



THE ROYAL ARTILLERY INSTITUTION LIMITED
(A Company Limited by Guarantee)

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

Registered Charity No: 1122002

Registered Company No: 6446232

ROYAL ARTILLERY INSTITUTION LTD

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THE ROYAL ARTILLERY INSTITUTION LTD

TRUSTEES AND ADMINISTRATIVE INFORMATION

Patron Her Majesty Queen Elizabeth II

RAI Trustees During the year ended 31 December 2021, and up to date of approval of this report, the trustees were:

Chairman

Major General DM Cullen CB OBE - Chairman

Members

Brigadier NA Clissitt	
Colonel LM Forbes TD VR	Colonel RA Reserves
Col C Palmer	Deputy Commander 1 st ISR Brigade
Colonel G Taylor	Commander 7 th Air Defence Group
Colonel RST Murphy TD VR QVRM	Deputy Commander 1 st Artillery Brigade (Retired 7 Feb 22)
Colonel MAA Dornan	Comdt Royal School of Artillery (Appointed 26 July 21)
Colonel AB Phillips	Comdt Royal School of Artillery (Retired 23 Jul 21)
Lieutenant Colonel JRM Gower MBE VR	
Lieutenant Colonel SJR Halliday TD	
Major MG Williams	
WO1 (RASM) L Sanders	Royal Artillery Sergeant Major (Appointed 7 Jun 22)
WO1 (RASM) RR Mealand	Royal Artillery Sergeant Major (Retired 29 Apr 22)

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

Bankers Lloyds Bank PLC
39 Piccadilly
London W1V 0AA

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

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

Investment Managers Brewin Dolphin
12 Smithfield Street
London EC1A 9BD

Address Royal Artillery Barracks
Larkhill
Salisbury
Wiltshire SP4 8QT

Registered Charity No

1122002

Company No

6446232

THE ROYAL ARTILLERY INSTITUTION LTD

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Board of Trustees of The Royal Artillery Institution Ltd¹ (RAI) present their report and accounts for the year ended 31 December 2021 as required under the Companies Act 2006. The accounts comply with the Companies Act 2006, the charity's governing document and the relevant Statement of Recommended Practice (the Charities SORP (FRS 102)). The RAI is a charitable company, limited by guarantee and not having share capital. It is governed by Articles of Association. The Trustees' Report incorporates the directors' report for Companies Act purposes.

Objects

The object of the charity, as described in its Articles of Association, is the promotion of the efficiency of the Royal Regiment of Artillery and the Officers, Warrant Officers and Other Ranks thereof. The charity meets that requirement by making grants to regiments, individuals and other regimental organisations in support of regimental affairs. Regimental affairs are those matters which are essential to the domestic life of the Regiment as a whole and which are controlled by the Regiment itself, subject to the requirements of prevailing legislation. The following activities are included: regimental property; regimental ceremonies, events and entertainment; educational, historical and heritage affairs; support to units and individuals, regimental sports and adventurous training, publications; supplementary support for Royal Artillery bands; policy for regimental matters such as dress, messes, heritage and ceremonial, all of which are supported by grants from the charity. Regimental welfare and the fostering of comradeship among all Gunners, serving and retired, are the responsibility of the Royal Artillery Charitable Fund (RACF) and Royal Artillery Association (RAA).

Organisation

The duties of the RAI 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 RAI works closely with a number of other charities, in particular the Royal Artillery General Charitable Trust (RAGCT), RACF and RAA, 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 RACF / RAA. The RACF is the sole corporate trustee of the RAA. Subordinate to the Board of Trustees are the Investment Committee and a Finance and General Purposes Committee. These committees comprise trustees from both RAI and RACF, who have been co-opted for their skills and knowledge, so as to ensure that high quality advice may be provided to the RAI Board. The reports of these committees form part of the agenda of the meetings of the RAI Board of Trustees. The trustees form the membership of the RAI. The Master Gunner's Committee sets the strategic framework for the Regiment and acts as an advisory board to the RAI Board of Trustees as required. The Chairman of the RAI 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 RAI works closely with other Royal Artillery charities and organisations that support and promote the Royal Artillery's heritage and traditions, most notably the Royal Artillery Historical Trust, the Royal Artillery Historical Society and the Royal Artillery Museum.

1. While the Charity Commission and Companies House websites show the name of the company / charity as 'Royal Artillery Institution Ltd', its correct title in accordance with its Articles of Association is 'The Royal Artillery Institution Ltd'.

Governance

In addition to the Articles of Association, the 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 RAI 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 during 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. It is planned to repeat self-assessment process in 2022.

Selection of Members of the RAI 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 is the Head of the Regimental Family, but he is not a trustee. The Master Gunner 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 between them represent a large proportion of serving Gunner soldiers and officers.

Key Management Personnel

The Regimental Secretary is the Chief Executive of the RAI 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 Assistant Regimental Secretary leads on day to day activities and acts as staff officer to the Master Gunner.

Review of Financial Activities

The charity's funds continue to be employed to promote efficiency within the Royal Artillery. The detailed results for the year under review are shown in the Statement of Financial Activities at page 14. In 2021 the charity had an excess of income over expenditure before gains on investments of £45,815 (2020: Income over expenditure before gains on investments £669,736. After investment gains of £1,489,875 (2020: gains of £226,286) there was a net increase in funds of £1,535,690 (2020: £896,022).

Review of Financial Activities continued

Total income decreased by £5,511 in the last financial year to £878,295 mainly due to a decrease in the grant received from RACF for Gunner. This was not required due to a decrease in publications and hence expenditure. Investment income from the portfolio achieved in excess of the budgeted £260,000 (the excess being retained in the portfolio) but the total £295,229 was £371 less than 2020. There were no legacies received in 2021 but 217 donations totalling £10,544 (2020: 218 - £7,418). The majority of donations arise from historic standing orders for Gunner Magazine, where recipients have requested to no longer receive the publication but have chosen not to cancel their standing orders. Income collected through the Service Pay Giving Scheme from serving members of the Regiment has increased by £6,266.

General charitable expenditure before the 2020 £500K reversal grant to RAM increased by £110,390 to £701,005 (2020: £590,616). This was mainly due to increased expenditure on some of the activities funded by the charity following the lifting of some COVID19 restrictions. The overall expenditure figure is shown as increasing by £610,389, however, the 2020 account included a significant decrease in expenditure as a result of reversing the proposed 2020 £500K grant award to the Royal Artillery Museum. The remaining increase is accounted for by increased draw down on the Baxter Fund.

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
- Grants
- Donations

The majority of funding comes from investment income (34%) and the SPGS (40%). The RAI drew down £260,000 of investment income, which was in line with the budget for 2021. The balance of income from investments (£35,229) was reinvested within the portfolio.

The trustees approve the forecast of income and expenditure annually and monitor it regularly through the Finance & General Purpose Committee and at Board meetings.

Bids for major grants are called for annually and are scrutinised as part of the budgetary process. Grants made by the Chairman of the Board and Regimental Secretary under their delegated financial powers are subsequently reported to the trustees.

Charitable Activities

The RAI's object is the promotion of efficiency within the Royal Regiment of Artillery. This follows the Charity Commission's guidance on legitimate charitable purposes, one of which is *"The promotion of the efficiency of the armed forces of the Crown"*.

The Charity Commission states: *"The armed forces exist for public defence and security. It is charitable to promote the efficiency of the armed forces of the Crown as a means of defending the country. That includes ensuring that those forces are properly trained and equipped during times of conflict. It also includes providing facilities and benefits for the armed forces"*.

The charity's principal activity during the year was the provision of grants to promote efficiency. During the year the RAI made the following major grants in support of regimental events and activities judged by the trustees as conducive to the promotion of efficiency within the Royal Artillery:

Charitable Activities continued

- Royal Artillery sports teams - £143,618 (Including £51,902 from RACF)
- Regimental heritage - £101,687
- Regimental grants - £66,390
- Gunner magazine & RA Journal within raising funds- £43,539
- Recruiting - £21,800
- RA HQ Mess - £15,494

Details of additional grants can be found on page 20.

The RAI holds and maintains a collection of chattels comprising pictures, silver and furniture which have been acquired by bequest, by purchase through subscription of the officers of the Regiment and through property being held by the charity following the disbandment of regiments and the placing in suspended animation of individual Batteries (a process that has been on-going since the end of the 2nd World War). The charity loans items to regiments, headquarters and some individual officers in representational roles and these are accounted for annually. There are also a number of items on loan to regiments from the Royal Artillery Museum which are also monitored by the charity in order to ensure suitable insurance is in place.

Public Benefit

Accounting for the Collection is the principal responsibility of the Assistant Regimental Secretary who continues to review the holdings and maintain the database as additional items are received or loaned out. Much of the Collection (which totals more than 13,000 artefacts) is held in the Royal Artillery Mess at Larkhill where it imbues a sense of historical continuity, ethos and tradition to members of the regiment, past and present. Other items are loaned to other Royal Artillery messes, other military messes, museums and other public bodies, in all totalling some 120 different locations.

In addition to the above, the RAI continues to provide staff to support the Master Gunner, the Master Gunner's Committee and the Royal Artillery Board of Management in their representative and stewardship roles within the Royal Regiment.

The Objects of the RAI 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 RAI 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, ABF (the Soldiers Charity) and the Royal British Legion (RBL). The trustees have taken due regard of the Charity Commission's guidance on Public Benefit.

Future Plans

The charity has a sound financial base for future operations. The trustees will continue to support the evolving needs of the Royal Artillery and in particular the outcome of the Master Gunner St James's Park's Strategic Review which has six workstreams. The trustees will continue to respond to changes brought about under the workstreams, which are: Governance; People & Ethos; Operational Purpose & Distinctive Competencies; Heritage and; Charities & Veterans. In particular they will seek to further the concept of "One Regiment".

Future Plans continued

In 2020 the trustees agreed to earmark £1.5M of capital funds for future transfer to the Royal Artillery Museum (RAM). Of this £500K was to have been in the form of a grant and £1.0M 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 trustee has 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 £12,681,550 (2020: £11,145,860).

Unrestricted reserves were £11,556,105 (2020: £10,059,931) of which are all free reserves.

Restricted Funds were £1,125,445 (2020: £1,085,929) and comprises of Baxter Fund - £1,097,965; Regimental Church - £16,980 and RA Church Refurbishment - £10,500 of which a large proportion is represented by investments.

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 £10,000,000 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. 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 £11,556,105 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 £295,229 for the charity, of which RAI received £260,000 as in year income. The balance of £35,229 was reinvested into the portfolio. The £260,000 was 34% of total income received.

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

Reserves Policy continued

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 RAI's investments which are managed on a discretionary basis by Brewin Dolphin. The investment objective is to create sufficient income and capital growth to enable the charities 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 costs. 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, and that there is currently no case to prompt a change of investment policy.

Environmental Governance and Social Considerations

The RAI'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.

No complaints were received in 2021.

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 RAI 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 trustees. A register of trustee interests is kept and updated annually. At the start of committee and Board of Management meetings, trustees are reminded to declare any conflict arising from the agenda so that appropriate action can be taken.
- Reputational damage arising from activities. This is mitigated by oversight of activities by the trustees and senior management.

Remuneration Policy

No trustee is paid as an employee or for services as a trustee, though travel and subsistence costs incurred as a trustee are reimbursed. One trustee was engaged through his Company, under contract to supply consultancy services to the charity. This was in line with Clause 6.3 of the Scheme. The trustees review staff salaries annually and take into account the MoD pay awards for similar grades, when recommending any pay increases.

Employees

The RAI 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 liability of RAI trustees for debts of The Royal Artillery Institution Ltd is limited to an amount not exceeding one pound.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the RAI 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.

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)).

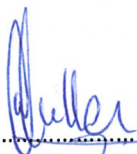
Statement as to Disclosure of Information to Auditors

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 *DM Cullen* 7 June 2022



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Major General DM Cullen CB OBE
Chairman RAI Board of Trustees

THE ROYAL ARTILLERY INSTITUTION LTD

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

Opinion

We have audited the financial statements of Royal Artillery Institution Limited for the year ended 31 December 2021 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 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.

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 pages 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.

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.

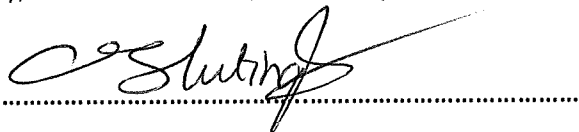
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

THE ROYAL ARTILLERY INSTITUTION LTD

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

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.



.....

Cara Turtington (Senior Statutory Auditor)
For and on behalf of 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 INSTITUTION LTD

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2021

<u>Income and Expenditure</u>	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total £	2020 Total £
Income					
Donations and legacies inc SPGS	2	440,608	-	440,608	434,342
Investment income		261,241	33,988	295,229	295,600
Charitable Activities	3	140,480	-	140,480	152,480
Other Income	4	1,978	-	1,978	1,384
Total income before Expenditure		844,307	33,988	878,295	883,806
Expenditure on:					
Raising funds		97,487	-	97,487	86,925
Net funds available for charitable activities		746,820	33,988	780,808	796,881
Charitable Activities inc Grants paid and payable	5	701,005	-	701,005	108,171
Baxter Fund Grants		-	33,988	33,988	18,974
Total expenditure		701,005	33,988	734,993	127,145
Net income for the year before gains on Investments		45,815	-	45,815	669,736
Net gains on investment assets		1,352,420	137,455	1,489,875	226,286
Net income		1,398,235	137,455	1,535,690	896,022
Transfers	11	97,939	(97,939)	-	-
Net movement in funds		1,496,174	39,516	1,535,690	896,022
Total funds brought forward		10,059,931	1,085,929	11,145,860	10,249,838
Total funds carried forward		11,556,105	1,125,445	12,681,550	11,145,860

The notes on pages 17 to 24 form part of these financial statements

THE ROYAL ARTILLERY INSTITUTION LTD

BALANCE SHEET AT 31 DECEMBER 2021

2020	2021		
	£	£	
Fixed assets			
Investments	6	12,514,425	10,755,035
		<u>12,514,425</u>	<u>10,755,035</u>
Current assets			
Stocks	7	15,043	15,957
Debtors	8	30,095	30,597
Cash at Bank and in hand	9	376,891	495,865
		<u>422,029</u>	<u>542,419</u>
Current liabilities			
Creditors: Amounts falling due within one year	10	(254,904)	(151,594)
Net current assets /(liabilities)		167,125	390,825
Total assets less current liabilities		<u>12,681,550</u>	<u>11,145,860</u>
Funds			
Unrestricted Funds		11,556,105	10,059,931
Restricted Funds	11	1,125,445	1,085,929
		<u>12,681,550</u>	<u>11,145,860</u>

The notes on pages 17 – 24 form part of these financial statements.

Approved by the trustees on 7th June 2022

.....
Major General DM Cullen CB OBE
6446232

Chairman

The RAI Board of Trustees

Company number:

THE ROYAL ARTILLERY INSTITUTION LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	<u>2021</u> £	<u>2020</u> £
Net cash used in operating activities	1	(144,688)	(117,392)
<u>Cash flows from investing activities</u>			
Dividends, interest and rents from investments		295,229	295,600
Purchase of investments		(2,975,547)	(1,143,114)
Proceeds from sale of investments		2,949,779	1,126,261
Net cash used in investing activities		<u>269,461</u>	<u>278,747</u>
Net increase in cash & cash equivalents		124,773	161,355
Cash & cash equivalents at the beginning of the year		647,189	485,834
Cash and cash equivalents at end of the year	2	<u><u>771,962</u></u>	<u><u>647,189</u></u>

Notes to the cash flow statement

1. Reconciliation of net movement in funds to net cash flow from operating activities		2021 £	2020 £
Net movement in funds		1,535,690	896,022
(Gain)/loss on investments		(1,489,875)	(226,286)
Investment income		(295,229)	(295,600)
Increase in investments due to changes in aliquot		-	5,096
Decrease in stock		914	982
Decrease in debtors		502	11,491
Increase/(Decrease) in creditors		103,310	(509,097)
Net cash used in operating activities		<u>(144,688)</u>	<u>(117,392)</u>
2. Analysis of cash and cash equivalents and net debt			
	At 1 Jan 2021 £	Cash flow £	At 31 Dec 2021 £
COIF Charities Deposit	19,622	(19,622)	-
Cash on short term deposit	476,243	(99,352)	376,891
Cash held in Investments	151,324	243,747	395,071
Net cash provided by operating activities	<u>647,189</u>	<u>124,773</u>	<u>771,962</u>

1 Accounting policies

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

1.1 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(FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

1.2 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.

1.3 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. It is allocated to both restricted and unrestricted funds on the basis of an aliquot proportion across the whole portfolio.

1.4 Subscriptions, donations and legacies

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.

1.5 Expenditure & 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.

1.6 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.

1.7 Fund accounting

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

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.

1.8 Fixed asset investments

Fixed assets investments are stated at mid-market value. The unrealised movement in market value from one year to another is recognised in the statement of financial activities.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.10 Pensions

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

1.11 Cash & 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.

1.12 Assets not included within the balance sheet

The collection of chattels comprising of pictures, silver and furniture which have mainly been acquired through bequest, by purchase through subscription of the officers of the regiment and through property reverting to the charity upon disbandment of regiments is not included in the balance sheet as the historic cost of any assets purchased is not known and is considered likely to be immaterial.

The artefacts are largely held at the Royal Artillery Mess at Larkhill with others being held at other military messes, museums and other public bodies. The assets are held as part of the setting of the regiment for future generations.

The insurance value of these assets is £7.5 million.

1.13 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.

1.14 Critical estimate 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 effects both current and future periods.

There are no critical estimates, judgements or key sources of estimation uncertainty in 2021 or 2020.

2 Donations and legacies inc SPGS

	2021	2020
	£	£
Officers' subscriptions (SPGS)	196,378	193,004
Soldiers' subscriptions (SPGS)	149,449	146,557
Reserve Regiments	-	800
Donations	10,544	9,995
Intangible Income – Wages in Kind	84,237	83,986
	<u>440,608</u>	<u>434,342</u>

3 Charitable Activities Income.

	2021	2020
	£	£
RA Publications - Subscription	32,309	39,244
RA Publications – Advertising income	686	600
Grants (RAI & RACF)	55,742	82,000
Grants Received	50,000	-
Government Grant – Furlough	-	11,014
Officers Mess Fund (Writeback)	-	19,622
Royalties	618	-
Investment Income	1,125	-
	<u>140,480</u>	<u>152,480</u>

4 Other Income

	2021	2020
	£	£
Sale of books	219	362
Receipts of Laid Down Wines	1,757	47
Bank Interest	2	-
Sandown Food	-	975
	<u>1,978</u>	<u>1,384</u>

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

5. Charitable Activities - Grants Paid

	2021	2020
	£	£
Annual Allocations:		
The Gunner Magazine	1,160	5,000
The Master Gunner's Fund	3,376	622
RA Sports	143,617	127,477
RA HQ Mess	15,494	6,967
RA Central Sergeants Mess Fund	6,500	13,000
Support of Units - Unit Grants	66,390	65,190
Support to Units – Senior/Commanding Officers	8,142	2,750
Recruiting	21,800	19,561
Regimental Expenses	26,817	742
Annual Contingency Reserve	17,420	4,894
	<u>310,716</u>	<u>246,203</u>
Other Grants:		
Adventurous Training	1,758	1,025
Regimental History VIII	423	10,000
Sandown Transport	-	5,713
Misc	-	521
	<u>2,181</u>	<u>17,259</u>
Grants in Year to RAM	101,687	38,250
Grants Payable to RAM (Cancelled)	-	(500,000)
Total Grants Paid	<u><u>414,584</u></u>	<u><u>(198,288)</u></u>
Support Cost to Charitable Activities:		
Salaries	145,879	145,961
Employers Pension Contributions	10,877	10,805
Wages in Kind	84,237	83,987
	<u>240,993</u>	<u>240,753</u>
Presentation & Awards	7,921	(869)
Printing, postage & Stationery	3,505	3,524
Computer software/Hardware	4,370	2,121
Insurance	3,313	3,831
Chattels (maintenance)	12,540	16,056
Travelling & Entertainment	176	232
Miscellaneous	899	2,994
Audit Fees	8,718	10,170
Audit Fees Under Provision	-	2,250
Legal and Professional Fees	3,986	7,842
	<u>45,428</u>	<u>48,151</u>
Total Charitable Activities	<u><u>701,005</u></u>	<u><u>90,616</u></u>

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Charitable activities - Support Costs continued

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

	2021 Number	2020 Number
Office and administration	5	3

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). One trustee received £468 in respect of consultancy services to the charity (2020: £2,728).

6 Investments

	2021 £	2020 £
<u>Quoted investments</u>		
Market value at 1 January	10,755,035	10,516,573
Purchases	2,975,547	1,143,114
Sales proceeds	(2,949,779)	(1,126,261)
Investment Management Fee	(50,464)	(43,259)
Net realised/unrealised Losses	1,489,875	226,286
Aliquot Changes	-	(5,096)
Cash movements	294,211	43,678
Market value at 31 December	12,514,425	10,755,035
Historical value at 31 December	8,808,917	7,278,707

The following holding exceeded 5% of the total portfolio value at the 31st December 2021 and are considered material.

	£
Vanguard Funds	1,053,713

	2021 £	2020 £
<u>Investment/Cash Breakdown</u>		
Investments	12,119,354	10,603,729
Income Account	27,241	23,882
Dealing & Deposit Account	367,830	127,424
Market value at 31 December	12,514,425	10,755,035

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

7. Stocks

	2021	2020
	£	£
Medals and Swords	8,652	9,566
Books	6,391	6,391
	<u>15,043</u>	<u>15,957</u>

8. Debtors

	2021	2020
	£	£
Accrued Service Giving Income	28,638	29,098
Insurance on behalf of third parties	122	122
Investment Income	1,177	1,212
Gift Aid	158	165
	<u>30,095</u>	<u>30,597</u>

9. Cash at bank and in hand

	2021	2020
	£	£
COIF Charities Deposit Fund	-	19,622
Bank current accounts	376,891	476,243
	<u>376,891</u>	<u>495,865</u>

10. Creditors

	2021	2020
	£	£
Amounts falling due within one year:		
Gunner Investment Income	1,177	1,212
RAHT Investment Income	8,007	7,582
CSM Investment Income	19,547	17,151
Accrual - Audit and accountancy	9,444	10,170
RAM	48,000	-
Other Creditors	32,191	17,540
RHA Association	113,372	97,939
Red Cypher	23,166	-
	<u>254,904</u>	<u>151,594</u>

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

11. 2021 Restricted Fund

	Balance 1 January 21 £	Incoming Resources £	Outgoing Resources £	Net Gain on Investment £	Transfers £	Balance at 31 December 21 £
Baxter Fund	960,510	33,988	33,988	137,455	-	1,097,965
Royal Horse Artillery Assoc	97,939				(97,939)	-
Regimental Church	16,980	-	-	-	-	16,980
Royal Artillery Church Refurbishment	10,500	-	-	-	-	10,500
Total	1,085,929	33,988	33,988	137,455	(97,939)	1,125,445

The transfer corrects the presentation of the balance due to the Royal Horse Artillery Association, which is included within creditors.

2020 Restricted Fund

	Balance 1 January 20 £	Incoming Resources £	Outgoing Resources £	Net Gain on Investment £	Transfers £	Balance at 31 December 20 £
Baxter Fund	938,468	18,989	(18,974)	22,027	-	960,510
Royal Horse Artillery Assoc	111,159	1,816	(17,555)	2,519	-	97,939
Regimental Church	16,980	-	-	-	-	16,980
Royal Artillery Church Refurbishment	10,500	-	-	-	-	10,500
Total	1,077,107	20,805	(36,529)	24,546	-	1,085,929

The Baxter Fund is restricted for the benefit of the King's Troop, Royal Horse Artillery. The Regimental Church Fund is restricted for the benefit of Regimental Church. The RA Church Refurbishment is restricted for the refurbishment of the RA Larkhill Garrison Church.

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

12. Analysis of net assets between funds

	2021		Net Total £
	Investments £	Current (liabilities)/ assets £	
Restricted funds:			
Baxter Fund	1,095,113	2,852	1,097,965
Regimental Church Fund	-	16,980	16,980
RA Church Refurb	-	10,500	10,500
	<u>1,095,113</u>	<u>30,332</u>	<u>1,125,445</u>
Unrestricted funds:			
General Fund	<u>11,419,312</u>	<u>136,793</u>	<u>11,556,105</u>
	<u>12,514,425</u>	<u>167,125</u>	<u>12,681,550</u>

Analysis of net assets between funds

	2020		Net Total £
	Investments £	Current (liabilities)/ assets £	
Restricted funds:			
Baxter Fund	972,659	(12,149)	960,510
Royal Horse Artillery	69,123	1,816	97,939
Regimental Church Fund	-	16,980	16,980
RA Church Refurb	-	10,500	10,500
	<u>1,068,782</u>	<u>17,147</u>	<u>1,085,929</u>
Unrestricted funds:			
General Fund	<u>9,686,253</u>	<u>373,678</u>	<u>10,059,931</u>
	<u>10,755,035</u>	<u>390,825</u>	<u>11,145,860</u>

14. Related party transactions

Income of £345,827 (2020: £339,561) was received from the Royal Artillery General Charitable Trust (RAGCT) of which 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.

Income of £8,007 (2020: £8,027) was received on behalf of Royal Artillery Historical Trust of which both charities have a number of trustees in common or who have the right to become a trustee of both. This Income relates to Interest earned on Investments.

Income of £14,396 (2020: £14,433) was received on behalf of the Central Sergeant Mess (CSM) of which the Royal Artillery Sergeant Major (RASM) is a member of the Royal Artillery Institution (RAI) and the Chair of the Central Sergeant Mess. This Income relates to Interest on Investments.

At the year end, balances due to and from related entities are disclosed in notes 8 and 10.

THE ROYAL ARTILLERY INSTITUTION LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Prior Year Comparatives for the Statement of Financial Activities and Balance Sheet

Income and Expenditure

Income	Notes	Unrestricted The RAI Funds £	Unrestricted Gunner Funds £	Restricted The RAI Funds £	2020 Combined Total
Donations and legacies inc SPGS	2	394,597	39,745	-	434,342
Investment income		273,583	1,212	20,805	295,600
Charitable Activities	3	97,636	54,844	-	152,480
Other Income	4	1,384	-	-	1,384
<u>Total income before Expenditure</u>		<u>767,199</u>	<u>95,802</u>	<u>20,805</u>	<u>883,806</u>
<u>Expenditure on:</u>					
Raising funds		46,328	40,597	-	86,925
<u>Net funds available for charitable activities</u>		<u>720,872</u>	<u>55,204</u>	<u>20,805</u>	<u>796,881</u>
Charitable Activities inc Grants paid and payable	5	48,054	42,562	17,555	108,171
Baxter Fund Grants		-	-	18,974	18,974
<u>Total expenditure</u>		<u>48,054</u>	<u>42,562</u>	<u>36,529</u>	<u>127,145</u>
<u>Net (expenditure)/income for the year before gains on</u>		<u>672,818</u>	<u>12,642</u>	<u>(15,724)</u>	<u>669,736</u>
<u>Investments</u>					
Net gains/(loss) on investment assets		200,439	1,301	24,546	226,286
Transfer between Funds		-	-	-	-
<u>Net movement in funds</u>		<u>873,257</u>	<u>13,943</u>	<u>8,822</u>	<u>896,022</u>
Total funds brought forward		9,105,865	66,866	1,077,107	10,249,838
<u>Total funds carried forward</u>		<u>9,979,122</u>	<u>80,809</u>	<u>1,085,929</u>	<u>11,145,860</u>

