

Chairman's Report 2020

2020 was the year that saw the Lest We Forget Association's regular Programme of Events virtually torn apart by Covid-19.

The pandemic meant that we had to cancel 34 planned river trips for Veterans; a large number of planned in-house Concerts at the retirement Homes that we support, as well as entertainment at the Wimbledon Championships for 160 Veterans.

We were able to give 7 in-house Concerts before lock-down. Many of the Homes were desperate for entertainment, so when the weather became warm enough, our artistes set up their equipment in the car parks, or gardens, of the Homes and then asked the Residents to open their windows and enjoy the show. 14 Concerts were made under these conditions.

In spite of the restrictions, a total of £136,151 was spent supporting the Veteran community, including a number of Grants and Donations:

- £13,750 for Yacht Master Training at Turn to Starboard.
- £4,000 to Walking with the Wounded for food distribution to Veterans.
- £20,000 to the Open University for the second Lest We Forget Scholarship for a Disabled Veteran.
- £16,450 to the Royal Star & Garter for laptops and audio equipment.
- £10,000 to The Poppy Factory for their Back to Work programme for Veterans.
- £5,350 to PTSD Resolution, supporting a fund-raising cycle ride.
- £10,000 to the Not Forgotten, making a DVD issued to all Veterans.
- £20,450 to Scotty's Little Soldiers for their Christmas Part
- £5,000 to the 'Big Give', which doubled amount to PTSD Resolution.
- £4,000 to VE4V ('Virtual Exercise for Veterans').

Alan Lenton
Chairman

LEST WE FORGET ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

**FLB Accountants LLP
Chartered Accountants & Business Advisors
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP**

LEST WE FORGET ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees present their report and the financial statements for the year ended 31st December 2020.

REFERENCE AND ADMINISTRATIVE INFORMATION

REGISTERED CHARITY NO. 1162122

PRINCIPAL ADDRESS 5B Longdown Road
Epsom
Surrey KT17 3PT

The Trustees who served throughout the year were:-

Mr S.J. Boynton
Mr J.F. Edwards
Mr L.J. Gannon
Mr N. Karonias
Mr A. Lenton
Mr N.C. Simmons
Mr B. Turner

PROFESSIONAL ADVISORS

Bankers CAF Bank
25 Kings Hill Avenue
West Malling
Kent ME19 4TA

Statutory Auditors FLB Accountants LLP
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP

Investment managers Rathbone Investment Management Ltd
8 Finsbury Circus
London EC2M 7AZ

LEST WE FORGET ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Association is a Charitable Incorporated Organisation governed by a Constitution dated 28th May 2015. The Association was registered with the Charity Commission on 12th June 2015 and at that date took over the assets, liabilities and operation of the Lest We Forget Association (Epsom Branch), which was previously registered with the Charity Commission (No 200390), when that entity was dissolved.

All operational matters are handled by the Trustees, who do not receive any remuneration.

New Trustees are provided with a copy of the governing documents, copies of recent minutes and other documents which might be helpful as well as a preliminary briefing by the Chairman. At the first meeting attended by a new Trustee, an updated briefing is provided and there is an opportunity to ask questions about the Trust's activities. Charity Commission newsletters are available to all Trustees and the Chairman provides briefings from time to time on the responsibilities of Trustees.

RISK MANAGEMENT

The Trustees have reviewed the major operational risks which the charity faces and confirm that systems have been put into place to mitigate those risks.

INVESTMENT POWERS

The Constitution authorises the Trustees to make and hold investments using the funds of the Charity.

OBJECTS AND ACTIVITIES

To relieve the needs of disabled men and women in or out of hospitals and homes, who have served or who are serving in the Armed Forces or the Merchant Navy.

Our original remit, when the Association was formed in 1922, remains basically the same. We continue to entertain and support disabled ex-servicemen and women, as well as those from the Merchant Navy, as well as those currently serving.

However, over the years we find that we are supporting more and more Veterans with specific needs. These can be unemployment, homelessness and drug addiction. We, in turn, sponsor sister charities who also address these problems.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

Covid-19 greatly affected our 2020 programme of events, causing us to cancel some 34 river trips, as well as a considerable number of in-house concerts. With regard to the latter, in the later part of the year our artistes subsequently went to various Homes, set everything up in their car parks, or gardens, and then asked the residents to open their windows and enjoy the music! This worked whilst the weather remained suitable. Overall, during the year, we managed to provide 22 concerts, 7 of which took place in-house before the lockdown and 15 in the open air.

Even though Turn to Starboard were unable to carry out sail training during the year, we nevertheless maintained our regular quarterly donations as maintenance of the boats still had to be carried out.

LEST WE FORGET ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW *(continued)*

In June, we set up our second Lest We Forget Scholarship for a disabled veteran at the Open University. In the same month, we provided the Royal Star & Garter Home with laptops and audio equipment. A large donation was made to the Poppy Factory in September, helping them in their 'Back to Work for Veterans' programme. In October, we sponsored Jonathan Thompson, an ex-marine, in his 500 mile cycle ride around Scotland, raising funds for 'PTSD Resolution'. A large donation was made to the 'Not Forgotten', which helped to create a variety DVD, sent out to all UK veterans. 'Scotty's Little Soldiers' received a large donation which sponsored their Christmas Party for the children of bereaved service families. Lastly, a donation was made to the 'Big Give' which was then doubled to help 'PTSD Resolution'.

It is the aim of the Lest We Forget Association to use its income from our investments at Rathbones to fund all its support for the Veteran Community. In 2020, in spite of the severe restrictions caused by Covid-19, we were able to spend £131,128 from an investment income of £142,014, thus almost achieving our aim for the year.

RESERVES POLICY

We ensure that sufficient funds are held, and also invested, to guarantee the continuation of the Lest We Forget Association for many years to come, even if royalties, donations and legacies eventually cease.

PLANS FOR THE FUTURE

The financial support given to the Veteran Community in 2020, has shown that our policy of generating this by our investment income is sound. This policy will continue for the foreseeable future.

Our Association is a voluntary one and our numbers are small, being just 7 Trustees and 9 Members. We are not seeking any new Members.

Our work today is really just carried out by the Trustees, seeking out more situations where we can offer financial support to the Veteran Community and then agreeing upon each project. We are finding that there are many more Residential Homes where ex-Sevicemen and women are living, so we are extending our support to these.

We will continue our regular support to various organisations. With regard to the Open University, we are considering creating a new LWF Scholarship each year.

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).

LEST WE FORGET ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES *(continued)*

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial period 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;
- make judgments 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;
- 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 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 2011, the Charity (Accounts and Reports) Regulations 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.

PUBLIC BENEFIT REQUIREMENT

The Trustees have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission concerning the public benefit requirement.

APPROVAL

The Report of the Trustees was approved by the Board of Trustees on 1 September 2021 and signed on its behalf by:-

DocuSigned by:

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A LENTON
TRUSTEE

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION

OPINION

We have audited the financial statements of the Lest We Forget Association for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position and the related notes, including a summary of the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its income and expenditure 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 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 UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION
(continued)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 3 and 4 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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.

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION
(continued)

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Our objectives are to obtain reasonable assurance as to whether or not 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.

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. 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 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 the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Daniel Faust

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Daniel Faust (Senior Statutory Auditor)
FLB Accountants LLP, Statutory Auditor
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP

1 September 2021

LEST WE FORGET ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

UNRESTRICTED FUND

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
INCOME			
Donations and legacies			
Donations		1,417	18,800
Legacies		720,000	602,000
Other activities			
Royalties		7,486	14,222
Investments			
Income from investment portfolio		138,174	187,883
Bank interest		<u>94</u>	<u>179</u>
TOTAL INCOME		<u>867,171</u>	<u>823,084</u>
EXPENDITURE			
Investment management fees		(43,876)	(43,489)
Charitable activities	2	<u>(129,612)</u>	<u>(163,974)</u>
TOTAL EXPENDITURE		<u>(173,488)</u>	<u>(207,463)</u>
NET INCOME		693,683	615,621
Investment gains (losses)		<u>434,851</u>	<u>952,934</u>
NET MOVEMENT IN FUND		1,128,534	1,568,555
Fund balance brought forward		<u>8,187,826</u>	<u>6,619,271</u>
FUND BALANCE CARRIED FORWARD		<u>9,316,360</u>	<u>8,187,826</u>

LEST WE FORGET ASSOCIATION
STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2020

	<u>Notes</u>	<u>2020</u>		<u>2019</u>	
		£	£	£	£
FIXED ASSETS					
Investments	3		9,139,561		7,446,046
CURRENT ASSETS					
Debtors	4	1,608		507,595	
Cash at bank		<u>192,500</u>		<u>248,894</u>	
		194,108		756,489	
CREDITORS: amounts falling due within one year	5	<u>(17,309)</u>		<u>(14,709)</u>	
NET CURRENT ASSETS			<u>176,799</u>		<u>741,780</u>
NET ASSETS			<u>9,316,360</u>		<u>8,187,826</u>
			=====		=====
ACCUMULATED FUND			<u>9,316,360</u>		<u>8,187,826</u>
			=====		=====

The financial statements were approved by the Board of Trustees on 1 September 2021 and signed on its behalf by:-

DocuSigned by:

 E2D1D5AA33554DD...
A. Lenton - Trustee

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Preparation of the accounts on a going concern basis

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Covid-19 pandemic has had an impact on the charity's donation and investment income although this is offset by Legacies income. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charities are a fall in income from donations or investment income but the trustee has arrangements in place to mitigate those risks.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income recognition

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.

Where income is received in advance of meeting any performance related conditions and there is not unconditional entitlement to the income, its recognition is deferred and included in creditors as deferred income until the performance conditions are met.

Royalty income represents the right to receive revenues from a number of unique commemorative products which have much valued by Association supporters and the wider public.

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

1. ACCOUNTING POLICIES *(continued)*

Income recognition *(continued)*

Donations and legacies receivable for the general purposes of the charity are credited to 'unrestricted funds'. Donations and legacies for purposes restricted by the wishes of the donor are taken to 'restricted funds'.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividends due. This is normally upon notification by our investment advisor of the dividend yield of the portfolio.

Fund structure

Unrestricted general funds are available to be used in accordance with the charitable objects at the discretion of the Trustees. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes grants made, governance costs and support costs as shown in note 2.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

1. ACCOUNTING POLICIES *(continued)*

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the statement of financial position date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

LEST WE FORGET ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

(continued)

2. CHARITABLE EXPENDITURE

	<u>2020</u>	<u>2019</u>
	£	£
Direct costs		
Activities and events	(124,529)	(155,859)
	=====	=====
Support costs		
Printing, postage, stationery, etc.	(1,167)	(4,259)
	=====	=====
Governance costs		
Audit Fee	(3,600)	(3,540)
Insurance - indemnity	(316)	(316)
	(3,856)	(3,856)
	=====	=====
Total charitable expenditure	(129,612)	(163,974)
	=====	=====

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019 - £Nil). Expenses paid to the Trustees in the year totalled £927 (2019 - £2,839). These expenses were paid to one Trustee as reimbursement for administration costs incurred.

3. FIXED ASSET INVESTMENTS

	<u>2020</u>	<u>2019</u>
	£	£
Managed Funds		
Market value brought forward	7,446,046	5,683,957
Additions to portfolio	1,300,000	850,000
Portfolio charges	(41,336)	(40,845)
Net gains (losses) for the period	434,851	952,934
	=====	=====
Market value carried forward	9,139,561	7,446,046
	=====	=====

The charity has invested £1.3m (2019 - £0.85m) with Rathbones during the year. Rathbones made purchases of £3,073,080 (2019 - £1,534,288) and sales of £1,727,527 (2019 - £700,746) within the managed portfolio during the year.

LEST WE FORGET ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

(continued)

4. DEBTORS

	<u>2020</u>	<u>2019</u>
	£	£
Legacy receivable	-	500,000
Accrued income	<u>1,608</u>	<u>7,595</u>
	<u>1,608</u>	<u>507,595</u>
	=====	=====

5. CREDITORS: amounts falling due within one year:

	<u>2020</u>	<u>2019</u>
	£	£
Sundry creditors and accruals	<u>17,309</u>	<u>14,709</u>
	=====	=====

LEST WE FORGET ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

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REGISTERED CHARITY NO. 1162122

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Epsom
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The Trustees who served throughout the year were:-

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Mr J.F. Edwards
Mr L.J. Gannon
Mr N. Karonias
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(continued)

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW *(continued)*

In June, we set up our second Lest We Forget Scholarship for a disabled veteran at the Open University. In the same month, we provided the Royal Star & Garter Home with laptops and audio equipment. A large donation was made to the Poppy Factory in September, helping them in their 'Back to Work for Veterans' programme. In October, we sponsored Jonathan Thompson, an ex-marine, in his 500 mile cycle ride around Scotland, raising funds for 'PTSD Resolution'. A large donation was made to the 'Not Forgotten', which helped to create a variety DVD, sent out to all UK veterans. 'Scotty's Little Soldiers' received a large donation which sponsored their Christmas Party for the children of bereaved service families. Lastly, a donation was made to the 'Big Give' which was then doubled to help 'PTSD Resolution'.

It is the aim of the Lest We Forget Association to use its income from our investments at Rathbones to fund all its support for the Veteran Community. In 2020, in spite of the severe restrictions caused by Covid-19, we were able to spend £131,128 from an investment income of £142,014, thus almost achieving our aim for the year.

RESERVES POLICY

We ensure that sufficient funds are held, and also invested, to guarantee the continuation of the Lest We Forget Association for many years to come, even if royalties, donations and legacies eventually cease.

PLANS FOR THE FUTURE

The financial support given to the Veteran Community in 2020, has shown that our policy of generating this by our investment income is sound. This policy will continue for the foreseeable future.

Our Association is a voluntary one and our numbers are small, being just 7 Trustees and 9 Members. We are not seeking any new Members.

Our work today is really just carried out by the Trustees, seeking out more situations where we can offer financial support to the Veteran Community and then agreeing upon each project. We are finding that there are many more Residential Homes where ex-Sevicemen and women are living, so we are extending our support to these.

We will continue our regular support to various organisations. With regard to the Open University, we are considering creating a new LWF Scholarship each year.

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).

LEST WE FORGET ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES *(continued)*

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial period 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;
- make judgments 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;
- 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 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 2011, the Charity (Accounts and Reports) Regulations 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.

PUBLIC BENEFIT REQUIREMENT

The Trustees have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission concerning the public benefit requirement.

APPROVAL

The Report of the Trustees was approved by the Board of Trustees on 1 September 2021 and signed on its behalf by:-

DocuSigned by:

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A LENTON
TRUSTEE

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION

OPINION

We have audited the financial statements of the Lest We Forget Association for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position and the related notes, including a summary of the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its income and expenditure 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 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 UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION
(continued)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 3 and 4 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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.

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF
LEST WE FORGET ASSOCIATION
(continued)

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Our objectives are to obtain reasonable assurance as to whether or not 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.

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. 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 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 the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Daniel Faust

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Daniel Faust (Senior Statutory Auditor)
FLB Accountants LLP, Statutory Auditor
250 Wharfedale Road
Winnersh Triangle
Berkshire
RG41 5TP

1 September 2021

LEST WE FORGET ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

UNRESTRICTED FUND

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
INCOME			
Donations and legacies			
Donations		1,417	18,800
Legacies		720,000	602,000
Other activities			
Royalties		7,486	14,222
Investments			
Income from investment portfolio		138,174	187,883
Bank interest		<u>94</u>	<u>179</u>
TOTAL INCOME		<u>867,171</u>	<u>823,084</u>
EXPENDITURE			
Investment management fees		(43,876)	(43,489)
Charitable activities	2	<u>(129,612)</u>	<u>(163,974)</u>
TOTAL EXPENDITURE		<u>(173,488)</u>	<u>(207,463)</u>
NET INCOME		693,683	615,621
Investment gains (losses)		<u>434,851</u>	<u>952,934</u>
NET MOVEMENT IN FUND		1,128,534	1,568,555
Fund balance brought forward		<u>8,187,826</u>	<u>6,619,271</u>
FUND BALANCE CARRIED FORWARD		<u>9,316,360</u> =====	<u>8,187,826</u> =====

LEST WE FORGET ASSOCIATION
STATEMENT OF FINANCIAL POSITION
31ST DECEMBER 2020

	<u>Notes</u>	<u>2020</u>		<u>2019</u>	
		£	£	£	£
FIXED ASSETS					
Investments	3		9,139,561		7,446,046
CURRENT ASSETS					
Debtors	4	1,608		507,595	
Cash at bank		<u>192,500</u>		<u>248,894</u>	
		194,108		756,489	
CREDITORS: amounts falling due within one year	5	<u>(17,309)</u>		<u>(14,709)</u>	
NET CURRENT ASSETS			<u>176,799</u>		<u>741,780</u>
NET ASSETS			<u>9,316,360</u>		<u>8,187,826</u>
			=====		=====
ACCUMULATED FUND			<u>9,316,360</u>		<u>8,187,826</u>
			=====		=====

The financial statements were approved by the Board of Trustees on 1 September 2021 and signed on its behalf by:-

DocuSigned by:

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A. Lenton - Trustee

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Accounting basis

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Preparation of the accounts on a going concern basis

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Covid-19 pandemic has had an impact on the charity's donation and investment income although this is offset by Legacies income. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charities are a fall in income from donations or investment income but the trustee has arrangements in place to mitigate those risks.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income recognition

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.

Where income is received in advance of meeting any performance related conditions and there is not unconditional entitlement to the income, its recognition is deferred and included in creditors as deferred income until the performance conditions are met.

Royalty income represents the right to receive revenues from a number of unique commemorative products which have much valued by Association supporters and the wider public.

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

1. ACCOUNTING POLICIES *(continued)*

Income recognition *(continued)*

Donations and legacies receivable for the general purposes of the charity are credited to 'unrestricted funds'. Donations and legacies for purposes restricted by the wishes of the donor are taken to 'restricted funds'.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividends due. This is normally upon notification by our investment advisor of the dividend yield of the portfolio.

Fund structure

Unrestricted general funds are available to be used in accordance with the charitable objects at the discretion of the Trustees. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes grants made, governance costs and support costs as shown in note 2.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

LEST WE FORGET ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

1. ACCOUNTING POLICIES *(continued)*

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the statement of financial position date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

LEST WE FORGET ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

(continued)

2. CHARITABLE EXPENDITURE

	<u>2020</u>	<u>2019</u>
	£	£
Direct costs		
Activities and events	(124,529)	(155,859)
	=====	=====
Support costs		
Printing, postage, stationery, etc.	(1,167)	(4,259)
	=====	=====
Governance costs		
Audit Fee	(3,600)	(3,540)
Insurance - indemnity	(316)	(316)
	(3,856)	(3,856)
	=====	=====
Total charitable expenditure	(129,612)	(163,974)
	=====	=====

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019 - £Nil). Expenses paid to the Trustees in the year totalled £927 (2019 - £2,839). These expenses were paid to one Trustee as reimbursement for administration costs incurred.

3. FIXED ASSET INVESTMENTS

	<u>2020</u>	<u>2019</u>
	£	£
Managed Funds		
Market value brought forward	7,446,046	5,683,957
Additions to portfolio	1,300,000	850,000
Portfolio charges	(41,336)	(40,845)
Net gains (losses) for the period	434,851	952,934
	=====	=====
Market value carried forward	9,139,561	7,446,046
	=====	=====

The charity has invested £1.3m (2019 - £0.85m) with Rathbones during the year. Rathbones made purchases of £3,073,080 (2019 - £1,534,288) and sales of £1,727,527 (2019 - £700,746) within the managed portfolio during the year.

LEST WE FORGET ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

(continued)

4. DEBTORS

	<u>2020</u>	<u>2019</u>
	£	£
Legacy receivable	-	500,000
Accrued income	<u>1,608</u>	<u>7,595</u>
	<u>1,608</u>	<u>507,595</u>
	=====	=====

5. CREDITORS: amounts falling due within one year:

	<u>2020</u>	<u>2019</u>
	£	£
Sundry creditors and accruals	<u>17,309</u>	<u>14,709</u>
	=====	=====