

UPDATE ON THE PROPOSALS FOR THE DISBURSEMENT OF TRUST FUNDS OUTLINED THE PAPER ON
“PROPOSALS FOR THE FUTURE OF THE 6TH QUEEN ELIZABETH’S OWN GURKHA RIFLES REGIMENTAL ASSOCIATION”
DATED 22 APR 2018

Background

1. At the 6GR Regimental Association (6GRRRA) AGM on 10 Jul 17, attendees were briefed about the paper (the “Paper”) under preparation on the future of our Regimental Association. The aim of the Paper was to propose options for the future of 6GRRRA and the Regimental Trust (6GRRT).
2. The final draft of the Paper was endorsed out of committee by Members of the 6GRRRA Committee and the Trustees of the 6GRRT by 9 Feb 18, subject to some minor changes. The endorsed Paper (6GR/5 dated 22 Apr 18) was issued to Committee Members and Trustees and a summary issued to Members at the 2018 AGM (6GR/6 dated 16 Aug 18), with copies of the full paper available to those who requested it.
3. The Paper was in effect a “Living Will” and only set out the basis for future decisions on the 6GRRRA and 6GRRT. As the Summary in the Paper made clear, the proposals were just that, and final decisions would have to be made by 6GRRRA Committee Officers and 6GRRT Trustees at the time, and voted on by the membership as per 6GRRRA rules.
4. In brief, the Paper covered:
 - a. The history of the Association and the various Trusts, as well as their aims and objectives.
 - b. The problems facing the Association. These centered around declining active membership, poor attendance at Association and Brigade events, a paucity of individuals prepared to serve on the various committees, and societal changes.
 - c. A variety of options for the future, and selected proposals. These included agreement that there would be no run-down of Trust funds in anticipation of closure, as they represented the main source of income to fund all activities.
 - d. The disbursement of Trust funds. This, and the options for the future, would be kept under review.
5. There have been no significant changes to the factors that would lead to closure. The only significant change in recent years has been the gradual erosion of Trust capital and consequently the proposals for disbursement. It is this aspect which this paper addresses.

Disbursement of Trust Funds – Proposals

6. The Trust. While the Trust is not obliged to close at the same time as the Association, it will probably encounter the same problems that force the Association to close: a dearth of manpower. Ideally, both should close together, but in practice this might not be possible: to clear any outstanding debtors and creditors, and to permit the submission of a final Annual Report and Accounts to the Charity Commission, the Trust might need to continue to exist for a short while after the Association has closed. Existing funds will need to be disbursed, and this must be compliant with Trust Objectives and in accordance with current UK and international legislation.

7. Disbursement of Trust Funds. At the time of writing the Paper, the Trust was worth some £265,000, and it was assumed that this balance would be retained (or exceeded) in the future. However, bearing in mind forthcoming expenditure (£26K) on the March 23 Reunion/Dedication events in Nepal, possible Legacy Project costs and the forthcoming budget for FY 22/23, by the end of FY 22/23 the Trust is likely to be worth some £220,000, excluding ring-fenced Memorial funds. While how and to whom grants will be made is a decision for the future, were this decision to be made on this projection possible grants might be as outlined below:

Serial & Original para	Original Proposal in Para 31 of <u>“Proposals for the Future of the 6th Queen Elizabeth’s Own Gurkha Rifles Regimental Association”</u> . dated 22 April 2018	Proposals based on Trust worth of:			
		£ 220,000	£200,000	£150,000	£100,000
(a)	(b)	(c)	(d)	(e)	(f)
1. 31.a	<p><u>RGR Regimental Association.</u> As our lineal descendant and the custodian of much of our property it is proposed to grant £50,000, or 19% of the Trust funds, whichever is the greater, to the RGR Regimental Association as follows:</p> <p>a.i) A grant of £25,000 to “...<i>promote the efficiency of the Royal Gurkha Rifles in such ways as the Trustees from time to time think fit...</i>”.</p> <p>a.ii) A restricted grant of £25,000 towards 6GR property maintenance which will help to “...<i>to preserve</i>”</p>	£20,000	£18,000	10,000	Nil
		£22,000	£20,000	£15,000	£10,000

	<i>the history and traditions of the Regiment...</i> and indirectly to <i>...create and maintain a permanent memorial or permanent memorials to the members of the regiment...</i>			0	
2. 31.b	<u>GWT</u> . Any award to a charity should bear in mind proportionality, and hence the impact, of the grant. Last year the GWT spent £21.059 M and if <u>all</u> trust funds were donated to GWT they would represent just 1.3% of expenditure. Nevertheless, GWT is the main source of support to our pensioners, and it is Trust policy ¹ to route all welfare donations through GWT to ensure a proper and efficient delivery of help to those <i>...in need, hardship or distress...</i> . It is proposed that GWT be awarded £50,000 or 19% of Trust funds, whichever is the greater.	£10,000 Bearing in mind current GWT reserves	£10,000	-	-
3. 31.c	<u>The Gurkha Museum</u> . Conversely an award of all trust funds to the Gurkha Museum would equate to 168% of annual expenditure, and a substantial grant to the cash-poor museum would ensure that they are able <i>...to preserve the history and traditions of the Regiment...</i> as well as <i>...creating and maintaining a permanent memorial or permanent memorials to the members of the regiment...</i> . It is proposed that the Gurkha Museum be awarded £100,000, or 38% of Trust funds, whichever is the greater.	£100,000	£80,000, representing 40% of Trust funds	£60,000, representing 40% of Trust funds	£40,000, representing 40% of Trust funds
4. 31.d	<u>The Gurkha Memorial Museum, Pokhara</u> . Although not a current recipient of Trust funds, this museum, which enjoys Nepalese charitable status equivalent, merits support. It is well run, popular, the only museum of this type in Nepal and above all, a memorial to all those, past and present, of the Brigade of Gurkhas. Any grant would meet the same objectives as those met by the Gurkha Museum. It is proposed that the Gurkha Memorial Museum Pokhara be awarded £8,000.	£8,000, bearing in mind current plans for 6GR Memorial.	£8,000, bearing in mind current plans for 6GR Memorial.	£8,000, bearing in mind current plans	£8,000, bearing in mind current plans for 6GR Memorial.

				for 6GR Memor ial.	
5. 31.e	<u>GBA.</u> As explained earlier, the demise of the antecedent regiments will result in a halving of GBA income, see paragraph 29 and associated footnotes. If members are to continue to enjoy the benefits of GBA membership and expect GBA to take on some of the Association roles, which will help "... <i>foster esprit de corps and further comradeship...</i> ", it is right and proper that they be recompensed. It is proposed that the GBA Trust – the financial arm of the GBA – be awarded £10,000.	£5,000 Although our proposals to GBA not pursued yet.	£4,000	£3,000	£2,000
6. 31.f	<u>6GRRAN and Darjeeling Branch.</u> The RAN and Darjeeling branch have not indicated that they are thinking of closing in the near future. They are fundamental in fostering comradeship among the increasing old and frail pensioners in Nepal and merit continued support. At present the RAN receives an annual grant of £2,500 and, although their bank account holds some £13,000, it is proposed that they be granted £12,500. The Darjeeling branch receive £400 annually and it is proposed that they be granted £2,000. These grants are conditional on their continued existence for at least five years after the Association and Trust close.	£12,500 to 6GRRAN (no change) £2,000 to Darjeeling branch (no change)	£12,500 to 6GRRAN (no change) £2,000 to Darjeeling branch (no change)	£12,500 to 6GRRAN (no change) £2,000 to Darjeeling branch (no change)	£12,500 to 6GRRAN (no change) £2,000 to Darjeeling branch (no change)
7. 31.g	<u>Tiplyang School.</u> The Trust pays £500 annually to the Tiplyang School for the Hon Lt(QGO) Tulbahadur Pun VC School Leavers Certificate (SLC) Scholarship. In the absence of any SLC ⁱⁱ students these funds are at present used to enable the employment of a	£2,500 representing 5 years annual	£2,500 representing 5 years annual	£2,500 representing	£2,500 representing 5 years annual funding.

	science teacher, thus helping to meet the obligation towards “... <i>education and training...</i> ” and as a memorial to the VC holder. It is proposed to grant £2,500 towards this scheme: funds will be lodged with an appropriate Regimental Officer who will both warn the school that this support is time-limited, and also pay the correct amount annually. The manner and period over which these funds are disbursed might merit further investigation and this will need to be addressed separately.	funding.	funding.	5 years annual funding	
8. 31.h	<u>All Ranks Reunion UK.</u> Although not part of the Association the Trust has recently supported the annual gathering with £500 annually, as this group does much to sponsor comradeship among our pensioners and families in UK. It is proposed that they receive a final grant of £2,500.	£5,000, recognizing that annual grant likely to go to £1,000	£5,000, recognizing that annual grant likely to go to £1,000	£5,000 , recognizing that annual grant likely to go to £1,000	£5,000, recognizing that annual grant likely to go to £1,000
	<u>Regimental Journal.</u> It is likely that the final Regimental Journal will be issued after closure, and it may also be decided to issue a final hard-copy membership and address list. It is proposed that £8,000 be set aside for this and that any unspent element be donated to the RGR for their Regimental Journal.	£8,000 But unspent funds go to Contingency	£8,000 But unspent funds go to Contingency	£8,000 But unspent funds go to Contingency	£8,000 But unspent funds go to Contingency
	<u>Contingency.</u> From the balance of Trust funds (£19.5K, assuming the balance stands at £265,000 on dissolution), up to £10,000 can be allocated to a final 6GRRR Durbar in Nepal. The balance (£9.5K) will need to be held somewhere acceptable (the Trust will	£25,000	£30,000	£24,000	£10,000

	have folded), possibly by GBAT as restricted funds. It should be retained as contingency for any outstanding bills, including possible payments for the 6GRRA website, for at least one year, after which any balance should be divided up proportionally between the 6GRRAN, the Darjeeling Branch and the All Ranks Reunion UK.				
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John Anderson
President 6GRRA
Chairman 6GRRT

6GR/7
23 Oct 22

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