

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

**REGISTERED CHARITY NO: 1085050**

**FINANCIAL STATEMENTS**

**For the year ended 30 June 2020**

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

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## **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

The Trustees submit their Report and Accounts for the year ended 30 June 2020. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 of the accounts and comply with the charity's trust 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 FRS102 published in October 2019.

#### **Objectives and Activities for the Public Benefit**

The objects of The Royal Anglian Regiment Benevolent Charity are:

- The relief of persons who are:
  - In need, hardship or distress and
  - Are serving or former members of The Royal Anglian Regiment, former Regiments that make up the Royal Anglian Regiment (The 'Regiment') and spouses and dependants of such persons.
- To promote the efficiency of the Royal Anglian Regiment (the 'Regiment') in such ways as the Trustees may decide.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, when setting the benevolent grant making policy for the year and in determining which activities fall within the scope of 'promoting the efficiency of the armed forces of the Crown'.

The principal contribution to public benefit comes from the charity's benevolent grant-making to those members of the Regimental family who are in need, hardship or distress, often operating in conjunction with other charitable bodies. Public benefit is also derived from our support of the Regimental chapels, memorials and museums across the counties of East Anglia and the East of England. This encourages esprit de corps within the Regiment whose efficiency is further enhanced by the charity's maintenance of chattels, including the Regimental silver collection and band instruments, and our support of the Officers' and NCOs' messes and the Regimental Institutes for Other Ranks, in each of the Regiment's battalions. The efficiency of serving soldiers is also enhanced by grants in support of physical fitness, sport and adventurous training and the charity contributes to recruiting activities for officers and soldiers. Former members of the Regiment are supported by the Regimental Association, which receives a grant from the charity.

#### **Grant Making Policy**

The Royal Anglian Regiment Benevolent Charity continues to be responsible for dealing with all benevolent cases involving past and present members of the Regiment and its "former Regiments", their spouses and dependants. The Trustees have agreed an upper limit of £750 which is an exception, with a normal upper limit of £500 being applied to each case. The Royal Tigers' Association continues to staff and pay its own cases, with the Charity assisting where it is appropriate to do so, with a combined grant not to exceed the Charity's limits. This arrangement will continue until 2022, when the Royal Tigers Association will march off parade. From that date the charity will take sole responsibility for their veterans.

The Royal British Legion and The Army Benevolent Fund (The Soldiers' Charity) continue to provide invaluable financial support in those cases that exceed the limit agreed by the Trustees. Almonisation with these two organisations has more than trebled the amount of benevolence given to serving and former members of the Regiment.

## **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

##### **Achievements and performance**

**Benevolence** - During the year the Charity reviewed 213 (2019: 216) cases with £51,058 (2019: £57,568) of grants being paid out. The Trustees currently expect that level of grant to be maintained or exceeded for the foreseeable future.

**Regimental Efficiency** - During the year the following major expenditure was undertaken totalling £112,281 (2019: £108,897), by support to:

- Two regular Battalions and our Reserve Battalion for adventure training.
- Further support to our Battalions, serving overseas and on their return from operational tours.
- Regimental recruiting, both for officers and soldiers.
- The Regimental Gathering Day.
- The former Regiments Associations.
- The Remembrance Day Service at the Regimental Memorial.
- The Regimental Battlefield Tour.

##### **Fundraising**

The main sources of regular income are the Days Pay Scheme, income on investments and donations. Total income has decreased on the previous year by 12.72% to £295,638 (2019: £338,725). This is mainly due to a fall in charitable activities income received during the year.

The Day's Pay Scheme produced £107,347, a decrease of £3,837 for 2020.

The fundraising targets for RHQ and the Battalions are set by the Regimental Council. All new soldiers and officers are encouraged to participate in the Days Pay Scheme. Donations are not specifically sought for general funding. No professional fund raisers are used and the Regimental Council ensures that all fundraising is carried out within Charity Commission guidelines.

We have not received any complaints about the way in which we carry out our fundraising activities.

##### **Future Plans**

The Trustees have conducted a review of future benevolence requirements and are content that planned expenditure on benevolence is both necessary and sustainable. Caseload varies year by year, but the Trustees are pleased to note that all valid requests for assistance were met. The Trustees have discussed a range of measures that will ensure that they will continue to be met, potentially with increased levels of hardship, in the wake of the Covid 19 pandemic. At the same time, fundraising is becoming more challenging due to the Covid 19 restrictions. The replacement of the Regimental Shop (which was operated by the Charity) with a contractual agreement between the Regiment and a third-party operator, has been fully completed and has significantly reduced the Charity's trading risk while providing better service and the prospect of greater income in future years. The Trustees continue to place the highest emphasis on improved governance. The proposed new governance operating model has been implemented, including the recruitment of new trustees.

The governance operating model sets out a coherent framework for the structure, responsibilities, policies and reporting processes that are required to, achieve the Charity's objectives, fulfil all statutory and regulatory requirements, operate in the most efficient and effective way. It consists of an Investment Committee which manages the Charity's investments, an Audit and Assurance Committee which oversees all aspects of Risk, Assurance and the good governance of the Charity and an Operating Committee which oversees the annual budget and the day to day management of financial performance, fundraising and benevolence. All three committees report directly to the main Board. A separate Benevolence Committee is responsible for the day to day administration of benevolence and reports annually to the Board, via the Operating Committee.

## **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

##### **Financial Review**

Income exceeded expenditure by £173,167 (2019: £280,577), after investment gains of £137,792 (2019: £234,280). The net assets of the Charity at 30 June 2020 were £8,836,437 (2019: £8,663,270).

At 30 June 2020 the Charity had unrestricted reserves of £5,469,055, endowment reserves of £3,221,968 and restricted reserves of £145,414. Restricted reserves are made up of £96,845 in the Wayland Amputee Fund, £5,813 in the Chapel Fund and £42,756 in the Silver Fund.

##### **Investment Policy and Performance**

The Trustees have concluded that the recent fundamental review of investment strategy remains valid. This takes account of changing economic prospects and the Charity's requirements for income and capital growth over the short to medium term. The investment portfolio continues to be managed on a discretionary basis by the agreed investment manager, Sarasin & Partners LLP. The Charity's Investment Policy includes the following direction to the investment manager:

- The objective is for capital and income growth and generating the best financial return within an acceptable level of risk.
- Investment should grow, or at least maintain in real terms, the value of the capital while producing a steady stream of income for grant making.
- The charity seeks to derive around £150k from its investments per year, and therefore the overall long term target is CPI +4% per annum net of costs.
- The objectives should be achieved within a bespoke portfolio, allowing the investment manager greater responsiveness to current and future economic turbulence.
- The Trustees have elected not to follow an exclusionary ethical policy, but are keen for the investment manager to demonstrate good corporate governance and stewardship of the Charity's capital.
- The performance of Sarasin & Partners LLP is monitored by quarterly reports and bi-annual meetings of the investment subcommittee which in turn reports to all the Trustees.

During the year the Portfolio presented a return of £111,382 which is a decrease of 9.82% on the previous financial year (2019: £123,506). The portfolio shows an unrealised gain of £131,346 (2019: £262,920) and a realised gain of £6,446 (2019: loss £28,640). The market value as at 30 June 2020 stood at £5,381,965 (2019: £5,246,942).

The Royal Anglian Regiment Benevolent Charity is custodian trustee for the investments of the 1<sup>st</sup> Battalion and 2<sup>nd</sup> Battalion The Royal Anglian Regiment. The value of these investments as at 30 June 2020 is £590,293 and £17,819 (2019: £456,996 and £17,168) respectively. These amounts have not been included within the balance sheet at the year-end date.

## **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2020**

##### **Risk Management**

The major risks to which the Charity is exposed have been reviewed by the Trustees who concluded that the major risks to the Charity's operations are:

- Extraordinary circumstances resulting from the Covid 19 outbreak, including volatility of investments, reduced opportunities for fundraising and greater demand for benevolence.
- Information Technology, including security and data protection
- Budgetary control and reporting
- Fraud or error
- Public perception, and its impact on fundraising.
- Compliance with legislation, regulation, taxation and reporting requirements.

The Trustees have put in place, and will continue to improve, systems to mitigate these and other risks.

##### **Covid 19 Impacts**

The initial effect of the pandemic was to reduce applications for benevolent grants, mainly due to the age demographics of caseworkers and the need to social distance. Protocols were agreed by the third sector stakeholders, amending the working practice to ensure that those seeking assistance are not penalised, these are working well. The casework load is recovering to pre-Covid levels. The Investment Committee is meeting more frequently with our investment managers, to address volatility and uncertainty in the markets and we have discussed a range of measures to ensure the maximum flow of resources for benevolence in the coming months. We are prepared for an increase in the number of cases of hardship as the Government furlough scheme comes to an end. We would also highlight the new Governance Operating Model which will provide a firmer foundation for all risk management and we will be conducting a thorough review of internal controls in the light of increased distancing and home-working.

##### **Reserves Policy**

The Charity's investments are its reserves. The Trustees have examined the requirements of the Charity in the light of the main risks and have agreed that the Charity must maintain sufficient reserves to enable:

- an increased number of benevolent grants to be paid over the coming six months whilst seeking to preserve sufficient reserves to allow for the inevitable growth in the number of Benevolent cases in the future.
- continue to promote the efficiency of The Regiment over the coming twelve months. This includes providing grants for Battalions and supporting officer and soldier recruitment.

The Trustees are satisfied that the investments allow both of these criteria to be met. The level of reserves expected to be required to satisfy these objectives for the coming year is comfortably exceeded by even the worst case projections of our investment capital and income.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **STRUCTURE, GOVERNANCE AND ADMINISTRATION**

The Royal Anglian Regiment Benevolent Charity was initially constituted by a Deed of Trust dated 20 January 1967 as a registered Charity, Number 1085050. The Scheme was revised and a replacement Trust Deed sealed on 7 September 2000. The Charity was merged with the Royal Anglian Regiment Regimental Charity (3955217) under the provisions of an amended Scheme dated 1 July 2015. Further amendments to the scheme were made by a resolution dated 15 April 2016.

The Trustees meet physically twice a year to review the performance and governance of the Charity and meet electronically as required to deal with day to day business. Subcommittees, covering investments, audit and assurance, benevolence and the Charity's operations meet regularly and report back to the full meeting of Trustees.

The amended Scheme allows the recruitment of new Trustees to bring a wider range of experience and skills to bear on the charity's needs.

Newly nominated Trustees are briefed by the Chairman of Trustees and all new Trustees receive an induction pack consisting of background information on each of the regimental charities, including copies of trust deeds, annual accounts, minutes of recent meetings and a copy of the Charity Commission booklet 'Responsibilities of a Charity Trustee'. Training through seminars etc. arranged by specialist advisors is made available for all Trustees and 'Trustee Training' is a standing agenda item at all Trustee Meetings. An online training session, for all available trustees, was conducted by Bates Wells in June 2020.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **Administration**

The Charity is administered by the Regimental Secretary and his staff.

Grants for individual cases are determined by an almonising committee whose Chairman is Lieutenant Colonel P R C Dixon. The Committee follows a policy laid down by the Trustees. This policy includes the upper limit for each case and the guidelines for eligibility.

#### **Reference and Administrative Information**

##### **Trustees**

The Trustees who served during the year were:

Major General R W Woodisse CBE, MC  
Brigadier (retired) D J Clements MBE  
Brigadier (retired) A J C Wild MBE  
Lieutenant Colonel (retired) R C J Goodin OBE  
Lieutenant Colonel (retired) B Weston (from 1 July 2019)  
Captain (retired) S C Lane  
Captain (retired) K P Tansley  
Mr D J Till  
Mr R W H Colgan (from 1 October 2019)

##### **Administrative Office**

RHQ The Royal Anglian Regiment, The Keep, Gibraltar Barracks, Bury St Edmunds, IP33 3RN

##### **Charity Number 1085050**

##### **Auditors**

Ensors Accountants LLP, 46 St Nicholas Street, Ipswich, IP1 1TT

##### **Accountants**

Churchgate Accountants Limited, 16-18 Langton Place, Bury St Edmunds, IP33 1NE

##### **Bankers**

Royal Bank of Scotland Plc, Farnborough, Hampshire, GU14 7NR

##### **Investment Managers**

Sarasin & Partners LLP, Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU



# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 30 JUNE 2020**

### **Trustees' responsibilities in relation to the Financial Statements**

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

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 Charity's financial activities during the year and of its financial position at the end of the year. In preparing Financial Statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the applicable Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Insofar as the Trustees are aware:-

- There is no relevant audit information of which the Charity's auditors are unaware; and
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Date : 13<sup>th</sup> November 2020

On behalf of the Trustees



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Lieutenant Colonel (retired) R C J Goodin OBE

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**  
**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**Opinion**

We have audited the financial statements of The Royal Anglian Regiment Benevolent Charity (the 'Charity') for the year ended 30 June 2020 which comprise the statement of financial activities, the balance sheet and the 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, 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 30 June 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 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 auditor's 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.

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**  
**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 cease operations, or have no realistic alternative but to do so.

**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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Other matter**

Your attention is drawn to the fact that the Charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF**  
**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**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.

*Ensors Accountants LLP*

.....  
**Ensors Accountants LLP**  
**Chartered Accountants**  
**Statutory Auditor**

Cardinal House  
46 St Nicholas Street  
Ipswich  
Suffolk  
IP1 1TT

**Date:** 11 January 2021

Ensors Accountants LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY****STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 30 JUNE 2020**

	<b><u>Note</u></b>	<b><u>Unrestricted Fund</u></b>	<b><u>Endowment Silver Fund</u></b>	<b><u>Restricted Funds</u></b>	<b><u>Total 2020</u></b>	<b><u>Total 2019</u></b>
<b><u>Income and endowments from:</u></b>						
Donations and legacies		156,687	-	16,658	173,345	166,614
Charitable activities		7,381	-	-	7,381	23,097
Other trading activities		164	-	-	164	7,874
Investments		111,517	-	-	111,517	123,693
Other		3,231	-	-	3,231	17,447
<b><u>Total</u></b>	<b>2</b>	<b>278,980</b>	<b>-</b>	<b>16,658</b>	<b>295,638</b>	<b>338,725</b>
<b><u>Expenditure on:</u></b>						
Raising funds		3,894	-	-	3,894	18,984
Charitable activities		239,916	-	16,453	256,369	273,444
<b><u>Total</u></b>	<b>3</b>	<b>243,810</b>	<b>-</b>	<b>16,453</b>	<b>260,263</b>	<b>292,428</b>
Net income/(expenditure) before gains and losses		35,170	-	205	35,375	46,297
Net gains/(losses) on investments		137,792	-	-	137,792	234,280
Net income/(expenditure) Transfers		172,962 (4,668)	- -	205 4,668	173,167 -	280,577 -
Net movement in funds		168,294	-	4,873	173,167	280,577
<b><u>Reconciliation of funds</u></b>						
Total Funds Brought Forward	<b>8</b>	<b>5,300,761</b>	<b>3,221,968</b>	<b>140,541</b>	<b>8,663,270</b>	<b>8,382,693</b>
<b><u>Total Funds Carried Forward</u></b>	<b>8</b>	<b>£5,469,055</b>	<b>£3,221,968</b>	<b>£145,414</b>	<b>£8,836,437</b>	<b>£8,663,270</b>

The notes on pages 14 to 24 form part of these Financial Statements

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

**BALANCE SHEET**

**AS AT 30 JUNE 2020**

	<b><u>Note</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>Fixed Assets</u></b>			
Investments	5	5,381,965	5,246,942
Tangible Fixed Assets	4	<u>3,248,297</u>	<u>3,248,907</u>
		8,630,262	8,495,849
<b><u>Current Assets</u></b>			
Stock		-	1,857
Debtors	6	9,870	18,675
Deposits and Bank and Money Market		222,732	169,386
Cash in Hand		<u>21</u>	<u>71</u>
		232,623	189,989
Creditors: Amounts falling due within one year	7	<u>(26,448)</u>	<u>(22,568)</u>
		206,175	167,421
<b><u>Net Current Assets/(Liabilities)</u></b>			
<b><u>Net Assets</u></b>		<u>£8,836,437</u>	<u>£8,663,270</u>
<b><u>Funds</u></b>			
Unrestricted Fund		5,469,055	5,300,761
Restricted Funds		145,414	140,541
Endowment Fund – Silver		<u>3,221,968</u>	<u>3,221,968</u>
	9	<u>£8,836,437</u>	<u>£8,663,270</u>

Approved and signed on behalf of the Trustees on ... 13<sup>th</sup> November 2020



Lieutenant Colonel (retired) R C J Goodin OBE

The notes on pages 14 to 24 form part of these Financial Statements.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **1. ACCOUNTING POLICIES**

##### **a) Basis of preparation and assessment of going concern**

These Financial Statements have been prepared in accordance with applicable accounting standards and under the historical cost convention, except for investments. The Financial Statements have been prepared on an accruals basis, and include income and expenditure as earned or incurred except as stated below. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011.

The accounts 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 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) issued 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.

The charity constitutes a public benefit entity as defined by FRS102.

The trustees consider there to be no material uncertainties regarding the Charity's ability to continue as a going concern due to the value of the investments and reserves held.

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

##### **b) Funds structure**

Unrestricted Fund – General Fund – The General Fund consists of funds which the Trustees may use for the Charity's objects at their discretion.

Unrestricted Fund – Designated Fund – This fund is designated to meet the expenses of the Regimental Chapel at Warley, Essex.

Restricted Silver Fund – Includes Days Pay Scheme Silver Subscription together with any insurance proceeds and incurs any insurance and repair costs in respect of the Silver.

Restricted Fund – Wayland Amputee Fund – This fund has been set up with the purpose of providing assistance and support for amputees from recent and future operations.

Restricted Fund- Chapel Fund – This fund has been set up to account for the income received and expenditure incurred on behalf of the Chapel.

Endowment Silver Fund – This represents the deemed cost of the Silver together with any proceeds on disposals.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS (Continued)**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **1. ACCOUNTING POLICIES cont...**

##### **c) Fixed Asset Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in investment markets due to wider economic conditions.

##### **d) Gains and Losses on Investments**

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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the market value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

##### **e) Income**

- Grants Received – Grants of a revenue nature are credited in the period to which they relate.
- Investment Income – Dividends and interest are credited when receivable.
- Donations are included in full in the Statement of Financial Activities when receivable.
- Legacy income is included in the accounts when the receipt is probable and it can be measured reliably.
- Income from Charitable Activities are accounted for when earned
- Days Pays Scheme income is included within the accounts as received in relation to the period to which it relates.
- All other income is recorded on a receivable basis.

##### **f) Resources Expended**

- Expenditure (including grant commitments) is recognised on an accruals basis as a liability is incurred and includes any VAT which cannot be recovered.

##### **g) Donated Services and Gifts in Kind**

The value of donated services and gifts in kind are recognised at their open market value in the year in which they are receivable and where the benefit to the charity can be measured reliably. An equivalent amount is included within expenditure under the relevant heading in the Statement of Financial Activities.



# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS (Continued)**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **1. ACCOUNTING POLICIES cont...**

##### **h) Tangible Assets**

Office Equipment is recorded at historical cost. Office Equipment is depreciated at 25% per annum on the reducing balance method. Depreciation is not provided on Chattels and Silver assets due to their very long expected remaining useful life. Their expected residual value is not materially less than their carrying value. An annual review of the likelihood of asset impairment is undertaken.

Silver Endowment Fund assets are stated at their deemed cost as at 1<sup>st</sup> July 2014.

##### **i) Stock**

Stocks are valued at the lower of cost and net realisable value.

##### **j) Debtors**

Debtors include amounts owed to the charity for the provision of goods and services or amounts the charity has paid in advance for the goods and services it will receive. Debtors also include amounts receivable on grant funding to which the charity is entitled.

Debtors are measured at their recoverable amounts (the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods).

##### **k) Creditors**

Creditors 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 obligations can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

##### **l) 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 market value.

##### **m) Accounting estimates and judgements**

In the preparation of the financial statements, no material judgements, estimates and assumptions have been made that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year, with the exception of depreciation as detailed above.

##### **n) Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and 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.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS (Continued)**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **2. ANALYSIS OF INCOME**

	<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>Donations and legacies</u></b>		
Donations received (including gift aid recoverable)	47,934	53,930
Legacy	3,000	1,500
Days pay scheme	107,347	111,184
Transfer from Wharley Chapel	4,500	-
Silver Subscription	10,564	-
	<u>£173,345</u>	<u>£166,614</u>
<b><u>Charitable activities</u></b>		
Castle subscriptions and sales	7,381	6,857
Battlefield Tour	-	16,240
	<u>£7,381</u>	<u>£23,097</u>
<b><u>Other trading activities</u></b>		
Sale of regimental souvenirs	164	7,874
	<u>£164</u>	<u>£7,874</u>
<b><u>Investments</u></b>		
Investment Funds	111,382	123,506
Other interest:		
Royal Bank of Scotland	135	187
	<u>£111,517</u>	<u>£123,693</u>
<b><u>Other</u></b>		
Case grant income	2,760	3,563
Memorial restoration	-	10,644
Speedboat hire	-	2,000
BBC royalties	396	547
Sundry income	75	693
	<u>£3,231</u>	<u>£17,447</u>

In the year ended 30 June 2020: £278,980 (2019:£338,725) of the above income related to unrestricted fund income.

In the year ended 30 June 2020: £nil (2019: £nil) of the above income related to endowment fund income.

In the year ended 30 June 2020: £16,658 (2019: £nil) of the above income related to restricted fund income.

#### **3. ANALYSIS OF EXPENDITURE**

	<b><u>2020</u></b>	<b><u>2019</u></b>
<b><u>Raising funds</u></b>		
Shop purchases (adjusted for stock)	1,912	15,725
Fundraising costs	1,094	1,122
Investment management fees	888	2,137
	<u>£3,894</u>	<u>£18,984</u>

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS (Continued)**

### **FOR THE YEAR ENDED 30 JUNE 2020**

<b><u>ANALYSIS OF EXPENDITURE cont...</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<u>Charitable activities</u>		
Inservice Welfare Grant – No of cases 9 (2019: 8)	3,370	5,061
Case Grants – No of cases 114 (2019: 116)	47,688	52,507
Memorial Running Costs	1,056	1,208
Memorial Restoration	8,425	14,904
Remembrance Day Costs	3,504	3,761
ABF Sponsorship	13,000	13,000
RCO – Officer & Soldier Recruiting Expenses	9,355	14,505
Other Grants	2,319	26,993
1 <sup>st</sup> Battalion Grants – including Adventure Training	31,228	15,373
2 <sup>nd</sup> Battalion Grants – including Adventure Training	37,670	29,130
3 <sup>rd</sup> Battalion Grants – including Adventure Training	9,341	9,000
Regimental gathering expenditure	17,881	16,265
Association Support	3,302	4,623
Chapel Maintenance	2,271	733
Days Pay Scheme – RHQ	2,092	2,177
Days Pay Scheme - Silver	10,563	-
Castle expenditure	15,569	15,834
Sundry Expenses	10,026	5,123
Council Meeting Expenses	1,430	2,334
Battlefield Tour	-	16,240
Regimental property repairs	-	115
Representational Event	525	5,251
Depreciation	610	813
Audit	6,540	6,540
Accountancy	4,422	3,684
Silver insurance and repairs	14,182	8,270
	<u>£256,369</u>	<u>£273,444</u>

In the year ended 30 June 2020: £243,810 (2019: £281,465) of the above expenditure related to unrestricted fund income.

In the year ended 30 June 2020: £nil (2019: £nil) of the above expenditure related to endowment fund income.

In the year ended 30 June 2020: £16,453 (2019: £10,963) of the above expenditure related to restricted fund income.

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

**NOTES TO THE ACCOUNTS (Continued)**

**FOR THE YEAR ENDED 30 JUNE 2020**

**4. TANGIBLE FIXED ASSETS**

	<u>Office Equipment</u>	<u>Endowment Silver Fund</u>	<u>Chattels</u>	<u>Total</u>
<u>Cost/Valuation</u>				
As at 1 July 2019	18,220	3,221,468	25,000	3,264,688
Additions	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2020	18,220	3,221,468	25,000	3,264,688
<u>Depreciation</u>				
As at 1 July 2019	15,781	-	-	15,781
Charge for the year	610	-	-	610
As at 30 June 2020	16,391	-	-	16,391
<u>Net Book Value</u>				
As at 30 June 2020	£1,829	£3,221,468	£25,000	£3,248,297
As at 30 June 2019	£2,439	£3,221,468	£25,000	£3,248,907

Endowment Silver Fund assets are stated at their deemed cost as at 1 July 2014.

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY****NOTES TO THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 30 JUNE 2020****5. INVESTMENTS**

	<u>Market Value 01.07.19</u>	<u>Additions/ (Disposals)</u>	<u>Realised Gains/ (Losses)</u>	<u>Unrealised Gains/ (Losses)</u>	<u>Market Value 30.06.20</u>	<u>Cost 30.06.20</u>
Investment portfolio	£5,246,942	(£2,769)	£6,446	£131,346	£5,381,965	£4,676,919

The Regimental Charity Investments representing over 5% of the market value of the fund at 30 June 2020 are:-

	<u>Market Value</u>
Sarasin Thematic Global	£2,228,767
Sarasin Global Dividend	£861,432
Sarasin Thematic Global – Sterling Hedged	£934,276

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2020</u>	<u>2019</u>
Other Debtors	9,870	18,675
	<u>£9,870</u>	<u>£18,675</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2020</u>	<u>2019</u>
Accruals	25,858	13,525
Other Creditors	590	9,043
	<u>£26,448</u>	<u>£22,568</u>

**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

**NOTES TO THE ACCOUNTS (Continued)**

**FOR THE YEAR ENDED 30 JUNE 2020**

**8. CURRENT YEAR – MOVEMENT ON FUNDS**

	<u>Unrestricted General</u>	<u>Unrestricted Designated</u>	<u>Endowment Silver</u>	<u>Restricted Funds</u>	<u>Total</u>
Balance at 1 July 2019	5,231,733	69,028	3,221,968	140,541	8,663,270
Incoming resources	278,980	-	-	16,658	295,638
Resources expended	(243,810)	-	-	(16,453)	(260,263)
Gain on investments	137,792	-	-	-	137,792
Transfers	(2,678)	(1,990)	-	4,668	-
Balance at 30 June 2020	£5,402,017	£67,038	£3,221,968	£145,414	£8,836,437

	<u>Wayland Amputee Fund</u>	<u>Silver Fund</u>	<u>Chapel Fund</u>	<u>Total</u>
<b>Restricted Funds</b>				
Balance at 1 July 2019	94,167	46,374	-	140,541
Incoming resources	-	10,564	6,094	16,658
Resources expended	-	(14,182)	(2,271)	(16,453)
Gain on investments	-	-	-	-
Transfers	2,678	-	1,990	4,668
Balance at 30 June 2020	£96,845	£42,756	£5,813	£145,414

# THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 30 JUNE 2020

#### 8. PRIOR YEAR – MOVEMENT ON FUNDS

	<u>Unrestricted General</u>	<u>Unrestricted Designated</u>	<u>Endowment Silver</u>	<u>Restricted Funds</u>	<u>Total</u>
Balance at 1 July 2018	4,950,207	67,038	3,221,968	143,480	8,382,693
Incoming resources	335,882	2,843	-	-	338,725
Resources expended	(280,612)	(853)	-	(10,963)	(292,428)
Gain on investments	234,280	-	-	-	234,280
Transfers	(8,024)	-	-	8,024	-
Balance at 30 June 2019	<u>£5,231,733</u>	<u>£69,028</u>	<u>£3,221,968</u>	<u>£140,541</u>	<u>£8,663,270</u>

	<u>Wayland Amputee Fund</u>	<u>Silver Fund</u>	<u>Total</u>
<b>Restricted Funds</b>			
Balance at 1 July 2018	88,836	54,644	143,480
Incoming resources	-	-	-
Resources expended	(2,693)	(8,270)	(10,963)
Gain on investments	-	-	-
Transfers	8,024	-	8,024
Balance at 30 June 2019	<u>£94,167</u>	<u>£46,374</u>	<u>£140,541</u>

Unrestricted Fund – General Fund – The General Fund consists of funds which the Trustees may use for the Charity's objects at their discretion.

Unrestricted Funds – Designated Fund – This fund is designated to meet the expenses of the Regimental Chapel at Warley, Essex.

Restricted Silver Fund – Includes Days Pay Scheme Silver Subscription together with any insurance proceeds and incurs any insurance and repair costs in respect of the Silver.

Restricted Fund – Wayland Amputee Fund – This fund has been set up with the purpose of providing assistance and support for amputees from recent and future operations.

Restricted Fund- Chapel Fund – This fund has been set up to account for the income received and expenditure incurred on behalf of the Chapel.

Endowment Silver Fund – This represents the deemed cost of the Silver together with any proceeds of disposals.

#### Transfers

A transfer of £4,668 (2019: £8,024) from unrestricted reserves for the Wayland Amputee fund relates to gains and income earned from the investment portfolio of the charity which has been included within unrestricted fund income.

# **THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

## **NOTES TO THE ACCOUNTS (Continued)**

### **FOR THE YEAR ENDED 30 JUNE 2020**

#### **9. CURRENT YEAR – ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b><u>Tangible Fixed Assets</u></b>	<b><u>Investments</u></b>	<b><u>Current Assets/ (Liabilities)</u></b>	<b><u>Non Current Assets/ (Liabilities)</u></b>	<b><u>Net Assets</u></b>
<b><u>Restricted Funds</u></b>					
Wayland Amputee Fund	-	96,845	-	-	96,845
Silver Fund	-	-	42,756	-	42,756
Chapel Fund	-	-	5,813	-	5,813
<b><u>Silver Endowment Fund</u></b>	3,221,468	-	500	-	3,221,968
<b><u>Unrestricted Funds</u></b>					
General Fund	26,829	5,285,120	90,068	-	5,402,017
Designated – Essex Chapel Fund	-	-	67,038	-	67,038
	<b>£3,248,297</b>	<b>£5,381,965</b>	<b>£206,175</b>	<b>£-</b>	<b>£8,836,437</b>

#### **PRIOR YEAR – ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b><u>Tangible Fixed Assets</u></b>	<b><u>Investments</u></b>	<b><u>Current Assets/ (Liabilities)</u></b>	<b><u>Non Current Assets/ (Liabilities)</u></b>	<b><u>Net Assets</u></b>
<b><u>Restricted Funds</u></b>					
Wayland Amputee Fund	-	94,167	-	-	94,167
Silver Fund	-	-	46,374	-	46,374
<b><u>Silver Endowment Fund</u></b>	3,221,468	-	500	-	3,221,968
<b><u>Unrestricted Funds</u></b>					
General Fund	27,439	5,152,775	51,519	-	5,231,733
Designated – Essex Chapel Fund	-	-	69,028	-	69,028
	<b>£3,248,907</b>	<b>£5,246,942</b>	<b>£167,421</b>	<b>-</b>	<b>£8,663,270</b>

#### **10. TAXATION**

The Fund is a Registered Charity, and no Corporation Tax is payable on the results for the year. Income Tax deducted from covenanted donations and Gift Aid is recoverable.

#### **11. TRANSACTIONS WITH TRUSTEES/ KEY MANAGEMENT PERSONNEL**

The Trustees consider the key management personnel of the charity to be the Trustees, who are in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

All Trustees give their time freely and no trustee remuneration was paid during either year.



**THE ROYAL ANGLIAN REGIMENT BENEVOLENT CHARITY**

**NOTES TO THE ACCOUNTS (Continued)**

**FOR THE YEAR ENDED 30 JUNE 2020**

**12. RELATED PARTY TRANSACTIONS.**

During the year no Trustees (2019: one) were reimbursed (2019: £141) in relation to travel expenses in performing their duties as a Trustee of the charity.

**13. CUSTODIAN TRUSTEESHIP**

The charity acts as custodian trustee for the 1<sup>st</sup> Battalion and 2<sup>nd</sup> Battalion The Royal Anglian Regiment. The assets held on behalf of these entities relate to the investment portfolio. These assets are separate from those of the charity and are not included within these accounts. The value of investments held as at 30 June 2020 is £590,293 and £17,819 (2019: £456,996 and £17,168) respectively.