
	Legacies	-	3,794
	General Donations	7,961	4,573
	Donations – RACF	28,774	35,841
	Donations – Branch Liaison Officer	-	-
	Intangible Income – Wages in Kind	15,124	14,288
		<u>93,580</u>	<u>98,888</u>
3	<u>Other Income</u>	2024	2023
		£	£
	RAA Event Income	1,050	1,375
	Merchandise Income	52	154
	Christmas Card Income	942	766
	Bank Interest	5,851	4,831
		<u>7,895</u>	<u>7,126</u>

THE ROYAL ARTILLERY ASSOCIATION

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

4	<u>Charitable activities</u>	2024	2023
		£	£
	RA Assembly	7,750	6,221
	RA Assembly Awards	483	325
	NMA	5,726	5,220
	Gunner Sunday	1,381	1,399
	RAA 100	6,884	10,416
	NMA Maintenance	3,324	-
	Regimental Welfare/Comradeship	28,774	35,841
	Mansergh Award	2,056	587
	Grant to RAM	39,400	5,000
	Miscellaneous grants	1,146	4,147
		<u>96,924</u>	<u>69,156</u>
	Support costs to Charitable Activities:		
	Administrative Salaries recharges by RACF	59,365	59,318
	Employer Pension Contribution	5,282	5,042
	Wages in kind	15,124	14,288
		<u>79,771</u>	<u>78,648</u>
	Travelling and subsistence (incl. Standard Bearers)	13,309	15,155
	NEC, Regional Reps, District travel & subsistence	3,031	2,125
	Branch travel	19,659	20,556
	Office costs (incl. publicity & postage)	7,857	10,632
	Publicity	1,542	339
	Miscellaneous costs	2,096	1,141
	Governance costs:		
	Professional Fees	-	-
	Audit	4,547	4,560
		<u>52,041</u>	<u>54,508</u>
	<u>Total charitable activities</u>	<u>228,736</u>	<u>202,312</u>

THE ROYAL ARTILLERY ASSOCIATION

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

Charitable activities continued

The trustee / RACF trustees received no remuneration or any other payments other than refund of travel and subsistence costs. £1,156 for out of pocket travel expenses was claimed in 2023 by 1 trustee (2023: £1,156 by one trustee).

5	<u>Fixed assets investments</u>	2024	2023
		£	£
	Quoted investments:		
	Market value at 1 January	1,121,793	1,058,128
	Net additions/cash movements at cost	443,446	835,838
	Sale Proceeds – Investments	(444,038)	(837,770)
	Net realised/ unrealised investment gains/(losses)	83,777	61,292
	Cash Commitments	819	4,305
	Market value at 31 December 2024	1,205,797	1,121,793
	Historical cost at 31 December 2024	1,043,451	1,020,133

There are no individual holdings which are considered to be significant.

6	<u>Debtors</u>	2024	2023
		£	£
	RAGCT – Gift Aid	19	13
	Accrued Service Giving Income	3,533	3,479
	RACF	73	550
		3,625	4,042

7	<u>Cash on Short term Deposit</u>	2024	2023
		£	£
	Lloyds TSB Bank PLC – Current account	4,012	(457)
	Lloyds TSB Bank PLC – Deposit account	399,903	523,771
		403,915	523,314

8	<u>Creditors - amounts falling due within one year</u>	2024	2023
		£	£
	RA Charitable Fund	21,685	34,917
	Creditors and accruals	4,507	4,690
		26,192	39,607

THE ROYAL ARTILLERY ASSOCIATION

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

9 Movement in funds

	Balance at 1 January 24	Incoming Resources	Outgoing Resources	Net Gain on Investment	Balance at 31 December 24
	£	£	£	£	£
Unrestricted					
Ladies Section	792	-	-	-	792
Amenities					
General Fund	1,608,750	122,562	228,736	83,777	1,586,353
	<u>1,609,542</u>	<u>122,562</u>	<u>228,736</u>	<u>83,777</u>	<u>1,587,145</u>
Designated funds					
Branches	<u>257,706</u>	<u>121,418</u>	<u>117,785</u>	<u>-</u>	<u>261,339</u>
Total	<u>1,867,248</u>	<u>243,980</u>	<u>346,521</u>	<u>83,777</u>	<u>1,848,484</u>

2023 Comparison

	Balance at 1 January 23	Incoming Resources	Outgoing Resources	Net Gains on Investment	Balance at 31 December 23
	£	£	£	£	£
Unrestricted					
Ladies Section	792	-	-	-	792
Amenities					
General Fund	1,622,642	127,128	202,312	61,292	1,608,750
	<u>1,623,434</u>	<u>127,128</u>	<u>202,312</u>	<u>61,292</u>	<u>1,609,542</u>
Designated funds					
Branches	<u>237,895</u>	<u>142,522</u>	<u>122,711</u>	<u>-</u>	<u>257,706</u>
Total	<u>1,861,329</u>	<u>269,650</u>	<u>325,023</u>	<u>61,292</u>	<u>1,867,248</u>

THE ROYAL ARTILLERY ASSOCIATION

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

10 Analysis of net assets between funds

	Investments £	Current assets £	Net Total £
Unrestricted funds:			
General	1,205,797	380,556	1,586,353
Ladies Section Amenities	-	792	792
	<u>1,205,797</u>	<u>381,348</u>	<u>1,587,145</u>
Designated funds:			
Branches	-	261,339	261,339
	<u>1,205,797</u>	<u>642,687</u>	<u>1,848,484</u>

2023 Comparison

	Investments £	Current assets £	Net Total £
Unrestricted funds:			
General	1,121,793	486,957	1,608,750
Ladies Section Amenities	-	792	792
	<u>1,121,793</u>	<u>487,749</u>	<u>1,609,542</u>
Designated funds:			
Branches	-	257,706	257,706
	<u>1,121,793</u>	<u>745,455</u>	<u>1,867,248</u>

12. Related party transactions

Income of £41,721 (2023: £40,392) was received from the Royal Artillery General Charitable Trust (RAGCT). A number of the RACF trustees are also trustees of the RAGCT. This income relates to accrued Income from the Service Giving Scheme, which were voluntary contributions from service personnel. At the year end, a balance of £3,533 (2023: £3,479) is included within debtors for this income.

An amount of £21,865 (2023: £32,544) is included within creditors for the RACF. The RACF is the corporate trustee of the RAA. This income relates to Investment fees owed from RAA to RACF.

The RACF made a £28,774 (2023: £35,841) grant to the RAA in 2024.