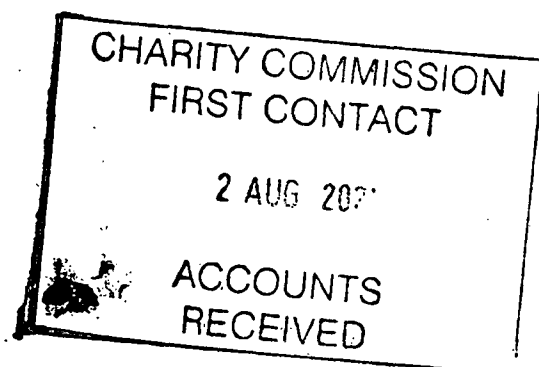


Charity number: 1024418

**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 7
<b>Independent auditors' report on the financial statements</b>	8 - 11
<b>Statement of financial activities</b>	12
<b>Balance sheet</b>	13
<b>Statement of cash flows</b>	14
<b>Notes to the financial statements</b>	15 - 34

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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<b>Trustees</b>	Lieutenant General DM Chalmers CB DSO OBE Brigadier JW Martin DSO OBE MC Colonel AAA Beattie Colonel P Bishop OBE DL (resigned 31 March 2020) Colonel AJ Crawley Colonel PT Crowley MBE DL Colonel DK Mogg TD VR Colonel JRG Putnam CBE TD DL Colonel AC Ward OBE DL Lieutenant Colonel BG Baker (resigned 31 January 2020) Lieutenant Colonel BJ Dwyer (resigned 31 March 2020) Lieutenant Colonel MAP Nooney MC (resigned 4 February 2020) Lieutenant Colonel CJ Parker MBE Mr R Bradburn
<b>Charity registered number</b>	1024418
<b>Principal office</b>	RHQ PWRR HM Tower of London London London EC3N 4AB
<b>Regimental Secretary</b>	Colonel JRJ Powell OBE
<b>Independent auditors</b>	MHA MacIntyre Hudson Maidstone United Kingdom
<b>Bankers</b>	The Royal Bank of Scotland Plc Victoria Road Farnborough GU14 7NR
<b>Investment Advisors</b>	Barclays Wealth 1 Churchill Place London E14 5HP
<b>Hon Legal Advisor</b>	A M Moss

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2020 to 31 December 2020.

#### Objectives and activities

##### a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

#### Achievements and performance

##### a. Review of activities

The financial position for the year is set out on pages 12 to 34. The Charity's objectives are Benevolence and Welfare for our serving personnel, veterans and dependents and to promote the efficiency of the Regiment. All grants were made in line with these objectives. The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. The investment objective is to balance the income and capital returns. We aim to manage assets to at least maintain the real capital value of the fund, whilst generating a sustainable level of investment income to support Regimental activities. The long-term target is for net return, after all fees to be CPI plus 3% , however, the short term target is to preserve the capital value with a minimum level of risk. Despite the challenges of COVID-19 and reduced income the Charity's capital made a slight gain over the year. Because the budget continues to be reviewed to provide a detailed forecast of outturn in year that can be measured against expenditure (the control mechanism) the Charity was able to make quick decisions regarding expenditure priorities as COVID-19 bit; as a result the Charity managed to maintain its liquidity making a useful surplus in year which adds to our reserves.

The value of the Charity on 1 Jan 2020 was £6,062,013. In the course of 2020, the value of investments fell by £82,923. Total expenditure after taking into account grants, support costs and governance costs totalled £259,262 (2019: £483,959); a further £47,830 (2019: £129,028) was spent on the purchase of tangible fixed assets and heritage assets. Income over the period was £469,403 (2019: £655,221) and the value of the Charity at 31 December 2020 was £6,189,231 an increase of £127,218 in the year.

Cash balances at the year end totalled £442,489, which represents 7.1% of the value of the Charity. The Trustees felt that during the market uncertainties due to COVID-19 it was prudent to maintain considerable cash holdings.

##### b. Fundraising activities and income generation

Fundraising comes from a number of sources: Individual donations (including legacies), monies raised by veteran associations or independent supporters of the regiment. The use of internet donations (for instance Amazon Smile and Give As You Live) continues to generate small amounts of income (at no cost to the charity). Fundraising activities (which have been very limited in 2020) by veteran associations are monitored by their relevant chairs. All are aware of the dangers of unreasonable intrusion and pressure. The charity subscribes to the Fundraising Regulator and has undertaken to report any failure to comply with the standards that the charity has signed up to.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Financial review

##### a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

##### b. Principal risks and uncertainties

**Income** - The decrease in income from the Days Pay Scheme resulting from cuts to the Regiment's structure is being mitigated by fund raising activity and ensuring that budgetary planning is coherent, and expenditure accurately monitored.

**Investments** - The investments made by the Charity are subject to the vagaries of the market. There are regular Investment Committee and Financial Committee meetings to monitor the situation which also ensure that investments are ethical (no pornography, or tobacco related investments). In 2021 the trustees have instructed ARCUK to carry out a formal review of the Charity's investment policy - this is due to report on 16 April and will be considered at the meeting of trustees on 14 May.

**Reputation** - The trustees of the Charity are confident that its activities and operations will not undermine its reputation.

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Charity's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

**Change to Government Policy** - In response to the restrictions imposed by the Government as a result of COVID-19, an early decision to focus activity on welfare support and reduce other costs worked to the Charity's advantage in 2020 allowing it to finish the year with a surplus.

##### c. Reserves policy

The Trustees have considered the requirement of the SORP 2015 and have again concluded that a strong growth policy will be required to ensure that the members of the Regiment and their families can be supported in the future. The Trustees seek to maintain free reserves of six months' expenditure, which the Trustees estimate to be in excess of £60,000.

#### Structure, governance and management

##### a. Constitution

Princess of Wales's Royal Regiment Benevolent Fund is a registered charity, number 1024418, and is constituted under a Trust deed.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Structure, governance and management (continued)**

**b. Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**c. Pay policy for senior staff**

The Trustees consider the Board of Trustees as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity. All Trustees give of their time freely and no trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 26 to the accounts. Trustees are required to disclose all relevant interests and register them with the Secretary (a consolidated register of interests is available to the public on request).

**d. Third party indemnity**

In addition to an indemnity policy for employees (£10m) the Trustees are insured for public liability for the sum of £5m.

**e. Organisational structure and decision making**

The Charity is administered by a Regimental Secretary, an Assistant Regimental Secretary and welfare staff, who are all paid civil servants (a review by the Army has concluded that since these personnel are not engaged with charitable activity full time it remains appropriate for this structure to remain in place).

The Welfare Committee is authorised to make grants (amounts vary dependent on the Designated Fund that is being used but the mode is £500 per case; grants for amounts greater than this require Trustees' authorisation). The Regimental Secretary is authorised to make payments up to £3,000; sums over and above this amount are referred to the Financial Committee and Trustees for approval. Novel and contentious expenditure of any amount is referred for approval in the same way.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Future developments

Benevolence will continue to be of prime importance for the future, and the investment manager has been tasked to invest the fund for both growth and income (subject to 2021). Though this has been difficult in the current economic climate. Reviews of payment thresholds for cases are ongoing to ensure that all the cases can be covered. Recruiting remains a core task to ensure that battalions are fully manned for operations and as future contributors to the Day's Pay Scheme (one of our major fundraising avenues) and the Trustees will decide to use a proportion of benevolence funds to achieve this.

The Charity liaises closely with the Confederation of Service Charities (COBSEO), particularly concerning issues of Governance. Since the changes to Trustee numbers in 2019, the numbers have remained static at ten. Changes to the regimental structure in 2021 will mean that there will be some movement of ex-officio Trustees in the year.

The Queen's Own Buffs Regiment Association (QOBRA) closed in 2020 and the Chair resigned as a Trustee. The planned de-restriction of the QOBRA fund took place with a new Designated Fund of £120k set up to look after PWRR Cadets and the remaining monies being passed to the Queen's Regiment Association Designated Fund (following the line of amalgamation in 1966).

The plot of land in Kent that was bought to facilitate a veterans' horticultural project, a branch headquarters and for use by the wider Regiment, has received planning permission increasing its value by approximately 20%. The build for the club house continues thanks to donations, fundraising and grants by other charities in support of veterans.

The fund-raising lottery initiative commenced as planned. It provides a small but steady income that it is hoped will develop in with time.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Public benefit

The Trustees are mindful that the use of charitable funds should have an element of benefit to the general public. The object of the Princess of Wales's Royal Regiment Benevolent Fund is to provide relief from hardship or distress to those who are currently serving or those who have previously served in the Regiment, it's forebears and their dependents.

In 2020 the Charity directly supported 133 veterans and soldiers or their wives and dependents at a time of need (£53k). Our welfare workers were proactive in liaising with other charities (SSAFA, RBL, ABF for instance) to ensure that overall demands were met and, where the need was not necessarily financial, appropriate help from specialist charities was made available. Whilst, of necessity, other payments were much reduced, the Charity also spent c£64k in support of serving soldiers veterans, and their families in support of the Charity's objective of promoting the efficiency of the Regiment. By doing so the Trustees believe that this demonstrates the Charity's adherence to the spirit and principle of public benefit.

The recipients of benevolence cover a wide spectrum of the general public and, although current serving personnel receive assistance, the main beneficiaries are veterans, widows and dependents. Grants to individuals are based solely on criteria of need and as such do not duplicate state benefit. It is therefore considered by the Trustees that there is an identifiable benefit to the individual and thus to the nation at large.

The existence of the Charity helps to ensure high morale and esprit de corps in the Princess of Wales's Royal Regiment and thus contributes to the overall effectiveness of the nation's armed forces. This in turn brings tangible benefits to the general public.

In 2020 the Army carried out a formal review of military charities and the benefit. The Princess of Wales's Royal Regiment & Queen's Regiment Benevolent Fund covers the following categories:

Category	Description
<b>Welfare charities</b>	Welfare charities deliver 'relief in need' through services or grants to individuals or organisations across a wide range of support including housing, healthcare, rehabilitation, education and employment.
<b>Service Fund charities</b>	Service Fund charities are those which, among other things, 'promote the efficiency of the AF' and play a fundamental role in Service life by enhancing the moral component of fighting power. These funds exist to supplement existing sources of public funding providing services the MoD does not fund, such as adventurous training (AT) and sport, and enhancing existing facilities, such as providing infrastructure improvements and recreational activities.
<b>Heritage charities</b>	Heritage charities inspire future generations of service personnel and honour the memory of veterans and those already serving. Just under half of these charities are museums, the rest include memorials, historical societies, educational initiatives, preservation trusts and commemorative organisations.
<b>Associations</b>	Associations conduct social activities promoting comradeship and esprit de corps for their members. Some also deliver welfare services and benevolent grants. This also includes Association Branches; the local branches attached to an Association that have their own charity number and act autonomously from their parent bodies
<b>Mixed-type charities</b>	Mixed-type charities combine multiple aspects of the above categories. The most common are those delivering welfare and service funds, the majority of which are the charities associated with the Army's regiments and corps. The next most common are those delivering heritage and welfare.

This is a welcome articulation of the overall public benefit delivered by military charities and the Princess of Wales's Royal Regiment & Queen's Regiment Benevolent Fund considers itself a 'Mixed-Type Charity'.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....  
Lieutenant General DM Chalmers CB DSO OBE

Date: 21 July 2021

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**Opinion**

We have audited the financial statements of Princess of Wales's Royal Regiment Benevolent Fund (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

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#### Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Reviewing minutes of meetings of those charged with governance;
- Enquiry of entity staff and trustees to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL  
REGIMENT BENEVOLENT FUND (CONTINUED)**

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**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*MHA MacIntyre Hudson*

**MHA MacIntyre Hudson**  
Statutory Auditors  
Maidstone  
United Kingdom

Date: 27 July 2021

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>						
Donations and legacies	4	283,537	938	-	284,475	400,566
Charitable activities	5	22,452	-	-	22,452	55,074
Investments	6	158,024	1,726	3,239	162,989	199,581
<b>Total income and endowments</b>		<b>464,013</b>	<b>2,664</b>	<b>3,239</b>	<b>469,916</b>	<b>655,221</b>
<b>Expenditure on:</b>						
Raising funds	7	15,869	-	-	15,869	17,675
Charitable activities	8	232,742	10,581	370	243,693	466,284
<b>Total expenditure</b>		<b>248,611</b>	<b>10,581</b>	<b>370</b>	<b>259,562</b>	<b>483,959</b>
<b>Net income/(expenditure) before net (losses)/gains on investments</b>						
		<b>215,402</b>	<b>(7,917)</b>	<b>2,869</b>	<b>210,354</b>	<b>171,262</b>
Net (losses)/gains on investments	15	(82,923)	-	-	(82,923)	705,715
<b>Net income/(expenditure)</b>		<b>132,479</b>	<b>(7,917)</b>	<b>2,869</b>	<b>127,431</b>	<b>876,977</b>
Transfers between funds	21	344,706	(344,706)	-	-	-
<b>Net movement in funds</b>		<b>477,185</b>	<b>(352,623)</b>	<b>2,869</b>	<b>127,431</b>	<b>876,977</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		5,596,010	352,623	113,380	6,062,013	5,185,036
Net movement in funds		477,185	(352,623)	2,869	127,431	876,977
<b>Total funds carried forward</b>		<b>6,073,195</b>	<b>-</b>	<b>116,249</b>	<b>6,189,444</b>	<b>6,062,013</b>

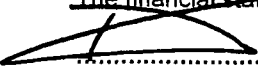
The Statement of financial activities includes all gains and losses recognised in the year.

**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

**BALANCE SHEET  
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	143,916	98,339
Heritage assets	14	69,894	68,454
Investments	15	5,685,561	5,783,122
		<u>5,899,371</u>	<u>5,949,915</u>
<b>Current assets</b>			
Stocks	16	12,718	12,612
Debtors	17	18,380	19,961
Investments	18	15,842	17,074
Cash at bank and in hand		442,489	246,195
		<u>489,429</u>	<u>295,842</u>
Creditors: amounts falling due within one year	19	(199,356)	(183,744)
<b>Net current assets</b>		<u>290,073</u>	<u>112,098</u>
<b>Total assets less current liabilities</b>		<u>6,189,444</u>	<u>6,062,013</u>
<b>Total net assets</b>		<u>6,189,444</u>	<u>6,062,013</u>
<b>Charity funds</b>			
Endowment funds	21	116,249	113,380
Restricted funds	21	-	352,623
Unrestricted funds	21	6,073,195	5,596,010
<b>Total funds</b>		<u>6,189,444</u>	<u>6,062,013</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
.....  
Lieutenant General DM Chalmers CB DSO OBE

Date: 21 July 2021

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	2020 £	As restated 2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>228,255</b>	330,606
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	<b>(47,830)</b>	(129,028)
Proceeds from sale of investments	<b>14,637</b>	114,632
Purchase of investments	-	(165,882)
<b>Net cash used in investing activities</b>	<b>(33,193)</b>	<b>(180,278)</b>
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	<b>195,062</b>	<b>150,328</b>
Cash and cash equivalents at the beginning of the year	<b>263,269</b>	112,941
<b>Cash and cash equivalents at the end of the year</b>	<b>458,331</b>	263,269

The notes on pages 15 to 34 form part of these financial statements

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

The aims of the Charity are to relieve hardship or distress of former and serving members of the Regiment and their dependants and to promote the efficiency of the Regiment. The Charity is registered in the UK and Ireland, number 1024418. It is unincorporated and constituted under a Trust Deed.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Princess of Wales's Royal Regiment Benevolent Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Charity's operations. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The charity receives lottery income via Unitylottery. The income is recognised on a monthly basis when it becomes due.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

##### 2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Office equipment	- Over 3 years

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.7 Heritage assets**

Where heritage assets have been purchased, they are initially recognised at cost, and included on the balance sheet. After recognition, under the cost model, heritage assets are measured at cost less any accumulated impairment losses. The assets relate to paintings and silver medals hence they are not depreciated.

The Charity owns a collection of Historical Military items as well, that are included in the Heritage Asset note, but not presented on the balance sheet. The collection has been acquired by donations received since the Charity came into existence. The Trustees consider that owing to the incomparable nature of the collection, any valuation would be both unreliable and also an onerous cost, compared with the additional benefits derived by the Charity and users of the accounts. As a result, the value reported is based on the insurance valuation and included in the note.

At each reporting date the Charity assesses whether there are any indications of impairment. If such indications exist, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

**2.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### 2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 2.14 Fund accounting

General funds are unrestricted funds which 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 purposes. 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 costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

#### 3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity may be required to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions apart from those detailed in Note that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**4. Income from donations and legacies**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>Donations</b>			
Days pay	78,275	-	78,275
QOB Fund	-	938	938
Queen's Benevolence Fund	6,210	-	6,210
<b>Grants</b>			
QRS Grants	-	-	-
<b>Subtotal detailed disclosure</b>	<u>84,485</u>	<u>938</u>	<u>85,423</u>
Other Donations	196,459	-	196,459
Other Grants	-	-	-
Lottery income	2,593	-	2,593
<b>Subtotal</b>	<u>199,052</u>	<u>-</u>	<u>199,052</u>
	<u>283,537</u>	<u>938</u>	<u>284,475</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>Donations</b>			
Days Pay	89,083	-	89,083
QOB Fund	-	5,411	5,411
Queens Benevolence Fund	22,565	-	22,565
<b>Grants</b>			
QRS Grants	500	-	500
<b>Subtotal detailed disclosure</b>	<u>112,148</u>	<u>5,411</u>	<u>117,559</u>
Other Donations	281,021	1,986	283,007
Other Grants	-	-	-
	<u>393,169</u>	<u>7,397</u>	<u>400,566</u>

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £
Reunion income	10,505	10,505
Silver contributions	8,214	8,214
MOD contributions	-	-
Book sales	3,733	3,733
<b>Total 2020</b>	<b>22,452</b>	<b>22,452</b>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Reunion income	1,994	4,679	6,673
Silver contributions	969	-	969
MOD Contributions	47,432	-	47,432
<b>Total 2019</b>	<b>50,395</b>	<b>4,679</b>	<b>55,074</b>

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6. Investment income**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Investment income	158,017	1,725	3,239	162,981
Interest income	7	1	-	8
	<u>158,024</u>	<u>1,726</u>	<u>3,239</u>	<u>162,989</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Investment income	182,486	13,108	3,610	199,204
Interest income	377	-	-	377
	<u>182,863</u>	<u>13,108</u>	<u>3,610</u>	<u>199,581</u>

**7. Investment management costs**

	Unrestricted funds 2020 £	Total funds 2020 £
Investment management fees	<u>15,869</u>	<u>15,869</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Investment management fees	<u>17,675</u>	<u>17,675</u>

**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Hardship or distress relief for former and serving members	51,238	115,212	77,243	<b>243,693</b>

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total funds 2019 £
Hardship or distress relief for former and serving members	68,916	294,128	103,240	466,284

**Analysis of direct costs**

	Hardship or distress relief for former and serving members 2020 £	Total funds 2020 £
Insurance costs	11,025	11,025
Newsletter expenses	32,626	32,626
Other direct costs	6,774	6,774
Depreciation charge	813	813
	<u>51,238</u>	<u>51,238</u>

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Hardship or distress relief for former and serving members 2019 £	Total funds 2019 £
Insurance costs	14,989	14,989
Newsletter expenses	38,654	38,654
Other direct costs	14,719	14,719
Depreciation charge	554	554
	<u>68,916</u>	<u>68,916</u>

Analysis of support costs

	Support costs 2020 £	Total funds 2020 £
Wages and staff costs (Note 11)	9,589	9,589
Other staff support costs	3,129	3,129
Postage and stationery	15,722	15,722
Trustees insurance	495	495
Trip and travel expenditure	8,525	8,525
Bookkeeping costs	13,708	13,708
Office expenses	10,713	10,713
Other support costs	1,483	1,483
Auditors' remuneration	7,819	7,819
Trustee meeting expenses	50	50
Website costs	5,609	5,609
Repairs and maintenance	401	401
	<u>77,243</u>	<u>77,243</u>

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Support costs 2019 £	Total funds 2019 £
Wages and staff related costs (Note 9)	19,607	19,607
Postage and stationery	14,148	14,148
Trip and travel expenditure	10,765	10,765
Trustees insurance	470	470
Bookkeeping costs	12,623	12,623
Office expenses	12,438	12,438
Other support costs	16,635	16,635
Auditors' remuneration	7,590	7,590
Trustee meeting expenses	1,491	1,491
Website costs	6,946	6,946
Repairs and maintenance	527	527
	<u>103,240</u>	<u>103,240</u>

9. Analysis of grants and welfare payable

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
1 PWRR Grant	10,608	-	10,608
2 PWRR Grant	649	-	649
3 PWRR Grant	685	-	685
4 PWRR Grant	257	-	257
Welfare Grants	52,423	1,281	53,704
Other Benevolence Grants	47,009	500	47,509
Queens Grants	1,800	-	1,800
	<u>113,431</u>	<u>1,781</u>	<u>115,212</u>

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>Grants and welfare payable</b>			
1 PWRR Grant	2,009	-	2,009
2 PWRR Grant	13,158	-	13,158
3 PWRR Grant	2,500	50	2,550
4 PWRR Grant	12,400	-	12,400
Welfare Grants	123,534	37,971	161,505
Other Benevolence Grants	13,676	10,846	24,522
Queens Grants	2,984	-	2,984
Museum Grants	75,000	-	75,000
	<u>245,261</u>	<u>48,867</u>	<u>294,128</u>

**10. Auditors' remuneration**

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>7,819</u>	<u>7,590</u>

**11. Staff costs**

	2020 £	2019 £
Wages and salaries	<u>9,589</u>	19,607
	<u>9,589</u>	<u>19,607</u>

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Employees	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

**13. Tangible fixed assets**

	Freehold property £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	97,852	10,329	108,181
Additions	45,214	1,176	46,390
At 31 December 2020	<u>143,066</u>	<u>11,505</u>	<u>154,571</u>
<b>Depreciation</b>			
At 1 January 2020	-	9,842	9,842
Charge for the year	-	813	813
At 31 December 2020	<u>-</u>	<u>10,655</u>	<u>10,655</u>
<b>Net book value</b>			
At 31 December 2020	<u>143,066</u>	<u>850</u>	<u>143,916</u>
At 31 December 2019	<u>97,852</u>	<u>487</u>	<u>98,339</u>

**14. Heritage assets**

**Assets recognised at cost**

	Heritage assets 2020 £
Carrying value at 1 January 2020	68,454
Additions	1,440
<b>Carrying value at 31 December 2020</b>	<u>69,894</u>

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PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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15. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 January 2020	5,783,122
Disposals	(14,637)
Revaluations	(82,924)
<b>At 31 December 2020</b>	<u>5,685,561</u>
<b>Net book value</b>	
<b>At 31 December 2020</b>	<u>5,685,561</u>
At 31 December 2019	<u>5,783,122</u>

16. Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>12,718</u>	<u>12,612</u>

17. Debtors

	2020 £	2019 £
Other debtors	1,700	1,183
Prepayments and accrued income	16,680	18,778
	<u>18,380</u>	<u>19,961</u>

18. Current asset investments

	2020 £	2019 £
Cash and cash equivalents	<u>15,842</u>	<u>17,074</u>

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**19. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	3,950	724
Other creditors	187,588	173,402
Accruals and deferred income	7,818	9,618
	<u>199,356</u>	<u>183,744</u>

**20. Prior year adjustments**

In 2019, amounts totalling £114,632 were incorrectly listed on the Statement of cash flows as 'Dividends, interests and rents from investments'. These amounts were actually proceeds from the sale of investments. The change in description has now been made, with no effect on the reserves of the Charity.

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
The Queen's Regiment Benevolent fund	1,493,321	74,089	(72,710)	57,334	-	1,552,034
The Queen's Royal Surrey Benevolent fund	1,690,776	49,035	(13,662)	-	-	1,726,149
	<u>3,184,097</u>	<u>123,124</u>	<u>(86,372)</u>	<u>57,334</u>	<u>-</u>	<u>3,278,183</u>
<b>General funds</b>						
General Funds	2,411,913	340,889	(162,239)	287,372	(82,923)	2,795,012
<b>Total Unrestricted funds</b>	<u>5,596,010</u>	<u>464,013</u>	<u>(248,611)</u>	<u>344,706</u>	<u>(82,923)</u>	<u>6,073,195</u>
<b>Endowment funds</b>						
The Royal Sussex Regimental Association	113,380	3,239	(370)	-	-	116,249
<b>Restricted funds</b>						
Queens Own Buffs Benevolent fund	352,623	2,664	(10,581)	(344,706)	-	-
<b>Total of funds</b>	<u><u>6,062,013</u></u>	<u><u>469,916</u></u>	<u><u>(259,562)</u></u>	<u><u>-</u></u>	<u><u>(82,923)</u></u>	<u><u>6,189,444</u></u>

**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**21. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
The Queen's Regiment Benevolent fund	1,324,340	75,936	(88,970)	182,015	1,493,321
The Queen's Royal Surrey Benevolent fund	1,397,111	55,187	(8,291)	246,769	1,690,776
	<u>2,721,451</u>	<u>131,123</u>	<u>(97,261)</u>	<u>428,784</u>	<u>3,184,097</u>
<b>General funds</b>					
General Funds	1,973,086	495,304	(302,640)	246,163	2,411,913
<b>Total Unrestricted funds</b>	<u>4,694,537</u>	<u>626,427</u>	<u>(399,901)</u>	<u>674,947</u>	<u>5,596,010</u>
<b>Endowment funds</b>					
The Royal Sussex Regimental Association	95,122	3,610	-	14,648	113,380
<b>Restricted funds</b>					
Queens Own Buffs Benevolent fund	395,377	25,184	(84,058)	16,120	352,623
<b>Total of funds</b>	<u>5,185,036</u>	<u>655,221</u>	<u>(483,959)</u>	<u>705,715</u>	<u>6,062,013</u>

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**21. Statement of funds (continued)****Queens Own Buffs Benevolent Fund**

This fund relates to the transfer of funds from The Queens Own Buffs, The Royal Kent Regiment Benevolent Fund charity number 1071763. The fund is to be used to assist past, present and future members of the Association and past members of all ranks of the Queen's Own Buffs Regiment, their wives, widows and other dependants of such members.

**The Royal Sussex Regimental Association**

This fund relates to former Charity the Royal Sussex Regiment Old Comrades Association (OCT) number 286787. The fund is used to assist past, present and future members of the Association and past members of all ranks of the Royal Sussex Regiment, their wives, widows and other dependants of such members.

**The Queen's Regiment Benevolent Fund**

The Queen's Regiment Benevolent Fund subsumed into the PWRR Benevolent Fund in April 2008 under the direction of the Charity Commission. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

**The Queen's Royal Surrey Benevolent Fund**

The Queen's Royal Surrey Benevolent Fund relates to a grant made from the Queen's Royal Surrey Association Funds in January 2012. The fund is used to assist past, present and future members of the Regiment and successor Regiments, their wives and dependants.

**22. Analysis of net assets between funds****Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020 £</b>	<b>Endowment funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	143,916	-	143,916
Fixed asset investments	5,569,312	116,249	5,685,561
Heritage assets	69,894	-	69,894
Current assets	489,429	-	489,429
Creditors due within one year	(199,356)	-	(199,356)
<b>Total</b>	<b>6,073,195</b>	<b>116,249</b>	<b>6,189,444</b>

**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**22. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	97,852	487	-	98,339
Fixed asset investments	5,274,745	394,997	113,380	5,783,122
Heritage assets	68,454	-	-	68,454
Current assets	238,758	57,084	-	295,842
Creditors due within one year	(83,799)	(99,945)	-	(183,744)
<b>Total</b>	<b>5,596,010</b>	<b>352,623</b>	<b>113,380</b>	<b>6,062,013</b>

**23. Reconciliation of net-movement in funds to net cash flow from operating activities**

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	127,431	876,977
<b>Adjustments for:</b>		
Depreciation charges	813	554
Gains/(losses) on investments	82,924	(705,715)
Decrease/(increase) in stocks	(106)	450
Decrease/(increase) in debtors	1,794	(4,759)
Increase in creditors	15,612	163,099
<b>Net cash provided by operating activities</b>	<b>228,468</b>	<b>330,606</b>

**24. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash at bank and in hand	442,489	246,195
Cash on deposit (Current Asset Investments)	15,842	17,074
<b>Total cash and cash equivalents</b>	<b>458,331</b>	<b>263,269</b>

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**PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**25. Analysis of changes in net debt**

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	246,195	196,294	442,489
Cash on deposit	17,074	(1,232)	15,842
	<u>263,269</u>	<u>195,062</u>	<u>458,331</u>

**26. Related party transactions**

The Princess of Wales' Royal Regiment and Queen's Regiment Museum Maintenance Fund operate in the same location as The Princess of Wales' Royal Regiment Benevolent Fund. Charities do not share trustees and any key management personnel, but fall under the Princess of Wales' Royal Regiment umbrella of charities.

At the year end, amounts due to The Princess of Wales's Royal Regiment and Queen's Regiment Museum Maintenance Fund was £174,329 (2019: £172,835).