

**Charity Registration Number: 274689**

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

**REPORT OF THE TRUSTEES**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

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**1st The Queen's Dragoon Guards**  
**Regimental Trust**

**Legal and Administrative Information**

**Charity registration number:** 274689

**Trustees:**

ORC Larminie	Chairman
AFJ Roe	
Colonel PJ Andrews OBE	
FDS Rosier	
JD Beatson-Hird	
DA Warner	
M Ashley-Miller	
Brigadier AS Richmond OBE	Colonel of the Regiment Ex-officio

**Regimental Secretary** MI Hawtin

**Registered Office** Home Headquarters  
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

## **1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

### **ANNUAL REPORT OF THE TRUSTEES**

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.

#### **Constitution of the Trust**

1st The Queen's Dragoon Guards Regimental Trust (QDG Trust) was constituted as an unincorporated association by Deed of Settlement dated 31 October 1977. A revised Trust Deed was executed on 24 October 2016. It is a registered charity, number 274689. The Trustees during the year were Mr ORC Larminie, Colonel PJ Andrews OBE, Mr AFJ Roe, Mr FDS Rosier, Mr JD Beatson-Hird, Mr DA Warner, Mr M Ashley-Miller and the Colonel of the Regiment Brigadier AS Richmond OBE.

#### **Objects of the Trust**

The QDG Trust Fund, and the income thereof, is to be used to promote the efficiency of the Regiment, for the relief of need of all past and present members of the Regiment, or its predecessors, and their wives and widows, and for the advancement of education in respect of the history of the Regiment.

#### **Trustees' Responsibilities Statement**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. The Charity's constitution and charity law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Charity, as at the end of the financial period, and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to select suitable Accounting Policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, state whether applicable United Kingdom Accounting Standards have been followed (subject to any material departures disclosed and explained in the financial statements) and prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation. The Trustees are responsible for maintaining adequate accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

#### **Review of the year**

The Trustees have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's General Guidance on Public Benefit, "Charities and Public Benefit".

The financial year was dominated by the effects of the Covid pandemic although the finances of the Charity improved due to the good performance of its investments. The negative effects of Covid were therefore all due to the curtailment of activity because of the lockdown. Many of the planned activities of the Charity in support of the serving Regiment were cancelled and grants to the Regiment of £34,002 were made. This is well below the sustainable rate for the charity.

The activities of the RCA were also severely curtailed by Covid therefore expenditure and receipts for events and functions was considerably reduced although the prior year had been higher than usual because of events for the 60th Anniversary of the Amalgamation. The Charity made a specific grant to the QDG Heritage Trust to allow it to purchase RSM Barlow's Waterloo medal that has unique significance for the history and traditions of the Regiment.

Expenditure on Benevolence was lower than previous years, however a lagged effect is expected because of Covid and changes made by SSAFA to procedures for its case officers who handle the majority of the charity's benevolence cases.

A new history of the Regiment has been commissioned and an advance paid to the author. The books will be sold in due course. The charity has invested in improved IT to enable it to carry out its activities more efficiently and with better controls, however the final implementation of this was delayed into the next financial year by Covid..

At the end of the year the Charity had unrestricted funds of £ 3,718,422 of which £1,159,868 was in heritage assets. Total restricted funds were £1,565.

## Annual Report of the Trustees continued

### **Reserves and investment policy**

The Trustees have agreed a reserves and investment policy, which is reviewed annually.

The main policy is for the QDG Trust to be able to fund its normal activities through its annual income, which is mostly derived from its investment income and the one day's pay scheme. In addition the Trustees wish to maintain a reasonable contingency reserve that is invested for long term growth, but could also be used to fund a benevolence that might result from a significant event.

The Trustees are mindful of the uncertainty in investment markets and consider their cash holdings within the reserves policy.

During the financial year the markets recovered from their fall in March 2020 caused by the economic uncertainty of the Covid pandemic. The income from the investments was not impaired therefore the Trust's activities were not impacted by financial constraints in the financial year.

The recovery in markets ensured that the balance sheet ended the year in a healthy state.

Cash reserves are maintained at sufficient levels to ensure there is no risk to planned spending.

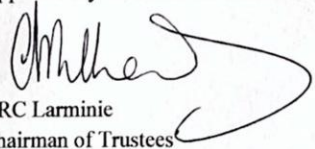
### **Risks**

The principal risk within the QDG Trust is considered to be the heritage assets that are loaned to the serving Regiment. There are revised procedures for their audit and maintenance that have been agreed in cooperation with the serving Regiment and utilising resources available from the QDG Heritage Trust. The work on the Timeline database has resulted in it now being a very good record of the heritage assets, their provenance and location. Its maintenance is ongoing, however the risk posed by the heritage assets have been substantially mitigated. The routine work to identify and prioritise items in need of restoration has been facilitated by the better functionality of Timeline. Unfortunately Covid caused a delay to much of the restoration work planned for the year, but it is expected that better progress will be made in 2021/22.

The Trustees confirm that the QDG Trust's assets are available and adequate to fulfil the obligations of the QDG Trust. The policy of the Trustees is to build up sufficient reserves to enable the annual grant to the serving Regiment and the Benevolent grants to be wholly paid out of income.

There are no long-term grant commitments or other liabilities that might pose a risk to the charity.

Approved by the Board of Trustees on 28 April 2021.....

  
ORC Larminie  
Chairman of Trustees

## **REPORT OF THE INDEPENDENT EXAMINER**

### **TO THE TRUSTEES OF 1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

I report on the financial statements of 1st The Queen's Dragoon Guards Regimental Trust for the year ended 31 March 2021, which are set out on pages 5 to 10.

#### **Respective responsibilities of the Trustees and the Independent Examiners**

As the Charity's Trustees you are responsible for the preparation of the financial statements; 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 my 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 my attention.

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

My examination was carried out in accordance with the 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 as to whether the financial statements present a true and fair view and the report is limited to those matters set out below.

#### **Independent Examiner's Statement**

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements
  - (a) to keep accounting records in accordance with section 130 of the Act; and
  - (b) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Act.have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

*D M. Samothrakis*

Deborah Mary Samothrakis BSc FCA  
Tester Accountancy & Bookkeeping Ltd  
Chartered Accountants  
34, Fair Oak Road, Cathays, Cardiff CF24 4PY

Date

20 / 8 / 21

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Income and Expenditure Account)**

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	<u>2021</u> <u>Unrestricted</u> <u>Funds</u> £	<u>2021</u> <u>Restricted</u> <u>Fund</u> £	<u>2021</u> <u>Total</u> <u>Funds</u> £	<u>2020</u> <u>Total</u> <u>Funds</u> £
<b><u>Income from:</u></b>					
Donations and legacies:					
One day pay scheme donations		33,068		33,068	34,482
Other donations		15,001		15,001	7,347
Donation of heritage assets	7	79,980		79,980	222,365
		<u>128,049</u>	<u>-</u>	<u>128,049</u>	<u>264,194</u>
Investments:					
Interest on cash on deposit		31	-	31	72
Interest on loan to QDG Heritage Trust			-	-	-
Dividends on investments		78,916	-	78,916	76,517
		<u>78,947</u>	<u>-</u>	<u>78,947</u>	<u>76,589</u>
Other:					
Association subscriptions		6,522	-	6,522	7,475
Contributions to functions/ special occasions etc		-	-	-	22,325
Shop sales		8,902		8,902	19,598
Sale of books		-	-	-	47
		<u>15,424</u>	<u>-</u>	<u>15,424</u>	<u>49,445</u>
<b><u>Total income and endowments</u></b>		<u>222,420</u>	<u>-</u>	<u>222,420</u>	<u>390,228</u>
<b><u>Expenditure on:</u></b>					
Charitable activities	2	100,623	-	100,623	178,439
Other expenditure	3	4,361	-	4,361	5,189
<b><u>Total expenditure</u></b>		<u>104,984</u>	<u>-</u>	<u>104,984</u>	<u>183,628</u>
Net income/(expenditure)		117,436	-	117,436	206,600
Net gains/(losses) on investments	5	427,836	-	427,836	(177,791)
<b><u>Net income/(expenditure)</u></b>		<u>545,272</u>	<u>-</u>	<u>545,272</u>	<u>28,809</u>
Fund balances brought forward		3,173,150	1,565	3,174,715	3,145,906
<b><u>Fund balances carried forward</u></b>		<u>3,718,422</u>	<u>1,565</u>	<u>3,719,987</u>	<u>3,174,715</u>

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

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

**BALANCE SHEET AT 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Heritage assets - unrestricted funds	4	1,159,868	1,079,888
Investments - unrestricted funds	5	2,391,748	1,950,358
<b>CURRENT ASSETS</b>			
Shop stock - unrestricted funds		23,663	16,968
Stock of books - unrestricted funds		2,928	2,928
Advance payment for book		6,000	-
Cash at bank -restricted funds		1,565	1,565
Cash at bank - unrestricted funds		139,015	124,908
		<u>173,171</u>	<u>146,369</u>
<b>CREDITORS: Amounts falling due within one year:</b>			
Balance of grant due to Regiment	6	-	-
Benevolent Grants accrued		3,000	-
Sundry creditors		1,800	1,900
		<u>(4,800)</u>	<u>(1,900)</u>
<b>NET CURRENT ASSETS</b>		<b>168,371</b>	<b>144,469</b>
<b>NET ASSETS</b>		<b><u>£ 3,719,987</u></b>	<b><u>£ 3,174,715</u></b>
<b>FUNDS:</b>			
<b>RESTRICTED FUNDS</b>		<b>1,565</b>	<b>1,565</b>
<b>UNRESTRICTED FUNDS</b>		<b><u>3,718,422</u></b>	<b><u>3,173,150</u></b>
<b>TOTAL FUNDS</b>		<b><u>£ 3,719,987</u></b>	<b><u>£ 3,174,715</u></b>

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

Approved by the trustees on 23 April 2021 and signed on their behalf



O R C Larminie

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities:</b>		
Net income/(expenditure) for the year	545,272	28,809
Dividends and interest from investments	(78,916)	(76,517)
Losses/(gains) on investments	(427,836)	177,791
(Increase)/decrease in heritage assets	(79,980)	(234,833)
(Increase)/decrease in debtors	(6,000)	-
(Increase)/decrease in shop stock	(6,695)	7,673
(Increase)/decrease in stock of books	-	20
Increase/(decrease) in creditors	2,900	(7,940)
<b>Net cash flow provided by/(used in) operating activities</b>	<b><u>(51,255)</u></b>	<b><u>(104,997)</u></b>
<b>Cash flow from investing activities:</b>		
Received from sale of investments	-	-
Payments to acquire investments	-	(50,000)
Dividends and interest from investments	78,916	76,517
Dividends re-invested	(13,554)	(14,392)
<b>Net cash flow provided by investing activities</b>	<b><u>65,362</u></b>	<b><u>12,125</u></b>
<b>Change in cash and cash equivalents in the year</b>	<b>14,107</b>	<b>(92,872)</b>
Cash and cash equivalents at the start of the year	126,473	219,345
<b>Cash and cash equivalents at the end of the year</b>	<b><u>£ 140,580</u></b>	<b><u>£ 126,473</u></b>
<b>Cash and cash equivalents at 31st March consists of:</b>		
Cash at bank	<b><u>£ 140,580</u></b>	<b><u>£ 126,473</u></b>

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

# **1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL 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 comprise of donations that have been received for specific purposes or have been subject to specific conditions imposed by the donor. Unrestricted funds may be used at the discretion of the Trustees in furtherance of the general objectives of the charity.

##### **1.3 Heritage assets**

A collection of heritage assets, consisting of Regimental paintings, silver and other artefacts, on display at the Officers' Mess of the Regiment, was donated to the Regimental Trust on 18 January 2013. Those of the Warrant Officers' and Sergeants' Mess was similarly donated on 21 May 2019 and the Corporals' Mess on 11 December 2020. Additions have been made for the Officers Mess and the Warrant Officers' and Sergeants' Mess during the financial year. It is expected that additions will be a regular occurrence. The insurance value has been used for the acquisition and the Trustees are of the opinion that these heritage assets have indefinite lives and therefore no depreciation is provided on them. The Trustees review the value of the heritage assets where there is evidence of impairment. Where items are bought for the collection, they are valued at cost where applicable. Also, see note 7.

##### **1.4 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.

##### **1.5 Restricted Funds**

Funds are restricted funds if they are to be reserved for expenditure for specified purposes. The restricted funds shown in the accounts is a fund set aside for expenditure on benevolence.

# **1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

### **2 EXPENDITURE ON CHARITABLE ACTIVITIES:**

	<u>2021</u>	<u>2020</u>
	£	£
<b>Grant to 1st The Queen's Dragoon Guards:</b>		
Principal Grant to the Regiment for the year	34,002	59,131
Incidental additional grants to the Regiment	-	-
	<hr/>	<hr/>
Total grant to the Regiment for the year	34,002	59,131
Benevolent grants, wreaths and funeral costs paid	13,628	19,008
Expenditure on functions/special occasions etc	319	40,112
Christmas Hampers	5,755	-
Support for the Regimental Comrades Association	-	6,405
Regimental Journals	3,578	14,058
Donations	1,300	600
Maintenance of Heritage assets	5,000	13,093
Grant to the Heritage Trust	24,486	-
Cost of shop sales	5,689	14,825
Shop stock written off		5,089
Cost of book sales		20
<b>Governance costs:</b>		
Accountancy fees	1,300	1,300
Independent Examiner's fees	500	500
Legal costs	2,316	1,548
Secretary's Honorarium	2,750	2,750
	<hr/>	<hr/>
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>	<b>£ 100,623</b>	<b>£ 178,439</b>

### **3 OTHER EXPENDITURE**

	<u>2021</u>	<u>2020</u>
	£	£
Subscriptions	370	370
Postage & I.T.	2,763	2,868
Internet	307	-
Bank charges	170	352
Sundry expenditure	751	1,599
	<hr/>	<hr/>
<b>TOTAL OTHER EXPENDITURE</b>	<b>£ 4,361</b>	<b>£ 5,189</b>

### **4 HERITAGE ASSETS**

At valuation/cost (see note 1.3 on page 8)	<u>2021</u>	<u>2020</u>
	£	£
At start of year	1,079,888	845,055
Gifted during the year	79,980	222,365
Purchased in year		12,468
At end of year	<hr/> <b>£ 1,159,868</b>	<hr/> <b>£ 1,079,888</b>

**1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**5 INVESTMENTS**

**BlackRock, Armed Forces Common Investment Fund:**

	<u>Units</u>	<u>2021</u> £	<u>2020</u> £
<b>Account Number 0004386436: Income units</b>			
Market Value at start of the year	838,974.850	1,579,587	1,672,918
Purchases		-	50,000
Increase/(decrease) in value		343,570	(143,331)
	838,974.850	1,923,157	1,579,587
<b>Account Number 0004387522: Accumulation units</b>			
Market Value at start of the year	109,663.190	370,771	390,839
Accumulated distributions		13,554	14,392
Increase/(decrease) in value		84,266	(34,460)
	109,663.190	468,591	370,771
<b><u>Total Market Value at 31 March</u></b>		<b>£ 2,391,748</b>	<b>£ 1,950,358</b>

**6 BALANCE OF GRANT DUE TO THE REGIMENT**

	<u>2021</u> £	<u>2020</u> £
Amount granted but unpaid as at the start of the year	0	8,040
Amount of principal grant paid to the Regiment during the year	(34,002)	(81,897)
Amount paid back by the Regiment		14,726
Principal grant for year	34,002	59,131
Amount granted but unpaid as at the end of the year	£ -	£ -

**7 HERITAGE ASSETS GIFTED TO THE TRUST**

During the year the Trust was gifted heritage assets, valued at £79,980, by the Corporals Mess and through additional items gifted by the Officers' Mess, and the Warrant Officers' and Sergeants Mess. The project to gift and loan back the heritage assets within the Regiment to the Trust and loan them back is now virtually complete although it is expected that additional items will be gifted in future years as they are acquired by the Messes.

The heritage assets are loaned back to the three Messes, which with the Trust are jointly responsible for insuring them.