

REGISTERED CHARITY NUMBER: 1025591

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER 2021
FOR
THE RIFLES OFFICERS' FUND**

THE RIFLES OFFICERS' FUND
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FOR THE YEAR ENDED 31ST DECEMBER 2021

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THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

The Trustees present their report with the financial statements of the Charity for the year ended 31st December 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1025591

Principal address
RHQ The Rifles
Peninsula Barracks
Romsey Road
Winchester
Hampshire
SO23 8TS

Trustees

General Sir Patrick Nicholas Yardley Monrad Sanders KCB CBE DSO ADC Gen
Major General Rupert Timothy Herbert Jones CBE - Retired 6 July 2021
Major General Thomas Richardson Copinger-Symes CBE
Brigadier Thomas Howard Bewick OBE
Brigadier Charles Seymore Collins DSO OBE
Brigadier Mark Christian Peter Wilson MBE - Appointed 29 July 2021
Brigadier Daniel Reeve MC
Colonel Ralph Graham Arundell
Colonel Ashley Raymond Fulford OBE
Colonel Nikola Ilic MBE QGM
Lieutenant Colonel Peter James Alexander Balls OBE
Lieutenant Colonel Peter Dominick Browne MBE - Retired 30 September 2021
Lieutenant Colonel John Alexander Poole-Warren MBE
Lieutenant Colonel Simon David Gray MBE
Captain David Alexander McCutcheon - Retired 01 July 2021
Capt Lee Jones - Appointed 01 July 2021
Jeremy Michael Archer
Simon Charles Hazlitt
Andrew George Wycliffe Jackson
Rebecca Charlotte Maciejewska - Appointed 30 September 2021
Oliver Rupert Marsh
Henry Charles Steel

The offices of the Charity are based in the Regimental Headquarters of The Rifles which is an MOD establishment and the officials are civil servants employed by the MOD; therefore neither accommodation nor staffing incur any cost to the Charity. Throughout 2021 the person responsible for the day to day running of the Charity was The Rifles Regimental Secretary and Trustee, Lieutenant Colonel (Retired) PJA Balls OBE assisted throughout the year by The Rifles Secretary Finance, Captain (Retired) I I Foster.

Independent Examiner
Paul Underwood FCCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
Cox's & Kings
39 Piccadilly
London
W1V 0AA

Solicitors

Blake Morgan
New Kings Court
Tollgate
Chandler's Ford
SO53 3LG

Investment Managers

Cazenove Capital Management
12 Moorgate
London
EC2R 6DR

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Rifles Officers' Fund is a registered charity originally established as the Royal Green Jackets Officers' Fund under a Trust Deed dated 14th April 1966. By a Scheme dated 16 December 2008 the Charity was renamed The Rifles Officer's Fund and the Trust Deed re-written. The Charity is for the relief of persons who are in need, hardship or distress who are officers or former officers of the Regiment and of the former Regiments or the Reserve (formerly Territorial) units, or the families and dependants of such persons. The definitions of the Regiment and the former Regiments in the Scheme mean that the Fund can support officers and former officers of The Rifles, former officers of the Royal Green Jackets and its antecedent Regiments, or their families and dependents.

The Regimental Trustees are the Finance Committee of The Rifles Council, the governing body of the Regiment. The Trustees are also Trustees of The Rifles Regimental Trust and The Rifles Benevolent Trust, the business of which is conducted at the same meetings of Trustees.

Governance

There are up to eight (currently eight) ex-officio Trustees, being the Colonel Commandant, Deputy Colonel Commandants and other senior serving officers of the Regiment. In 2020 Brigadier MCP Wilson was appointed in replacement of Maj Gen RTH Jones in addition there are up to twelve (currently eleven) Nominated Trustees the majority of whom have specific skills such as in the investment or legal fields and others have commanded battalions of The Rifles or of Forming Regiments. A Nominated Trustee must be an officer or warrant officer, or former officer or warrant officer, of the Regiment or of a Forming Regiment and may include a wife or widow of such. In making such appointments care is taken to ensure representation from each of the Former Regiments. Nominated Trustees are elected for terms not exceeding four years and may be re-elected for a maximum of 4 terms. Re-elections are rotational and take place annually normally at the April Trustees. In 2021 Lt Col Peter Browne retired and was replaced by Mrs R Maciejewska and in addition Mr Andrew Jackson and Lt Col (Retd) Simon Gray were re-elected along with Lt Col (Retd) John Poole-Warren and Lt Col (Retd) Peter Brown being over the age of 70. Meetings of the Trustees are held quarterly, normally in January, April, July and October.

The Trustees have a Nomination Sub Committee which, annually and when a vacancy occurs, considers suitable candidates to reinforce the skills or representation of the Trustees and proposes candidates to The Rifles Council for nomination. New nominated candidates, as well as Nominated Trustees seeking re-election, are elected by the Trustees at the Spring (second) meeting each year.

THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

New Nominated Trustees are briefed by the Chairman of Trustees and all new Trustees are given an induction pack of background information on each of the Regimental Charities, including copies of Trust Deeds, annual accounts and minutes of recent meetings, and a copy of Charity Commission booklet 'Responsibilities of a Charity Trustee'. Training through seminars is made available for all Trustees.

Other Sub Committees, to cover the work of all The Rifles Charities, have been formed for Governance, Finance, Grants, Remuneration and Investment. In addition there is a Homes Sub Committee to manage properties (Green Jacket Close) owned by The Rifles Benevolent Trust. The Nomination Committee annually reviews the membership of Sub Committees to ensure that Trustees use their skills appropriately and gain experience from the work of such Sub Committees.

The risks to which the Charity is vulnerable are reviewed annually by Trustees at the Spring meeting each year, after detailed work by the Governance Sub Committee. The Trustees consider the major risks to which the Charity could be exposed and review the systems established to mitigate such risks. They are not aware of any irregularities, including fraud, involving management or employees of the Charity; nor are they aware of any instances of actual or possible non-compliance with laws, regulations, contracts or agreements that might result in the Charity suffering significant penalties or other loss.

OBJECTIVES AND ACTIVITIES

Principal Activities and Policies

The principal activity of the Charity is the relief of persons who are in need by virtue of financial hardship, sickness, disability or the effects of old age, who are officers and former officers of The Rifles, former officers of the RGJ and its antecedent regiments or their families and dependants. To the extent that income is not required for the principal activity, the Trustees may apply it for the benefit of serving officers of The Rifles in such charitable ways for the efficiency of the Regiment as the Trustees may decide. To this end, excess income in any year may be passed to an Iceberg Fund which supports activities, events and costs attributable to the hosting and maintenance of the Royal Colonels of the Regiment.

Grant making

The Trustees meet annually in January to consider the budget for the year and any requests for ongoing or new grants. The Trustees are also the Trustees of The Rifles Benevolent Trust who need to meet quarterly to ratify grants. Such quarterly meetings also give the Trustees the opportunity to consider income and expenditure on The Rifles Officers' Fund and any additional grants that have been requested.

Between Trustee Meetings, the Grants Sub Committee can consider any urgent cases and make grants within certain limits or recommend to the other Trustees that a higher grant should be made. Officers are also beneficiaries of The Rifles Benevolent Trust which will normally be the first fund which is asked to help in officer cases.

Public Benefit

The following statements take into account the Charity Commission's guidance on public benefit disclosure.

The Trustees are conscious that the use of charitable funds should have an element of benefit to the public. The main object of The Rifles Officers' Fund is to provide relief to officers who are or have been in the Regiment who are suffering from hardship or distress. The Trustees believe that this demonstrates the Charity's adherence to the spirit and principle of public benefit. The beneficiary class is wide and, although it includes current serving officers, the main beneficiaries are veterans, widows and dependants.

Grants are targeted and based solely upon need – such relief does not duplicate state benefit. It is therefore considered that there is an identifiable benefit and it is to the individual and to the nation at large.

The existence of the Charity helps to ensure high morale and high standards in The Rifles and thus contributes to the effectiveness of the country's armed forces which in turn brings tangible benefits to the public.

THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

ACHIEVEMENT AND PERFORMANCE

Actions, Achievements and Performance

Governance

General Sir Patrick Sanders KCB CBE DSO ADC Gen took over as Colonel Commandant on 20 July 2019 and has now completed over two years as ex-officio Trustee. Additional appointment of ex-officio Trustee was Brigadier MCP Wilson MBE. Ex -Officio trustee standing down was Major General RTH Jones CBE. Change in nominated Trustees saw the retirement of Lt Col PD Browne MBE who was replaced by Mrs RC Maciejewska.

The Governance Sub Committee has again carried out a full review of the risks to which the Charity might be exposed and improvements have been made to the risk analysis.

Income

In 2021, the majority of the income, £29,130 (£36,275), was from the investment portfolio.

Grants

Benevolent grants to individual officers or their widows totalled £3,105 (£1,148). In 2021 expenditure remained low as most requests for individual benevolence were met by The Rifles Benevolent Trust, where applications met their criteria, as they are the lead regimental benevolence charity.

Trustees also approved payment towards the venue costs of the Officers Regimental Dinner amounting to £nil (£nil), however, no costs were incurred due to a second cancellation resulting from the COVID 19 crisis and the deposit for 2020, previously paid, has been carried forward. A grant was made for Officers Welfare to the King Edward VII Hospital for Officers to £500 (£500). Other grants made were to Battalion Officers Messes totalled £0.00 (£1,000) and miscellaneous costs and presentations £449 (£1,569). Officer recruiting expended £1,833 (£1,129) and £15K was transferred to the Iceberg Fund.

FINANCIAL REVIEW

Investment Report 2021

As at 31 December 2021 the Officers Fund had a value of The investment portfolio at 31st December 2021 was valued at £2,139,291 (£1,964,839). The consolidated assets across the 3 Regimental Charities portfolios £29,552,374 (£26,237,935)

Markets were strong over 2021, initially supported by the continued rapid roll-out of Covid-19 vaccines along with continued support from governments and central banks around the world. Growth in domestic consumption within the US was particularly strong, helping US equity markets reach all-time highs during the year. Towards the end of the year the emergence of the Omicron variant caused some investor uncertainty with fears that it could derail the global economic recovery, though most markets were able to look through the potential impacts as investors focused on economic resilience and corporate earnings.

There was however a wide dispersion of returns between Western and Eastern markets, with Eastern markets suffering as a result of a slower vaccine rollout as well as the threats posed to the economy by further lockdowns due to the Delta Variant. Market performance in the East was further exacerbated by the increased government regulation in China which has led to large share price declines in some of the largest names in the index as well as worries about the ability of property group Evergrande to service its debts, which sparked global investor concerns of potential spill over risks.

The total return achieved for the investment portfolios over 2021 was 10.0% which was behind the bespoke benchmark return of 12.7%. The long-term target return of CPI+3.5% posted 8.7% over the same period.

The portfolio's equity allocation was the most significant contributor to performance over the year, with particular strength seen in the portfolio's US equity exposure. The allocation to UK equities was also helpful, with the greater exposure to economically sensitive areas of the market continuing to benefit from the reopening of economies. By contrast, having been one of the largest positive contributors last year, the allocation to Emerging Market equities detracted from performance this year, predominantly driven by increased regulatory scrutiny in the technology and private education sectors which had a detrimental impact on some of the underlying holdings. Elsewhere, the portfolio's allocation to diversifying assets, notably the property and private equity exposures were particularly helpful.

THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

FINANCIAL REVIEW (Continued)

In terms of positioning, at the start of 2022 the expectation was for strong economic growth, albeit slower in comparison to 2021, which was driven by elevated consumer spending from ongoing pent up demand. However, rising inflation and weak consumer sentiment have the potential to feed through to lower consumer demand. The outlook is therefore for weaker growth in 2022 than previously forecasted. Inflation is likely to remain elevated in the near term and could prove to be more persistent as a result of supply disruption in commodity markets caused by the Russia Ukraine conflict.

Recent developments have therefore raised the risk of stagflation – a period of high inflation and low or negative growth. Although Cazenove are happy to remain neutral equity at this stage, they have made some adjustments within our equity allocation. We have begun to increase the "quality" bias within the portfolio, preferring larger companies with stronger balance sheets and greater ability to pass on higher input costs to consumers and protect margins, whilst lower quality, long duration companies (where profits may lie somewhere in the future) may struggle in a more stagflationary environment.

Investment Policy

The Trustees have an Investment Policy Statement, revised dated 25th April 2021, as required under CC14 guidelines. The Trustees have appointed an Investment Sub-Committee, who have in turn appointed Cazenove Capital Management as the investment manager for the Charity's investable assets, along with portfolios of other of The Rifles charities. Investments are made into 'pooled' investment instruments, such as unit trusts, and not individual company securities. The agreed policy has been to invest for total return whilst (a) generating sufficient income to support the on-going charitable activities, and (b) maintaining the real capital value of the investment funds over the long-term.

The yield in 2021 was further reduced due to the COVID 19 epidemic, going down from approximately 2.75% in 2020 to 1.7% in 2021 to an expected 1.1% in 2022 of the assets under management; however, Trustees have also been able to withdraw additional funds from the capital to support the activities of the Charity. No capital was withdrawn in 2021 from unrestricted funds which in 2021 set the total at 3% plus inflation making a total of 3.2%>

Due to inflation and especially fuel prices a further review was carried out at the end of 2021. As a consequence the policy was revised further but based upon the same principles, and was agreed to be effective from 1 January 2022. The Trusts now aim to distribute an allowance (to be the annual "Allowance") of 3% (adjusted for inflation – i.e. 3% plus an addition % within the prevailing inflation rate of 4.8% in December 2021) of the unrestricted funds every year. For 2022 this was agreed at a total of 4%. The value of the unrestricted funds used for calculating the Allowance shall be the average of the year-end values of the unrestricted funds in the previous three years.

The benchmark for the portfolio, and the tolerance within each asset class from the benchmark allocation, are agreed with the investment managers and reviewed regularly. The Trustees classify their tolerance for risk as 'moderate' with the long-term target of the portfolio being to exceed CPI + 3.5%. The Trustees are satisfied with the performance of Cazenove. The Trustees believe that a prudent approach is taken by the investment managers with priority given to the long-term preservation of capital rather than the pursuit of short-term performance.

Financial Review

Income from investments in 2021 was £29,130 (£36,275). Total expenditure on charitable activities, governance and support costs amounted to £34,123 (£26,809). A gain on investments amounted to £174,452 (£94,257), and the funds carried forward on the Balance Sheet amount to £2,179,319 (£2,009,849). Reduction in expenditure continues to be due to curtailment of activities, helped to offset the reduction in investment income which fell as a result of market conditions detailed in the Investment review and all as a result of the current COVID 19 epidemic.

Risk Management

The principal risks faced by the Trust lie in the performance of the investments and the ability of the Trust to support its beneficiaries through the making of effective grants.

Trustees consider that the variety of investments with a diversified investment portfolio exercised through the Fund managers, Cazenove Charities, along with a "total return" approach, allowing for up to 1% of capital per annum to be withdrawn, helps to stabilise the income and mitigates the risks as far as is possible.

THE RIFLES OFFICERS' FUND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

Trustees will also approve a further drawdown of capital where deemed necessary to meet essential demands in support of the Regiment. However, in order to meet any extraordinary demands placed upon the Fund the Trustees will maintain the priority of grants to support individual cases of benevolence, as per the Trust deed. The level of other grants awarded will be reassessed as they are received in order to maintain the key long-term ability to support the Serving and Former Regimental Officers and their dependants who are eligible beneficiaries of this charitable fund.

Reserves Policy

The charity has significant reserves which are represented by the listed investments and managed funds. The investments are invested for total return which allows, in addition to the investment income, the drawdown of up to 1% of capital in any given year, from the unrestricted funds, without detriment to the Trustees Investment Strategy. This policy was reviewed to take into account the substantial reduction over the year in investment income in 2020 and with effect from 1 January 2021 annual income was based on an estimated 3% of the average value of the funds over 3 years as at 31 December annually, plus CPI, which for 2021 makes a total of 3.32%. A further review took place in late 2022 and a baseline of 3% of the average over 3 years was retained (including actual investment income) and an additional uplift of 1% was agreed to enable the budgetary requirement for 2022 to be met.

In setting the reserve and the investment policy the Trustees take due note of the need to support all eligible serving and retired officers of the Regiment over the course of their lifetime which at any one time will exceed 60 years given normal life expectancy.

Key Management Personnel Remuneration

The Trustees consider the board of Trustees and The Rifles Regimental Secretary (also a Trustee) and The Rifles Secretary Finance as the Key management personnel of the charity. All Trustees give of their time freely and are not remunerated for their time spent on work on behalf of the charity. The day-to-day management is invested in other senior representatives in RHQ The Rifles who are employed and salaried by The Ministry of Defence. Remuneration of the Regimental Secretary as a Trustee has been approved by the Charity Commissioners and the sum, along with any other ex gratia awards to the other senior representatives of the RHQ Staff are approved by a special meeting of Trustees held every 3 years. All awards are made annually and are scrutinised and approved by the Remunerations Sub-committee. The Remunerations Sub-committee also screens any other ex gratia awards recommended by The Regimental Secretary for other members of the RHQ staff from an agreed budget. Payment of awards will generally be paid in December of each year. Declaration of any related party issues are contained as appropriate in the auditor's notes. In assessing the awards Trustees assess against performance as there is no benchmark with which to compare the ex-gratia payments.

Trustees are also required to disclose all relevant interests in connection with any grant application and in accordance with the Trust's policy withdraw from decisions where any conflict of interest arises. There has been no such conflict in the current year.

ON BEHALF OF THE BOARD:



A G W Jackson
Trustee

Date: 28 July 2022

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE RIFLES OFFICERS' FUND**

Independent examiner's report to the trustees of The Rifles Officers' Fund

I report to the charity trustees on my examination of the accounts of the Rifles Officers' Fund for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



Paul Underwood
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 12th August 2022

THE RIFLES OFFICERS' FUND
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST DECEMBER 2021

	Notes	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM			
Donations and legacies		11	9
Investment income	2	29,130	36,275
Total		<u>29,141</u>	<u>36,284</u>
EXPENDITURE ON			
Raising funds	3	8,526	7,623
Charitable activities	4	25,597	19,186
Total		<u>34,123</u>	<u>26,809</u>
Net (losses)/gains on investments	11	174,452	94,257
Net (expenditure)/income		<u>169,470</u>	<u>103,732</u>
Net movement in funds		169,470	103,732
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>2,009,849</u>	<u>1,906,117</u>
TOTAL FUNDS CARRIED FORWARD		<u>2,179,319</u>	<u>2,009,849</u>

All funds are unrestricted.

The notes form part of these financial statements

THE RIFLES OFFICERS' FUND

**BALANCE SHEET
AS AT 31ST DECEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments	11	<u>2,139,291</u>	<u>1,964,839</u>
CURRENT ASSETS			
Cash at bank	13	39,924	44,930
Debtors	14	<u>3,314</u>	<u>4,790</u>
		43,238	49,720
CREDITORS			
Amounts falling due within one year	15	<u>(3,210)</u>	<u>(4,710)</u>
NET CURRENT ASSETS		<u>40,028</u>	<u>45,010</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,179,319</u>	<u>2,009,849</u>
NET ASSETS		<u>2,179,319</u>	<u>2,009,849</u>
FUNDS			
Unrestricted funds	16	<u>2,179,319</u>	<u>2,009,849</u>
TOTAL FUNDS		<u>2,179,319</u>	<u>2,009,849</u>

The financial statements were approved by the Board of Trustees on 28 July 22 and were signed on their behalf by:

.....Agus Le.....

A G W Jackson
Trustee

The notes form part of these financial statements

THE RIFLES OFFICERS' FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charity 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 the Republic of Ireland (FRS 102) (effective January 2015)', 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.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions that have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Cost of generating funds

Costs of generating funds comprise the costs associated with managing the investment portfolio.

Charitable activities

Costs of charitable activities are incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities. These mainly include grants and pensions which are charged against the income at the time of payment.

Taxation

The Charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

Investments are stated at market value inclusive of accrued income as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised/unrealised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value or purchase date if later. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties and investments in non-puttable ordinary shares.

Debtors and cash at bank

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transactions costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

THE RIFLES OFFICERS' FUND

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

1. ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with bank and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. INVESTMENT INCOME

	2021 £	2020 £
Investment income	29,130	36,275
	<u>29,130</u>	<u>36,275</u>

3. RAISING FUNDS

	2021 £	2020 £
Investment management fees	8,526	7,623
	<u>8,526</u>	<u>7,623</u>

4. CHARITABLE ACTIVITIES

	Direct costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
RHQ	-	18,605	6,992	25,597
	<u>-</u>	<u>18,605</u>	<u>6,992</u>	<u>25,597</u>

5. GRANTS PAYABLE

The total grant payable during the year was as follows:

	2021 £	2020 £
Grants to individuals	3,105	1,148
Grants to Institutions	500	500
Grants to Battalions	-	1,000
Grant to Iceberg Fund	15,000	10,010
	<u>18,605</u>	<u>12,658</u>

6. SUPPORT COSTS

	Management	Governance	Year ended 31.12.21 £	Year ended 31.12.20 £
RHQ	3,782	3,210	6,992	6,528
	<u>3,782</u>	<u>3,210</u>	<u>6,992</u>	<u>6,528</u>

THE RIFLES OFFICERS' FUND

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

7. GOVERNANCE COSTS

	2021	2020
	£	£
Independent examination fees	3,210	810
	<u> </u>	<u> </u>

8. TRUSTEES'S REMUNERATION AND BENEFITS

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

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

9. STAFF COSTS

The Charity had no employees during the year (2020: none). No staff were paid emoluments greater than £60,000.

THE RIFLES OFFICERS' FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Total Funds £
INCOME FROM	
Donations and legacies	9
Investment income	36,275
Total	<u>36,284</u>
EXPENDITURE ON	
Raising funds	7,623
Charitable activities	19,186
Total	<u>26,809</u>
Net gains/(losses) on investments	94,257
Net income/(expenditure)	<u>103,732</u>
Net movement in funds	103,732
RECONCILIATION OF FUNDS	
Total funds brought forward	<u>1,906,117</u>
TOTAL FUNDS CARRIED FORWARD	<u>2,009,849</u>

The figures above are provided for comparative purposes only in accordance with the SORP.

THE RIFLES OFFICERS' FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

11. FIXED ASSET INVESTMENTS

	Listed Investments £
MARKET VALUE	
At 1st January 2021	1,964,839
Additions	628,949
Disposals	(628,949)
Revaluation	174,452
	<hr/>
At 31st December 2021	2,139,291
	<hr/>
NET BOOK VALUE	
At 31st December 2021	2,139,291
	<hr/>
At 31st December 2020	1,964,839
	<hr/>

Investments are held in a managed portfolio by Cazenove. The market value of investments by geographical area is as follows:

	Market value £
Within the United Kingdom	662,973
Outside the United Kingdom	1,476,318
	<hr/>
	2,139,291
	<hr/>

THE RIFLES OFFICERS' FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

12. TRANSFERS BETWEEN FUNDS

A transfer of £15,000 between the unrestricted and the Iceberg designated fund has been made. This fund has been established as a fund to contribute towards the exceptional expenses of an event attended by a Royal Colonel.

13. CASH AT BANK

	2021 £	2020 £
Lloyds Account	39,924	44,930
	<u>39,924</u>	<u>44,930</u>

14. DEBTORS

	2021 £	2020 £
Schroders accrued income	3,314	4,790
	<u>3,314</u>	<u>4,790</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	3,210	4,710
	<u>3,210</u>	<u>4,710</u>

16. MOVEMENT IN FUNDS

	Balance at 01.01.21 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Transfers £	Balance at 31.12.21 £
Unrestricted funds						
General	1,984,859	29,141	19,123	174,452	(15,000)	2,154,329
Iceberg Fund	24,990	-	15,000	-	15,000	24,990
TOTAL FUNDS	<u>2,009,849</u>	<u>29,141</u>	<u>34,123</u>	<u>174,452</u>	<u>-</u>	<u>2,179,319</u>

Comparatives for movement in funds

	Balance at 01.01.20 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Transfers £	Balance at 31.12.20 £
Unrestricted funds						
General	1,886,117	36,284	16,799	94,257	(15,000)	1,984,859
Iceberg Fund	20,000	-	10,010	-	15,000	24,990
TOTAL FUNDS	<u>1,906,117</u>	<u>36,284</u>	<u>26,809</u>	<u>94,257</u>	<u>-</u>	<u>2,009,849</u>

THE RIFLES OFFICERS' FUND

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

16. MOVEMENT IN FUNDS (Continued)

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

	Balance at 01.01.20 £	Incoming resources £	Resources expended £	Investment gains/(losses) £	Transfers £	Balance at 31.12.21 £
Unrestricted funds						
General	1,886,117	65,425	35,922	268,709	(30,000)	2,154,329
Iceberg Fund	20,000	-	25,010	-	30,000	24,990
TOTAL FUNDS	1,906,117	65,425	87,888	268,709	-	2,179,319

THE RIFLES OFFICERS' FUND
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST DECEMBER 2021

	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM		
Donations and legacies		
Donations	11	9
	<u>11</u>	<u>9</u>
Investment income		
Investment income	29,130	36,275
	<u>29,130</u>	<u>36,275</u>
Total	29,141	36,284
EXPENDITURE ON		
Raising funds		
Investment management fee	8,526	7,623
	<u>8,526</u>	<u>7,623</u>
Charitable activities		
Officer events	-	-
Grants to individuals	3,105	1,148
Grants to Institutions	500	500
Grants to Battalions	-	1,000
Grant to Iceberg Fund (Rifles awards event)	15,000	10,010
	<u>18,605</u>	<u>12,658</u>
Support costs		
Staff honorarium	1,500	1,500
Independent examination fees	3,210	810
Officer recruiting	1,833	1,129
Officer Uniform	-	1,520
Misc costs and presentations	449	1,569
	<u>6,992</u>	<u>6,528</u>
Total	34,123	26,809
Net (losses)/gains on investments	174,452	94,257
Net (expenditure)/income	<u>169,470</u>	<u>103,732</u>

This page does not form part of the statutory financial statements