

The London Scottish Regiment 1995 Trust

Annual Report and Unaudited Financial Statements

For the year ended 5 April 2023

The London Scottish Regiment 1995 Trust

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The London Scottish Regiment 1995 Trust

Legal and Administrative Information

Trustees	Mr A Nathan	(Appointed 13 April 2023)
	Mr Stephen Kempster	
	Lady R Johnstone-Burt	
	Lieutenant Colonel DL Carter	
	Mr SD Lovelock	
	Mr MJ Felstead	
Charity number	1056291	
Principal address	95 Horseferry Road London SW1A 2DX	
Independent examiner	Gilberts Chartered Accountants Pendragon House 65 London Road St Albans Hertfordshire AL1 1LJ	
Bankers	Royal Bank of Scotland Lawrie House Victoria Road Farnborough GU14 7NR	
	Scottish Widows Bank PO Box 883 Leeds LS1 9TY	
Investment advisors	RBC Brewin Dolphin 12 Smithfield Street London EC1A 9LA	

The London Scottish Regiment 1995 Trust

Trustees' Report

For the year ended 5 April 2023

The Trustees present their annual report and financial statements for the year ended 5 April 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's Deed, the Charities Act 2011 and "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).

Objectives and activities

The Deed provided that the Trustees shall hold the Trust Fund and its income upon trust and apply them for the following purposes:

- To promote any charitable purpose in connection with the London Scottish Regiment and in particular but not exclusively;
 - the relief of poverty among members, former members of the Regiment and their dependants
 - the promotion of the efficiency of the Regiment and
 - the advancement of the education of the public in the history of the Regiment.
- to promote the development of children and young persons in achieving their full physical, intellectual and social potential through education and leisure time activities
- to promote any other charitable purpose.

The Trustees administer the Charity in accordance with the objectives and the other provisions of the Trust Deed.

Public benefit

In meeting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all donations made meet this guidance.

Achievements and performance

Significant activities and achievements against objectives

The Trust was created to establish a fund for the future of the Regiment, particularly in the event of disbandment, so that some regimental functions could continue. By 2018 a fund of some £1.15m had been created.

In 2018 the lease of the Regimental Headquarters expired and the Trustees of the London Scottish Headquarters Trust embarked on a project to create a hub for Scots people in London. Substantial funds were provided to the Trustees to the London Scottish Headquarters Trust to finance these plans while alternative sources of income were established mainly through the trading company London Scottish Volunteer Enterprises Ltd and a fund raising appeal was launched. Unfortunately sufficient income or fundraising failed to materialise and the project failed.

The result is that the Trust's funds are severely depleted. However, during the course of the audit of the accounts of The London Scottish Headquarters Trust, it emerged that a significant proportion of these payments should have been recorded as loans. The additional amount involved is £641,850 and an adjustment has been made to show this and the results for 2022 have been restated.

Financial review

The results for the period are shown on page 5.

During the year an appeal to members of the Regiment was launched via The Clemence Charitable Settlement. A total of £29,000 was received in the year.

There was a surplus for the year of £25,493 (2022: Deficit £504).

Net losses on investments amounted to £165 (2022: Gains £350).

The London Scottish Regiment 1995 Trust

Trustees' Report (Continued)

For the year ended 5 April 2023

Structure, governance and management

Governing Document

The governing document is the Trust Deed dated 30th April 1996 (the Deed). The Settlers were;

Colonel JA Clemence TD FCA

Colonel RD Holliday TD

Mr David Lowe Franklin

The initial capital was £10.

Recruitment and appointment of trustees

The power of appointing new Trustees vests in the Trustees for the time being.

Risk Management

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems are in place to manage those risks.

Grants

A grant was made to the London Scottish Headquarters Trust amounting to £3,830 for urgent repairs to the premises at 95, Horseferry Road.

Reserves policy

The charity has reserves of £873,843 (2022 £848,517). The assets include a loan of £816,850 to the London Headquarters Trust, which the Trustees know is not immediately capable of repayment.

Future plans

There are no immediate plans to alter the way in which the charity is run, nor the way in which income is expended. The Trustees are considering how best to manage the fund in future.

The Trustees' report was approved by the Board of Trustees.

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Trustee

Date:

The London Scottish Regiment 1995 Trust

Statement of Trustees' Responsibilities

For the year ended 5 April 2023

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 and 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 Trust and of the incoming resources and application of resources of the Trust for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



The London Scottish Regiment 1995 Trust

Independent Examiner's Report

To the Trustees of The London Scottish Regiment 1995 Trust

I report to the Trustees on my examination of the financial statements of The London Scottish Regiment 1995 Trust (the Trust) for the year ended 5 April 2023.

Responsibilities and basis of report

As the Trustees of the Trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Gilberts Chartered Accountants

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Dated:

The London Scottish Regiment 1995 Trust

Statement of Financial Activities Including Income and Expenditure Account

For the year ended 5 April 2023

		Income funds	Capital funds	Total	Income funds	Capital funds	Total
	Notes	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Income from:							
Donations and legacies		29,233	-	29,233	-	-	-
Investments	3	172	-	172	69	-	69
Total income		29,405	-	29,405	69	-	69
Expenditure on:							
Raising funds	4	28	55	83	31	62	93
Charitable activities		3,830	-	3,830	220	260	480
Total expenditure		3,858	55	3,913	251	322	573
Net gains/(losses) on investments		-	(165)	(165)	-	350	350
Net income/(expenditure) and movement in funds		25,547	(220)	25,327	(182)	28	(154)
Reconciliation of funds:							
Fund balances at 6 April 2022		2,331	846,186	848,517	2,513	846,158	848,671
Fund balances at 5 April 2023		27,878	845,966	873,844	2,331	846,186	848,517

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The London Scottish Regiment 1995 Trust

Balance Sheet

For the year ended 5 April 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	8		10,816		5,965
Current assets					
Debtors	9	816,850		816,850	
Cash at bank and in hand		48,357		27,903	
		<u>865,207</u>		<u>844,753</u>	
Creditors: amounts falling due within one year	10	<u>2,179</u>		<u>2,201</u>	
Net current assets			<u>863,028</u>		<u>842,552</u>
Total assets less current liabilities			<u><u>873,844</u></u>		<u><u>848,517</u></u>
The funds of the Trust					
Endowment funds - Capital Fund			845,966		846,186
Unrestricted funds			27,878		2,331
			<u><u>873,844</u></u>		<u><u>848,517</u></u>

The financial statements were approved by the Trustees on

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Trustee

The London Scottish Regiment 1995 Trust

Notes to the Financial Statements

For the year ended 5 April 2023

1 Accounting policies

Charity information

The London Scottish Regiment 1995 Trust is a an unincorporated charitable trust registered with the Charity Commission in England and Wales, number 1056291. Its principal office is London Scottish House, 95 Horseferry Road, London, SW1P 2DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Trust's deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

1.4 Income

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount.

The London Scottish Regiment 1995 Trust

Notes to the Financial Statements (Continued)

For the year ended 5 April 2023

1 Accounting policies

(Continued)

1.5 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 are allocated on the portion of the asset's use.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Trust's contractual obligations expire or are discharged or cancelled.

The London Scottish Regiment 1995 Trust

Notes to the Financial Statements (Continued)

For the year ended 5 April 2023

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	74	67
Interest receivable	98	2
	<u>172</u>	<u>69</u>

4 Expenditure on raising funds

	Income funds 2023 £	Capital funds 2023 £	Total 2023 £	Income funds 2022 £	Capital funds 2022 £	Total 2022 £
Investment management	28	55	83	31	62	93
	<u>28</u>	<u>55</u>	<u>83</u>	<u>31</u>	<u>62</u>	<u>93</u>

5 Grants payable

	Grants payable 2023 £
Grants to institutions:	
London Scottish Headquarters Trust	3,830
	<u>3,830</u>

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Trust during the year.

The London Scottish Regiment 1995 Trust

Notes to the Financial Statements (Continued)

For the year ended 5 April 2023

7 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

8 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2022	5,965
Additions	7,894
Valuation changes	(165)
Disposals	(2,878)
	<hr/>
At 5 April 2023	10,816
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Carrying amount	
At 05 April 2023	10,816
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At 05 April 2022	5,965
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9 Debtors

	2023 £	2022 £
Amounts falling due after more than one year:		
Other debtors	816,850	816,850
	<hr/>	<hr/>

The Trustees are aware that this debt is not a current asset because the Trustees of the debtor trust do not have the resources to repay it and are not likely to be able to do so within 12 months.

10 Creditors: amounts falling due within one year

	2023 £	2022 £
London Scottish Regimental Trust	2,179	2,180
Other creditors	-	21
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The London Scottish Regiment 1995 Trust

Notes to the Financial Statements (Continued)

For the year ended 5 April 2023

11 Analysis of net assets between funds

	Income funds	Capital funds	Total
	2023 £	2023 £	2023 £
Fund balances at 5 April 2023 are represented by:			
Investments	-	10,816	10,816
Current assets/(liabilities)	27,878	835,150	863,028
	<u>27,878</u>	<u>845,966</u>	<u>873,844</u>
	Income funds	Capital funds	Total
	2022 £	2022 £	2022 £
Fund balances at 5 April 2022 are represented by:			
Investments	-	5,965	5,965
Current assets/(liabilities)	2,331	840,221	842,552
	<u>2,331</u>	<u>846,186</u>	<u>848,517</u>