

**THE QUEEN'S ROYAL SURREY REGIMENT COMBINED CHARITIES**

**Charity Number: 249538**

**Financial Reports**

**For the Period 1 February 2020 to 31 January 2021**

# THE QUEEN'S ROYAL SURREY REGIMENT COMBINED CHARITIES

## Reference and Administrative Details of the Charity, Its Trustee and Advisers

For the Period 1 February 2020 to 31 January 2021

**Principal Address** Fairfield, Woodside Road, Chiddingfold, Godalming, Surrey, GU8 4RJ

### Trustees

Name	Office
Colonel P Crowley DL	Chairman
Colonel A C Ward OBE DL	Secretary
Mr A Rutter	Treasurer
Colonel J A P Ladd	
Colonel A P Guthrie TD DL	
Major P M H McGill BA MA	
Major D R Pollard BA	
Major M J Jarratt	Legal Advisor Chattels
Mr I E J Chatfield	
Lieutenant Colonel P R P Swanson MBE	

### Honorary Secretary

Colonel A C Ward OBE DL

### Honorary Treasurer

Mr A Rutter, 10 Greenfields, Liss, Hampshire GU33 7EH

### Investment advisor

The Armed Forces Growth and Income Fund / BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL

### Independent examiner

Malcolm Lucas FCA DChA, Menzies,

Ashcombe House, 5 The Crescent, Leatherhead KT22 8DY

### Bankers

Barclays Bank Plc, Southall, UB1 1PX

### Honorary legal advisor

Major M J Jarratt, 10 Ferndown Court, Weybourne, Farnham, GU10 3PZ

### Structure, Governance and Management

The Charity is an amalgamation of several former charities, now governed by a single Sealed Scheme of the Charity Commissioners, for benevolent purposes relating to the relief of hardship or distress of persons (and their dependants) who have served in, and for promoting the efficiency and maintaining the traditions of the County Infantry Regiments of Surrey and their successors in title.

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The Appointment of Trustees is stated in The Trust Deed, Clauses 5 to 13 inclusive. The Trustees use the Guidance contained in Charity

Commission 3 and 30 (Duties of a Trustee and Recruitment of Trustees) and consider the relevant skills needed: Legal, Financial, Investment, Regular/Reserve Service, Knowledge of activities to those we make grants and Regimental knowledge. They seek a diverse and wide range of backgrounds and experience.

## Trustees' Annual Report

### For the Period 1 February 2020 to 31 January 2021

#### At their Meeting on 2nd April 2020, the Trustees:

- a. Reviewed the financial position of the Charity, together with examining the performance of the Armed Forces Growth and Income Fund (AFGIF) which was producing a yield of 3.6%, a small increase on previous year. As at 1<sup>st</sup> Jan 2020 total assets were: £920,058. There had been a sharp drop in the first Quarter due to the economic effects of COVID 19, the drop in value was 28%. It was agreed this was not the time to sell assets...
- b. Formally approved the Trustee Report and Accounts for the year ending 31st January 2020.
- c. They agreed to retain Menzies as the Trusts Independent Examiner.
- d. Received a report on the Chattels: All Chattels which had been on loan to the London Regiment had been passed to 4 PWRR. The Chairman undertaking to ensure all were insured.
- e. Agreed grants totalling £18,065 of which £10,750 was pledged but payment held back until the COVID situation allowed activities to take place. The largest grant was to The PWRR and Queen's Virtual Museum of £2,500 with the proviso it was linked to the Queen's Royal Surrey website.
- f. Had a long discussion on the Governance and future of The PWRR and Museum Charity. It was recalled that this Charity had passed £300,000 specifically for the maintenance of The Surrey Infantry Museum (SIM). A paper proposing a Governance option had been prepared by the Chairman and David Pollard which had been passed to RHQ. The Trustees had recorded their appreciation to David Pollard for his commitment and hard work overseeing SIM matters. They also were most appreciative of all the hard work of the Volunteers.

#### At their Meeting on 15th October 2020 the Trustees:

- a. Reviewed the financial position of the Charity and its investments. The total value of the Charity stood at £918,813. The rise being due to the hope that a COVID 19 vaccine and BREXIT deal would lead to an economic recovery.
- b. Noted that the Armed Forces Growth and Income Fund managed by Blackrock had performed well. It was forecast that income would be maintained at current level for 2021.
- c. The previous decision to hold £30,000 in cash was discussed. It was agreed to keep this policy under review.
- d. Received a report on SIM from David Pollard. The main concerns were:
  1. Recruitment of a Collections Officer.
  2. SIM Office to remain at Surrey History Centre (SHC).
  3. More displays to be established at SHC.
  4. The importance of remaining close contact with Guildford BC concerning the permanent SIM home. Has the economic downturn post COVID 19 forced a change of plans?
  5. Final resolution of the insurance claim. Some £300,000 has been paid. Uninsured claim is for £1,800,000. How will this sum be invested? Barclays Wealth had been disappointing.
  6. They thanked David and Ian Chatfield for their commitment and asked if their appreciation could be passed to all the volunteers.
- e. Received a report from Ian Chatfield on the Chattels. The Victorian Centre piece on loan to 4 PWRR had sustained minor damage. Some pictures on loan to 4 PWRR were not being displayed. It was agreed these could be gifted.
- f. Made Grants totalling £17,741 of which £5,000 was towards the cleaning of the picture of Catherine of Braganza held at RHQ PWRR. This to be paid from the Roffey Fund. The Treasurer was asked to sell units from the Roffey Fund to pay for this Grant.

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## Risk Management

Since the role of the Charity is to provide grants and other payments from investment funds, the main risk is of a substantial fall in the value of the investment and the income from those investments. The Trustees regular review the Investment Managers performance and feel that the investments are well-diversified, managed and regularly monitored.

## Public Benefit

The Trustees have reviewed the Charity's objectives and activities against the deeds, and in planning future activities have taken account of the Charity Commission's guidance on public benefit, noting that the categories met included: -

- The prevention and relief of poverty.
- The advancement of education.
- The advancement of health or saving of lives.
- The advancement of citizenship or community development.
- The advancement of arts, culture, heritage or science.
- The advancement of amateur sport.
- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.
- The promotion of The efficiency of The armed forces of The Crown, or The efficiency of The police, fire and rescue services or ambulance services.

## Trustees' Annual Report

### For the Period 1 February 2020 to 31 January 2021

## Objectives and Activities

The objective of the Trustees is to maximise the benefits in furtherance of the Objects of the Charity as defined in the Sealed Scheme, i.e:

- a. to relieve either generally or individually persons who have served in the former Regiments\*\* or are past or present members of the Regiment\* and the dependants of such persons, who are in conditions of need, hardship or distress in such ways as the Managing.

Trustees think fit.

- b. to assist such persons who have served or who are serving as aforesaid to seek and obtain employment.
- c. to make donations to charitable organisations, hospitals, homes or institutions which include in their objects the assistance of such persons as aforesaid.
- d. to assist such persons and their dependants to obtain holidays.
- e. to promote the efficiency of the Regiment and to maintain its traditions and esprit de corps.
- f. towards providing recreational facilities and equipment for persons serving in the Regiment.

\* The Regiment means The Princess of Wales's Royal Regiment.

\*\* Former Regiments means The Queen's Regiment, The Queen's Royal Regiment, The East Surrey Regiment and successor units, namely: The Queens Royal Surrey Regiment and all regular, Territorial Service, Training and other Infantry Battalions, Depots, units and sub-units of the above whether badged or not bearing the title of any of them.

The objectives are principally achieved by making grants.

## Achievements and Performance

Many activities which the Charity has supported in past years could not take place due the COVID 19 pandemic. It made grants totalling £36,826 of which: £17,541 was to 1,2, and 4 PWRR mainly for sports equipment. It donated £10,920 for the production of new Colour Belts for 4 PWRR and made a contribution of £5,000 towards the restoration of the painting held at RHQ PWRR of Queen Catherine of Braganza.

Total assets as at 31<sup>st</sup> Jan 2020 were £920,058. At the end of the accounting period, they stood at £937,820. over the last 5 years the value of assets has increased from £746,177 to £937,820 an increase of 25.6% whilst often the total

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made in grants exceeded income. Inflation over the same period is 14%. The Trustees are content that the Armed Forces Growth and Income Fund is professionally managed and is well suited to the objectives of the Charity.

The Trustees express their gratitude to: The Secretary, Colonel A C Ward, the Treasurer, Mr A Rutter, Mr I Chatfield overseeing the Chattels and Major M Jarrett Legal Advisor for acting as the Trustees Offices and for their commitment.

## **Financial Review**

### **Explanation of Income and Expenditure**

The Charity's main source of income is the return on its investments. Over the last year income was £33,818 which includes the sale of £5,000 Roffey Fund units and Bank interest of £31.60. As stated above grants and administrative expenditure was £38,422 resulting in an excess of expenditure over income of £4,603. This small excess is well covered by the increase in the value of our investments (£18,000) during the period.

### **Reserves policy**

The Charity retains the funds received from investments. Any outside funding (donations, legacies) is invested to generate income to fund the grant programme of the Charity. The Charity also aims to hold approximately £30,000 in bank accounts to provide working capital.

Additionally, the Trustees have set aside legacy income in a separate "Roffey Fund" invested in The Armed Forces Growth and Income Fund, which is used to fund grants specifically in connection with The Queen's Royal Surrey Regiment and its forebears.

## **Trustees' Annual Report**

### **For the Period 1 February 2020 to 31 January 2021**

### **Going concern**

The Charity benefits from a regular income from its investments, which are intended to cover its expenditure. The Charity also maintains non income generating investments as reserves to cover unusual or additional funding requirements as and when deemed appropriate. The trustees accordingly believe that the charity is a Going Concern of at least twelve months from the date of approving these accounts and for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### **Plans for future periods**

The Trustees intend to continue their present policies and practices in the periods ahead.

### **Related Party Transactions**

No fees or remuneration were paid to any Trustee during the period. Expenses incurred and claimed by Trustees (for items such as travel) amounted to NIL. Both meetings were held using ZOOM. There were no transactions with any persons or entities connected in any way to the Charity or its Trustees.

### **Independent examiner**

Malcolm Lucas FCA, Menzies LLP has been re-appointed as independent examiner for the ensuing year.

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## Declaration

The Trustees declare that they have approved the Trustees' report above.

Signed on behalf of the Charity's Trustees.

**Colonel (Ret'd) Patrick Crowley DL MA**

Chairman of Trustees

Dated .....

## **Independent Examiner's Report to the trustees of The Queen's Royal Surrey Regiment Combined Charities For the Period 1 February 2020 to 31 January 2021**

### **Respective responsibilities of Trustee and Examiner**

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 of the Charities Act 2011 ("the Act") and that an independent examination is needed.

It is my responsibility to:

w    Examine the accounts under Section 145 of the Charities Act, w to follow the applicable

Directions given by the Charity Commission (under Section 145(5)(b) of the Act), and w    to state

whether particular matters have come to my attention.

### **Basis of Independent Examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

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## Independent Examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that, in any material respect:

w accounting records were not kept in accordance with Section 130 of the

Charities Act; w the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: .....

Date:.....

**Malcolm Lucas FCA DChA**

Menzies LLP  
Chartered Accountants  
Ashcombe House  
5 The Crescent  
Leatherhead  
KT22 8DY

## Receipts and Payments Account

	For the January	Period 1 February 2020 to 31 2021	Last Year £
	35,317	35,317	
	Unrestricted Funds	Total Funds	
	23,384	23,384	
	2,000	2,000	
	£	£	
<b>Receipts</b>			
Donations and legacies	-	-	750
Dividends and other investment income	1,000	35,245	2
Sale of investments	35,245	1,000	8,048
	-	0	-
	408	408	
Bank interest	72	72	100
Total receipts	28,898	26,792	
		26,792	
<b>Payments</b>			
<i>Grants to institutions:</i>		1,65	
Regimental bodies	24,311	6	1,940
East Surrey Memorial Gates	8,000	450	
FOSIM Battlefield Tour	-	450	
Other	9,177	103	
		103	
		2,209	
		2,209	
		29,001	
		29,001	
		6,316	
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		36,260	
		36,260	

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			43,428
<i>Support costs:</i>			
Accountancy and independent examination	2,970	Trustee expenses reimbursed	117
Other support costs	<u>1,017</u>		
			4,104
Total payments	<u>47,532</u>		
<b>Net of Receipts/(Payments)</b>	(18,634)		
Inter-fund transfers	-		
<b>Net Receipts / (Payments)</b>	(18,634)		
<b>Cash held at 1 February 2019</b>	54,894		
<b>Cash Held at 31 January 2020</b>	<u>£ 42,576</u>	<u>£ 42,576</u>	<u>£ 36,260</u>

## Statement of Assets and Liabilities as at 31 January 2021

	Unrestricted Funds	Total Funds	Last Year
	£	£	£
<b>Assets</b>			
Investments	£ 877,482	£ 877,482	£ 794,640
Cash at bank	<u>£ 42,576</u>	<u>£ 42,576</u>	<u>£ 36,260</u>
Total assets	<u>£ 920,058</u>	<u>£ 920,058</u>	<u>£ 830,900</u>
<b>Liabilities</b>			
Accruals	£ 1,596	£ 1,596	£ 1,620
Grants approved but not yet paid	<u>£ 11,750</u>	<u>£ 11,750</u>	
Total liabilities	<u>£ 13,346</u>	<u>£ 13,346</u>	<u>£ 1,620</u>

The financial statements were approved by the Trustees and signed on their behalf by:-

Colonel (Ret'd) Patrick Crowley DL MA Chairman of Trustees



# **THE QUEEN'S ROYAL SURREY REGIMENT COMBINED CHARITIES**

Date: .....