

REGISTERED CHARITY NUMBER: 214015

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
PARACHUTE REGIMENTAL ASSOCIATION**

PARACHUTE REGIMENTAL ASSOCIATION

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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PARACHUTE REGIMENTAL ASSOCIATION

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2016**

PATRON:

His Royal Highness The Prince of Wales KG KT GCB OM

PRESIDENT:

Lieutenant General Sir John Lorimer KSO DSO MBE.

MEMBERS OF THE COMMITTEE OF MANAGEMENT

Lieutenant Colonel B. Radbourne (Chairman)

Mr. J.J. Wilson (Vice Chairman)

Mr. L. Riggs

Mr. J. Carey

Mr. J. Hardicker

Mr. P. Bryant

Mr. P. Richens

Maj (Retd) N. McKay TD

Mr. J. Baker (Resigned October 2016)

Mr. M. Wattam

Mr. P. Morrison (Appointed January 2016)

Mr. D. Smart (Appointment April 2016)

CHARITABLE STATUS:

The Association is a registered charity No. 214015

GOVERNING DOCUMENT:

Constitution dated 20 June 1964, as amended 8 July 1972, 3 July 1978, 9 May 1993, 31 October 1999, 13 May 2000, 8 July 2001, 8 October 2005, 26 January 2008, 12 October 2008, 18 July 2009, 6 July 2013 and 27 November 2014.

CHARITY ADDRESS:

R.H.Q The Parachute Regiment
Merville Barracks,
Circular Road South,
Colchester,
Essex,
CO2 7UT

BANKERS:

Barclays Bank plc,
101. Victoria Road,
Aldershot,
Hampshire

INDEPENDENT EXAMINERS:

Bright Brown Limited
Chartered Accountants,
Exchange House,
St. Cross Lane,
Newport, Isle of Wight,
PO30 5BZ

INVESTMENT ADVISORS:

Schroder Unit Trusts Limited
PO Box 1102,
Chelmsford,
CM99 2XX

PARACHUTE REGIMENTAL ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have 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 Objects of the Parachute Regimental Association are:

- To promote the efficiency of the Parachute Regiment and Airborne Forces by fostering esprit de corps and maintaining contact between past and present members thereof.
- To relieve either generally or individually persons who are serving or who have served in the Parachute Regiment and Airborne Forces or the dependants of such persons who are in conditions of need, hardship or distress.
- The commemoration and remembrance of those members of the Parachute Regiment and Airborne Forces who have died while on active service; and the encouragement of public recognition of the sacrifice made by such persons.

Significant activities

The Association and its branches participate in support and organise a range of activities which provide a public benefit. These include:

- Public events to raise awareness about the role of the Regiment, to encourage public support for the Regiment and to assist in recruitment.
- Holding events and reunions for past and present members of the Airborne Forces (to assist in promoting esprit de corps).
- Acts of commemoration and remembrance (e.g. Regimental Memorial Day at the National Memorial Arboretum, RBL Field of Remembrance, Armistice Day, Ardennes, Rhine Crossing, Normandy, Arnhem and the Falklands) which raise public awareness of those who have lost their lives or put themselves at risk in service of the public.
- Maintaining a membership network and encouraging social contact in order to identify those former members and dependants who may be in need from time to time.
- Providing local Welfare Officers who visit members and dependants who may be sick, recently bereaved, or find themselves in difficult circumstances.
- In collaboration with other Regimental Charities, make grants (either individually or to an organisation) to support past and present members of the Parachute Regiment and Airborne Forces and their dependants who are in need.
- Supporting Parachute Regiment recruits whilst undergoing training at the Infantry Training Centre at Catterick.

PARACHUTE REGIMENTAL ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year, the charity has undertaken the following activities:

1. Provided financial and organisational support to the Regional Airborne Forces Days across the Country
2. Attended funerals and memorial services of former serving members of The Parachute Regiment and Airborne Forces.
3. Actively fundraised for other Regimental Charities i.e. The Parachute Regiment Charity and The Airborne Forces Security Fund.
4. Provided funds and organisational support to the Regimental Memorial Day at Parachute Regiment and Airborne Forces Memorial at the National Memorial Arboretum.
5. Made donations in support of the maintenance and enhancement of Regimental Memorials.
6. Provided donations in support of the 16 Brigade Pegasus Statue to commemorate the reinstatement of the Pegasus emblem.
7. Made donations in support of the Regimental Museum (Airborne Assault)
8. Provided grants in support of and organisational support to:
 - o 72nd Anniversary 'D Day' Commemoration events in Normandy and Arnhem.
 - o The 71st Anniversary of the Ardennes Biennial Commemoration service.
 - o Recruit Platoon Passing out Parades at ITC Catterick.
 - o Support to Airborne 'In-Pensioners' at the Royal Hospital Chelsea.
 - o The Parachute Regiment Executive Committee Biannual meeting.
 - o The Parachute Regimental Association Annual General Meeting and Regimental Memorial Day.
 - o Airborne Forces Memorial Parades at Bedworth, Eden Camp, North Yorkshire, Portsmouth, Hardwick Hall, Chilbolton and Aldershot.
 - o Memorial Parades and Services at St Pauls Cathedral, St Lawrence Jewry Next Guildhall and the Bastion Wall at the NMA.
 - o RBL Field of Remembrance Services at Westminster Cathedral.
 - o The Annual Armistice Parade in Whitehall, London.

PARACHUTE REGIMENTAL ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

Financial position

The result for the year shows a surplus (net income) of £28,773 compared to a deficit (net expenditure) of £42,105 in 2015, the main cause of this is as a result of the net gains of investments. In 2015 the investments showed a net loss of £42,105, but in 2016 the value of investment had increased by £39,874, which was as a result of the defensive position of the Schroders Income Trust for Charities holding up well in fluctuating market conditions. The Trust has over 56% of its portfolio invested in bonds and the yields on bonds rose steadily in the later months of 2016 as confidence in an independent Britain rose following the initial post-Brexit dip, and also, bond yields improved following the Trump win in the US Election.

Income for the year totalled £105,742 (2015: £140,632), this was a decrease compared to previous years. Notably the investment income decreased by £10k as a result of the closure of the Schroders Growth Trust for Charities and also the three regional branches income has fallen by £10,149 from 2015. Donated services and facilities from the Ministry of Defence (MOD) temporarily declined in 2016 to £45,319 (2015 £56,460), this was as a result of the PRA Secretary's post being vacant for a period of time, this donated services figure represents free office accommodation and the provision of employee services to the charity (the related costs are shown within the wages expenditure line on the detailed SOFA).

Total resources expended in the year amounted to £116,843 compared to £154,471 in 2015, a decrease of £37,628. The majority of the decrease was in respect of the reduction of expenditure on commemorations, the three regional branches, which is in line with the fall in regional income mentioned above. Expenditure on most other areas remained relatively constant.

Investment policy and objectives

At the year end the charity held investments, with a market value of £695,567 (2015: £723,833), in the Schroders Income Trust for Charities units. During the year Schroders closed the Growth Trust for Charities, in which the charity held funds of £103k. At the end of 2016 the Trustees reviewed their investment strategy and as a consequence decided to move their investments out of the remaining Schroders unit trust to into a managed fund by JM Finn & Co, this move was in progress at the date of signing these accounts.

The Trustees have the power to invest in such assets as they feel appropriate and meet both the requirements of the charity in the short and long-term and are also risk appropriate to the charity. The Trustees regularly review the performance of its investments in line with the charity's current and future plans.

Reserves policy

As at 31 December 2016 the charity's total reserves were £805,574 (2015: £776,801), all of which were unrestricted for the charity to use in meeting its charitable objectives. The Trustees have reviewed their current level of reserves which equate to just over 6 times the charity's annual expenditure, this ratio has remained relatively constant over the last few years, and has been mostly dependent on the fluctuations in investment performance. The Trustees consider their level of reserves to be reasonable having reviewed the economic climate and risks to the charity's income.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Constitution dated 20 June 1964, as amended 8 July 1972, 3 July 1978, 9 May 1993, 31 October 1999, 13 May 2000, 8 July 2001, 8 October 2005, 26 January 2008, 12 October 2008, 18 July 2009, 6 July 2013 and 27 November 2014.

PARACHUTE REGIMENTAL ASSOCIATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees who have served during the year and since the year end are set out on page 1.

The Chairman of the Committee of Management is a serving officer nominated by the Parachute Regiment; presently this is the Regimental Lieutenant Colonel.

Further members of the Committee of Management comprise of one representative of the following regions: Anglia, London, Midlands, North, North East, North West, South, South East, South West, Wales, and Yorkshire. These representatives are elected by branches of their own region and hold office for three years.

The Association structure comprises of:

- a) The central Association charity (registered number 214015): In support of its charitable activities the central charity offers individual membership to eligible individuals and provides central and regional support for local branches.
- b) 81 local branches which exist to further the purposes of the Association and are separately registered with their respective charity regulator. (PRA members may additionally become members of one or more local branches.) The elected members of the committee of management of the central Association charity also act as Regional Secretaries and provide regional support during the course of the year to branches in their respective region.

Related parties

The Parachute Regimental Association is one of a number of charities connected with the Parachute Regiment and Airborne Forces, but these are not considered to be related parties under FRS 102. A summary of any related parties and transactions with them is set out in note 12 to the financial statements.

Approved by order of the board of trustees on 1 April 2017 and signed on its behalf by:



Lt Col B A Radbourne Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PARACHUTE REGIMENTAL ASSOCIATION

I report on the accounts for the year ended 31 December 2016 set out on pages seven to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Stevens ACA
Chartered accountant
Bright Brown Limited
Chartered Accountants
Newport
Isle of Wight
PO30 5BZ

Date: 5/4/2017

PARACHUTE REGIMENTAL ASSOCIATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

		2016 Unrestricted funds £	2015 Unrestricted funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		82,689	107,685
Investment income	2	21,767	31,157
Other income		<u>1,286</u>	<u>1,790</u>
Total		105,742	140,632
EXPENDITURE ON			
Charitable activities			
Promoting the efficiency of the Parachute Regiment and Airborne Forces		90,481	121,853
Commemorations and remembrance		<u>26,362</u>	<u>32,618</u>
Total		116,843	154,471
Net gains/(losses) on investments		<u>39,874</u>	<u>(28,266)</u>
NET INCOME/(EXPENDITURE)		28,773	(42,105)
RECONCILIATION OF FUNDS			
Total funds brought forward		776,801	818,906
TOTAL FUNDS CARRIED FORWARD		<u>805,574</u>	<u>776,801</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

PARACHUTE REGIMENTAL ASSOCIATION

**BALANCE SHEET
AT 31 DECEMBER 2016**

			2016 Unrestricted funds £	2015 Unrestricted funds £
FIXED ASSETS	Notes	£		
Tangible assets	5		187	373
Investments	6		<u>635,000</u>	<u>695,567</u>
			635,187	695,940
CURRENT ASSETS				
Stocks	7		185	196
Debtors	8		23,223	19,480
Cash at bank and in hand			<u>156,726</u>	<u>63,009</u>
			180,134	82,685
CREDITORS				
Amounts falling due within one year	9		(9,747)	(1,824)
			<u>170,387</u>	<u>80,861</u>
NET CURRENT ASSETS				
			<u>805,574</u>	<u>776,801</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
			<u>805,574</u>	<u>776,801</u>
NET ASSETS				
			<u>805,574</u>	<u>776,801</u>
FUNDS	10			
Unrestricted funds			<u>805,574</u>	<u>776,801</u>
TOTAL FUNDS			<u>805,574</u>	<u>776,801</u>

The financial statements were approved by the Board of Trustees on 1 April 2017 and were signed on its behalf by:


Lt Col B A Radbourne -Trustee

The notes form part of these financial statements

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. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - Straight line over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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.

Where there are any restricted or designated funds a further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2016	2015
	£	£
Dividend income from the Growth and Income Funds for charities	<u>21,767</u>	<u>31,157</u>

PARACHUTE REGIMENTAL ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

Trustees' expenses

During the year members of the Committee of Management received reimbursement for travel, and other expenditure of £10,463 (2015: £14,423).

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2016	2015
Management and administration	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

5. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2016 and 31 December 2016	<u>559</u>
DEPRECIATION	
At 1 January 2016	186
Charge for year	<u>186</u>
At 31 December 2016	<u>372</u>
NET BOOK VALUE	
At 31 December 2016	<u>187</u>
At 31 December 2015	<u>373</u>

PARACHUTE REGIMENTAL ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2016	695,567
Disposals	(103,526)
Revaluations	<u>42,959</u>
At 31 December 2016	<u>635,000</u>
NET BOOK VALUE	
At 31 December 2016	<u>635,000</u>
At 31 December 2015	<u>695,567</u>

There were no investment assets outside the UK.

7. STOCKS

	2016 £	2015 £
Stocks	<u>185</u>	<u>196</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other debtors	<u>23,223</u>	<u>19,480</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	170	-
Taxation and social security	248	246
Other creditors	<u>9,329</u>	<u>1,578</u>
	<u>9,747</u>	<u>1,824</u>

PARACHUTE REGIMENTAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

10. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
Unrestricted funds			
General charitable activities	776,801	28,773	805,574
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>776,801</u>	<u>28,773</u>	<u>805,574</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 charitable activities	105,742	(116,843)	39,874	28,773
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>105,742</u>	<u>(116,843)</u>	<u>39,874</u>	<u>28,773</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.

PARACHUTE REGIMENTAL ASSOCIATION**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Legacies and donations	22,370	25,839
Subscriptions	4,517	4,754
Donated services and facilities	45,319	56,460
Yorkshire region	4,074	5,435
North West region	305	6,527
Midland region	<u>6,104</u>	<u>8,670</u>
	82,689	107,685
Investment income		
Dividend income from the Growth and Income Funds for charities	21,767	31,157
Other income		
Income from lapel pins and NMA tickets	<u>1,286</u>	<u>1,790</u>
Total incoming resources	105,742	140,632
EXPENDITURE		
Charitable activities		
Wages (donated services included)	56,585	70,350
Memorial costs	-	4,487
Standard bearer competition	-	166
Yorkshire region expenses	2,506	4,598
North West region expenses	1,609	7,659
Midland region expenses	6,937	8,249
Veterans' dinner	479	-
Travelling expenses	1,182	229
Poem books and lapel pins	128	137
Newsletter printing and stationery	1,629	1,954
Advertising	660	864
Computer expenses	135	421
Insurance	3,576	3,184
Light and heat (donated services)	120	120
Intangible rent (donated service)	1,053	1,053
Sundries	-	421
Bank charges	-	26
Depreciation	186	186
Commemorations	15,279	20,278
Grants	<u>11,083</u>	<u>12,340</u>
	103,147	136,722
Support costs		

This page does not form part of the statutory financial statements

PARACHUTE REGIMENTAL ASSOCIATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
Governance costs		
Committee meeting expenses	12,664	16,795
Accountancy and legal fees	<u>1,032</u>	<u>954</u>
	<u>13,696</u>	<u>17,749</u>
Total resources expended	<u>116,843</u>	<u>154,471</u>
	-----	-----
Net expenditure before gains and losses	(11,101)	(13,839)
	-----	-----
Realised and unrealised gains and losses		
Realised and unrealised gains/(losses) on fixed asset investments	39,874	(28,266)
	-----	-----
Net income/(expenditure)	<u>28,773</u>	<u>(42,105)</u>

This page does not form part of the statutory financial statements
