

Charity Registration Number: 273874

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST
REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

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1st The Queen's Dragoon Guards
Heritage Trust

Legal and Administrative Information

Charity registration number: 273874

Trustees:

J.Beatson-Hird
R Goldsbrough
H.Smith
Brigadier AS Richmond OBE
M.I.Hawtin
R Dennis

Secretary Hannah Searle

Registered Office Maindy Barracks
Whitchurch Road
Cardiff
CF14 3YE

Accountants Tester Accountancy & Bookkeeping Ltd
Chartered Accountants
34, Fair Oak Road
Cathays
Cardiff
CF24 4PY

Bankers Lloyds TSB
City Road
Cardiff

Independent Examiner's Report to the Trustees of
1st The Queen's Dragoon Guards Heritage Trust

We report on the financial statements of 1st The Queen's Dragoon Guards Heritage Trust for the year ended 31 March 2021, which are set out on pages 3 to 10.

Respective responsibilities of Trustees and the Independent Examiners

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act) does not apply, and that an independent examination is needed. It is our responsibility to examine the financial statements under section 145 of the Act and to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 145(5)(b) of the Act, whether particular matters have come to our attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent Examiners' statement

In connection with our examination, no matter has come to our attention:

- 1) which gives us reasonable cause to believe that in any material respect the requirements
 - (a) to keep accounting records in accordance with section 41 of the Act; and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act.have not been met; or
- 2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mrs D M Samothrakis
Tester Accountancy & Bookkeeping Ltd
Chartered Accountants
34, Fair Oak Road, Cathays, Cardiff CF24 4PY

Date

20-01-2022

1st The Queen's Dragoon Guards Heritage Trust
Trustees' Report
For the year ended 31st March 2021

The trustees present their annual report along with the financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the requirements of the Charities Act 2011 and the Trust Deed.

Trustees

The trustees are listed on page 1 of these accounts.

Constitution

The charity is governed by its Trust Deed dated 31st May 1977.

Organisation

The charity is administered by a board of trustees consisting of not more than eight or less than two. The existing body of trustees appoints new trustees. In addition, the Colonel and Commanding Officer of the Regiment and the Curator of the Regimental Museum are appointed Ex Officio members of the board of trustees. Trustees meet not less than once every six months.

Objects and activities

The Trust was created with the intention of holding together the traditions of the Regiment, and to perpetuate its deeds, and to this end the trustees hold all the Heritage Trust assets, whether at the Museum or on loan elsewhere, and any future acquisitions thereto, on trust and may apply any part of the funds at their disposal to the purchase of additional exhibits and to the discharge of any expenses incurred in connection with the Trust. They also have the power to invest any funds in such securities as they see fit. They may not dispose of any items not required without going through the due process specified in the Trust Deed.

Development and achievements this year:

The Military Museum, opened in February 2011, has added to the attraction of Cardiff Castle as a visitor attraction and has been a huge hit with the public. Acquisitions have been made during the year at a total cost of £36,393. The Trust receives grants, from the QDG Trust, for some of its activities.

Future Developments:

The role of the QDG Museum Trustees, will be to remain focused on:

- Acquisitions and maintenance of art and artefacts that enhance the historical knowledge and Heritage of the Regiment and its antecedents.
- Oversight and governance of Firing Line Limited
- The promotion of all aspects of Heritage within the Regimental Family.
- The provision of assistance to recruiting all ranks to the Regiment through history and heritage.

Financial review

The deficit, before accounting for realised gains or losses on the revaluation of investments, was £8,787 (2020 deficit of £59,753). Revaluations of fixed assets has changed the deficit into a surplus of £13,424 (2020 deficit of £69,152).

Investment policy

In accordance with the trust deed, the trustees have the power to invest in such stocks, shares, investments and property in the U.K. as they see fit. The trustees have appointed Blackrock as advisers to the charity.

1st The Queen's Dragoon Guards Heritage Trust
Trustees' Report (continued)
For the year ended 31st March 2021

Reserves policy:

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which provides cash resources sufficient to cover expenditure on conservation of the assets of the Heritage Trust, as well as future acquisitions, and administration of the charity. The balance of funds is invested and can be realised as and when required.

Risk policy:

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to reduce these risks.

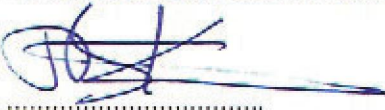
Statement of trustees' responsibilities:

The Trustees are required by company law to prepare accounts, for each financial year, which give a true and fair view of the financial activities of the charity for the year and of its financial position at the end of that year. In preparing those accounts, the trustees are required to :

- select suitable accounting policies and apply them consistently;
- 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 accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

Approval

This report was approved by the trustees on 25.1.22 and signed on their behalf.



J Beatson-Hird
Chairman of Trustees

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2021

		<u>2021</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Income from:</u>					
<u>Donations and legacies:</u>					
Grant from The QDG Regimental Trust		-	24,486	24,486	-
Legacy donation		45	-	45	2,862
Conservation grant		750	-	750	-
Friends of the Museum		1,002	-	1,002	4,259
		<u>1,797</u>	<u>24,486</u>	<u>26,283</u>	<u>7,121</u>
<u>Activities in furtherance of the charity's objects:</u>					
Fundraising income		3,287	-	3,287	3,464
		<u>3,287</u>	<u>-</u>	<u>3,287</u>	<u>3,464</u>
<u>Investments:</u>					
Interest on long term loan		4,600		4,600	3,000
Realised gains on disposal of investments		-		-	-
Dividends on investments		3,572		3,572	4,692
		<u>8,172</u>	<u>-</u>	<u>8,172</u>	<u>7,692</u>
<u>Total income and endowments</u>		<u>13,256</u>	<u>24,486</u>	<u>37,742</u>	<u>18,277</u>
<u>Expenditure on:</u>					
Charitable activities	2	9,151	36,393	45,544	76,808
Other expenditure	3	985	-	985	1,222
<u>Total expenditure</u>		<u>10,136</u>	<u>36,393</u>	<u>46,529</u>	<u>78,030</u>
Net income/(expenditure)		3,120	(11,907)	(8,787)	(59,753)
Net gains/(losses) on investments	4	22,211	0	22,211	(9,399)
<u>Net income/(expenditure)</u>		<u>25,331</u>	<u>(11,907)</u>	<u>13,424</u>	<u>(69,152)</u>
<u>Prior year adjustment</u>	6	16,955		16,955	-
Fund balances brought forward		336,333	33,749	370,082	439,234
<u>Fund balances carried forward</u>		<u>378,619</u>	<u>21,842</u>	<u>400,461</u>	<u>370,082</u>

The notes on pages 8 to 10 form part of these financial statements

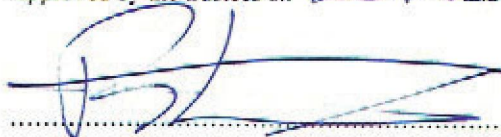
1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

BALANCE SHEET AT 31 MARCH 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Investments - restricted funds	4	21,842	33,749
Investments - unrestricted funds	4	101,668	63,978
LONG TERM LOAN	5	266,160	259,105
CURRENT ASSETS			
Debtors - unrestricted funds		1,000	-
Prepayments - unrestricted funds		397	359
Bank and cash balances - unrestricted funds		10,394	13,891
		<u>11,791</u>	<u>14,250</u>
CREDITORS: Amounts falling due within one year:			
Sundry creditors		<u>(1,000)</u>	<u>(1,000)</u>
NET CURRENT ASSETS		<u>10,791</u>	<u>13,250</u>
NET ASSETS		<u>£ 400,461</u>	<u>£ 370,082</u>
FUNDS:			
RESTRICTED FUNDS		21,842	33,749
UNRESTRICTED FUNDS		<u>378,619</u>	<u>336,333</u>
TOTAL FUNDS		<u>£ 400,461</u>	<u>£ 370,082</u>

The notes on pages 8 to 10 form part of these financial statements

Approved by the trustees on 28.1.22 and signed on their behalf



J. Beatson-Hird

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	<u>2021</u>	<u>2020</u>
	£	£
Reconciliation of net income/(expenditure) to net cash flow from operating activities:		
Net income/(expenditure) for the year	13,424	(69,152)
Dividends and interest from investments	(8,172)	(7,692)
Losses/(gains) on investments	(22,211)	9,399
(Increase)/decrease in long term loan	9,900	5,000
(Increase)/decrease in debtors	(1,038)	(44)
Increase/(decrease) in creditors	-	-
Net cash flow provided by/(used in) operating activities	<u>(8,097)</u>	<u>(62,489)</u>
Cash flow from investing activities:		
Sales of investments	-	25,000
Interest on long term loan	4,600	3,000
Dividends and interest from investments	3,572	4,692
Dividends re-invested	(3,572)	(4,692)
Net cash flow provided by investing activities	<u>4,600</u>	<u>28,000</u>
Change in cash and cash equivalents in the year	<u>(3,497)</u>	<u>(34,489)</u>
Cash and cash equivalents at the start of the year	13,891	48,380
Cash and cash equivalents at the end of the year	<u>£ 10,394</u>	<u>£ 13,891</u>
Cash and cash equivalents at 31st March consists of:		
Cash at bank and in hand	<u>£ 10,394</u>	<u>£ 13,891</u>

The notes on pages 8 to 10 form part of these financial statements

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 General information and basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard, applicable in the UK and Republic of Ireland (SORP: FRS 102), issued on 16 July 2014, the Charities Act 2011 and UK Generally Accepted Practice as it applies from January 2015.

The financial statements are prepared on a going concern basis and under the historical cost convention, as modified by the inclusion of investments at market value. The significant accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented.

1.2 Funds

Income and expenditure are included in the financial statements on an accruals basis. Restricted funds can only be used for acquisitions of new assets for the Heritage Trust.

Unrestricted funds may be used at the discretion of the Trustees in furtherance of the general objectives of the charity.

1.3 Investments

Investments, managed by Blackrock, have been valued at market price by the Fund Managers and are shown in the Balance Sheet at this value. Changes in market value are recognised as gains or losses in the Statement of Financial Activities.

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2 EXPENDITURE ON CHARITABLE ACTIVITIES:

	<u>2021</u>	<u>2020</u>
	£	£
Costs of generating funds:		
Fundraising	2,480	2,620
Costs of activities in furtherance of the Charity's objects:		
Donations, subscriptions and licences	-	-
Staff salaries	421	8,052
Travel & subsistence	465	2,019
Acquisitions and refurbishments	36,393	61,517
Film production	4,370	-
Maintenance of Heritage assets	-	1,083
Museum insurance	415	517
Governance costs:		
Accountancy fees	500	500
Independent Examiner's fees	500	500
Valuation fee	-	-
TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES	£ 45,544	£ 76,808

3 OTHER EXPENDITURE

	<u>2021</u>	<u>2020</u>
	£	£
Office expenses	257	614
Bank charges	141	321
Sundry expenditure	587	287
TOTAL OTHER EXPENDITURE	£ 985	£ 1,222

4 INVESTMENTS

	<u>Units</u>	<u>2021</u>	<u>2020</u>
		£	£
<u>Blackrock, Armed Forces Common Investment Fund:</u>			
Market Value at start of the year	28,904.737	97,727	127,434
Purchases	-	-	-
Income re-invested	-	3,562	4,692
Sales	-	-	(25,000)
Increase/(decrease) in value	-	22,221	(9,399)
	28,904.737	123,510	97,727
<u>Market Value at 31 March</u>		£123,510	£97,727

1ST THE QUEEN'S DRAGOON GUARDS HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

5 LONG TERM LOAN

Long term loan made to Firing Line Limited

	<u>2021</u>	<u>2020</u>
	£	£
Balance at start of year	259,105	264,105
Prior year adjustment	16,955	-
Repaid in year	(9,900)	(5,000)
Balance at end of year	<u>£ 266,160</u>	<u>£ 259,105</u>

Firing Line Limited (FLL) is a registered charity set up to fund the Museum in Cardiff Castle.

The Chairman of the Trustees, J.Beatson-Hird, is also on the Board of Trustees of FLL

The Heritage Trust lent FLL money in order for the Cardiff Castle Museum to be opened.

The loan is a long-term loan repayable in annual instalments, the final repayment to be made in 2072.

It is secured by a fixed and floating charge over the assets of FLL.

Interest is charged at a fixed amount of £3,000 per year.

6 PRIOR YEAR ADJUSTMENT

An adjustment has been made to bring the balance of the loan at the year end in line with that shown in the statutory accounts of Firing Line Limited. The difference of £16,955 is the total of amounts received from Firing Line Limited that were allocated as capital repayments rather than payments of interest.