

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 2019

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:

OMC Larminie	Chairman
AFJ Roe	
Colonel PJ Andrews OBE	
PDS Rosier	
JD Beatson-Hird	
Lieutenant Gen Sir Simon Mayall KBE CB	Ex- Officio

Regimental Secretary

M.I.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 2019. 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, Lt General Sir Simon Mayall KBE, CB, Mr FDS Rosier, and Mr JD Beatson-Hird.

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".

During the year the QDG Trust continued to support the serving Regiment and net grants of £30,986 were approved. There was also some expenditure in furtherance of benevolence and the QDG Regimental Comrades Association

During the year the serving Regiment concluded that a PRI shop was no longer viable now they were in the UK.

The PRI Shop was consolidated with the Heritage Trust Shop and then transferred to the QDG Trust. The Trust has greater financial resources to support the increased size of the shop. Stock was assessed and written off where appropriate prior to the transfer.

At the end of the year the Charity had unrestricted funds of £3,144,341 of which £845,055 was in heritage assets. Total restricted funds were £1,565.

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.

Annual Report of the Trustees continued

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. Work to populate the new database, identify items that need restoration and formulate a long term maintenance programme. The Heritage assets of the Warrant Officers and Sergeants' Mess will be transferred to the Trust in the next financial year and the Corporals' Mess heritage assets after that.

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 grant to be wholly paid out of income.

Approved by the Board of Trustees on 20th March 2019.....



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 2019, 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

25/11/19

1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2019

		<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2018</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>					
Donations and legacies:					
One day pay scheme donations		29,947		29,947	33,598
Other donations		11,965		11,965	7,904
Legacy received				-	2,000
Sale of medals				-	210,000
		<u>41,912</u>	<u>-</u>	<u>41,912</u>	<u>253,502</u>
Investments:					
Interest on cash on deposit		122	-	122	78
Interest on loan to QDG Heritage Trust			-	-	5,000
Interest capitalised			-	-	-
Dividends on investments		<u>71,612</u>	<u>-</u>	<u>71,612</u>	<u>66,122</u>
		<u>71,734</u>	<u>-</u>	<u>71,734</u>	<u>71,200</u>
Other:					
Grants written back		-	-	-	39,481
Association subscriptions		7,108	-	7,108	9,108
Contributions to functions/ special occasions etc		25,658	-	25,658	11,988
Shop sales		666		666	-
Sale of books			-	-	24
		<u>33,432</u>	<u>-</u>	<u>33,432</u>	<u>60,601</u>
<u>Total income and endowments</u>		<u>147,078</u>	<u>-</u>	<u>147,078</u>	<u>385,303</u>
<u>Expenditure on:</u>					
Charitable activities	2	83,516	-	83,516	224,687
Other expenditure	3	3,041	-	3,041	3,369
Investment income re-invested		-		-	3,339
<u>Total expenditure</u>		<u>86,557</u>	<u>-</u>	<u>86,557</u>	<u>231,395</u>
Net income/(expenditure)		60,521	-	60,521	153,908
Net gains/(losses) on investments	5	38,801	0	38,801	(10,515)
<u>Net income/(expenditure)</u>		<u>99,322</u>	<u>-</u>	<u>99,322</u>	<u>143,393</u>
Fund balances brought forward		3,045,019	1,565	3,046,584	2,903,191
<u>Fund balances carried forward</u>		<u>3,144,341</u>	<u>1,565</u>	<u>3,145,906</u>	<u>3,046,584</u>

The notes on pages 8 to 12 form part of these financial statements

1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST

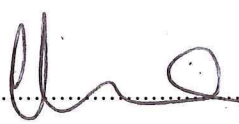
BALANCE SHEET AT 31 MARCH 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Heritage assets - unrestricted funds	4	845,055	845,055
Investments - unrestricted funds	5	2,063,757	1,861,335
CURRENT ASSETS			
Shop stock - unrestricted funds		24,641	-
Stock of books - unrestricted funds		2,948	2,948
Cash at bank - restricted funds		1,565	1,565
Cash at bank - unrestricted funds		217,780	356,481
		<u>246,934</u>	<u>360,994</u>
CREDITORS: Amounts falling due within one year:			
Balance of grant due to Regiment	6	8,040	19,000
Sundry creditors		1,800	1,800
		<u>(9,840)</u>	<u>(20,800)</u>
NET CURRENT ASSETS		237,094	340,194
NET ASSETS		<u>£ 3,145,906</u>	<u>£ 3,046,584</u>
FUNDS:			
RESTRICTED FUNDS		1,565	1,565
UNRESTRICTED FUNDS		<u>3,144,341</u>	<u>3,045,019</u>
TOTAL FUNDS		<u>£ 3,145,906</u>	<u>£ 3,046,584</u>

The notes on pages 8 - 12 form part of these financial statements

Approved by the trustees on  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 2019

	<u>2019</u> £	<u>2018</u> £
Reconciliation of net income/(expenditure) to net cash flow from operating activities:		
Net income/(expenditure) for the year	99,322	143,393
Dividends and interest from investments	(71,734)	(71,200)
Losses/(gains) on investments	(38,801)	10,515
(Increase)/decrease in Heritage assets	-	(1,100)
(Increase)/decrease in debtors	-	155,000
(Increase)/decrease in shop stock	(24,641)	-
(Increase)/decrease in stock of books	-	12
Increase/(decrease) in creditors	(10,960)	(64,850)
Net cash flow provided by/(used in) operating activities	<u>(46,814)</u>	<u>171,770</u>
Cash flow from investing activities:		
Received from sale of investments	-	-
Payments to acquire investments	(150,000)	(75,000)
Dividends and interest from investments	71,734	71,200
Dividends re-invested	(13,621)	
Net cash flow provided by investing activities	<u>(91,887)</u>	<u>(3,800)</u>
Change in cash and cash equivalents in the year	<u>(138,701)</u>	<u>167,970</u>
Cash and cash equivalents at the start of the year	358,046	190,076
Cash and cash equivalents at the end of the year	<u>£ 219,345</u>	<u>£ 358,046</u>
Cash and cash equivalents at 5th April consists of:		
Cash at bank	<u>£ 219,345</u>	<u>£ 358,046</u>

The notes on pages 8 to 12 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 2019

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, were donated to the Regimental Trust on 18 January 2013. The donation was included in the financial statements, for the year ended 5 April 2013 at the insurance value of the donation. The Trustees are of the opinion that these heritage assets have indefinite lives and so no depreciation is provided on them. The Trustees review the value of the heritage assets where there is evidence of impairment. Items added to the collection are valued at cost where applicable.

1.5 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.

1.6 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 2019

2 EXPENDITURE ON CHARITABLE ACTIVITIES:

	<u>2019</u>	<u>2018</u>
	£	£
Grant to 1st The Queen's Dragoon Guards:		
Principal Grant to the Regiment for the year	29,886	19,000
Incidental additional grants to the Regiment	1,100	-
	<hr/>	<hr/>
Total grant to the Regiment for the year	30,986	19,000
Fundraising expenses	-	1,989
Benevolent grants, wreaths and funeral costs paid	11,210	16,744
Expenditure on functions/special occasions etc	23,005	14,712
Grant to the QDG Heritage Trust	-	155,000
Journal 2017/18	8,790	10,499
Donations	3,000	765
Maintenance of Heritage assets	459	1,704
Cost of shop sales	1,516	-
Cost of book sales	-	12
Governance costs:		
Accountancy fees	1,300	1,318
Independent Examiner's fees	500	500
Legal costs	-	1,194
Secretary's Honorarium	2,750	1,250
	<hr/>	<hr/>
TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES	£ 83,516	£ 224,687

3 OTHER EXPENDITURE

	<u>2019</u>	<u>2018</u>
	£	£
Subscriptions	265	255
Postage & I.T.	470	816
Bank charges	574	556
Sundry expenditure	1,732	1,742
	<hr/>	<hr/>
TOTAL OTHER EXPENDITURE	£ 3,041	£ 3,369

4 HERITAGE ASSETS

	<u>2019</u>	<u>2018</u>
	£	£
At valuation	845,055	845,055

On 18th January 2013 certain assets owned by the Committee of the Officers' Mess of the Regiment were transferred by Deed of Gift to the QDG Trust.

The assets consist of in excess of 450 individual paintings, silver and other artefacts associated with the Regiment and have been included in the financial statements at insured value.

Although the beneficial ownership of these assets is held by the QDG Trust, they are on display in the Officers' Mess of the Regiment, as before. The QDG Trust and the Committee of the Officers' Mess are jointly responsible for insuring the assets, and the annual grant to the Regiment includes the QDG Trust's contribution to the cost of the insurance.

1ST THE QUEEN'S DRAGOON GUARDS REGIMENTAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

5 INVESTMENTS

Blackrock, Armed Forces Common Investment Fund:

	<u>Units</u>	<u>2019</u> £	<u>2018</u> £
Account Number 0004386436: Income units			
Market Value at start of the year	563,297.158	1,138,424	1,072,256
Purchases	73,798.493	150,000	75,000
Transferred from Accumulation units	175,000.000	353,675	
Increase/(decrease) in value		30,819	(8,832)
	812,095.651	1,672,918	1,138,424
Account Number 0004387522: Income units			
Market Value at start of the year	175,000.000	353,675	724,594
Transferred to Accumulation units	(175,000.000)	(353,675)	(370,919)
Increase/(decrease) in value		-	-
	0.000	0	353,675
Account Number 0004387522: Accumulation units			
Market Value at start of the year	109,663.190	369,236	-
Transferred from Income units	175,000.000	353,675	370,919
Transferred to Income units	(175,000.000)	(353,675)	-
Accumulated distributions		13,621	-
Increase/(decrease) in value		7,982	(1,683)
	109,663.190	390,839	369,236
<u>Total Market Value at 31 March</u>		£ 2,063,757	£ 1,861,335

6 BALANCE OF GRANT DUE TO THE REGIMENT

	<u>2019</u> £	<u>2018</u> £
Amount granted but unpaid as at the start of the year	19,000	82,635
Amount of principal grant paid to the Regiment during the year	(55,609)	(47,152)
Amount paid back by the Regiment	13,663	-
Principal grant for 2018/19	30,986	19,000
Prior years' grants written off	-	(35,483)
Amount granted but unpaid as at the end of the year	£ 8,040	£ 19,000