

# Reports & Financial Statements

For the year ended 31 March 2024

**The Royal Commonwealth  
Ex-Services League**

**Company number:** 10922587

**Charity number:** 1174874

# **The Royal Commonwealth Ex-Services League**

## **Trustees` report**

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# The Royal Commonwealth Ex-Services League

## Trustees` report

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<b>Charity registration number:</b>	1174874
<b>Company registration number:</b>	10922587
<b>Principal office:</b>	199 Borough High Street, London SE1 1AA
<b>Grand President:</b>	General The Lord Richards of Herstmonceux GCB CBE DSO DL
<b>Deputy Grand President:</b>	Major General GI Mitchell CB MBE (and Trustee)
<b>Trustees:</b>	Colonel M J Winarick OBE (from 13 February 2024) Mr J M Archer Captain P Chambers (from 13 February 2024) Mr J Coward Major General C H Elliott CVO CBE Brigadier A W Freemantle CBE DBA Brigadier J C L King MBE Colonel A J Martin ONZM Mrs E Strouts Mrs E A Watkins DL Colonel J M Bowles MBE (to 6 December 2023) Colonel P A Davis CBE (to 6 December 2023) Mr A L Holmes OBE (to 6 December 2023) Colonel M Slattery RRC (to 6 December 2023) Brigadier D A Williams MBE (to 6 December 2023) Lieutenant Commander M R Hawthorn MBE RN (to 20 May 2024)
<b>Deputy Chairman:</b>	Colonel M J Winarick OBE
<b>Honorary Legal Adviser:</b>	Mr T E J Case
<b>Honorary Medical Adviser:</b>	Major General D S Jolliffe CBE FRCP
<b>Secretary General:</b>	Lieutenant Colonel C F Warren (to 31 January 2024) Major D H Thompson (from 1 February 2024)
<b>Controller Finance:</b>	Major D H Thompson (to 31 January 2024) Colonel B P Kularatne (from 1 February 2024)
<b>Bankers:</b>	National Westminster Bank plc NatWest Regent Street 250 Regent Street London W1B 3BN
<b>Independent auditor:</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

# **The Royal Commonwealth Ex-Services League**

## **Trustees` report**

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**Investment managers:** Newton Investment Management Limited  
160 Queen Victoria Street  
London EC4V 4LA

**Solicitors:** Withers  
16 Old Bailey  
London  
EC4M 7EG

# **The Royal Commonwealth Ex-Services League**

## **Trustees' report**

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### **Introduction from The Honorary Treasurer**

This report covers the 12-month accounting period to 31 March 2024, the final year of the original Commonwealth Veterans Programme (CVP), into which we entered in partnership with the Foreign, Commonwealth and Development Office (FCDO) (formerly the Department for International Development (DFID)) and signed an Accountable Grant Arrangement (AGA) five years ago.

During the year, the HQ Staff conducted 6 Monitoring & Evaluation (M&E) visits to our Member Organisations to satisfy the contractual requirements of the AGA. The visits were focused on countries which harbour particular risks, require specific assistance or have not been visited for some time. I was privileged to accompany the then-Programme Manager, Pasan Kularatne, on M&E visits to Sierra Leone and Ghana. By doing so, I witnessed how these two Member Organisations operate on the ground and the challenges they were facing. The first-hand experience I gained from these visits has been invaluable. Furthermore, it gave me the opportunity to meet beneficiaries, including some Burma Star Veterans, as the visits coincided with payment tours in both countries.

A significant spend deficit in the first two years of the CVP – borne by the League from its own reserves – was then offset by an underspend in the following two years. The fifth and final year, however, necessitated a higher welfare grant spend than those of the previous two years so that we could deliver on our funding contribution commitment to the CVP over the full term of the original 5-year programme, which ended in March 2024. A key target for this year was to carefully manage the total 5-year FCDO/CVP budget whilst maintaining the same level of support to all our eligible beneficiaries. This has been successfully achieved and a cumulative number of 7,290 veterans and widows have been supported by the CVP over the last five years.

The highlight of the past year has been successfully securing a 3-year extension to the FCDO CVP from April 2024 to March 2027 and just under £6M of further Government support. This positive outcome would not have been possible without the unstinting work of our Member Organisations to ensure that lifesaving grants reach veterans and widows, often in difficult circumstances. I conclude by thanking our generous supporters, particularly those that make up the Commonwealth Veterans Review Committee (CVRC), who have stood shoulder to shoulder with us over many years; their moral and financial support was a key factor in securing our FCDO CVP extension. As a result, we are well placed as we enter the first year of the 3-year extension.

### **Public Benefit**

The Trustees present their report and the financial statements for the period ended 31 March 2024. All charities must have charitable purposes which are for the public benefit. The Royal Commonwealth Ex-Services League (the League) exists to relieve poverty by providing support to eligible Commonwealth Ex-Servicemen and -women and widows if in need.

There are two key principles of public benefit and the relevant ones for the League are that:

Principle 1: There must be an identifiable benefit or benefits which are clear and related to the League's aim.

Principle 2: Benefit must be to the public or to a section of the public.

# **The Royal Commonwealth Ex-Services League**

## **Trustees` report**

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### **Public Benefit (continued)**

Because of the law, the Trustees are required to disclose how they provide public benefit during a given accounting period. In the case of this report, it is the year 1 April 2023 – 31 March 2024.

The League was incorporated on 18 August 2017; on 1 January 2018, the activities and assets of the unincorporated charity were transferred into the new entity. The unincorporated charity was founded in 1921 and, since then, it is estimated that more than one million people have been provided with welfare support to relieve poverty. The League is confident that all applicable guidelines for meeting public benefit in 2023/24 have been met.

### **Structure, Governance and Management**

#### **Organisational structure**

The League, a Private Company Limited by Guarantee, is governed by its Articles of Association, Objects and Rules approved at a Special Conference in 2017. Executive power is vested in the Grand President, and in the Commonwealth Council, which comprises Members representing the 52 Member Organisations. This Council meets once a year. An Executive Committee is appointed by the Commonwealth Council and a Secretary General and Controller Finance appointed by the Grand President who, together with four other office staff, are responsible for delivering welfare support, for the administration of the affairs of the Charity and for advising on the content and procedures of Conference. The procedure for the election of Trustees is laid down in the Charity's Articles of Association. The Members of the Executive Committee are the Trustees, who are also Directors.

During the year, in line with Charity Commission guidelines, the number of voting Trustees has been reduced to 11 from 15 and the size of the Executive Committee to 12 from 21, thus providing a smaller and more agile decision-making body. The remaining member of the committee, not a Trustee, is the Honorary Legal Advisor. This leaner and even more effective Board of Trustees is a significant step in the right direction and comprises Trustees elected by Founder Members, as well as Trustees elected by the wider membership.

Once selected, a Trustee will receive a personal briefing from the Secretary General, who will explain the detailed workings of the League and their role within it, and they will receive both a written brief entitled 'Trustees' Key Information' together with a copy of 'The Essential Trustee' CC3. Trustees are kept fully informed of any changes that could impact on them or on the Charity. Each year training and advice is given to all Trustees by the Auditors at the Trustees' meetings and this year the new Auditors, Buzzacott, delivered training at the Executive Meeting on 6 December 2023. Trustees are invited to attend training seminars organised the Charity Commission, by Newton Investment Management and by Buzzacott. The Secretary General and the Controller Finance also attend relevant seminars and advise Trustees as required.

# The Royal Commonwealth Ex-Services League

## Trustees' report

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### Membership of Committees and Sub-Committees

#### Members of Standing Committee on Welfare Programmes (SCOWP):

Brigadier J C L King MBE	Chairman
Brigadier A W Freemantle CBE DBA	Australia (Executive Committee Member)
Mr B Julian	Canada, Dominion President
Mrs E A Watkins DL	Canada (Executive Committee Member)
Mr J Coward	The Royal British Legion, National Chairman
Mr A Baines	The Royal British Legion, Director of Operations
Major General C H Elliott CVO CBE	South Africa (Executive Committee Member)
Lieutenant Commander M R Hawthorn MBE	The Legion Scotland, Chairman (to 20 May 2024)
Colonel A J Martin ONZM	New Zealand (Executive Committee Member)
Mr J M Archer	RCEL, Honorary Treasurer
Mrs E Strouts	India (Executive Committee Member)

#### Members of Finance Sub-Committee:

Mr J M Archer	Chairman
Mr T E J Case	(until 13 February 2024)
Mr P J W Henderson	
Mr O R M Marsh	

#### Members of Pensions Committee:

Mr J M Archer	Chairman	
Lieutenant Colonel C F Warren		(to 31 January 2024)
Major D H Thompson	Secretary	(to 31 January 2024)
Colonel B P Kularatne	Secretary	(from 1 February 2024)

### Statement of Trustees' Responsibilities

The Trustees who are also directors of Royal Commonwealth Ex-Services League for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure of the charitable group for that period.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

# The Royal Commonwealth Ex-Services League

## Trustees` report

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

## Relationship with Related Parties and Other Charities

In addition to distributing its own funds, the Charity acts for over 26 UK-based Service and Regimental charities in channelling funds overseas to appropriate beneficiaries. The key Service charities are The Royal Navy and Royal Marines Charity, The Army Benevolent Fund, The Royal Air Force Benevolent Fund, The Royal British Legion and The Officers' Association. Any money held on behalf of such organisations is included in restricted funds.

The Charity also holds funds in deposit accounts for two of its Member Organisations. These funds are entirely under the control of these organisations and are held separately from the Charity's own funds. Statements of Account are sent annually to these Member Organisations. The Charity also holds restricted funds on deposit for The Askari Appeal which it draws down for designated beneficiaries of the appeal when instructed by the Trustees of The Askari Appeal (these are included within restricted funds in note 18).

## Objects and Activities

The Charity operates outside the United Kingdom looking after the welfare of ex-Servicemen, -women and their widows and widowers of Commonwealth countries who have at some time served the British Crown prior to the independence of their own country and who are now living in poverty. Earl Haig founded the Charity in 1921 and its scope greatly increased following the Second World War. Today there are 52 Member Organisations in 46 countries, stretching from the Caribbean, across West, East and South Africa, and across the Indian sub-continent to South-East Asia, the Pacific and Australasia.

The Charity acts as a link throughout the Commonwealth for many ex-Service organisations and provides financial assistance for ex-Service men, women and their widows and widowers whose difficulties are beyond the means of their local organisations. Financial support is also given to self-help projects that will generate income for local welfare.

The Object is that no eligible ex-Service man or woman shall be without help if in need and the Charity's grant-making policy is formulated accordingly.

## Achievements and Performance

The League's income declined year on year with donations lower than budgeted. The FCDO budget this year at £1.86 million for Year 5 represented a substantial increase on the original Accountable Grant Agreement (AGA) figure of £839,000; however, it was a funding reduction of some £700,000 from Years 3 and 4, based on the forecast decline in beneficiary numbers. Combined with the requirement to deliver on our funding contribution commitment to the CVP over the full term of the 5-year programme, this increased the League's welfare expenditure by some £266,000 over the previous 2 years. Whilst this increase in the League's contribution to welfare expenditure was anticipated, a combination of higher expenditure and lower income from donations has driven a significant increase in the net income/expenditure deficit over the previous two years. Ultimately, the League has been able to support more beneficiaries than forecast whilst maintaining the higher value individual grant.



# The Royal Commonwealth Ex-Services League

## Trustees' report

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### Financial Review

During the year ended 31 March 2024, the League distributed £3,313,993 on welfare (2023: £3,770,705). The net expenditure (before gains on investment assets) from the 12-month period's operations was £391,936 (2023: net expenditure of £43,224). The underlying unrestricted result for the year ended 31 March 2024 was net expenditure of £326,436 (2023: net income of £17,670). At the end of the period total funds amounted to £1,558,167 (2023: £1,913,558).

The League does not contract the services of any professional fundraisers, nor does it have any commercial participator agreements, but is registered by the Fundraising Regulator. During the course of the year we did not receive any complaints about our fundraising practice.

### Investment Report

The Finance Sub-Committee is responsible for the management of the League's investment portfolio and relies on information provided by Newton Investment Management Limited, the appointed managers. In addition to the normal twice-yearly meetings, the Finance Sub-Committee meet when required, to ensure diligent management. The investment objective of the portfolio is to maximise income and capital available for drawdown, to provide financial assistance to the beneficiaries of the League. The portfolio is carefully managed in line with the 5-Year Plan drawn up by Newton Investment Management and the Finance Sub-Committee.

This report is for 12 months to 30 April 2024. The investments comprise of a holding in the Newton Growth and Income Fund for Charities. The value of the Fund on 31 May 2024 was £544,841. One year net of fees performance to the end of April 2024 for the Newton Growth and Income Fund for Charities returned +7.4% vs +8.6% for the benchmark.

The continued enthusiasm for artificial intelligence (AI) helped to fuel equity markets' performance over the last two quarters, with leading technology stocks generating outsized revenue growth. But as the first quarter of 2024 progressed, the rally broadened, with stocks in Europe and Japan, and sectors beyond technology, also recording strong gains. China, however, did not join the party, as its continued property crisis and weak consumption, in the absence of major policy stimulus, deterred global investors.

In fixed income, government bonds came under pressure during January and February as concerns over inflation persisted and the US Federal Reserve indicated that interest rate cuts were not imminent. However, bond markets staged a recovery in March as central bank rhetoric became more dovish.

Given this backdrop, the Newton Growth and Income Fund for Charities has generated good positive returns over the year to the end of April of +7.4% although slightly behind the benchmark. The Charity's annualised performance net of fees since inception to the end of April is +7.0% vs the benchmark of 7.6%. A pleasing set of long-term figures.

We have become less negative on bonds and have very slightly increased our exposure to fixed interest and added to our index-linked holdings. There was a divergence in asset class performance though despite higher yields being available. Gilts produce a 0% return as gilt prices falls offset the income received. UK equities did better but it was US equities that were the standout performer as they represent two-thirds of global equity indices this resulted in strong global performance.

# The Royal Commonwealth Ex-Services League

## Trustees' report

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### Investment Report (continued)

It was the equities within the fund that drove performance – Microsoft and Nvidia were among the fund's best performing stocks, along with healthcare companies such as Eli Lilly, which has innovative new drugs. Some of our industrial holdings benefited from longer-term themes such as decarbonisation which are being supported by fiscal spending. Conversely, the fund suffered from having exposure to the Electric Vehicle supply chain where demand has faltered in the near term and exposure to Asian financial markets, which have lagged peers, with ongoing issues in China being unresolved.

Tighter monetary policy and the 'new normal' financial conditions appear to have been absorbed by investors without significant disruption to global financial markets. Economic conditions also seem to have been more resilient than anticipated and soft-landing conditions appear in prospect, at least for now. Domestic politics will likely become more prominent for investors as the year progresses, particularly in the US, and policy emphasis will probably affect the outlook for several sectors exposed to partisan spending priorities.

Inflation continues to be stickier than hoped for, which is acting as a brake on central banks' ability to cut interest rates. A higher-for-longer rates scenario may yet give pause for thought. AI has driven a new wave of technology investment, with a narrow gauge of companies benefiting from the early wave of adoption. The benefits of this new technology will now need to be realised more broadly across the market as the technology develops.

Geopolitics, continuing conflicts, trade wars and China's recovery from economic malaise all have the potential to produce disruptive effects for economies and markets over the short term.

### Risk Assessment

Head Office RCEL maintains a comprehensive Risk Management Register. Eighteen risks are considered and reviewed on a quarterly basis in line with the Accountable Grant Arrangement (AGA) for the FCDO (UK Aid) Programme. Mitigating action is taken as required. These risks have also been applied to Member Organisations overseas and have proved satisfactory. The key risks identified are:

- The concern that all military charities will be affected by reduced income over the next 10 years and the reliance on the major military charities to maintain their level of support is not guaranteed. The impact on fundraising generated by the global Covid pandemic is a cause of concern. With a reduction to military service charities income there has been an increase in demand for services. There has been a knock-on effect across the military charity sector with all grants being categorised into either must, should or could award. To overcome this risk, the League is to strengthen relationships and continue to raise awareness of the plight of some of the poorest and most vulnerable veterans and widows across the world.
- Interruption to Business Continuity caused by external events including pandemic, natural disaster, terrorist activity or major system failure. This has been thoroughly tested over the last three years with the office staff working a hybrid model of one or two days in the office (dependent on full or part time employment) with the remainder remotely, and through increased communication with Member Organisations to establish the ongoing situation across the globe and the impact of the Covid pandemic and cost-of-living crisis in each country.

# The Royal Commonwealth Ex-Services League

## Trustees' report

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### Risk Assessment (continued)

- Increased risk of fund diversion, given the significant increase in value of grants disbursed. The governance of the HQ team has been strengthened through both the recruitment of an additional post to allow separation of key financial duties and the production of a finance manual outlining key policies, processes and procedures. Oversight of Member Organisations has increased through the annual due diligence process, quarterly financial reporting, and an increased frequency of Monitoring & Evaluation (M&E) visits.
- That HQ staff continuity is disrupted due to retirement or resignations. Additional posts have been recruited to manage the contractual requirements of the FCDO programme which has developed a broader knowledge base across the whole HQ team. The retirement, in January, of the previous Secretary General necessitated changes in the staff team. Controller Finance succeeded the Secretary General and in turn was replaced by the Programme Manager. A new Programme Manager was recruited and inducted with no gap in post. Both continuity and knowledge were ensured through careful succession planning.
- Safeguarding issues given the vulnerability of our beneficiaries combined with an increase in the value of their grants. The Safeguarding policy has been updated and a new Sexual Exploitation, Abuse & Harassment (SEAH) policy was written and disseminated to all Member Organisations last year. A Regional training seminar in Sri Lanka, postponed due to the Covid pandemic, was delivered in September 2023. The seminar provided safeguarding training at Level 2, delivered by the Royal British Legion Safeguarding lead to 14 delegates from 10 countries. Governance and FCDO reporting requirements, including policies were delivered by Controller Finance and Controller Welfare. The online training platform developed three years ago has been successfully utilised by most Member Organisations providing training in Safeguarding Essentials, IT & Data Security and Fraud Awareness.

### Reserves Policy

It is planned to expend most of the League's reserves over the next four years, during which time the number of potential beneficiaries is expected to reduce substantially. The current level of free reserves (excluding fixed assets and restricted funds) is £1,440,616 (2023: 1,748,313) which would cover 18.6 months of unrestricted expenditure (2023: 22.6 months). However, in effect, the Charity has no reserves since the existing assets will be consumed on a routine, planned basis over the next five years, in line with the FCDO award. The 5-Year Plan is reviewed regularly. Adjustments may have to be made if there is a significant reduction in welfare support from the major military charities.

### Grant Making Policy

The Charity's grants are directly related to the total amount that it can give away each year, as dictated by the drawdown of reserves and by the success of Head Office fundraising. Within this restriction, the Charity aims to provide as many eligible beneficiaries as possible with the equivalent of two meals a day.

# The Royal Commonwealth Ex-Services League

## Trustees` report

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### Key Management Personnel

The key management personnel are the Secretary General, the Controller Finance and the Controller Welfare. The Trustees review the salaries for these staff annually, making a pay award based on market salaries.

### Plans for Future Periods

The majority of RCEL countries, which are supported financially, did qualify for the FCDO award with funding confirmed in time for 2024 SCOWP Meeting. For those countries that do not qualify, RCEL will endeavour to ensure that similar support will be delivered to them from grants from the RCEL portfolio of funds, fundraising, and the generous donations of the major Service Charities. With the use of public funds, there remains a comprehensive reporting requirement which will fall to RCEL and the Member Organisations to deliver. Some countries are considered a greater risk and a significant amount of work by RCEL HQ and Member Organisations has been undertaken to reduce risk to an acceptable level. A Resilience Matrix has been compiled by RCEL HQ to monitor risk in each country. Quarterly reporting by Member Organisations, coupled with annual Due Diligence, has increased oversight, and provided more timely and accurate information. In addition, Project Officers and Honorary Representatives have taken an active role supporting Member Organisations on the ground and assisting with light touch oversight.

Agency work comprises a significant proportion of the Charity's workload and this will continue. There is a decrease from 544 in 2022/2023 to 485 in 2023/2024, administered by Controller Welfare and Grants. This decrease can be attributed to the increasing age and frailty of the beneficiaries being supported. Controller Welfare and Grants spends some 40% of his time in direct support of the 26 or so charities to reach their beneficiaries in 20 Commonwealth countries.

As reported in the Honorary Treasurer's introduction, the League was successful in securing a 3-year extension to the CVP from 2024 to 2027 from FCDO for a value of £5.99M. The Commonwealth Veterans Review Committee (CVRC) – chaired by Sir Malcolm Rifkind and General The Lord Richards – was updated by the Deputy Grand President with the welcome news of the extension at a meeting held in October last year. The Service Charities, the principal supporters of Commonwealth veterans and their widows overseas, agreed in principle to support the CVP extension up to 2027.

By March 2027, at the end of the CVP 3-year extension, there are likely to be some 2,000 beneficiaries, mainly widows, remaining and the League must plan to ensure they continue to be supported. A strategy paper was written and discussed with key stakeholders in 2022 to consider the longer-term future of the League beyond the FCDO Programme which, at that time, was due to finish in March 2024. This paper considers both future sources of funding, including the option of further funding from FCDO, and the future role of the League supporting both declining numbers of pre-independence veterans & widows and contemporary veterans around the Commonwealth. The Courses of Action (COA) derived from this paper were discussed and voted on at the Commonwealth Conference in September 2022 to provide the necessary mandate for the Trustees to take relevant action.

# The Royal Commonwealth Ex-Services League

## Trustees' report

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### Plans for Future Periods (continued)

Whilst the welcome 3-year extension has provided significant funding until March 2027, the next step over the remainder of 2024/early 2025 will be to shape options for a future merger of some form and to understand what constraints or limitations there might be on both sides. Any merger will be conditions-based, and the key ones will be the size of the League's portfolio in 2027 and the ongoing welfare, operational and overhead liability to a potential partner. These factors will also be relevant to any drawdown and closure plan if a merger is not possible, to plan for an orderly handover of beneficiaries to the relevant Service Charities. Options and relevant plans will be drawn up with the aim of taking some firm resolutions for the Membership to vote on at the 35th Conference in Ottawa in the summer of 2025. With a firm mandate from the Conference, plans can be developed and implemented for either a merger of some form, or a drawdown and closure of the League over an 18-month period in the run up to March 2027. Alongside a focus on operational excellence, planning beyond March 2027 will be a key priority over the next year.

### Related parties

One of the Trustees is also a trustee of other organisations with which the League has dealings. These are detailed in note 21 to these financial statements.

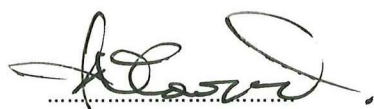
### Auditors

The Trustees have confirmed that, so far as they are aware, there is no relevant audit information of which the League's auditors are unaware, and that they have taken all steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the League's auditors are aware of that information.

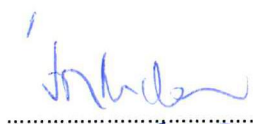
Buzzacott LLP have signified their willingness to continue in office and were appointed as the League's auditors for a 3-year term covering the period of the FCDO CVP extension to March 2027.

This report has been prepared in accordance with the special provisions of The Companies Act 2006 relating to small entities.

Approved by the Trustees on 30 July 2024 and signed on their behalf by:



Mr J Coward  
Trustee



Mr J M Archer  
Trustee

# Independent auditor's report to the Trustees of The Royal Commonwealth Ex-Services League

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## Opinion

We have audited the financial statements of Royal Commonwealth Ex-Service League (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **Independent auditor's report to the Trustees of The Royal Commonwealth Ex-Services League**

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## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 7 and 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Independent auditor's report to the Trustees of The Royal Commonwealth Ex-Services League

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## Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the charitable parent company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation); and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- tested authorization controls on expenditure items, including staff expense claims, to check that all expenditure was approved in line with the charitable company's financial procedures.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



# Independent auditor's report to the Trustees of The Royal Commonwealth Ex-Services League

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## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Katharine Patel (Senior Statutory Auditor)**  
**for and on behalf of Buzzacott LLP**

Chartered Accountants and Statutory Auditor  
130 Wood Street, London, EC2V 6DL  
Date:

30 July 2024

# The Royal Commonwealth Ex-Services League

## Statement of financial activities For the year ended 31 March 2024

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds Year ended 31 Mar 2024 £	Total funds Year ended 31 Mar 2023 (note 2) £
<b>Income</b>						
<b>Donations and legacies</b>						
Donations, grants and appeals	3	563,282	-	505,372	1,068,654	1,211,687
FCDO grant	7	-	-	1,868,835	1,868,835	2,552,398
Legacies		-	-	-	-	5,000
		563,282	-	2,374,207	2,937,489	3,769,085
<b>Income from investments</b>	4	39,471	135	3,560	43,166	24,930
<b>Total income</b>		602,753	135	2,377,767	2,980,655	3,794,015
<b>Expenditure</b>						
<b>Expenditure on raising funds</b>						
Fundraising costs	5	43,743	-	-	43,743	52,098
Poppy supplies and freight charges		14,855	-	-	14,855	14,436
		58,598	-	-	58,598	66,534
<b>Expenditure on charitable activities</b>						
RCEL welfare grants	6	870,591	15,849	558,467	1,444,907	1,228,761
FCDO welfare grants	7	-	-	1,869,086	1,869,086	2,541,944
<b>Total expenditure</b>		929,189	15,849	2,427,553	3,372,591	3,837,239
<b>Net (expenditure) before investment gains</b>		(326,436)	(15,714)	(49,786)	(391,936)	(43,224)
<b>Gains/(losses) on investments</b>		36,545	-	-	36,545	(22,932)
<b>Net (expenditure) before transfers</b>		(289,891)	(15,714)	(49,786)	(355,391)	(66,156)
<b>Transfers between funds</b>		(30,000)	30,000	-	-	-
<b>Net movement in funds</b>		(319,891)	14,286	(49,786)	(355,391)	(66,156)
Total funds brought forward		1,712,244	36,069	165,245	1,913,558	1,979,714
<b>Total funds carried forward</b>	16,17,18,19	1,392,353	50,355	115,459	1,558,167	1,913,558

There are no recognised gains or losses other than those included above. All amounts relate to continuing activities. The notes on pages 21 to 37 form part of these financial statements.

# The Royal Commonwealth Ex-Services League

## Balance sheet as at 31 March 2024

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	12	2,092	-
Investments	13	1,202,148	1,373,131
		<u>1,204,240</u>	<u>1,373,131</u>
<b>Current assets</b>			
Debtors	14	3,740	13,403
Cash at bank and in hand		410,061	577,285
		<u>413,801</u>	<u>590,688</u>
<b>Creditors: amounts falling due within one year</b>	15	(59,874)	(50,261)
		<u>353,927</u>	<u>540,427</u>
<b>Net current assets</b>			
<b>Net assets</b>	19	<u>1,558,167</u>	<u>1,913,558</u>
<b>Represented by:</b>			
Unrestricted funds	16	1,392,353	1,712,244
Designated funds	17	50,355	36,069
Restricted funds	18	115,459	165,245
		<u>1,558,167</u>	<u>1,913,558</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small entities.

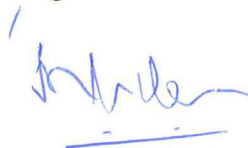
The notes on pages 21 to 37 form part of these financial statements.

Approved by the Trustees on 30 July 2024 and signed on their behalf by:

Mr J Coward  
Trustee



Mr J M Archer  
Trustee



# The Royal Commonwealth Ex-Services League

## Statement of Cash Flows for the year ended 31 March 2024

	Year ended 31 Mar 2024 £	Year ended 31 Mar 2023 £
<b>Cash flows from operating activities</b>		
<b>Net (expenditure)</b>	(355,391)	(66,156)
Adjustments for:		
Depreciation	303	-
(Gain)/loss on investments	(36,545)	22,932
Interest income	(43,166)	(24,930)
Decrease in trade and other debtors	9,663	625
Decrease/(increase) in trade and other creditors	9,613	(19,332)
<b>Cash flows (used in) operating activities</b>	<b>(415,523)</b>	<b>(86,861)</b>
<b>Cash flows from investing activities</b>		
Purchase of investments*	(32,472)	(20,864)
Proceeds on disposal of investments*	240,000	175,000
Interest received	43,166	24,930
Purchase of fixed assets	(2,395)	-
<b>Cash flows generated from investing activities</b>	<b>248,299</b>	<b>179,066</b>
<b>Net (decrease)/increase in cash</b>	<b>(167,224)</b>	<b>92,205</b>

	At 1 Apr 2023 £	Movement in cash £	At 31 Mar 2024 £
Cash at bank	577,285	(167,224)	410,061

\* Purchases of investments and proceeds on disposals of investments include transactions made by the investment managers to change the mix of equities held within the portfolio as well as additions to or withdrawals from the portfolio.

The notes on pages 21 to 37 form part of these financial statements.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

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### **1 Accounting policies**

#### **1.1 Basis of preparation**

The financial statements have been prepared 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011

#### **1.2 Going concern**

The 3-year extension to the FCDO programme enabled the Finance Sub-Committee and Executive Committee to review cash flow projections and budgets to 31 March 2027. Both sources of income and types of expenditure have been reviewed. Whilst one of the main charitable purposes of the charity is to provide grants to veterans and widows in need, the level of this necessary expenditure is at the discretion of the Trustees and can be adjusted during the year. The Trustees have also considered the charity's working capital and capital expenditure requirements. As a result of the foregoing the Trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

Royal Commonwealth Ex-Services League 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 note(s).

#### **1.3 Income**

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### **1.4 Expenditure**

All expenditure is included on an accruals basis. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions.

Support costs are allocated between activities based on the use of resources.

#### **1.5 Grant expenditure**

Grants are included when the Charity is committed to making the payment and the recipient has been notified of the grant.

#### **1.6 Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

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### **1 Accounting policies (continued)**

Designated funds comprise unrestricted funds and have been set aside by the Trustees

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors.

#### **1.7 Depreciation**

Depreciation of fixed assets is provided so as to write off their costs over their estimated useful lives and is calculated at the following rates:-

Office equipment – 20-25% per annum on a straight line basis

Computer equipment – 33% per annum on a straight line basis

#### **1.8 Amortisation**

Website and software costs are capitalised as intangible fixed assets and amortisation is provided so as to write off their costs over their estimated useful lives and is calculated at the following rate:

Website – 20% per annum on a straight line basis

#### **1.9 Investments**

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals during the period.

#### **1.10 Debtors**

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

#### **1.11 Cash and bank balances**

Cash and bank balances includes cash and short-term, highly liquid investments, with a short maturity of six months or less from the date of acquisition.

#### **1.12 Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **1.13 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.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 1.14 Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

### 2 Comparative Statement of Financial Activities – year ended 31 March 2023

	Unrestricted funds	Designated funds	Restricted funds	Total funds 2023
	£	£	£	£
<b>Income</b>				
<b>Donations and legacies</b>				
Donations, grants and appeals	686,850	-	524,837	1,211,687
FCDO grant	-	-	2,552,398	2,552,398
Legacies	-	-	5,000	5,000
	<u>686,850</u>	<u>-</u>	<u>3,082,235</u>	<u>3,769,085</u>
<b>Income from investments</b>	<u>23,109</u>	<u>62</u>	<u>1,759</u>	<u>24,930</u>
<b>Total income</b>	<u>709,959</u>	<u>62</u>	<u>3,083,994</u>	<u>3,794,015</u>
<b>Expenditure</b>				
<b>Expenditure on raising funds</b>				
Fundraising costs	52,098	-	-	52,098
Poppy supplies and freight charges	14,436	-	-	14,436
	<u>66,534</u>	<u>-</u>	<u>-</u>	<u>66,534</u>
<b>Expenditure on charitable activities</b>				
RCEL welfare grants	625,755	102,661	500,345	1,228,761
FCDO grants	-	-	2,541,944	2,541,944
<b>Total expenditure</b>	<u>692,289</u>	<u>102,661</u>	<u>3,042,289</u>	<u>3,837,239</u>
<b>Net income/(expenditure) before investment gains</b>	<u>17,670</u>	<u>(102,599)</u>	<u>41,705</u>	<u>(43,224)</u>
<b>Gains on investment assets</b>	<u>(22,932)</u>	<u>-</u>	<u>-</u>	<u>(22,932)</u>
<b>Net (expenditure)/income before transfers</b>	<u>(5,262)</u>	<u>(102,599)</u>	<u>41,705</u>	<u>(66,156)</u>
<b>Transfers between funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(5,262)</u>	<u>(102,599)</u>	<u>41,705</u>	<u>(66,156)</u>
<b>Total funds brought forward</b>	<u>1,717,506</u>	<u>138,668</u>	<u>123,540</u>	<u>1,979,714</u>
<b>Total funds carried forward</b>	<u><u>1,712,244</u></u>	<u><u>36,069</u></u>	<u><u>165,245</u></u>	<u><u>1,913,558</u></u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 3 Donations, Grants and Appeals

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2024 Total funds
	£	£	£	£
Affiliation fees	240	-	-	240
Donations from Member Organisations	240,000	-	-	240,000
Donations in kind from Member Organisation (see note a)	62,880	-	-	62,880
Contributions from external funds to administration (see note b)	20,000	-	-	20,000
Other donations	240,162	-	505,372	745,534
	<u>563,282</u>	<u>-</u>	<u>505,372</u>	<u>1,068,654</u>
	<u><u>563,282</u></u>	<u><u>-</u></u>	<u><u>505,372</u></u>	<u><u>1,068,654</u></u>
	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2023 Total funds
	£	£	£	£
Affiliation fees	260	-	-	260
Donations from Member Organisations	240,000	-	-	240,000
Donations in kind from Member Organisation (see note a)	60,346	-	-	60,346
Contributions from external funds to administration (see note b)	34,222	-	-	34,222
Other donations	352,022	-	524,837	876,859
	<u>686,850</u>	<u>-</u>	<u>524,837</u>	<u>1,211,687</u>
	<u><u>686,850</u></u>	<u><u>-</u></u>	<u><u>524,837</u></u>	<u><u>1,211,687</u></u>

a. The donations in kind from The Royal British Legion were made up as follows:-

	Year ended 31 Mar 2024	Year ended 31 Mar 2023
	£	£
Donation of lapel poppies	14,682	14,322
Free office accommodation and services	48,198	46,024
	<u>62,880</u>	<u>60,346</u>
	<u><u>62,880</u></u>	<u><u>60,346</u></u>



# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 3 Donations, Grants and Appeals (continued)

b. The following charities have made donations to contribute to the League's administration costs:-

	Year ended 31 Mar 2024	Year ended 31 Mar 2023
	£	£
Royal Air Force Benevolent Fund	-	6,191
Royal Navy Benevolent Trust	-	5,156
ABF The Soldiers' Charity	20,000	20,000
The Officers' Association	-	2,875
	<u>20,000</u>	<u>34,222</u>

### 4 Income from investments

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2024 Total funds
	£	£	£	£
Dividend income	13,906	-	-	13,906
Interest on fixed deposit	18,563	-	-	18,563
Other bank deposit interest	7,002	135	3,560	10,697
	<u>39,471</u>	<u>135</u>	<u>3,560</u>	<u>43,166</u>

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2023 Total funds
	£	£	£	£
Dividend income	16,541	-	-	16,541
Interest on fixed deposit	4,203	-	-	4,203
Other bank deposit interest	2,365	62	1,759	4,186
	<u>23,109</u>	<u>62</u>	<u>1,759</u>	<u>24,930</u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 5 Fundraising costs

	Year ended 31 Mar 2024	Year ended 31 Mar 2023
	£	£
Direct fundraising costs	685	216
Support costs (see note 8)	43,058	51,882
	<u>43,743</u>	<u>52,098</u>
All amounts relate to unrestricted funds in both years.		

### 6 RCEL welfare grants

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2024 Total funds
	£	£	£	£
Funds administered and disbursed on behalf of other charities	-	-	430,409	430,409
Grants to Member Organisations	608,279	-	128,058	736,337
Project grants	16,306	-	-	16,306
Welfare tour costs	14,835	-	-	14,835
Support costs (see note 8)	231,171	15,849	-	247,020
	<u>870,591</u>	<u>15,849</u>	<u>558,467</u>	<u>1,444,907</u>

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2023 Total funds
	£	£	£	£
Funds administered and disbursed on behalf of other charities	-	-	464,783	464,783
Grants to Member Organisations	437,208	-	33,141	470,349
Project grants	-	-	2,422	2,422
Welfare tour costs	21,338	-	-	21,338
Support costs	167,208	102,661	-	269,869
	<u>625,754</u>	<u>102,661</u>	<u>500,346</u>	<u>1,228,761</u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 6 Welfare (continued)

The number of individual cases assisted during the period was as follows:-

	2024	2023
	Number	Number
From the Charity's own funds	3,473	4,114
Funds administered and disbursed on behalf of other charities (Agency work)	485	544
	<u>3,958</u>	<u>4,658</u>

The above totals reflect the number of cases which received direct payment from the Charity as distinct from bulk grants to Member Organisations for local benevolence work. The number of beneficiaries continues to decline due to the age and frailty of the recipients.

Further details of grants to Member Organisations and Project grants can be obtained from the Charity's Annual Report and copies of this publication can be obtained from Major D H Thompson (Secretary General), Royal Commonwealth Ex-Services League, 199 Borough High Street, London, SE1 1AA.

### 7 FCDO

	Unrestricted funds	Designated funds	Restricted funds	Year ended 31 Mar 2024 Total funds	Year ended 31 Mar 2023 Total funds
	£	£	£	£	£
<b>Income</b>					
FCDO income - welfare	-	-	1,505,028	1,505,028	2,268,899
FCDO income - operational	-	-	363,807	363,807	283,499
	<u>-</u>	<u>-</u>	<u>1,868,835</u>	<u>1,868,835</u>	<u>2,552,398</u>
<b>Expenditure</b>					
FCDO welfare grants	-	-	1,519,777	1,519,777	2,155,161
FCDO other costs (see note 8)	-	-	349,309	349,309	386,783
	<u>-</u>	<u>-</u>	<u>1,869,086</u>	<u>1,869,086</u>	<u>2,541,944</u>

All grants were made to individuals. In 2024: 3285 and 2023: 3868 individuals received grants funded by FCDO.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 8 Allocation of support costs

	Welfare	FCDO other costs	Fundraising	Year ended 31 Mar 2024 Total funds	Year ended 31 Mar 2023 Total funds
	£	£	£	£	£
Staff costs (see note 9)	139,868	270,919	19,883	430,670	439,440
Conferences & meetings	20,673	25,050	2,819	48,542	137,778
Office accommodation & services	31,858	7,096	9,715	48,669	46,566
Travel & subsistence costs	21,087	21,034	1,110	43,231	29,021
Delivery expenses	-	203	-	203	-
Other costs	14,184	1,415	-	15,599	7,785
Legal costs	4,959	(450)	2,442	6,951	10,020
Auditor's remuneration					
- Audit	8,898	5,381	4,383	18,662	9,500
Accountancy services	2,192	17,019	1,080	20,291	21,021
Annual report	3,301	1,642	1,626	6,569	7,403
<b>Total (see notes 5 and 6)</b>	<b>247,020</b>	<b>349,309</b>	<b>43,058</b>	<b>639,387</b>	<b>708,534</b>

Governance costs comprise audit and accountancy fees and the cost of preparing the annual report; these total £45,522 (2023: £37,924). Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 9 Staff costs

	Year ended 31 Mar 2024 Total funds £	Year ended 31 Mar 2023 Total funds £
Wages and salaries	302,620	303,390
Social security costs	30,506	33,805
Pension costs (see note 11)	33,013	29,019
Staff insurance and health care	11,255	13,943
Overseas project officers (contract staff)	53,276	59,283
	<u>          </u>	<u>          </u>
Staff costs	<u>430,670</u>	<u>439,440</u>

The number of employees throughout the year was 11 (2023: 11)

The number of employees whose annual emoluments were £60,001 or more were:

	2024 No.	2023 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1

Key management personnel are the Secretary General, the Controller Finance and the Controller Welfare. The total employee benefits of the key management personnel of the Charity for the year ended 31 March 2024 were £229,489 (2023: £231,221).

### 10 Trustees

No Trustees received any emoluments during either period.

During the year 4 (2023: 2) of the Trustees were reimbursed for travel expenses, totalling £3,196 (2023: £333).

### 11 Pension costs

The 7 members of staff based in the UK benefit from a non-contributory fixed percentage (of salary) pension scheme. During the year the Charity paid contributions of £33,013 (2023: 7 staff with contributions of £29,019).

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 12 Intangible fixed assets

	Website £
<b>Cost</b>	
Balance at 1 April 2023	2,063
Additions	2,395
Disposals	(2,063)
	<u>          </u>
Balance as at 31 March 2024	2,395
	<u>          </u>
<b>Depreciation</b>	
Balance at 1 April 2023	2,063
Depreciation in the year	303
Disposals	(2,063)
	<u>          </u>
Balance as at 31 March 2024	303
	<u>          </u>
<b>Net book value</b>	
At 31 March 2024	2,092
	<u>          </u>
At 31 March 2023	-
	<u>          </u>

### 13 Investments

	2024 £	2023 £
At 1 April	1,373,131	1,550,199
Additions	32,472	20,864
Disposals	(240,000)	(175,000)
Realised and unrealised gains on portfolio	36,545	(22,932)
	<u>          </u>	<u>          </u>
Market value at 31 March	1,202,148	1,373,131
	<u>          </u>	<u>          </u>
Historical cost of listed investments	279,068	486,596
	<u>          </u>	<u>          </u>

The portfolio did not include any individual shareholdings in excess of 5% of the total.

	2024 £	2023 £
The split of the holdings was as follows		
Listed investments	543,328	612,874
Cash balances	658,820	760,257

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 14 Debtors

	2024	2023
	£	£
Prepayments	3,028	9,573
Other debtors	712	3,830
	<u>3,740</u>	<u>13,403</u>

### 15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Taxation and social security	8,389	10,294
Accruals	34,206	23,129
Deferred income	15,000	15,000
Other creditors	2,279	1,838
	<u>59,874</u>	<u>50,261</u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

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### 16 Unrestricted funds

	At 1 April 2023	Income	Expenditure	Gains on investments	Transfer between funds	At 31 Mar 2024
	£	£	£	£	£	£
Accumulated fund	1,712,244	602,753	(929,189)	36,545	(30,000)	1,392,353
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	At 1 April 2022	Income	Expenditure	Gains on investments	Transfer between funds	At 31 Mar 2023
	£	£	£	£	£	£
Accumulated fund	1,717,506	709,959	(692,289)	(22,932)	-	1,712,244
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 17 Designated funds

	At 1 Apr 2023	Income	Expenditure	Transfer between funds	At 31 Mar 2024
	£	£	£	£	£
Conference Fund	33,276	-	(15,849)	30,000	47,427
Staff Contingency Fund	2,793	135	-	-	2,928
Total	36,069	135	(15,849)	30,000	50,355

	At 1 Apr 2022	Income	Expenditure	Transfer between funds	At 31 Mar 2023
	£	£	£	£	£
Conference Fund	135,937	-	(102,661)	-	33,276
Staff Contingency Fund	2,731	62	-	-	2,793
Total	138,668	62	(102,661)	-	36,069

Conference fund – With effect from 2008 RCEL hosts the Commonwealth Conference every 4 years in line with the Constitution. Many of the Member Organisations do not have the resources to attend the Conference and provision has been made to allow all countries to attend. The next Conference in 2025 will be held in Ottawa, Canada requiring funds to be set aside between Conferences to fund the event.

Staff contingency fund – This fund is held to safeguard the League for unexpected staff costs.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 18 Restricted funds

	At 1 Apr 2023	Income	Expenditure	At 31 Mar 2024
	£	£	£	£
FCDO	1,546	1,868,835	(1,869,086)	1,295
The Askari Appeal	58,193	2,829	-	61,022
Prince Philip Lodge Fund	163	-	-	163
Auchinleck Appeal	22,163	731	(22,894)	-
Legacy: Indian Army Association	31,031	-	-	31,031
TRBL Women's Section	11,339	-	(465)	10,874
Queen Mary's Roehampton Trust	-	20,000	(20,000)	-
African Veterans	-	30,000	(30,000)	-
RAR Zimbabwe	-	12,943	(12,943)	-
M St J Way Charitable Trust	30,000	-	(30,000)	-
Funds administered on behalf of other charities (agency work)	10,810	430,674	(430,410)	11,074
Other restricted grants	-	11,755	(11,755)	-
	<u>165,245</u>	<u>2,377,767</u>	<u>(2,427,553)</u>	<u>115,459</u>

	At 1 Apr 2022	Income	Expenditure	At 31 Mar 2023
	£	£	£	£
FCDO	(8,908)	2,552,398	(2,541,944)	1,546
The Askari Appeal	54,778	3,415	-	58,193
Prince Philip Lodge Fund	163	-	-	163
Auchinleck Appeal	21,771	5,392	(5,000)	22,163
Legacy: Indian Army Association	31,031	-	-	31,031
TRBL Women's Section	11,788	-	(449)	11,339
Queen Mary's Roehampton Trust	-	20,000	(20,000)	-
African Veterans	2,422	-	(2,422)	-
M St J Way Charitable Trust	-	30,000	-	30,000
Funds administered on behalf of other charities (agency work)	10,495	465,098	(464,783)	10,810
Other restricted grants	-	7,691	(7,691)	-
	<u>123,540</u>	<u>3,083,994</u>	<u>(3,042,289)</u>	<u>165,245</u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

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### 18 Restricted funds (continued)

The transfers to/from restricted funds reflect income initially recorded as being unrestricted and reclassified as being restricted on further review and similarly restricted expenditure on 'Other restricted grants' previously recorded within unrestricted expenditure.

In January 2019, the League signed a contract with the Department for International Development (DFID) which has since been merged with the Foreign and Commonwealth Office (FCO) to form the Foreign, Commonwealth and Development Office (FCDO) to deliver £12.3 million of UK Aid to Commonwealth Veterans over a 5-year period. In autumn 2023, as reported earlier, FCDO awarded a 3-year extension to the Commonwealth Veterans Programme (CVP) with a grant of an additional £5.99 million across the 3-year period.

The Askari Appeal is for welfare for veterans of The King's African Rifles and other East African armed forces veterans who served the Crown.

The Prince Philip Lodge Fund is for the provision of temporary accommodation in Kent for Commonwealth ex-servicemen visiting/returning to the UK.

The Auchinleck Appeal is for individual welfare for veterans of the British Indian Army, Navy and Air Force who served the Crown.

Indian Army Association – £80,000 was distributed in 2014 but no further distributions were made in either period. These funds will be spent on beneficiaries as and when the need arises.

TRBL Women's Section - A restricted grant has been awarded to widows in India and Lesotho. Historically this has been £10,000 each year. In 2016 RCEL received an additional grant of £50,000 for the following 5 years of 2017–2021 at a rate of £10,000 per year. It has been agreed that these funds will now be focused in Lesotho as India is no longer being supported.

The Queen Mary's Roehampton Trust fund represents funds to support disabled veterans.

The African veterans fund represents funds raised by one of our veterans in Ghana, Joseph Hammond, to support veterans in Ghana and other countries in West Africa.

RAR Zimbabwe fund represents funds to support veterans who served in the Rhodesian African Rifles.

M St J Way Charitable Trust fund represents funds to support veterans in Pakistan and Uganda.

Funds administered on behalf of other charities – This is a significant area of work undertaken by RCEL. RCEL supports over 40 military charities that do not have the global reach to support their veterans across the world. Through the network of RCEL Member Organisations welfare cases are reported, investigated and beneficiaries supported in whichever country in the world they are living. There is likely to be a discrepancy between the incoming and outgoing resources due to annual reporting (some funds are received before the period end but not paid out until the following period), beneficiaries either passing away or no longer being eligible (so that money must be refunded to the donor charity) or money held until good governance is completed in country.

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

### 19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2024 £
Intangible assets	2,092	-	-	2,092
Investments	1,202,148	-	-	1,202,148
Current assets	247,987	50,355	115,459	413,801
Current liabilities	(59,874)	-	-	(59,874)
	<u>1,392,353</u>	<u>50,355</u>	<u>115,459</u>	<u>1,558,167</u>
	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2023 £
Intangible assets	-	-	-	-
Investments	1,373,131	-	-	1,373,131
Current assets	389,374	36,069	165,245	590,688
Current liabilities	(50,261)	-	-	(50,261)
	<u>1,712,244</u>	<u>36,069</u>	<u>165,245</u>	<u>1,913,558</u>

### 20 Funds held on behalf of Member Organisations

At 31 March 2024 the League held bank balances on behalf of 2 Member Organisations totalling £68,000 (31 March 2023: 5 members totalling £100,282). The League has no control of these funds which it administers on behalf of the organisations concerned and therefore these funds have not been incorporated into these financial statements.

### 21 Related parties

Donations have been received from these related parties during the year:

	31 Mar 2024 Total funds £	31 Mar 2023 Total funds £
The Royal British Legion annual donation	240,000	240,000
The Royal British Legion (see note 4a)	62,880	60,346
	<u>          </u>	<u>          </u>

# The Royal Commonwealth Ex-Services League

## Notes to the financial statements For the year ended 31 March 2024

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### 21 Related parties (continued)

TRBL - The Royal British Legion (TRBL) are one of the Founder Members of The League. Every beneficiary of a RCEL grant or beneficiary of Agency work undertaken by The League is eligible for support from TRBL. TRBL's prime focus are those eligible beneficiaries who reside in the UK and The League supports those who reside in Commonwealth Countries and other countries where eligible beneficiaries have chosen to live. In return for the support provided overseas by RCEL, TRBL as a Founder Member and through historical precedent and agreement provides office accommodation, services and an annual grant of £240,000 for welfare support to Commonwealth Veterans and their widows.

The Chairman of TRBL is a Trustee of RCEL. The individual Trustee concerned changes as the Chairman of TRBL changes. The Chairman of TRBL is also a Trustee of The Officers' Association (OA). RCEL undertakes restricted Agency work on behalf of the OA for specific beneficiaries overseas and recovers the cost of this work.

