

The Cheshire Yeomanry Association

Financial Statements

31 March 2018

Registered Charity Number: 256143

CHAMPION ALLWOODS LIMITED

Chartered Accountants

2nd Floor

Refuge House

33-37 Watergate Row

CHESTER

CH1 2LE

The Cheshire Yeomanry Association

Financial Statements Year Ended 31 March 2018

Reference and Administrative Details

As a consequence of H M Government's Strategic Defence Review in 1999, C (Cheshire Yeomanry) Squadron, The Queen's Own Yeomanry was regrouped with the Royal Mercian and Lancastrian Yeomanry and became C (Cheshire Yeomanry) Squadron, Royal Mercian and Lancastrian Yeomanry (C Sqn RMLY). As part of Future Reserves 20 (FR20) the RMLY was disbanded and on 1 May 2014, C (Cheshire Yeomanry) Squadron rejoined The Queen's Own Yeomanry (QOY).

Registered Address

Fox Barracks
The Dale
Liverpool Road
CHESTER
CH2 4BU

Accountants

Champion Allwoods Limited
Chartered Accountants
2nd Floor, Refuge House
33-37 Watergate Row
CHESTER
CH1 2LE

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The Cheshire Yeomanry Association

Trustees' Annual Report Year Ended 31 March 2018

The trustees present their report for the year ended 31 March 2018.

Structure, Governance and Management

The Association is registered as a Charity, number 256143, under the Charities Act 2011 (previously the Charities Act 1993).

The Cheshire Yeomanry Association is administered overall by a committee of twelve Trustees, chaired by the Colonel of the Cheshire Yeomanry Squadron, The Queen's Own Yeomanry.

The management committee is governed by an elected Chairman, Secretary and Treasurer and approximately twenty elected members from past and present officers and other ranks.

There is normally one trustees meeting and two committee meetings, including the Annual General Meeting, per year.

The members of the management committee who were also trustees during the year and at the date of approval of the financial statements were:

Colonel N L Hill	(President and Honorary Colonel of C (CY) Sqn QOY)
Major P M Cooper	(Chairman of the CYA)
Major J Compston	(Treasurer of the CYA)
Captain R C Naylor	(Chairman, Museum Archives Committee)
Major S Davies	(Officer Commanding C (CY) Sqn QOY)
Captain C M Hodgkinson	(Secretary of the CYA)
Major Sir J M E Lindsay	
Major J D Baldwin	(Secretary to the Trustees)
Colonel A W A Spiegelberg	
Colonel N C Glazebrook	
Mr P Hammond	
Mr S E Hartley	

Trustees can be appointed by the management committee or by the trustees.

A full list of the members of the management committee is available from the secretary.

Objects and Activities

The objects of the Association are as follows:

- (a) To maintain and promote a fellowship and association between past and present members of the Cheshire Yeomanry.
- (b) To promote the welfare of past and present members of the Cheshire Yeomanry and to provide an organisation and means of relief in cases of hardship or distress among members.
- (c) To provide an organisation to represent and safeguard the interests of the Cheshire Yeomanry Association both in peace and war, in the event of it being moved out of the county, ceasing to exist on disbandment, or becoming modified in such a way that it no longer represents the traditions of the Cheshire Yeomanry.

The activities of the Association include making grants towards the objects of the Association, liaising with other Benevolent Funds and organisations in cases of relief, tracing and keeping records of members and retired Yeomen, organising functions in conjunction with the Serving Squadrons and keeping records of events concerning the Association and Serving Squadrons.

Public Benefit

In carrying out the activities of the Association set out above, the trustees take into consideration the benefits which flow to the public within the local community. In shaping the Association's objectives and planning its activities, the Trustees have considered the Charity Commission's guidance on public benefit.

The Cheshire Yeomanry Association

Trustees' Annual Report Year Ended 31 March 2018

Statement of Trustees' Responsibilities

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;
- 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;
- 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 ascertain the financial position of the charity and 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.

Achievements and Performance

The Cheshire Yeomanry Association has benefitted from the material donation of £100,000 bequeathed by Major General Gerald Westminster KG CB CVO OBE TD DL, 6th Duke of Westminster, former Squadron Leader, who sadly died on 9th August 2016.

In addition to this, generous donations totalled £1,589 for the benefit of Association funds (2017 - £2,472) and to this is added £55 (2017 - £42) for tax recoverable under Gift Aid. Investment income for the year amounted to £11,809 (2017 - £11,050) including reinvested dividends of £5,596 (2017 - £5,653)

Expenditure on benevolence totalled £3,276 in the year (2017 - £4,311).

Financial Review

Overall the accounts show a surplus of £101,576 on the General Fund, a surplus of £5,114 on the Benevolent Fund and a deficit of £21 on the Margaret Hartley Fund giving an overall surplus of £106,669 (2017 - £6,640). The Association's investments during the year resulted in a revaluation deficit on investments of £8,736 (excluding reinvested income) representing an investment decrease of 2.6% over the year, compared with a revaluation surplus of £28,722 in the year to 31 March 2017. The market value of investments at the end of the year (including reinvested income of £5,596) showed a decrease of £3,141 compared with values at the start of the year.

The net assets of the Association at 31 March 2018, excluding Regimental Silver, Pictures and Accoutrements, stood at £471,803 of which £216,082 is held in the two restricted funds. Overall this represents an increase of £97,933 or 26.2% compared with the assets at the start of the year as a result of the surplus for the year and the increase in the value of investments.

Investment and Reserves Policy

The Trustees' overall investment strategy is to achieve an appropriate balanced return from income and capital appreciation. Funds are retained by the Charity in reserves to provide for all anticipated future expenditure bearing in mind that the Association has no regular or guaranteed sources of income.

Risk Management

The Trustees are of the opinion that the Association has resources and review systems in place which, under normal circumstances, will identify the risks affecting the Association and mitigate these risks to an acceptable level in day to day operations.

The Cheshire Yeomanry Association

Trustees' Annual Report Year Ended 31 March 2018

Plans for the Future

The Management Committee intend to continue to make best use of the Association's funds in accordance with the objects of the Association.

Independent Examination

The Trust is exempt from audit and an Independent Examination has been carried out. As far as the Trustees are aware, there is no relevant information needed by the Independent Examiner in connection with the examination of which the examiner is unaware.

Signed on behalf of the Trustees

.....
Colonel N L Hill - President

The Cheshire Yeomanry Association

Independent Examiner's Report to the Trustees of The Cheshire Yeomanry Association

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2018 which are set out on pages 5 to 12.

Respective responsibilities of the Trustees and the Independent Examiner

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. I am also required to state 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 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 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.

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records or do not comply with the accounting requirements of the 2011 Act; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Susan Harris MA ACA
Champion Allwoods Limited
Chartered Accountants

2nd floor Refuge House
33-37 Watergate Row
Chester CH1 2LE

The Cheshire Yeomanry Association

Statement of Financial Activities Year Ended 31 March 2018

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income and endowments from:				
Voluntary income:				
Donations	-	1,644	1,644	2,514
Legacies	-	100,000	100,000	-
Charitable activities (gross)	-	2,576	2,576	1,140
Investments	6,719	5,090	11,809	11,050
Total Income and endowments	6,719	109,310	116,029	14,704
Expenditure				
Costs of raising funds:				
Fundraising cost of goods sold and other costs	-	2,310	2,310	712
Cost of charitable activities:				
Grants and benevolence	1,626	1,650	3,276	4,311
Other expenditure	-	3,774	3,774	3,041
Total expenditure	1,626	7,734	9,360	8,064
Net Income/(expenditure) before investment gains	5,093	101,576	106,669	6,640
Unrealised gains (losses) on investment assets	(3,743)	(4,994)	(8,736)	28,722
Net Income/(expenditure) for the year	1,350	96,582	97,932	35,362
Fund balances brought forward at 1 April 2017	214,732	159,138	373,870	338,508
Fund balances at 31 March 2018	216,082	255,720	471,802	373,870

The Statement of Financial Activities is a requirement of the Charities Act and summarises on one statement the Income and Expenditure of the Association for the year.

The detailed Income and Expenditure accounts on pages 6 to 8 and the notes on pages 10 to 12 form part of these accounts.

The Cheshire Yeomanry Association

Income and Expenditure Account – Benevolent Fund (Restricted) Year Ended 31 March 2018

		2018		2017
	£	£	£	£
Income from charitable activities				
Litani Sunday fundraising - income	1,873		-	
- less costs	(1,873)	-	-	-
All Squadrons Lunch - income	139		620	
- less costs	(139)	-	(612)	8
Sale of stock items - income	84		-	
- less cost of sales	(78)	6	-	-
Income from lottery - 100 Club Lottery	480		520	
- 100 Club prizes	(220)	260	(100)	420
		266		428
Income from donations - Gift Aid donations	220		170	
- add tax recoverable	55		42	
- C Squadron Branch	-		323	
- Legacies	100,000		-	
- other donations	1,369	101,644	1,000	1,535
Investment income (gross)				
Distributions on Charifund units	3,240		3,068	
Distributions on Canaccord Genuity Investment Funds	1,214		1,435	
Distributions on Armed Forces Investment Fund	631		584	
Interest on COIF Charities Deposit Fund	5	5,090	9	5,096
		107,000		7,059
Expenditure				
Charitable expenditure:				
Donation to Cheshire Military Museum	700		650	
Donation to Yeomanry Benevolent Fund	600		600	
Contribution to Serving Squadron Dinner and Band	222		205	
Donation to McMillan	30		-	
Reimbursement of minibus cost to funeral	-		190	
Cost of silver gift and taxi to lunch	-		455	
Serving Squadron Christmas hamper (raffle prize)	97	(1,650)	96	(2,196)
Other expenditure:				
Insurance	1,101		952	
Stationery, postage and other	117		38	
Benevolent Secretary Honoraria	600		600	
Picture framing and unveiling	-		135	
Consultancy	588		-	
CYA tie, cap and badge (2016 - Bag for dinner menu board)	-		56	
Accountancy and Independent Examination (including VAT)	1,368	(3,774)	1,260	(3,041)
Excess of income over expenditure for year before investment gains		101,576		1,822
Unrealised gains (losses) on investment assets		(4,994)		10,569
Excess of income over expenditure for year		96,582		12,391
Balance brought forward at 1 April 2017		158,688		146,297
Accumulated Fund at 31 March 2018		255,270		158,688
Add Banner Fund at 31 March 2018		450		450
Total Unrestricted Funds		255,720		159,138

The Cheshire Yeomanry Association

Income and Expenditure Account – Benevolent Fund (Restricted) Year Ended 31 March 2018

	2018	2017
	£	£
Income from donations and legacies		
Donations - Bequests	-	-
- Memorial donations	-	979
- Other donations	-	-
	<u>-</u>	<u>979</u>
Investment income (gross):		
Distributions on Canaccord Genuity Investment Funds	521	648
Distributions from Cazenove Growth Trust	2,961	2,306
Distributions on Armed Forces Investment Fund	3,230	2,986
Bank interest	<u>8</u>	<u>14</u>
	<u>6,719</u>	<u>5,954</u>
	6,719	6,933
Expenditure		
Charitable expenditure:		
Benevolent donations	-	500
Dinner guests meals and hotel costs	75	514
Flowers and wreaths	590	287
Other gifts and reimbursements	50	38
Charitable donations	-	400
WW2 veterans hampers	200	376
Donation to SSAFA	190	-
Coach	500	-
Benevolent Prizes	-	-
	<u>(1,605)</u>	<u>(2,115)</u>
Excess of income over expenditure for year before investment gains	5,114	4,818
Unrealised gains (losses) on investment assets	<u>(3,743)</u>	<u>18,153</u>
Excess of income over expenditure for year	1,371	22,971
Balance brought forward at 1 April 2017	<u>210,978</u>	<u>188,007</u>
Accumulated fund at 31 March 2018 (restricted funds)	<u>212,349</u>	<u>210,978</u>

The Cheshire Yeomanry Association

Income and Expenditure Account – Margaret Hartley Fund (Restricted) Year Ended 31 March 2018

	£	2018 £	£	2017 £
Income				
Donations		<u>-</u>		<u>-</u>
		-		-
Expenditure				
Charitable expenditure:				
Welfare packages	<u>21</u>		<u>-</u>	
		(21)		-
Excess of income over expenditure for year		(21)		-
Balance brought forward at 1 April 2017		<u>3,754</u>		<u>3,754</u>
Accumulated Fund at 31 March 2018 (restricted funds)		<u><u>3,733</u></u>		<u><u>3,754</u></u>

The Margaret Hartley Fund was previously known as the Gulf Fund

The Cheshire Yeomanry Association

Balance Sheet 31 March 2018

	2018	2017
	£	£
Fixed Asset Investments		
Heritage assets comprising Regimental Silver, Pictures and Accoutrements as recorded in the Trustees Register (not valued - Note3)		
The Equities Investments Fund for Charities		
- 4,306 Income Units at market value (Cost £13,191)	65,761	67,138
CGWM GPS Optimized Portfolio (formerly Canaccord Genuity Remap 4 Fund)		
- 78,234.8817 units at market value (Cost incl reinvested income £49,559)	80,230	83,744
GGWM Select Bond Fund (formerly Canaccord Genuity Bond)		
- 91.2661 units at market value (Cost incl reinvested income £8,415)	9,044	9,048
Armed Forces Common Investment Fund		
- 32,514.09 shares at market value (Cost incl reinvested income £88,665)	109,475	106,548
Cazenove Growth Trust		
- 63,000 income units plus cash balance at market value (Cost £60,000)	62,325	63,497
Deposit with The United Services Trustee (Cost £2,100)	2,100	2,100
Total investments (cost £221,930)	328,935	332,075
Current Assets		
Stocks At cost (Note 6)	867	944
Debtors (Note 7)	66	1,171
Balances at Bank		
Barclays Bank plc - Business Saver Account	34,347	30,650
Barclays Bank plc - Community Account	108,902	11,540
	144,182	44,305
Creditors: Amounts due within one year	(1,314)	(2,510)
Net Current Assets	142,868	41,795
Net Assets	471,803	373,870
Represented By:		
Restricted Funds (Note 8):		
Benevolent Fund	212,349	210,978
Margaret Hartley Fund	3,733	3,754
	216,082	214,732
Unrestricted Income Funds:		
General Fund	255,270	158,688
Add Designated Funds:		
Banner Fund	450	450
	255,720	159,138
	471,803	373,870

These financial statements were approved by the Board of Trustees on 21 June 2018 and signed on its behalf by:

.....
Colonel N L Hill - President

The Cheshire Yeomanry Association

Notes to the Financial Statements

31 March 2018

These accounts are prepared under the Charities Act 2011 on the historical cost convention, with the exception of investment assets which are stated at market value, and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2015 (FRS 102), and comply with the Charities (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the charity, rounded to the nearest £.

The charity constitutes a public benefit entity as defined by FRS 102.

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below:

- a) **Basis of preparation of financial statements**
Assets and liabilities are initially recognised at historical cost or transaction price unless otherwise stated in the relevant accounting policy note.
- b) **Incoming resources**
Income from fundraising, sponsorship, covenants, donations and legacies is recognised in the accounting period in which the charity becomes entitled to the income, the performance conditions have been met and receipt is probable.

Investment income is recognised in the period in which distributions are made or interest credited to the Association's account.
- c) **Direct charitable expenditure and other resources expended**
Expenditure is accounted for in the accounting period in which it falls due, on an accruals basis, and is inclusive of VAT where appropriate.
- d) **Funds**
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purpose. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.
- e) **Investments**
Investments are recognised initially at fair value which is normally the transaction price. Subsequently they are measured at fair value with changes recognised in gains/ (losses) on investments in the SOFA if the investments are publicly traded or their fair value can otherwise be measured reliably.
- f) **Stocks**
Stocks are stated at the lower of cost or net realisable value.
- g) **Going concern**
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainty exists. The trustees have considered the level of funds held and expected level of income and expenditure for 12 months from authorising these financial statements.
- h) **Transition to FRS 102**
The charity has adopted SORP (FRS 102) for the first time with a transition date of 1 April 2015. No adjustments were required as a result of the transition.

2. Heritage Assets

Heritage assets comprise regimental silver, pictures and accoutrements. It is the Association's policy not to include the value of such assets in the financial statements as the cost or valuation of these heritage assets is not readily available and the cost of obtaining this information significantly outweighs any benefit to the user of the financial statements.

The Cheshire Yeomanry Association

Notes to the Financial Statements 31 March 2018

3. Fixed Asset Investments

	Restricted funds £	Unrestricted funds £	Total £
Listed investments held primarily for an investment return:			
At market value 1 April 2017	182,842	149,234	332,075
Additions at cost	-	-	-
Reinvested income	3,751	1,845	5,596
Net gains/(loss) arising on revaluation in year	(3,743)	(4,994)	(8,736)
	<u>182,849</u>	<u>146,085</u>	<u>328,935</u>
At market value 31 March 2018			
	<u>182,849</u>	<u>146,085</u>	<u>328,935</u>
Reconciliation of movements in unrealised gains on investment assets:			
Unrealised gains at 1 April 2017	29,876	85,862	115,738
Net gains/(loss) arising on revaluation in year	(3,743)	(4,994)	(8,736)
	<u>26,133</u>	<u>80,868</u>	<u>107,002</u>
Unrealised gains at 31 March 2018			
	<u>26,133</u>	<u>80,868</u>	<u>107,002</u>

4. Other Fixed Assets

The Association incurs expenditure on medical aids which are loaned indefinitely to ex-servicemen and their families. It is the Association's policy to write off expenditure on medical aids in the year it is incurred.

5. Net Incoming Resources

Net incoming resources is stated after charging:

	2018 £	2017 £
Independent examiner's fee (including VAT)	<u>1,314</u>	<u>1,260</u>

6. Stock Summary

	Opening stock	Purchased/ adjustments	Sold and donated	Closing stock	Average unit cost £	Closing Stock at cost £
Ties	10	-	-	10	4.84	48.40
Lapel pins	109	-	2	107	2.00	214.00
Blazer badges	4	-	1	3	15.60	46.80
Cheshire Yeomanry brass buttons	293	-	5	288	0.80	230.40
Silk ties	14	-	2	12	27.17	325.98
	<u>430</u>	<u>-</u>	<u>10</u>	<u>420</u>		<u>865.58</u>

The Cheshire Yeomanry Association

Notes to the Financial Statements 31 March 2018

7. Debtors

	2018 £	2017 £
Lunch income	-	903
Sale of stock	-	33
Tax recoverable on gift aid	66	235
	<u>66</u>	<u>1,171</u>

8. Restricted Funds

Benevolent Fund

This restricted fund comprises legacies received where under the terms of the Wills the funds are to be used for the purposes of benevolence.

In addition, donations have been received and funds raised specifically for benevolence and income is received from investments held within the benevolent fund.

Margaret Hartley Fund (previously Gulf Fund)

This restricted fund comprises donations received for the benefit of Yeomen and their families on active service.

9. Summary of Net Assets by Funds

	Fixed asset investments £	Net current assets £	Total £
Banner fund	450	-	450
General fund	145,635	109,635	255,270
Total unrestricted income funds	<u>146,085</u>	<u>109,635</u>	<u>255,720</u>
Restricted funds			
Benevolent fund	182,849	29,500	212,349
Margaret Hartley Fund	-	3,733	3,733
Total funds	<u>328,935</u>	<u>142,868</u>	<u>471,803</u>

Within unrestricted funds, an amount of £450 (2017 - £450) is designated for the replacement and renewal of Squadron banners.

10. Trustee Expenses

No trustee or any person connected with them has received or is due to receive any remuneration or expenses for the year directly or indirectly from the Association's Funds.

11. Controlling Party

The Association is under the control of the management committee.