

PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

England & Wales · Charity number 1024418

Details

Other names	PWRR, QUEENS or QUEEN'S, The Queen's Regiment, Tiger, Tigers
Status	Registered
Legal form	Other
Registered	1993-07-30
Register	View on the Charity Commission register

Contact

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Activities

Objects: (1) TO RELIEVE EITHER GENERALLY OR INDIVIDUALLY FORMER AND SERVING MEMBERS OF THE REGIMENT OR FORMER MEMBERS OF THE FORMER REGIMENTS AND THEIR DEPENDANTS WHO ARE IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS. (2) TO PROMOTE THE EFFICIENCY OF THE REGIMENT IN SUCH WAYS AS THE MANAGING TRUSTEES FROM TIME TO TIME THINK FIT.

Activities: To relieve hardship or distress of former and serving members of the Regiment or former members of the former Regiments and their dependants. To promote the efficiency of the Regiment in such ways as the Managing Trustees from time to time see fit.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£376,995	£377,718	-	-
2023-12-31	£449,264	£365,563	-	-
2022-12-31	£365,994	£361,074	-	-
2021-12-31	£435,914	£300,915	-	-
2020-12-31	£469,916	£259,562	-	-

Trustees

Name	Role	Appointed
Major General James Martin OBE DSO MC	Chair	2019-04-01
Brig Christopher David Davies OBE		2023-05-04
Brigadier Michael David Cornwell OBE		2021-12-01
COLONEL ANTHONY BEATTIE		2012-05-10
COLONEL PATRICK TIMOTHY CROWLEY MBE DL		
Nicholas Burley		2021-11-01
RICHARD JAMES BRADBURN FCA		2011-11-21
Stephen Wall MBE		2025-11-26
Tim Glass		2023-01-01
Timothy Peter Jenkins		2025-11-26

Linked charities

- THE ROYAL SUSSEX REGIMENT OLD COMRADES ASSOCIATION (OCT) (1024418-1)

Accounts

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
THE PRINCESS OF WALES'S ROYAL REGIMENT
(QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND



**THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND**

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for the Year Ended 31 December 2024**

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THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Charity

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment.

The Charity was formed in 1992 on the formation of the Regiment from forebear regimental charities¹. The Charity's objectives are Benevolence and Welfare for our serving personnel², veterans, and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives.

Surplus and Deficit income during the year was £376k, slightly down on 2023, expenditure was £377k resulting in a deficit of £1k. This deficit was offset by gains on investments of £519k, an overall surplus of £518k.

Capital investments, continued to recover in 2024 providing welcome income and capital growth; the latter to support future generations of soldiers, veterans, and dependents.

Working with the Army Benevolent Fund (ABF), The Royal British Legion (TRBL), Royal British Legion Industries (RBLI), Soldiers, Sailors, Airmen and Families Association (SSAFA), the NHS, the Royal Sussex Regimental Association Ltd the Hampshire & Isle of Wight Military Aid Fund and the Fundraising Regulator to support our soldiers, veterans, and families.



The trustees are mindful that the use of charitable funds should have an element of benefit to the public and the remainder of this report lays out the Charity's position in this respect. Whilst the main charitable purpose of the Charity is 'the promotion of the efficiency of the armed forces of the Crown', the Charity delivers support to other purposes recognised by the Charity Commission, underlining the Charity's benefit to the Nation as a whole (refer to examples through this report that are pertinent to the first four bullets):

- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- The prevention or relief of poverty.
- The advancement of health or the saving of lives.
- The advancement of education (the provision of training to enable work – often prison release related).
- The advancement of citizenship or community development (supporting cadets).
- The advancement of the arts, culture, heritage or science (supporting regimental heritage and chattels)
- The advancement of amateur sport (supporting our sportsmen and women).
- The advancement of animal welfare (Tigers – after our regimental nickname).

¹ Less the Royal Sussex and Royal Hampshire Regiment funds. The Royal Sussex Regiment Endowment Fund that had been gifted (a Restricted Fund) has now been moved into the Queen's Regiment Designated Fund following agreement by the Charity Commission.

² This includes those serving outside of battalions at Extra Regimental Employment the largest contingent of which sits in 2nd Battalion the Ranger Regiment.

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

ACHIEVEMENT AND PERFORMANCE

Equality & Diversity Statement

The Regiment conforms to the Army's Values and Standards¹ and trustees are required to adopt these standards which are akin to the Nolan Principles². The Regimental Family consists of diverse ages (from children to aged veterans), sexes, sexual orientation, nationalities³, ethnicity and religious backgrounds; all of whom are supported with proper regard to any protected characteristics.

In 2023 the Trust Deed was amended to allow any person with the necessary skills to become a trustee rather than stipulating that trustees must have served as officers in the Regiment, with the resignation of a trustee in 2024 the trustees will be looking to appoint a new trustee following the new criteria.

Fundraising Statement

The Charity has an income of less than £1m pa and as such does not have a legal duty to meet the requirements of the Fundraising Regulator in respect of fundraising reporting. Nevertheless, the trustees feel that it is good practice to produce such a report in line with the Regulator's guidelines:

Case Study 1 (note for all cases that initial interaction is carried out by SSAFA – in some cases, they/them is used to further redact the identity of the individual).

Status: Veteran

Background: This veteran had experienced a mental health crisis. The family reached out to Regimental Headquarters who were able to provide wraparound support. This was in conjunction with the NHS, who provided a mental health care worker.

The veteran followed guidance and engaged with Op COURAGE and Rock2Recovery for additional support.

This veteran is now fully integrated into the system with a SSAFA caseworker. A grant was provided towards general needs but this case study highlights that not all cases are solved with a financial grant.

There has been a positive outcome as this veteran now has a much brighter outlook on the future.

Grant: £250

Referral to other military also contributed £405

Approach. The types of fundraising carried out by the Charity are:

- Voluntary donations from serving personnel (the Days Pay Scheme endorsed in King's Regulations for the Army).
- Income generated by capital investment.
- Other voluntary donations which also includes the Just Giving scheme.
- Rent on property.
- Legacies.
- Lottery Scheme.
- Internet donations from EasyFundraising and Give As You Live.
- Sales of Regimental goods (books and Regiment themed items). One source is through an independent firm who donates 5% of the cost of items to the Regiment.
- Events organised by third parties (who usually have a regimental connection). These are volunteers.
- Sponsored runs/walks – organised through a commercial third party – Nice Works.

Regulations the charity is subject to. The Charity is registered with the Fundraising Regulator and adheres to its code of practice.

How fundraisers are monitored. Most fundraisers are linked to the Regiment through the PWRR Association (PWRR) or a forebear regiment association such as the Queen's Regiment Association (QRA) who in turn monitor branch activities. The Chairs of the PWRR and QRA are trustees, and two volunteer fundraisers' activities are monitored directly through the Regimental Headquarters.

Number of fundraising complaints. There were no fundraising complaints made against the charity in 2024.

Protection of vulnerable persons. The Charity seeks not to intrude on privacy, make unreasonably persistent approaches for money or property, or place pressure on individuals. This applies to everyone not just vulnerable persons. The Charity has a clear safeguarding policy which is briefed to staff annually.

¹ Values are Courage, Discipline, Respect for Other, Integrity, Loyalty, Selfless Commitment. Standards are: Lawful, Acceptable Behaviour, Professional.

² The Nolan Principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

³ Though all serving soldiers must meet the British, Commonwealth, Irish or Gurkha nationality criteria, the same does not apply to partners.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

Chairman's Foreword

2024 saw the number of welfare applicants continue to rise over immediate previous years; money spent on welfare exceeded the amount raised from contributions received from serving members of the Regiment. Statistics for the period 2019 -2024 show a dip in the COVID years rising to pre COVID levels:

- 2019 – 149 cases - £58k.
- 2020 – 133 cases - £56k.
- 2021 – 103 cases - £46.4k.
- 2022 – 102 cases - £68.1k.
- 2023 – 121 cases - £65.5k
- 2024 – 142 cases - £88.9k.

Since 2019, a total of 750 serving personnel, veterans and dependents have been supported by the Charity at a cost of £389.9k.

The benevolent fund capital investments value gained in year by £523,067 finishing the year at £6,543,005. The trustees continue to keep abreast of financial developments through the Financial and Investment committees (which meet four times and twice a year respectively). It was agreed by the trustees that in 2025 the Finance Committee would review the performance of our investors and report back to the Management Committee.

Review of Activities

The trustees wish to place on record their appreciation for the work and support delivered by Regimental Headquarters and retiring trustee Richard Putnam who had been involved with the running of the Charity for over twenty years. Detailed highlights for the year were:

- 204 welfare cases assessed for financial, moral, or practical support.
- 142 welfare cases received financial support with 62 declined.
- The continued success of the Veterans' Horticultural Project (Kennels Field) which is nearly complete; the formal opening ceremony will take place on 1 June. In 2024 the Charity contributed a further £40.2k to this project. An application will be made for a VAT refund in 2025 on completion of the project.
- Communication with the wider Regimental Family (c7,500) through magazines, publications, and emails costing £39.5k.
- Grants to Battalions and veteran association branches - £49.5k.
- Procurement and maintenance of chattels - £20.3k (including the purchase of a painting to commemorate the presentation of Colours to 4 PWRR in 2023).
- Support to officers and soldiers in training - £17.1k.
- Fundraising:
 - Individual donations £107.8k.
 - Days Pay Scheme £80k (whereby each officer and soldier voluntarily donates a day's pay (Gross) to the charity. Regulations for the scheme are found in King's Regulations for the Army).
 - Income from Capital investment £523k.

Case Study 2

Status: Veteran

Background: This veteran recently suffered a fall after blacking out and sustained serious head injuries. They remain vulnerable to further injuries and seizures and is therefore unable to work.

To provide a better quality of life they have been allocated sheltered housing. Assistance was requested towards household items.

Grant: £466

Referral to military charities: TRBL grant £910.

ACHIEVEMENT AND PERFORMANCE

To help overcome a lack of understanding of how the Charity works, the Regimental Secretary has started to hold briefings open to all which build on the detail contained in this report.

In supporting such activity, the Charity follows the principles articulated below:

- The Charity's investment policy is to produce the highest financial return within an acceptable level of risk.
- The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees, to be CPI plus 3.5%. However, the short-term target is to preserve the capital value with a minimum level of risk.
- The recipients of benevolence cover a wide spectrum of the public and, although current serving personnel do receive assistance, the main beneficiaries are veterans, widows, and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit. The Charity continues to contribute to the preservation of the Nation's heritage. The existence of the Charity helps to ensure high morale and esprit de corps in the PWRR and thus contributes to the overall effectiveness of the Nation's armed forces. This in turn brings tangible benefits to the public and it is therefore considered by the trustees that there is an identifiable benefit to the Nation at large.

Case Study 3

Status: Serving Soldier

Background: Sadly, a member of this soldier's family had passed away. They needed to fly out immediately to be with their family and attend the funeral. The MoD were not able to support with public funds and the soldier was struggling financially due to the cost-of-living crisis.

Assistance was therefore being requested towards compassionate flights.

Grant: £1,000

Referral to military charities: This case also was submitted to the ABF who liaised with the soldier's unit.

ACHIEVEMENT AND PERFORMANCE

What We Do.

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment. An Impact Measurement and Management (IMM) Framework has identified five impact objectives and five outcomes deriving from the *Theory of Change* that the Charity delivers:

Impact Objectives:

- Relief of financial hardship and distress.
- Delivering services that meet individual social needs.
- Support heritage conservation efforts.
- Improving the efficiency of the regiment.
- Forming quality relationships.

Outcomes:

- Enhanced security and stability.
- Increase in long term quality of life.
- Strengthened social cohesion.
- Increased soldier and recruit satisfaction.
- Preservation of PWRR heritage.
- Developed community awareness of the Regiment.

To do this the Regiment:

- Provides grants and support plans to individuals to support their mental, physical and financial needs.
- Provides grants to veteran associations and battalions to deliver events/services that relieve social/psychological needs.
- Commissions and funds work that supports the conservation of the Regiment's history.
- Provides funding for infrastructure, processes, training, or equipment that supports the efficiency of the Regiment.
- Liaises with aligned partners and organisations to maximise the potential of the Regiment's activities (this not only includes other military charities such as the RBL or ABF but specialist charities (for instance debt counselling or prisoner support)).

United Nation Sustainable Development Goals (SDGs)

The Charity also supports the Nation in its efforts to meet the 17 SDGs adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The activities of the PWRR Benevolent Fund contribute towards 6 SDGs:



REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

Impact Overview

The Charity has recorded the following positive impacts:

Increase Enhanced Quality of Life and Security & Stability:

- 204 cases referred to the charity.
- 62^[1] cases declined for financial support.
- £88.9k spent on 142 welfare cases (£65.5k was spent in 2023).
 - 12 serving personnel.
 - 1 family of serving personnel.
 - 129 veterans (74 PWRR, 50 Queen's Regiment, 1 Queens Royal Surrey Regiment, 2 Buffs (Royal East Kent Regiment) and 2 Royal Sussex Regiment).
- 111 cases were referred to other charities.
- 24 cases have been referred to a veterans' association for support.
- £9.6k was granted to associations.
- The Kennels Field project is almost complete.

Case Study 4

Status: Veteran

Background: This veteran is currently in poor health with a recent diagnosis of a terminal illness but is receiving treatment. They already had long standing medical conditions and seemed weak when visited by the caseworker.

Sadly, their relationship had also broken down and this veteran had to move out of their home. They have also lost their job due to ill health.

Since these major impacts this veteran is struggling to make ends meet, having sold belongings to meet rent needs and surviving off benefits and food banks. Assistance was requested towards the annual ground rent of their dwelling.



^[1] Declined for the following reasons: did not meet criteria - 21, need met by another charity - 14, incorrect regiment - 16, maximum grant already reached - 5, substantial savings - 4, withdrawn - 2.

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

Preserve PWRR Heritage:

- 100% chattels are inspected annually - inspections by a volunteer from the Heritage Committee have taken place and have been useful in identifying those elements that need repair or should be withdrawn into storage.
- £20.3k was spent on the maintenance and procurement of chattels. This included the purchase of a painting by David Rowlands to commemorate the presentation of Colours to 4 PWRR by Crown Prince Frederik of Denmark.
- £39.5k was spent on producing journals to keep the Regimental Family informed reaching c7,000 members.

Case Study 5

Status: Veteran

Background: This veteran presented as homeless and was subsequently housed by the council in a bedsit.

They are employed on a Ohr contract meaning their income is sporadic and therefore must survive off universal credit and food banks.

Previously employed as a HGV driver, and wishes to return to this vocation for a more secure future.

Assistance was requested towards a training course and the associated costs.

Grant: £500

Referral to military charities: ABF £709

Raised Soldier and Recruit Satisfaction:

- £12.4k was granted for adventurous training and sport to support four activities.
- £49.8k was spent on grants to battalions and associations.
- £17.1k granted towards nurturing recruits.
- £5.5k granted to PWRR badged Army Cadet Force and Combined Cadet Force children.

This activity has contributed to recruiting into the Regiment continuing to be amongst the best in the Army.

Members of the Regiment are subsidised to enter adventurous training and sporting activities that challenge the individual to overcome adversity, build self-esteem and comradeship.



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REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

Future Activity

In 2025 the Charity will:

- Continue to seek improved communication with the wider Regimental Family³.
- Liaise with mental health charities to give those in need the ability to seek help more quickly.
- Rededicate a memorial to Captain Matthew Latham in France; a hero at the Battle of Albuhera in 1811 where he suffered horrendous wounds, he was the first person in England to undergo plastic surgery which was paid for by the Prince Regent.
- Restore a memorial to Lance Corporal John Harman VC Queen's Own Royal West Kent Regiment on Lundy Island.
- Work to preserve the Charity's capital value (and the income generated by that) at a time of financial uncertainty (which is captured in the Charity's risk register).
- Plan for the sixtieth anniversary commemoration of the formation of the Queen's Regiment.

Financial Results 2024. The detailed financial position is shown on pages 17-30.

Principle Risks and Uncertainties. Identified risks and mitigation measures are:

Governance. The charity is confident that its governance procedures are appropriate. Mitigation measures include:

- Regularly review our governance procedures.
- The conflict register is held and checked against at each meeting.
- Regular review of policies and length of trusteeship. The Financial Policy was reviewed and agreed in November 2024.

Operational. Since those running the charity are Civil Servants it is felt that operational risk is minimal. The following procedures are in place:

- Customer base is reminded of the benevolence role of the charity several times a year.
- Welfare staff liaise with other charities for advice and collaborative purposes.
- All contracts (very few) are reviewed by the Honorary Regimental Solicitor.
- MOD recruitment procedures are followed. All staff are subject to annual training.
- Annual checks of physical assets take place. Financial checks take place monthly.

³ The Subscriber Customer Relations Management System went live in 2022 and is already proving its worth in terms of timely and accurate information being pushed to serving soldiers and veterans alike.

Finances. The Finance Committee meets four times a year and the Investment Committee twice a year:

- **Overarching:**
 - Quarterly updates from investors.
 - Monthly bank checks (cash held = 6 months of operations).
 - Income v expenditure constantly monitored and reported to Finance Committee meetings.
 - Investment management policy is reviewed at least bi-annually.
 - Insurance cover is reviewed annually.
 - The Financial Policy document was reviewed and amended in November 2024 (next review 2027).
- **Inappropriate Investment:**
 - Monitoring of investment manager's performance against ARC metrics.
 - Performance reviewed at meetings and formally every five years.
- **Income.** A reduced size of the Regiment has led to a decrease in Day's Pay income. Nevertheless:
 - There is continuous engagement to identify new sources of funding which involves the whole Regimental Family.
 - More emphasis on formal fundraising events (factored into 2025 and 2027).
 - Issues are realised and factored into the annual budget which forecasts five years ahead.
 - The priority for expenditure will always be welfare payments.
- **External Risks:**
 - Ensure transparency. Annual audit report published, and welfare statistics are published weekly.
 - Educate the wider Regimental Family on the workings of the Charity.
 - Maintain membership of COBSEO to ensure the Charity is prepared for change initiatives.
 - Monitor output from the Army Charities Advisory Group.
- **Reputation:**
 - Education – link to External risks.
 - Attempt to work with breakaway veterans' groups but if not possible ensure that they are not linked to the Charity.
 - Take part in the COBSEO biennial governance review.
 - Ensure policies are in place and subject to regular reviews.
 - Retain membership the Fundraising Regulator organisation.
- **Health & Safety Kennels Field:**
 - Health & Safety qualified members of the Queen's Regiment Riders Association (QRRRA) have reviewed and implemented procedures in place. They are inspected during RHQ staff during routine visits.
 - Insurers have confirmed that further trustee insurance is not required. The QRRRA have their own insurance in place.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

FINANCIAL REVIEW

Financial Summary

The Trust ended the year with a total value of £7,309,985, an increase of £518,303 (+7.6%) over that of 2023. Of the total value, £3,838,362 (52.5%) is the Designated Fund (Surrey Infantry Collection) and £3,471,623 (47.5%) is the Unrestricted Fund (PWRR and Queen's Museum). Of the total asset value, Investments and Cash in Hand were £6,624,583 (90.6%), demonstrating a healthy liquidity position. Tangible and Heritage Assets were £783,441, debtors were £19,894 and Creditors were £117,953.

Income for the year at £197,794 was 28% down on the £275,709 of 2023. The operating deficit in 2024 was £723 and in 2023 there was an operating profit of £83,701. This has been due to the additional expenditures incurred during the year.

Reserves policy

The trustees have considered the requirement of the SORP(FRS 102) and have again concluded that a strong growth policy will be required to ensure that the members of the Regiment and their families will be supported in the future. The Trustees seek to maintain free reserves of six months expenditure, which Trustees estimate to be in excess of £60,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Management Structure

The management board consists of ex-officio Trustees, who are senior members of the Regimental Council, and Administrative Trustees, who are drawn from the chairs of veteran associations, or have financial and business expertise (this will change with the implementation of the amendments to the trust deed). The Honorary Colonel 3 PWRR, Sir Lloyd Dorfman CVO CBE, attends meetings as an advisor. Note that a change to the Trust Deed in 2023 now allows any person with the requisite skill set to serve as a trustee (previously trusteeship was only open to retired officers from the regiment).

Remuneration

The trustees and its Board are the key management personnel of the responsible for directing, controlling, running and operating the Charity. Trustees give of their time freely with no remuneration paid in the year. Details of trustee expenses and related party transactions disclosed in note 5 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

Third Party Indemnity.

In addition to an indemnity policy for employees (£10m) the trustees are insured for public liability for the sum of £5m.

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REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure and Decision Making

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, all paid civil servants whose engagement reaches further than charitable activity.

The Welfare Committee is authorised to make grants up to £1,000 per case. Welfare grants aside, the Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number	1024418
Principal address	AHQ PWRR Leros Barracks Sturry Road Canterbury, Kent CT1 1HR
Trustees	Major General JR Martin DSO OBE MC Brigadier MD Cornwell OBE Brigadier CD Davies OBE Brigadier T Glass Colonel AAA Beattie Colonel PT Crowley MBE DL Colonel DK Mogg TD VR Colonel R Putnam CBE TD DL (retired 29 November 2024) Lieutenant Colonel B Baker MBE Lieutenant Colonel N Burley Mr RJ Bradburn
Regimental Secretary	Colonel JRI Powell OBE
Hon Legal Advisors	A M Moss
Auditors	Xeinadin Audit Ltd Conqueror House Sittingbourne Kent ME10 5BH
Investment Advisors	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 16 May 2025 and signed on its behalf by:



Brigadier CD Davies OBE - Trustee

Opinion

We have audited the financial statements of The Princess of Wales's Royal Regiment Benevolent Fund (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives in performing the audit are to identify and assess the risk of material misstatement in the financial statements due to fraud or error and to obtain sufficient audit evidence to support this. We also evaluate and respond to the risk of material misstatements.

Audit procedures performed by the engagement team included:

- Obtaining an understanding of the legal and regulatory frameworks that are applicable to the entity.
- Assessing the risks of material misstatements in respect of fraud by enquiring of management as well as reviewing the service organisations used. These were corroborated by reviewing Board Minutes, correspondence with HMRC and Companies House as well as with Service Organisations.
- Gaining a sufficient understanding of the internal control environment, including systems in place for the detection and prevention of fraud.
- Understanding the company's current activities, assets, liabilities, as well as future plans.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Xeinadin Audit Ltd
12 Conqueror Ct
Sittingbourne
Kent
ME10 5BH

Date: 16 May 2025

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2024

		Designated £	Unrestricted £	Endowment funds £	31.12.24 Total funds £	31.12.23 Total funds £
	Notes					
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	21,367	176,427	-	197,794	275,709
Charitable activities						
Hardship or distress relief for former and serving members		150	-	-	150	5,096
Investment income	4	<u>87,576</u>	<u>91,475</u>	<u>-</u>	<u>179,051</u>	<u>168,459</u>
Total		<u>109,093</u>	<u>267,902</u>	<u>-</u>	<u>376,995</u>	<u>449,264</u>
EXPENDITURE ON						
Raising funds	5	32,554	35,806	-	68,360	50,452
Charitable activities						
Hardship or distress relief for former and serving members		98,664	206,454	-	305,118	315,111
Other		<u>-</u>	<u>4,240</u>	<u>-</u>	<u>4,240</u>	<u>-</u>
Total		<u>131,218</u>	<u>246,500</u>	<u>-</u>	<u>377,718</u>	<u>365,563</u>
Net gains on investments		<u>341,583</u>	<u>177,443</u>	<u>-</u>	<u>519,026</u>	<u>340,920</u>
NET INCOME		319,458	198,845	-	518,303	424,621
Transfers between funds	15	<u>-</u>	<u>154,003</u>	<u>(154,003)</u>	<u>-</u>	<u>-</u>
Net movement in funds		319,458	352,848	(154,003)	518,303	424,621
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>3,518,904</u>	<u>3,118,775</u>	<u>154,003</u>	<u>6,791,682</u>	<u>6,367,061</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>3,838,362</u></u>	<u><u>3,471,623</u></u>	<u><u>-</u></u>	<u><u>7,309,985</u></u>	<u><u>6,791,682</u></u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

BALANCE SHEET
31 December 2024

		Designated	Unrestricted	Endowment	31.12.24 Total funds	31.12.23 Total funds
	Notes	£	£	funds £	£	£
FIXED ASSETS						
Tangible assets	8	931	682,616	-	683,547	646,816
Heritage assets	9	-	99,894	-	99,894	99,894
Investments	10	<u>3,796,159</u>	<u>2,747,554</u>	-	<u>6,543,713</u>	<u>6,020,646</u>
		3,797,090	3,530,064	-	7,327,154	6,767,356
CURRENT ASSETS						
Stocks	11	-	7,160	-	7,160	7,160
Debtors	12	10,802	1,932	-	12,734	11,302
Investments	13	-	7,560	-	7,560	2,004
Cash in hand		<u>30,470</u>	<u>42,840</u>	-	<u>73,310</u>	<u>129,289</u>
		41,272	59,492	-	100,764	149,755
CREDITORS						
Amounts falling due within one year	14	-	(117,933)	-	(117,933)	(125,429)
NET CURRENT ASSETS		<u>41,272</u>	<u>(58,441)</u>	-	<u>(17,169)</u>	<u>24,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>3,838,362</u>	<u>3,471,623</u>	-	<u>7,309,985</u>	<u>6,791,682</u>
NET ASSETS		<u>3,838,362</u>	<u>3,471,623</u>	-	<u>7,309,985</u>	<u>6,791,682</u>
FUNDS						
	15					
Unrestricted funds					7,309,985	6,637,679
Endowment funds					-	154,003
TOTAL FUNDS					<u>7,309,985</u>	<u>6,791,682</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16th May 2025 and were signed on its behalf by:



Brigadier CD Davies OBE - Trustee

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2024

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The aims of the Charity are to relieve hardship or distress of former and serving members of the regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Northern Ireland, number 102 4418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future, cash flows and the impact of subsequent events in making their assessment.

Based on the assessments above, and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty, and that they can continue to adopt a going concern bases in preparing the annual report and accounts.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt, and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

1. ACCOUNTING POLICIES - continued

Income

When the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity, which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unilottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year, when the offer is made, except in those cases where the offer is conditional, such grants can be recognised as expenditure when conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

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

Improvements to property	- 2% on cost
Fixtures and fittings	- 33% on cost

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Computer equipment - 33% on cost

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date, the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be higher of its fair value less cost to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Stocks

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

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been as designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The amount of each designated fund is set out in the notes to the financial statements.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim in use of each restricted fund is set out in the notes to financial statements

Endowment funds are for the charity to retain for the charities using furtherance of its charitable purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

No significant judgements have been made by management in preparing these financial statements apart from those detailed in Note 1.

3. DONATIONS AND LEGACIES

	31.12.24	31.12.23
	£	£
Donations	160,794	270,709
Legacies	<u>37,000</u>	<u>5,000</u>
	<u>197,794</u>	<u>275,709</u>

4. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Other fixed asset invest - FII	177,965	167,196
Deposit account interest	<u>1,086</u>	<u>1,263</u>
	<u>179,051</u>	<u>168,459</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

5. RAISING FUNDS

Raising donations and legacies

	31.12.24	31.12.23
	£	£
Events Costs	42,679	50,452
Support costs	<u>25,681</u>	<u>-</u>
	<u>68,360</u>	<u>50,452</u>

6. GRANTS PAYABLE

	31.12.24	31.12.23
	£	£
Grants Paid	<u>150,076</u>	<u>92,909</u>

The total grants paid to individuals during the year were distributed as follows:

	31.12.24	31.12.23
	£	£
1 Battalion PWRR	14,229	5,975
2 Ranger PWRR	4,600	1,070
3 Battalion PWRR	8,164	5,025
Welfare Grant	88,945	65,546
Other Grants (i.e. sport and adventure training)	18,916	8,365
Golf Society	550	452
Royal Hampshire Regimental Association	2,000	3,000
4 Battalion PWRR	5,531	(1,793)
Association Branches	6,141	5,269
Officers Club	<u>1,000</u>	<u>-</u>
	<u>150,076</u>	<u>92,909</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

Expenses of £266 (2023; £334) were paid during the year.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

8. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2024	400,000	254,905	800	12,613	668,318
Additions	-	42,818	-	-	42,818
At 31 December 2024	<u>400,000</u>	<u>297,723</u>	<u>800</u>	<u>12,613</u>	<u>711,136</u>
DEPRECIATION					
At 1 January 2024	-	8,390	641	12,471	21,502
Charge for year	-	5,786	159	142	6,087
At 31 December 2024	-	<u>14,176</u>	<u>800</u>	<u>12,613</u>	<u>27,589</u>
NET BOOK VALUE					
At 31 December 2024	<u>400,000</u>	<u>283,547</u>	<u>-</u>	<u>-</u>	<u>683,547</u>
At 31 December 2023	<u>400,000</u>	<u>246,515</u>	<u>159</u>	<u>142</u>	<u>646,816</u>

9. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2024 and 31 December 2024	<u>99,894</u>
NET BOOK VALUE	
At 31 December 2024	<u>99,894</u>
At 31 December 2023	<u>99,894</u>

The charity is a repository of thousands of items, the majority of which have been donated over many years both by individuals and regimental units that have closed.

In line with FRS 102 and SORP, the assets have been obtained over many years of the charity existing and are not recognised on the Balance Sheet due to costs of individual heritage assets not being identifiable. Off balance sheet assets relate to paintings, medals and other items that are military in nature.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

10. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2024	6,020,646
Additions	4,041
Revaluations	<u>519,026</u>
At 31 December 2024	<u>6,543,713</u>
NET BOOK VALUE	
At 31 December 2024	<u>6,543,713</u>
At 31 December 2023	<u>6,020,646</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £
Valuation in 2022	5,685,104
Valuation in 2023	335,542
Valuation in 2024	<u>523,067</u>
	<u>6,543,713</u>

11. STOCKS

	31.12.24	31.12.23
	£	£
Stocks	<u>7,160</u>	<u>7,160</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade debtors	1,002	2,073
Other debtors	10,802	9,229
Prepayments and accrued income	<u>930</u>	<u>-</u>
	<u>12,734</u>	<u>11,302</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

13. CURRENT ASSET INVESTMENTS

	31.12.24	31.12.23
	£	£
Listed investments	<u>7,560</u>	<u>2,004</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	6,906	16,934
Other creditors	<u>111,027</u>	<u>108,495</u>
	<u>117,933</u>	<u>125,429</u>

15. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	Transfers between funds	At 31.12.24
	£	£	£	£
Unrestricted funds				
General fund	3,118,775	198,845	154,003	3,471,623
The Cadets Designated Fund	136,222	-	(136,222)	-
The Queen's Regiment Benevolent Fund	1,612,986	155,259	136,222	1,904,467
Contingency Fund	<u>1,769,696</u>	<u>164,199</u>	<u>-</u>	<u>1,933,895</u>
	6,637,679	518,303	154,003	7,309,985
Endowment funds				
The Royal Sussex Regimental Association	154,003	-	(154,003)	-
TOTAL FUNDS	<u>6,791,682</u>	<u>518,303</u>	<u>-</u>	<u>7,309,985</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	267,902	(246,500)	177,443	146,765
The Queen's Regiment Benevolent Fund	88,172	(103,580)	170,667	155,259
Contingency Fund	<u>20,921</u>	<u>(27,638)</u>	<u>170,916</u>	<u>164,199</u>
	<u>376,995</u>	<u>(377,718)</u>	<u>519,026</u>	<u>518,303</u>
TOTAL FUNDS	<u>376,995</u>	<u>(377,718)</u>	<u>519,026</u>	<u>518,303</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	2,982,797	142,459	(6,481)	3,118,775
The Cadets Designated Fund	141,803	(5,581)	-	136,222
The Queen's Regiment Benevolent Fund	1,539,475	67,030	6,481	1,612,986
Contingency Fund	<u>1,591,568</u>	<u>178,128</u>	<u>-</u>	<u>1,769,696</u>
	6,255,643	382,036	-	6,637,679
Endowment funds				
The Royal Sussex Regimental Association	111,418	42,585	-	154,003
TOTAL FUNDS	<u>6,367,061</u>	<u>424,621</u>	<u>-</u>	<u>6,791,682</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	318,008	(279,568)	104,019	142,459
The Cadets Designated Fund	18,818	-	(24,399)	(5,581)
The Queen's Regiment Benevolent Fund	68,112	(73,662)	72,580	67,030
Contingency Fund	<u>41,183</u>	<u>(12,333)</u>	<u>149,278</u>	<u>178,128</u>
	446,121	(365,563)	301,478	382,036
Endowment funds				
The Royal Sussex Regimental Association	3,143	-	39,442	42,585
TOTAL FUNDS	<u>449,264</u>	<u>(365,563)</u>	<u>340,920</u>	<u>424,621</u>

The Royal Sussex Regimental Association

This Restricted Fund was disestablished early in 2024 with the agreement of the Royal Sussex Regiment Association Ltd Trustees and the Charity Commission and its funds transferred to the Queen's Regiment Designated Fund which is now entirely responsible for following the spirit of the original donation's purpose. The fund related to a former Charity, the Royal Sussex Regiment Old Comrades Association (OCT) Number 286787. The fund was used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows and other dependents of such members. In the future the Queen's Regiment Designated Fund will only support veterans from the Royal Sussex Regiment and their dependents since the association has recently opened up membership to civilians who have not served in the regiment - supporting these would go against our charitable objects.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2024

15. MOVEMENT IN FUNDS - continued

The Queen's Regiment Benevolent Fund

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

The Queen's Royal Surrey Benevolent Fund (renamed Contingency fund in 2024)

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants, in addition to providing a readily available reserve to the charity should need to arise.

16. RELATED PARTY DISCLOSURES

The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance fund operate in the same location as The Princess of Wales's Royal Regiment Benevolent Fund. The respective charities do not share key management personnel of John Powell and Henry Thomas whom are both trustees. Both fall under the Princess of Wales's Royal Regiment umbrella of Charities.

At the year end, the amount due to the Princess of Wales's Regiment Maintenance Fund was £77,183 (2023:£77,183).

17. ADJUSTMENT TO SUPPORT COSTS

During the year, the Trustees have reviewed the split between charitable activity costs and support costs. As a result of this review, various costs have been reallocated both in 2024 and 2023 from charitable expenditure to support expenditure, in order to more accurately reflect the nature of these costs.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2024

	31.12.24 £	31.12.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	160,794	270,709
Legacies	<u>37,000</u>	<u>5,000</u>
	197,794	275,709
Investment income		
Other fixed asset invest - FII	177,965	167,196
Deposit account interest	<u>1,086</u>	<u>1,263</u>
	179,051	168,459
Charitable activities		
Book Sales	<u>150</u>	<u>5,096</u>
Total incoming resources	376,995	449,264
EXPENDITURE		
Raising donations and legacies		
Events Costs	42,679	50,452
Charitable activities		
Soldier Support	12,440	45,257
Journal Printing Costs	39,551	21,399
Donations	6,000	13,118
Regimental Chattels Expenses	20,319	99
Grants to individuals	<u>144,076</u>	<u>92,909</u>
	222,386	172,782
Support costs		
Management		
Telephone	617	325
Postage and stationery	11,572	2,287
Sundries	3,920	2,849
Travel	8,865	11,786
Membership	3,345	8,573
Presentation Costs	5,826	7,992
Events Costs	19,549	4,090
Remembrance Costs	6,458	8,023
Carried forward	60,152	45,925

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2024

	31.12.24 £	31.12.23 £
Management		
Brought forward	60,152	45,925
Accountancy	14,109	13,919
Hospitality	2,374	1,039
Office Expenses	4,826	6,181
Insurance	-	13,248
Consultancy	21,731	25,876
Website Costs	3,994	8,570
Repairs and Renewals	-	157
Improvements to property	5,786	5,098
Fixtures and fittings	159	358
Computer equipment	142	240
	<u>113,273</u>	<u>120,611</u>
Finance		
Investment Management Costs	(9,460)	7,615
Governance costs		
Auditors' remuneration	4,240	5,925
Auditors' remuneration for non audit work	4,600	5,040
Trustee Meeting Costs	-	3,138
	<u>8,840</u>	<u>14,103</u>
Total resources expended	<u>377,718</u>	<u>365,563</u>
Net (expenditure)/income before gains and losses	(723)	83,701
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>519,026</u>	<u>340,920</u>
Net income	<u>518,303</u>	<u>424,621</u>

Accounts

Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 December 2023
for
THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND



THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Contents of the Financial Statements
for the Year Ended 31 December 2023

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THE PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Section 4 of the Charities Act 2006 Statement

The Trustees have complied with their duty to have regard to the guidance issued by the Charity Commission under Section 4 of the Charities Act 2006. The remainder of this report describes how the public benefit standards are being met.

The Charity

The Charity was formed in 1992 on the formation of the Regiment from forebear regimental charities¹. The Charity's objectives are Benevolence and Welfare for our serving personnel², veterans, and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives.

Surplus and Deficit income during the year was £449.2k, slightly up on 2022, expenditure was £365.6k resulting in a surplus of £83.6k. This surplus was increased by gains on investments of £341k, an overall surplus of £424.6k. Capital investments, after a recovery following unrealized losses, saw a recovery at the end of the year.

The trustees are mindful that the use of charitable funds should have an element of benefit to the public and the remainder of this report lays out the Charity's position in this respect.

Equality & Diversity Statement

The Regiment conforms to the Army's Values and Standards³ and trustees are required to adopt these standards which are akin to the Nolan Principles⁴. The Regimental Family consists of diverse ages (from children to aged veterans), sexes, sexual orientation, nationalities⁵, ethnicity and religious backgrounds; all of whom are supported with proper regard to any protected characteristics. In 2023 the Trust Deed has been amended to allow any person with the necessary skills to become a trustee rather than an officer who had served in the regiment (however, King's Regulations in dealing with the Day's Pay⁶ scheme, specify that the Chair of the charity must be a serving or retired officer). The Charity Commission accepted this amendment in February 2024.

Working with the Army Benevolent Fund (ABF), The Royal British Legion (TRBL), Soldiers, Sailors, Airmen and Families Association (SSAFA), the NHS the Hampshire & Isle of Wight Military Aid Fund and the Fundraising Regulator to support our soldiers, veterans, and families.



¹ Less the Royal Sussex and Royal Hampshire Regiments (though there is a small endowment fund from the former that supports Royal Sussex Regiment veterans).

² This includes those serving outside of battalions at Extra Regimental Employment the largest contingent of which sits in 2nd Battalion the Ranger Regiment.

³ Values are Courage, Discipline, Respect for Other, Integrity, Loyalty, Selfless Commitment. Standards are: Lawful, Acceptable Behaviour, Professional.

⁴ The Nolan Principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

⁵ Though all serving soldiers must meet the British, Commonwealth, Irish or Gurkha nationality criteria, the same does not apply to partners.

⁶ King's Regulations allow for officers and soldiers to voluntarily donate a day of their pay each year to the charity. The scheme is administered by the MOD.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Case Study 1 (note for all cases that initial interaction is carried out by SSAFA – in some cases, they/them is used to further redact the identity of the individual).

Status: Veteran

Background: Case was referred to us via Op COURAGE and SSAFA.

This veteran has health conditions, some which makes walking difficult and they are attending regular medical appointments. They have a history of debts but are managing to pay these off and live within their current means.

It was recommended that this veteran get an electric bike for both their physical and mental health.

Grant: £500

Referral to military charities: ABF £150, TRBL £450 and the Hampshire & Isle of Wight Military Aid Fund £250

Fundraising Statement

The Charity has an income of less than £1m pa and as such does not have a legal duty to meet the requirements of the Fundraising Regulator in respect of fundraising reporting. Nevertheless, the trustees feel that it is good practice to produce such a report in line with the Regulator's guidelines:

Approach. The types of fundraising carried out by the Charity are:

- Voluntary donations from serving personnel (the Days Pay Scheme endorsed in King's Regulations for the Army).
- Income generated by capital investment.
- Other voluntary donations which also includes the Just Giving scheme.
- Rent on property.
- Legacies.
- Lottery Scheme.
- Internet donations from EasyFundraising and Give As You Live.
- Sales of Regimental goods (books and Regiment themed items). One source is through an independent firm who donates 5% of the cost of items to the Regiment.
- Events organised by third parties (who usually have a regimental connection). These are volunteers.
- Sponsored runs/walks – organised through a commercial third party – Nice Works.

Regulations the charity is subject to. The Charity is registered with the Fundraising Regulator and adheres to its code of practice.

How fundraisers are monitored. Most fundraisers are linked to the Regiment through the PWRR Association (PWRRRA) or a forebear regiment association such as the Queen's Regiment Association (QRA) who in turn monitor branch activities. The Chairs of the PWRRRA and QRA are trustees, and two volunteer fundraisers' activities are monitored directly through the Regimental Headquarters.

Number of fundraising complaints. There were no fundraising complaints made against the charity in 2023.

Protection of vulnerable persons. The Charity seeks not to intrude on privacy, make unreasonably persistent approaches for money or property, or place pressure on individuals. This applies to everyone not just vulnerable persons. The Charity has a clear safeguarding policy which is briefed to staff annually.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

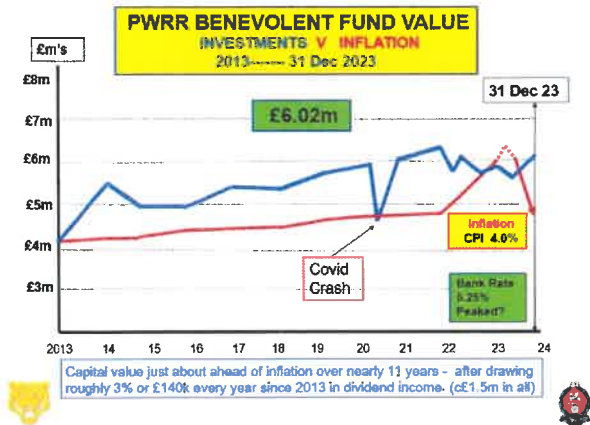
Chairman's Foreword

2023 saw a return to pre-COVID figures for support to individual welfare cases. Money spent on individual grants and grants to help serving soldiers exceeded the money received from the Day's Pay Scheme, highlighting the importance of investment income (£167k) and donations.

2023 also saw a continuation of many of the global crises seen in 2022. Whilst inflation came down, the war in Ukraine continued, exacerbated by the Israel/Palestine conflict and the growing involvement by Iran interfering with the passage of commerce in the Red Sea. The effect on our investments led to a roller coaster year.

The benevolent fund capital was volatile through the year, dipping in value by £400k at one point in the summer; but by 31 December 2023, year end, the valuation had recovered to £6.02m leaving an unrealised loss of less than £100k. From this account and separately, we have received £167k during 2023 in dividends. In early 2024, the Benevolent fund has continued to rise in capital value to achieve a small surplus.

The Financial Committee continues to review our investments and ensure that trustees are apprised of the situation throughout the year. The graph below demonstrates how our Capital investments have performed over 10 years as compared to inflation, in particular the way we have coped with events of the last four years and the market recovery since the covid crash:



Case Study 2

Status: Veteran

Background: This veteran's health took a turn for the worse and after a period in hospital is now being cared for at home. The veteran is struggling in general, having speech therapy and finding mobility difficult.

Benefits will soon be explored with the help of the caseworker but in the meantime, assistance was requested towards an Occupational Therapy Report, an Electronically Powered Vehicle and associated items to make the veteran's quality of life better.

Grant: £1,000

Referral to military charities: ABF £2,974 and TRBL £6,221

The charity continues to be in good health, delivering support to those in need and to the running of the Regiment. Moves to improve the governance of the Charity by amending the Trust Deed and streamlining Designated Funds have been successful, but work continued to de-restrict the Royal Sussex Regiment Endowment Fund. The anticipated change to the Trust Deed will allow for greater diversity amongst trustees since it will remove the requirement to have served in the Regiment or a forebear regiment.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

The trustees wish to place on record their appreciation for the work and support delivered by Regimental Headquarters during another challenging year. Activity highlights for 2023 were:

- 167 welfare cases assessed for financial, moral, or practical support.
- 116 welfare cases received financial support with 51 declined.
- The continued success of the Veterans' Horticultural Project (Kennels Field) with thirty-five veterans involved in building, forestry and the production of honey. In 2023 the charity agreed to further fund the project with £95k, thereby enabling the conclusion of building works and full access to veterans, keen to fully exploit the land and building. A formal opening ceremony is to take place on in 2024.
- Communication with the wider Regimental Family (c7,500) through magazines, publications, and emails.
- The continued direct liaison with our Colonel in Chief (HM Queen Margrethe II of Denmark) is an activity that directly reinforces the Nation's aspirations for friendly relations between Nations and fosters pride in our Regimental heritage.
- Delivery of a parade to present Colours to the 4th Battalion The Princess of Wales's Royal Regiment in the presence of the Crown Prince of Denmark.
- Friends Event Fundraising: £57K.
- Individual donations £77k - nearly equal the Day's Pay Scheme.

Case Study 3

Status: Veteran

Background: This family was hit with numerous events which resulted in them living in emergency housing. The veteran is unable to work due to caring for their children, one of which has special educational needs.

The family were finally offered a permanent house through the local council and requested assistance towards removal fees and essential household items.

Grant: £500

Referral to military charities: ABF £1,500 and TRBL £700

Review of Activities

- The Charity's investment policy is to produce the highest financial return within an acceptable level of risk.
- The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees, to be CPI plus 3.5%. However, the short-term target is to preserve the capital value with a minimum level of risk.
- The recipients of benevolence cover a wide spectrum of the public and, although current serving personnel do receive assistance, the main beneficiaries are veterans, widows, and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit.
- The veterans' horticultural project continues to develop as do our methods of communication with our veteran community to make them aware of developments and where to find help. The Charity continues to contribute to the preservation of the Nation's heritage. The existence of the Charity helps to ensure high morale and esprit de corps in the PWRR and thus contributes to the overall effectiveness of the Nation's armed forces.

This in turn brings tangible benefits to the public and it is therefore considered by the trustees that there is an identifiable benefit to the Nation at large.

THE PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

What We Do.

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment. An Impact Measurement and Management (IMM) Framework has identified five impact objectives and five outcomes deriving from the *Theory of Change* that the Charity delivers:

Impact Objectives:

- Relief of financial hardship and distress.
- Delivering services that meet individual social needs.
- Support heritage conservation efforts.
- Improving the efficiency of the regiment.
- Forming quality.

Outcomes:

- Enhanced security and stability.
- Increase in long term quality of life.
- Strengthened social cohesion.
- Increased soldier and recruit satisfaction.
- Preservation of PWRR heritage.
- Developed community awareness of the Regiment.

To do this the Regiment:

- Provides grants and support plans to individuals to support their mental, physical and financial needs.
- Provides grants to veteran associations and battalions to deliver events/services that relieve social/psychological needs.
- Commissions and funds work that supports the conservation of the Regiment's history.
- Provides funding for infrastructure, processes, training, or equipment that supports the efficiency of the Regiment.
- Liaises with aligned partners and organisations to maximise the potential of the Regiment's activities (this not only includes other military charities such as the RBL or ABF but specialist charities (for instance debt counselling or prisoner support)).

United Nation Sustainable Development Goals (SDGs)

The Charity also supports the Nation in its efforts to meet the 17 SDGs adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The activities of the PWRR Benevolent Fund contribute towards 6 SDGs:



THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Impact Overview

The Charity has recorded the following positive impacts:

Increase Enhanced Quality of Life and Security & Stability:

- 167⁷ cases referred to the charity.
- £65.5k spent on 116 welfare cases (£68k was spent in 2022).
 - 7 serving personnel.
 - 2 families of serving personnel.
 - 107 veterans (68 PWRR, 35 Queen's Regiment, 1 Queens Royal Surrey Regiment and 3 Royal Sussex Regiment).
- 74 cases were referred to other charities.
- 16 cases have been referred to a veterans' association for support.
- Up to six hundred members of 1 PWRR supported for cost-of-living issues (£20k authorised for expenditure in FYs 2022 & 2023).
- £17k was granted to associations.
- SCRM association database was paid for in 2022 – maintenance costs are minimal and throughout 2023 it provided an outstanding service in terms of communicating with registered veterans.
- The Kennels Field is nearing completion. Veterans have continued to work on the project albeit hampered by the cost of materials rising exponentially. However, great progress has been made with the following achievements:
 - The Internal electrics have now been connected to the Grid.
 - Fire alarm is fitted.
 - Plastering has almost been completed.
 - A shower has been fitted and tiled.
 - Both Gents and Ladies toilets have been fitted.
 - Disabled access ramps have been built but await further funding to fit safety rails.
 - 250 trees have been planted but sadly the bees project has had to be abandoned because of disease.
 - A disabled car park is still required once funding has been achieved.
- Grants have been received this year from The Bernard Sunley Foundation, the Pamela Champion Foundation, The Army Benevolent Fund and 3 legacies.

Case Study 4

Status: Serving Soldier

Background: This request came direct from the Unit Welfare Officer with a follow up request from the ABF.

Sadly, a member of this soldier's family had passed away. They needed to fly out immediately to be with their family and attend the funeral. The MOD was not able to support with public funds and the soldier was struggling financially due to the cost-of-living crisis.

Assistance was therefore being requested towards compassionate flights.

Grant: £500

Referral to military charities: ABF £1,000

⁷ Fifty-one were declined for the following reasons: did not meet criteria - 14, need met by another charity - 9, incorrect regiment - 23, maximum grant already reached - 3, withdrawn - 2.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

The project is grateful for the support of the following charities and individuals in 2023:

- Bernard Sunley Foundation.
- Three veteran Legacies.
- City Plumbing.
- Pamela Champion Foundation.
- The Princess of Wales's Royal Regiment



The Kennels Field build is nearly complete. Photographs show car park and entrance to the front of the building (top left), Kitchen (above) and the main hall (left).

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Case Study 5

Status: Veteran's widow

Background: Initially requested assistance for her husband's funeral but managed to fund this herself. However, when talking to the caseworker, it became apparent that she was struggling with the loss of her husband.

He was responsible for the household finances, managing within their means but since his death energy arrears had built up. Assistance was requested towards the arrears and general needs.

Grant: £250

Referral to military charities: TRBL £1,069

Preserve PWRR Heritage:

- 100% chattels are inspected annually - inspections by a volunteer from the Heritage Committee have taken place and have been useful in identifying those elements that need repair or should be withdrawn into storage.
- £28k⁸ was spent on the parade to present Colours to 4 PWRR (delayed due to COVID and the death of Her Late Majesty Queen Elizabeth II from 2020). This was an event for the Regimental Family and included serving soldiers, cadets, veterans and families. Our Colonel in Chief was not well enough to present the Colours so Her son, Crown Prince Frederik of Denmark, stood in for Her.
- £21.4k was spent on producing journals to keep the Regimental Family informed reaching c7,000 members.
- £7k was spent on reprinting the book 'The Longest Stag', a history of the Northern Ireland Campaign which has seen successful sales.

Raised Soldier and Recruit Satisfaction:

- £9k was granted for adventurous training and sport to support four activities.
- 9 welfare grants worth £5,500 to serving soldiers and their families (included in overall welfare grants above).
- £10.3k granted towards nurturing recruits.
- £1.3k granted to PWRR badged Army Cadet Force and Combined Cadet Force children.

This activity has contributed to recruiting into the Regiment continuing to be amongst the best in the Army.



Members of the Regiment are subsidised to enter adventurous training and sporting activities that challenge the individual to overcome adversity, build self-esteem and comradeship.

⁸ A further £8k had been spent in previous years for the postponed parades which was carried over (for instance printing costs and the costs of stands).

THE PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

Report of the Trustees for the Year Ended 31 December 2023



Increased Community Awareness of the Regiment – No grants were made to directly support community awareness of the Regiment in 2023. For 2024 the charity has agreed to fund an IT initiative to raise awareness of the Regiment.

Future Activity

In 2024 the Charity will:

- Continue to seek improved communication with the wider Regimental Family⁹.
- Liaise with mental health charities to give those in need the ability to seek help more quickly.
- Work to preserve the Charity's capital value (and the income generated by that) at a time of financial uncertainty (which is captured in the Charity's risk register).
- Continue to move to de-restricting the Royal Sussex Regiment Endowment Fund. This requires the agreement of the Royal Sussex Regiment Association Ltd.
- Continue to offer support in line with our charitable objects.
- Plan for the sixtieth anniversary commemoration of the formation of the Queen's Regiment.
- Lay up a set of Royal Sussex Regiment Colours in Chichester Cathedral.
- Deliver a Families' Day for the Regimental Community.
- Submit a supplementary trust deed to the Charity Commission to modernize governance within the Charity.

Financial Results 2023. The detailed financial position is shown on pages **17-29**.

Principle Risks and Uncertainties. Identified risks and mitigation measures are:

Governance. The charity is confident that its governance procedures are appropriate. Mitigation measures include:

- Partaking in the biennial COBSEO governance return (green in 2022).
- The conflict register is held and checked against at each meeting.
- Trust Deed updated 11/23 to be reviewed in 2028.
- Regular review of policies and length of trusteeship.

⁹ The Subscriber Customer Relations Management System went live in 2022 and is already proving its worth in terms of timely and accurate information being pushed to serving soldiers and veterans alike.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Operational. Since those running the charity are Civil Servants it is felt that operational risk is minimal. The following procedures are in place:

- Customer based is reminded of the benevolence role of the charity several times a year.
- Welfare staff liaise with other charities for advice and collaborative purposes.
- All contracts (very few) are reviewed by the Honorary Regimental Solicitor.
- MOD recruitment procedures are followed. All staff are subject to annual training.
- Annual checks of physical assets take place. Financial checks take place monthly.

Finances. The Finance Committee meets four times a year and the Investment Committee twice a year:

- **Overarching:**
 - Quarterly updates from investors.
 - Monthly bank checks (cash held = 6 months of operations).
 - Income v expenditure constantly monitored and reported to Finance Committee meetings.
 - Investment management policy is reviewed at least bi-annually.
 - Insurance cover is reviewed annually.
- **Inappropriate Investment:**
 - Monitoring of investment manager's performance against ARC metrics.
 - Performance reviewed at meetings and formally every five years.
- **Income.** A reduced size of the Regiment has led to a decrease in Day's Pay income. Nevertheless:
 - There is continuous engagement to identify new sources of funding which involves the whole Regimental Family.
 - More emphasis on formal fundraising events (factored into 2025 and 2027).
 - Issues are realised and factored into the annual budget which forecasts five years ahead.
 - The priority for expenditure will always be welfare payments.
- **External Risks:**
 - Ensure transparency. Annual audit report published, and welfare statistics are published weekly.
 - Educate the wider Regimental Family on the workings of the Charity.
 - Maintain membership of COBSEO to ensure the Charity is prepared for change initiatives.
 - Monitor output from the Army Charities Advisory Group.
- **Reputation:**
 - Education – link to External risks.
 - Attempt to work with breakaway veterans' groups but if not possible ensure that they are not linked to the Charity.
 - Take part in the COBSEO biennial governance review.
 - Ensure policies are in place and subject to regular reviews.
 - Retain membership the Fundraising Regulator organisation.
- **Health & Safety Kennels Field:**
 - Health & Safety qualified members of the Queen's Regiment Riders Association (QRRRA) have reviewed and implemented procedures in place. They are inspected during RHQ staff during routine visits.
 - Insurers have confirmed that further trustee insurance is not required. The QRRRA have their own insurance in place.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

Structure, Governance and Management

Management Structure

The management board consists of ex-officio Trustees, who are senior members of the Regimental Council, and Administrative Trustees, who are drawn from the chairs of veteran associations, or have financial and business expertise (this will change with the implementation of the amendments to the trust deed). The Honorary Colonel 3 PWRR, Sir Lloyd Dorfman CVO CBE, attends meetings as an advisor. Note that a change to the Trust Deed in 2023 now allows any person with the requisite skill set to serve as a trustee (previously trusteeship was only open to retired officers from the regiment).

Remuneration

The trustees and its Board are the key management personnel of the responsible for directing, controlling, running and operating the Charity. Trustees give of their time freely with no remuneration paid in the year. Details of trustee expenses and related party transactions disclosed in note 5 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

Third Party Indemnity.

In addition to an indemnity policy for employees (£10m) the trustees are insured for public liability for the sum of £5m.

Organisational Structure and Decision Making

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, all paid civil servants whose engagement reaches further than charitable activity.

The Welfare Committee is authorised to make grants up to £1,000 per case. The recent increase of the delegated grant ceiling from £500 to £1,000 worked well in 2023. Welfare grants aside, the Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND

REPORT OF THE TRUSTEES
for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Advisors	Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered Charity number	1024418
Principal address	AHQ PWRR Leros Barracks Sturry Road Canterbury, Kent CT1 1HR
Trustees	Major General JR Martin DSO OBE MC Brigadier JC Coote DSO OBE (resigned 3.5.23) Brigadier MD Cornwell OBE Brigadier CD Davies OBE (appointed 3.5.23) Brigadier T Glass (appointed 1.12.23) Colonel AAA Beattie Colonel PT Crowley MBE DL Colonel CA Luckham OBE (resigned 3.5.23) Colonel DK Mogg TD VR Colonel JRG Putnam CBE TD DL Colonel AC Ward OBE DL (resigned 30.11.23) Lieutenant Colonel B Baker MBE (appointed 4.5.23) Lieutenant Colonel N Burley Mr. RJ Bradburn
Regimental Secretary	Colonel JRJ Powell OBE
Hon Legal Advisors	A M Moss
Auditors	Xeinadin Audit Ltd Conqueror House Sittingbourne Kent

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Report of the Trustees
for the Year Ended 31 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 23 May 2024 and signed on 12 July 2024 on its behalf by:



.....
Major General JR Martin DSO OBE MC Trustee

Opinion

We have audited the financial statements of The Princess of Wales's Royal Regiment Benevolent Fund (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives in performing the audit are to identify and assess the risk of material misstatement in the financial statements due to fraud or error and to obtain sufficient audit evidence to support this. We also evaluate and respond to the risk of material misstatements.

Audit procedures performed by the engagement team included:

- Gaining an extensive knowledge of the entity and its' external environment, as well as the regulatory frameworks it must operate within.
- Obtaining a sufficient understanding of the internal control environment, including systems in place for the detection and prevention of fraud.
- Appraising said systems in order to determine whether they are operating to a satisfactory level.
- Understanding the entity's current activities and future plans and comparing these to the entity's charitable objective and aims.
- Discussions with management and those charged with governance as to any known or suspected instances of non-compliance with laws and regulations, as well as fraud.
- Challenging and recalculating assumptions, judgements and estimates made by management in its significant accounting policies.
- Reading minutes of meetings of those charged with governance and therefore understanding and evaluating decisions made regarding the safeguarding and usage of the entity's assets.

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.

Report of the Independent Auditors to the Trustees of
The Princess of Wales's Royal Regiment
Benevolent Fund

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nick Hume (Senior Statutory Auditor)
Xeinadin Audit Ltd
12 Conqueror Ct
Sittingbourne
Kent
ME10 5BH

23 May 2024

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Statement of Financial Activities
for the Year Ended 31 December 2023

	Notes	Designated £	Unrestricted £	Endowment funds £	31.12.23 Total funds £	31.12.22 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	19,457	256,252	-	275,709	224,135
Charitable activities						
Hardship or distress relief for former and serving members		733	4,363	-	5,096	12,463
Investment income	4	107,923	57,393	3,143	168,459	129,395
Total		<u>128,113</u>	<u>318,008</u>	<u>3,143</u>	<u>449,264</u>	<u>365,993</u>
EXPENDITURE ON						
Raising funds		-	50,452	-	50,452	10,522
Charitable activities						
Hardship or distress relief for former and serving members		85,996	229,115	-	315,111	350,552
Total		<u>85,996</u>	<u>279,567</u>	<u>-</u>	<u>365,563</u>	<u>361,074</u>
Net gains/(losses) on investments		197,459	104,019	39,442	340,920	(696,050)
NET INCOME/(EXPENDITURE)		239,576	142,460	42,585	424,621	(691,131)
Transfers between funds	14	6,481	(6,481)	-	-	-
Net movement in funds		246,057	135,979	42,585	424,621	(691,131)
RECONCILIATION OF FUNDS						
Total funds brought forward		3,272,846	2,982,797	111,418	6,367,061	7,058,192
TOTAL FUNDS CARRIED FORWARD		<u>3,518,903</u>	<u>3,118,776</u>	<u>154,003</u>	<u>6,791,682</u>	<u>6,367,061</u>

The notes form part of these financial statements

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Balance Sheet
31 December 2023

	Notes	Designated £	Unrestricted £	Endowment funds £	31.12.23 Total funds £	31.12.22 Total funds £
FIXED ASSETS						
Tangible assets	7	931	645,885	-	646,816	562,222
Heritage assets	8	-	99,894	-	99,894	99,894
Investments	9	<u>3,454,587</u>	<u>2,417,574</u>	<u>148,485</u>	<u>6,020,646</u>	<u>5,685,104</u>
		3,455,518	3,163,353	148,485	6,767,356	6,347,220
CURRENT ASSETS						
Stocks	10	-	7,160	-	7,160	12,618
Debtors	11	190	11,112	-	11,302	11,354
Investments	12	-	2,004	-	2,004	3,206
Cash in hand		<u>63,196</u>	<u>60,575</u>	<u>5,518</u>	<u>129,289</u>	<u>117,106</u>
		63,386	80,851	5,518	149,755	144,284
CREDITORS						
Amounts falling due within one year	13	-	(125,429)	-	(125,429)	(124,443)
NET CURRENT ASSETS						
		<u>63,386</u>	<u>(44,578)</u>	<u>5,518</u>	<u>24,326</u>	<u>19,841</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>3,518,904</u>	<u>3,118,775</u>	<u>154,003</u>	<u>6,791,682</u>	<u>6,367,061</u>
NET ASSETS						
		<u>3,518,904</u>	<u>3,118,775</u>	<u>154,003</u>	<u>6,791,682</u>	<u>6,367,061</u>
FUNDS						
Unrestricted funds	14				6,637,679	6,255,643
Endowment funds					<u>154,003</u>	<u>111,418</u>
TOTAL FUNDS						
					<u>6,791,682</u>	<u>6,367,061</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 May 2024 and were signed on 12 July 2024 on its behalf by:



Major General JR Martin DSO OBE MC Trustee

The notes form part of these financial statements

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The aims of the Charity are to relieve hardship or distress of former and serving members of the regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Northern Ireland, number 1024418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling and rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future, cash flows and the impact of subsequent events in making their assessment.

Based on the assessments above, and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty, and that they can continue to adopt a going concern bases in preparing the annual report and accounts.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt, and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Income

When the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity, which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unilottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year, when the offer is made, except in those cases where the offer is conditional, such grants can be recognised as expenditure when conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

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

continued...

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Improvements to property	- 2% on cost
Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date, the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be higher of its fair value less cost to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Stocks

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

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been as designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The amount of each designated fund is set out in the notes to the financial statements.

continued...

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim in use of each restricted fund is set out in the notes to financial statements

Endowment funds are for the charity to retain for the charities using furtherance of its charitable purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

No significant judgements have been made by management in preparing these financial statements apart from those detailed in Note 1.

3. DONATIONS AND LEGACIES

	31.12.23	31.12.22
	£	£
Donations	270,709	182,885
Legacies	5,000	-
Grants	-	41,250
	<u>275,709</u>	<u>224,135</u>

Grants received, included in the above, are as follows:

	31.12.23	31.12.22
	£	£
Armed Forces	-	11,250
The Veterans Foundation	-	30,000
	<u>-</u>	<u>41,250</u>

continued...

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

4. INVESTMENT INCOME

	31.12.23	31.12.22
	£	£
Other fixed asset invest - FII	167,196	128,545
Deposit account interest	<u>1,263</u>	<u>850</u>
	<u>168,459</u>	<u>129,395</u>

5. GRANTS PAYABLE

	31.12.23	31.12.22
	£	£
Hardship or distress relief for former and serving members	<u>92,909</u>	<u>87,778</u>

The total grants paid to individuals during the year was as follows:

	31.12.23	31.12.22
	£	£
1 Battalion PWRR	5,975	3,001
2 RANGER	1,070	2,253
3 Battalion PWRR	5,025	3,295
Welfare Grant	65,546	62,565
Other Grants	8,365	6,283
Golf Society	452	1,400
Royal Hampshire Regimental Association	3,000	4,576
4 Battalion PWRR	(1,793)	1,415
PWRR London	-	2,990
Association Branches	<u>5,269</u>	<u>-</u>
	<u>92,909</u>	<u>87,778</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

6. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

Expenses of £334 (2022; £258) were paid during the year.

7. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2023	400,000	164,615	800	12,613	578,028
Additions	-	90,290	-	-	90,290
At 31 December 2023	<u>400,000</u>	<u>254,905</u>	<u>800</u>	<u>12,613</u>	<u>668,318</u>
DEPRECIATION					
At 1 January 2023	-	3,292	320	12,194	15,806
Charge for year	-	5,098	321	277	5,696
At 31 December 2023	-	<u>8,390</u>	<u>641</u>	<u>12,471</u>	<u>21,502</u>
NET BOOK VALUE					
At 31 December 2023	<u>400,000</u>	<u>246,515</u>	<u>159</u>	<u>142</u>	<u>646,816</u>
At 31 December 2022	<u>400,000</u>	<u>161,323</u>	<u>480</u>	<u>419</u>	<u>562,222</u>

8. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2023 and 31 December 2023	<u>99,894</u>
NET BOOK VALUE	
At 31 December 2023	<u>99,894</u>
At 31 December 2022	<u>99,894</u>

The charity is a repository of thousands of items, the majority of which have been donated over many years both by individuals and Regimental units that have closed.

In line with FRS 102 and SORP, the assets have been obtained over many years of the charity existing and are not recognised on the Balance Sheet due to costs of individual heritage assets not being identifiable. Off balance sheet assets relate to paintings, medals and other items that are military in nature.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	5,685,104
Revaluations	<u>335,542</u>
At 31 December 2023	<u>6,020,646</u>
NET BOOK VALUE	
At 31 December 2023	<u>6,020,646</u>
At 31 December 2022	<u>5,685,104</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2023 is represented by:

	Listed investments £
Valuation in 2022	5,685,104
	<u>335,542</u>
Valuation in 2023	<u>6,020,646</u>

10. STOCKS

	31.12.23 £	31.12.22 £
Stocks	<u>7,160</u>	<u>12,618</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade debtors	2,073	-
Other debtors	9,229	8,854
Prepayments and accrued income	-	2,500
	<u>11,302</u>	<u>11,354</u>

12. CURRENT ASSET INVESTMENTS

	31.12.23	31.12.22
	£	£
Listed investments	<u>2,004</u>	<u>3,206</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade creditors	16,934	14,667
Taxation and social security	-	(950)
Other creditors	<u>108,495</u>	<u>110,726</u>
	<u>125,429</u>	<u>124,443</u>

14. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	2,982,797	142,459	(6,481)	3,118,775
The Cadets Endowment Fund	141,803	(5,581)	-	136,222
The Queen's Regiment Benevolent Fund	1,539,475	67,030	6,481	1,612,986
The Queen's Royal Surrey Benevolent Fund	<u>1,591,568</u>	<u>178,128</u>	<u>-</u>	<u>1,769,696</u>
	6,255,643	382,036	-	6,637,679
Endowment funds				
The Royal Sussex Regimental Association	111,418	42,585	-	154,003
TOTAL FUNDS	<u>6,367,061</u>	<u>424,621</u>	<u>-</u>	<u>6,791,682</u>

continued...

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	318,008	(279,568)	104,019	142,459
The Cadets Designated Fund	18,818	-	(24,399)	(5,581)
The Queen's Regiment Benevolent Fund	68,112	(73,662)	72,580	67,030
The Queen's Royal Surrey Benevolent Fund	<u>41,183</u>	<u>(12,333)</u>	<u>149,278</u>	<u>178,128</u>
	446,121	(365,563)	301,478	382,036
Endowment funds				
The Royal Sussex Regimental Association	3,143	-	39,442	42,585
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>449,264</u>	<u>(365,563)</u>	<u>340,920</u>	<u>424,621</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	3,037,338	(23,570)	(30,971)	2,982,797
The Cadets Designated Fund	13,100	128,703	-	141,803
The Queen's Regiment Benevolent Fund	1,965,756	(457,252)	30,971	1,539,475
The Queen's Royal Surrey Benevolent Fund	<u>1,913,152</u>	<u>(321,584)</u>	<u>-</u>	<u>1,591,568</u>
	6,929,346	(673,703)	-	6,255,643
Endowment funds				
The Royal Sussex Regimental Association	128,846	(17,428)	-	111,418
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>7,058,192</u>	<u>(691,131)</u>	<u>-</u>	<u>6,367,061</u>

continued...

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	249,527	(231,730)	(41,367)	(23,570)
The Cadets Designated Fund	3,128	(91)	125,666	128,703
The Queen's Regiment Benevolent Fund	75,077	(106,048)	(426,281)	(457,252)
The Queen's Royal Surrey Benevolent Fund	<u>35,827</u>	<u>(23,146)</u>	<u>(334,265)</u>	<u>(321,584)</u>
	363,559	(361,015)	(676,247)	(673,703)
Endowment funds				
The Royal Sussex Regimental Association	2,434	(59)	(19,803)	(17,428)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>365,993</u>	<u>(361,074)</u>	<u>(696,050)</u>	<u>(691,131)</u>

The Royal Sussex Regimental Association

This fund relates to former Charity, the Royal Sussex Regiment Old Comrades Association (OCT) number 286787. The fund is used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows, and dependants of such members.

The Queen's Regiment Benevolent Fund

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

The Queen's Royal Surrey Benevolent Fund

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

15. RELATED PARTY DISCLOSURES

The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance fund operate in the same location as The Princess of Wales's Royal Regiment Benevolent Fund. The respective charities do not share trustees and key management personnel, but fall under the Princess of Wales's Royal Regiment umbrella of Charities.

At the year end, the amount due to the Princess of Wales's Regiment Maintenance Fund was £77,183 (2022:£76,982).

16. ADJUSTMENT TO SUPPORT COSTS

During the year, the Trustees have reviewed the split between charitable activity costs and support costs. As a result of this review, various costs have been reallocated both in 2023 and 2022 from charitable expenditure to support expenditure, in order to more accurately reflect the nature of these costs.

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23 £	31.12.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	270,709	182,885
Legacies	5,000	-
Grants	-	41,250
	275,709	224,135
Investment income		
Other fixed asset invest - FII	167,196	128,545
Deposit account interest	1,263	850
	168,459	129,395
Charitable activities		
Book Sales	5,096	12,463
Total incoming resources	449,264	365,993
EXPENDITURE		
Raising donations and legacies		
Events Costs	50,452	10,522
Charitable activities		
Soldier Support	45,257	25,601
Journal Printing Costs	21,399	46,149
Donations	13,118	1,000
Regimental Chattels Expenses	99	27,401
Grants to individuals (Kennels Field Project)	92,909	87,778
Remembrance cost	8,023	8,236
	180,805	196,165
Support costs		
Management		
Telephone	325	384
Postage and stationery	2,287	4,298
Sundries	2,849	108
Carried forward	5,461	4,790

This page does not form part of the statutory financial statements

THE PRINCESS OF WALES'S ROYAL REGIMENT
BENEVOLENT FUND

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	31.12.23 £	31.12.22 £
Management		
Brought forward	5,461	4,790
Travel	11,786	8,939
Membership	8,573	2,196
Presentation Costs	7,992	21,800
Events Costs	4,090	-
Accountancy	13,919	9,620
Hospitality	1,039	11,747
Office Expenses	6,181	16,845
Insurance	13,248	6,515
Consultancy	25,876	29,092
Website Costs	8,570	25,386
Repairs and Renewals	157	1,285
Improvements to property	5,098	3,292
Fixtures and fittings	358	373
Computer equipment	240	827
	<u>112,611</u>	<u>142,707</u>
Finance		
Investment Management Costs	7,615	3,162
Governance costs		
Auditors' remuneration	5,925	3,000
Auditors' remuneration for non audit work	5,040	3,600
Trustee Meeting Costs	3,138	1,768
	<u>14,103</u>	<u>8,368</u>
Total resources expended	<u>365,563</u>	<u>361,074</u>
Net income before gains and losses	83,701	4,919
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>340,920</u>	<u>(696,050)</u>
Net income/(expenditure)	<u><u>424,621</u></u>	<u><u>(691,131)</u></u>

This page does not form part of the statutory financial statements

Accounts

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE)
BENEVOLENT FUND**

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2022

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Balance Sheet	16
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Detailed Statement of Financial Activities	27 to 28

Section 4 of the Charities Act 2006 Statement

The Trustees have complied with their duty to have regard to the guidance issued by the Charity Commission under Section 4 of the Charities Act 2006. The remainder of this report describes how the public benefit standards are being met.

The Charity

The Charity was formed in 1992 on the formation of the Regiment from forebear regiment charities¹. The Charity's objectives are Benevolence and Welfare for our serving personnel², veterans, and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives.

Income during the year was similar to 2021 at £366k. A small surplus of £5k was realised after expenditure. Investment losses (unrealised) over the year were almost £700k which is a reflection on the markets post COVID and economic situation after the invasion of Ukraine. This loss has recovered by c£500k in the first quarter of 2023.

The trustees are mindful that the use of charitable funds should have an element of benefit to the public and the remainder of this report lays out the Charity's position in this respect.

Equality & Diversity Statement

The Regiment conforms to the Army's Values and Standards³ and trustees are required to adopt these standards which are akin to the Nolan Principles⁴. The Regimental Family consists of diverse ages (from children to aged veterans), sexes, sexual orientation, nationalities⁵, ethnicity and religious backgrounds; all of whom are supported with proper regard to any protected characteristics. The trustees aspire for greater diversity on the Management Board and in 2022 the trustees agreed to amend the Trust Deed to allow any person with the necessary skills to become a trustee rather than an officer who had served in the regiment (however, Kings Regulations in dealing with the Days Pay⁶ scheme specify that the Chair of the charity must be a serving or retired officer).

Case Study 1 (note for all cases that initial interaction is carried out by SSAFA)

Status: Veteran

Background: This veteran suffered severe burns because of an occupational explosion. As the main provider for the family finances had taken a hit and the family were struggling with day-to-day living.

The veteran's condition required a great deal of travel to attend medical appointments to address his injuries and an updated diagnosis put extra demands on this family.

A request was made for a contribution towards general needs, an OT report and a specialist bed.

Grant: £1000

Referral to military charities: ABF £1000 and TRBL £300

¹ Less the Royal Sussex and Royal Hampshire Regiments (though there is a small endowment fund from the former that supports Royal Sussex Regiment veterans)

² This includes those serving outside of battalions at Extra Regimental Employment the largest contingent of which sits in 2nd Battalion the Ranger Regiment.

³ Values are Courage, Discipline, Respect for Other, Integrity, Loyalty, Selfless Commitment. Standards are: Lawful, Acceptable behaviour, Professional.

⁴ The Nolan Principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

⁵ Though all serving soldiers must meet the British, Commonwealth, Irish or Gurkha nationality criteria, the same does not apply to partners.

⁶ King's Regulations allow for officers and soldiers to voluntarily donate a day of their pay to the charity. The scheme is administered by the MOD.

Fundraising Statement

The Charity has an income of less than £1m pa and as such does not have a legal duty to meet the requirements of the Fundraising Regulator in respect of fundraising reporting. Nevertheless, the trustees feel that it is good practice to produce such a report in line with the Regulator's guidelines:

Approach. The types of fundraising carried out by the Charity are:

- Voluntary donations from serving personnel (the Days Pay Scheme endorsed in Kings Regulations for the Army).
- Income generated by capital investment.
- Other voluntary donations which also includes the Just Giving scheme.
- Rent on property
- Legacies
- Lottery Scheme
- Internet Donations from Amazon Smile and Give As You Live.⁷
- Sales of regimental goods (books and regiment themed items). One source is through an independent firm who donates 5% of the cost of items to the regiment.
- Events organised by third parties (who usually have a regimental connection). These are volunteers.
- Sponsored runs/walks – organised through a commercial third party – Nite Works.

Regulations the charity is subject to. The Charity is registered with the Fundraising Regulator and adheres to its code of practice.

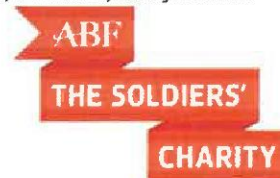


How fundraisers are monitored. Most fundraisers are linked to the Regiment through the PWRR Association (PWRR) or a forebear regiment association such as the Queen's Regiment Association (QRA) who in turn monitor branch activities. The Chairs of the PWRR and QRA are trustees and two volunteer fundraisers' activities are monitored directly through the Regimental Headquarters.

Number of fundraising complaints. There were no fundraising complaints made against the charity in 2022.

Protection of vulnerable persons. The Charity seeks not to intrude on privacy, make unreasonably persistent approaches for money or property, or place undue pressure on individuals. This applies to everyone not just vulnerable persons. The Charity has a clear safeguarding policy which is briefed to staff annually.

Working with the Army Benevolent Fund, Royal British Legion, SSAFA, the NHS and the Armed Forces Covenant Trust to support our soldiers, veterans, and families.



⁷ Note that the Amazon Smile scheme ceased for small charities in February 2023. The Regiment has since registered with 'easyfundraising'.

Chairman's Foreword

Whilst 2022 saw a welcome return to fundraising with a highly successful 'Lunch for Heroes' lunch and auction, it also saw additional pressures on the return from our capital investments at a time of increased demand post COVID. The period of this report had been the worst period for 20 years due to: rising inflation, rising interest rates, lockdown in China, high energy prices, war in Ukraine and supply chain problems. In terms of investments, it was agreed that we needed to hold our nerve and that selling units of capital was not in the interests of the Charity.

Nevertheless, the charity continues to be in good health and continues to deliver support to those in need and to the running of the Regiment. The trustees wish to place on record their appreciation for the work and support delivered by Regimental Headquarters during a challenging year.

Activity Highlights for 2022 were:

- 160 welfare cases assessed for financial, moral or practical support.
- The continued success of the Veterans' Horticultural Project with thirty-five veterans involved in building, forestry and the production of honey. In 2022 the trustees agreed to pay for the installation of electricity to the field (£75K); this was regarded as a capital investment. c£200k has been paid for the field and electricity by the charity; the field has been revalued at c£400k -£600k – the trustees felt that it was prudent to declare a value of £400k.
- Communication with the wider Regimental Family (c7,500) through magazines, publications, and emails.
- The continued direct liaison with our Colonel in Chief (HM Queen Margrethe II of Denmark) an activity that

Case Study 3

Status: Veteran

Background: This veteran's wife was in palliative care, living at home with carers who would attend daily and supported by Macmillan nurses who would stay to assist. Unfortunately, after a couple of months she passed away.

Living frugally; finances meant that the veteran was able to put a deposit down for his wife's funeral and was hoping for a DWP grant to help towards the cost – sadly this was declined.

Assistance was therefore requested towards funeral expenses.

Grant: £350

Referral to military charities: ABF £1000 and TRBL £1200

Case Study 2

Status: Veteran

Background: Upon leaving the army this veteran worked as a HGV driver for over a decade. During the pandemic this role became extremely pressurised which led to the veteran struggling with his mental health and subsequently having a breakdown, walking out on his job and family, and becoming homeless. He was helped by a charity and now has a new house, a new job and is starting to rebuild his life. A request was made for assistance towards essential household items.

Grant: £715

Referral to military charities: ABF £241 and TRBL £309

directly reinforces the Nation's aspirations for friendly relations between nations and fosters pride in our regimental heritage.

- In late 2022 our auditors, McIntyre Hudson, announced that they would no longer conduct work for charities. As a result, after due process, Calcutt Matthews (a Xeinadin Company) was selected to be our new auditor. Bookkeeping services remain with McIntyre Hudson.
- Contribution to the COBSEO Governance review. The charity scored green in all categories, nevertheless we recognise that there are areas where improvements could be made.

The trustees would like to thank all of those who contributed to the Charity whether from individual donations or grants from other charities to support projects.

Review of Activities

The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. The transfer of capital investments from Barclays to Sarasin and Partners took place in the first quarter of 2022. Careful management of transfers against potential losses led to a situation where a small surplus was achieved.

The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support regimental activities. The long-term target is for net return, after all fees, to be CPI plus 3.5%, however, the short-term target is to preserve the capital value with a minimum level of risk.

The recipients of benevolence cover a wide spectrum of the public and, although current serving personnel do receive assistance, the main beneficiaries are veterans, widows, and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit.

The veterans' horticultural project continues to develop as do our methods of communication with our veteran community to make them aware of developments and where to find help. The Charity continues to contribute to the preservation of the Nation's heritage. The existence of the Charity helps to ensure high morale and esprit de corps in the PWRR and thus contributes to the overall effectiveness of the Nation's armed forces. This in turn brings tangible benefits to the public and it is therefore considered by the trustees that there is an identifiable benefit to the Nation at large.

What We Do.

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment. Recognizing the need to define more the Charity's role to the wider public, work has been undertaken to define the outputs of the charity using an Impact Measurement and Management (IMM) Framework which also encourages the Charity to improve its performance. Five impact objectives and five outcomes deriving from the *Theory of Change* have been identified:

Impact Objectives:

- Relief of financial hardship and distress.
- Delivering services that meet individual social needs.
- Support heritage conservation efforts.
- Improving the efficiency of the regiment.
- Forming quality.

Outcomes:

- Enhanced security and stability.
- Increase in long term quality of life.
- Strengthened social cohesion.
- Increased soldier and recruit satisfaction.
- Preservation of PWRR heritage.
- Developed community awareness of the Regiment.

To do this the Regiment:

- Provides grants and support plans to individuals to support their mental, physical and financial needs.
- Provides grants to veteran associations and battalions to deliver events/services that relieve social/psychological needs.
- Commissions and funds work that supports the conservation of the Regiment's history.
- Provides funding for infrastructure, processes, training, or equipment that supports the efficiency of the Regiment.
- Liaises with aligned partners and organisations to maximise the potential of the Regiment's activities (this not only includes other military charities such as the RBL or ABF but specialist charities (for instance debt counselling or prisoner support)).

United Nation Sustainable Development Goals (SDGs)

In reviewing the Charity's outputs, it has been recognised that the Charity also supports the Nation in its efforts to meet the 17 SDGs adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. In particular, the activities of the PWRR Benevolent Fund contribute towards 6 SDGs



Case Study 4

Status: Reserve Soldier

Background: Currently serving as a Reservist, this soldier has had some personal issues which have impacted on his daily life.

The soldier was having to start afresh which put extra strain on finances whilst he continues to support his family as well as build a new life for himself. Assistance was requested towards advance rent.

Grant: £500

Referral to military charities:
ABF £58 and TRBL £354

Impact Overview

The Charity has recorded the following positive impacts:

Increase Enhanced Quality of Life and Security & Stability:

- 160⁸ cases referred to on the Case Management System (CMS).
- £68k spent on 102 welfare cases (£47k was spent on ninety-seven welfare cases in 2021).
 - Five serving personnel.
 - Eighty-six veterans (54 PWRR, 38 Queen's Regiment, 1 Queens Royal Surrey Regiment, 2 Queen's Own Buffs Regiment, 1 Royal Sussex Regiment and 1 Middlesex Regiment (Duke of Cambridge's Own).
 - Eleven dependants.
- Seventy-seven cases were referred to other charities.
- Twenty-two cases have been referred to a veterans' association for support.
- Up to six hundred members of 1 PWRR supported for cost-of-living issues (£20k authorised for expenditure in FYs 2022 & 2023).
- £7k was granted to associations.
- A further £11k was spent in 2022 on the installation and training for Subscribe CRM a database to manage the welfare of serving soldiers and veterans. Rollout of this system allows all in the Regimental Family to receive direct communication from the Charity and enables the welfare desk to identify veterans living close to those in need of support. The Charity views this as a key tool in the fight against PTSD, suicide and self-harming and is grateful for a grant from the Afghanistan Veterans' Fund element of the Armed Forces Covenant Trust.
- During the year, the veterans have continued to work on the Kennels Field Horticultural project albeit hampered by the cost of materials rising exponentially. However, the building is now weathertight, studwork for the internal walls has been erected and the internal electrics are being fitted.
 - 1100m of Mains electric cable have been dug in and laid and awaits connection by UK Power Networks
 - The disabled toilet has now been installed and the other toilets and shower will be installed shortly
 - Plasterboard has been purchased and will be fitted and skimmed once the internal cabling is complete.
 - The veterans held their first fundraiser at the field for the Benevolent Fund during the year involving the regimental family and the local community raising £6,500.
 - It is hoped that the build will be complete by the end of summer 2023.
 - The beekeeping has been maintained with excellent production of regimental honey.
 - A further 500 trees and shrubs have been planted. Sadly 250 died over the winter because of the weather.

Case Study 5

Status: Veteran

Background: This veteran was injured during service and to this day suffers the after affects with mobility issues and PTSD. He is currently working on a Zero Hour contract so his finances fluctuate.

The veteran had been recommended to complete HGV training which would result in his employment being upgraded to a permanent contract and stabilising his salary.

Assistance was requested to help pay for the appropriate training course.

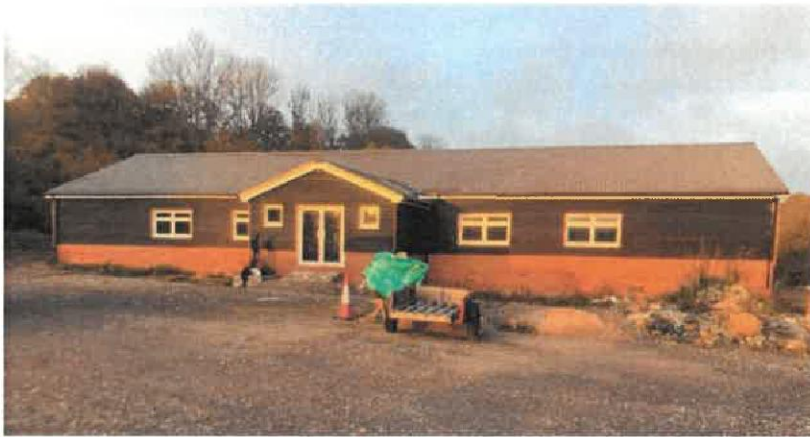
Grant: £500

Referral to military charities: ABF £1200 and TRBL £1000

Comment from a veteran who had lost contact with the Regiment until the advent of Subscribe CRM:
'Thank you so much for these emails. I feel I have regained contact with my Regiment after a severance through time and distance as I continue my life in the USA'.

⁸ Fifty three were declined for the following reasons: did not meet criteria - nineteen, need met by another charity - fourteen, incorrectly submitted to the PWRR - eleven, maximum grant already reached - four, no response to follow up questions - three, withdrawn - three and five cases have been carried over into 2023.

The Queen's Regiment Riders' Association Clubhouse is now weatherproof



Laying the
electricity cable
to Kennels Field

The project is grateful for the support of the following charities and individuals in 2022:

Veterans'
Foundation £30k
Cook Foundation
£1k



PWRR - £73.4K
for electric power



Individual veteran donations -
£10.45k

Total - £114,850

Preserve PWRR Heritage:

- No monies were expended on the upkeep of chattels in 2022 but there are plans to restore an historically significant painting in 2023.
- 100% chattels are inspected annually, and a new initiative has been put in place for a dedicated volunteer from the Heritage Committee to undertake inspections and make recommendations for restoration.
- £14k has been allocated to support regimental days and events (note the planned Presentation of Colours to 4 PWRR in September 2022 (anticipated cost of £40k of which £20k has been spent) was postponed due to the death of Her Majesty Queen Elizabeth II).
- £46k was spent on producing journals to keep the Regimental Family informed reaching c7,000 members.
- £4k was granted for the reprint of the '*Longest Stag*', the history of the Queen's Regiment and PWRR in Northern Ireland (total expenditure for the book is £9k with £10k receipts to date).
- £2.5k was allocated to the funeral of Lieutenant General Sir Brian Horrocks KCB KBE DSO MC at the Middlesex Regiment (Duke of Cambridge's Own⁹) old Garrison Church at Mill Hill, 37 years after his death.



FUTURE PLANS

The ashes of Lt Gen Sir Brian Horrocks KCB KBE DSO MC were discovered by an undertaker in their Chapel of Rest 37 years after he died. Brian Horrocks served in the Duke of Cambridge's Own (Middlesex Regiment) in WW1. He represented GB in the Paris Olympics, commanded 30 Corps in WW2 and was Black Rod to the House of Lords as well as a TV personality. He was buried by the Regiment at the old Middlesex Regiment (Duke of Cambridge's Own) Garrison Church in Mill Hill alongside comrades and a set of Middlesex Regiment Colours. The event was covered by national press and attended by the current and a former Black Rod.

Photographs reproduced by kind permission of the Daily Telegraph.

⁹ When General Horrocks joined his Regiment it was called the Duke of Cambridge's Own (Middlesex Regiment). The name changed after the First World War to the one used here.

Raised Soldier and Recruit Satisfaction:

- £5k was granted for adventurous training and sport to support four activities
- 6 grants worth £12k for infrastructure improvements to the benefit of soldiers.
- 3 welfare grants worth £3.5k to serving soldiers (included in overall welfare grants above).
- £14k granted towards nurturing recruits.
- £2.7k granted to PWRR badged Army Cadet Force and Combined Cadet Force children.

As a result of this activity, recruiting into the Regiment continues to be amongst the best in the Army.



Members of the Regiment are subsidised to enter adventurous training and sporting activities that challenge the individual to overcome adversity, build self-esteem and comradeship.



Increased Community Awareness of the Regiment – No grants were made to directly support community awareness of the regiment in 2022.

Future Activity

In 2023 the Charity will:

- Formalise the change to the Charity's deed to enable greater diversity on the management committee.
- Continue to seek improved communication with the wider Regimental Family¹⁰.
- Liaise with mental health charities to give those in need the ability to seek help more quickly.
- Work to preserve the Charity's capital value (and the income generated by that) at a time of financial uncertainty (which is captured in the Charity's risk register).
- Support the Presentation of Colours to 4 PWRR, postponed in 2022 due to the death of Her Majesty Queen Elizabeth II).
- Review Restricted and Designated Funds to streamline the charity's accounts. In particular de-restriction of the single Restricted Fund will require the agreement of the Royal Sussex Regiment Association.
- Continue to offer support in line with our charitable objects.

¹⁰ The Subscriber Customer Relations Management System went live in 2022 and is already proving its worth in terms of timely and accurate information being pushed to serving soldiers and veterans alike.

Financial Results 2022. The detailed financial position is shown on pages 15 - 16

Principle Risks and Uncertainties. Identified risks and mitigation measures are:

- **Income.** The decrease in income from the Day's Pay Scheme, resulting from cuts to the Regiment's structure, is being mitigated by fundraising activity and ensuring that budgetary planning is consistent with an unanticipated downturn in income accompanied by scrutiny of expenditure
- **Investments.** Given that Investments are subject to the vagaries of the market, there are regular Investment Committee and Financial Committee meetings to monitor the situation which also ensure that investments are ethical. In 2022, despite losses, the trustees agreed, following updates from professional investors that it was best for the charity to hold its nerve.
- **Reputation.** The charity is confident that its activities and operations will not undermine its reputation. Nevertheless, procedures are in place to ensure that challenges to reputation are met.
- **Change to Government and Charity Commission Policy.** Currently there are no planned changes to Government or MOD policy that might affect the running of the Charity. However, monitor this area for developments. The Charity Commission's format for report in 2023 has been noted.

Reserves Policy

The trustees have considered the requirement of the SORP 2015 and have again concluded that a strong growth policy will be required to ensure that the members of the Regiment and their families will be supported in the future. The Trustees seek to maintain free reserves of six months expenditure, which Trustees estimate to be in excess of £60,000.

Investment Policy

The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. To this end a formal review of our investors (Barclays) was carried out with the aid of Asset Risk Consultants (UK) Limited culminating in a formal review of five charities by the Investment Committee (including Barclays). The Committee recommended to the trustees that the Charity's investments should be transferred to Sarasin and Partners; the trustees agreed to this course of action in December 2021 and it was actioned during 2022.

The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees to be CPI plus 3.5%, however the short-term target is to preserve the capital value with a minimum level of risk.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Management Structure

The management board consists of ex-officio Trustees, who are senior members of the Regimental Council, and Administrative Trustees, who are drawn from the chairs of veteran associations, or have financial and business expertise (this will change with the implementation of the amendments to the trust deed). The Honorary Colonel 3 PWRR, Sir Lloyd Dorfman CVO CBE, attends meetings as an advisor.

Remuneration

The trustees and its Board are the key management personnel of the responsible for directing, controlling, running and operating the Charity. Trustees give of their time freely with no remuneration paid in the year. Details of trustee expenses and related party transactions disclosed in note 5 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

Third Party Indemnity.

In addition to an indemnity policy for employees (£10m) the trustees are insured for public liability for the sum of £5m.

Organisational Structure and Decision Making

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, all paid civil servants whose engagement reaches further than charitable activity,

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND
REPORT OF THE TRUSTEES
for the Year Ended 31 December 2022

The Welfare Committee is authorised to make grants. The recent increase of the delegated grant ceiling from £500 to £1,000 worked well in 2023. Welfare grants aside, the Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Advisors

Sarasin & Partners
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

Registered Charity number

1024418

Principal address

AHQ PWRR Leros Barracks
Sturry Road
Canterbury, Kent
CT1 1HR

Trustees

Major General JR Martin DSO OBE MC
Brigadier JC Coote DSO OBE
Brigadier MD Cornwell OBE
Colonel AAA Beattie
Colonel PT Crowley MBE DL
Colonel CA Luckham OBE
Colonel DK Mogg TD VR
Colonel JRG Putnam CBE TD DL
Colonel AC Ward OBE DL
Lieutenant Colonel N Burley
Mr RJ Bradburn

Regimental Secretary

Colonel JRJ Powell OBE

Hon Legal Advisors

A M Moss

Auditors

Xeinadin Audit Ltd
Becket House
36 Old Jewry
London EC2R 8DD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND
REPORT OF THE TRUSTEES

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

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

Approved by order of the board of trustees on 25 July 2023 and signed on its behalf by:



Major General JR Martin DSO OBE MC - Trustee

Opinion

We have audited the financial statements of The Princess of Wales's Royal Regiment (Queen's and Royal Hampshire) Benevolent Fund (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives in performing the audit are to identify and assess the risk of material misstatement in the financial statements due to fraud or error and to obtain sufficient audit evidence to support this. We also evaluate and respond to the risk of material misstatements.

Audit procedures performed by the engagement team included:

- Gaining an extensive knowledge of the entity and its' external environment, as well as the regulatory frameworks it must operate within.
- Obtaining a sufficient understanding of the internal control environment, including systems in place for the detection and prevention of fraud.
- Appraising said systems in order to determine whether they are operating to a satisfactory level.
- Understanding the entity's current activities and future plans and comparing these to the entity's charitable objective and aims.
- Discussions with management and those charged with governance as to any known or suspected instances of non-compliance with laws and regulations, as well as fraud.
- Challenging and recalculating assumptions, judgements and estimates made by management in its significant accounting policies.
- Reading minutes of meetings of those charged with governance and therefore understanding and evaluating decisions made regarding the safeguarding and usage of the entity's assets.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Ltd.

Xeinadin Audit Ltd
Becket House
36 Old Jewry
London
EC2R 8DD

Date: *25 July 2023.*

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2022

	Notes	Designated £	Unrestricted £	Endowment funds £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	40,151	183,985	-	224,136	279,684
Charitable activities						
Hardship or distress relief for former and serving members		235	12,228	-	12,463	7,490
Investment income	4	73,646	53,315	2,434	129,395	148,740
Total		<u>114,032</u>	<u>249,528</u>	<u>2,434</u>	<u>365,994</u>	<u>435,914</u>
EXPENDITURE ON						
Raising funds		13,890	32,117	59	46,066	80,507
Charitable activities						
Hardship or distress relief for former and serving members		115,395	199,613	-	315,008	220,408
Total		<u>129,285</u>	<u>231,730</u>	<u>59</u>	<u>361,074</u>	<u>300,915</u>
Net gains/(losses) on investments		(634,880)	(41,367)	(19,803)	(696,050)	546,565
NET INCOME/(EXPENDITURE)		(650,133)	(23,570)	(17,428)	(691,131)	681,564
Transfers between funds	14	30,971	(30,971)	-	-	-
Other recognised gains/(losses)						
Gains on revaluation of fixed assets		-	-	-	-	187,184
Net movement in funds		(619,162)	(54,541)	(17,428)	(691,131)	868,748
RECONCILIATION OF FUNDS						
Total funds brought forward		3,892,008	3,037,338	128,846	7,058,192	6,189,444
TOTAL FUNDS CARRIED FORWARD		<u>3,272,846</u>	<u>2,982,797</u>	<u>111,418</u>	<u>6,367,061</u>	<u>7,058,192</u>

The notes form part of these financial statements

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

BALANCE SHEET

31 December 2022

	Notes	Designated £	Unrestricted £	Endowment funds £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS						
Tangible assets	7	-	562,222	-	562,222	400,991
Heritage assets	8	-	99,894	-	99,894	99,894
Investments	9	<u>3,257,128</u>	<u>2,318,933</u>	<u>109,043</u>	<u>5,685,104</u>	<u>6,381,450</u>
		3,257,128	2,981,049	109,043	6,347,220	6,882,335
CURRENT ASSETS						
Stocks	10	-	12,618	-	12,618	12,718
Debtors	11	-	11,354	-	11,354	30,407
Investments	12	-	3,206	-	3,206	18,909
Cash in hand		<u>15,718</u>	<u>99,013</u>	<u>2,375</u>	<u>117,106</u>	<u>346,824</u>
		15,718	126,191	2,375	144,284	408,858
CREDITORS						
Amounts falling due within one year	13	-	(124,442)	-	(124,442)	(233,001)
NET CURRENT ASSETS		<u>15,718</u>	<u>1,749</u>	<u>2,375</u>	<u>19,842</u>	<u>175,857</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,272,846</u>	<u>2,982,797</u>	<u>111,418</u>	<u>6,367,061</u>	<u>7,058,192</u>
NET ASSETS		<u>3,272,846</u>	<u>2,982,797</u>	<u>111,418</u>	<u>6,367,061</u>	<u>7,058,192</u>
FUNDS	14					
Unrestricted funds					6,225,643	6,929,346
Endowment funds					<u>111,418</u>	<u>128,846</u>
TOTAL FUNDS					<u>6,367,061</u>	<u>7,058,192</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 July 2023 and were signed on its behalf by:



Major General JR Martin DSO OBE MC - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The aims of the Charity are to relieve hardship or distress of former and serving members of the regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Northern Ireland, number 102 4418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future, cash flows and the impact of subsequent events in making their assessment.

Based on the assessments above, and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty, and that they can continue to adopt a going concern bases in preparing the annual report and accounts.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt, and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

1. ACCOUNTING POLICIES - continued

Income

When the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity, which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unilottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Interest receivable on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year, when the offer is made, except in those cases where the offer is conditional, such grants can be recognised as expenditure when conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

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

Improvements to property	- 2% on cost
Fixtures and fittings	- 33% on cost

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Computer equipment - 33% on cost

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date, the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be higher of its fair value less cost to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Stocks

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

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been as designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The amount of each designated fund is set out in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued**Fund accounting**

Restricted funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim in use of each restricted fund is set out in the notes to financial statements

Endowment funds are for the charity to retain for the charities using furtherance of its charitable purposes.

Investment income, gains and losses are allocated to the appropriate fund.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

No significant judgements have been made by management in preparing these financial statements apart from those detailed in Note 1.

3. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	182,886	265,360
Grants	<u>41,250</u>	<u>14,324</u>
	<u>224,136</u>	<u>279,684</u>

Grants received, included in the above, are as follows:

	31.12.22	31.12.21
	£	£
Other	-	1,804
Lottery Grant	-	12,520
Armed Forces	11,250	-
The Veterans Foundation	<u>30,000</u>	<u>-</u>
	<u>41,250</u>	<u>14,324</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

4. INVESTMENT INCOME

	31.12.22	31.12.21
	£	£
Other fixed asset invest - FII	128,545	148,421
Deposit account interest	<u>850</u>	<u>319</u>
	<u>129,395</u>	<u>148,740</u>

5. GRANTS PAYABLE

	31.12.22	31.12.21
	£	£
Hardship or distress relief for former and serving members	<u>87,778</u>	<u>72,679</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Expenses of less than £1,000 were paid for 2022 and 2021.

7. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2022	400,000	-	800	11,505	412,305
Additions	<u>-</u>	<u>164,615</u>	<u>-</u>	<u>1,108</u>	<u>165,723</u>
At 31 December 2022	<u>400,000</u>	<u>164,615</u>	<u>800</u>	<u>12,613</u>	<u>578,028</u>
DEPRECIATION					
At 1 January 2022	-	-	267	11,047	11,314
Charge for year	<u>-</u>	<u>3,292</u>	<u>53</u>	<u>1,147</u>	<u>4,492</u>
At 31 December 2022	<u>-</u>	<u>32,923</u>	<u>320</u>	<u>12,194</u>	<u>15,806</u>
NET BOOK VALUE					
At 31 December 2022	<u>400,000</u>	<u>161,323</u>	<u>480</u>	<u>419</u>	<u>562,222</u>
At 31 December 2021	<u>400,000</u>	<u>-</u>	<u>533</u>	<u>458</u>	<u>400,991</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022**8. HERITAGE ASSETS**

	Total £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	<u>99,894</u>
NET BOOK VALUE	
At 31 December 2022	<u>99,894</u>
At 31 December 2021	<u>99,894</u>

The charity is a repository of thousands of items, the majority of which have been donated over many years both by individuals and regimental units that have closed.

In line with FRS 102 and SORP, the assets have been obtained over many years of the charity existing and are not recognised on the Balance Sheet due to costs of individual heritage assets not being identifiable. Off balance sheet assets relate to paintings, medals and other items that are military in nature.

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	6,381,450
Revaluations	<u>(696,346)</u>
At 31 December 2022	<u>5,685,104</u>
NET BOOK VALUE	
At 31 December 2022	<u>5,685,104</u>
At 31 December 2021	<u>6,381,450</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation in 2022	<u>5,685,104</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

10. STOCKS

	31.12.22	31.12.21
	£	£
Stocks	<u>12,618</u>	<u>12,718</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Other debtors	8,854	7,031
Prepayments and accrued income	<u>2,500</u>	<u>23,376</u>
	<u>11,354</u>	<u>30,407</u>

12. CURRENT ASSET INVESTMENTS

	31.12.22	31.12.21
	£	£
Listed investments	<u>3,206</u>	<u>18,909</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade creditors	14,666	16,544
Taxation and social security	(950)	-
Other creditors	<u>110,726</u>	<u>216,457</u>
	<u>124,442</u>	<u>233,001</u>

14. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	Transfers between funds	At 31.12.22
	£	£	£	£
Unrestricted funds				
General fund	3,037,338	(23,570)	(30,971)	2,982,797
The Cadets Endowment Fund	13,100	128,703	-	141,803
The Queen's Regiment Benevolent Fund	1,965,756	(457,252)	30,971	1,539,475
The Queen's Royal Surrey Benevolent Fund	<u>1,913,152</u>	<u>(321,584)</u>	-	<u>1,591,568</u>
	6,929,346	(673,703)	-	6,225,643
Endowment funds				
The Royal Sussex Regimental Association	128,846	(17,428)	-	111,418
TOTAL FUNDS	<u>7,058,192</u>	<u>(691,131)</u>	-	<u>6,367,061</u>

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	249,528	(231,730)	(41,367)	(23,570)
The Cadets Endowment Fund	3,128	(91)	125,666	128,703
The Queen's Regiment Benevolent Fund	75,077	(106,048)	(426,281)	(457,252)
The Queen's Royal Surrey Benevolent Fund	<u>35,827</u>	<u>(23,146)</u>	<u>(334,265)</u>	<u>(321,584)</u>
	363,560	(390,646)	(676,247)	(673,703)
Endowment funds				
The Royal Sussex Regimental Association	2,434	(59)	(19,803)	(17,428)
TOTAL FUNDS	<u>365,994</u>	<u>(361,074)</u>	<u>(696,050)</u>	<u>(691,131)</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	2,795,012	242,326	3,037,338
The Cadets Endowment Fund	-	13,100	13,100
The Queen's Regiment Benevolent Fund	1,552,034	413,722	1,965,756
The Queen's Royal Surrey Benevolent Fund	<u>1,726,149</u>	<u>187,003</u>	<u>1,913,152</u>
	6,073,195	856,151	6,929,346
Endowment funds			
The Royal Sussex Regimental Association	116,249	12,597	128,846
TOTAL FUNDS	<u>6,189,444</u>	<u>868,748</u>	<u>7,058,192</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2022**14. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	273,379	(218,237)	187,184	242,326
The Cadets Endowment Fund	-	(435)	13,535	13,100
The Queen's Regiment Benevolent Fund	118,709	(75,860)	370,873	413,722
The Queen's Royal Surrey Benevolent Fund	<u>41,273</u>	<u>(6,045)</u>	<u>151,775</u>	<u>187,003</u>
	433,361	(300,577)	723,367	856,151
Endowment funds				
The Royal Sussex Regimental Association	2,553	(338)	10,382	12,597
	<u>435,914</u>	<u>(300,915)</u>	<u>733,749</u>	<u>868,748</u>
TOTAL FUNDS	<u>435,914</u>	<u>(300,915)</u>	<u>733,749</u>	<u>868,748</u>

The Royal Sussex Regimental Association

This fund relates to former Charity, the Royal Sussex Regiment Old Comrades Association (OCT) number 286787. The fund is used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows, another dependants of such members.

The Queen's Regiment Benevolent Fund

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

The Queen's Royal Surrey Benevolent Fund

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

Adjustment to Funds Classification

In the previous accounting period, a designated fund was incorrectly classified as restricted. This has been corrected in the current period and applied retrospectively.

15. RELATED PARTY DISCLOSURES

The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance fund operate in the same location as The Princess of Wales's Royal Regiment (Queen's and Royal Hampshire) Benevolent Fund. The respective charities do not share trustees. However, 2 members of key management personnel serve as trustees for The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance fund. Both entities fall under the Princess of Wales's Royal Regiment umbrella of Charities.

At the year end, the amount due to the Princess of Wales's Regiment Maintenance Fund was £76,982 (2021:£169,803).

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	182,886	265,360
Grants	<u>41,250</u>	<u>14,324</u>
	224,136	279,684
Investment income		
Other fixed asset invest - FII	128,545	148,421
Deposit account interest	<u>850</u>	<u>319</u>
	129,395	148,740
Charitable activities		
Book Sales	<u>12,463</u>	<u>7,490</u>
Total incoming resources	365,994	435,914
EXPENDITURE		
Raising donations and legacies		
Investment Management Costs	3,162	18,147
Membership Costs	2,196	-
Presentation Costs	21,800	17,223
Events Costs	10,522	42,312
Remembrance Costs	<u>8,386</u>	<u>2,825</u>
	46,066	80,507
Charitable activities		
Travel	8,939	7,835
Telephone	384	-
Postage and stationery	4,298	23,752
Sundries	108	-
Insurance	6,515	7,474
Consultancy	29,092	36,173
Hospitality	11,747	13,909
Trustee Meeting Costs	1,768	21,172
Accountancy	9,620	8,914
Subscriptions	2,706	1,250
Office Expenses	14,139	3,159
Website Costs	25,386	6,030
Carried forward	114,702	129,668

This page does not form part of the statutory financial statements

THE PRINCESS OF WALES'S ROYAL REGIMENT (QUEEN'S AND ROYAL HAMPSHIRE) BENEVOLENT FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
Charitable activities		
Brought forward	114,702	129,668
Soldier Support	25,601	-
Journal Printing Costs	46,149	10,850
Donations	1,000	-
Regimental Chattels Expenses	27,401	-
Repairs and Renewals	1,285	-
Improvements to property	3,292	-
Fixtures and fittings	373	659
Computer equipment	827	-
Grants to individuals	<u>87,778</u>	<u>72,679</u>
	308,408	213,856
Support costs		
Governance costs		
Auditors' remuneration	3,000	-
Auditors' remuneration for non audit work	3,600	3,276
Hire of plant and machinery	<u>-</u>	<u>3,276</u>
	<u>6,600</u>	<u>6,552</u>
Total resources expended	<u>361,074</u>	<u>300,915</u>
Net (expenditure)/income before gains and losses	4,919	134,999
Unrealised recognised gains and losses		
Unrealised gains/(losses) on fixed asset investments	<u>(696,050)</u>	<u>546,565</u>
Net (expenditure)/income	<u><u>(691,131)</u></u>	<u><u>681,564</u></u>

Accounts

Charity number: 1024418

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Major General JR Martin DSO OBE MC (appointed 2 December 2021) Brigadier JC Coote DSO OBE (appointed 1 July 2021) Brigadier MD Cornwell OBE (appointed 2 December 2021) Colonel AAA Beattie Colonel PT Crowley MBE DL Colonel CA Luckham OBE (appointed 2 December 2021) Colonel DK Mogg TD VR Colonel JRG Putnam CBE TD DL Colonel AC Ward OBE DL Lieutenant Colonel N Burley (appointed 1 November 2021) Mr RJ Bradburn
Charity registered number	1024418
Principal office	Leros Barracks Sturry Road Canterbury Kent CT1 1HR
Regimental Secretary	Colonel JRJ Powell OBE
Independent auditor	MHA MacIntyre Hudson Maidstone United Kingdom
Bankers	The Royal Bank of Scotland Plc Victoria Road Farnborough GU14 7NR
Investment Advisors	Barclays Wealth 1 Churchill Place London E14 5HP
Hon Legal Advisor	A M Moss

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2021 to 31 December 2021.

Section 4 of the Charities Act 2006 Statement

The Trustees have complied with their duty to have regard to the guidance issued by the Charity Commission under Section 4 of the Charities Act 2006. The remainder of this report describes how the public benefit standards are being met.

The Charity

The Charity was formed in 1992 on the formation of the Regiment from forebear regiment charities*. The Charity's objectives are Benevolence and Welfare for our serving personnel, veterans, and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives.

Case Study 1 (note for all cases that initial interaction is carried out by SSAFA)

Status: Veteran

Background: This veteran was requesting assistance towards a training course in Gas Safety Inspections. Already having a trade, they had, for various reasons, ended up on a downward spiral. They wished to get back onto the straight and narrow and was hoping a new qualification would provide focus and increase the chances of employment.

Grant awarded and referral to military charities: Army Benevolent Fund and The Royal British Legion

Equality & Diversity Statement

The Regiment conforms to the Army's Values and Standards** and trustees are required to adopt these standards which are akin to the Nolan Principles***. The Regimental Family consists of diverse ages (from children to aged veterans), sexes, sexual orientation, nationalities****, ethnicity and religious backgrounds; all of whom are supported with proper regard to any protected characteristics. The trustees aspire for greater diversity on the Management Board. As recent changes to the infantry take effect (for instance allowing females to serve in the infantry) these will be reflected in the makeup of the Board in the fullness of time. In 2021 the Board decided that there was a need to greater reflect the experiences of those who have served in the ranks and, to that end, for the first time an officer commissioned from the ranks was made an Ex Officio member of the Board.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

* Less the Royal Sussex and Royal Hampshire regiments (though there is a small endowment fund from the former that supports Royal Sussex Regiment veterans)

** Values are Courage, Discipline, Respect for Other, Integrity, Loyalty, Selfless Commitment. Standards are: Lawful, Acceptable Behaviour, Professional.

*** The Nolan Principles are Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

**** Though all serving soldiers must meet the British, Commonwealth, Irish or Gurkha nationality criteria, the same does not apply to partners.

Chairman's Forward

The impact of COVID in 2020 leading into 2021 challenged all elements of global economies. For the PWRR Benevolent Fund this meant a curtailment of fundraising activities at a time of anticipated increased welfare demand. Despite this the Charity remained in surplus for the year.

Activity Highlights for 2021 were:

- 162 welfare cases assessed for financial, moral or practical support
- The continued success of the Veterans' Horticultural Project with 35 veterans involved in building, forestry and the production of honey.
- Communication with the wider Regimental Family (c7,500) through magazines and publications.
- Laying up of two sets of Old Battalion Colours (consecrated items) in Southwark and Winchester Cathedrals adding to the Nation's history and heritage.
- Adding to and preserving the Regimental Heritage (and therefore National Heritage) through the acquisition of paintings, preservation of paintings and chattels.
- Negotiated Corporate Membership of the Institute of Directors to enable all ranks of the Regimental Family (including veterans) to use their facilities.
- The recommencement of direct liaison with our Colonel in Chief (HM Queen Margrethe II of Denmark) an activity that directly reinforces the Nation's aspirations for friendly relations between nations.

Case Study 2

Status: Veteran & Wife

Background: This veteran had numerous medical conditions and low mobility. The couple used a manual wheelchair however due to her own ill-health the wife struggled to push her husband around. They managed to borrow a mobility scooter which was a game-changer but was only available for a limited time. They requested assistance towards an Occupational Therapy Report which recommended that a mobility scooter was procured.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees would like to thank all of those who contributed to the Charity whether from individual donations or grants from other charities to support projects (detailed below). In addition, the Chairman and the Trustees express their thanks to the Regimental Secretary and all the staff at Regimental Headquarters for another successful year both financially and in fulfilling the objectives of the Trust Deed.

Achievements and performance

a. Fundraising activities and income generation

Case Study 3

Status: Widow

Background: This lady was struggling after the sad passing of her husband, not only emotionally but financially as well. Left with debts she was doing everything she could to better her situation. She was looking to downsize to sort her finances out but wanted to give her husband the funeral he deserved after dedicating 12 years of his life to the Army.

Outcome: Grant awarded and assistance from the Army Benevolent Fund and The Royal British Legion enabled the husband to have the funeral he deserved.

Fundraising comes from several sources: individual donations (including legacies), monies raised by veteran associations or independent supporters of the regiment. At a time of increased economic uncertainty and pressure on household incomes this will become increasingly difficult to realise in 2022/23 and will require some difficult decisions regarding the budget – see risks below (but welfare grants will always be protected). The use of internet donations (for instance Amazon Smile and Give As You Live) continues to generate small amounts of income (at no cost to the charity) and the fund-raising lottery initiative also continues to provide a small but steady income which is gradually increasing over time.

Fundraising activities by veteran associations are monitored by their relevant chairs. All are aware of the dangers of unreasonable intrusion and pressure. The charity subscribes to the Fundraising Regulator and has undertaken to report any failure to comply with the standards that the Charity has signed up to.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The recipients of benevolence cover a wide spectrum of the public and, although current serving personnel do receive assistance, the main beneficiaries are veterans, widows, and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit. The veterans' horticultural project continues to develop as do our methods of communication with our veteran community to make them aware of developments and where to find help. The Charity has also helped preserve the Nation's heritage. The existence of the Charity helps to ensure high morale and esprit de corps in the PWRR and thus contributes to the overall effectiveness of the Nation's armed forces. This in turn brings tangible benefits to the public and it is therefore considered by the Trustees that there is an identifiable benefit to the Nation at large.

Working with the Army Benevolent Fund, Royal British Legion, SSAFA and the NHS to support our soldiers, veterans, and families.



PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

b. Review of activities

What We Do.

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment. Recognising the need to better define the Charity's role to the wider public, work has been undertaken to define the outputs of the charity using an Impact Measurement and Management (IMM) Framework which also encourages the charity to improve its performance. Five impact objectives and five outcomes deriving from the Theory of Change have been identified:

Case Study 4

Status: Veteran

Background: This veteran was homeless. Life became out of control when his relationship broke down and he lost his home. He accrued debts, burying his head in the sand regarding his finances and eventually suffered a breakdown. With the help of the NHS veterans' mental health Transition, Intervention and Liaison Service (TILS) he started to recover from a very dark place and got back on track. He received an offer of housing from the local authority and requested assistance towards essential household items.

Outcome: Grant awarded to buy household items and further grants were awarded from the Army Benevolent Fund and The Royal British Legion.

Impact Objectives:

- Relief of financial hardship and distress.
- Delivering services that meet individual social needs.
- Support heritage conservation efforts.
- Improving the efficiency of the regiment.
- Forming quality partnerships.

Outcomes:

- Increasing security and stability.
- Increase in long term quality of life.
- Strengthening social cohesion.
- Increasing soldier and recruit satisfaction.
- Preserve PWRR heritage.
- Raise community awareness of the regiment.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

To do this the regiment:

- Provides grants and support plans to individuals to service their mental, physical and financial needs.
- Provides grants to veteran associations and battalions to deliver events/services that relieve social/psychological needs.
- Commissions and funds work that support the conservation of the Regiment's history.
- Provides funding for infrastructure, processes, training, or equipment that supports the efficiency of the Regiment.
- Liaises with impact aligned partners to maximise the impact potential of the Regiment's activities (this not only includes other military charities such as the RBL or ABF but specialist charities (for instance debt counselling)).

United Nation Sustainable Development Goals (SDGs)

In reviewing the Charity's outputs, it has been recognised that the Charity also supports the Nation in its efforts to meet the 17 SDGs adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. In particular, the activities of the PWRR Benevolent Fund contribute towards 6 SDGs:



Impact Overview

The Charity has measured the following impacts:

Increase Long Term Quality of Life and Security & Stability:

- 162 cases referred to on the Case Management System (CMS).
- £46,967 spent on 97 welfare cases.
- 76 cases referred to other charities of whom 64 received support.
- 5 cases have been referred to a veterans' association for support.
- 35 veterans have been involved in the Kennels Field Horticultural Project (except for skilled jobs requiring specialists, the build of the Club House has been carried out by volunteer veterans. The roof is now complete, and screed laid on the floor. Windows, doors, and feathered weatherboard have been purchased and are fitted):
- £188,832.86 has been received in grants, donations, Gift Aid and fundraising efforts.
- Over 1,200 trees and shrubs have been planted along with wildflowers to enhance the biodiversity.
- The ancient woodland is being managed by qualified veterans.
- 11 beehives have been installed producing Regimental Honey.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021



The club house building in the Kennels Field



A veteran stands at the entrance of the Kennels Field



The Regimental Beehives in the ancient woodland on Kennels Field

The trustees are grateful for the support given by the following charities that have helped to deliver the Kennels Field Project:



Queen's Royal Surrey Combined Charities



Armed Forces Covenant Fund



VETERANS' FOUNDATION *Veteran's Foundation and Veteran's Lottery*



Kent Community Foundation



Pimlico Plumbers



COMMUNITY FUND *National Lottery*



Nineveh Charitable Trust

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Goldman
Sachs

Goldman Sachs



Bernard Sunley Foundation



energy

Ovoenergy

Preserve PWRR Heritage:

- £27,000 spent on the purchase and restoration of paintings (including a painting dating from 1665 which has National significance).
- £7,798 spent on insurance to ensure that 100% of chattels insured; costs are subject to an annual review.
- 100% chattels inspected annually.
- £13,494 in grants to support regimental days and events (for instance the Battles of Albuhera and Minden and the laying up of Old Colours).
- £30,750 spent on producing magazines and books to keep the Regimental Family informed reaching c7,000 members of the Regimental Family.
- 1 x engagements with the Colonel in Chief – HM Queen of Denmark (COVID prevented a further two from going ahead).



Portrait of Queen Catherine of Braganza (wife of King Charles II). The earliest elements of the Regiment were formed in 1661 to protect part of Her Dowry which was the port of Tangier.

Painted by Huysmans in 1665 – restored and preserved for the Regiment and the Nation

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Raised Soldier and Recruit Satisfaction:

- £3,862 granted for adventurous training and sport to support four activities
- 3 grants worth £1,700 for infrastructure improvements to the benefit of soldiers.
- 35 welfare grants worth £3,898 to serving soldiers (included in overall welfare grants above).
- £12,884 granted towards nurturing recruits – 8 Officers and 195 Private Soldiers

As a result of this activity the strength of our battalions against their authorised structures are amongst the best in the Army.



Members of the Regiment are subsidised to enter Adventurous Training and Sporting Activities that challenge the individual to overcome adversity, build self-esteem and comradeship.

Increased Community Awareness of the Regiment:

Due to COVID restrictions only one grant of £1,500 was made to support community engagement activity.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

b. Principal Risks and Uncertainties

Identified risks and mitigation measures are:

Income. The decrease in income from the Days Pay Scheme resulting from cuts to the Regiment's structure is being mitigated by fund raising activity and ensuring that budgetary planning is coherent, and expenditure accurately monitored.

Investments. Investments are subject to the vagaries of the market. There are regular Investment Committee and Financial Committee meetings to monitor the situation which also ensure that investments are ethical.

Reputation. The charity is confident that its activities and operations will not undermine its reputation.

Change to Government Policy. Included here are the restrictions imposed as a result of COVID. An early decision to focus activity on welfare support and reduce other costs worked to the Charity's advantage in 2020 and this continued in 2021 allowing the charity to finish the year with a surplus.

c. Reserves Policy

The Trustees have considered the requirement of the SORP 2015 and have again concluded that a strong growth policy will be required to ensure that the members of the Regiment and their families can be supported in the future. The Trustees seek to maintain free reserves of six months expenditure, which Trustees estimate to be in excess of £60,000.

d. Investment Policy

The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. To this end a formal review of our investors (Barclays) was carried out with the aid of Asset Risk Consultants (UK) Limited culminating in a formal review of five charities by the Investment Committee (including Barclays). The Committee recommended to the trustees that the Charity's investments should be transferred to Sarasin and Partners; the trustees agreed to this course of action in December 2021.

The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees to be CPI plus 3.5%, however, the short-term target is to preserve the capital value with a minimum level of risk. Despite the challenges of COVID and reduced income the Charity's capital made a slight gain over the year. Because the budget continues to be reviewed to provide a detailed forecast of outturn in year that can be measured against expenditure (the control mechanism) the Charity was able to make quick decisions regarding expenditure priorities as COVID bit. As a result, the Charity managed to maintain its liquidity making a useful surplus in year which adds to our reserves.

e. Financial review

The detailed financial position is shown on pages 17 to 40.

Income during the year was some £436K, a small drop on the previous year whilst expenditure was £301K resulting in a surplus of £135K after adjustments. Our investments recovered strongly from 2020 by £0.50M bringing our total net assets to £7M.

Structure, Governance and Management

a. Constitution

Princess of Wales's Royal Regiment Benevolent Fund is a registered charity, number 1024418, and is constituted under a Trust deed.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Management Structure

The management board consists of Ex-Officio Trustees who are senior members of the Regimental Council and Administrative Trustees who are drawn from the chairs of veteran associations or have financial and business expertise. The Honorary Colonel of 3 PWRR, Sir Lloyd Dorfman CVO CBE, attends meetings as an advisor.

d. Remuneration

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 13 and 26 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

e. Third Party Indemnity

In addition to an indemnity policy for employees (£10m) the trustees are insured for public liability for the sum of £5m.

f. Organisational Structure and Decision Making

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, who are all paid civil servants (a review by the Army has concluded that since these personnel are not engaged with charitable activity full time it remains appropriate for this structure to remain in place).

The Welfare Committee is authorised to make grants. A recent review concluded that welfare cases had been decreasing by 50% since 2016 – a result of the passing of the WWII generation; as a result, the grant limit has been increased in 2022 from £500 to £1000; welfare grants for amounts greater than this requires Trustees' authorisation. Outside welfare grants, the Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

Future activity

In 2022 the Charity will:

- Engage with COBSEO to review governance procedures.
- Improve communication with the wider Regimental Family*.
- Liaise with mental health charities to give those in need the ability to seek help more quickly.
- Work to preserve the Charity's capital value (and the income generated by that) at a time of financial uncertainty (which is captured in the Charity's risk register).
- Increase the level of individual grants available to welfare applicants.
- Support the presentation of Colours to 4 PWRR whilst running a re-union event to commemorate the 30th anniversary of the raising of the Regiment.

** One area that was deemed ripe for improvement was the communication with PWRR veterans. To date the Association has used social media to keep in contact with veterans and inform them of events and job opportunities. This works well with those who wish to be engaged but is not effective with those with low self-esteem, life problems or just do not wish to use social media. In particular, the current method of communication misses potential suicides or self-harmers. The trustees have agreed to invest in a Subscriber Customer Relations Management System to go live in 2022 which will help push information out to individual veterans.*

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

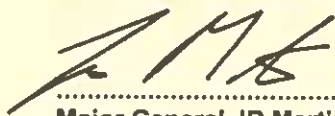
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and;
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Major General JR Martin DSO OBE MC

Date: 13 SEPTEMBER 2022

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

Opinion

We have audited the financial statements of Princess of Wales's Royal Regiment Benevolent Fund (the 'charity') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 January 2019 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditor
Maidstone
United Kingdom

Date: 22 September 2022

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	4	-	42,500	237,184	279,684	284,475
Charitable activities	5	-	-	7,490	7,490	22,452
Investments	6	2,553	-	146,187	148,740	162,989
Total income and endowments		2,553	42,500	390,861	435,914	469,916
Expenditure on:						
Raising funds	7,8	338	4,970	74,764	80,072	18,895
Charitable activities		-	-	220,843	220,843	240,667
Total expenditure		338	4,970	295,607	300,915	259,562
Net income before net gains/(losses) on investments		2,215	37,530	95,254	134,999	210,354
Net gains/(losses) on investments		10,382	151,839	384,344	546,565	(82,923)
Net movement in funds before other recognised gains		12,597	189,369	479,598	681,564	127,431
Other recognised gains:						
Gains on revaluation of fixed assets		-	-	187,184	187,184	-
Net movement in funds		12,597	189,369	666,782	868,748	127,431
Reconciliation of funds:						
Total funds brought forward		116,249	-	6,073,195	6,189,444	6,062,013
Net movement in funds		12,597	189,369	666,782	868,748	127,431
Total funds carried forward		128,846	189,369	6,739,977	7,058,192	6,189,444

The Statement of financial activities includes all gains and losses recognised in the current and prior year.

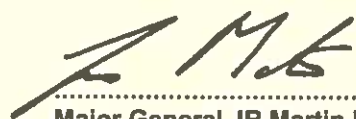
The notes on pages 20 to 40 form part of these financial statements.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	400,991	143,916
Heritage assets	15	99,894	69,894
Investments	16	6,381,450	5,685,561
		<u>6,882,335</u>	<u>5,899,371</u>
Current assets			
Stocks	17	12,718	12,718
Debtors	18	30,407	18,380
Investments	19	18,909	15,842
Cash at bank and in hand		346,824	442,489
		<u>408,858</u>	<u>489,429</u>
Creditors: amounts falling due within one year	20	(233,001)	(199,356)
Net current assets		<u>175,857</u>	<u>290,073</u>
Total net assets		<u><u>7,058,192</u></u>	<u><u>6,189,444</u></u>
Charity funds			
Endowment funds	21	128,846	116,249
Restricted funds	21	189,369	-
Unrestricted funds	21	6,739,977	6,073,195
Total funds		<u><u>7,058,192</u></u>	<u><u>6,189,444</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Major General JR Martin DSO OBE MC

Date: 13 SEPTEMBER 2022

The notes on pages 20 to 40 form part of these financial statements.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	23	157,276	228,255
Cash flows from investing activities			
Purchase of tangible fixed assets		(70,550)	(47,830)
Proceeds from sale of investments		20,676	14,637
Purchase of investments		(170,000)	-
Purchase of heritage assets		(30,000)	-
Net cash used in investing activities		(249,874)	(33,193)
Change in cash and cash equivalents in the year		(92,598)	195,062
Cash and cash equivalents at the beginning of the year		458,331	263,269
Cash and cash equivalents at the end of the year	24	365,733	458,331

The notes on pages 20 to 40 form part of these financial statements

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

1. General information

The aims of the Charity are to relieve hardship or distress of former and serving members of the Regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Northern Ireland, number 1024418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Princess of Wales's Royal Regiment Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Charity's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

2. Accounting policies (continued)

2.3 Income (continued)

Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unilottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Fixtures and fittings	- Over 3 years
Office equipment	- Over 3 years

2.7 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The Charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the Charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are for the charity to retain for the charity's use in furtherance of its charitable purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

No significant judgements have been made by management in preparing these financial statements apart from those detailed in note 2.

4. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations			
Days' pay	-	83,579	83,579
Subtotal detailed disclosure	-	83,579	83,579
Other donations	32,500	149,281	181,781
Other grants	-	1,804	1,804
Lottery income	10,000	2,520	12,520
Subtotal	42,500	153,605	196,105
Total 2021	42,500	237,184	279,684

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

4. Income from donations and legacies (continued)

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations			
Days pay	-	78,275	78,275
QOB Fund	938	-	938
Queen's Benevolence Fund	-	6,210	6,210
Subtotal detailed disclosure	938	84,485	85,423
Other donations	-	196,459	196,459
Lottery income	-	2,593	2,593
Subtotal	-	199,052	199,052
Total 2020	938	283,537	284,475

5. Income from charitable activities

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Silver contributions	2,411	2,411
Book sales	2,274	2,274
Car badge sales	2,805	2,805
Total 2021	7,490	7,490

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

5. Income from charitable activities (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Reunion income	10,505	10,505
Silver contributions	8,214	8,214
Book sales	3,733	3,733
Total 2020	22,452	22,452

6. Investment income

	<i>Endowment funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	2,553	145,868	148,421
Interest income	-	319	319
	2,553	146,187	148,740

	<i>Endowment funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	3,239	1,725	158,017	162,981
Interest income	-	1	7	8
	3,239	1,726	158,024	162,989

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £
Presentation costs	17,223	17,223
Remembrance costs	2,825	2,825
Event costs	42,312	42,312
	<u>62,360</u>	<u>62,360</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Presentation costs	12	12
Remembrance costs	2,964	2,964
Event costs	50	50
	<u>3,026</u>	<u>3,026</u>

8. Investment management costs

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Investment management fees	338	4,970	12,404	17,712
	<u>338</u>	<u>4,970</u>	<u>12,404</u>	<u>17,712</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

8. Investment management costs (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment management fees	<u>15,869</u>	<u>15,869</u>

9. Analysis of expenditure by activities

	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Hardship or distress relief for former and serving members	<u>32,892</u>	<u>73,114</u>	<u>114,837</u>	<u>220,843</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Grant funding of activities 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Hardship or distress relief for former and serving members	<u>51,238</u>	<u>87,631</u>	<u>101,798</u>	<u>240,667</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Hardship or distress relief for former and serving members 2021 £	Total funds 2021 £
Insurance costs	7,474	7,474
Newsletter expenses	10,850	10,850
Other direct costs	13,909	13,909
Depreciation charge	659	659
	32,892	32,892

	Hardship or distress relief for former and serving members 2020 £	Total funds 2020 £
Insurance costs	11,025	11,025
Newsletter expenses	32,626	32,626
Other direct costs	6,774	6,774
Depreciation charge	813	813
	51,238	51,238

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Hardship or distress relief for former and serving members 2021 £	Total funds 2021 £
Staff costs	1,250	1,250
Postage and stationery	23,752	23,752
Trip and travel expenditure	7,835	7,835
Trustees insurance	326	326
Bookkeeping costs	13,902	13,902
Office expenses	2,296	2,296
Other support costs	863	863
Auditors' remuneration	1,564	1,564
Trustees meeting expenses	20,846	20,846
Website costs	6,030	6,030
Consultancy expenses	36,173	36,173
	114,837	114,837

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

9. Analysis of expenditure by activities (continued)**Analysis of support costs (continued)**

	<i>Hardship or distress relief for former and serving members 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	9,589	9,589
Other staff support costs	3,129	3,129
Postage and stationery	15,722	15,722
Trustees insurance	495	495
Trip and travel expenditure	8,525	8,525
Bookkeeping costs	13,708	13,708
Office expenses	10,713	10,713
Other support costs	1,483	1,483
Auditors' remuneration	7,819	7,819
Trustees meeting expenses	50	50
Website costs	5,609	5,609
Repairs and maintenance	401	401
Consultancy expenses	24,555	24,555
	<u>101,798</u>	<u>101,798</u>

10. Analysis of grants and welfare payable

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
1 PWRR Grant	2,699	2,699
2 PWRR Grant	1,570	1,570
3 PWWRR Grant	2,335	2,335
Welfare grants	46,968	46,968
Other Benevolence Grants	88,992	88,992
Queens grant	300	300
	<u>142,864</u>	<u>142,864</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
1 PWRR Grant	-	10,608	10,608
2 PWRR Grant	-	649	649
3 PWRR Grant	-	685	685
4 PWRR Grant	-	257	257
Welfare Grants	1,281	24,842	26,123
Other Benevolence Grants	500	47,009	47,509
Queens Grants	-	1,800	1,800
	<u>1,781</u>	<u>85,850</u>	<u>87,631</u>

11. Auditor's remuneration

	<i>2021 £</i>	<i>2020 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	6,442	7,819
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>15,006</u>	<u>13,708</u>

12. Staff costs

	<i>2021 £</i>	<i>2020 £</i>
Wages and salaries	1,250	9,589
	<u>1,250</u>	<u>9,589</u>

The average number of persons employed by the Charity during the year was as follows:

	<i>2021 No.</i>	<i>2020 No.</i>
Employees	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, expenses totalling £568 were reimbursed to 2 Trustees in relation to travel and postage costs (2020: £nil).

14. Tangible fixed assets

	Freehold land £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2021	143,066	-	11,505	154,571
Additions	69,750	800	-	70,550
Revaluations	187,184	-	-	187,184
At 31 December 2021	400,000	800	11,505	412,305
Depreciation				
At 1 January 2021	-	-	10,655	10,655
Charge for the year	-	267	392	659
At 31 December 2021	-	267	11,047	11,314
Net book value				
At 31 December 2021	400,000	533	458	400,991
At 31 December 2020	143,066	-	850	143,916

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

15. Heritage assets

Assets recognised at cost

	Heritage assets 2021 £
Carrying value at 1 January 2021	69,894
Additions	30,000
	<u>99,894</u>

Additions in the year are in respect of the erection of a memorial at the National Memorial Arboretum to the Lisbon Maru atrocity in 1942.

The charity is a repository of thousands of items, the majority of which have been donated over many years both by individuals and regimental units that have closed.

In line with FRS 102 and SORP, the assets have been obtained over many years of the charity existing and are not recognised on the Balance Sheet due to costs of individual heritage assets not being identifiable. Off balance sheet assets relate to paintings, medals and other items that are military in nature.

16. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	5,685,561
Additions	170,000
Disposals	(20,676)
Revaluations	546,565
	<u>6,381,450</u>
At 31 December 2021	
Net book value	
At 31 December 2021	6,381,450
At 31 December 2020	<u>5,685,561</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

17. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	12,718	12,718

18. Debtors

	2021	2020
	£	£
Due within one year		
Amounts owed by participating interests	3,123	-
Other debtors	3,908	1,700
Prepayments and accrued income	23,376	16,680
	30,407	18,380

19. Current asset investments

	2021	2020
	£	£
Cash and cash equivalents	18,909	15,842

20. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	16,544	3,950
Other creditors	186,498	187,588
Accruals and deferred income	29,959	7,818
	233,001	199,356

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
Designated funds					
The Queen's Regiment Benevolent Fund	1,552,034	76,209	(70,890)	219,034	1,776,387
The Queen's Royal Surrey Benevolent Fund	1,726,149	41,273	(6,045)	151,775	1,913,152
The Cadets Endowment Fund	-	-	(435)	13,535	13,100
	<u>3,278,183</u>	<u>117,482</u>	<u>(77,370)</u>	<u>384,344</u>	<u>3,702,639</u>
General funds					
General Funds	<u>2,795,012</u>	<u>273,379</u>	<u>(218,237)</u>	<u>187,184</u>	<u>3,037,338</u>
Total Unrestricted funds	<u>6,073,195</u>	<u>390,861</u>	<u>(295,607)</u>	<u>571,528</u>	<u>6,739,977</u>
Endowment funds					
The Royal Sussex Regimental Association	<u>116,249</u>	<u>2,553</u>	<u>(338)</u>	<u>10,382</u>	<u>128,846</u>
Restricted funds					
The Queen's Benevolent Fund	<u>-</u>	<u>42,500</u>	<u>(4,970)</u>	<u>151,839</u>	<u>189,369</u>
Total of funds	<u>6,189,444</u>	<u>435,914</u>	<u>(300,915)</u>	<u>733,749</u>	<u>7,058,192</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
The Queen's Regiment Benevolent Fund	1,493,321	74,089	(72,710)	57,334	-	1,552,034
The Queen's Royal Surrey Benevolent Fund	1,690,776	49,035	(13,662)	-	-	1,726,149
	<u>3,184,097</u>	<u>123,124</u>	<u>(86,372)</u>	<u>57,334</u>	<u>-</u>	<u>3,278,183</u>
General funds						
General Funds	<u>2,411,913</u>	<u>340,889</u>	<u>(162,239)</u>	<u>287,372</u>	<u>(82,923)</u>	<u>2,795,012</u>
Total Unrestricted funds	<u>5,596,010</u>	<u>464,013</u>	<u>(248,611)</u>	<u>344,706</u>	<u>(82,923)</u>	<u>6,073,195</u>
Endowment funds						
The Royal Sussex Regimental Association	<u>113,380</u>	<u>3,239</u>	<u>(370)</u>	<u>-</u>	<u>-</u>	<u>116,249</u>
Restricted funds						
The Queen's Benevolent Fund	<u>352,623</u>	<u>2,664</u>	<u>(10,581)</u>	<u>(344,706)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>6,062,013</u>	<u>469,916</u>	<u>(259,562)</u>	<u>-</u>	<u>(82,923)</u>	<u>6,189,444</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

21. Statement of funds (continued)

The Royal Sussex Regimental Association

This fund relates to former Charity the Royal Sussex Regiment Old Comrades Association (OCT) number 286787. The fund is used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows and other dependants of such members.

The Queen's Regiment Benevolent Fund

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

The Queen's Royal Surrey Benevolent Fund

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	400,991	400,991
Fixed asset investments	128,846	189,369	6,063,235	6,381,450
Heritage assets	-	-	99,894	99,894
Current assets	-	-	408,858	408,858
Creditors due within one year	-	-	(233,001)	(233,001)
Total	128,846	189,369	6,739,977	7,058,192

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	143,916	143,916
Fixed asset investments	116,249	5,569,312	5,685,561
Heritage assets	-	69,894	69,894
Current assets	-	489,429	489,429
Creditors due within one year	-	(199,356)	(199,356)
Total	116,249	6,073,195	6,189,444

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	681,564	127,431
Adjustments for:		
Depreciation charges	659	813
Gains/(losses) on investments	(546,565)	82,924
Decrease/(increase) in stocks	-	(106)
Decrease/(increase) in debtors	(12,027)	1,794
Increase/(decrease) in creditors	33,645	15,399
Net cash provided by operating activities	157,276	228,255

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	346,824	442,489
Cash on deposit (Current Asset Investment)	18,909	15,842
Total cash and cash equivalents	365,733	458,331

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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

25. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	Changes in market value and exchange rate movements £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	442,489	450,241	(546,565)	659	346,824
Cash on deposit	15,842	3,067	-	-	18,909
	<u>458,331</u>	<u>453,308</u>	<u>(546,565)</u>	<u>659</u>	<u>365,733</u>

26. Related party transactions

The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance Fund operate in the same location as The Princess of Wales's Royal Regiment Benevolent Fund. The respective charities do not share trustees and key management personnel, but fall under the Princess of Wales's Royal Regiment umbrella of charities.

At the year end, the amount due to The Princess of Wales's Royal Regiment Maintenance Fund was £169,803 (2020: £174,329). During the year, £7,180 of support expenses were paid by the Charity on behalf of The Princess of Wales's Royal Regiment Maintenance Fund, and £2,654 were paid by the The Princess of Wales's Royal Regiment Maintenance Fund on behalf of the Charity.

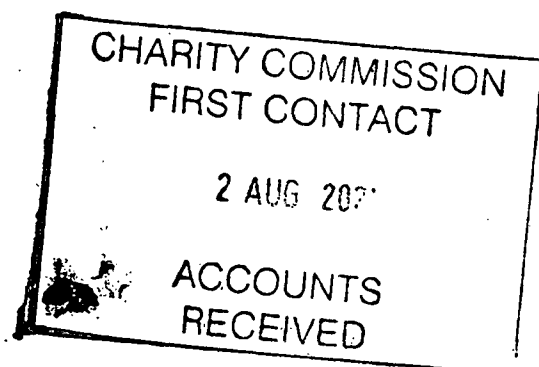
Accounts

Charity number: 1024418

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Lieutenant General DM Chalmers CB DSO OBE Brigadier JW Martin DSO OBE MC Colonel AAA Beattie Colonel P Bishop OBE DL (resigned 31 March 2020) Colonel AJ Crawley Colonel PT Crowley MBE DL Colonel DK Mogg TD VR Colonel JRG Putnam CBE TD DL Colonel AC Ward OBE DL Lieutenant Colonel BG Baker (resigned 31 January 2020) Lieutenant Colonel BJ Dwyer (resigned 31 March 2020) Lieutenant Colonel MAP Nooney MC (resigned 4 February 2020) Lieutenant Colonel CJ Parker MBE Mr R Bradburn
Charity registered number	1024418
Principal office	RHQ PWRR HM Tower of London London London EC3N 4AB
Regimental Secretary	Colonel JRJ Powell OBE
Independent auditors	MHA MacIntyre Hudson Maidstone United Kingdom
Bankers	The Royal Bank of Scotland Plc Victoria Road Farnborough GU14 7NR
Investment Advisors	Barclays Wealth 1 Churchill Place London E14 5HP
Hon Legal Advisor	A M Moss

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2020 to 31 December 2020.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Review of activities

The financial position for the year is set out on pages 12 to 34. The Charity's objectives are Benevolence and Welfare for our serving personnel, veterans and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives. The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees to be CPI plus 3% , however, the short term target is to preserve the capital value with a minimum level of risk. Despite the challenges of COVID-19 and reduced income the Charity's capital made a slight gain over the year. Because the budget continues to be reviewed to provide a detailed forecast of outturn in year that can be measured against expenditure (the control mechanism) the Charity was able to make quick decisions regarding expenditure priorities as COVID-19 bit; as a result the Charity managed to maintain its liquidity making a useful surplus in year which adds to our reserves.

The value of the Charity on 1 Jan 2020 was £6,062,013. In the course of 2020, the value of investments fell by £82,923. Total expenditure after taking into account grants, support costs and governance costs totalled £259,262 (2019: £483,959); a further £47,830 (2019: £129,028) was spent on the purchase of tangible fixed assets and heritage assets. Income over the period was £469,403 (2019: £655,221) and the value of the Charity at 31 December 2020 was £6,189,231 an increase of £127,218 in the year.

Cash balances at the year end totalled £442,489, which represents 7.1% of the value of the Charity. The Trustees felt that during the market uncertainties due to COVID-19 it was prudent to maintain considerable cash holdings.

b. Fundraising activities and income generation

Fundraising comes from a number of sources: Individual donations (including legacies), monies raised by veteran associations or independent supporters of the regiment. The use of internet donations (for instance Amazon Smile and Give As You Live) continues to generate small amounts of income (at no cost to the charity). Fundraising activities (which have been very limited in 2020) by veteran associations are monitored by their relevant chairs. All are aware of the dangers of unreasonable intrusion and pressure. The charity subscribes to the Fundraising Regulator and has undertaken to report any failure to comply with the standards that the charity has signed up to.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Principal risks and uncertainties

Income - The decrease in income from the Days Pay Scheme resulting from cuts to the Regiment's structure is being mitigated by fund raising activity and ensuring that budgetary planning is coherent, and expenditure accurately monitored.

Investments - The investments made by the Charity are subject to the vagaries of the market. There are regular Investment Committee and Financial Committee meetings to monitor the situation which also ensure that investments are ethical (no pornography, or tobacco related investments). In 2021 the trustees have instructed ARCUK to carry out a formal review of the Charity's investment policy - this is due to report on 16 April and will be considered at the meeting of trustees on 14 May.

Reputation - The trustees of the Charity are confident that its activities and operations will not undermine its reputation.

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Charity's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Change to Government Policy - In response to the restrictions imposed by the Government as a result of COVID-19, an early decision to focus activity on welfare support and reduce other costs worked to the Charity's advantage in 2020 allowing it to finish the year with a surplus.

c. Reserves policy

The Trustees have considered the requirement of the SORP 2015 and have again concluded that a strong growth policy will be required to ensure that the members of the Regiment and their families can be supported in the future. The Trustees seek to maintain free reserves of six months' expenditure, which the Trustees estimate to be in excess of £60,000.

Structure, governance and management

a. Constitution

Princess of Wales's Royal Regiment Benevolent Fund is a registered charity, number 1024418, and is constituted under a Trust deed.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Pay policy for senior staff

The Trustees consider the Board of Trustees as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 26 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

d. Third party indemnity

In addition to an indemnity policy for employees (£10m) the Trustees are insured for public liability for the sum of £5m.

e. Organisational structure and decision making

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, who are all paid civil servants (a review by the Army has concluded that since these personnel are not engaged with charitable activity full time it remains appropriate for this structure to remain in place).

The Welfare Committee is authorised to make grants (amounts vary dependent on the Designated Fund that is being used but the mode is £500 per case; grants for amounts greater than this require Trustees' authorisation). The Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Future developments

Benevolence will continue to be of prime importance for the future, and the investment manager has been tasked to invest the fund for both growth and income (subject to 2021). Though this has been difficult in the current economic climate. Reviews of payment thresholds for cases are ongoing to ensure that all the cases can be covered. Recruiting remains a core task to ensure that battalions are fully manned for operations and as future contributors to the Day's Pay Scheme (one of our major fundraising avenues) and the Trustees will decide to use a proportion of benevolence funds to achieve this.

The Charity liaises closely with the Confederation of Service Charities (COBSEO), particularly concerning issues of Governance. Since the changes to Trustee numbers in 2019, the numbers have remained static at ten. Changes to the regimental structure in 2021 will mean that there will be some movement of ex-officio Trustees in the year.

The Queen's Own Buffs Regiment Association (QOBRA) closed in 2020 and the Chair resigned as a Trustee. The planned de-restriction of the QOBRA fund took place with a new Designated Fund of £120k set up to look after PWRR Cadets and the remaining monies being passed to the Queen's Regiment Association Designated Fund (following the line of amalgamation in 1966).

The plot of land in Kent that was bought to facilitate a veterans' horticultural project, a branch headquarters and for use by the wider Regiment, has received planning permission increasing its value by approximately 20%. The build for the club house continues thanks to donations, fundraising and grants by other charities in support of veterans.

The fund-raising lottery initiative commenced as planned. It provides a small but steady income that it is hoped will develop in with time.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Public benefit

The Trustees are mindful that the use of charitable funds should have an element of benefit to the general public. The object of the Princess of Wales's Royal Regiment Benevolent Fund is to provide relief from hardship or distress to those who are currently serving or those who have previously served in the Regiment, it's forebears and their dependents.

In 2020 the Charity directly supported 133 veterans and soldiers or their wives and dependents at a time of need (£53k). Our welfare workers were proactive in liaising with other charities (SSAFA, RBL, ABF for instance) to ensure that overall demands were met and, where the need was not necessarily financial, appropriate help from specialist charities was made available. Whilst, of necessity, other payments were much reduced, the Charity also spent c£64k in support of serving soldiers veterans, and their families in support of the Charity's objective of promoting the efficiency of the Regiment. By doing so the Trustees believe that this demonstrates the Charity's adherence to the spirit and principle of public benefit.

The recipients of benevolence cover a wide spectrum of the general public and, although current serving personnel receive assistance, the main beneficiaries are veterans, widows and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit. It is therefore considered by the Trustees that there is an identifiable benefit to the individual and thus to the nation at large.

The existence of the Charity helps to ensure high morale and esprit de corps in the Princess of Wales's Royal Regiment and thus contributes to the overall effectiveness of the nation's armed forces. This in turn brings tangible benefits to the general public.

In 2020 the Army carried out a formal review of military charities and the benefit. The Princess of Wales's Royal Regiment & Queen's Regiment Benevolent Fund covers the following categories:

Category	Description
Welfare charities	Welfare charities deliver 'relief in need' through services or grants to individuals or organisations across a wide range of support including housing, healthcare, rehabilitation, education and employment.
Service Fund charities	Service Fund charities are those which, among other things, 'promote the efficiency of the AF' and play a fundamental role in Service life by enhancing the moral component of fighting power. These funds exist to supplement existing sources of public funding providing services the MoD does not fund, such as adventurous training (AT) and sport, and enhancing existing facilities, such as providing infrastructure improvements and recreational activities.
Heritage charities	Heritage charities inspire future generations of service personnel and honour the memory of veterans and those already serving. Just under half of these charities are museums, the rest include memorials, historical societies, educational initiatives, preservation trusts and commemorative organisations.
Associations	Associations conduct social activities promoting comradeship and esprit de corps for their members. Some also deliver welfare services and benevolent grants. This also includes Association Branches; the local branches attached to an Association that have their own charity number and act autonomously from their parent bodies
Mixed-type charities	Mixed-type charities combine multiple aspects of the above categories. The most common are those delivering welfare and service funds, the majority of which are the charities associated with the Army's regiments and corps. The next most common are those delivering heritage and welfare.

This is a welcome articulation of the overall public benefit delivered by military charities and the Princess of Wales's Royal Regiment & Queen's Regiment Benevolent Fund considers itself a 'Mixed-Type Charity'.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



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Lieutenant General DM Chalmers CB DSO OBE

Date: 21 July 2021

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

Opinion

We have audited the financial statements of Princess of Wales's Royal Regiment Benevolent Fund (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity'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.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Reviewing minutes of meetings of those charged with governance;
- Enquiry of entity staff and trustees to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL
REGIMENT BENEVOLENT FUND (CONTINUED)**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditors
Maidstone
United Kingdom

Date: 27 July 2021

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:						
Donations and legacies	4	283,537	938	-	284,475	400,566
Charitable activities	5	22,452	-	-	22,452	55,074
Investments	6	158,024	1,726	3,239	162,989	199,581
Total income and endowments		464,013	2,664	3,239	469,916	655,221
Expenditure on:						
Raising funds	7	15,869	-	-	15,869	17,675
Charitable activities	8	232,742	10,581	370	243,693	466,284
Total expenditure		248,611	10,581	370	259,562	483,959
Net income/(expenditure) before net (losses)/gains on investments						
		215,402	(7,917)	2,869	210,354	171,262
Net (losses)/gains on investments	15	(82,923)	-	-	(82,923)	705,715
Net income/(expenditure)		132,479	(7,917)	2,869	127,431	876,977
Transfers between funds	21	344,706	(344,706)	-	-	-
Net movement in funds		477,185	(352,623)	2,869	127,431	876,977
Reconciliation of funds:						
Total funds brought forward		5,596,010	352,623	113,380	6,062,013	5,185,036
Net movement in funds		477,185	(352,623)	2,869	127,431	876,977
Total funds carried forward		6,073,195	-	116,249	6,189,444	6,062,013

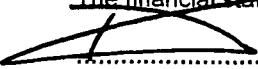
The Statement of financial activities includes all gains and losses recognised in the year.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	143,916	98,339
Heritage assets	14	69,894	68,454
Investments	15	5,685,561	5,783,122
		<u>5,899,371</u>	<u>5,949,915</u>
Current assets			
Stocks	16	12,718	12,612
Debtors	17	18,380	19,961
Investments	18	15,842	17,074
Cash at bank and in hand		442,489	246,195
		<u>489,429</u>	<u>295,842</u>
Creditors: amounts falling due within one year	19	(199,356)	(183,744)
Net current assets		<u>290,073</u>	<u>112,098</u>
Total assets less current liabilities		<u>6,189,444</u>	<u>6,062,013</u>
Total net assets		<u><u>6,189,444</u></u>	<u><u>6,062,013</u></u>
Charity funds			
Endowment funds	21	116,249	113,380
Restricted funds	21	-	352,623
Unrestricted funds	21	6,073,195	5,596,010
Total funds		<u><u>6,189,444</u></u>	<u><u>6,062,013</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



 Lieutenant General DM Chalmers CB DSO OBE

Date: 21 July 2021

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	As restated 2019 £
Cash flows from operating activities		
Net cash used in operating activities	228,255	330,606
Cash flows from investing activities		
Purchase of tangible fixed assets	(47,830)	(129,028)
Proceeds from sale of investments	14,637	114,632
Purchase of investments	-	(165,882)
Net cash used in investing activities	(33,193)	(180,278)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	195,062	150,328
Cash and cash equivalents at the beginning of the year	263,269	112,941
Cash and cash equivalents at the end of the year	458,331	263,269

The notes on pages 15 to 34 form part of these financial statements

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The aims of the Charity are to relieve hardship or distress of former and serving members of the Regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Ireland, number 1024418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Princess of Wales's Royal Regiment Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Charity's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unitylottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Office equipment	- Over 3 years

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost, and included on the balance sheet. After recognition, under the cost model, heritage assets are measured at cost less any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The Charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the Charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date the Charity assesses whether there are any indications of impairment. If such indications exist, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity may be required to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions apart from those detailed in Note that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations			
Days pay	78,275	-	78,275
QOB Fund	-	938	938
Queen's Benevolence Fund	6,210	-	6,210
Grants			
QRS Grants	-	-	-
Subtotal detailed disclosure	84,485	938	85,423
Other Donations	196,459	-	196,459
Other Grants	-	-	-
Lottery income	2,593	-	2,593
Subtotal	199,052	-	199,052
	283,537	938	284,475

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations			
Days Pay	89,083	-	89,083
QOB Fund	-	5,411	5,411
Queens Benevolence Fund	22,565	-	22,565
Grants			
QRS Grants	500	-	500
Subtotal detailed disclosure	112,148	5,411	117,559
Other Donations	281,021	1,986	283,007
Other Grants	-	-	-
	393,169	7,397	400,566

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Reunion income	10,505	10,505
Silver contributions	8,214	8,214
MOD contributions	-	-
Book sales	3,733	3,733
Total 2020	22,452	22,452

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Reunion income	1,994	4,679	6,673
Silver contributions	969	-	969
MOD Contributions	47,432	-	47,432
Total 2019	50,395	4,679	55,074

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Investment income

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Investment income	158,017	1,725	3,239	162,981
Interest income	7	1	-	8
	<u>158,024</u>	<u>1,726</u>	<u>3,239</u>	<u>162,989</u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Investment income	182,486	13,108	3,610	199,204
Interest income	377	-	-	377
	<u>182,863</u>	<u>13,108</u>	<u>3,610</u>	<u>199,581</u>

7. Investment management costs

	Unrestricted funds 2020 £	Total funds 2020 £
Investment management fees	<u>15,869</u>	<u>15,869</u>
	Unrestricted funds 2019 £	Total funds 2019 £
Investment management fees	<u>17,675</u>	<u>17,675</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Hardship or distress relief for former and serving members	51,238	115,212	77,243	243,693

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Hardship or distress relief for former and serving members	68,916	294,128	103,240	466,284

Analysis of direct costs

	Hardship or distress relief for former and serving members 2020 £	Total funds 2020 £
Insurance costs	11,025	11,025
Newsletter expenses	32,626	32,626
Other direct costs	6,774	6,774
Depreciation charge	813	813
	51,238	51,238

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Hardship or distress relief for former and serving members 2019 £	Total funds 2019 £
Insurance costs	14,989	14,989
Newsletter expenses	38,654	38,654
Other direct costs	14,719	14,719
Depreciation charge	554	554
	<u>68,916</u>	<u>68,916</u>

Analysis of support costs

	Support costs 2020 £	Total funds 2020 £
Wages and staff costs (Note 11)	9,589	9,589
Other staff support costs	3,129	3,129
Postage and stationery	15,722	15,722
Trustees insurance	495	495
Trip and travel expenditure	8,525	8,525
Bookkeeping costs	13,708	13,708
Office expenses	10,713	10,713
Other support costs	1,483	1,483
Auditors' remuneration	7,819	7,819
Trustee meeting expenses	50	50
Website costs	5,609	5,609
Repairs and maintenance	401	401
	<u>77,243</u>	<u>77,243</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Support costs 2019 £	Total funds 2019 £
Wages and staff related costs (Note 9)	19,607	19,607
Postage and stationery	14,148	14,148
Trip and travel expenditure	10,765	10,765
Trustees insurance	470	470
Bookkeeping costs	12,623	12,623
Office expenses	12,438	12,438
Other support costs	16,635	16,635
Auditors' remuneration	7,590	7,590
Trustee meeting expenses	1,491	1,491
Website costs	6,946	6,946
Repairs and maintenance	527	527
	<u>103,240</u>	<u>103,240</u>

9. Analysis of grants and welfare payable

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
1 PWRR Grant	10,608	-	10,608
2 PWRR Grant	649	-	649
3 PWRR Grant	685	-	685
4 PWRR Grant	257	-	257
Welfare Grants	52,423	1,281	53,704
Other Benevolence Grants	47,009	500	47,509
Queens Grants	1,800	-	1,800
	<u>113,431</u>	<u>1,781</u>	<u>115,212</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Grants and welfare payable			
1 PWRR Grant	2,009	-	2,009
2 PWRR Grant	13,158	-	13,158
3 PWRR Grant	2,500	50	2,550
4 PWRR Grant	12,400	-	12,400
Welfare Grants	123,534	37,971	161,505
Other Benevolence Grants	13,676	10,846	24,522
Queens Grants	2,984	-	2,984
Museum Grants	75,000	-	75,000
	<u>245,261</u>	<u>48,867</u>	<u>294,128</u>

10. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>7,819</u>	<u>7,590</u>

11. Staff costs

	2020 £	2019 £
Wages and salaries	<u>9,589</u>	<u>19,607</u>
	<u>9,589</u>	<u>19,607</u>

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Employees	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

13. Tangible fixed assets

	Freehold property £	Office equipment £	Total £
Cost or valuation			
At 1 January 2020	97,852	10,329	108,181
Additions	45,214	1,176	46,390
At 31 December 2020	143,066	11,505	154,571
Depreciation			
At 1 January 2020	-	9,842	9,842
Charge for the year	-	813	813
At 31 December 2020	-	10,655	10,655
Net book value			
At 31 December 2020	143,066	850	143,916
At 31 December 2019	97,852	487	98,339

14. Heritage assets

Assets recognised at cost

	Heritage assets 2020 £
Carrying value at 1 January 2020	68,454
Additions	1,440
Carrying value at 31 December 2020	69,894

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	5,783,122
Disposals	(14,637)
Revaluations	(82,924)
At 31 December 2020	5,685,561
Net book value	
At 31 December 2020	5,685,561
At 31 December 2019	5,783,122

16. Stocks

	2020 £	2019 £
Finished goods and goods for resale	12,718	12,612

17. Debtors

	2020 £	2019 £
Other debtors	1,700	1,183
Prepayments and accrued income	16,680	18,778
	18,380	19,961

18. Current asset investments

	2020 £	2019 £
Cash and cash equivalents	15,842	17,074

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,950	724
Other creditors	187,588	173,402
Accruals and deferred income	7,818	9,618
	<u>199,356</u>	<u>183,744</u>

20. Prior year adjustments

In 2019, amounts totalling £114,632 were incorrectly listed on the Statement of cash flows as 'Dividends, interests and rents from investments'. These amounts were actually proceeds from the sale of investments. The change in description has now been made, with no effect on the reserves of the Charity.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
The Queen's Regiment Benevolent fund	1,493,321	74,089	(72,710)	57,334	-	1,552,034
The Queen's Royal Surrey Benevolent fund	1,690,776	49,035	(13,662)	-	-	1,726,149
	<u>3,184,097</u>	<u>123,124</u>	<u>(86,372)</u>	<u>57,334</u>	<u>-</u>	<u>3,278,183</u>
General funds						
General Funds	<u>2,411,913</u>	<u>340,889</u>	<u>(162,239)</u>	<u>287,372</u>	<u>(82,923)</u>	<u>2,795,012</u>
Total Unrestricted funds	<u>5,596,010</u>	<u>464,013</u>	<u>(248,611)</u>	<u>344,706</u>	<u>(82,923)</u>	<u>6,073,195</u>
Endowment funds						
The Royal Sussex Regimental Association	<u>113,380</u>	<u>3,239</u>	<u>(370)</u>	<u>-</u>	<u>-</u>	<u>116,249</u>
Restricted funds						
Queens Own Buffs Benevolent fund	<u>352,623</u>	<u>2,664</u>	<u>(10,581)</u>	<u>(344,706)</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>6,062,013</u></u>	<u><u>469,916</u></u>	<u><u>(259,562)</u></u>	<u><u>-</u></u>	<u><u>(82,923)</u></u>	<u><u>6,189,444</u></u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
Designated funds					
The Queen's Regiment Benevolent fund	1,324,340	75,936	(88,970)	182,015	1,493,321
The Queen's Royal Surrey Benevolent fund	1,397,111	55,187	(8,291)	246,769	1,690,776
	<u>2,721,451</u>	<u>131,123</u>	<u>(97,261)</u>	<u>428,784</u>	<u>3,184,097</u>
General funds					
General Funds	<u>1,973,086</u>	<u>495,304</u>	<u>(302,640)</u>	<u>246,163</u>	<u>2,411,913</u>
Total Unrestricted funds	<u>4,694,537</u>	<u>626,427</u>	<u>(399,901)</u>	<u>674,947</u>	<u>5,596,010</u>
Endowment funds					
The Royal Sussex Regimental Association	<u>95,122</u>	<u>3,610</u>	<u>-</u>	<u>14,648</u>	<u>113,380</u>
Restricted funds					
Queens Own Buffs Benevolent fund	<u>395,377</u>	<u>25,184</u>	<u>(84,058)</u>	<u>16,120</u>	<u>352,623</u>
Total of funds	<u>5,185,036</u>	<u>655,221</u>	<u>(483,959)</u>	<u>705,715</u>	<u>6,062,013</u>

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

21. Statement of funds (continued)

Queens Own Buffs Benevolent Fund

This fund relates to the transfer of funds from The Queens Own Buffs, The Royal Kent Regiment Benevolent Fund charity number 1071763. The fund is to be used to assist past, present and future members of the Association and past members of all ranks of the Queen's Own Buffs Regiment, their wives, widows and other dependants of such members.

The Royal Sussex Regimental Association

This fund relates to former Charity the Royal Sussex Regiment Old Comrades Association (OCT) number 286787. The fund is used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows and other dependants of such members.

The Queen's Regiment Benevolent Fund

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

The Queen's Royal Surrey Benevolent Fund

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	143,916	-	143,916
Fixed asset investments	5,569,312	116,249	5,685,561
Heritage assets	69,894	-	69,894
Current assets	489,429	-	489,429
Creditors due within one year	(199,356)	-	(199,356)
Total	6,073,195	116,249	6,189,444

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	97,852	487	-	98,339
Fixed asset investments	5,274,745	394,997	113,380	5,783,122
Heritage assets	68,454	-	-	68,454
Current assets	238,758	57,084	-	295,842
Creditors due within one year	(83,799)	(99,945)	-	(183,744)
Total	5,596,010	352,623	113,380	6,062,013

23. Reconciliation of net-movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	127,431	876,977
Adjustments for:		
Depreciation charges	813	554
Gains/(losses) on investments	82,924	(705,715)
Decrease/(increase) in stocks	(106)	450
Decrease/(increase) in debtors	1,794	(4,759)
Increase in creditors	15,612	163,099
Net cash provided by operating activities	228,468	330,606

24. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	442,489	246,195
Cash on deposit (Current Asset Investments)	15,842	17,074
Total cash and cash equivalents	458,331	263,269

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

25. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	246,195	196,294	442,489
Cash on deposit	17,074	(1,232)	15,842
	<u>263,269</u>	<u>195,062</u>	<u>458,331</u>

26. Related party transactions

The Princess of Wales' Royal Regiment and Queen's Regiment Museum Maintenance Fund operate in the same location as The Princess of Wales' Royal Regiment Benevolent Fund. Charities do not share trustees and any key management personnel, but fall under the Princess of Wales' Royal Regiment umbrella of charities.

At the year end, amounts due to The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance Fund was £174,329 (2019: £172,835).