

THE ULSTER DEFENCE REGIMENT BENEVOLENT FUND

REPORT OF THE BOARD OF TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2023

The Board of Trustees present their report and financial statements of the Fund for the year ended 31st March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the Fund's governing document, the Charities Act (Northern Ireland) 2008, the Charities Act (Northern Ireland) 2013, the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015, 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 issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and UK Generally Accepted Accounting Practice.

CONSTITUTION

The Ulster Defence Regiment Benevolent Fund was founded in 1972 under Charitable Trust, most recently revised in 2017, its purpose being helping and assisting the financial needs and affording support to the benefit of members of and former members of the Ulster Defence Regiment and their dependants as set out in the Trust Deed. The Fund is recognised for charitable purposes by HM Revenue & Customs and registered with The Charity Commission for Northern Ireland on 11th July 2018. Further information on the Fund and the members of the Board of Trustees can be obtained from the Secretary at the registered office address:

CHARITY ADMINISTRATIVE AND REFERENCE DETAILS

Charity name	The Ulster Defence Regiment Benevolent Fund
Charity registration number	NIC107024
HMRC reference	XN48435
Registered office	Anderson House, Palace Barracks, Holywood, BT18 9QA
Trustees	The charity commission has accepted a request from the trustees for their personal details to be withheld. There were 14 trustees' who served during the year.
Secretary	Mr B Kennedy (delegated day to day management of the Fund)
Investment managers	Julius Baer International Limited, 1 St Martins, Le Grand, London, EC1A 4AS Quilter Cheviot Limited, Montgomery House, 29/33 Montgomery Street, Belfast, BT1 4NX
Auditor	GMcG Belfast, Alfred House, 19 Alfred Street, Belfast, BT2 8EQ
Bankers	Danske Bank, Donegall Square West, Belfast, BT1 6JS
Solicitors	Edwards & Company, 28 Hill Street, Belfast, BT1 2LA

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REPORT OF THE BOARD OF TRUSTEES *(continued)*

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure and related parties

Responsibility for the activities of the Fund is vested in and carried out by a Board of Trustees which meets at intervals throughout the year.

The Board of Trustees consists of elected members. Trustees are appointed or are eligible for re-appointment immediately following the completion of their term of office at a General Meeting of the Fund for a term of four years. The number of trustees shall consist of not more than fifteen.

The Chairman of the Board of Trustees is appointed annually at a General Meeting of the Fund.

Recruitment, appointment, induction and training

The Board of Trustees have been involved in the Fund for a number of years and so are familiar with its work. The trustees regularly review the requirements of the Fund and the possibility of a need for additional trustees. Any new trustees would be elected by the Board of Trustees. Appropriate training and induction is available to all trustees.

INVESTMENT POWERS AND POLICY

Under the trust deed, the trustees have unrestricted investment powers, and may invest at their absolute discretion. The trustees have appointed two independent investment managers, who have discretionary powers, with a mandate which is reviewed on a quarterly basis, to maintain and grow income, with a moderate risk profile.

OBJECTIVES AND ACTIVITIES

The Ulster Defence Regiment Benevolent Fund exists to provide assistance to those former members of The Ulster Defence Regiment and the extended Ulster Defence Regiment family who are in need of support as a consequence of poverty caused by sickness, disability, accident, infirmity, social exclusion or other adversity through the provision of grants and respite support.

PUBLIC BENEFIT STATEMENT

The trustees of The Ulster Defence Regiment Benevolent Fund confirm that they have had due regard for the guidance on Public Benefit by the Charity Commission for Northern Ireland and are pleased to report that during the year the charity has continued to provide Public Benefits.

PUBLIC BENEFIT

The trustees believe that the Fund provides the following public benefits in supporting those former members of the Ulster Defence Regiment and their dependants who are in need:

1. The relief of poverty or assisting those in need by reason of age, ill health, disability, financial hardship or other disadvantage.

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PUBLIC BENEFIT (*continued*)

The Ulster Defence Regiment Benevolent Fund meets this purpose through the provision of grants or other assistance, both financial and through the provision of goods and respite support. The provision of this assistance has enabled the Fund to help lift its beneficiaries out of a potential poverty trap by alleviating some of the financial difficulties that they face, for example where statutory benefits do not cover what is required, where a beneficiary has special needs or a neurological, psychological or physical disability or where a beneficiary is facing homelessness or poverty as a result of a debt.

2. The advancement of human rights, conflict resolution or reconciliation.

The Ulster Defence Regiment Benevolent Fund provides support to its beneficiaries in relieving social exclusion (due to poverty, financial or otherwise, by being a member of the Regiment or a widow, widower, dependant or family member of such member) by providing them with the opportunity to meet with other victims and survivors of the 'Troubles' in Northern Ireland and of other conflicts. The direct benefits which flow from this purpose include an opportunity for victims and survivors to avoid the poverty trap caused by social exclusion and all other hardships (financial or otherwise) that flow from such social exclusion, to reflect upon and share their experiences and to begin to come to terms with their involvement in such conflicts and the social, political and financial consequences relating thereto. In turn, this promotes healing and reconciliation among the beneficiaries and society as a whole. The 'poverty exception' applies in this case; the Fund seeks to relieve poverty in a number of circumstances and this is regarded as being for the public benefit even where there is a restricted or smaller potential group of beneficiaries. There is no harm arising from any of the purposes. The charity's beneficiaries are those former members of the Ulster Defence Regiment or members or former members of the Royal Irish Regiment who are serving or have served on a similar limited commitment of service as the members of the Ulster Defence Regiment ("Home Service Conditions of Service") and their widows, widowers, dependants and families who are in need.

There may be a private benefit flowing from the purposes, which is incidental and necessary in the circumstances, where a trustee may have been a serving member of the Regiment in his/her past who may find him/herself in necessitous circumstances because of social or financial reasons.

The trustees are fully aware of the guidelines coming from The Charity Commission for Northern Ireland. They believe they are operating entirely within those guidelines which have been released so far and look forward with confidence to the development of the Fund's work in the future.

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REPORT OF THE BOARD OF TRUSTEES *(continued)*

FOR THE YEAR ENDED 31ST MARCH 2023

PUBLIC BENEFIT *(continued)*

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The trustees are fully aware of the guidelines coming from The Charity Commission for Northern Ireland. They believe they are operating entirely within those guidelines which have been released so far and look forward with confidence to the development of the Fund's work in the future.

ACHIEVEMENTS AND PERFORMANCE

During the year the Fund undertook numerous welfare activities giving financial help to assist the needs and afford support to the benefit of former members of the Ulster Defence Regiment and their dependants. The Fund also sponsored numerous respite activities for family groups comprising of widows, bereaved parents, disabled ex-soldiers and dependants of former members of the Regiment. During the year, 114 (2022 – 114) applications for benevolence were dealt with, 534 (2022 – 519) families benefited from respite in the apartments and 233 (2022 – 221) family or disabled ex-soldiers groups availed of respite activities during the year.

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REPORT OF THE BOARD OF TRUSTEES (*continued*)

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ACHIEVEMENTS AND PERFORMANCE (*continued*)

The Fund also extended the Pilot Health Care Scheme for a further year with 604 beneficiaries now benefiting from the scheme. The overall increase in beneficiary contact during the year was 41%.

Total income for the period amounted to £309,148 (2022 - £268,767) and total expenditure for the period amounted to £514,625 (2022 - £456,644). Investments were held by Julius Baer and Quilter Cheviot as discretionary investment managers and there was a loss on investments of £646,575 (2022 – gain of £405,885) in the year.

The trustees continually review the level of welfare grants given and respite activities for family groups comprising of widows, bereaved parents, disabled ex-soldiers and dependants of former members of the Ulster Defence Regiment in relation to projected investment income and donations together with any surplus funds. Direct charitable expenditure increased in the year by £60,308 from £396,413 to £456,721.

The trustees do not anticipate any significant increase in the level of grants given in the incoming year.

The trustees consider that the Fund is in a satisfactory position to sustain its charitable activities for the foreseeable future.

RISK MANAGEMENT

The trustees have assessed the major risks to which the Fund is exposed, in particular those related to the operations and finances of the Fund, and are satisfied that systems are in place to mitigate an exposure to major risks. In particular, the trustees instruct external accountants to review the accounting records and prepare interim management accounts during the course of the financial year. The trustees' attitude to investment risk is managed through the two professional investment managers. Where appropriate; systems or procedures have been established to mitigate the risks faced by the Fund.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of officers, volunteers and applicants. These procedures are periodically reviewed at least annually to ensure that they continue to meet the needs of the Fund.

FINANCIAL REVIEW

Details of income and expenditure for the year and of the year end financial position are given on pages 13 and 14 of the accounts attached to this report. There was a decrease in the market value of the Fund's investment portfolio during the year and reserves decreased by £852,052 in 2022/23 from £11,200,468 to £10,348,416. The trustees consider the financial position of the Fund as satisfactory in order to sustain its charitable activities for the foreseeable future.

FUNDING

The principal funding is from donations and investments.

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REPORT OF THE BOARD OF TRUSTEES *(continued)*

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FINANCIAL REVIEW *(continued)*

RESERVES POLICY

Cash and deposit balances are maintained so as to be able to meet expenditure on charitable activities and other outgoings as they arise. However, the majority of the Charity's assets are held in investment funds and in fixed assets used to help fulfil its charitable objectives. The Charity's income is mainly derived from investment income and the Trustees are aware of the need to minimise the risk that the Charity cannot meet its obligations by maintaining the value of the charity's underlying investments. The Charity's obligations cannot be readily ascertained but the Trustees adopt a reserves policy which allows free reserves to be available in any financial year in line with an annual budget set in advance of the year. The total unrestricted funds of the charity are £10,348,416 (2022: £11,200,468) which includes fixed assets of £9,836,237 (2022: £10,360,154) leaving the charity with free reserves of £512,179 (2022: £840,314).

PLANS FOR FUTURE PERIODS

There have been no major changes in the year, nor are any envisaged in the foreseeable future.

STATEMENT OF THE RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The trustees are responsible for preparing the Trustees' Annual 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 Northern Ireland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 (Northern Ireland) 2008, the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and the provisions of the trust deed. They are also responsible for safeguarding assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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REPORT OF THE BOARD OF TRUSTEES *(continued)*

FOR THE YEAR ENDED 31ST MARCH 2023

STATEMENT OF THE RESPONSIBILITIES OF THE BOARD OF TRUSTEES *(continued)*

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITOR

GMcG Belfast offer themselves for re-appointment as auditor for the ensuing year.

Signed on behalf of the trustees

Chairman

Date: 31st October 2023