

**Charity number: 1024418**

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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

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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 2021**

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<b>Trustees</b>	Major General JR Martin DSO OBE MC (appointed 2 December 2021) Brigadier JC Coote DSO OBE (appointed 1 July 2021) Brigadier MD Cornwell OBE (appointed 2 December 2021) Colonel AAA Beattie Colonel PT Crowley MBE DL Colonel CA Luckham OBE (appointed 2 December 2021) Colonel DK Mogg TD VR Colonel JRG Putnam CBE TD DL Colonel AC Ward OBE DL Lieutenant Colonel N Burley (appointed 1 November 2021) Mr RJ Bradburn
<b>Charity registered number</b>	1024418
<b>Principal office</b>	Leros Barracks Sturry Road Canterbury Kent CT1 1HR
<b>Regimental Secretary</b>	Colonel JRJ Powell OBE
<b>Independent auditor</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 2021

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The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2021 to 31 December 2021.

#### Section 4 of the Charities Act 2006 Statement

The Trustees have complied with their duty to have regard to the guidance issued by the Charity Commission under Section 4 of the Charities Act 2006. The remainder of this report describes how the public benefit standards are being met.

#### The Charity

The Charity was formed in 1992 on the formation of the Regiment from forebear regiment charities\*. 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.

*Case Study 1 (note for all cases that initial interaction is carried out by SSAFA)*

*Status: Veteran*

*Background: This veteran was requesting assistance towards a training course in Gas Safety Inspections. Already having a trade, they had, for various reasons, ended up on a downward spiral. They wished to get back onto the straight and narrow and was hoping a new qualification would provide focus and increase the chances of employment.*

*Grant awarded and referral to military charities: Army Benevolent Fund and The Royal British Legion*

#### Equality & Diversity Statement

The Regiment conforms to the Army's Values and Standards\*\* and trustees are required to adopt these standards which are akin to the Nolan Principles\*\*\*. The Regimental Family consists of diverse ages (from children to aged veterans), sexes, sexual orientation, nationalities\*\*\*\*, ethnicity and religious backgrounds; all of whom are supported with proper regard to any protected characteristics. The trustees aspire for greater diversity on the Management Board. As recent changes to the infantry take effect (for instance allowing females to serve in the infantry) these will be reflected in the makeup of the Board in the fullness of time. In 2021 the Board decided that there was a need to greater reflect the experiences of those who have served in the ranks and, to that end, for the first time an officer commissioned from the ranks was made an Ex Officio member of the Board.

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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 2021

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\* Less the Royal Sussex and Royal Hampshire regiments (though there is a small endowment fund from the former that supports Royal Sussex Regiment veterans)

\*\* Values are *Courage, Discipline, Respect for Other, Integrity, Loyalty, Selfless Commitment*. Standards are: *Lawful, Acceptable Behaviour, Professional*.

\*\*\* The Nolan Principles are *Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership*.

\*\*\*\* Though all serving soldiers must meet the British, Commonwealth, Irish or Gurkha nationality criteria, the same does not apply to partners.

#### Chairman's Forward

The impact of COVID in 2020 leading into 2021 challenged all elements of global economies. For the PWRR Benevolent Fund this meant a curtailing of fundraising activities at a time of anticipated increased welfare demand. Despite this the Charity remained in surplus for the year.

Activity Highlights for 2021 were:

- 162 welfare cases assessed for financial, moral or practical support
- The continued success of the Veterans' Horticultural Project with 35 veterans involved in building, forestry and the production of honey.
- Communication with the wider Regimental Family (c7,500) through magazines and publications.
- Laying up of two sets of Old Battalion Colours (consecrated items) in Southwark and Winchester Cathedrals adding to the Nation's history and heritage.
- Adding to and preserving the Regimental Heritage (and therefore National Heritage) through the acquisition of paintings, preservation of paintings and chattels.
- Negotiated Corporate Membership of the Institute of Directors to enable all ranks of the Regimental Family (including veterans) to use their facilities.
- The recommencement of direct liaison with our Colonel in Chief (HM Queen Margrethe II of Denmark) an activity that directly reinforces the Nation's aspirations for friendly relations between nations.

#### Case Study 2

Status: *Veteran & Wife*

*Background: This veteran had numerous medical conditions and low mobility. The couple used a manual wheelchair however due to her own ill-health the wife struggled to push her husband around. They managed to borrow a mobility scooter which was a game-changer but was only available for a limited time. They requested assistance towards an Occupational Therapy Report which recommended that a mobility scooter was procured.*

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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 2021

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The trustees would like to thank all of those who contributed to the Charity whether from individual donations or grants from other charities to support projects (detailed below). In addition, the Chairman and the Trustees express their thanks to the Regimental Secretary and all the staff at Regimental Headquarters for another successful year both financially and in fulfilling the objectives of the Trust Deed.

#### Achievements and performance

##### a. Fundraising activities and income generation

###### *Case Study 3*

*Status: Widow*

*Background: This lady was struggling after the sad passing of her husband, not only emotionally but financially as well. Left with debts she was doing everything she could to better her situation. She was looking to downsize to sort her finances out but wanted to give her husband the funeral he deserved after dedicating 12 years of his life to the Army.*

*Outcome: Grant awarded and assistance from the Army Benevolent Fund and The Royal British Legion enabled the husband to have the funeral he deserved.*

Fundraising comes from several sources: individual donations (including legacies), monies raised by veteran associations or independent supporters of the regiment. At a time of increased economic uncertainty and pressure on household incomes this will become increasingly difficult to realise in 2022/23 and will require some difficult decisions regarding the budget – see risks below (but welfare grants will always be protected). 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) and the fund-raising lottery initiative also continues to provide a small but steady income which is gradually increasing over time.

Fundraising activities 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 2021**

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The recipients of benevolence cover a wide spectrum of the public and, although current serving personnel do 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. The veterans' horticultural project continues to develop as do our methods of communication with our veteran community to make them aware of developments and where to find help. The Charity has also helped preserve the Nation's heritage. The existence of the Charity helps to ensure high morale and esprit de corps in the PWRR and thus contributes to the overall effectiveness of the Nation's armed forces. This in turn brings tangible benefits to the public and it is therefore considered by the Trustees that there is an identifiable benefit to the Nation at large.

*Working with the Army Benevolent Fund, Royal British Legion, SSAFA and the NHS to support our soldiers, veterans, and families.*



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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 2021

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#### b. Review of activities

##### What We Do.

The PWRR Benevolent Fund is a 'mixed' charity that looks after the welfare needs of our soldiers and veterans and promotes the efficiency of the Regiment. Recognising the need to better define the Charity's role to the wider public, work has been undertaken to define the outputs of the charity using an Impact Measurement and Management (IMM) Framework which also encourages the charity to improve its performance. Five impact objectives and five outcomes deriving from the Theory of Change have been identified:

##### *Case Study 4*

##### *Status: Veteran*

*Background: This veteran was homeless. Life became out of control when his relationship broke down and he lost his home. He accrued debts, burying his head in the sand regarding his finances and eventually suffered a breakdown. With the help of the NHS veterans' mental health Transition, Intervention and Liaison Service (TILS) he started to recover from a very dark place and got back on track. He received an offer of housing from the local authority and requested assistance towards essential household items.*

*Outcome: Grant awarded to buy household items and further grants were awarded from the Army Benevolent Fund and The Royal British Legion.*

##### Impact Objectives:

- Relief of financial hardship and distress.
- Delivering services that meet individual social needs.
- Support heritage conservation efforts.
- Improving the efficiency of the regiment.
- Forming quality partnerships.

##### Outcomes:

- Increasing security and stability.
- Increase in long term quality of life.
- Strengthening social cohesion.
- Increasing soldier and recruit satisfaction.
- Preserve PWRR heritage.
- Raise community awareness of the regiment.

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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 2021

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To do this the regiment:

- Provides grants and support plans to individuals to service their mental, physical and financial needs.
- Provides grants to veteran associations and battalions to deliver events/services that relieve social/psychological needs.
- Commissions and funds work that support the conservation of the Regiment's history.
- Provides funding for infrastructure, processes, training, or equipment that supports the efficiency of the Regiment.
- Liaises with impact aligned partners to maximise the impact potential of the Regiment's activities (this not only includes other military charities such as the RBL or ABF but specialist charities (for instance debt counselling)).

#### United Nation Sustainable Development Goals (SDGs)

In reviewing the Charity's outputs, it has been recognised that the Charity also supports the Nation in its efforts to meet the 17 SDGs adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. In particular, the activities of the PWRR Benevolent Fund contribute towards 6 SDGs:



#### Impact Overview

The Charity has measured the following impacts:

##### ***Increase Long Term Quality of Life and Security & Stability:***

- 162 cases referred to on the Case Management System (CMS).
- £46,967 spent on 97 welfare cases.
- 76 cases referred to other charities of whom 64 received support.
- 5 cases have been referred to a veterans' association for support.
- 35 veterans have been involved in the Kennels Field Horticultural Project (except for skilled jobs requiring specialists, the build of the Club House has been carried out by volunteer veterans. The roof is now complete, and screed laid on the floor. Windows, doors, and feathered weatherboard have been *purchased and are fitted*):
- *£188,832.86 has been received in grants, donations, Gift Aid and fundraising efforts.*
- *Over 1,200 trees and shrubs have been planted along with wildflowers to enhance the biodiversity.*
- *The ancient woodland is being managed by qualified veterans.*
- *11 beehives have been installed producing Regimental Honey.*

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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 2021**

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*The club house building in the Kennels Field*



*A veteran stands at the entrance of the Kennels Field*



*The Regimental Beehives in the ancient woodland on Kennels Field*

*The trustees are grateful for the support given by the following charities that have helped to deliver the Kennels Field Project:*



*Queen's Royal Surrey Combined Charities*



*Armed Forces Covenant Fund*



**VETERANS' FOUNDATION**

*Veteran's Foundation and Veteran's Lottery*



*Kent Community Foundation*



*Pimlico Plumbers*



**COMMUNITY FUND**

*National Lottery*



*Nineveh Charitable Trust*

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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 2021

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Goldman  
Sachs

Goldman Sachs



Bernard Sunley Foundation



energy

Ovoenergy

#### **Preserve PWRR Heritage:**

- £27,000 spent on the purchase and restoration of paintings (including a painting dating from 1665 which has National significance).
- £7,798 spent on insurance to ensure that 100% of chattels insured; costs are subject to an annual review.
- 100% chattels inspected annually.
- £13,494 in grants to support regimental days and events (for instance the Battles of Albuhera and Minden and the laying up of Old Colours).
- £30,750 spent on producing magazines and books to keep the Regimental Family informed reaching c7,000 members of the Regimental Family.
- 1 x engagements with the Colonel in Chief – HM Queen of Denmark (COVID prevented a further two from going ahead).



Portrait of Queen Catherine of Braganza (wife of King Charles II). The earliest elements of the Regiment were formed in 1661 to protect part of Her Dowry which was the port of Tangier.

Painted by Huysmans in 1665 – restored and preserved for the Regiment and the Nation

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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 2021

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#### ***Raised Soldier and Recruit Satisfaction:***

- £3,862 granted for adventurous training and sport to support four activities
- 3 grants worth £1,700 for infrastructure improvements to the benefit of soldiers.
- 35 welfare grants worth £3,898 to serving soldiers (included in overall welfare grants above).
- £12,884 granted towards nurturing recruits – 8 Officers and 195 Private Soldiers

As a result of this activity the strength of our battalions against their authorised structures are amongst the best in the Army.



Members of the Regiment are subsidised to enter Adventurous Training and Sporting Activities that challenge the individual to overcome adversity, build self-esteem and comradeship.

#### ***Increased Community Awareness of the Regiment:***

Due to COVID restrictions only one grant of £1,500 was made to support community engagement activity.

#### **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.

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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 2021

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#### b. Principal Risks and Uncertainties

Identified risks and mitigation measures are:

**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.** Investments 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.

**Reputation.** The charity is confident that its activities and operations will not undermine its reputation.

**Change to Government Policy.** Included here are the restrictions imposed as a result of COVID. An early decision to focus activity on welfare support and reduce other costs worked to the Charity's advantage in 2020 and this continued in 2021 allowing the charity 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 Trustees estimate to be in excess of £60,000.

#### d. Investment Policy

The Charity's investment policy is to produce the highest financial return within an acceptable level of risk. To this end a formal review of our investors (Barclays) was carried out with the aid of Asset Risk Consultants (UK) Limited culminating in a formal review of five charities by the Investment Committee (including Barclays). The Committee recommended to the trustees that the Charity's investments should be transferred to Sarasin and Partners; the trustees agreed to this course of action in December 2021.

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 3.5%, however, the short-term target is to preserve the capital value with a minimum level of risk. Despite the challenges of COVID 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 bit. As a result, the Charity managed to maintain its liquidity making a useful surplus in year which adds to our reserves.

#### e. Financial review

The detailed financial position is shown on pages 17 to 40.

Income during the year was some £436K, a small drop on the previous year whilst expenditure was £301K resulting in a surplus of £135K after adjustments. Our investments recovered strongly from 2020 by £0.50M bringing our total net assets to £7M.

### 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 2021

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#### **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. Management Structure**

The management board consists of Ex-Officio Trustees who are senior members of the Regimental Council and Administrative Trustees who are drawn from the chairs of veteran associations or have financial and business expertise. The Honorary Colonel of 3 PWRR, Sir Lloyd Dorfman CVO CBE, attends meetings as an advisor.

#### **d. Remuneration**

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 13 and 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).

#### **e. Third Party Indemnity**

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

#### **f. 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. A recent review concluded that welfare cases had been decreasing by 50% since 2016 – a result of the passing of the WWII generation; as a result, the grant limit has been increased in 2022 from £500 to £1000; welfare grants for amounts greater than this requires Trustees' authorisation. Outside welfare grants, 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.

#### **Future activity**

In 2022 the Charity will:

- Engage with COBSEO to review governance procedures.
- Improve communication with the wider Regimental Family\*.
- Liaise with mental health charities to give those in need the ability to seek help more quickly.
- Work to preserve the Charity's capital value (and the income generated by that) at a time of financial uncertainty (which is captured in the Charity's risk register).
- Increase the level of individual grants available to welfare applicants.
- Support the presentation of Colours to 4 PWRR whilst running a re-union event to commemorate the 30th anniversary of the raising of the Regiment.

\* One area that was deemed ripe for improvement was the communication with PWRR veterans. To date the Association has used social media to keep in contact with veterans and inform them of events and job opportunities. This works well with those who wish to be engaged but is not effective with those with low self-esteem, life problems or just do not wish to use social media. In particular, the current method of communication misses potential suicides or self-harmers. The trustees have agreed to invest in a Subscriber Customer Relations Management System to go live in 2022 which will help push information out to individual veterans.

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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 2021**

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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 judgements 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.

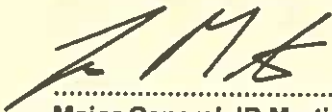
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities 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.

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



.....  
**Major General JR Martin DSO OBE MC**

Date: 13 SEPTEMBER 2022

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

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### **INDEPENDENT AUDITOR'S 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 2021 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 Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 January 2019 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 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 Auditor's 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 AUDITOR'S REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL  
REGIMENT BENEVOLENT FUND (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 AUDITOR'S REPORT TO THE MEMBERS OF PRINCESS OF WALES'S ROYAL REGIMENT BENEVOLENT FUND (CONTINUED)

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#### Auditor's 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 Auditor's 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:

- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management 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 minutes of meetings of those charged with governance.

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 Auditor's report.

#### 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 Auditor's 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 Auditor  
Maidstone  
United Kingdom

Date: 22 September 2022

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 2021**

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>						
Donations and legacies	4	-	42,500	237,184	279,684	284,475
Charitable activities	5	-	-	7,490	7,490	22,452
Investments	6	2,553	-	146,187	148,740	162,989
<b>Total income and endowments</b>		<b>2,553</b>	<b>42,500</b>	<b>390,861</b>	<b>435,914</b>	<b>469,916</b>
<b>Expenditure on:</b>						
Raising funds	7,8	338	4,970	74,764	80,072	18,895
Charitable activities		-	-	220,843	220,843	240,667
<b>Total expenditure</b>		<b>338</b>	<b>4,970</b>	<b>295,607</b>	<b>300,915</b>	<b>259,562</b>
<b>Net income before net gains/(losses) on investments</b>		<b>2,215</b>	<b>37,530</b>	<b>95,254</b>	<b>134,999</b>	<b>210,354</b>
Net gains/(losses) on investments		10,382	151,839	384,344	546,565	(82,923)
<b>Net movement in funds before other recognised gains</b>		<b>12,597</b>	<b>189,369</b>	<b>479,598</b>	<b>681,564</b>	<b>127,431</b>
<b>Other recognised gains:</b>						
Gains on revaluation of fixed assets		-	-	187,184	187,184	-
<b>Net movement in funds</b>		<b>12,597</b>	<b>189,369</b>	<b>666,782</b>	<b>868,748</b>	<b>127,431</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		116,249	-	6,073,195	6,189,444	6,062,013
Net movement in funds		12,597	189,369	666,782	868,748	127,431
<b>Total funds carried forward</b>		<b>128,846</b>	<b>189,369</b>	<b>6,739,977</b>	<b>7,058,192</b>	<b>6,189,444</b>

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

The notes on pages 20 to 40 form part of these financial statements.

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

**BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	400,991	143,916
Heritage assets	15	99,894	69,894
Investments	16	6,381,450	5,685,561
		<u>6,882,335</u>	<u>5,899,371</u>
<b>Current assets</b>			
Stocks	17	12,718	12,718
Debtors	18	30,407	18,380
Investments	19	18,909	15,842
Cash at bank and in hand		346,824	442,489
		<u>408,858</u>	<u>489,429</u>
Creditors: amounts falling due within one year	20	(233,001)	(199,356)
<b>Net current assets</b>		<u>175,857</u>	<u>290,073</u>
<b>Total net assets</b>		<u><u>7,058,192</u></u>	<u><u>6,189,444</u></u>
<b>Charity funds</b>			
Endowment funds	21	128,846	116,249
Restricted funds	21	189,369	-
Unrestricted funds	21	6,739,977	6,073,195
<b>Total funds</b>		<u><u>7,058,192</u></u>	<u><u>6,189,444</u></u>

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



Major General JR Martin DSO OBE MC

Date: 13 SEPTEMBER 2022

The notes on pages 20 to 40 form part of these financial statements.

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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 2021**

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	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	23	157,276	228,255
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(70,550)	(47,830)
Proceeds from sale of investments		20,676	14,637
Purchase of investments		(170,000)	-
Purchase of heritage assets		(30,000)	-
<b>Net cash used in investing activities</b>		<b>(249,874)</b>	<b>(33,193)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(92,598)</b>	<b>195,062</b>
Cash and cash equivalents at the beginning of the year		458,331	263,269
<b>Cash and cash equivalents at the end of the year</b>	24	<b>365,733</b>	<b>458,331</b>

The notes on pages 20 to 40 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 2021

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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 Northern 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 2019), 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 in October 2019 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.

##### 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.

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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 2021

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#### 2. Accounting policies (continued)

##### 2.3 Income (continued)

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 Unilottery. 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.

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.

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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 2021

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#### 2. Accounting policies (continued)

##### 2.4 Expenditure (continued)

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.

All expenditure is inclusive of irrecoverable VAT.

##### 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
Fixtures and fittings	- Over 3 years
Office equipment	- Over 3 years

##### 2.7 Heritage assets

Where heritage assets have been purchased, they are initially recognised at cost. After recognition, under the cost model, heritage assets are measured at cost less any accumulated depreciation and 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 is any indication of impairment. If such indication exists, 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.

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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 2021

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#### 2. Accounting policies (continued)

##### 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.

##### 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.

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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 2021

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#### 2. Accounting policies (continued)

##### 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.

Endowment funds are for the charity to retain for the charity's use in furtherance of its charitable purposes.

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

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

No significant judgements have been made by management in preparing these financial statements apart from those detailed in note 2.

#### 4. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
<b>Donations</b>			
Days' pay	-	83,579	83,579
<b>Subtotal detailed disclosure</b>	-	83,579	83,579
Other donations	32,500	149,281	181,781
Other grants	-	1,804	1,804
Lottery income	10,000	2,520	12,520
<b>Subtotal</b>	42,500	153,605	196,105
<b>Total 2021</b>	42,500	237,184	279,684

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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 2021**

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**4. Income from donations and legacies (continued)**

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

**5. Income from charitable activities**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Silver contributions	2,411	2,411
Book sales	2,274	2,274
Car badge sales	2,805	2,805
<b>Total 2021</b>	<b>7,490</b>	<b>7,490</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 2021**

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**5. Income from charitable activities (continued)**

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

**6. Investment income**

	<i>Endowment funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income	2,553	145,868	148,421
Interest income	-	319	319
	<u>2,553</u>	<u>146,187</u>	<u>148,740</u>

	<i>Endowment funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment income	3,239	1,725	158,017	162,981
Interest income	-	1	7	8
	<u>3,239</u>	<u>1,726</u>	<u>158,024</u>	<u>162,989</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 2021**

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**7. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Presentation costs	17,223	17,223
Remembrance costs	2,825	2,825
Event costs	42,312	42,312
	<u>62,360</u>	<u>62,360</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Presentation costs	12	12
Remembrance costs	2,964	2,964
Event costs	50	50
	<u>3,026</u>	<u>3,026</u>

**8. Investment management costs**

	<b>Endowment funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment management fees	338	4,970	12,404	17,712
	<u>338</u>	<u>4,970</u>	<u>12,404</u>	<u>17,712</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 2021**

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**8. Investment management costs (continued)**

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

**9. Analysis of expenditure by activities**

	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Hardship or distress relief for former and serving members	32,892	73,114	114,837	220,843

	<i>Activities undertaken directly 2020 £</i>	<i>Grant funding of activities 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Hardship or distress relief for former and serving members	51,238	87,631	101,798	240,667

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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 2021

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Hardship or distress relief for former and serving members 2021 £	Total funds 2021 £
Insurance costs	7,474	7,474
Newsletter expenses	10,850	10,850
Other direct costs	13,909	13,909
Depreciation charge	659	659
	<hr/>	<hr/>
	32,892	32,892
	<hr/>	<hr/>
	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
	<hr/>	<hr/>
	51,238	51,238
	<hr/>	<hr/>

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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 2021**

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Hardship or distress relief for former and serving members 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	1,250	1,250
Postage and stationery	23,752	23,752
Trip and travel expenditure	7,835	7,835
Trustees insurance	326	326
Bookkeeping costs	13,902	13,902
Office expenses	2,296	2,296
Other support costs	863	863
Auditors' remuneration	1,564	1,564
Trustees meeting expenses	20,846	20,846
Website costs	6,030	6,030
Consultancy expenses	36,173	36,173
	<hr/> <b>114,837</b> <hr/>	<hr/> <b>114,837</b> <hr/>

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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 2021**

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Hardship or distress relief for former and serving members 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	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
Trustees meeting expenses	50	50
Website costs	5,609	5,609
Repairs and maintenance	401	401
Consultancy expenses	24,555	24,555
	<u>101,798</u>	<u>101,798</u>

**10. Analysis of grants and welfare payable**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
1 PWRR Grant	2,699	2,699
2 PWRR Grant	1,570	1,570
3 PWWRR Grant	2,335	2,335
Welfare grants	46,968	46,968
Other Benevolence Grants	88,992	88,992
Queens grant	300	300
	<u>142,864</u>	<u>142,864</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 2021**

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	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
1 PWRR Grant	-	10,608	10,608
2 PWRR Grant	-	649	649
3 PWRR Grant	-	685	685
4 PWRR Grant	-	257	257
Welfare Grants	1,281	24,842	26,123
Other Benevolence Grants	500	47,009	47,509
Queens Grants	-	1,800	1,800
	<u>1,781</u>	<u>85,850</u>	<u>87,631</u>

**11. Auditor's remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>6,442</b>	<b>7,819</b>
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<b>15,006</b>	<b>13,708</b>

**12. Staff costs**

	<b>2021 £</b>	<b>2020 £</b>
Wages and salaries	<b>1,250</b>	<b>9,589</b>
	<u>1,250</u>	<u>9,589</u>

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

	<b>2021 No.</b>	<b>2020 No.</b>
Employees	<b>1</b>	<b>1</b>

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  
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**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, expenses totalling £568 were reimbursed to 2 Trustees in relation to travel and postage costs (2020: £nil).

**14. Tangible fixed assets**

	Freehold land £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2021	143,066	-	11,505	154,571
Additions	69,750	800	-	70,550
Revaluations	187,184	-	-	187,184
At 31 December 2021	<u>400,000</u>	<u>800</u>	<u>11,505</u>	<u>412,305</u>
<b>Depreciation</b>				
At 1 January 2021	-	-	10,655	10,655
Charge for the year	-	267	392	659
At 31 December 2021	<u>-</u>	<u>267</u>	<u>11,047</u>	<u>11,314</u>
<b>Net book value</b>				
At 31 December 2021	<u>400,000</u>	<u>533</u>	<u>458</u>	<u>400,991</u>
At 31 December 2020	<u>143,066</u>	<u>-</u>	<u>850</u>	<u>143,916</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Heritage assets**

**Assets recognised at cost**

	<b>Heritage assets 2021 £</b>
Carrying value at 1 January 2021	69,894
Additions	30,000
	<u>99,894</u>

Additions in the year are in respect of the erection of a memorial at the National Memorial Arboretum to the Lisbon Maru atrocity in 1942.

The charity is a repository of thousands of items, the majority of which have been donated over many years both by individuals and regimental units that have closed.

In line with FRS 102 and SORP, the assets have been obtained over many years of the charity existing and are not recognised on the Balance Sheet due to costs of individual heritage assets not being identifiable. Off balance sheet assets relate to paintings, medals and other items that are military in nature.

**16. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 January 2021	5,685,561
Additions	170,000
Disposals	(20,676)
Revaluations	546,565
At 31 December 2021	<u>6,381,450</u>
<b>Net book value</b>	
At 31 December 2021	6,381,450
At 31 December 2020	<u>5,685,561</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Stocks**

	2021 £	2020 £
Finished goods and goods for resale	12,718	12,718

**18. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Amounts owed by participating interests	3,123	-
Other debtors	3,908	1,700
Prepayments and accrued income	23,376	16,680
	<u>30,407</u>	<u>18,380</u>

**19. Current asset investments**

	2021 £	2020 £
Cash and cash equivalents	18,909	15,842

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

	2021 £	2020 £
Trade creditors	16,544	3,950
Other creditors	186,498	187,588
Accruals and deferred income	29,959	7,818
	<u>233,001</u>	<u>199,356</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 2021**

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**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
The Queen's Regiment Benevolent Fund	1,552,034	76,209	(70,890)	219,034	1,776,387
The Queen's Royal Surrey Benevolent Fund	1,726,149	41,273	(6,045)	151,775	1,913,152
The Cadets Endowment Fund	-	-	(435)	13,535	13,100
	<u>3,278,183</u>	<u>117,482</u>	<u>(77,370)</u>	<u>384,344</u>	<u>3,702,639</u>
<b>General funds</b>					
General Funds	<u>2,795,012</u>	<u>273,379</u>	<u>(218,237)</u>	<u>187,184</u>	<u>3,037,338</u>
<b>Total Unrestricted funds</b>	<u>6,073,195</u>	<u>390,861</u>	<u>(295,607)</u>	<u>571,528</u>	<u>6,739,977</u>
<b>Endowment funds</b>					
The Royal Sussex Regimental Association	<u>116,249</u>	<u>2,553</u>	<u>(338)</u>	<u>10,382</u>	<u>128,846</u>
<b>Restricted funds</b>					
The Queen's Benevolent Fund	<u>-</u>	<u>42,500</u>	<u>(4,970)</u>	<u>151,839</u>	<u>189,369</u>
<b>Total of funds</b>	<u><u>6,189,444</u></u>	<u><u>435,914</u></u>	<u><u>(300,915)</u></u>	<u><u>733,749</u></u>	<u><u>7,058,192</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2020 £</i>
<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>						
The Queen's Benevolent Fund	352,623	2,664	(10,581)	(344,706)	-	-
<b>Total of funds</b>	<u>6,062,013</u>	<u>469,916</u>	<u>(259,562)</u>	<u>-</u>	<u>(82,923)</u>	<u>6,189,444</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Statement of funds (continued)****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 year**

	<b>Endowment funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	400,991	<b>400,991</b>
Fixed asset investments	128,846	189,369	6,063,235	<b>6,381,450</b>
Heritage assets	-	-	99,894	<b>99,894</b>
Current assets	-	-	408,858	<b>408,858</b>
Creditors due within one year	-	-	(233,001)	<b>(233,001)</b>
<b>Total</b>	<b>128,846</b>	<b>189,369</b>	<b>6,739,977</b>	<b>7,058,192</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Analysis of net assets between funds (continued)**

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

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	143,916	143,916
Fixed asset investments	116,249	5,569,312	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>116,249</b>	<b>6,073,195</b>	<b>6,189,444</b>

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

	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>681,564</b>	<b>127,431</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>659</b>	<b>813</b>
Gains/(losses) on investments	<b>(546,565)</b>	<b>82,924</b>
Decrease/(increase) in stocks	<b>-</b>	<b>(106)</b>
Decrease/(increase) in debtors	<b>(12,027)</b>	<b>1,794</b>
Increase/(decrease) in creditors	<b>33,645</b>	<b>15,399</b>
<b>Net cash provided by operating activities</b>	<b>157,276</b>	<b>228,255</b>

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

	<b>2021 £</b>	<b>2020 £</b>
Cash at bank and in hand	<b>346,824</b>	<b>442,489</b>
Cash on deposit (Current Asset Investment)	<b>18,909</b>	<b>15,842</b>
<b>Total cash and cash equivalents</b>	<b>365,733</b>	<b>458,331</b>

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Analysis of changes in net debt**

	At 1 January 2021 £	Cash flows £	Changes in market value and exchange rate movements £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	442,489	450,241	(546,565)	659	346,824
Cash on deposit	15,842	3,067	-	-	18,909
	<u>458,331</u>	<u>453,308</u>	<u>(546,565)</u>	<u>659</u>	<u>365,733</u>

**26. Related party transactions**

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

At the year end, the amount due to The Princess of Wales's Royal Regiment Maintenance Fund was £169,803 (2020: £174,329). During the year, £7,180 of support expenses were paid by the Charity on behalf of The Princess of Wales's Royal Regiment Maintenance Fund, and £2,654 were paid by the The Princess of Wales's Royal Regiment Maintenance Fund on behalf of the Charity.