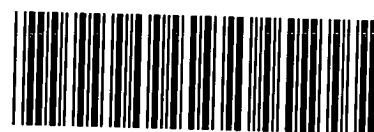


REGISTERED COMPANY NUMBER: 07005997 (England and Wales)
REGISTERED CHARITY NUMBER : 1131977

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS**

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

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THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 12
Consolidated Statement of Financial Activities	13
Consolidated Balance Sheet	14
Parent Statement of Financial Activities	15
Parent Balance Sheet	16
Consolidated Cash Flow Statement	17
Notes to the Consolidated Cash Flow Statement	18
Parent Cash Flow Statement	19
Notes to the Parent Cash Flow Statement	20
Notes to the Financial Statements	21 to 42

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Parachute Regiment and Airborne Forces Charity is a charitable Company Limited by Guarantee (CLG), as defined by the Companies Act 2006, incorporated on 1 September 2009 and registered as a Charity (No. 1131977) on 5 October 2009. The Company was established under a Memorandum of Association (dated 1 September 2009 and amended on 10 July 2013), which established the objects and powers of the charitable Company and is governed under its Articles of Association. In the event of the Company being wound up, members are required to contribute an amount not exceeding £5.

In 2019, the Trustees of The Parachute Regiment Charity (PRC) RCN 1131977 and sister charity the Airborne Forces Security Fund (AFSF) RCN 206652, an unincorporated trust, respectively agreed to merge to form The Parachute Regiment and Airborne Forces Charity (PRAFC), trading as Support our Paras, effective at 1 January 2020. Trustees of the merged Charity were drawn from both antecedents. As part of the merger, the Articles were updated in November 2019 to reflect the widening of Objects to include Airborne Forces beneficiaries. This Report and Accounts covers the second full year of operation under the PRAFC name.

Structure

The Charity wholly owns two trading subsidiaries, ABP Retail Limited and PARAS'10 Limited (as detailed below) and is also the sole member of Airborne Assault Limited (AAL), a registered charity (as detailed below). The Charity and its subsidiaries form The Parachute Regiment and Airborne Forces Charity Group, as reported in the Consolidation components of this set of accounts.

The Charity is the sole parent of two trading subsidiaries: ABP Retail Limited, a company registered in England and Wales (registered number: 06009028), and PARAS'10 Limited, a company registered in England and Wales (registered number: 08368199), both of which trade in support of the Charity.

AAL is a charitable CLG, incorporated on 7 November 2008 and registered as a charity (1126776) on 18 November 2008. The Charity's Articles of Association were revised and updated by special resolution on 6 February 2014. From 1 January 2014 the then Parachute Regiment Charity became the sole corporate member of AAL and also entered into a renewable 3-year funding agreement to provide financial support. By virtue of this, AAL is now controlled by the PRAFC. This agreement was successively renewed on 1 January of 2017 and 2020 and will be again due for renewal for a further three years from 1 January 2023.

Committees

The Charity has six committees which meet separately and report to the main Board of Trustees on key areas: Finance and Investment (FIC); Governance and Succession (GSC); Welfare and Benevolence (WBC); Fundraising and Marketing (FMC); Heritage and Commemorations (HCC); Regimental Efficiency (REC), which was created during 2021 to focus efforts on this cornerstone of our charitable objectives. These committees consist of a Trustee Chair with other nominated Trustees, executives and advisors.

The Board of Trustees has delegated specific responsibilities to committees. The FIC advises on management of the Charity's investments, as well as reviewing strategic financial matters and makes recommendations to the Board. The GSC has delegated authority to identify, approach and put forward potential new trustees, as well as to support the Board with oversight of Governance matters, including Risk Assessment. The WBC reviews and recommends Welfare policy and strategic development to the Board and supports the Welfare Team by reviewing cases outside its delegated authority. The FMC advises the Board and supports the CEO in fundraising strategy and direction. The HCC advises the board on

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

strategic policy with regard to Heritage and Commemorative programmes, as well as an annual programme of funding. The REC advises on applications for funds from the serving Regiment, not covered by annual grants.

The Charity Board makes regular review of policy and its risk register and participates actively in periodic reviews of governance best practice, using industry-standard tools endorsed by the military charity trade association Cobseo (Confederation of Service Organisations). The Board also works closely with the Senior Management Team to agree forward strategy to a 5-year horizon.

The Board of Trustees

The Trustees who have served during the period and since the period end are set out on page 8. Under its Articles, the Board comprises no more than 15 Trustees at any one time. The Trustees meet quarterly to discuss issues relevant to the Charity and its future development and to make such decisions as are required by its Articles. To remain agile and responsive to the needs of beneficiaries, decisions are also made out of committee under the terms of the Articles.

Recruitment and appointment of new trustees

The Trustees aim to recruit new members from both regimental and civilian backgrounds in order to ensure that the Charity has a balance and diversity of skills and knowledge. To this end, the GSC reviews criteria, skill-sets and candidates. New Trustees are encouraged to familiarise themselves with Charity Commission guidance relating to their role and an induction pack is issued. External training courses are also made available.

Related parties

There have been no material transactions with other charities connected with The Parachute Regiment and Airborne Forces in the accounting period, other than those disclosed in the financial statements.

Management

The Senior Management Team consists of the Chief Executive, reporting to the Chairman and Board, the Finance Director and Head of Welfare. A Charity Management Plan (CMP) approved and regularly reviewed by the Board contains all operating policies and procedures as guidance for trustees, management and staff.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Charity, as stated in its Articles, are to further the following charitable purposes by such means as the Trustees shall from time to time think fit:

- a. the promotion and maintenance of the heritage of The Parachute Regiment and Airborne Forces;
- b. the promotion of the efficiency of The Parachute Regiment and Airborne Forces;
- c. the relief of need, hardship, and distress amongst past and present members of The Parachute Regiment and Airborne Forces and their dependants.

Restricted Funds

Afghan Restricted Fund (ARF)

After combat operations on Op Herrick in Afghanistan ceased at the end of 2014, the Trustees of the then PRC agreed to take on the funds and obligations of former charity The Parachute Regiment Afghanistan Trust (PRAT) as of 31 December 2014, with the full approval of the Charity Commission. The former Trust's funds are held in a restricted fund administered by the Trustees against the original and amended objects, as defined by its Trust Deed, namely the relief in need of:

- Soldiers of The Parachute Regiment injured in Afghanistan.
- Families and dependants of the soldiers killed or injured in Afghanistan.
- To promote and sustain the memories of the loss of life and sacrifices made by the Regiment's soldiers in Afghanistan.
- To promote military efficiency through adventure training and welfare activities.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES (cont)

Before transferring their funds into the PRC, the PRAT Trustees amended these objects to extend the period of coverage to date from 11 Sep 2001 and therefore to include Iraq (Op Telic), as well as Afghanistan and subsequent conflict operations.

Airborne Assault Normandy Trust (AANT)

As of 1 January 2016, the Trustees of the then PRC agreed to take on the funds and obligations of the former Airborne Assault Normandy Trust, maintaining due recognition and remembrance of the British Airborne role and personnel during the liberation of France in the Second World War, which was dissolved and whose remaining funds form a restricted fund. Trustees have oversight of continued relationships and dialogue with the civic authorities in Normandy.

The Benevolence and Welfare Fund is a restricted fund that receives an element of the voluntary One Day's Pay Scheme (ODPS) contributions from serving soldiers, which are restricted by military statute. A number of other Restricted Funds have been established as a result of fundraising campaigns or legacies.

The Francis Fund, established as a result of a legacy, is a restricted fund that is applicable for the welfare assistance of disabled veterans and widows.

Public benefit

The Trustees have complied with their duty under section 4(1) of the Charities Act 2011 with regard to Charity Commission guidance on public benefit when reviewing their objectives, aims, future planning and in establishing their grant making policies.

Each of the above-mentioned objects of the Charity demonstrate public benefit:

- The relief of need, hardship and distress for serving or former soldiers of The Parachute Regiment and Airborne Forces and their dependants, is funded through charitable funds where public funds are insufficient or unavailable.
- The promotion of the efficiency of The Parachute Regiment and Airborne Forces assists morale and performance in a leading regiment and attached arms within the British Army.
- The promotion and maintenance of the heritage of The Parachute Regiment and Airborne Forces assists the education both of serving members of Airborne Forces and the general public in respect of past conflicts and the essential role of the Armed Forces, as well as remembrance of those who have served their country. The Airborne Assault Museum provides significant public benefit as an educational resource for the public and serving personnel of the Armed Forces.

Grantmaking

The Charity makes grants to meet the welfare need for individuals in need or distress, requiring household or mobility assistance for disabilities, as a result of age, wounding or injury; for those downgraded and discharged personnel transitioning to civilian employment; for need, hardship and financial distress both for individuals and their dependants, with particular emphasis on the mitigation of risks of homelessness and detriment to vulnerable dependants. The effects of service and in particular active operations on mental health and family relationships are also manifest and therapy is funded to avoid catastrophic deterioration.

Individual welfare and benevolence applications are assessed against eligibility criteria under the Charity's objects by the Welfare Team. Applications are received through serving Unit Welfare Officers or, for former soldiers and/or their dependants, through caseworkers from the Soldiers, Sailors, Airmen and Families Association (SSAFA) or the Royal British Legion (RBL) via a Case Management System (CMS), relaunched in 2021 as MOSAIC.

The Welfare Team reviews each case against the eligibility criteria, then identifies the most appropriate fund (restricted/designated/unrestricted) for the case need, and seeks to identify where appropriate (and if necessary) additional sources of charitable funding outside the Charity. The Welfare Team further monitors the outcome of the case grant and any continuing need for support. Where a case is unusual, contentious or exceeds certain threshold levels, reference is made to the Welfare and Benevolence Committee (WBC) and if deemed necessary the full Board.

The Welfare Team also supports transition into civilian employment and resettlement training courses for those

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES (cont)

undergoing medical discharge. In 2021 these activities were partly funded by the designated Wigley Support Fund, which also extends to retraining post-transition in cases of need. A further commitment has been made to this function with the employment of a Career Transition Officer, with the objective of ensuring successful and sustainable transition into civilian life for leavers, mitigating against any future problems that may arise if transition is not successful.

In 2021, the Charity continued to experience lower welfare demand than in pre-Covid years. Analysis in 2020 across the military charity sector through trade association Cobseo ascribed this partly to government support measures (furlough and job support) and partly to a slowdown in the Casework Management System (CMS), as volunteer caseworkers were unable to interact directly with beneficiaries. Further disruption was created in spring 2021 by issues with migration to the new CMS platform MOSAIC. Higher levels of direct inward contact have been experienced by the Welfare Team.

Annual Regimental Efficiency grants to battalions are made by the Board (under clear guidelines for Adventurous Training, Sports, Unit and Family welfare), with discretion delegated to battalion commanding officers and expenditure monitored through annual returns. Further unit and individual grant applications are assessed on merit, approved initially by the Chief Executive up to specified discretion levels, and thereafter by the full Trustee Board. As an annual process, the planned forward programme of Heritage and Commemorations grants is scrutinised by the HCC, prior to approval by the full Board.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In 2021, the second full operating year for the PRAFC, and the seventh under the trading name of SUPPORT OUR PARAS, the Charity continued to advance its objects and manage diverse fundraising activities to support them.

Relief of need, hardship and distress

During the year, the Charity expended £396k (including support costs of £102k) on the relief of need, hardship and distress, being the primary expenditure under its objects. Of this, £200k was from unrestricted funds, £36k from the Afghan Restricted Fund (ARF), £98k from the Benevolence and Welfare fund, £52k from the Francis Fund and £10k from other restricted funds.

By way of example:

- Veteran A. Tetraplegic since 2003 Road Traffic Accident. Provided with robotic arm attachment for his electric wheelchair, which is controlled through a chin-operated joystick and which has made a life-changing difference
 - Veteran B, disabled after head-wound in Afghanistan, and suffering severe stroke-like physical and mental impairments. Funded transportation to specialist physio rehab facility
 - Widow C. Disabled and with multiple chronic conditions affecting quality of life. Provided a riser/recliner bed.
 - Veteran D and daughter. Daughter is severely disabled and requires hydrotherapy in a heated pool. Provided hoist as veteran and wife unable to lift her safely.
 - Veteran E. Multiple physical, mental health issues and limited mobility for veteran in his 70s. Funded mobility vehicle.
 - Veteran F. Suffering financial hardship. Funded mandatory safety course to sustain employment as gas fitter
 - Widow G. Disabled and lost 81-year-old husband (and carer) to sudden illness. Assisted with funeral costs.
 - Family H. Soldier with family being medically discharged and in financial distress. Assisted with furnishings and white goods for Housing Association accommodation
 - Veteran I. Previously homeless, but has now found unfurnished accommodation. Debt issues under management so assisted with furnishing and brown/white goods.
 - Soldier J. Undergoing medical discharge. Funded vehicle adaptations to allow him to work in specialist industry sector with animals.
 - Widow K. Alone in home of 58 years. Funded repairs to leaking roof and remove asbestos
 - Child L. Remedial therapy for physical effects of prolonged treatment for cancer
 - Veteran M. Financial hardship for father of 4 when unable to continue self-employment work after daughter critically injured in accident
-

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE (cont)

Regimental Efficiency

With increasing pressure on public funds, Charity funding is provided to the serving Regiment to enhance recruitment and retention of personnel and to support progress through training and selection, thereby ensuring the highest quality of officers and soldiers. Grants also support ceremonial and commemorative activities for the Regiment and its wider community, enhancing its public reputation. Both units and individuals are supported with funding to enable Adventurous Training and Sports endeavours, which foster initiative, comradeship, personal achievement, reputation and motivation, and which contribute to the quality of the 'lived life' for the Regiment's soldiers.

In many cases, serving personnel use the opportunities afforded to promote and raise funds for the Charity, maintaining a virtuous circle of funding and reputational and financial increase. The Regiment's teams and soldiers compete at a high level in Army and Services sport. During 2021, many such activities were still curtailed by the pandemic, as they were in 2020, but 2022 is already seeing a return to high levels of sporting activity and success. Notably, one Regimental soldier, supported by the Charity in his elite sporting ambitions and training programme, competed for Team GB in the Beijing Winter Olympics in the bobsleigh.

Heritage

Despite continued national lockdowns and periods of IWM Duxford closure in 2021, AAL Museum visitor numbers began to recover with 56,300 persons (40,000 in 2020). The online digital archive ParaData continued to thrive with 961,590 visitors (967,375 in 2020).

The Charity also supports Remembrance through the maintenance of memorials, primarily at the National Memorial Arboretum (NMA), where an annual summer service is held, and with a Service of Remembrance at St Lawrence Jewry, the Regimental church in the City of London, in November. These are also occasions to meet and support Next of Kin (NOK) and families. Support is also provided for regimental commemorations overseas in France and the Netherlands. In 2021, as in 2020, events were cancelled or curtailed due to the pandemic, but the occasions were marked by online broadcast streaming of services.

The Charity also fosters links between the serving Regiment and the wider retired community through the publication of the annual Pegasus Journal, as well as administrative and IT assistance to the Airborne Network (ABN), run by volunteer retired officers.

FINANCIAL REVIEW

Financial performance – Group

The Group's income in 2021 was £1.84m, (down from £1.89m in 2020). After a 2020 year when fundraising and donation income fell by £291k to £194k, despite the continued effects of the pandemic in 2021, the Charity saw a small increase to £222k from these sources, but was also lifted by substantial legacy income of £477k (2020: £567k). Investment income increased to £339k in 2021 as markets recovered (£317k in 2020). Within the overall Group income figure is £398k of sales revenue by the subsidiary ABP Retail Ltd against which are set £352k of costs. Subsidiary PARAS'10 Limited accounted for a further £82k income, offset by £46k costs. Donated services of £42k represent the provision of employee services to the group by the MoD: £2k received by the Parent Charity and £40k received by AAL.

Expenditure for the year totalled £1.26m compared to £1.45m in 2020. Many commemorative and fundraising activities did not occur, running costs were carefully managed and Welfare expenditure was depressed by the factors detailed above.

The Group's surplus (net income) for the year was £581k (2020: £444k). This increased to a surplus of £2m after unrealised investment gains of £1.425m (2020: deficit of £292k after unrealised investment losses of £736k). At 31 December 2021 the Group carried forward total funds of £15.3m (2020: £13.3m).

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (cont)

The Parent Charity SOFA and balance sheet are presented on pages 15 and 16 respectively which report the performance of the Parent individually; these figures form part of the Group results noted above.

Financial performance – Subsidiaries

Airborne Assault Limited made a deficit of £46k (2020: £61k). Income increased by £13k from 2020, donations increased by £8k. Overall expenditure decreased by £2k.

ABP Retail Limited (ABP) made a contribution from retail merchandise sales of £46k (2020: £62k) paid under Gift Aid to its charitable Parent. While not matching the record performance of an online sales boom in 2020's lockdowns, ABP's sales performed extremely well during 2021.

PARAS'10 Limited made a contribution to its parent under Gift Aid of £36k (2020: £14k). Live events returned to Colchester and Catterick, albeit with reduced entry levels and Day income, and 2020's virtual events were sustained to maintain customer loyalty. Under FRS102, entry revenues for cancelled 2020 events were recognised in 2021.

Principal funding sources

As well as investment income, the Charity has diverse voluntary income streams: the One Day's Pay Scheme (ODPS) for serving members of the Regiment; grants and donations by private individuals, charitable bodies (including branches of the Parachute Regimental Association), trusts, foundations and corporations; legacies; and funds raised from activities and events organised by third-party supporters or by the Charity itself. 2021 saw a limited return of third-party organised events with the notable achievements of a Virtual 353 Ball in February and the live Wigley Group Ball in October. The charity sustained virtual events with PARAS'10s in 'Arnhem' and 'Brecon', as well as alongside Colchester and Catterick, and introduced an innovative Airborne Burpee Challenge.

In the absence of organised group participation events, there was a continued fundraising drive by individual serving or veteran soldiers of the Regiment and Airborne Forces. These outstanding initiatives set a positive example, raising the Charity's profile within the serving and retired communities, as well as raising funds and creating a climate of benevolence with the general public. The example set by 'our own doing it for our own' has proved powerful.

Fundraising Controls

All fundraising for voluntary donations is managed by a cell of two employees within the Charity, including the CEO, and relies heavily on personal initiatives by supporters within the serving and retired community, as well as the general public. The Charity organises a number of its own fundraising events or supports third-party event organisers. No professional fundraising organisation, agency or commercial participator has been or will be employed, as a matter of current policy.

The Charity is registered with the Fundraising Regulator and conforms to its Code of Standards. It also complies with guidelines published by the Charity Commission and the Institute of Fundraising. The Charity monitors fundraising on its behalf by attendance at events, or where public collections are being made, by identity checks on collectors, issuing clear guidelines on practices and instructions for remitting funds, and issuing letters and badges of identification with contact details for the charity. Records are maintained for all collectors, including all fundraising aids and materials issued and remittances are monitored. A Complaints Policy agreed by the Trustees is published and publicly accessible on the Charity website. No complaints were received in 2021.

The Charity does not engage in any programmed database marketing by post, telephone or email, which therefore mitigates any risk of intrusive or persistent fundraising approaches or undue pressure to donate. The Charity is also registered with the Information Commissioners Office (ICO) and conforms with the Data Protection Act 1998 and the General Data Protection Regulations (GDPR) 2018.

Investment and risk policy

After a review conducted by the FIC, Trustees agreed that all investments funds be entrusted to a single manager, CCLA (Churches, Charities and Local Authorities) Investment Management Limited in January 2021.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (cont)

The investment portfolio is managed to maintain and grow the true value of the investments and generate income which is allocated to the restricted or unrestricted funds according to its source. Periodic assessments are made by the FIC as to the availability of cash from operating activities for further long-term investment, noting that restricted and designated funds all need liquidity to meet demand in their respective areas. No additional monies were invested in 2021.

Investment performance

During the market recoveries of 2021, the value of the Charity's investments increased by £2.1m to £11.9m. The Charity received investment income of £339k (2020: £317k). Global energy and supply problems, inflation and Russia's invasion of Ukraine have created volatility in 2022. At 30 June 2022, the total value of the investments held by the charity stood at £10.6m against a 31 December 2021 valuation of £11.9m, a fall in value of £1.3m.

Reserves policy

As at 31 December 2021, the PRAFC Group total reserves were £15.3m (2020: £13.3m), of which £3.94m is restricted or designated for specific charitable purposes, and £11.4m unrestricted for meeting the objects as the Trustees see fit. It is the Trustees' policy to review the level of reserves in line with future plans to ensure that they are able to meet obligations to beneficiaries. The Trustees also take into consideration the current and future environment for raising funds. During this last year the Charity's net income surplus, plus the movement in investment values, have increased total funds by £2m.

The total level of reserves equates to 8 times the Group's annual expenditure in a recent average year, before the distorting effect of the pandemic in 2020/21. The free reserves (being reserves that are not restricted or designated) totalled £11.3m at 31 December 2021; this equates to 6 times the Charity's customary annual expenditure from general funds. The Trustees feel that these levels of reserves are adequate, recognising uncertainties and fluctuations in the voluntary fundraising environment and the need for continued support of our beneficiaries, as well as funding of Regimental efficiency, heritage and commemorative activity. Inflation, energy costs and taxation, are anticipated to have detrimental effects on many beneficiaries (unemployment, loss of income, poverty, mental health, family breakdown, eviction, homelessness etc) and possibly voluntary donations and fundraising event attendance in 2022. Trustees have also taken a strategic decision to invest in further provision of welfare resource, with grant expenditure likely to increase as a result. Free reserves are likely to be deployed at a quicker rate over coming years.

FUTURE PLANS

The merger that took effect on 1 January 2020 created a parent Charity with combined total funds of £13.6m. Two years later, having weathered the pandemic, its funds are worth £14.3m. The global pandemic had immediate negative effects on investment capital, income and fundraising activities, but also forcibly reduced expenditures. 2021 has seen cautious recovery on activities with a positive trading performance supported by a strong bounceback in investment markets. Through prudent policy, the Charity has maintained robust reserves, continuously monitored positive cashflow projections to a two-year horizon and anticipates being able to meet continued and increased demand for its funds post-pandemic.

During this testing period, the Charity has benefited from its broad diversity of income streams from investments, corporate support, event management and retailing which supplement voluntary donated income and the reliable stability of the ODPS. It will continue to develop this diverse income portfolio whilst still operating within tight bounds of staff resource. Annual fluctuations in voluntary income accord largely with the number and stature of third-party organised events and it is anticipated that these are likely to resume.

As part of a strategic review and in the light of the evident disintermediation between the Charity and potential beneficiaries caused by a sub-optimal Case Management System, the Trustees agreed to undertake the first stage of an investment programme to develop the Welfare offering over the next 3 year period. Continued pressures on public funding of the serving Armed Forces, the effects of new global political and economic uncertainties on investment growth and returns, and the waning public profile for the military since Afghanistan, as well as the context of a highly crowded and competitive charitable marketplace will all impact the regimental future funding need.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE PLANS

Finally, we have recently seen the departure of our long serving Chief Executive Officer, Stephen Cooper together with our finance director, Charlotte Donnelly from May and June 2022 respectively. The Trustees put on record their thanks to both for the efforts made during their tenure and wish them well for the future.

Moving into the Chief Executive Officer role is Col Andrew Jackson, a former Trustee, who is well placed to take over the day to day running of the Charity and to look forward to the next evolution of the activities we run and the help we provide to the Airborne Forces community.

The Finance Team is operating as normal whilst the Trustees undertake recruitment for the financial role.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07005997 (England and Wales)

Registered Charity number
1131977

Registered office
RHQ The Parachute Regiment
Merville Barracks
Circular Road South
Colchester
CO2 7UT

Trustees

Lt Col LPB Cradden MBE	
Mr C J W Daniels	
Mr M J D F Gray	
Lt Gen ASD Harrison DSO MBE	-appointed 14.07.21
Col (Retd) J D Handford OBE	
Col (Retd) A B Jackson	-resigned 18.04.22
Lt Gen (Retd) LP Lillywhite CB MBE	
Lt Gen (Retd) Sir John Lorimer KCB DSO MBE	
Brigadier (Retd) M P Lowe MBE	
Mr R J E Moore	
AVM R T I Munro CBE TD	
Lt Gen (Retd) JD Page CB OBE	
Col (Retd) JC Power QVRM TD	
Mrs PF Worsley Tonks	
WO1 P Scott	- resigned 16.06.21

Independent auditors

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

Solicitors

Howard Kennedy LLP
1 London Bridge
London
SE1 9BG

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Parachute Regiment Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

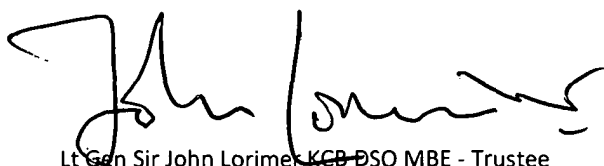
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Bright Brown Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 28 July 2022 and signed on its behalf by:



Lt Gen Sir John Lorimer KCB DSO MBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

Opinion

We have audited the financial statements of The Parachute Regiment and Airborne Forces Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or 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 Report of the Independent Auditors 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group, parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the group and parent 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 group's and parent 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 group or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and charitable company, the principal risks are that of management override of controls, potential fraud in revenue recognition and the interpretation of relevant disclosures surrounding merger accounting. The engagement team considered these risks and audit procedures were undertaken as follows:

- Discussions with management regarding the ability to override controls and review of processes in place to confirm no override had occurred.
- Extension of sample sizes relating to revenue recognition.
- Discussions with management regarding including consideration of any known or suspected instances of non-compliance with laws and regulations or fraud.
- Review of management journals, and a review of accounting estimates made by management where applicable.
- Review of financial statement disclosures, including completion of a relevant disclosure checklist.
- Review to ensure that there are no transactions that have no apparent business or charitable purpose, or that have been processed outside the usual accounting systems.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we are to become aware of it. 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 or intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the group's and parent 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 group and parent charitable company's members those matters we are required to state to them 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 group and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Stevens ACA (Senior Statutory Auditor)
for and on behalf of Bright Brown Limited
Chartered Accountants
Statutory Auditor
Exchange House
St Cross Lane
Newport
Isle of Wight
PO30 5BZ

Date: 31/8/2022

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£000	£000	£000	£000
INCOME FROM					
Donations and legacies	2	852	124	976	1,065
Charitable activities	5				
Income from charitable activities		5	10	15	21
Other trading activities	3	508	1	509	489
Investment income	4	283	56	339	317
Total income		<u>1,648</u>	<u>191</u>	<u>1,839</u>	<u>1,892</u>
EXPENDITURE ON					
Raising funds	6	516	-	516	569
Charitable activities	7				
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces		147	64	211	214
Promote the efficiency of The Parachute Regiment and Airborne Forces		107	28	135	244
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants		<u>200</u>	<u>196</u>	<u>396</u>	<u>421</u>
Total expenditure		<u>970</u>	<u>288</u>	<u>1,258</u>	<u>1,448</u>
NET OPERATING INCOME		<u>678</u>	<u>(97)</u>	<u>581</u>	<u>444</u>
Net gains/(losses) on investments		<u>1,187</u>	<u>238</u>	<u>1,425</u>	<u>(736)</u>
NET INCOME/(EXPENDITURE)		<u>1,865</u>	<u>141</u>	<u>2,006</u>	<u>(292)</u>
Transfer between funds	23	<u>(18)</u>	<u>18</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>1,847</u>	<u>159</u>	<u>2,006</u>	<u>(292)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>10,174</u>	<u>3,130</u>	<u>13,304</u>	<u>13,596</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>12,021</u></u>	<u><u>3,289</u></u>	<u><u>15,310</u></u>	<u><u>13,304</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

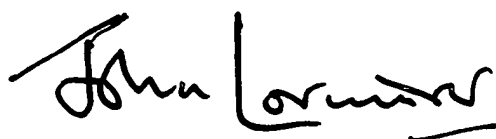
The notes form part of these financial statements

**CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2021**

	Notes	Unrestricted Funds	Restricted Funds	2021 Total funds	2020 Total funds
		£000	£000	£000	£000
FIXED ASSETS					
Intangible fixed assets	14	63	-	63	76
Tangible assets	15	7	719	726	768
Heritage assets	16	367	-	367	355
Investments	17	9,757	2,145	11,902	9,789
		10,194	2,864	13,058	10,988
CURRENT ASSETS					
Stocks		75	-	75	71
Debtors	19	575	26	601	117
Cash at bank and in hand		1,322	406	1,728	2,301
		1,972	432	2,404	2,489
CREDITORS					
Amounts falling due within one year	20	(145)	(7)	(152)	(173)
NET CURRENT ASSETS		1,827	425	2,252	2,316
TOTAL ASSETS LESS CURRENT LIABILITIES		12,021	3,289	15,310	13,304
NET ASSETS		12,021	3,289	15,310	13,304
FUNDS	23				
Unrestricted funds				12,021	10,174
Restricted funds				3,289	3,130
TOTAL FUNDS				15,310	13,304

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 28 July 2022 and were signed on its behalf by:



Lt Gen Sir John Lorimer KCB DSO MBE-Trustee

The notes form part of these financial statements

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

PARENT STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	Notes	£000	£000	£000	£000
INCOME FROM					
Donations and legacies	2	801	102	903	999
Charitable activities	5				
Income from charitable activities		-	10	10	20
Other trading activities	3	107	1	108	85
Investment income	4	283	56	339	316
Total income		1,191	169	1,360	1,420
EXPENDITURE ON					
Raising funds	6	116	-	116	166
Charitable activities	7				
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces		84	-	84	83
Promote the efficiency of The Parachute Regiment and Airborne Forces		107	28	135	244
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants		200	196	396	421
Total expenditure		507	224	731	914
NET OPERATING INCOME		684	(55)	629	506
Net gains/(losses) on investments		1,187	238	1,425	(736)
NET INCOME/(EXPENDITURE)		1,871	183	2,054	(230)
Transfer between funds	23	(18)	18	-	-
Net movement in funds		1,853	201	2,054	(230)
RECONCILIATION OF FUNDS					
Total funds brought forward		9,958	2,288	12,246	12,476
TOTAL FUNDS CARRIED FORWARD		11,811	2,489	14,300	12,246

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

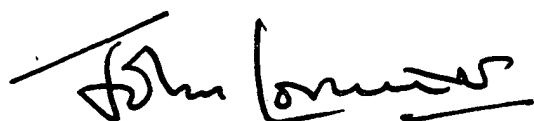
The notes form part of these financial statements

PARENT BALANCE SHEET
AT 31 DECEMBER 2021

	Notes	Unrestricted Funds	Restricted Funds	2021 Total funds	2020 Total funds
		£000	£000	£000	£000
FIXED ASSETS					
Intangible fixed assets	14	9	-	9	10
Tangible assets	15	3	-	3	4
Heritage assets	16	367	-	367	355
Investments	17	9,757	2,145	11,902	9,789
		10,136	2,145	12,281	10,158
CURRENT ASSETS					
Debtors	19	710	25	735	299
Cash at bank and in hand		1,058	326	1,384	1,931
		1,768	351	2,119	2,230
CREDITORS					
Amounts falling due within one year	20	(93)	(7)	(100)	(91)
NET CURRENT ASSETS		1,675	344	2,019	2,139
TOTAL ASSETS LESS CURRENT LIABILITIES		11,811	2,489	14,300	12,297
CREDITORS					
Amounts falling due after more than one year	21	-	-	-	(51)
NET ASSETS		11,811	2,489	14,300	12,246
FUNDS	23				
Unrestricted funds				11,811	9,958
Restricted funds				2,489	2,288
TOTAL FUNDS				14,300	12,246

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 28 July 2022 and were signed on its behalf by:



Lt Gen Sir John Lorimer KCB DSO MBE-Trustee

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash flows from operating activities:		
Cash generated from operations	(208)	193
Net cash provided by (used in) operating activities	(208)	193
Cash flows from investing activities:		
Purchase of tangible fixed assets	(14)	(19)
Invested cash used for management fees	-	43
Sale of fixed asset investments	9,876	547
Purchase of fixed asset investments	(10,566)	-
Interest received	-	2
Dividends received	339	315
Net cash provided by investing activities	(365)	888
Change in cash and cash equivalents in the reporting period	(573)	1,081
Cash and cash equivalents at the beginning of the reporting period	2,301	1,220
Cash and cash equivalents at the end of the reporting period	1,728	2,301

The notes form part of these financial statements

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Net income for the reporting period (as per the statement of financial activities)	2,006	(292)
Adjustments for:		
Depreciation charges	59	61
Interest received	-	(2)
Dividends received	(339)	(315)
Gains on investments	(1,425)	736
(Increase)/ decrease in stock	(4)	(10)
(Increase)/ decrease in debtors	(484)	3
Increase in creditors	(21)	12
Net cash provided by (used in) operating activities	<u>(208)</u>	<u>193</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.2021	Cashflow	At 31.12.2021
Net cash			
Cash at bank and in hand	<u>2,301</u>	<u>(573)</u>	<u>1,728</u>
Total	<u>2,301</u>	<u>(573)</u>	<u>1,728</u>

The notes form part of these financial statements

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

PARENT CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash flows from operating activities:		
Cash generated from operations	(185)	190
Net cash provided by (used in) operating activities	(185)	190
Cash flows from investing activities:		
Purchase of tangible fixed assets	(13)	(3)
Invested cash used for management fees	-	43
Sale of fixed asset investments	9,876	547
Purchase of fixed asset investments	(10,564)	-
Interest received	-	1
Dividends received	339	315
Net cash provided by investing activities	(362)	903
Change in cash and cash equivalents in the reporting period	(547)	1,093
Cash and cash equivalents at the beginning of the reporting period	1,931	838
Cash and cash equivalents at the end of the reporting period	1,384	1,931

The notes form part of these financial statements

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE PARENT CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Net income for the reporting period (as per the statement of financial activities)	2,054	(230)
Adjustments for:		
Depreciation charges	3	5
Interest received	-	(1)
Dividends received	(339)	(315)
Gains on investments	(1,425)	736
(Increase)/ decrease in debtors	(436)	79
Increase in creditors	(42)	(84)
Net cash provided by (used in) operating activities	<u>(185)</u>	<u>190</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.2021	Cashflow	At 31.12.2021
Net cash			
Cash at bank and in hand	<u>1,931</u>	<u>(547)</u>	<u>1,384</u>
Total	<u>1,931</u>	<u>(547)</u>	<u>1,384</u>

The notes form part of these financial statements

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES AND GENERAL INFORMATION

General Information

The Parachute Regiment and Airborne Forces Charity is a private company limited by guarantee and incorporated in England, registered office Regimental Headquarters, Merville Barracks, Colchester, CO2 7UT. The financial statements are presented in Sterling, which is the functional currency of the charitable group. There are no material uncertainties about the charity's ability to continue. The Parachute Regiment and Airborne Forces Charity constitutes a public benefit entity as defined by FRS 102.

Basis of preparing the financial statements and General information

The financial statements of the charitable company, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 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.

Turnover is the amount derived from the provision of goods/services, and stated after trade discounts, other sales taxes and net of VAT where applicable.

Donated services and facilities represents costs borne by the Ministry of Defence in connection with staff seconded to the Museum and the parent charity without charges, rates and other office expenses.

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.

Allocation and apportionment of costs

Support costs are costs related to providing direct support to the charitable company but also includes IT costs, insurance, telephone and other office costs. Governance costs are audit fees and trustee meeting and travel expenditure. Any such costs incurred during the year that are not directly attributable to the charitable activities of the organisation are allocated on the proportion of total direct costs required to support each activity.

Intangible fixed assets

Intangible fixed assets were acquired in 2016, 2017, 2018 and 2020 and are amortised over an 8 to 10 year period on a straight line basis.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Leasehold	- over the length of the lease
Equipment and fittings	- Straight line over 4 years, Straight line over 3 - 10 years and 10% reducing balance.

Heritage assets

The Parachute Regiment and Airborne Forces Charity holds various heritage assets including a memorial statue, paintings, statuettes, and trophies which are held to preserve the heritage of the Parachute Regiment and Airborne Forces in order to fulfil its object of maintaining the esprit de corps of the Regiment and Airborne Forces. These assets are included at their cost and not depreciated as they are deemed not to have a finite useful life.

The Parachute Regiment and Airborne Forces Museum Trust holds a large number of heritage assets in connection with the history of Airborne Forces. Heritage assets acquired by the Museum at no cost have been excluded from the accounts as their value was unrecorded as a result of the move from Aldershot and placing a large number of items into the reserve collection. An audit of the entire collection completed in 2018 and the charity is now proceeding to create a single database of the collection and also confirm the status of the artefacts in terms of ownership and accession. This is expected to be completed in 2022 together with work to value the collection bearing in mind the unique nature of the artefacts often will make valuation difficult as no active market may exist for the item.

The charity does not actively seek new items for the museum but does regularly receive items, often on loan, from both serving members of the Parachute Regiment and those have previously served in Airborne Forces or their families. The items received since the move to Duxford are also included in the audit of the collection.

There are two elements to the collection being the display in Duxford and the reserve collection held separately at Colchester Barracks. The public are able to access the museum in Duxford when the site is open during the week.

Any disposals from the collection are approved by the trustees and the items are normally only allowed to be passed to another similar collection to preserve the item in question.

Taxation

The charity is exempt from corporation tax on its charitable activities, except for its trading subsidiaries.

Stock

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

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES - continued

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Basis of consolidation

The accounts of the group consolidate the results of the company and its subsidiary undertakings, ABP Retail Limited, PARAS'10 Limited and Airborne Assault Limited which are made up to 31 December. The accounts are consolidated on a line by line basis.

Merger accounting

On 1 January 2020, The Parachute Regiment Charity and Airborne Forces Security Fund (both registered offices at RHQ Para, Merville Barracks, Colchester, CO2 7UT) combined to form The Parachute Regiment and Airborne Forces Charity. Due to the substantial nature of the funds being merged together with the similar activities the charities were undertaking and will continue to perform, the trustees are of the opinion that the use of merger accounting achieves a more understandable and relevant presentation of the financial results. Both previous charities' objectives were targeted toward the relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces, promoting the efficiency of The Parachute Regiment and Airborne Forces and promoting and maintaining the heritage of The Parachute Regiment and Airborne Forces. These objectives are the same within the merged charity. The combination has been dealt with using the merger accounting method to present fairly the charity's financial position, performance and cash flows. This treatment is a departure from the Companies Act 2006 however complies with treatment prescribed under the Charities SORP 2019.

Retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charge to the Statement of Financial Activities in the period to which they relate. Expenses are allocated based on the proportion of direct costs required to support each activity.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

2. DONATIONS AND LEGACIES

	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
PARAS'10 sponsorship	11	11	23	23
ParaData donations	8	4	3	-
Donations	220	213	200	196
Legacies	477	477	567	567
Grants	22	-	22	-
Day's Pay Scheme income	196	196	190	190
Donated services and facilities	42	2	58	21
Gifts and donations - Pegasus Journal	-	-	2	2
	<u>976</u>	<u>903</u>	<u>1,065</u>	<u>999</u>

Donated services are borne by the Ministry of Defence in connection with staff seconded to The Parachute Regiment and Airborne Forces Charity without charge.

3. OTHER TRADING ACTIVITIES

	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
Merchandise	1	1	2	2
Royalties	6	6	7	7
Charitable fundraising events	19	17	-	-
ABP Retail Limited	-	47	-	62
PARAS'10 Limited	-	36	-	14
Shop sales	1	-	1	-
ParaData photo sales	1	-	1	-
Trading activities	480	-	478	-
	<u>509</u>	<u>108</u>	<u>489</u>	<u>85</u>

4. INVESTMENT INCOME

	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
Dividends from investments	339	339	315	315
Deposit account interest	-	-	2	1
	<u>339</u>	<u>339</u>	<u>317</u>	<u>316</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
Subscriptions - Pegasus Journal	Charitable activities	10	10	20	20
Research/archive visits	Museum running	5	-	1	-
		<u>15</u>	<u>10</u>	<u>21</u>	<u>20</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

6. RAISING FUNDS	Group 2021 £000	Parent 2021 £000	Group 2020 £000	Parent 2020 £000
Raising donations and legacies				
Investment portfolio management	-	-	41	41
Staff costs	65	65	99	99
Fundraising and online giving costs	16	14	7	7
Travel and subsistence	1	1	1	1
Function expenses	14	14	1	1
Merchandise	2	2	-	-
Trading activities: ABP Retail Limited	352	-	392	-
Trading activities: PARAS'10 Limited	46	-	11	-
Support costs (see note 9)	20	20	17	17
	<u>516</u>	<u>116</u>	<u>569</u>	<u>166</u>

7. CHARITABLE ACTIVITIES COSTS (GROUP)	Direct costs £000	Grant funding of activities (See note 8) £000	Support costs (See note 9) £000	Totals £000
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces - General	19	1	14	34
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces - Museum	174	-	3	177
	<u>193</u>	<u>1</u>	<u>17</u>	<u>211</u>
Promote the efficiency of The Parachute Regiment and Airborne Forces	64	37	34	135
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	75	219	102	396
	<u>332</u>	<u>257</u>	<u>153</u>	<u>742</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

7. CHARITABLE ACTIVITIES COSTS (PARENT)

	Direct costs £000	Grant funding of activities (See note 8) £000	Support costs (See note 9) £000	Totals £000
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces	19	51	14	84
Promote the efficiency of The Parachute Regiment and Airborne Forces	64	37	34	135
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	75	219	102	396
	158	307	150	615

8. GRANTS PAYABLE

	2021		2020	
	Group £000	Parent £000	Group £000	Parent £000
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces - General	1	51	-	49
Promote the efficiency of The Parachute Regiment and Airborne Forces	37	37	105	105
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	219	219	268	268
	257	307	373	422

Analysis of grants payable:

	Unrestricted £000	Restricted £000	Total funds 2021 £000	Total funds 2020 £000
Other organisations and individuals*	63	192	255	277
Parachute Regiment Battalions	-	-	-	93
Breya Ward	-	1	1	3
Total Group	63	193	256	373
Airborne Assault Limited	51	-	51	49
Total Parent	114	193	307	422

* - The parent charity made a total of 330 grants to individuals for the provision of welfare services, support and financial assistance for soldiers or family and dependants of soldiers of The Parachute Regiment and Airborne Forces.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

9. SUPPORT COSTS

	Other £000	Governance costs £000	Totals £000
Raising funds	19	1	20
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces	13	1	14
Promote the efficiency of The Parachute Regiment and Airborne Forces	32	2	34
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	97	5	102
	142	8	150
Museum running	-	3	3
Allocated to Charitable Activities	142	11	153
Total Support Costs	161	12	173

Activity	Basis of allocation
Other	Proportion of direct costs required to support each activity
Governance costs	Proportion of direct costs required to support each activity

10. NET INCOME/ (EXPENDITURE)

Net income/ (expenditure) is stated after charging/(crediting):	2021 £000	2020 £000
Auditors' remuneration - current year (net of VAT)	7	7
Auditors' remuneration - subsidiaries (net of VAT)	7	6
Depreciation - owned assets	44	46
Amortisation	15	15

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

During the year one (2020: three) trustee(s) of the charity were reimbursed travel and subsistence costs incurred in connection with the charity totalling £289 (2020: £1,757).

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

12. STAFF COSTS	2021 £000	2020 £000
Wages and salaries	324	307
Social security costs	22	22
Employers - defined contributions	17	17
	<u>363</u>	<u>346</u>
The charity receives funding from the following sources in relation to employed roles:		
MOD Management and administration	11	26
MOD Museum operation	31	31
Ogilby Trust Museum operation	22	22
	<u>64</u>	<u>79</u>
The average monthly number of employees during the year was as follows:		
	2021	2020
Benevolence and welfare support	2	2
Management and administration	5	8
Museum operation	3	2
	<u>10</u>	<u>12</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£70,001 - £80,000	1	1

The Chief Executive Officer, Finance Director and Head of Welfare are considered key management personnel. The total employee benefits in the year (including employer's national insurance and pension contributions) for these posts were £161,000 (2020: £161,000).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (GROUP)

	Unrestricted funds £000	Restricted funds £000	Total funds £000
INCOME FROM			
Donations and legacies	645	420	1,065
Charitable activities			
Income from charitable activities	1	20	21
Other trading activities	489	-	489
Investment income	258	59	317
Other income	-	-	-
Total income	<u>1,393</u>	<u>499</u>	<u>1,892</u>
EXPENDITURE ON			
Raising funds	569	-	569
Charitable activities			
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces	145	69	214
Promote the efficiency of The Parachute Regiment and Airborne Forces	183	61	244
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	284	137	421
Total expenditure	<u>1,181</u>	<u>267</u>	<u>1,448</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (GROUP) - continued

NET OPERATING INCOME	212	232	444
Net gains on investments	(748)	12	(736)
NET INCOME	(536)	244	(292)
Transfer between funds	(36)	36	-
Net movement in funds	(572)	280	(292)
RECONCILIATION OF FUNDS			
Total funds brought forward	10,746	2,850	13,596
TOTAL FUNDS CARRIED FORWARD	10,174	3,130	13,304

COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (PARENT)

	Unrestricted funds £000	Restricted funds £000	Total funds £000
INCOME FROM			
Donations and legacies	601	398	999
Charitable activities			
Income from charitable activities	-	20	20
Other trading activities	85	-	85
Investment income	257	59	316
Other income	-	-	-
Total income	943	477	1,420
EXPENDITURE ON			
Raising funds	166	-	166
Charitable activities			
Promote and maintain the heritage of The Parachute Regiment and Airborne Forces	83	-	83
Promote the efficiency of The Parachute Regiment and Airborne Forces	183	61	244
Relief of need, hardship and distress of past and present members of The Parachute Regiment and Airborne Forces and their dependants	284	137	421
Total expenditure	716	198	914
NET OPERATING INCOME	227	279	506
Net gains on investments	(748)	12	(736)
NET INCOME	(521)	291	(230)
Transfer between funds	(36)	36	-
Net movement in funds	(557)	327	(230)
RECONCILIATION OF FUNDS			
Total funds brought forward	10,515	1,961	12,476
TOTAL FUNDS CARRIED FORWARD	9,958	2,288	12,246

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

14. INTANGIBLE FIXED ASSETS

	Computer Software Group £000	Total Group £000	Total Parent £000
COST			
At 1 January 2021	548	548	14
Additions	-	-	-
At 31 December 2021	<u>548</u>	<u>548</u>	<u>14</u>
DEPRECIATION			
At 1 January 2021	470	470	4
Charge for year	15	15	1
At 31 December 2021	<u>485</u>	<u>485</u>	<u>5</u>
NET BOOK VALUE			
At 31 December 2021	<u>63</u>	<u>63</u>	<u>9</u>
At 31 December 2020	<u>78</u>	<u>78</u>	<u>10</u>

Computer software represents the ParaData system and subsequent substantial upgrades to the platform.

15. TANGIBLE FIXED ASSETS

	Long Leasehold Group £000	Plant and machinery etc Group £000	Total Group £000	Total Parent £000
COST				
At 1 January 2021	1,250	1,556	2,806	15
Additions	-	2	2	1
Disposals	-	-	-	-
At 31 December 2021	<u>1,250</u>	<u>1,558</u>	<u>2,808</u>	<u>16</u>
DEPRECIATION				
At 1 January 2021	492	1,546	2,038	11
Charge for year	39	5	44	2
Eliminated on disposal	-	-	-	-
At 31 December 2021	<u>531</u>	<u>1,551</u>	<u>2,082</u>	<u>13</u>
NET BOOK VALUE				
At 31 December 2021	<u>719</u>	<u>7</u>	<u>726</u>	<u>3</u>
At 31 December 2020	<u>758</u>	<u>10</u>	<u>768</u>	<u>4</u>

Long leasehold assets represents the remaining value of the lease held by Airborne Assault Limited on the Duxford premises. Plant and machinery, etc represents computer hardware and other minor assets held by the parent with the majority of the balance being the cost of the physical cost of the museum displays, artefacts and archive held by Airborne Assault Limited.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

16. HERITAGE ASSETS

	Total Group £000	Total Parent £000
COST		
At 1 January 2021	355	355
Additions	12	12
At 31 December 2021	<u>367</u>	<u>367</u>

Heritage assets represent artefacts held by The Parachute Regiment and Airborne Forces Charity which are regimental paintings, centrepieces and the Pegasus statue situated at the National Memorial Arboretum.

There were no disposals or impairment of heritage assets in the year or the previous four years.

17. FIXED ASSET INVESTMENTS

	Group Listed investments £000
MARKET VALUE	
At 1 January 2021	9,789
Additions	10,563
Disposals	(9,789)
Revaluations	1,339
At 31 December 2021	<u>11,902</u>

NET BOOK VALUE	
At 31 December 2021	<u>11,902</u>
At 31 December 2020	<u>9,789</u>

	Parent Listed investments £000
MARKET VALUE	
At 1 January 2021	9,789
Additions	10,563
Disposals	(9,789)
Revaluations	1,339
At 31 December 2021	<u>11,902</u>

NET BOOK VALUE	
At 31 December 2021	<u>11,902</u>
At 31 December 2020	<u>9,789</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

17. FIXED ASSET INVESTMENTS - continued

During the year the Trustees disposed of their holdings with Blackrock and OLIM property, the £9,789k sale proceeds were reinvested with CCLA Investment management as well as additional funds from disposals made last year and the reserves of the charity.

The parent company's investments at the balance sheet date in the share capital of companies include the following:

PARAS'10 Limited

Company registration number: 08368199

Registered office: Regimental Headquarters, Merville Barracks, Colchester, CO2 7UT

Nature of business: Commercial events

	% holding	2021 £	2020 £
Class of share:	100		
Ordinary			
Aggregate capital and reserves		1	1
Profit for the year		<u>36,155</u>	<u>14,236</u>

ABP Retail Limited

Company registration number: 06009028

Registered office: Terrance House, Units 1-3 Denman Street East, Nottingham, NG7 3GX

Nature of business: Retail and online shop

	% holding	2021 £	2020 £
Class of share:	100		
Ordinary			
Aggregate capital and reserves		54,951	54,951
Profit for the year		<u>46,719</u>	<u>62,289</u>

Airborne Assault Limited

Company registration number: 06743823

Charity registration number: 1126776

Registered office: Regimental Headquarters, Merville Barracks, Colchester, CO2 7UT

Nature of charity: Museum running

Limited by guarantee:

Sole Corporate Member

	2021 £	2020 £
Aggregate funds	956,538	1,005,451
Deficit for the year	<u>(48,913)</u>	<u>(60,237)</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

18. TRADING RESULTS OF SUBSIDIARIES

	ABP Retail Limited		PARAS'10 Limited	
	2021	2020	2021	2020
	£000	£000	£000	£000
TURNOVER	398	445	82	27
Cost of sales	(251)	(275)	(44)	(9)
GROSS PROFIT	147	170	38	18
Other income (government grants)	-	10	-	-
	147	180	38	18
Expenditure	101	118	2	4
NET PROFIT	46	62	36	14

	Airborne Assault Limited	
	2021	2020
	£000	£000
Income		
Donations and legacies	123	115
Research and Archive visits	5	1
Other trading activities	4	2
Investment income	-	1
TOTAL INCOME	132	119
Expenditure		
Raising funds	1	1
Wages	83	72
Property	7	8
Administration	13	11
Maintenance	20	29
Depreciation and amortisation	54	55
Support costs	4	4
TOTAL EXPENDITURE	181	180
NET EXPENDITURE	(49)	(61)

	2021	2020
	£000	£000
Total subsidiary income	612	601
Total subsidiary expenditure	579	586

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000 Group	2021 £000 Parent	2020 £000 Group	2020 £000 Parent
Amounts owed by group undertakings	11	104	11	97
Trade debtors	2	-	1	-
Other debtors	588	631	105	202
	<u>601</u>	<u>735</u>	<u>117</u>	<u>299</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000 Group	2021 £000 Parent	2020 £000 Group	2020 £000 Parent
Trade creditors	23	-	24	-
Taxation and social security	20	7	15	7
Other creditors	109	42	134	35
Accruals for grants payable	-	51	-	49
	<u>152</u>	<u>100</u>	<u>173</u>	<u>91</u>

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

	2021 £000 Group	2021 £000 Parent	2020 £000 Group	2020 £000 Parent
Accruals for grants payable	-	-	-	51

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £000	Restricted Funds £000	2021 Total funds £000	2020 Total funds £000
Group				
Fixed assets	437	719	1,156	1,199
Investments	9,757	2,145	11,902	9,789
Current assets	1,972	432	2,404	2,489
Current liabilities	(145)	(7)	(152)	(173)
	<u>12,021</u>	<u>3,289</u>	<u>15,310</u>	<u>13,304</u>
Company				
Fixed assets	379	-	379	369
Investments	9,757	2,145	11,902	9,789
Current assets	1,768	351	2,119	2,230
Current liabilities	(93)	(7)	(100)	(91)
Long term liabilities	-	-	-	(51)
	<u>11,811</u>	<u>2,489</u>	<u>14,300</u>	<u>12,246</u>

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS

	At 1.1.21 £000	Net movement in funds £000	Transfers between funds £000	At 31.12.21 £000
Unrestricted company funds				
General fund	9,476	1,836	53	11,365
Heritage assets (designated fund)	355	-	12	367
Airborne Assault Ltd grants (designated fund)	102	(1)	(50)	51
Other designated funds (designated fund)	24	2	-	26
Unrestricted subsidiary funds				
ABP Retail Limited general fund	55	47	(47)	55
PARAS'10 Limited general fund	-	36	(36)	-
Airborne Assault Ltd general fund	35	(41)	41	35
ParaData Phase II (designated fund)	105	(13)	-	92
Other designated funds (designated fund)	22	(1)	9	30
	10,174	1,865	(18)	12,021
Restricted funds				
Operational Support Fund	17	(9)	-	8
Pegasus	-	(17)	18	1
Benevolence and Welfare	57	-	-	57
Afghanistan Trust	1,864	244	-	2,108
Other restricted	16	4	-	20
Airborne Assault Normandy Trust	30	-	-	30
Breya fund	18	(1)	-	17
Francis Fund	286	(38)	-	248
Parachute Regiment and Airborne Forces Museum Trust	787	(38)	-	749
ParaData Phase II	55	(4)	-	51
	3,130	141	18	3,289
TOTAL GROUP FUNDS	13,304	2,006	-	15,310
TOTAL COMPANY FUNDS	12,246	2,054	-	14,300

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

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

	Incoming resources £000	Resources expended £000	Gains and losses £000	Movement in funds £000
Unrestricted company funds				
General fund	1,088	(439)	1,187	1,836
Airborne Assault Ltd grants (designated fund)	-	(1)	-	(1)
Other designated funds (designated fund)	19	(17)	-	2
Unrestricted subsidiary funds				
ABP Retail Limited general fund	399	(352)	-	47
PARAS'10 Limited general fund	82	(46)	-	36
Airborne Assault Ltd general fund	60	(101)	-	(41)
ParaData Phase II (designated fund)	-	(13)	-	(13)
Other designated funds (designated fund)	-	(1)	-	(1)
	1,648	(970)	1,187	1,865
Restricted company funds				
Operational Support Fund	-	(9)	-	(9)
Pegasus Journal	11	(28)	-	(17)
Benevolence and Welfare	98	(98)	-	-
Afghanistan Trust	54	(36)	226	244
Other restricted	4	-	-	4
Breya fund	-	(1)	-	(1)
Francis Fund	2	(52)	12	(38)
Restricted subsidiary funds				
Parachute Regiment and Airborne	-	(38)	-	(38)
Forces Museum Trust	-	(4)	-	(4)
ParaData Phase II	-	(4)	-	(4)
Ogilby Trust grant	22	(22)	-	-
	191	(288)	238	141
TOTAL GROUP FUNDS	1,839	(1,258)	1,425	2,006
TOTAL COMPANY FUNDS	1,360	(731)	1,425	2,054

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £000	Net movement in funds £000	Transfers between funds £000	At 31.12.20 £000
Unrestricted company funds				
General fund	9,995	(559)	40	9,476
Heritage assets (designated fund)	355	-	-	355
Airborne Assault Ltd grants (designated fund)	151	-	(49)	102
Other designated funds (designated fund)	14	10	-	24
Unrestricted subsidiary funds				
ABP Retail Limited general fund	55	62	(62)	55
PARAS'10 Limited general fund	-	14	(14)	-
Airborne Assault Ltd general fund	35	(49)	49	35
ParaData Phase II (designated fund)	117	(12)	-	105
Other designated funds (designated fund)	24	(2)	-	22
	10,746	(536)	(36)	10,174
Restricted funds				
Operational Support Fund	19	(2)	-	17
Pegasus	-	(36)	36	-
Benevolence and Welfare	57	-	-	57
Afghanistan Trust	1,821	43	-	1,864
Other restricted	13	3	-	16
Airborne Assault Normandy Trust	30	-	-	30
Breya fund	21	(3)	-	18
Francis Fund	-	286	-	286
Parachute Regiment and Airborne				
Forces Museum Trust	827	(40)	-	787
ParaData Phase II	62	(7)	-	55
Ogilby Trust grant	-	-	-	-
	2,850	244	36	3,130
TOTAL GROUP FUNDS	13,596	(292)	-	13,304
TOTAL COMPANY FUNDS	12,476	(230)	-	12,246

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £000	Resources expended £000	Gains and losses £000	Movement in funds £000
Unrestricted company funds				
General fund	841	(652)	(748)	(559)
Airborne Assault Ltd grants (designated fund)	-	-	-	-
Other designated funds (designated fund)	23	(13)	-	10
Unrestricted subsidiary funds				
ABP Retail Limited general fund	455	(393)	-	62
PARAS'10 Limited general fund	26	(12)	-	14
Airborne Assault Ltd general fund	48	(97)	-	(49)
ParaData Phase II (designated fund)	-	(12)	-	(12)
Other designated funds (designated fund)	-	(2)	-	(2)
	1,393	(1,181)	(748)	(536)
Restricted company funds				
Operational Support Fund	-	(2)	-	(2)
Pegasus Journal	24	(60)	-	(36)
Benevolence and Welfare	95	(95)	-	-
Afghanistan Trust	59	(28)	12	43
Other restricted	3	-	-	3
Breya fund	-	(3)	-	(3)
Francis Fund	296	(10)	-	286
Restricted subsidiary funds				
Parachute Regiment and Airborne				
Forces Museum Trust	-	(40)	-	(40)
ParaData Phase II	-	(7)	-	(7)
Ogilby Trust grant	22	(22)	-	-
	499	(267)	12	244
TOTAL GROUP FUNDS	1,892	(1,448)	(736)	(292)
TOTAL COMPANY FUNDS	1,420	(914)	(736)	(230)

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £000	Net movement in funds £000	Transfers between funds £000	At 31.12.21 £000
Unrestricted company funds				
General fund	9,995	1,277	93	11,365
Heritage assets (designated fund)	355	-	12	367
Airborne Assault Ltd grants (designated fund)	151	(1)	(99)	51
Other designated funds (designated fund)	14	12	-	26
Unrestricted subsidiary funds				
ABP Retail Limited general fund	55	109	(109)	55
PARAS'10 Limited general fund	-	50	(50)	-
Airborne Assault Ltd general fund	35	(90)	90	35
ParaData Phase II (designated fund)	117	(25)	-	92
Other designated funds (designated fund)	24	(3)	9	30
	10,746	1,329	(54)	12,021
Restricted funds				
Operational Support Fund	19	(11)	-	8
Pegasus	-	(53)	54	1
Benevolence and Welfare	57	-	-	57
Afghanistan Trust	1,821	287	-	2,108
Barclays	-	-	-	-
Other restricted	13	7	-	20
Airborne Assault Normandy Trust	30	-	-	30
Breya fund	21	(4)	-	17
Francis Fund	-	248	-	248
Parachute Regiment and Airborne Forces Museum Trust	827	(78)	-	749
ParaData Phase II	62	(11)	-	51
Ogilby Trust grant	-	-	-	-
	2,850	385	54	3,289
TOTAL GROUP FUNDS	13,596	1,714	-	15,310
TOTAL COMPANY FUNDS	12,476	1,824	-	14,300

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

Unrestricted funds

The charity's general funds consist of funds which the trustees are free to use in accordance with the charitable objects.

Designated funds

The charity's designated funds consist of funds which the trustees have designated for a specific purpose as stated in the accounts. The Airborne Assault fund designation relates to the three year funding agreement and will be expended by 2022. The ParaData phase II fund relates to funds held for expected future costs and will be expended within the next three to five years.

Restricted funds

Pegasus Journal – the fund represents the surplus or deficit on the publication of The Parachute Regiment's Journal consisting of three editions per annum. Any surplus is held to fund future issues whilst deficits are covered by application of general funds. Please refer to note 24 for future changes to the Pegasus Journal.

Benevolence and Welfare – in line with AGAI guidance, an element of the Day's Pay Scheme is to be withheld for benevolent/welfare purposes.

Afghan Trust – In 2015 the charity received the entire funds of The Parachute Regiment Afghan Trust. The fund is to be expended in line with the objects of the original charity which was to support those from The Parachute Regiment who had been deployed to Afghanistan during the conflict. The Trust also expanded the remit to those who had been killed or injured since September 2001 in Afghanistan and Iraq to ensure that the fund can support Parachute Regiment personnel deployed since that date.

Barclays - Barclays have given funds to assist with the transitioning of Parachute Regiment personnel into civilian life. This was previously awarded to The Parachute Regiment Afghanistan Trust and the charity was pleased that the support has continued.

Operational Support fund – this fund is to be used towards costs of supporting families of member of The Parachute Regiment who are on active service.

Other – these are funds with minor balances which should be expended within the next twelve months.

The principal restricted fund transferred from the Airborne Assault Ltd relates to the assets and liabilities of The Parachute Regiment and Airborne Forces Museum Trust, which are classified as a restricted fund under the amalgamation of the charities as noted in the trustees report. Airborne Assault Ltd held three other restricted funds for ParaData Phase II Development, Redisplay of the museum collection and Ogilby Trust grant.

The Parachute Regiment and Airborne Forces Museum Trust, more commonly referred to as PRAFMT, is a linked charity of Airborne Assault Limited (AAL). The PRAFMT is the vehicle that existed prior to the creation of AAL and was the organisation that oversaw the move from Aldershot to IWM Duxford. The PRAFMT owns a number of the museum's assets, including the long-term lease, the museum's internal fixtures and fitting and artefacts. All such assets are held in a restricted fund within AAL. As linked charities the AAL and the PRAFMT are treated as one organisation.

Airborne Assault Normandy Trust - In 2016 the charity received the entire funds of Airborne Assault Normandy Trust. The fund is to be expended in line with the objects of the original charity which was the permanent preservation of the Normandy site for the education and benefit of the nation and the armed forces of the UK.

THE PARACHUTE REGIMENT AND AIRBORNE FORCES CHARITY T/A SUPPORT OUR PARAS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

Breya Fund - a designated fund was established to consolidate donations and ensure the most cost and tax-efficient channel to assist in funding provision of overseas medical treatment for the daughter of a regimental NCO suffering from neuroblastoma cancer. The family's needs arising from the child's UK treatment have also been supported from Trustees' unrestricted funds.

Francis Fund - this fund relates entirely to a legacy received in 2020 and these funds shall be utilised for the benefit of wives and orphans in distress of deceased ex-Airborne soldiers and Airborne disabled soldiers.

Transfers between funds

During the year, various fund transfers have been processed as the trustees believe them necessary to give a more accurate position at the year end. The majority of these transfers are standard consolidation transactions required to correct the group position at the year end. Further information on other significant transfers between funds is detailed below:

Pegasus fund - expenditure against this fund for the year exceeded the net income for the year by £17,000 and therefore this would have represented a deficit at the year end. The trustees agreed that the activity is subsidised by the general funds of the charity and therefore a transfer has been processed place to rectify the deficit.

24. PEGASUS JOURNAL

The cost of producing and distributing the journal is funded from a number of sources. The income received and its application by the charity is set out below:

	2021 £000	2020 £000
Gifts and donations	-	2
Subscriptions	10	20
Advertising income	1	-
Donated services	-	2
	<u>11</u>	<u>24</u>
Less annual running costs	(28)	(60)
Deficit for the year	<u>(17)</u>	<u>(36)</u>

Annual running costs are as follows:

	2021 £000	2020 £000
Publication costs	4	8
Salaries	20	45
Postage costs	2	5
Insurance	1	1
Bank charges	1	1
	<u>28</u>	<u>60</u>

After careful consideration, the Trustees have decided to reduce publication to a single Pegasus Journal, produced as an Annual Record in the first quarter of each calendar year (Jan-March). This change is effective from 2021. The next journal will therefore be the 2021 Yearbook, which has been published in the first quarter of 2022.