

**Report of the Trustee and
Audited Financial Statements for the Year Ended 31st March 2017
for**

**The Royal Military Academy Sandhurst
Commandant's Fund**

**The Royal Military Academy Sandhurst
Commandant's Fund**

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for the Year Ended 31st March 2017**

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**The Royal Military Academy Sandhurst
Commandant's Fund**

**Report of the Trustee
for the Year Ended 31st March 2017**

The trustee presents his report with the financial statements of the charity for the year ended 31st March 2017. The trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aim of the Commandant's Fund is to provide capital and income to be applied by the Commandant, Royal Military Academy Sandhurst, at his discretion, for the benefit of the officer cadets and other personnel at the Royal Military Academy Sandhurst and for the relief of necessitous cases among the civilian staff employed at the Royal Military Academy Sandhurst.

The Trustee has added to this by being able to provide relief in need to former members of the Academy staff and by the promotion of the efficiency of the armed forces of the Crown.

To achieve these objectives the Commandant's Fund maintains an investment portfolio within the Sandhurst Pool of Investments and other investments as authorised on occasion by the Trustee.

Funds for specific purposes are from time to time received and grants made in accordance with any restrictive covenants.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Commandant's Fund provides an annual grant to assist in the upkeep and maintenance of the Sandhurst Collection of various military and other artefacts. This year the Fund has continued to support the Sandhurst Collection with a grant of £50,411.

During the year the Commandant approved funding for sundry grants and bid grants, and these grants amounted to £160,909 in the year, the largest of which was £24,000 for equipment.

The Fund received a £15M donation from the Emirate of Abu Dhabi in the year ended 31 March 2011. This donation was for a building project of new Single Living Accommodation Modernisation (SLAM) for the Officer Cadets. The Officer Cadets are benefitting significantly from this new accommodation and it has improved their quality of life during their training at The Royal Military Academy Sandhurst.

The Fund also received a £200K donation from Bahrain in the year ended 31 March 2011 and received a further donation of £2.7M in 2012. This money has been used to refurbish a building and convert it into a new Sports Hall. The facility is now complete, and is of benefit to both the Officer Cadets and military and civilian permanent staff who work in The Royal Military Academy Sandhurst.

Of the accommodation block restricted purpose fund £14,404,000 was granted in the year ended 31 March 2011 to cover costs on the project of which £11,590,000 has been paid. The remaining amount of the grant is not required to cover costs and is therefore disclosed this year in the statement of financial activities as unused grant.

Of the sports hall restricted purpose fund £2,100,000 was granted in the year ended 31 March 2012 and a further £239,255 was granted in the year ended 31 March 2013 of which £333,226 has been paid towards the initial project costs. The remaining amount of the grant is not required to cover costs and is therefore disclosed this year in the statement of financial activities as an unused grant.

Confirmation has been received from the donors that the unused grants can be reallocated to the general unrestricted fund and the amount of £4,820,029 has therefore been transferred to the general fund.

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Report of the Trustee
for the Year Ended 31st March 2017**

ACHIEVEMENT AND PERFORMANCE

Investment performance

The Commandant's Fund has maintained stability over this audit period. The income generated from the investments has permitted the Commandant's Fund to continue to support the work of the Sandhurst Collection and wider Academy activities as necessary.

The performance of the Fund has been monitored closely by the committee. The investment manager reports to the committee at its twice yearly meetings and at other times as deemed necessary by the Trustee or investment manager. Funds are moved to reduce risk in the markets and income generation has been maintained in line with written instructions and expectations. Despite the turbulence in the financial market, growth has continued and income has been improved. The Trustee is confident that the portfolio has achieved the objectives demanded of it over the last year.

FINANCIAL REVIEW

Investment policy and objectives

During this period the accounts have continued to be reviewed by the fund manager and the committee on a regular basis. These reviews are followed by guidance being provided to Barclays Wealth by the Trustee guiding them on the type of investment, risk and return that was being sought by the Fund. The performance of the investment funds underpins the overall financial health of the Fund. The committee are content with the level of financial management of the funds by the investment manager and within the Academy as part of the management process.

The main objective of the investment portfolio is to maintain the income stream for the Fund to allow it to continue to meet its objectives, as detailed above. The Trustee is confident that this objective is being achieved in a suitably, social, ethical and environmentally friendly manner.

Reserves policy

The Fund's main source of income is the return on the investment portfolio and cash deposits. The investment portfolio and cash deposits are therefore held at a sufficient value, to ensure the continued appropriate income flow. The reserves which reflect the investment portfolio and cash deposits are also maintained at a suitable level.

FUTURE PLANS

Future plans include continuing to support the Sandhurst Collection and maintaining the fabric and chattels of the Academy. In addition, a number of grants for expenditure during this financial year have been submitted and approved by the Trustee for projects which will enhance the quality of life at the Academy for the Officer Cadets and the staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Commandant's Fund was a military welfare fund and, as such, was exempt from registration with the Charity Commission. It was established previously under an Order in the High Court of Justice dated 28 July 1948 as amended. This High Court Order was put aside during the year ended 31 March 2010, and a new Charity Commission Scheme sealed. It registered with the Charity Commission on 8 March 2010.

The Commandant's Fund was a member of the Royal Military Academy Sandhurst Common Investment Fund established by Charity Commission Scheme 142886 dated 17 July 1962 and amended by the further Scheme 3010003 dated 13 July 1995. It held a Charities Official Investment Fund, now gone, but there still remains the Sandhurst Pool of Investments and this was legally "released" to the new scheme as part of the rewrite. All day to day business contact concerning the Fund's investments is made directly between the Commandant's Fund and the Fund's investment managers, Barclays Wealth Limited.

Recruitment and appointment of new Trustee

The Trustee of the Charity is the Commandant in situ of the Royal Military Academy Sandhurst and therefore the role of Trustee changes automatically with each new appointment to that post.

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Report of the Trustee
for the Year Ended 31st March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Commandant, Royal Military Academy Sandhurst, is the sole Trustee and is supported by a number of advisers drawn both from within the Academy and outside. A formal committee meeting is held twice each year to review the management of the Fund, while the day to day running is managed within the chain of command of the Academy.

The Charity is allowed to use the resources of the Royal Military Academy being mainly volunteer personnel. No charge is currently made for these services and it is not possible to quantify the value to the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1134698

Principal address

SO2 G1
Sandhurst Group Headquarters
The Royal Military Academy Sandhurst
Camberley
Surrey
GU15 4PQ

Trustee

Major General PAE Nanson CBE, The Commandant, Royal Military Academy Sandhurst is the sole trustee.

Auditors

Whiteleys
Chartered Certified Accountants
& Statutory Auditor
Sovereign House
155 High Street
Aldershot
Hampshire
GU11 1TT

Bankers

Royal Bank of Scotland
Farnborough Holt's Branch
Lawrie House
Victoria Road
Farnborough
Hampshire GU14 7NR

Investment Managers

Barclays Wealth
1 Churchill Place
London E14 5HP

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Report of the Trustee
for the Year Ended 31st March 2017**

STATEMENT OF TRUSTEE RESPONSIBILITIES

The trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustee is required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable him to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. He is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the trustee on 10th January 2018 and signed on its behalf by:

Major General PAE Nanson CBE
The Commandant RMAS - Trustee

**Report of the Independent Auditors to the Trustee of
The Royal Military Academy Sandhurst
Commandant's Fund**

We have audited the financial statements of The Royal Military Academy Sandhurst Commandant's Fund for the year ended 31st March 2017 on pages seven to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charity's trustee, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to him in an auditors' 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 charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustee and auditors

As explained more fully in the Statement of Trustee Responsibilities set out on page four, the trustee is responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 16 to the financial statements

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustee to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2017 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Report of the Independent Auditors to the Trustee of
The Royal Military Academy Sandhurst
Commandant's Fund**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustee is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; 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.

Whiteleys
Chartered Certified Accountants
& Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Sovereign House
155 High Street
Aldershot
Hampshire
GU11 1TT

10th January 2018

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Statement of Financial Activities
for the Year Ended 31st March 2017**

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
INCOME AND ENDOWMENTS FROM					
Other trading activities	2	411	-	411	589
Investment income	3	143,558	-	143,558	161,239
Other income		<u>-</u>	<u>4,820,029</u>	<u>4,820,029</u>	<u>-</u>
Total		143,969	4,820,029	4,963,998	161,828
EXPENDITURE ON					
Raising funds	4	19,064	-	19,064	18,471
Charitable activities	5				
The Sandhurst Collection		58,781	-	58,781	67,374
General sundry grants		171,982	-	171,982	95,471
Depreciation on asset used for charitable purposes		<u>1,907</u>	<u>-</u>	<u>1,907</u>	<u>-</u>
Total		251,734	-	251,734	181,316
Net gains/(losses) on investments		<u>581,569</u>	<u>-</u>	<u>581,569</u>	<u>(197,625)</u>
NET INCOME/(EXPENDITURE)		473,804	4,820,029	5,293,833	(217,113)
Transfers between funds	14	<u>4,820,029</u>	<u>(4,820,029)</u>	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		5,293,833	-	5,293,833	(217,113)
RECONCILIATION OF FUNDS					
Total funds brought forward		3,621,689	-	3,621,689	3,838,802
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u>8,915,522</u>	<u>-</u>	<u>8,915,522</u>	<u>3,621,689</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Balance Sheet
At 31st March 2017**

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 funds £	Total 2016 funds £
FIXED ASSETS					
Tangible assets	9	10,810	-	10,810	-
Investments	10	<u>3,977,877</u>	<u>-</u>	<u>3,977,877</u>	<u>3,415,185</u>
		3,988,687	-	3,988,687	3,415,185
CURRENT ASSETS					
Debtors	11	36,343	-	36,343	43,545
Prepayments and accrued income		20,712	-	20,712	18,306
Cash in hand		<u>4,926,804</u>	<u>-</u>	<u>4,926,804</u>	<u>5,019,513</u>
		4,983,859	-	4,983,859	5,081,364
CREDITORS					
Amounts falling due within one year	12	<u>(57,024)</u>	<u>-</u>	<u>(57,024)</u>	<u>(4,096,860)</u>
NET CURRENT ASSETS		<u>4,926,835</u>	<u>-</u>	<u>4,926,835</u>	<u>984,504</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,915,522	-	8,915,522	4,399,689
CREDITORS					
Amounts falling due after more than one year	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>(778,000)</u>
NET ASSETS		<u>8,915,522</u>	<u>-</u>	<u>8,915,522</u>	<u>3,621,689</u>
FUNDS	14				
Unrestricted funds				8,915,522	3,621,689
Restricted funds				<u>-</u>	<u>-</u>
TOTAL FUNDS				<u>8,915,522</u>	<u>3,621,689</u>

The financial statements were approved by the Trustee on 10th January 2018 and were signed on its behalf by:

Major General PAE Nanson CBE
The Commandant RMAS -Trustee

The notes form part of these financial statements

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements
for the Year Ended 31st March 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

The Commandant's Fund makes an annual grant to support the upkeep and maintenance of The Sandhurst Collection. Multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant or the trustee has agreed to pay the grant without condition.

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

Governance costs

The charity is allowed to use the resources of The Royal Military Academy being mainly volunteer personnel. No charge is currently made for these services and it is not possible to quantify the value to the charity.

Allocation and apportionment of costs

Costs are allocated against the activity to which they relate, or to the governance costs of the charity as applicable. If costs relate to more than one activity then the cost is apportioned between the relevant activities on a reasonable and fair basis.

Tangible fixed assets

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over their estimated useful lives as follows:

Plant and machinery	-	15% reducing balance
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On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

Taxation

The charity is exempt from tax on its charitable activities.

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustee.

Restricted funds 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 included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

	2017 £	2016 £
Sandhurst Collection sales	<u>411</u>	<u>589</u>

3. INVESTMENT INCOME

	2017 £	2016 £
Sandhurst pool invest. income	123,022	136,064
Deposit account interest	<u>20,536</u>	<u>25,175</u>
	<u>143,558</u>	<u>161,239</u>

4. RAISING FUNDS

Investment management costs

	2017 £	2016 £
Portfolio management	<u>19,064</u>	<u>18,471</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities £	Support costs (See note 6) £	Totals £
General sundry grants	2,644	160,909	8,429	171,982
The Sandhurst Collection	-	50,411	8,370	58,781
Depreciation on asset used for charitable purposes	<u>-</u>	<u>-</u>	<u>1,907</u>	<u>1,907</u>
	<u>2,644</u>	<u>211,320</u>	<u>18,706</u>	<u>232,670</u>

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

6. SUPPORT COSTS

	Governance costs
	£
The Sandhurst Collection	8,370
General sundry grants	8,429
Depreciation on asset used for charitable purposes	<u>1,907</u>
	<u>18,706</u>

Support costs, included in the above, are as follows:

Governance costs

				2017	2016
	The Sandhurst Collection	General sundry grants	Depreciation on asset used for charitable purposes	Total activities	Total activities
	£	£	£	£	£
Auditors' remuneration	1,187	3,563	-	4,750	4,650
Auditors' remuneration for non-audit work	1,287	3,863	-	5,150	4,950
Insurance	5,562	-	-	5,562	5,592
Printing, stationery & postage	10	29	-	39	20
Sundries	56	169	-	225	428
Committee meetings	23	69	-	92	276
Sage support costs	245	736	-	981	906
Depreciation of tangible fixed assets	<u>-</u>	<u>-</u>	<u>1,907</u>	<u>1,907</u>	<u>-</u>
	<u>8,370</u>	<u>8,429</u>	<u>1,907</u>	<u>18,706</u>	<u>16,822</u>

7. TRUSTEE REMUNERATION AND BENEFITS

There were no trustee's remuneration or other benefits for the year ended 31st March 2017 nor for the year ended 31st March 2016.

Trustee expenses

There were no trustee's expenses paid for the year ended 31st March 2017 nor for the year ended 31st March 2016.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Other trading activities	589	-	589
Investment income	<u>161,239</u>	<u>-</u>	<u>161,239</u>
Total	161,828	-	161,828

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Raising funds	18,471	-	18,471
Charitable activities			
The Sandhurst Collection	67,374	-	67,374
General sundry grants	95,471	-	95,471
Total	181,316	-	181,316
Net gains/(losses) on investments	(197,625)	-	(197,625)
NET INCOME/(EXPENDITURE)	(217,113)	-	(217,113)
RECONCILIATION OF FUNDS			
Total funds brought forward	3,838,802	-	3,838,802
TOTAL FUNDS CARRIED FORWARD	<u>3,621,689</u>	<u>-</u>	<u>3,621,689</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
Additions	<u>12,717</u>
DEPRECIATION	
Charge for year	<u>1,907</u>
NET BOOK VALUE	
At 31st March 2017	<u>10,810</u>
At 31st March 2016	<u>-</u>

10. FIXED ASSET INVESTMENTS

	2017 £	2016 £
Shares	3,953,547	3,407,559
Other	24,330	7,626
	<u>3,977,877</u>	<u>3,415,185</u>

Additional information as follows:

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

10. FIXED ASSET INVESTMENTS - continued

	Sandhurst Pool of Listed Investments	Minority interests share	Totals
	£	£	£
MARKET VALUE			
At 1st April 2016	4,173,499	(765,940)	3,407,559
Additions	750,431	-	750,431
Disposals	(707,585)	-	(707,585)
Revaluations	<u>629,339</u>	<u>(126,197)</u>	<u>503,142</u>
At 31st March 2017	<u>4,845,684</u>	<u>(892,137)</u>	<u>3,953,547</u>
 NET BOOK VALUE			
At 31st March 2017	<u>4,845,684</u>	<u>(892,137)</u>	<u>3,953,547</u>
At 31st March 2016	<u>4,173,499</u>	<u>(765,940)</u>	<u>3,407,559</u>

There were no investment assets outside the UK.

Investments (neither listed nor unlisted) were as follows:

	2017	2016
	£	£
Sandhurst pool cash deposits	<u>24,330</u>	<u>7,626</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Loan to Sandhurst Trust	32,343	43,545
Loan to Saddle Club	<u>4,000</u>	<u>-</u>
	<u>36,343</u>	<u>43,545</u>

The amount advanced to the Sandhurst Trust (previously known as the Sandhurst Foundation) is interest free. The Sandhurst Trust was due to repay the loan annually in instalments of £10,000 commencing on 1 April 2011. However, in 2013, repayment was deferred and the loan is now considered as an indefinite long term loan with no set re-payment dates. During the year, the Sandhurst Trust provided various services to support the charitable activities of the Commandants Fund and the cost of providing those services has been deducted from the loan balance due.

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Minority interests - dividends & interest due	27,591	30,516
Unspent grants - the Sandhurst Collection	5,252	10,637
Unspent grants - accommodation block building project	-	2,036,000
Unspent grants - sports hall project	-	2,006,029
Unspent grants - Margaret Jones memorial	10,166	-
Accrued expenses	<u>14,015</u>	<u>13,678</u>
	<u>57,024</u>	<u>4,096,860</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017 £	2016 £
Unspent grants - accommodation block building project 1-5 yrs	<u>-</u>	<u>778,000</u>

14. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted funds				
General fund	3,621,689	473,804	4,820,029	8,915,522
Restricted funds				
Zayed Lines building fund	-	2,814,000	(2,814,000)	-
Bahrain sports hall fund	<u>-</u>	<u>2,006,029</u>	<u>(2,006,029)</u>	<u>-</u>
	-	4,820,029	(4,820,029)	-
TOTAL FUNDS	<u>3,621,689</u>	<u>5,293,833</u>	<u>-</u>	<u>8,915,522</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	143,969	(251,734)	581,569	473,804
Restricted funds				
Zayed Lines building fund – unused grant	2,814,000	-	-	2,814,000
Bahrain sports hall fund – unused grant	<u>2,006,029</u>	<u>-</u>	<u>-</u>	<u>2,006,029</u>
	4,820,029	-	-	4,820,029
TOTAL FUNDS	<u>4,963,998</u>	<u>(251,734)</u>	<u>581,569</u>	<u>5,293,833</u>

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2017**

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2017.

16. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

17. RESTRICTED FUNDS

In 2011 a donation of £15,000,000 was received from the Emirate of Abu Dhabi to build new Single Living Accommodation Modernisation (SLAM) for the Officer Cadets. The build was completed and opened in January 2013. Capital works costs include SLAM compliance of 7 years to 2018/19, after which the asset will transfer to DE Regional Prime Contract South (DE RPC (S)) for maintenance.

The anticipated costs of the project were disclosed as a grant in 2011 in the sum of £14,404,000, leaving £596,000 to be transferred to the general fund.

Also in 2011, a donation of £200,000 was received from the Kingdom of Bahrain to refurbish a building and convert it into a new Sports Hall. A further £2,700,000 was received in 2012. This build commenced in February 2012 and opened in May 2013.

In 2012 a grant of £2,100,000, representing the anticipated costs of the project, was made leaving £800,000 to be transferred to the general fund. Subsequently in 2013 a further grant was made in the sum of £239,255 to cover further anticipated costs of the project with the amount necessary to cover the grant being transferred from the general fund.

It has been agreed that any income earned from these donations will be given to the general fund. The committee agreed that the excess money transferred to the general fund may be required for future improvements to the builds if DE RPC (S) do not have the funds available over and above the maintenance funding, however for the moment they are held as non-restricted funds.

The remaining amount of the grants for both the (SLAM) and the Sports Hall are not required to cover costs and are therefore disclosed this year in the statement of financial activities as an unused grant.

Confirmation has been received from the donors that the unused grants can be reallocated to the general unrestricted fund and the amount of £4,820,029 has therefore been transferred to the general fund.

18. FIRST YEAR ADOPTION

This is the first year in which the financial statements have been prepared under FRS 102.

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Reconciliation of Income and Expenditure
for the Year Ended 31st March 2016**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
INCOME AND ENDOWMENTS FROM				
Other trading activities		589	-	589
Investment income		161,239	-	161,239
Other income		<u>-</u>	<u>-</u>	<u>-</u>
Total		161,828	-	161,828
EXPENDITURE ON				
Raising funds		18,471	-	18,471
Charitable activities		<u>162,845</u>	<u>-</u>	<u>162,845</u>
Total		181,316	-	181,316
Net gains/(losses) on investments		<u>(197,625)</u>	<u>-</u>	<u>(197,625)</u>
NET INCOME/(EXPENDITURE)		<u><u>(217,113)</u></u>	<u><u>-</u></u>	<u><u>(217,113)</u></u>

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Reconciliation of Funds
At 1st April 2015
(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Investments		<u>3,636,736</u>	<u>-</u>	<u>3,636,736</u>
		3,636,736	-	3,636,736
CURRENT ASSETS				
Debtors		43,745	-	43,745
Prepayments and accrued income		6,474	-	6,474
Cash in hand		<u>5,031,693</u>	<u>-</u>	<u>5,031,693</u>
		5,081,912	-	5,081,912
CREDITORS				
Amounts falling due within one year		(3,945,846)	-	(3,945,846)
		<u>1,136,066</u>	<u>-</u>	<u>1,136,066</u>
NET CURRENT ASSETS				
		<u>1,136,066</u>	<u>-</u>	<u>1,136,066</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,772,802	-	4,772,802
CREDITORS				
Amounts falling due after more than one year		(934,000)	-	(934,000)
		<u>3,838,802</u>	<u>-</u>	<u>3,838,802</u>
FUNDS				
Unrestricted funds		<u>3,838,802</u>	<u>-</u>	<u>3,838,802</u>
TOTAL FUNDS		<u>3,838,802</u>	<u>-</u>	<u>3,838,802</u>

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Reconciliation of Funds
At 31st March 2016**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Investments		3,415,185	-	3,415,185
CURRENT ASSETS				
Debtors		43,545	-	43,545
Prepayments and accrued income		18,306	-	18,306
Cash in hand		<u>5,019,513</u>	<u>-</u>	<u>5,019,513</u>
		5,081,364	-	5,081,364
CREDITORS				
Amounts falling due within one year		(4,096,860)	-	(4,096,860)
		<u>984,504</u>	<u>-</u>	<u>984,504</u>
NET CURRENT ASSETS				
		4,399,689	-	4,399,689
TOTAL ASSETS LESS CURRENT LIABILITIES				
CREDITORS				
Amounts falling due after more than one year		(778,000)	-	(778,000)
		<u>3,621,689</u>	<u>-</u>	<u>3,621,689</u>
NET ASSETS				
FUNDS				
Unrestricted funds		<u>3,621,689</u>	<u>-</u>	<u>3,621,689</u>
TOTAL FUNDS		<u>3,621,689</u>	<u>-</u>	<u>3,621,689</u>

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2017**

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Other trading activities		
Sandhurst Collection sales	411	589
Investment income		
Sandhurst pool invest. income	123,022	136,064
Deposit account interest	<u>20,536</u>	<u>25,175</u>
	143,558	161,239
Other income		
Unused grant - Accommodation Block Project	2,814,000	-
Unused grant - Sports Hall Project	<u>2,006,029</u>	<u>-</u>
	<u>4,820,029</u>	<u>-</u>
Total incoming resources	4,963,998	161,828
EXPENDITURE		
Investment management costs		
Portfolio management	19,064	18,471
Charitable activities		
Charitable reception expenses	2,644	2,558
Grants to supported causes	93,535	82,179
Sundry grants and donations	<u>117,785</u>	<u>61,286</u>
	213,964	146,023
Support costs		
Governance costs		
Auditors' remuneration	4,750	4,650
Auditors' remuneration for non-audit work	5,150	4,950
Insurance	5,562	5,592
Printing, stationery & postage	39	20
Sundries	225	428
Committee meetings	92	276
Plant and machinery	1,907	-
Sage support costs	<u>981</u>	<u>906</u>
	<u>18,706</u>	<u>16,822</u>
Total resources expended	251,734	181,316
Net income/(expenditure) before gains and losses	4,712,264	(19,488)

This page does not form part of the statutory financial statements

**The Royal Military Academy Sandhurst
Commandant's Fund**

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2017**

	2017 £	2016 £
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	67,519	(55,688)
	<hr/>	<hr/>
Net income/(expenditure)	<u><u>4,779,783</u></u>	<u><u>(75,176)</u></u>

This page does not form part of the statutory financial statements
