

Registered number: CE005076
Charity number: 1162742



THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION
(A Charitable Incorporated Organisation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION
(A Charitable Incorporated Organisation)

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THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Chairman: Major (ret'd) P A Norton GC (resigned 1 December 2022) Chairman: C Finney Esq., GC (appointed 1 December 2022) Vice Chairman: A. J. Gledhill Esq., GC (resigned 1 December 2022) Vice Chairman: K S Hughes Esq., GC (appointed 1 December 2022) Hon Treasurer: J W Beaton Esq., GC CVO (resigned 1 December 2022) Hon Treasurer: D F H Jones Esq. (appointed 1 December 2022) Captain S J Shephard GC RMR D. C. R. Troulan Esq., GC QGM (appointed 1 December 2022) R. W. J. Davis Esq. Mrs D Grahame OBE MVO J. N. Oppenheim Esq. Admiral Sir G M Zambellas GCB DSC DL
CIO registered number	CE005076
Charity registered number	1162742
Registered office	Horse Guards Whitehall London SW1A 2AX
Chief executive officer	Mrs R Maciejewska
Accountants	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Investment Managers	Cazenove Capital, Schroder & Co Limited 1 London Wall Place LONDON EC2Y 5AU
Patron	HM The Queen
President	HRH The Prince of Wales, KC KT GCB OM AK CD QSO PC

THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION (A Charitable Incorporated Organisation)

THE CHAIRMAN'S WELCOME FOR THE YEAR ENDED 31 DECEMBER 2022

The Victoria Cross and George Cross Association ("the Association") is the official organisation representing all living holders of the Victoria Cross and the George Cross. The Victoria Cross (VC) is the highest military decoration awarded to members of the Armed Forces who have performed "in the presence of the enemy ... some signal act of valour, or devotion to their country."¹ The George Cross (GC) is the highest decoration for "acts of the greatest heroism or the most conspicuous courage in circumstances of extreme danger,"² is "intended primarily for civilians"³ and awarded to military personnel for "actions for which purely military Honours are not normally granted."⁴ As at 31 December 2022 the Association was comprised of nine living recipients of the Victoria Cross and thirteen living recipients of the George Cross. In addition, there are three collective holders of the George Cross, being the Island of Malta GC and The Royal Ulster Constabulary GC and the National Health Services of the United Kingdom GC.

Review of 2022

As 2022 drew to a close, the Association reflected on the honour that Her late Majesty, Queen Elizabeth II bestowed on our membership when she became Patron of the Association the year after its formation in 1956, carrying on until her death in September. Her service, kindness, wisdom and consideration were appreciated by us all and, like so many the world-over, we feel privileged to have been touched by the life of our most selfless and dedicated sovereign. Although much has taken place during the year for the VC and GC Association, it is Her Majesty's death for which 2022 will be remembered; even in her death she brought us together.

Whilst all individual members of the Association were invited, seventeen of the members travelling from Australia, New Zealand, the Middle East and across the UK, were able to come together in London in the days that followed Her Majesty's death, to pay tribute to her at her funeral, some representing the awards in the Procession of the VC and GC and the Orders of Chivalry within the service. Her Majesty had also ensured that four representatives each from the Island of Malta GC, the Royal Ulster Constabulary GC and the National Health Services GC were invited to take part in the procession from the Abbey to Wellington Arch after the service. The honour of being in receipt of such an invitation was lost on no one. The high level of publicity around the event gave the Association opportunities to engage at national and international levels to help the public to better understand the awards and in particular their connection to the Crown as well as the fact that they are not uniquely awarded to subjects of the United Kingdom but that some Commonwealth nations also award them. The presence of both a VC and a GC recipient at each media occasion also enabled the equivalence of the two awards to be emphasised. But it was The Queen herself who had touched each member individually and so, above all, the members were keen to convey their personal respect, and love for Her Majesty and to express their gratitude and admiration publicly. However, as a result of this unexpected gathering which had brought the vast majority of the membership together in London, from as far afield as New Zealand and Australia, it was agreed by the members that the planned November reunion should again be postponed. At the time of writing, it seems likely that the 31st reunion will not take place until 2024.

As well as gathering for Her late Majesty's funeral on 19th September, the celebrations around Her Majesty's Platinum Jubilee also offered the chance for some UK based members to spend time together, and with their families, this year. Other notable national events at which the Association was represented were the Princess of Wales's Carol Service at Westminster Abbey, an occasion intended to honour the life of Her late Majesty through the inclusion of representatives from her patronages.

¹ The Victoria Cross Royal Warrant, War Department, The London Gazette of 5 February 1856, Numb.21846, pp. 410-11

² The George Cross Royal Warrant, The London Gazette of 31 January 1941, Numb. 35060, pp. 622-23

³ The George Cross Royal Warrant, The London Gazette of 31 January 1941, Numb. 35060, pp. 622-23

⁴ The George Cross Royal Warrant, The London Gazette of 31 January 1941, Numb. 35060, pp. 622-23

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THE CHAIRMAN'S WELCOME (CONTINUED)
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As a consequence of conversations that took place during the State Funeral gathering of the members, in October two members visited the United States of America to meet recipients of the Medal of Honor and attend a gathering which gave an insight into their way of doing things and their focus. For this opportunity the Association is greatly indebted to Frank Luntz who hosted them. The trustees are now considering the way forward for the Association in light of the report that emanated, and it is hoped that 2023 will see this strategy implemented. There is more to come!

When possible, throughout the year, the Association continued its work to ensure that the graves of, and memorials to, former recipients are properly marked and maintained. However, not having had a "normal" reunion opportunity to connect with descendants since 2018, and to advertise this work to the descendants of over 900 award recipients with whom the Association is in touch, asking them to approach the Association for assistance if needed, there is much to be done to enliven this charitable activity. This is something the trustees will be putting their minds to in 2023. There are other organisations working in this space, especially cleaning graves. The Association's funds are available for approaches from any individual or organisation to assist with the repair or restoration of graves, in accordance with our guidelines and requirements.

The members of the Association were saddened to bid farewell to Carl Walker GC who passed away in early October. Carl had been a member of the Committee of the Association for many years and so it was not only his bravery but also his service to the membership that will be remembered. Seven widows of former VC and GC recipients also passed away during the year, five of whom were widows of Second World War award recipients: Beth Kenneally, widow of John Kenneally VC, Joanna Jamieson, widow of David Jamieson VC, Smt. Lakshmibai Yeshwant Ghadge, widow of Yeshwant Ghadge VC and Smt. Brahmi Devi, widow of Kirpa Ram GC, both of whom lived in India, and also Georgie Goldsworthy, widow of Leon Goldsworthy GC from Australia. Additionally, we bade farewell to Shona Armstrong, the widow of Sgt Ken Hudson GC from New Zealand, and most recently, Jenny Stevens, widow of Henry Stevens GC. Our thoughts remain with them all and with their families in particular. Sadly, or perhaps happily given the need for conflict and danger attached to the awards, no new Victoria Cross or George Cross awards made in 2022.

Again during 2022, the Association has supported our widows as well as some of members in need and has at times continued to rely on its valued relationships with other like-minded charities and organisations to do this. We would like to acknowledge in particular The Royal British Legion whose support enabled the members of the Association who had served or who serve in HM Armed Forces to attend Her Majesty's funeral and to take part in the Procession of the VC and GC and Orders of Chivalry, as requested. And this year, we would like to give particular thanks to the Union Jack Club (UJC) staff for making the Club a London "home from home" for the Association and its members. We are especially grateful to Simon Crofts and Corinne Amalric for juggling all the Association's requests for accommodation to enable attendance of Her Majesty's funeral at such short notice. Although we said a sad farewell to the UJC's Chief Executive, Simon Atkins, who had looked after us so well for many years, with the new top team, Hugh Player and Sarah Pittaway, we know we continue to be in exceptionally good hands. We are particularly grateful to them and to the trustees, for offering membership to all the individual recipients of the VC and GC, regardless of whether they meet the criteria of military service generally required for membership.

The Association's website, www.vcgca.org, has continued to grow as the digitalisation of archive material was again prioritised during the year and added to the site. Much time has again been devoted to this by our volunteers who have scanned material relating to former award recipients and created profiles for them on the website, to enable us to ensure that an accurate and verifiable record is maintained for each. Throughout the year the Association has continued to respond to enquiries from members of the public as well as organisations and institutions relating to the two awards. These are received either directly to the office or via the website's messaging facility.

Looking forward, 2023 begins with a change of Chairman and Vice Chairman in accordance with the timings of the Association's trust deed. The heartfelt thanks of all the members go to Pete Norton GC who has so expertly guided the Association for the past eight years and also to Tony Gledhill GC who has not only been his Vice

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Chairman but also served on the Committee of the Association for many, many years. Whilst I have assumed responsibility as Chairman, Kim Hughes GC has taken on the responsibility of Vice Chairman, Mark Donaldson VC has taken up the position of Vice Chairman Overseas, and David Jones, one of our non member trustees, has taken over as Honourary Treasurer from Jim Beaton GC CVO. We also welcome Dom Troulan GC QGM as a trustee of the Association and look forward to lively debates both in and out of meetings.

Thanks and Acknowledgements:

The members and trustees of the Association have an enduring debt of gratitude to our first and at the time of writing our only Patron, Her Majesty Queen Elizabeth II and to her son, The King, who was President of the Association since 2003 and honoured us with hospitality and commitment to this role for nearly twenty years. In addition, immense gratitude goes to all those, both individuals and organisations, who have over the year, and in many cases for many years, devoted much time and given their expertise to support our various endeavours. These have been many but in particular:

- **Volunteers** who give up their time to assist with work in the office, with events and projects and generally helping the Association realise plans. In particular, during the last financial period, the Association would like to thank Simon Gaitan, Kamil Grzybeckon, Charlie Barber, Conor Johnson, Cassian Maciejewski and Martha Thomson for their continued commitment to cataloguing, collating and digitalising the archive and adding it to the website.
- **Donors both in kind and financial:** in particular Stewart Megaw of GLIDE Design who builds and maintains the Association's website and Nick Candy who so kindly hosted the Association's members for lunch on the day before the State Funeral. We are grateful again to the Armourer and Brasier's Gauntlet Trust for continued support.
- **HM Treasury**, which made available Covenant (LIBOR) funding for restricted purposes, and in so doing transformed the lives of members of the Association and also assisted the Association to carry out certain aspects of our charitable work.
- **Ministers and officials** at the Ministry of Defence, the Cabinet Office, and HM Treasury and also the British High Commissions in India and Pakistan for their continued support of all the Association's endeavours. We would like to acknowledge the thoughtful assistance of Major General Eldon Millar who as Defence Services Secretary has given the Association his wisdom and support over this past year.
- **Officials and staff in the Central Chancery and the Royal Households**, for their advice and continued support. In particular, Lt Col Stephen Segrave and his staff as well as Lt Col Mike Veron and Major Andrew Chatburn and also Charlotte Martin MVO and others at the Lord Chamberlain's Office, and last but by no means least, His Majesty's Equerry, Lt Col Jonny Thompson.
- **Regiments and other military charities**, in particular the Royal British Legion, the Royal Commonwealth Ex-Services League, SSAFA and the ABF, Soldiers' Charity, for enabling the Association to attend to its business, including maintaining meaningful contact and offering support to members and widows in need.
- **Unofficial advisors to the Association:** **Stephen Connelly Esq.**, of Cleave & Co Ltd, **Michael Naxton Esq.**, Curator Emeritus of the Ashcroft medals Collection, **David Callaghan Esq.**, former Director of Hancocks, and **Kim Fletcher Esq.**, of Brunswick Group, for generously giving their wisdom and advice when sought.
- Finally, the Association would like to thank **Maj Gen Christopher Ghika CBE, and all at Horse Guards** for their inestimable help and consideration, again during another unusual year.

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TRUSTEES' REPORT
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Introduction:

In 1956 an unincorporated membership body was established and registered under the War Charities Act 1940, as The Victoria Cross Association. In 1962, the name changed to The Victoria Cross and George Cross Association when those recipients of the George Cross who had been associate members of The Victoria Cross Association since 1957 became full members. At the same time, a Benevolent Fund was also established and registered as a charity.

The Victoria Cross and George Cross Association ("the Association") was registered with the Charity Commission, forming a Charitable Incorporated Organisation (CIO), on 20th July 2015. The assets of the original Victoria Cross and George Cross Association and of the Benevolent Fund were transferred to the Association on 24th December 2015. The trustees now present their report for the financial year ended 31st December 2022.

Purposes:

The objects of the Association are:

- To provide financial assistance to individual holders of the Victoria Cross and the George Cross and their dependants who are in need because of financial hardship or distress, or at risk of financial hardship or distress.
- To promote the efficiency of the Armed Forces and the police, fire, rescue and ambulance services and to encourage civic responsibility and good citizenship by honouring and supporting holders of the Victoria Cross and George Cross.
- To restore and/or erect the graves of and memorials associated with holders of the Victoria Cross and George Cross; and
- To educate the public on matters relating to the Victoria Cross and the George Cross.

The Association is taking advice on slightly altering the second of these objects changing "ambulance services" to "health services."

Public Benefit:

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's three-part guidance on public benefit.

To be awarded either the Victoria Cross or the George Cross, the recipient will have been in a situation, or situations, fraught with risk and in great personal danger. The awards are made as recognition of extraordinarily heroic service. The Association exists as a community for these brave men and women. Their welfare is of primary importance and the Association, through its role distributing pension annuities and overseeing assistance and benevolence for those members and widows in need, serves a public benefit which has been specifically entrusted to it by HM Government.

In 2015 the Chancellor of the Exchequer bestowed Covenant (LIBOR) funding on the Association for restricted purposes, the primary of which was "to increase the annuity paid to its members."⁵ The Association continues to take this responsibility seriously and is grateful for the assurances from HM Treasury that "The Government will continue to ensure that eligible holders receive the increased annuity once the LIBOR funds committed have been exhausted, and for the remainder of their lifetimes."⁶ In addition to administering these funds, the activities

⁵ Letter from the Rt Hon George Osborne, Chancellor of the Exchequer, dated 23rd June 2016 regarding LIBOR funding announced in the Budget, July 2015 and other LIBOR funding support.

⁶ Letter from the Rt Hon George Osborne, Chancellor of the Exchequer, dated 23rd June 2016 regarding LIBOR funding announced in the Budget, July 2015 and other LIBOR funding support and reiterated in greater detail in a subsequent joint letter, dated 18th November 2021, from Baroness Goldie DL, Minister of State, Ministry of Defence, and Lord True CBE, Minister of State, Cabinet Office.

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undertaken in 2022 in pursuit of the public benefit have included education on matters pertaining to the awards and ensuring that the qualities and values epitomised by the awards themselves continue to be honoured and upheld. In addition, the Association has supported work to restore VC and GC recipients' graves. Serving the public benefit has been at the forefront of the Trustees' minds in all decision-making pertaining to activities, running the charity itself, reporting and financial matters.

Aims of the Association for the year ending 2022:

The Association's Mission Statement remains:

1. To ensure that welfare and support of the members of the Association and of those widows of former Victoria Cross and George Cross recipients who are in need remains at its heart and its priority.
2. To engage educationally with the public, both in the UK and further afield and particularly throughout the Commonwealth, using the Association's unique position as the membership body of the living Victoria Cross and George Cross recipients. To promote learning and knowledge of the Victoria Cross and the George Cross – the award recipients, the medals and their history, and the values underpinning the awards, gallantry and self-sacrifice in general.
3. To put in order, to gather and to maintain archive material, enabling the telling of the story of:
 - the awards of the Victoria Cross and George Cross and their origins;
 - their role in the life of the nation;
 - the lives of the Victoria Cross and George Cross recipients and the impact of the awards on them; and
 - the history and role of the Association which make up its living story.

The intention is to provide a learning experience that meets the widest range of public need and connects the public with the awards and with the subject of selfless gallantry and valour.

4. To discern and promote the best means of telling this living story and to strive continually to provide the most complete and accurate data on the subject.
5. To honour the awards by continuing to support the restoration of the graves of former recipients and where appropriate create memorials to those whose burial site has not been marked. In addition, to support the creation of other memorials linked to the awards where judged appropriate, as well as restore such memorials that have fallen into disrepair or whose significance is not discernible. To continue to develop the materials and means for promoting this work so that it becomes something that is synonymous with the Association.

How We Deliver Our Aims:

Support for the members of the Association and the widows and next of kin (point 1 above) is achieved both by facilitating their gatherings and in ensuring that, where needed, financial assistance is available to them.

2022 was another unusual year with the biennial reunion planned for November being superseded by a gathering of 17 out of the 22 members for four days in London to attend Her late Majesty's State Funeral on 19th September. The Association was responsible for organising attendance of the funeral, both by the individual members and also by representatives of the three collective awards. Much preparation had been put in place some time in advance so that when the time came everything went as smoothly as possible. Agreements had been reached, for example, with the Union Jack Club regarding accommodation, with the Royal British Legion for a certain amount of retrospective funding once actual costs were known, and with the trustees so that initial funding was available so that arrangements were not stifled or impeded through lack of available funds. However, it was decided impromptu to hold a formal lunch for those attending on the day before the funeral but no hospitality venue could be found; the Association was very grateful therefore, to Nick Candy for making his home available to the members and for hosting a memorable afternoon. Regarding the collective award

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recipients, the Association took responsibility to coordinate their attendance and to link them up with one another as well as with the military cohort, who were responsible for coordinating the Procession of Patronages, from Westminster Abbey to Wellington Arch, following the funeral, of which they were to form a part. The Association also remained the point of contact for the collective award recipients, acting as trouble shooter when needed.

This was a very unusual event, with the only focus being the members paying their respects to Her Majesty. As the members, other than those who needed assistance, were generally unaccompanied by family members they were reliant on one another for company and amusement and closer and deeper relationships were forged which endure, with many reporting that they feel more closely connected than previously. Similarly with the collective award representatives, relationships were made and cemented. There is now regular contact and discussion amongst the younger cohort of members in particular as well as among representatives of the collective awards.

An unforeseen consequence of attending the funeral was the further postponement of the reunion originally planned for November 2022. As the governments of Australia and New Zealand kindly funded the funeral attendance of their Victoria Cross and George Cross holders, as they usually do for reunions, a questionmark arose over whether such funding would again be available for the reunion planned for November. Additionally, the majority of holders had taken time off work to attend the funeral, and it became doubtful whether they would be able to do this again to attend a further gathering so soon afterwards. For these practical reasons it was decided by the members that the November reunion should be postponed and at the time of writing this report it has not yet been agreed when this will be held. Once the detail of His Majesty King Charles III's Coronation is known, plans will be made. The trustees and members are conscious that the absence of a full reunion gathering since 2018 may leave some widows and next of kin feeling unsupported and, to mitigate this, they have requested that the Chief Executive make a determined effort to connect with them personally and try to understand whether extra help and support might be needed. In advance of Christmas, she therefore contacted all widows, either directly or via their families if they were being supported by them, gauging how everyone was. Similarly, those members who were unable to attend the funeral have been contacted as needed. This contact was followed up by the Chairman with his Christmas letter, accompanying the Association's Christmas card. With those who are judged to be more vulnerable or lonely, Rebecca maintains very regular contact. Visits in person took place throughout the year, when needed and appropriate, as well as contact by phone and email, either directly or, where not possible due to illness or lack of means, through family members.

Education and Engagement: To further points 2, 3 and 4 above, during 2022 the Association has continued with its task of collecting, organising, preserving, collating and digitalising its archive material as well as improving the website. Progress continues to be made but the project is not yet completed and once it is, the material will be made available for educational work and projects related to the awards.

The website (www.vcgca.org) has continued to provide a portal for enquiries from and interaction with the public both from within the UK and across the Commonwealth and indeed the world, with the website also acting as a conduit for receiving information from the public, enabling and assisting the Association as we strive towards historical accuracy of information relating to VC and GC and the award recipients. The Association does all it can to verify the accuracy of this information and ultimately these corrections and additional information will be incorporated on the website, once the main archive digitalisation project is completed. The interactive maps showing grave and memorial locations, as well as sites of actions continue to be populated. In some cases, it is difficult to ascertain the site of an action with precision as place names have changed and exact coordinates are not available, however the volunteers have done fantastic work, superimposing older maps onto the more modern, and going through records searching for information which might help them discern these locations as accurately as possible. We are always grateful for and receptive to helpful information from all sources.

Involvement of the members in Her late Majesty's funeral was an opportunity to raise the profile of the awards and to influence messaging relating to the two awards. The principal messages the Association wished to get across were the equivalence of the awards and the Commonwealth nature of them. This was done through putting together and distributing via the military's PR, a press briefing pack which stressed these two points, and through responding to the many requests received by the Association for a member to appear on a TV or Radio station by responding that a VC and GC would attend together and by endeavouring to ensure that one UK

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recipient appeared alongside one from Australia or New Zealand.

Furthermore, the Association is pleased to be able to assist the Home Office, Cabinet Office, MoD and the Central Chancery of the Orders of Knighthood when required on all matters pertaining to the VC and the GC. Similarly Regimental and other military Associations, cadet forces, local councils, military and civilian charities and individuals generally, whenever information or clarification is sought.

Grant-making (in support of points 1 and 5 above): The Association retains its policy governing grant-making. With guidance from its Finance Sub-Committee and with reference to its annual budget and having taken into consideration other expenditure and commitments and looking to the future, it is determined regularly what funding is available for grants. The Trustees only consider funding a project if to do so would be consistent with its charitable objects, see page 5 (Purposes). As a membership organisation, with peer-to-peer contact, the Association is able to discover and react to needs of the members as they arise. Close and meaningful contact with widows remains a priority for the Association and this is often helped by relationships forged with family members during past reunions attended by widows at the invitation of the members. Through events held by the Association and to which families are invited, the Association has forged connections with many descendants of former Victoria Cross or George Cross holders. These events not only help ensure that connectivity with widows persists after the death of the award recipient, but also give the opportunity to advertise the "graves and memorials fund" and to encourage descendants to apply to the Association for assistance with grave restoration or marking. In addition to this, the Association's website's section on grave restoration gives a link to a grant application form for funds to help with these projects. Each grant request received, either for support in relation to VC and GC graves, or for welfare support, is considered individually by reference to need and the size of the project. Where necessary for good governance or to help ascertain the precise nature of the need, the Association seeks assistance from professionals including other charities. The Association reserves the right, from time to time (particularly in relation to graves or memorials), to require part of the funding to be raised elsewhere by the applicant.

Volunteers (in support of points 2, 3 and 4): In 2022 the Association remained very much reliant upon and in debt to volunteers for their support. The success of much of the work of the Association remains dependent on it. Again, volunteer support was sporadic throughout the year as weekly volunteers who were dedicated in pre-Covid years have now changed their lifestyle and retired from assisting. The efforts of those who have assisted during the year have been largely focused on moving forward with the digitalisation of the Association's archive project and uploading this material to the website. There remains more to be done and the continued assistance and support of volunteers is essential in achieving the aim of better educating the public on the awards. We remain very grateful to them for their dedication and support.

Achievements and Performance:

The Association's achievement and performance in the year by reference to its stated objectives (see page 5 above):

Welfare of / financial assistance to award recipients and widows: All members of the Association as well as widows of former members were in contact with the Association's office regularly throughout the year, either directly or via a member of their family who oversee their welfare support. Phone calls with them are a regular occurrence and email contact, as well as face-to-face calls are maintained with those who live abroad or via their families. In 2022, total expenditure on welfare grants was £173,619 (£179,053 for 2021). Grants totalling £1,367 were approved for 5 of the member trustees. In each circumstance the trustee who benefitted from the grant was not present when the decision was taken which is in line with standard Association procedures. (In 2021: 4 member trustees received a total of £1,921).

Since 2016, pursuant to a request by the then Chancellor of the Exchequer, the Rt Hon George Osborne MP, the Association has administered Covenant (LIBOR) Funds to supplement the pension annuity of those members who were awarded for service to the United Kingdom. This request has been attended to in furtherance of honouring and supporting the holders of the Victoria Cross and George Cross. During the year, the cost of these

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supplementary payments, as agreed by HM Government, totalled £159,909 (for 2021: £162,403). This cost relates to 18 members in respect of 2022 (19 members in 2021). Of this number, 6 member trustees benefitted from annuities totalling £53,280 (for 2021: 6 member trustees totalling £51,276). Both the Cabinet Office and the Ministry of Defence in 2021 gave the Association written reassurances that the government will resume responsibility for payment of all annuities once the LIBOR funding is exhausted. It is anticipated that this will be the year 2027 or thereabouts. We remain grateful to Captain Christopher Shepherd RN for his help in this area during his secondment to HM Treasury.

During the reporting period the Association was in touch with 19 widows and 2 next of kin of those award recipients who were posthumously awarded and unmarried at the time of their death. Financial support was given to many. As mentioned above, the Chairman wrote to all in the run up to Christmas, which is used as an opportunity to regularly make contact with this very special group of people. In addition, the CEO made contact with all widows or their families or other agencies who are connected with them "on the ground" in the six weeks prior to Christmas, with a view to finding out how everyone was and judging whether extra support may be required. The target is to maintain contact with all widows known to the Association and this was met in 2022. However, as mentioned earlier, this is an ageing cohort and by the end of the year 7 had passed away. (In 2021 the Association was in touch with 21 widows of whom two died during that year). The Association is very grateful for the help and reports from family and other agencies to ensure that welfare support is appropriate, targeted and timely.

Promoting efficiency of the Armed Forces and the police, fire, rescue and ambulance services and to encourage civic responsibility and good citizenship by honouring and supporting holders of the Victoria Cross and George Cross: The Association is taking advice, as mentioned above, from the Charity Commission on amending this charitable aim by rewording this object within the trust deed, replacing "ambulance services" with "health services". This was prompted by the award of the George Cross to the National Health Services of England, Scotland and Wales along with Health and Social Care healthcare system of Northern Ireland. Additionally, the Association is keen to support the work of the NHSs' Veterans' Trauma Network (which includes Northern Ireland). Whilst veterans are former members of the Armed Forces, they are no longer strictly serving and therefore support of this endeavour cannot strictly fall under "promoting the efficiency of the Armed Forces", but rather "promoting efficiency of the health service". Progress on this matter will be detailed in the 2023 trustees' report. Towards the end of 2022, the Association began a thorough review of its strategy including how to better further this particular objective. This will be completed and implemented in 2023.

During the year the Association continued to provide support and assistance to those who were holding events commemorating individual actions or anniversaries related to the two awards. The Association does not have targets for public representation to support such civic responsibility and honour the awards in this way but strives to be agile in responding to invitations. Occasionally the Association also gently reminds interested parties of an upcoming anniversary and in many cases assists community groups with information and, if possible and when appropriate, a VC or GC recipient will attend, often leading to greater media attention for and additional public interest in the event itself.

When Operation London Bridge was called, following Her late Majesty's death in September, the Association put in to action the plans which had been put in place over previous years, following the lead of and in partnership with the Royal Household and London District. With little time, 17 individual members were accommodated in London having travelled to the capital from as far away as New Zealand. Seven of them took part in the Procession of the Victoria Cross and George Cross and the Orders of Chivalry within the Abbey and a further ten were seated in the nave for the service, attracting attention and appearing on the front cover of an international magazine. Additionally, twelve representatives of the three collective George Crosses, four from the Island of Malta GC, four former officers who had served in the RUC GC and four representatives of the NHSs GC, took part in the Procession of Patronages. The presence of representatives of the awards was noted by the world's press, following an early Press Release which was put out by the Association in support of the MoD's media efforts, and the opportunity was taken to work with the media to shine a light on them and all that they stand for,

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thereby encouraging civic responsibility and good citizenship and supporting HM Armed Forces, the Police and servants of the nation, as they were honoured to take part in the State Funeral, which was watched, according to the BBC, by over 28 million people in the UK and billions around the world. Specifically, the Association via its members, supported and contributed to articles in national newspapers, BBC and ITV TV in the UK as well as national and local news outlets in Australia and New Zealand.

Again, the Association's Christmas card was sent out to over 300 recipients including to individuals who assist the Association in its work, to community groups and other like-minded charities, as well as to those who have assisted the Association in the past or who were considered to be in positions of influence within government departments and the Armed Forces both in the UK and Commonwealth, and the Police and Fire Services. The card this year was used to further highlight the public service of Her late Majesty and her selfless devotion to duty, again promoting such values in places where such qualities are essential to good governance and supporting the public good. The bond between the Association and the royal family was also stressed alongside the pride the membership feels in having been honoured by the Queen as Patron of the Association since the year after its formation in 1956 until her death. Similarly, the devotion to duty and service of His Majesty, former President of the Association, Charles III, is held up as an example of the epitome of good citizenship. The card is used every year to promote the work of and qualities promoted by the Association, to encourage interest in it by telling stories of courage and self-sacrifice and by directing recipients of the card towards the website for more information.

The Association's website, www.vcgca.org, continues to be used by members of the public to contact the Association with questions about the award recipients, the awards themselves or simply to make contact as a descendant of a former VC or GC recipient or report an issue to do with a grave. The Association continues to invest in the website development and with its ongoing project of digitalising archive material relating to each recipient as well as creating profiles for all who have received the awards, again in furtherance of its charitable purposes. Action locations and grave / memorial locations are also being added when volunteer time allows. This is to promote knowledge of recipients who have served with exceptional devotion to duty as members of the Armed Forces or as civilians. This serves to honour those who have served and those who have displayed outstanding commitment to "good citizenship". In 2022 our website developer and maintainer very kindly gave his time and expertise as a gift in kind. In 2022 development costs were £1,284 and there were no website maintenance costs. (In 2021 development costs were £1,844 and the cost of website maintenance was £15).

Graves and memorials restoration: This area of the Association's work has been light during the year although the restricted fund continues to be advertised on the website and application forms have been available. The absence of a reunion during which the fund is brought to the attention of descendants and relatives of former VC and GC recipients, has without doubt impacted the lack of applications for support for grave and memorial restorations. Once the cycle of reunions returns to normal, after His Majesty's Coronation, ie in 2024, it is anticipated that applications for assistance and work in support of this objective will increase. As mentioned above, work continues on the interactive map on the website which displays the sites of burial of many former recipients as well as their sites of action. This remains a work in progress.

Educational Projects: As mentioned earlier, 2022 again saw the continuance of the digitalisation project. This includes digitalisation and updating of the Association's detailed reference book published by Methuen, "The Victoria Cross and The George Cross, The Complete History", along with the archive material on VC and GC recipients.

The Association continues to engage with other groups, individuals and organisations where there is a synergy and compatibility and where the ultimate charitable aims are coincidental. The Association does what it can to bring together and assist interested parties to ensure that the integrity of the awards and medals is maintained. At present the Association is concerned that the medals and awards are being used for benefit by both charities, businesses and individuals and the Association will continue to do what it can to bring this to the notice of government so that they can be protected and the qualities behind them, including selflessness, maintained. The Association continues to be indebted to Defence Services Secretary, Major General Eldon Millar MBE, Sarah Taylor of the Military Secretary's Honours Branch at the Ministry of Defence, as well as Lt Col Stephen

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Segrave, Secretary, Central Chancery of the Orders of Knighthood, and for their help and support. Similarly, the Association is grateful to The Cabinet Office: Alison Bennett, head of Honours, Honours and Appointments Secretariat, and Diane Macfarlane, Honours Policy Adviser, for their assistance in this particular endeavour. The Association has been kindly assisted by the wise counsel of Michael Naxton, former curator of the Ashcroft Medal Collection, David Callaghan, former Director of Hancock's, and Stephen Connelly of Cleave.

Archive work: The Association's digitalisation project has continued to focus, as much as has been possible during this disrupted year, on the files so kindly donated by the Pratt family, the Winton Pratt Archive. These have been sorted and collated and the information in them compared against the information contained in the Association's three volume work, The VC and the GC, The Complete History, published by Methuen in 2013. Where discrepancies are noted, or amendments and additions needed, a note is made for further investigation and action. Despite the impact of the pandemic, and although there continues to be much material to go through, significant progress has been made. By the end of 2022, approx. 80% of profiles of all recipients of the two awards had been created (70% at the end of 2021), with 70% of recipients' files having been scanned (approximately 60% at the end of 2021), and over two-thirds uploaded to the website. Work will continue on this project in its current form, although there is scope to increase the remit to include other archive material. Collation, restoration, and digitalisation as well as combing through each file, painstakingly and assiduously collecting and recording key word information, categorising each item and researching any anomalies and/or contradictions that are found, to ensure that the final digitalised record relating to all past VC and GC recipients is as accurate as possible, is a huge undertaking. Again, the Association trustees are very grateful to the volunteers who have given their time to progress this work. During the year the direct costs for work on the archive have totalled £1,651 (for 2021: £4,635). This does not include volunteer time which is not quantified (see earlier for more information on volunteers).

As in previous years, the Association has been able to use this material to help families researching an award recipient – giving details that were not known via other means. In the same manner, the Association has also again come to the aid of regiments, civilian engagement departments of the army, and also local councils and museums. The Association is also grateful to those individuals who have been in touch to correct or pass on details on former recipients and apologetic to those families whose VC or GC relation is not yet on the website.

This project continues to be given priority as it aligns with the educational objective of the Association and will, it is hoped, support the encouragement of civic responsibility and good citizenship, promoting the efficiency of the Armed Forces and other Services through research material that honours the holders of the Victoria Cross and the George Cross. All archive material of the Association forms part of the heritage assets of the Association; these cannot be valued and more information on our approach to heritage assets is set out in Note 13.

Fundraising: The Association continues to use the Covenant (LIBOR) funding which was made available in 2016 by The Chancellor of the Exchequer on behalf of HM Government. These funds are restricted and can be used only for the stated purposes for which they were given. In addition, the Association occasionally fundraises for specific projects. In 2022 no fundraising for specific projects was undertaken (2021: none), however, ring-fenced funds for specific projects such as archive digitalisation and website development will continue to be monitored by the trustees and if further funds are thought to be necessary to ensure the completion of such a project, in line with the strategy of the Association, efforts will be made to raise them. The Association has not incurred significant costs of fundraising as fundraising is done discreetly and on a bespoke basis for each project.

Investments: The Association has only modest amounts of unrestricted funds that are available to invest. The investment policy of the Association is to engage and to review quarterly, the performance of a professional investment management company to manage a diversified portfolio with a balance between income and growth. When necessary, the trustees will use their discretion to intervene. When instructing portfolio managers, the Association takes into consideration social and environmental factors. The Association also has restricted funds, representing restricted Covenant (LIBOR) funding, that are available to invest. The LIBOR monies are held by the Association in cash or cash equivalents. As agreed with HM Government, these restricted funds can only be invested in short-term cash deposits and/or low risk, mixed portfolio investment funds. At the end of the year,

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the Association had investments totalling £1,767,230 (2021: £2,128,343) which includes no (2021: £1,531,115) short-term cash deposits. Investment income on total investments for the year was £13,776 (2021: £4,363). As with most investments during the year, the Association's investment income and funds were sorely hit by the impact on the world markets of the War in Ukraine and also by the fall in value of technology stocks.

Review of structure and organisation: During 2022 the Trustees again reviewed the structure and organisation of the Victoria Cross and George Cross Association to ensure continued oversight and efficiency in achieving its objectives. Further details are set out in the Governance and Administration section of this report.

Financial Review:

During the year the Association's funds diminished by £311,820 (2021: £199,572) ending the year with available funds of £1,924,741, of which £1,619,228 related to restricted funds (31 December 2021: £2,236,561 of which £1,825,908 related to restricted funds).

During the year the Association received donations of £13,131 (2021: £14,352) and Covenant (LIBOR) funding of £nil (2021: £nil). The Covenant (LIBOR) funding is for restricted purposes. These include the payment of pension annuities to award recipients who are eligible (those awarded by HM Government of the United Kingdom as opposed to those awarded by Commonwealth countries), the restoration and creation of graves and memorials, welfare provision, commemorative events and administrative purposes. However, other than the payment of pension annuities, the Trustees have discretion as to the final allocations for each purpose up to a total of £200,000 per year. The Association submitted a budget to HM Treasury prior to receiving approval of Covenant (LIBOR) funding. Whilst being restricted, these funds have greatly increased the Association's ability to deliver its purposes. Including the pension annuity payments, the Association had outgoings in the year of £243,264 (2021: £235,238).

The Trustees note that any increase in scale of the ongoing operation of the Association is dependent on the receipt of future donations, especially if the Association is to avoid having to utilise part of its existing investment portfolio to fund future working capital requirements. This risk is mitigated as the majority of the expenditure of the Association is variable in nature and at the discretion of the Trustees, such that the Trustees can moderate the amount of expenditure in line with available funds. The current administration costs associated with projects, such as archives or education initiatives, have been approved since funding has been achieved. Expenditure on such projects will continue to be reviewed alongside monitoring of the restricted funds' depletion, and fundraising to support such projects will be undertaken as necessary. Financial controls were reviewed by Trustees during the year and judged to be fit for purpose.

The investment policy and performance of the Association is to engage, and to review quarterly the performance of, a professional investment management company to manage a diversified portfolio with a balance between income and growth. When instructing investment portfolio managers, the Association takes into consideration social, environmental or ethical considerations. The Association's investments are held with Cazenove Capital. For the past few years, the Association's unrestricted funds had been invested in a low risk, mixed portfolio investment fund, which achieved a cumulative negative return. In June and December 2021, following a review by the trustees, the majority of these funds (Association funds rather than the restricted LIBOR funds) were invested in equities, whilst maintaining a working portion in cash. markets. LIBOR funds remain in cash or cash equivalent investments, held with Cazenove Capital.

Heritage assets and assets policy: The Association holds a collection of heritage assets which consists of memorabilia and items relating to the Victoria Cross and the George Cross such as reunion records, letters from Victoria Cross and George Cross recipients and family members, as well as archival material relating to former Victoria Cross and George Cross recipients and letters and documents relating to the Association itself. These assets have historical qualities and are held and maintained principally for their contribution to knowledge and culture. The Association's policy is not to value the historic collection as this would not be realistic as it is comprised of such specialist and unique material. However, in line with the Association's acquisitions policy, any item of recognised monetary worth, valued at or over £2,000 acquired after January 2016 will be capitalised. As

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discussed above this material forms the core of the archive and is being made available to the public through the website. No items were capitalised in 2022 (2021: none).

The reserves policy is to maintain a minimum of 2 years' operating costs. 2022 operating costs were £52,716 (2021: £39,925). The unrestricted reserves at 31 December 2022 were £305,513 (2021: £410,653). The Trustees consider that this policy was met as at 31 December 2022, especially as the majority of the expenditure of the Association is variable in nature and at the discretion of the Trustees and as the Association has, at present, minimal overheads and administration costs chargeable to unrestricted funds, thanks to the generosity of HM Government which has supported the Association in various ways since its inception. The Trustees bear in mind that this might change at a future date and, if so, operations will be scaled up or down to reflect any change.

At present administration costs are funded using restricted LIBOR funds and funds restricted to projects and therefore currently unrestricted funds are not required for these essential costs. However, when these funds are exhausted, the Association will have to bear the costs (currently in the region of £50,000 per annum). For this reason, the Trustees have directed that reserves should be increased by £25,000 per year in anticipation of future welfare needs of members and widows. The reserves policy is reviewed regularly to ensure that the need to provide for present as well as future needs is considered and met.

Going concern: The Trustees are satisfied that The Victoria Cross and George Cross Association is a going concern and have reviewed the period of at least 12 months from the date of signing. The Trustees are satisfied that the Association is able to meet foreseen liabilities and commitments in its current projects and work. Further detail is given in note 1 to the financial statements.

Structure, Governance and Management:

The Victoria Cross and George Cross Association is constituted as a Charitable Incorporated Organisation in the United Kingdom. It is registered with the Charity Commission of England and Wales, number 1162742. The reference and administration details are set out on page 1 of this report and include all the Trustees who have served during the year and to the date of this report.

The members of the Association are the holders of the awards, the Victoria Cross and the George Cross. In addition, the bodies that have been awarded the GC such as the Island of Malta GC, the Royal Ulster Constabulary GC (which is now represented by the RUC GC Foundation), and the National Health Services of the United Kingdom GC, are entitled to notify the Association that an individual has been selected to represent that organisation within the Association. Members meet every other year at a Biennial General Meeting (BGM), and can meet in addition at extraordinary meetings, to discuss and vote on Association business. The BGM is held in person during the biennial reunion of members. Due to the Covid-19 pandemic, however, both events had to be postponed in 2020 and the meeting of members took place on 18th September when the majority were gathered in London for Her late Majesty's funeral which took place the following day. As this meeting was called with less than two weeks' notice, due to the unforeseeable circumstances and timeframe in which this meeting took place, it was agreed that the date for the election of new officers and trustees should remain as planned, the date of the BGM that would have been held during the November reunion. Votes were therefore cast by email and post, in accordance with that timeframe and the new Chairman, Vice Chairman, Chairman Overseas and Honourary Treasurer as well as newly elected trustee, all took up their positions on 1st December 2022.

The Trustees manage the affairs of the Association and meet quarterly, either in person or via visual / audible electronic means ("Zoom") throughout the year. In addition, sub-committees meet similarly as necessary and if decisions are needed in the interim, the CEO briefs the trustees and / or sub-committee members, via email, and seeks the decision. Trustee membership: over half the Trustees were also members of the Association, others provide additional in-depth expertise, knowledge or experience that can be of assistance to the Charity. Trustees may be appointed by members or other Trustees. On appointment they are given a briefing pack which includes the Association's Constitution and Grants' Policy, a description of their role as well as that of the Chairman and the Chief Executive. They are also directed to advice on the Charity Commission website on their obligations as

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Trustees. The CEO regularly updates them in meetings and in advance of meetings of legal requirements or direction of which they should be aware when considering a particular matter, and they are offered the opportunity of external training in their role and responsibilities, should they require it. All policies are reviewed regularly in accordance with agreed timeframes.

The day-to-day running of the Association is delegated to the Chief Executive who assists the Trustees to ensure that the Association's business is run effectively and efficiently. Along with the Trustees the Chief Executive is cognisant of the risk management policy, conflict of interest policy, management of volunteers' policy and handling complaints policy, as well as all other policies.

Management Remuneration: The Chief Executive and the Trustees are considered the Association's key management. No fees are paid to Trustees. Fees are paid to the Chief Executive. The fees paid to the Chief Executive are set by the Trustees and reviewed annually as set out in note 8. It is the duty of the Chairman to ensure that the review is conducted, in particular having regard to the nature and responsibilities of the role as well as including reference to remuneration benchmarking data. The Charity does not pay bonuses.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and 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 (2019).

Plans for the Future:

The Trustees reviewed the Forward Plan and the Association's strategy in 2022. They are now undergoing a review and putting together a strategic plan, agreeing strategic objectives and a finance plan to support them. It is intended that the Association will continue its dedication to support the members of the Association, the living holders of the Victoria Cross and of the George Cross, and to the widows and next of kin both by facilitating their gatherings (it is anticipated that the next reunion, held on the traditional model, will take place in 2024) and by ensuring that where needed financial assistance and practical and emotional support are available to them. In addition, development of the website and digitalisation of the archive continue to be priorities. In this area, the first priority is to ensure that those members who might attend His Majesty's Coronation in May 2023 are supported. Additionally, the Association is looking into other ways of raising awareness of and honouring the awards and encouraging civic responsibility and the qualities considered to be synonymous with the VC and the GC, thereby raising awareness of gallantry and the profile of the two awards.

The Association will continue to assist the UK government as much as possible to support the smooth transition for full payment of annuities to the award recipients, going from the hybrid version of today which sees a portion of the funds coming direct from government but the larger amount from LIBOR funding, administered by the Association, to the payments being fully funded by governmental departments, the Cabinet Office and the Ministry of Defence, once LIBOR funds entrusted to the Association are not sufficient to make up the shortfall in government payments.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping 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 2008 and the provisions of the constitution. 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.

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.

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

Chris Finney GC

C FINNEY ESQ., GC
Chairman
Date: 16 March 2023

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that 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.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: *Nikki Loan*

Dated: 16 March 2023

Nikki Loan

FCA

For and on behalf of Peters Elworthy & Moore,
Salisbury House,
Station Road,
Cambridge,
CB1 2LA

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	4	8,843	4,288	13,131	14,352
Other trading activities	5	-	525	525	578
Investments	6	12,412	1,364	13,776	4,363
TOTAL INCOME		21,255	6,177	27,432	19,293
EXPENDITURE ON:					
Other trading activities	5	-	1,299	1,299	1,018
Charitable activities	7	227,935	14,030	241,965	234,220
TOTAL EXPENDITURE		227,935	15,329	243,264	235,238
NET EXPENDITURE BEFORE NET (LOSSES)/GAINS ON INVESTMENTS					
		(206,680)	(9,152)	(215,832)	(215,945)
Net (losses)/gains on investments	14	-	(95,988)	(95,988)	16,373
NET MOVEMENT IN FUNDS		(206,680)	(105,140)	(311,820)	(199,572)
RECONCILIATION OF FUNDS:					
Total funds brought forward	17	1,825,908	410,653	2,236,561	2,436,133
Net movement in funds		(206,680)	(105,140)	(311,820)	(199,572)
TOTAL FUNDS CARRIED FORWARD	17	1,619,228	305,513	1,924,741	2,236,561

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 35 form part of these financial statements.

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REGISTERED NUMBER: CE005076

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Intangible assets	11	-	1,284
Tangible assets	12	114	801
Investments	14	1,767,230	2,128,343
		<u>1,767,344</u>	<u>2,130,428</u>
CURRENT ASSETS			
Stocks		380	761
Debtors	15	-	603
Cash at bank and in hand		164,943	113,058
		<u>165,323</u>	<u>114,422</u>
Creditors: amounts falling due within one year	16	(7,926)	(8,289)
NET CURRENT ASSETS		<u>157,397</u>	<u>106,133</u>
TOTAL NET ASSETS		<u><u>1,924,741</u></u>	<u><u>2,236,561</u></u>
CHARITY FUNDS			
Restricted funds	17	1,619,228	1,825,908
Unrestricted funds	17	305,513	410,653
TOTAL FUNDS		<u><u>1,924,741</u></u>	<u><u>2,236,561</u></u>

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

Chris Finney GC

C FINNEY ESQ., GC
Chairman

Date: 16 March 2023

The notes on pages 20 to 35 form part of these financial statements.

THE VICTORIA CROSS AND GEORGE CROSS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

The Victoria Cross and George Cross Association ("the Association"), a public benefit entity, is incorporated in England and Wales as a charitable incorporated organisation ("CIO") not having a share capital. Each living recipient of the Victoria Cross or George Cross award is a member of the Association. There are currently seven Trustees who are also members of the Association (2021: six). Members have no liability to contribute to the assets of the Association in the event of winding up and no personal responsibility for settling the Association's debts and liabilities. The Association is a registered charity and incorporated as a Charitable Incorporated Organisation. The Association's registered office is given on page 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 accounts (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 Accounting and Reporting by Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Victoria Cross and George Cross Association 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 Trustees are satisfied that The Victoria Cross and George Cross Association is a going concern and have reviewed a period of at least 12 months from the date of signing. The Trustees are satisfied that the Association is on a sound financial footing to meet liabilities and commitments in its current projects and work. The Trustees, therefore, consider that the going concern assumption is an appropriate basis on which to prepare these financial statements. The Trustees consider that they have sufficient liquid restricted reserves to continue to make welfare and grant payments over the coming and next financial years and to support the running costs of the Association. The Trustees are grateful to HM Government for the written assurance they have received that annuities payable to eligible Victoria Cross and George Cross recipients will continue after LIBOR grant monies (restricted reserves) have been exhausted. It is not anticipated that this will be for another few years. At such time, the annuities will be funded in their entirety by governmental departments, the Cabinet Office and the Ministry of Defence as appropriate. Other activities of the Association which are funded from unrestricted reserves will continue based on funding available.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INCOME

All income is recognised once the Charity has entitlement to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

No income has been recognised in respect to the value of office accommodation which is provided to the Association for a peppercorn rent due to disproportionate costs of determining the appropriate value to recognise. In accordance with the Charities SORP (FRS 102), as stated on page 8 above: the Association is greatly dependent on and very grateful for the support of volunteers. The numbers of these vary depending on the circumstance or activity. Generally, the Association benefits from the help of two volunteers each week to help with administrative support in the office and with the digitisation of the archive. During and in the run-up to significant events such as the biennial reunion, this reliance on the support of volunteers increases significantly. To support each full day of a commemorative event, such as the reunion, a volunteer's input amounts to approximately six days of additional support. See page 8 of the Trustees' Report for information on volunteer support during the year. No donated income is recognised for volunteer services.

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.

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.

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

All expenditure is inclusive of irrecoverable VAT.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. ACCOUNTING POLICIES (CONTINUED)

2.4 EXPENDITURE (CONTINUED)

Expenditure is classified under the following activity headings:

- Website
- Archives
- Welfare
- Graves and memorials
- Promoting the award and honouring holders

Expenditure includes:

- grants given to members and the widows of former recipients of the VC or GC.
- supplementary annual annuity payments as per agreement with HM Government
- direct costs of delivering grants and services
- support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.

Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated fully to expenditure on charitable activities as the activities in respect of fundraising by the Association are currently minor. Costs are allocated based on an estimate of the time spent in each area. One third of support costs are allocated to the charitable activity of promoting the award and honouring holders; the remaining support costs are allocated equally between the remaining charitable activities. It is expected that this allocation will change over time as the charity develops. All support costs are funded by restricted funds and are allocated to the member annuities restricted fund.

2.5 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	- 3 years
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2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £2,000 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.

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2. ACCOUNTING POLICIES (CONTINUED)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

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

Depreciation is provided on the following basis:

Computer equipment	- 3 years
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2.7 HERITAGE ASSETS

The Association holds a collection of heritage assets, consisting mainly of memorabilia and archival material which were donated to the Association. No value is ascribed to these assets in the financial statements as it is not realistic to value such assets due to their specialist and unique nature. Heritage assets costing less than £2,000 are expensed in the year they are acquired. The Association has not capitalised any heritage assets to date. More information on heritage assets is set out in note 13.

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.

Investments held as fixed assets are shown at cost less provision for impairment.

2.9 STOCKS

Christmas cards are produced each year for use by the Association and for sale to members and the widows of former recipients of the VC or GC. The cards are specific to each year and unused cards are not retained for resale. One half of the cost to produce the cards is included in the Association's support costs and the other half is recognised as expenditure from trading activities. Card covers which can be used over a longer period are held at cost unless they are considered unusable in which case they are written down to zero.

2.10 DEBTORS

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

2.11 CASH AT BANK AND IN HAND

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

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2. ACCOUNTING POLICIES (CONTINUED)

2.12 LIABILITIES AND PROVISIONS

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

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

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

2.13 FINANCIAL INSTRUMENTS

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

2.14 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

2.15 CASH FLOW EXEMPTION

As income is less than £500,000 the Charity has taken the exemption available to small charities of preparing a Cash Flow statement.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	4,288	4,288
Grants	8,843	-	8,843
	<u>8,843</u>	<u>4,288</u>	<u>13,131</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	14,352	14,352
	<u>14,352</u>	<u>14,352</u>

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5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Christmas card income	525	525	578

Total trading income for 2021 related to unrestricted funds. The Association produces Christmas cards each year which are made available for sale to the members. The costs of cards were £1,299 (2021: £1,018).

6. INVESTMENT INCOME

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Income from local listed investments	12,412	1,364	13,776

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Income from local listed investments	923	3,440	4,363

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NOTES TO THE FINANCIAL STATEMENTS
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7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Website	-	10,070	10,070
Archives	10,437	-	10,437
Welfare	180,481	1,924	182,405
Graves and memorials	8,788	-	8,788
Promoting the award and honouring holders	28,229	2,036	30,265
	<u>227,935</u>	<u>14,030</u>	<u>241,965</u>

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total 2021 £
Website	15	8,498	8,513
Archives	11,290	-	11,290
Welfare	183,725	1,982	185,707
Graves and memorials	13,532	-	13,532
Promoting the award and honouring holders	14,458	720	15,178
	<u>223,020</u>	<u>11,200</u>	<u>234,220</u>

Direct costs for welfare and for graves and memorials include annuities and grants paid/payable to individuals of £173,619 (2021: £179,053).

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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Website	1,284	8,786	10,070
Archives	1,651	8,786	10,437
Welfare	173,619	8,786	182,405
Graves and memorials	2	8,786	8,788
Promoting the award and honouring holders	12,693	17,572	30,265
	<u>189,249</u>	<u>52,716</u>	<u>241,965</u>

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Website	1,859	6,654	8,513
Archives	4,635	6,655	11,290
Welfare	179,053	6,654	185,707
Graves and memorials	6,878	6,654	13,532
Promoting the award and honouring holders	1,870	13,308	15,178
	<u>194,295</u>	<u>39,925</u>	<u>234,220</u>

Investment management costs of £1,613 (2021: £1,229) are included in support costs and allocated above.

Support costs include fees to management (excluding fees paid for archive work) of £39,750 (2021: £31,763), office costs of £5,003 (2021: £2,782), professional fees of £3,900 (2021: £3,600) and Trustee meeting costs of £4,063 (2020: £1,780).

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9. INDEPENDENT EXAMINER'S REMUNERATION

	2022	2021
	£	£
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	3,900	3,600

10. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 December 2022, expenses totalling £3,232 were reimbursed or paid directly to 7 Trustees (2021 - £1,455 to 4 Trustees).

11. INTANGIBLE ASSETS

	Website costs
	£
COST	
At 1 January 2022	68,365
At 31 December 2022	68,365
AMORTISATION	
At 1 January 2022	67,081
Charge for the year	1,284
At 31 December 2022	68,365
NET BOOK VALUE	
At 31 December 2022	-
At 31 December 2021	1,284

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**NOTES TO THE FINANCIAL STATEMENTS
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12. TANGIBLE FIXED ASSETS

	Computer equipment £
COST OR VALUATION	
At 1 January 2022	2,059
At 31 December 2022	<u>2,059</u>
DEPRECIATION	
At 1 January 2022	1,258
Charge for the year	687
At 31 December 2022	<u>1,945</u>
NET BOOK VALUE	
At 31 December 2022	<u><u>114</u></u>
At 31 December 2021	<u><u>801</u></u>

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13. HERITAGE ASSETS

The Association also holds the following assets:

- A collection of heritage assets which consists of memorabilia and items relating to the Victoria Cross and the George Cross such as reunion records, letters from award recipients and archival material relating to former Victoria award recipients.
- A painting by John Worsely RSMA commemorating H.M. Queen Elizabeth at The Queen Mother's Presidential lunch at Penshurst Place. This painting is currently on loan, under agreement, to Penshurst Place.
- Certain rights relating to a reference work relating to awards of the Victoria Cross and the George Cross entitled reference book, "*The Victoria Cross and The George Cross, The Complete History*".
- Copies of the reference book, "*The Victoria Cross and The George Cross, The Complete History*" as signed by certain members, held to be used for future fundraising for the Association.

These assets were donated at nil cost by the previous unincorporated Association. In addition, the Association also holds archival material, namely the Pratt Winton Collection and the Canon Lummis Collection. These assets were acquired for no cost.

No value is ascribed to these assets in the accounts of the Association as their value is not readily ascertainable (i.e. it not realistic to obtain a valuation as they comprise such specialist and unique material).

These assets are held and maintained principally for honouring the awards and for education. No assets were acquired or disposed of in the last five years.

14. FIXED ASSET INVESTMENTS

	Listed investments £	Short term fixed bank deposits £	Total £
COST OR VALUATION			
At 1 January 2022	597,228	1,531,115	2,128,343
Additions	1,525,373	-	1,525,373
Disposals	(259,383)	(1,531,115)	(1,790,498)
Revaluations	(95,988)	-	(95,988)
AT 31 DECEMBER 2022	<u>1,767,230</u>	<u>-</u>	<u>1,767,230</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. DEBTORS

	2022	2021
	£	£
Prepayments and accrued income	-	603
	<u>-</u>	<u>603</u>
	<u><u>-</u></u>	<u><u>603</u></u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals	7,926	8,289
	<u><u>7,926</u></u>	<u><u>8,289</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS						
General Funds	410,653	6,177	(15,329)	-	(95,988)	305,513
RESTRICTED FUNDS						
Member annuities	1,268,190	12,412	(199,867)	(25,000)	-	1,055,735
Graves & memorials	404,360	-	(8,788)	-	-	395,572
Welfare	150,000	-	-	25,000	-	175,000
Archive	605	-	(10,437)	-	-	(9,832)
Website	2,753	-	-	-	-	2,753
Royal British Legion	-	8,843	(8,843)	-	-	-
	1,825,908	21,255	(227,935)	-	-	1,619,228
TOTAL OF FUNDS	2,236,561	27,432	(243,264)	-	(95,988)	1,924,741

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
UNRESTRICTED FUNDS						
General Funds	388,128	18,370	(12,218)	-	16,373	410,653
RESTRICTED FUNDS						
Member annuities	1,490,450	923	(198,183)	(25,000)	-	1,268,190
Graves & memorials	417,892	-	(13,532)	-	-	404,360
Welfare	125,000	-	-	25,000	-	150,000
Archive	11,895	-	(11,290)	-	-	605
Website	2,768	-	(15)	-	-	2,753
	2,048,005	923	(223,020)	-	-	1,825,908
TOTAL OF FUNDS	2,436,133	19,293	(235,238)	-	16,373	2,236,561

Member annuities represent government funds used to top up the current annuity payment made to Victoria Cross and George Cross holders. In the year, restricted funds of £25,000 were transferred to the welfare fund reflecting the wider support intentions of the initial funding.

The Graves and memorials fund represents government funding which has been set aside to support the restoration and/or erection of graves and memorials of Victoria Cross and George Cross holders.

Welfare funds represent funds set aside within the restricted grant for the support of widows and other support activities.

The archive fund represents funding given for the digitalisation of the Association's archives. This work continued in 2022.

The website fund represents funding given for the development of the website. The website went live on 1 May 2016.

The Royal British Legion fund represents a grant given to cover the costs of the Queen's funeral.

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NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	114	114
Fixed asset investments	1,503,903	263,327	1,767,230
Current assets	115,325	49,998	165,323
Creditors due within one year	-	(7,926)	(7,926)
TOTAL	1,619,228	305,513	1,924,741

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	801	801
Intangible fixed assets	-	1,284	1,284
Fixed asset investments	1,743,513	384,830	2,128,343
Current assets	82,395	32,027	114,422
Creditors due within one year	-	(8,289)	(8,289)
TOTAL	1,825,908	410,653	2,236,561

19. FINANCIAL COMMITMENTS

The Association has no fixed financial commitments, other than the supplementary annual annuities payable to certain award recipients, with such payments being funded fully by available grants.

20. RELATED PARTY TRANSACTIONS

No Trustee received payment in the period for professional or other services provided to the Association. However, 5 member trustees were in receipt of grants totalling £1,367 during the year (2021: 4 member trustees: £1,921) and 6 member trustees were in receipt of annuities totalling £53,280 (2021: 6 member trustees: £51,276). Details of payments to Trustees, being reimbursement of expenses for attending meetings and events, is set out at note 10.