

**Service Non Public Funds Final Accounts,**

Army

Form N1514

**Managing Trustee's Report, Internal Audit**

(Rev

11/09)

**Board Report and Independent Examiner's Report (SORP 2005 compliant)****Regimental Accountant Scheme**

Unit Royal Military Academy Sandhurst

Address Camberley, Surrey, GU15 4PQ.

In respect of **Sandhurst Station Nursery** Fund/CharityThe Charity Commission/Regulator registered number: **1063170**For the period 01 April 2024 to 31 March 2025  
from**Managing Trustee(s) during the period:**

From	01 Apr 2024	to	31 Mar 2025	Name	Lt Col D O'Connor RGR
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**Fund Manager(s) during the period:**

From	01 Apr 2024	to	31 Mar 2025	Name	Mrs M Watts
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**Internal Auditor(s) during the period:**

From	01 Apr 2024	to	06 May 2024	Name	WO1 R Slater AGC(SPS)
From	07 May 2024	to	31 Mar 2024	Name	WO1 C Glasgow AGC(SPS)

**Associate Auditor(s) during the period:**

Associate Auditor	N/A
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**Regimental Accountant(s) during the period:**

From	01 Apr 2024	to	13 Oct 2024	Name	SSgt E Lewis AGC(SPS)
From	14 Oct 2024	to	31 Mar 2025	Name	SSgt R Whyte AGC(SPS)

[20250331-Nursery Paxton Reports.pdf](#)

**Notes to the Accounts (Paras 2 to 12 are to be completed by all funds which have a gross income of £100K or over and those funds already registered with the Charity Regulator, all other funds are to complete Paras 6 and 7 and the declarations at Para 12):**

1. Principal Accounting Policies

- a. Accounting Convention. The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP) 2005 (<http://www.charitycommission.gov.uk/investigations/sorp/sorp05docs.asp>)
- b. Incoming Resources. Income is recognised in the period in which the charity is entitled to receipt, and the amount can be measured with reasonable certainty. Grants from other agencies including donations and other income from activities are in furtherance of the charity's objects and are part of the general funds of the charity. A restricted fund is only recognised where this is an agreed and explicit condition of the grant or donor.
- c. Intangible Income. Due to the close collaborative relationship and the manner in which the charity's activities compliment those of the Army, intangible income, reflected in time and use of premises is not quantifiable or measurable and so is not recognised in the accounts.
- d. Resources Expended and Basis of Allocation of Costs. Expenditure is included when incurred or exceptionally where a commitment is made which requires an accrual when payment is to be made in the subsequent accounting period. Similarly, where prepayments are made in recognition of commitments falling due in a subsequent accounting period, the appropriate credit is entered in the accounts and reversed the following year. Grants payable are included in the SOFA when approved by the Managing Trustee. Expenditure is recognised in the period in which it is incurred. The majority of costs are directly attributable to specific activities. Irrecoverable VAT is charged to the activity for which it was incurred.
- e. Governance Costs. Governance costs are the costs of professional advice, holding trustee meetings or committee meetings associated with decision making, any fee for audit or independent examination and any fee incurred in the preparation, statutory filing, printing or copying of the annual report and accounts.
- f. Capitalisation and Depreciation of Tangible Fixed Assets. All assets having a purchase value of more than £500 are capitalised. The cost of tangible fixed assets are written off by equal annual instalments over their expected useful lives using the following methods of depreciation:

Furniture, fixtures and equipment -	Straight Line over a period of 2 – 10 years.
Motor vehicles -	Straight Line over a period of 2 – 10 years.

Assets with a life of more than one year but with a purchase value of below £500 are included within the inventory but the cost is written off in the year it is incurred

and is not depreciated over the useful life of the asset. Where the asset is depreciated over a period of more than 10 years, details of the item and period are to be provided following the notes on page 14.

g. Fixed Asset Investments. Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is shown in the Statement of Financial Activities (SOFA).

h. Stocks. Purchased stocks are valued at the lower cost or net realisable value making due allowance for any obsolete or slow-moving items.

i. Funds Accounting. Funds held by the charity are:

(1) General Purpose/Unrestricted /Designated Funds. These are funds that can be used in accordance with the charitable objects at the discretion of the Managing Trustee. Designated funds are unrestricted funds which have been allocated/earmarked for a particular purpose by the Managing Trustee and are to be declared in the Managing Trustees comments in accordance with Para 12 to these notes stating what they are intended to be used for and when.

(2) Endowment Funds. Endowment funds are those investments and other gifts accepted by the unit, the capital sum or property being held in perpetuity and the income only being available for charitable use.

(3) Restricted Funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is to be included in the notes to the accounts.

j. Heritage Assets. In the course of the unit's history, the charity may have acquired gifts, memorabilia, regalia, silverware, antiques and other historical artefacts in the course of distinguished military service in service of the Crown. The value of these pieces is in large part derived from their close association with Regimental history which precludes the use of conventional valuation techniques being applied. Whilst the objects of the charity do not specifically include preservation and conservation, the pieces represent an essential element of celebrating the unit's history and foster esprit-de-corps. Consequently the Managing Trustee considers the charity to hold heritage assets both for functional use and as an element of national history on behalf of the nation. Heritage assets acquired prior to 1 Apr 06 are therefore not capitalised on the balance sheet but a description of those assets is disclosed as part of the notes to the accounts. Heritage assets acquired after 1 Apr 06 where the purchase price is known and which exceed £500.00 are included in the balance sheet at acquisition value but are not depreciated.

k. Other Costs. Other costs are those costs not incurred in the undertaking of charitable activity in furtherance of the objects of the charity, i.e. the provision of facilities, recreational programmes or activities in furtherance of military efficiency. They are also costs incurred in the making of grants and donations, in the costs of generating funds, i.e. the costs incurred in trading or fundraising undertaken by the charity, or in governance costs.



5. Total Value of Investments by Category

	Value (£)
Carrying value (market value) at beginning of year	£15457.60
Add additions to investments at cost (investments purchased)	Nil
Less disposals at carrying value (investments sold)	Nil
Add/(deduct) net gain/(loss) on revaluation (gain/loss at end of accounting period/audit)	-£9942.06
Carrying value (market value) at end of year	£5515.54

Breakdown of Market Values at

<u>Year End</u>	GPF/ Unrestricted	Restricted	Endowment	Total value	Income during year
	Value (£)	Value (£)	Value (£)	Value (£)	Value (£)
Investment properties	Nil	Nil	Nil	Nil	Nil
Investments listed on a recognised stock exchange	Nil	Nil	Nil	Nil	Nil
Investments held in unit trusts or other collective investment schemes	£5515.54	Nil	Nil	Nil	Nil
Investments in subsidiary or connected undertakings and companies	Nil	Nil	Nil	Nil	Nil
Securities not listed on a recognised Stock Exchange	Nil	Nil	Nil	Nil	Nil
Cash held as part of the investment portfolio	Nil	Nil	Nil	Nil	Nil
Other investments	Nil	Nil	Nil	Nil	Nil
Total	£5515.54				

6. List of Debtors

Debtor	Date of Debt	Amount
Louise Duckworth (Petty Cash)	Mar 25	£400
	Total	£400

\* There are no amounts falling due after more than one year (delete as appropriate).

7. List of Creditors

Creditor	Date of Credit	Amount
	Total	

\* There are no amounts falling due after more than one year (delete as appropriate).

8. Paid Employees

	<b>2023/24</b>	<b>2024/25</b>
Gross wages paid (Net Wages + Employee NI + PAYE)	£96,668.87	£171964.50
Employer's National Insurance paid	£6,335.10	£25229.91
Pension Contributions paid	£4,760.16	£6876.07
Total staff costs	£107764.13	£171964.50

Give the number of employees who were engaged in each of the following activities:

	<b>2023/24</b>	<b>2024/25</b>
Costs of generating funds	8	15
Charitable activities	0	0
Other	0	0
Total	8	15

No individual employee received a salary of over £60000.00

9. Governance Costs

	<b>2023/24</b>	<b>2024/25</b>
Audit or independent examination fee	0.00	0.00

10. Restricted/Endowment Funds – 31 March 2025

Give details of the movements of the individual funds summarised in the restricted and endowment column of the Statements of Financial Activities (SOFA).

Fund Name	Fund Bal B/F	Incoming Resources for period	Outgoing Resources for period	Transfers	Gains and Losses	Fund Bal C/F
Nursery Improvements	£765	£0	£79.99	£0	£79.99	£685.01
Decorating	£250	£0	£0	£0	£0	£250

A brief explanation as to the nature and purpose of the charity's Restricted Funds is to be provided.

Name of Restricted Fund	Purpose of fund
Nursery Improvements	To maintain the physical and artificial image of the Nursery that is not covered through the MOD.
Decorating	To maintain the physical and artificial image of the Nursery that is not covered through the MOD.

11. Heritage Assets.

Heritage assets that are owned by the charity but purchased/acquired prior to 1 Apr 06 are not included in the charity's capital property value (see note 1.j). A list/description of these assets is below:

Nil
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12. Declarations

All of the charity's commitments are provided for in the accounts.

No guarantees have been given to third parties.

The charity has not received any loans that are outstanding at the year-end and secured on assets.

The charity has not granted any loans to institutions or companies connected with the charity.

The charity did not make any ex-gratia payments during the year.

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

The financial activities, assets and liabilities of all the charity's branches or sections have been included.

The trustees have not changed the year end date or the length of the charity's financial year.

The charity has no designated funds (if there are designated funds the reason for designation and when each designated fund is intended to be used by is to be stated in the Managing Trustee report).

All the charity's operations are continuing operations and there were no operations discontinued or acquired during the year.

No funds (unrestricted, designated, restricted or endowment) are in deficit at the balance sheet date.

The charity has no intangible assets.

There were no inter-fund loans outstanding at the balance sheet date.

None of the charity's functional fixed assets have been re-valued during the year and the charity does not have a policy of revaluation of these assets.

The charity has no subsidiary companies.

The charity has no material fixed assets which have not been capitalised and included in the balance sheet.

No internal transfers have occurred out of restricted/endowment funds. In the event that a transfer has taken place, full details of the reason for the transfer are disclosed in the Managing Trustee's comments.

All investments held are investment assets in the UK unless otherwise stated.

**Note:** Where any of the declarations are not correct they are to be crossed out and details provided in the Managing Trustees comments.

**Additional comments:**

**Financial Forecast**

<b>Headline Projected Income</b>	<b>Headline Projected Expenditure</b>
Fees (Council and parental): £	Salaries and associated costs:
Fundraising: £	Incidentals and consumables:
Total: £	Total:

I have read through the 1514 and totally concur, as does the Chair and Trustee, that the recommendation that the Nursery should now be self operating, financially. It is thriving due to the uplift in children attending the nursery and fully functioning staffing.

The Chair has taken away, from our last meeting, that we wish to handover the Nursery, as recommended by the Charity Commission. We have not had a reply back as of yet.

Signature     E-Signed  
Name           Mrs M Watts

Fund Manager (Regimental

Accountant Scheme)

Date: 03 Jun 25

## Managing Trustee's Annual Report and Comments:

Unit Royal Military Academy Sandhurst

Address Camberley, Surrey, GU15 4PQ.

Charity name and Charity Commission/Regulator registered number

**Sandhurst Station Nursery - 1063170**

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Description of the charity's trusts

This should include:

- a. Details, including date if known of the charity's governing document (e.g. trust deed, will, constitution etc); and
- b. A brief explanation of the charity's objects.

Where applicable, you may choose to give details of any specific investment powers of the charity.

Governing Document (e.g. Trust Deed, Constitution)	Sandhurst Station Nursery Group Constitution adopted on 8 May 2019.
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Objects of the Charity	Enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups; by offering appropriate play, education and care facilities to such children; and encouraging the study of the needs of such children.
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Explain briefly how trustees are elected or appointed and details of any induction and trustee training attended.

Trustee selection method	The Commanding Officer Sandhurst Training Support Unit is the Managing Trustee by appointment. Charity Trustees are committee members appointed in accordance with the constitution.
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Trustee induction and training	The Managing Trustee completes the Commanding Officer Designates Course. There is no formal training for other Charity Trustees but they are all invited to read key guidance for trustees available from the Charity Commission.
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Explain about what the charity is trying to do and how it is going about it. You are only required to provide a brief summary of the main activities and achievements of the charity during the year in relation to its objects.

Summary of main	The principle Charitable Purpose of Sandhurst Station Nursery is the
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<p>activities in relation to the Charity's objects</p>	<p>advancement of education for service children and children of Civil Servants based at the Royal Military Academy Sandhurst. The nursery achieves this by providing supervised play and educational facilities following the Early Years Foundation Stage (EYFS) framework in an OFSTED registered setting. The Nursery caters for two main cohorts of children: pre-school (3-5 years of age); and toddler (12 months to 3 years). The nursery provides morning and afternoon sessions, and a supervised lunch club. The nursery operating hours are currently 0800-1600, and this is due to change later in the year to extend provision even further.</p> <p>A considerable proportion of the children are from a Nepalese background and the nursery fosters a diverse and multi-cultural approach to its activities, seeking to ensure the children have a positive and healthy approach to diversity issues.</p> <p>In determining these activities, the trustees had paid due regard to the guidance issued by the Charity Commission on Public Benefit.</p>
<p>Summary of main achievements of the Charity during the year</p>	

Provide a brief review of the financial position of the charity. This should include the principal types of income.

<p>Financial Review</p>	<p>The charity has remained solvent throughout the year, has undertaken its activities as expected, and has been able to meet all of its financial obligations.</p>
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The Managing Trustee should give in their report a description of the following policies:

- a. For the selection of investments for the charity.
- b. For determining the level of income reserves held, stating and explaining the level of reserves held.
- c. Where grants are made by the charity, the selection of individuals and institutions who are to receive grants out of the assets of the charity.

<p>Financial reserves policy</p>	
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<p>Investments selection policy and performance of those investments.</p>	<p>N/A</p>
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Provide the name of all trustees/the Managing Trustee(s) during the report year.

Managing Trustee's name/trustees' names	Lt Col D O'Connor (Managing Trustee) Mrs Amanda Ford (Chair of Trustees) Mrs Sue Polley (Trustee)
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Serious Incidents	
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Public Benefit Statement	<p>This fund provides public benefit by providing supervised play and educational facilities to children from a variety of diverse backgrounds following the EYFS framework in an OFSTED registered setting, thereby contributing to the Advancement of Education.</p> <p>(I confirm that I have paid due regard to the Charity Commission of England and Wales's guidance on public benefit when deciding what activities the charity should undertake).</p>
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Additional comments (include any declarations which were not correct (Pg 12/13)):

The Nursey provides an essential service to RMAS families. Any loss of Nursery services will be severely felt across RMAS; it is of utmost importance that the Nursery remains open.

The Fund Manager who is the Station Staff Officer, has been doing some sterling work to keep this Nursery afloat. Recent communications with RC have identified potential opportunities to franchise out this Nursery to a private contractor.

In the interim, I would love to see some creative means of raising funds and a greater contribution from the Comdts Fund. The Financial Forecast produced by the FM shows projected income exceeding expense; if all goes to plan there should be a £14K+ surplus the next FY.

The goal is to handover the running of the Nursery to a private contractor. Planning is still in its infancy stage; i.e., it is too early to comment further on this matter.

There has also been significant work done with the local council to increase the size of the nursery in order to increase capacity and income.

Signature



Name Lt Col D O'Connor RGR

Date: 10 Jun 25

Appointment CO TSU

### **Internal Auditor's/Audit Board Report**

1. I have examined the books of account and records from which the final accounts were prepared and have obtained all the information and explanations that were necessary for the purpose of my internal audit.
2. There is evidence that an Audit Board was convened for the end of year audit in accordance with SFRs Para 0510 and QRs 1975.
3. Subject to the observations given below I am satisfied that proper books of account have been kept and that the final accounts give a true and fair view of the results of transactions over the period and of the state of the Fund's affairs as at the date of the balance sheet. Subject also to my observations I am satisfied that cash and bank

balances and stocks on hand have been properly checked at prescribed intervals and that adequate insurance exists.

4. I have stamped and signed the original books of account and the original records I have checked. All vouchers relating to this account period have been cancelled.

**Comments/observations:**

The Lakeside Nursery Group fund continues to be in a strong financial position with a year-end fund balance of £97,474.23, showing a surplus of £68,258.22. Financial records are well maintained. However, classification and oversight issues require attention to ensure regulatory compliance.

The Nursery Fund is non-charitable in nature, as it does not fulfil the criteria of a charitable fund under Service Funds or Regimental Accountant Scheme classifications. Operating this fund under Service or Regimental Accountant Schemes exposes RMAS to regulatory risk. A clear separation should be implemented to prevent misuse MoD public fund resources including staff in support of this fund.

This has been acknowledged by the trustees, who are actively seeking to outsource the fund's management to a private contractor.

However, the fund continues to deliver tangible benefits to Service personnel and their families. Given this benefit, continued operation under current management is a tolerable risk, but one that must be actively managed and time limited.

**Summary:**

While the Nursery fund is well managed and financially sound, the continued operation within RMAS accounting structures is not compliant with regulations for Charitable or Regimental funds. The trustees are encouraged to expedite the outsourcing process. In the meantime, continued operation is a manageable and justified risk, provided that oversight is strengthened and timelines are enforced.

Signature: Electronically Signed

Name WO1 C Glasgow AGC(SPS)

Date: 27 May 25

Appointment Internal Auditor

## **Comd/SO2 SPS – Independent Examiner’s Report on the Accounts, and Comments**

### Respective Responsibilities of Trustees and Examiner

The Charity’s Trustees are responsible for the preparation of the accounts. The Charity’s Trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

It is my responsibility to:

- a. Examine the accounts (under section 43(3)(a) of the Act).
- b. Follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act).
- c. State whether particular matters have come to my attention.

## Basis of Independent Examiner's Statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

## Independent Examiner's Statement

In connection with my examination, no matter has come to my attention (other than that disclosed overleaf\*):

a. Which gives me reasonable cause to believe that in any material respect the requirements:

(1) To keep accounting records in accordance with section 41 of the 1993 Act:

(2) To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act:

have not been met.

b. To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

\* Delete as applicable.

**Comd/SO2 SPS – Independent Examiner’s Report on the Accounts, and Comments**

Disclosure Section (Only to be completed if the examiner needs to highlight material problems/discrepancies)

Give here brief details of any items that the examiner wishes to disclose

Comd/SO2 SPS Comments

Independent Examiner’s \_\_\_\_\_  
Signature

Name Maj SP Adcock AGC (SPS)

Date: \_\_\_\_\_

Appointment SO2 SPS