

# ROYAL BRITISH VETERANS ENTERPRISE LTD.

England & Wales · Charity number 210063

## Details

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Other names	BRITISH LEGION INDUSTRIES (PRESTON HALL) INCORPORATED, ROYAL BRITISH LEGION INDUSTRIES LTD., THE ROYAL BRITISH LEGION INDUSTRIES (PRESTON HALL) INCORPORATED, RBLI
Status	Registered
Legal form	Charitable company
Company number	<a href="#">00158479</a>
Registered	1962-10-18
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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## Activities

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**Objects:** (A) THE RELIEF OF THOSE IN NEED BY REASON OF AGE, ILL HEALTH, DISABILITY OR INCAPACITY.(B) THE RELIEF OF THE CHARITABLE NEEDS OF MEMBERS AND FORMER MEMBERS OF HM FORCES, THEIR RELATIVES AND DEPENDANTS.(C) THE ADVANCEMENT OF EDUCATION AND TRAINING.(D) THE RELIEF OF UNEMPLOYMENT FOR THE BENEFIT OF THE PUBLIC IN SUCH WAYS AS MAY BE THOUGHT FIT INCLUDING ASSISTANCE TO FIND EMPLOYMENT.(E) TO PROMOTE EQUALITY OF OPPORTUNITIES FOR PEOPLE WITH DISABILITIES IN PARTICULAR IN RELATION TO THEIR ACCESS TO EMPLOYMENT.(F) FOR THE PURPOSES OF THESE OBJECTS THE WORD "DISABILITY" INCLUDES ANY PHYSICAL, MENTAL OR SENSORY DISABILITY OR DISADVANTAGE OR RESTRICTION OF ACTIVITY HOWEVER CAUSED AND WHETHER PERMANENT OR TEMPORARY IRRESPECTIVE OF THE PERSON'S RACE, NATIONALITY, RELIGIOUS BELIEF, SEX, SEXUAL ORIENTATION OR AGE.

**Activities:** To provide quality care and support to members of the ex-Service community and to help disadvantaged men and women find meaningful and sustained employment

## Classification

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- **How:** Provides Services
- **What:** Disability
- **Who:** Elderly/old People, People With Disabilities

## Geography

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- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£24,418,000	£22,785,000	£36,333,000	193
2024-03-31	£26,679,000	£24,284,000	£34,707,000	310
2023-03-31	£25,943,428	£23,213,002	£32,289,306	332
2022-03-31	£21,566,498	£20,597,547	£29,614,037	361
2021-03-31	£19,799,000	£18,814,000	£27,045,000	367

## Trustees

Name	Role	Appointed
<b>Steven Edward Rowbotham</b>	Chair	2020-10-27
Alison Start		2024-06-20
Ameer Kotecha		2024-09-25
Brigadier David Innes		2021-10-21
Christopher Spalding		2024-09-25
David Dent		2024-06-20
James Edward Griffiths		2025-12-16
Mark Bailey		2025-03-20
Matthew Kelleher		2024-06-20
Nicholas Stonley		2025-03-20
Parul Kaul Green		2024-06-20
Peter Alesbury		2024-06-20
Rebecca Lewis		2024-06-20

**ROYAL BRITISH VETERANS ENTERPRISE LTD.**

England & Wales - Charity number 210063

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# Accounts

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## GET IN TOUCH

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## FIND US ONLINE

 [rbli.co.uk](http://rbli.co.uk)

 Royal British Legion Industries

 Royal British Legion Industries



Printed and fulfilled by BBMC Social Enterprise

## REGISTERED CHARITY NUMBER:

England & Wales 210063

Scotland SC048795



[rbli.co.uk](http://rbli.co.uk)

# ANNUAL ACCOUNTS

2024 - 2025

ROYAL BRITISH LEGION INDUSTRIES LIMITED  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2025



FRONT COVER: Echoes, created by artist Martin Barraud, to commemorate the 80th anniversary of VE Day  
ABOVE: Tommy Club Founding Patron and Ambassador, Billy Billingham MBE

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“ This exceptional charity has a very **bright** future ”

## From our Chairman

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Royal British Legion Industries (RBLI) is now three years into its new strategy, and I am delighted to say that progress is being made on all fronts.

Our strategy has delivered renewed focus on our beneficiaries, maximising our expertise in day-to-day care, welfare, and outstanding employability coaching. We were also guided by the need to ensure every part of our varied operations is financially sustainable. As a result, some difficult decisions had to be made.

Under the leadership of Lisa Farmer, who was recognised by His Majesty with an OBE this New Year, the charity has turned a corner. Across leaner, more focused divisions, we are working to maximise opportunities, and the impact we're making is a testament to the work ethic demonstrated at every level of the organisation.

This year, we celebrated the completion of the Army Benevolent Fund Community Centre, a fantastic new space featuring a welcoming café, the Sir Donald Gosling IT Training Centre, and a fully accessible gym. We are also celebrating the completion of the fundraising for the final phase of our Centenary Village. Already, the new Community Centre is a thriving focal point for people of all ages working to recover from ill health, trauma, and homelessness. At the heart of our forward-focused community is personal development, woven into the design of our homes and facilities. Together with supported care, mobility assistance, and the development of independent living skills, we create communities where individuals can rebuild

confidence, reclaim independence, and transform their lives. The Centenary Village is already fulfilling our mission to empower veterans as they build a second life after service, and we look forward to welcoming even more residents when additional homes are completed in 2027.

On a personal note, I must thank Barratt Redrow, BAE Systems, and the incredible companies and individuals who throw themselves into The Great Tommy Sleepout with such passion. Communities across the country came together to raise awareness of veteran homelessness, helping us offer direct support to those across the UK who have been out in the cold. Once again, this event exceeded all expectations. The growth we have seen is not only encouraging; it is game-changing in terms of the homes and welfare we can now deliver.

Finally, I want to express my deepest gratitude to all RBLI staff and supporters who pulled together to turn the ship around. This exceptional charity has a bright future.

My sincere thanks.

**STEVEN ROWBOTHAM**  
Chairman  
August 2025

# From our Chief Executive

As our Chairman said, this year has been a turning point. We have reviewed all our activity and sharpened our focus, making purposeful decisions to identify where our strengths lie and invest where our impact is strongest, and we now stand in a strong place, with clarity and alignment between mission and strategy.

Significant progress has been made on our major projects; both the expansion of the Centenary Village and the ambitious plans for a new state-of-the-art social enterprise and learning academy. These milestones reflect our mission to deliver thriving communities and tackle veteran homelessness with dignity and purpose. We have evidenced that 72% of the veterans who successfully transition to independent living also move into paid work. Once again, we are demonstrating why employability support must remain front and centre. Work provides dignity, independence, optimism, and greater flexibility in securing a permanent home. When navigating physical or mental health challenges, we know that simply spending time within the same four walls is not the answer. The right work opens the door to a new future.

At the same time, our social enterprise campaign continues to unlock opportunities for people overcoming physical and mental health conditions to build skills, gain transferable experience and access paid employment. People with disabilities do not want charity— they want opportunity, and that is what we are delivering. Our model is giving people life-changing chances and pushing expectations higher across the UK for veteran care and disability employment.

As part of this evolution, we made the decision to close our palettes division. While it had contributed to our journey, it was no longer aligned with our mission. Unlike our other thriving divisions, such as signage, the palettes operations presented increasing challenges. As we support more veterans with mental health conditions, we recognised that certain environments and roles must be adapted to better suit individual needs. This progress has informed the plans for our new £12.5 million social enterprise, designed to offer inclusive, flexible

workspaces for more veterans, that reflect the future of social enterprise at RBLI.

We're proud to empower our bravest to fully transform their lives. RBLI's social enterprise campaign has sparked national interest in social value procurement and aligns directly with the Government's vision, expressed in the Social Procurement Act of February 2025. Across public sector projects nationwide, commissioners now expect meaningful social impact through the supply chain, and the timing of our campaign couldn't be better.

We are also setting the pace for female Forces veterans by actively responding to their unique experiences and needs with the first multi-occupancy home of its kind in the UK. Located at the Centenary Village, it offers wraparound support, skills development, coaching and paid employment opportunities, all within walking distance. As we continue to evolve to meet changing needs, we made the difficult decision to transfer our high-dependency care services to a specialist provider, ensuring continuity of care on-site while allowing us to focus on our core mission.

“ To our **extraordinary** supporters: you've demonstrated time and time again that people do care about what happens to our Forces after service and do **believe** in disability employment. ”



During his visit, the Minister for Veterans Al Carns praised the scale and impact of our operations, which continue to unite government, business, and philanthropy behind the most progressive and effective programmes for unemployed and marginalised people.

Across the country, we're delivering vital employment coaching in disadvantaged areas — the kind of training that opens realistic opportunities and leads to lasting change. Our model is giving people a fresh start and pushing expectations higher for veteran care and disability inclusion.

We have taken huge strides forward, but this year hasn't been easy. I want to thank RBLI's incredible workforce, who have embraced our new strategy and values with a focus on our beneficiaries at every stage. And to our extraordinary supporters, you have shown time and again that that people

do care what happens to our Forces when they leave service, and people do believe in disability employment. We could not do anything at all without you.

**LISA FARMER OBE**  
Chief Executive  
August 2025

# Our Mission

Royal British Legion Industries (RBLI) began in 1919 with a clear vision: that ex-servicemen overcoming tuberculosis, life-changing injuries, and shellshock could not only become well enough to live independently again but could also return to work and support their families. Our founders were ahead of their time in championing a social rather than purely medical understanding of disability and establishing a factory by 1921. From the beginning, they combined nursing care, shelter, and dignified paid employment to empower veterans to build a second life after service.

Today, our vision and mission remain unchanged. At our headquarters, we are successfully delivering integrated care, varied housing, employment coaching, paid work opportunities and mental health support—truly holistic services that are leading the way. Through our award-winning national programme, Lifeworks, we are reaching unemployed veterans across the UK. In partnership with the Ministry of Defence, we are delivering expert coaching to men and women being medically discharged from military service. We are empowering Britain's Bravest to start a new life.

But our mission is now even more ambitious. We recognise that our success holds answers to some of the most pressing social challenges of our time:

- How to create meaningful employment opportunities for veterans with cognitive disabilities and adults with learning difficulties in an increasingly digital labour market
- How to help people return to work after a health or mental health crisis
- How to eradicate veteran homelessness
- How to live actively, and contribute meaningfully to society, well into our 80s and 90s

RBLI's integrated homes, services, and expert return-to-work coaching are not only proving that people with long-term health conditions can work—and want to work—they are demonstrating how to empower individuals to completely transform their lives.

# Our Values

Our values sit at the heart of everything we do, shaping how we interact with one another, our customers and supporters, and crucially, with those who need our support.

Making an IMPACT is central to our mission. Embedding this within our values is important, reflecting our aim to maximise the positive difference we make in every action we take.

<b>I</b>	<b>NTegrity</b>	We are proud of the how; committed to doing what's best while maintaining transparency and respect at all times
<b>M</b>	<b>OTivated</b>	We are motivated to maximise value through challenging ideas, innovation and embracing change
<b>P</b>	<b>EOple First</b>	People are at the centre of everything we do; we care about those we support, our colleagues, our customers and our stake-holders
<b>A</b>	<b>CCountable</b>	We are all responsible for our actions and we inspire each other to make decisions and take ownership
<b>C</b>	<b>OMMunity</b>	We take pride in our inclusive and thriving community with its unique network of support
<b>T</b>	<b>EAMwork</b>	We achieve our goals together through the strength of our col-laboration and communication

To further embed our values, they each have an associated model of behaviour, helping staff to not only understand the importance and meaning of each value, but also how it looks in action.

They have also been incorporated into our core HR processes, from our reward and recognition schemes to our personal development and recruitment practices.

## WHO WE ARE

# The Support We Provide

### EMPLOYMENT

RBLI has earned recognition for its commitment to creating meaningful employment for veterans and people with disabilities, with a bold, inclusive model that puts them at the heart of operations. Through thriving social enterprises, award-winning programmes, and strategic partnerships, we are reshaping perceptions and proving that military experience and disability are assets, not barriers.

#### Britain's Bravest and Scotland's Bravest Manufacturing Companies

At the core of RBLI's employment offer is sector-leading social enterprises, Britain's Bravest Manufacturing Company (BBMC) and Scotland's Bravest Manufacturing Company (SBMC). These commercial factories, based in Kent, Surrey, and Renfrewshire, employed over 100 people, 72% of whom were veterans, had a disability, or both.

These enterprises provide structured, stable employment and training opportunities for individuals who may otherwise be excluded from the workforce. Through commercial partnerships with organisations such as National Highways and Network Rail, BBMC and SBMC deliver premium services and products that demonstrate the viability and impact of inclusive employment at scale. Long before legislation demanded, RBLI embedded social value into every aspect of its commercial delivery. With the introduction of the Social Procurement Act (2025), BBMC and SBMC offer solutions for organisations seeking to meet new



requirements around social value in supply chains. By partnering with RBLI's social enterprises, clients can achieve measurable impact in supporting veterans and people with disabilities, while fulfilling their procurement obligations with confidence and integrity.

#### Lifeworks Employability Programme

RBLI's Lifeworks programme is a structured pathway into employment, designed and delivered by veteran for veterans. The programme combines coaching, confidence-building, and tailored development. Within 12 months, 80% of participants secure paid work or volunteering, making Lifeworks one of the most effective employability interventions in the UK.

#### Strategic Partnerships

RBLI maintains formal collaboration with the Ministry of Defence and works alongside major UK employers to expand employment opportunities. These strategic partnerships reinforce RBLI's commitment to inclusive hiring and ensure that veterans and disabled individuals are represented across sectors.

### HOMES

RBLI's Village in Kent is unlike anywhere else in the UK. It's a place for veterans of all ages to live, recover, and reconnect in a community built for dignity, independence, and care. With more than 300 homes, residents have access to an integrated care environment where they can progress as their needs change.

Our homes span long-term supported living at Queen Elizabeth Court and Greenwich House, transitional accommodation at the Centenary Village, and emergency provision at Mountbatten Pavilion. All homes prioritise independence, with onsite care, communal amenities, and structured welfare planning.

RBLI's £28 million capital project, the Centenary Village, is a bold initiative to build 100 homes for 100 veterans and their families within a purpose-built, inclusive community. The development remains on track, with phase three of our Centenary Village



underway. National recognition has been secured through a £1 million pledge from the Office for Veterans' Affairs.

Recent milestones include new female veteran housing, the first of its kind in the UK, additional apartments, and the completion of key facilities: an accessible gym, café, and digital learning centre, all designed to foster wellbeing and connection.

### COMMUNITY

RBLI builds communities where veterans can recover, reconnect, and thrive, within our Kent Village and beyond. Our approach is shaped by lived experience and delivered through care, collaboration, and practical support. It's not just about where people live, but how they live—and who stands alongside them.

Care is embedded in everyday life, not confined to clinical settings. Residents benefit from onsite support, communal amenities, and structured welfare planning that evolves with their needs. Facilities such as an accessible gym, ABF Community Centre, and digital learning hub foster wellbeing and independence, while promoting a sense of belonging and purpose.

RBLI works in partnership with specialist organisations to deliver services shaped by veterans' individual goals. These include fitness and mobility training, digital inclusion, mental health and financial advice drop-ins, and skill-building sessions such as nutrition and cooking. Together, these

services create a responsive, wraparound support network that strengthens the community and ensures no one is left behind.

RBLI delivers person-centred welfare for veterans facing complex challenges, from financial hardship and health conditions to social isolation and substance abuse. Welfare services are proactive and practical. Residents engage in job clubs, wellbeing sessions, fitness, and peer-led activities. The ABF Community Centre, accessible gym, and welfare drop-ins make support accessible and responsive to need.

Support is structured through STEP-IN: a tailored framework that helps individuals stabilise and move forward. Through the work we do, we know what veterans need and this insight has driven our passion to push the work even further.

RBLI's community model continues to evolve through collaboration, insight, and impact. It offers a blueprint for veteran support that reaches far beyond the Village, proving that while homes can be built anywhere, true community is cultivated.



## WHO WE ARE

# How We Make It Happen

### SOCIAL ENTERPRISE

RBLI's social enterprises continue to deliver strong commercial performance while achieving measurable social impact. Britain's Bravest and Scotland's Bravest Manufacturing Companies' commercial factories generate millions in revenue through national customers, including Network Rail, National Highways, Sizewell C, Barratt Redrow, and Reds10.

According to Social Enterprise UK, every £1 spent with a social enterprise contributes £3 to the UK economy through direct impact, job creation, and reinvestment. By choosing RBLI, organisations not only meet procurement obligations under frameworks such as the Social Value Act, but also actively contribute to a more inclusive economy. Our social enterprises offer a proven route to drive positive change at scale, while maintaining the quality, reliability, and professionalism expected of any national supplier.

### FUNDRAISING

Partnerships with philanthropists and corporate sponsors deliver the most exciting and progressive projects in disability employment and veteran care in the UK. Fundraising remains a vital revenue stream for RBLI, spanning individual giving, community events, and major donations. This year's campaigns demonstrated strong public engagement and donor commitment, sustaining services that directly support veterans and people with disabilities. Partnerships with corporate sponsors and national philanthropic initiatives continue to build RBLI's profile and long-term resilience.



### PEOPLE

RBLI's commitment to its workforce underpins every strategic goal. Ongoing investment in staff training, wellbeing, and internal communication ensures employees are equipped, engaged, and aligned with our values. A team-focused culture, supported by safeguarding and inclusion initiatives, remains central to RBLI's delivery model and long-term success.



### RETAIL

Retail continues to contribute significantly to RBLI's income while driving national awareness of our mission and brand. Our iconic Tommy range, from commemorative military figures to embroidered clothing, plays a central role in this visibility. The Tommy figure has become a national symbol of remembrance and veteran support, representing sacrifice, service, and solidarity with the Armed Forces community. It was originally designed to bring the memory of fallen soldiers into public spaces and has since evolved into a powerful emblem of RBLI's mission.

Tens of thousands of Tommy figures have been sold across the UK, raising funds to support veterans through employment, housing, and welfare services. Each product, from a commemorative pin to embroidered clothing, is made or fulfilled by veterans and individuals with disabilities at Britain's Bravest Manufacturing Company.

### PARTNERSHIP

Many of RBLI's corporate partners support its work across every strand of delivery, from being clients of our social enterprises and championing disability employment within their own organisations, to collaborating with the Lifeworks programme and fundraising. Together, these partnerships help us extend our impact, shape public understanding, and promote inclusive opportunity across the UK.

Our flagship national partnership with Reed in Partnership enables us to deliver for the Ministry of Defence, providing integrated support to veterans through our Village headquarters and beyond. Venue partners across the UK make our award-winning Lifeworks programme possible in new locations, while referral partners, particularly those in the Op Fortitude network, play a vital role in welfare support, including emergency accommodation for veterans in crisis.

RBLI depends on trusted partners to deliver truly holistic, joined-up support. Every partnership helps us build a more inclusive society, where veterans and people with disabilities are recognised not just for their needs, but for their potential.



# Ethos

RBLI's ethos places employability at the heart of everything we do, and at the core of our forward-focused community. We are ambitious in our belief that people overcoming life-changing injuries, long-term health conditions, and learning difficulties can live independently and thrive in meaningful employment.

We have proven that work is the key to tackling homelessness, offering people genuine options and delivering outcomes that are positive, practical, and truly sustainable. People with disabilities aren't asking for charity but opportunity. There is no other charity investing as deeply in employment pathways for disabled people as RBLI.



# OUR STRATEGY

**2023 - 2028**

## **RBLI VILLAGE**

RBLI will have a thriving village community and facilities in Kent that maintain our heritage and that are a national example of excellence in integrated care and welfare services.

## **SOCIAL ENTERPRISE & EMPLOYABILITY**

RBLI will be regarded as experts in supporting veterans and people with disabilities into employment, through our award-winning employment programmes and through our social enterprise across the UK.

## **NATIONAL IMPACT & PARTNERSHIPS**

RBLI will establish our national presence through partnerships and fundraising. RBLI will be known as a national charity with a headquarters in Kent.

## **OUR PEOPLE**

RBLI will be an employer of choice with a fully comprehensive diversity and equitable culture embedded by a strong set of values.

## **FINANCIAL SUSTAINABILITY**

RBLI will build income streams that protect our services, fund capital developments, and expand our national impact through a combination of philanthropy, social enterprise, and procurement partnerships. Our approach will be proactive, transparent, and focused on creating tangible social value.

## WHAT WE HAVE ACHIEVED

# RBLI Village

RBLI's Village in Kent is unlike anywhere else in the UK. It's an intended community for veterans of all ages to live, recover, and reconnect in a community built for dignity, independence, and care. With more than 340 purpose-built homes already delivered, the Village blends RBLI's heritage with a modern model of support that's designed to grow with veterans as they transition through different stages of life. With employability at its heart, it empowers veterans to join in, volunteer, and work again.

“ RBLI has given me the **chance** to move forward. ”



RBLI's new accommodation for female veterans



Illustration of RBLI's planned social enterprise

### RECENT ACHIEVEMENTS

- The Centenary Village development has secured major pledges to complete the final phase in full, including the flagship apartments that form the Village's entrance.
- Delivery of dedicated housing for female veterans – the first of its kind in the UK. All new homes are fully occupied. Currently, 27% of Village residents are female.
- Completion of outstanding new facilities: The Army Benevolent Fund Community Centre, the Sir Donald Gosling IT Learning Centre, café, and fully accessible gym.
- In Autumn 2024, Veterans' Minister Al Carns visited the Centenary Village and pledged £1 million in support from the Office for Veterans' Affairs. This was a powerful endorsement of RBLI's integrated model at a national level.
- The sale of RBLI's high-dependency care provision has been completed, ensuring continuation of vital services and coordinated referrals throughout the wider Village infrastructure.
- Support from The Armed Forces Covenant Fund and The Army Benevolent Fund enhanced energy efficiency and affordability for veterans.
- Fair Oak Crescent, named in honour of the Oak Foundation, reflects our successful blend of adapted and Move On apartments, family homes, and Assisted Living units to create a diverse and thriving community.

### LOOKING AHEAD

- Complete the £28 million Centenary Village housing development to deliver 100 homes to 100 veterans and their families.
- Continue to provide a holistic model of support, with employability at its heart, to help end veteran homelessness in the UK.
- Promote RBLI's village model as a leading national example of veteran housing and integrated care, building on its proven success in supporting veterans into paid employment, while fostering sustainable communities that combine employment, support, and independent living.
- Continue to develop tailored support pathways for specific groups, including female veterans.
- Expand the Community Centre's offerings, including fitness and motivational sessions, digital inclusion, vocational coaching, and independent living support.
- 72% of successful Move On outcomes were achieved by veterans who secured paid work, so continued focus will be placed on helping veterans and people with disabilities access job opportunities.
- Continued investment in vocational training, volunteering, and opportunities to explore hobbies and personal interests.
- At the centre of RBLI's Centenary Village, a new central green, forming what will be known as The Crescent, is set to become a key community landmark. It was here that Her Late Majesty Queen Elizabeth II buried a time capsule in 2019, marking the space with lasting significance.

## WHAT WE HAVE ACHIEVED

# Social Enterprise & Employability

RBLI's employment ecosystem combines inclusive commercial operations and targeted employability programmes. This dual pathway connects individuals to stable work, skills development, and long-term independence.



### RECENT ACHIEVEMENTS

- 105 veterans and people with disabilities were employed at our social enterprises, many of whom would not have been able to work elsewhere.
- Launching capital campaign and preparations for construction of a new state-of-the-art manufacturing enterprise. This major development includes a learning academy, hundreds of skill placements, expanded digital opportunities, and more than 40 full-time roles in sign making.
- RBLI is contributing to evaluation work exploring the impact of the 4th industrial revolution, including AI, on disability employment, helping shape future strategy and inclusive workforce planning.
- BBMC and SBMC grew commercial output nationally: signage sales increased to £4.7 million. A rise in vinyl conversion to 47,000m<sup>2</sup> contributed to the manufacture of more than 160,000 signs.
- Significant new contracts were secured: Barratt Redrow, HW Martin, Hochtief, ScotRail, Mar Hall Hotel, Trust Housing, Morgan Sindall, and Altrad.
- Investment in BBMC Aylesford expanded both capability and capacity, including the addition of high-speed digital printing equipment, new CNC routing machinery, and a second production cell.
- SBMC Renfrewshire improved efficiency and working conditions via capital upgrades.
- BBMC Leatherhead installed a perfect bind machine, enabling book-binding work to be brought in-house, unlocking new revenue and reducing subcontracting.

- RBLI restructured its business activities and made the strategic decision to divest its pallets division. This move ensured continued alignment with RBLI's financial and employment goals, while beneficiaries previously employed in this area were successfully redeployed within RBLI's value chain, maintaining continuity of support and inclusion.
- Deliver partnership with the MOD and Reed in Partnership to support veterans who are injured or sick in creating a new life after service. Despite a change in provider, RBLI's unique expertise was retained.
- Lifeworks launched nationally, including the first course to be delivered in Northern Ireland.
- Lifeworks families was introduced, expanding support to spouses and partners of service personnel, and veteran families.
- Courses tailored for Royal Navy and Royal Marine veterans were delivered in Liverpool and Gateshead.
- Lifeworks was publicly recognised by HRH King Charles III for its role in veteran transition.

“ I went from feeling 40% like myself to closer to 70%. **Lifeworks** had a lot to do with that. It didn't just end when the course finished – it's been **working** on me ever since. ”

### LOOKING AHEAD

- Secure full funding for an ambitious state-of-the-art social enterprise development. The new social enterprise will include impactful environmental factors and a learning academy. This project will create hundreds of jobs and skills placements for disadvantaged veterans.
- Continue scaling factory employment for veterans and disabled individuals as part of a proven social enterprise model.
- Launch e-commerce platforms for B2B and direct-to-consumer retail.
- Enter the vehicle signage market; revenue targets across sites set at £6.5 million.
- Roll out the “One Social Enterprise” approach, streamlining national capacity and improving ERP infrastructure for operational efficiency.
- Establish regional Lifeworks hubs in high-need areas.
- Align delivery with the government's VALOUR initiative to embed services within national veteran support frameworks.
- Expand referral partnerships, including new collaboration with Walking With The Wounded.

## WHAT WE HAVE ACHIEVED

# NATIONAL IMPACT & PARTNERSHIPS

RBLI continues to build visibility and influence across the UK through strategic partnerships, national campaigns, and collaborative service delivery. By championing social value through inclusive employment and enterprise-led impact, RBLI has strengthened its profile in key regions, deepened engagement with government and corporate partners, and embedded its services into national policy conversations.



### RECENT ACHIEVEMENTS

- Sustained commercial growth at RBLI's social enterprises, BBMC and SBMC, securing new contracts to expand operations while delivering measurable more social value through the creation of meaningful jobs for those facing barriers to work.
- Secured significant pledges to make the completion of the Centenary Village a reality, bringing RBLI's long-term vision for holistic veteran support closer to full delivery.
- Veterans' Minister visited RBLI's new facilities and services and praised the scale and ambition of the Centenary Village, recognising the national importance of the holistic support model.
- RBLI joined the Op FORTITUDE network of emergency beds, linking up with homeless charities UK-wide to help disadvantaged veterans access safe accommodation and support more quickly.
- Enhanced service expansion through restricted donations, including delivery of a pilot project with Armed Forces Covenant Fund Trust (AFCFT) to support homeless veterans through emergency housing and employability interventions.
- Initiated a new collaboration with Reed in Partnership in October 2024, following successful delivery of vocational assessments for the Ministry of Defence. Between October and March, 142 veterans were supported through the programme.

- Delivered high-profile national fundraising campaigns, including The Great Tommy Sleep Out, which won Charity Campaign of the Year at the Third Sector Awards. The campaign secured support from Barratt Redrow and BAE Systems, and featured a creative advert from veteran adventurer Levison Wood.
- Participated in the Lord Mayor's Big Curry Lunch, where RBLI was publicly recognised by HRH King Charles III for its contribution to veteran transition support.
- Involved beneficiaries and ambassadors in high-profile events—figures such as Hari Budha Magar, Steve Hammond and Ash Alexander Cooper helped inspire others to aim high following injury, disability or trauma.
- Delivered a multi-platform commemorative campaign for D-Day, featuring limited-edition Tommy products, a new regular giving drive, and fulfilment powered by RBLI's social enterprise.
- Built strong corporate and delivery relationships with First Port, Babcock International, Seat Unique, Annington, Leonardo, and Reds 10.
- Received high-value gifts in kind from Next PLC, B&Q, and Define Fit Out, enabling site upgrades and Village development without additional capital expenditure.

“ A friend, and fellow veteran, introduced me to RBLI - and that was the **turning point.** ”

### LOOKING AHEAD

- Advance development of RBLI's new social enterprise facility in Aylesford to increase operational capacity and create more jobs for veterans and people with disabilities.
- Continue to expand RBLI's social enterprise customer base, entering new markets and building strategic partnerships to deliver greater social value; creating more jobs, driving inclusive growth, and positioning RBLI as a supplier of choice for ethical, impact-led procurement.
- Leverage the capital campaign for RBLI's new manufacturing enterprise as a catalyst to spark national conversation, shaping debates on disability employment, social procurement, and the future of British manufacturing.
- Increase procurement engagement with defence and national infrastructure firms, embedding RBLI's social value model into major project frameworks and CSR delivery.
- Grow high-value donor relationships and RBLI's legacy giving campaigns to support long-term sustainability.
- Lead national commemorative campaigns around the 80th anniversaries of VE and VJ Day, using RBLI's heritage and veteran voices to garner public and stakeholder support.
- Ensure Lifeworks outcomes and progression pathways continue contributing to national conversations on veteran care and employment policy.
- Continue fundraising to expand Lifeworks nationally.

## WHAT WE HAVE ACHIEVED

# Our People

As a people-first organisation, we recognise that investing in our staff is essential to achieving our strategic objectives and establishing ourselves as an employer of choice. We believe that a motivated and team-oriented workforce is the key to RBLI's future success.



“Two and a half years ago, I was close to giving up. Now I'm working towards a **degree**. I wouldn't be here without **RBLI**.”

### RECENT ACHIEVEMENTS

- Embedded IMPACT values across the organisation, including within the Performance Development Review (PDR) process, job descriptions, and employee recognition scheme.
- A collaborative report by Scotland's Bravest Manufacturing Company, Glasgow Caledonian University, and Forces in Mind Trust highlights the transformative impact of accredited workplace training and formal qualifications in empowering veterans to build successful civilian careers.
- Maintained the Real Living Wage across all departments, supporting financial security and equity for our workforce.
- Staff mental wellbeing remained a priority, supported by a dedicated network of mental health first aiders, who provide guidance and assistance as needed.
- Continued to champion a Disability Confident approach — actively recruiting, supporting, and retaining individuals with disabilities, while fostering an inclusive workplace that removes barriers and promotes equitable opportunity.
- Strengthened the management development programme, to include finance, governance, people management, and data literacy.
- Grew the volunteering programme to include 215 individuals, giving more than 5,000 hours of support, including roles within Social Enterprises and fundraising campaigns.
- Offered a formal Volunteering Day for every member of staff, supporting connection with wider causes.
- We revised the structure of the staff forum to enhance its effectiveness and improve staff engagement.
- Introduced mandatory training on bullying, harassment, and sexual harassment in response to updated legislation.

- Responded to the staff survey by focusing on improving internal communication.

### LOOKING AHEAD

- Preparation is underway for the launch of the new learning academy at Britain's Bravest Manufacturing Company, which will provide over 100 structured learning placements each year.
- Repeat the employee engagement survey to evaluate the success of initiatives and shape future culture and leadership initiatives.
- Continue enhancing communication pathways for staff.
- Reaffirm RBLI's Real Living Wage commitment and explore additional pathways for fair progression across roles.
- Expand the volunteering programme with structured opportunities that support both staff development and direct service impact.
- Scale learning and development offers across departments, ensuring staff are equipped for current roles and future career growth.



## WHAT WE HAVE ACHIEVED

# Financial Sustainability

RBLI's financial sustainability is grounded in proactive strategy, diversified income, and commercial innovation. By balancing philanthropy with enterprise, RBLI funds core services while building the capacity for long-term growth.



“ RBLI **saved** my life and gave me a **new** future. ”



### RECENT ACHIEVEMENTS

- Developed a five-year growth plan for RBLI's social enterprise in collaboration with Rothschild & Co.
- Secured £7.5 million from donors and significant pledges to directly improve the lives of people with disabilities and veterans of all ages across the UK.
- The Great Tommy Sleep Out campaign was awarded Charity Campaign of the Year at the 2024 Third Sector Awards, and significantly broadened RBLI's donor base and national profile.
- Secured restricted donations to support service expansion, including Lifeworks delivery in Gateshead and Arundel, and the Armed Forces Covenant Fund Trust (AFCFT) supporting homeless veterans.
- Advanced income generation from commercial contracts, with Social Enterprises delivering over £4.7 million in signage sales and adding new clients across road, rail, and hospitality sectors.
- Strategically managed land assets to begin rebuilding unrestricted reserves.
- Received generous gifts in kind from corporate partners to support housing infrastructure, including the Centenary Village and site-wide upgrades.
- Coordinated D-Day fundraising and retail activity, integrating commemorative products with a successful regular giving campaign and expanded donor engagement.
- Successfully divested the charity of activities that were no longer financially sustainable.
- Optimised operational costs at BBMC Leatherhead through strategic equipment upgrades, including the addition of an in-house book-binding capability.
- Laid groundwork for new fundraising channels, including legacy giving and e-commerce expansion.

### LOOKING AHEAD

- Deliver a growth plan through capital developments, including a new social enterprise facility, where job creation for veterans and people with disabilities generates revenue that's consistently reinvested into further employment, community support, and enterprise growth.
- Achieve £9 million in combined manufacturing income across all enterprise sites by 2028, driven by a growing and diversified customer base. This will be underpinned by expanded product portfolios, stock-led fulfilment, and more professionalised procurement strategies that deliver greater value, improved cost-efficiency, and enhanced responsiveness to market demand.
- Strengthen procurement engagement with defence and infrastructure sectors to unlock social value income and establish RBLI as a preferred supplier.
- Deliver a full upgrade of RBLI's veteran housing by 2030, ensuring all accommodation continues to meet, and where possible exceed, the Decent Homes Standard.
- Build on the proven success of RBLI's fundraising campaigns, such as The Great Tommy Sleep Out, which has galvanised thousands of supporters and raised significant income to support veterans nationwide.
- Grow RBLI's legacy giving campaign to build long-term philanthropic support and strengthen future funding security.
- Introduce e-commerce functionality across retail channels to engage direct consumers and streamline product fulfilment.

# Governance, Management & Risk

## Governing Document

Royal British Legion Industries Ltd. (RBLI) is a charitable company limited by guarantee. It was first set up on 3 September 1919, under the name Industrial Settlements (Incorporated) Limited. It is governed by Articles of Association, which were last amended in March 2025. The Articles set out its charitable objects, which are:

- The relief of those in need by reason of age, ill health, disability, or incapacity.
- The relief of the charitable needs of members and former members of HM Forces, their relatives, and dependents.
- The advancement of education and training.
- The relief of unemployment for the benefit of the public in such ways as may be deemed appropriate, including the provision of assistance in finding employment.
- To promote equality of opportunities for people with disabilities in relation to access to employment.

As both a charity (registered charity numbers for England & Wales 210063 and Scotland SC048795) and a company (registered company number 00158479), RBLI is subject to both charity and company law. It is further subject to all relevant legislation within its geographical areas of operation, those being England and Scotland. The registered office of the charity is situated in England.

## Reference and Administrative Information

The Trustees in office during the year and at the date of this report, the Senior Leadership Team of the charity, its principal places of business, and its professional advisers are set out on pages 59 and 60 of this report.

## Board of Trustees

The Board provides overall policy direction while the management of the charity is delegated to the Chief Executive and the Senior Leadership Team. The Board meets quarterly, and papers, including business plans and budgets, are made available prior to Board Meetings.

The Articles of Association require that the Board of

Directors (Trustees) consists of a minimum of two but no more than fifteen members of the charity, excluding any ex officio members of the Board. Trustees are formally appointed by resolution of the Board at any Board meeting. Alternatively, Trustees can be proposed at a General Meeting by the members of the charity.

Trustees are recruited based on the skills required for the Board. To support this, a gap analysis is undertaken against the agreed skills and experience. The recruitment process, which is based on the Trustee Recruitment Policy, ensures that there is a diversity of interests and experience brought to the Board. During the year, ten new trustees were recruited, and four have resigned.

Newly appointed/elected trustees are given induction training on their duties and responsibilities. This includes, although is not limited to, provision of key documentation such as Articles of Association, reports and financial statements and details of divisional work streams. In addition, visits to the various Royal British Legion Industries sites are undertaken as part of the onboarding process, at which introduction meetings are held with key staff members. There are several key policies in place for trustees, including the Code of Conduct and Conflicts of Interest Policy, which are provided during this period.

The Board of Trustees holds strategy days with the Senior Leadership Team at least once a year. The Board reviews existing operations of the charity and considers strategic options for the future. During the year, trustees attended a number of events both on and off-site, including the Staff Awards.

## Board Sub-Committees

The Board has five formal sub-committees, all of which have approved terms of reference, are chaired by a trustee with relevant experience, and have a membership of trustees, with the Chief Executive and other Senior Leadership Team members in attendance. One of these, the Audit and Risk Committee, was constituted during the year, with the first meeting being held in November 2024.

During the year, the following committees were in place and held meetings at least quarterly in line with the Board timetable.

## Village (formerly Care & Welfare Committee)

The Village Committee considers all care and welfare matters across the Village, reviewing:

- standards of care within the care and welfare setting
- relevant risk registers
- significant incidents
- audit and inspection results

The committee is also responsible for providing updates in relation to any developments within the sector both locally and nationally.

## Estates Development Committee:

The Estates Development Committee is responsible for overseeing the Strategic Property Plan, which provides the vision for estates development across RBLI, and overseeing any major property projects as well as the ongoing maintenance and development of the Centenary Village. It also reviews the Property Asset Management Plan, which details the maintenance requirements of the properties.

## Finance, Performance & Remuneration Committee:

The Finance, Performance and Remuneration Committee is responsible for reviewing the operational and financial performance of RBLI, considering strategic and corporate risks, and evaluating the effectiveness of the risk management approach. It oversaw the annual audit process.

## Social Enterprise Committee:

The Social Enterprise Committee is responsible for overseeing the strategy and operations for the Social Enterprise, which itself operates over three sites, including one in Scotland, and overseeing the operational and financial performance.

## Audit and Risk Committee

During 2024, the Board undertook a review of the governance structure in place. As a result, the committee structure was subject to change in late 2024, with the addition of an Audit & Risk Committee and a reallocation of some areas of responsibility. The Audit & Risk Committee responsibilities will include:

- providing oversight in all aspects of financial reporting, compliance, internal control, and risk
- evaluating and approving key policies for areas such as accounting and finance
- appointing and engaging with external and internal auditors, as well as overseeing the annual audit process.

## Senior Leadership Team

The Senior Leadership Team (SLT), which comprises the Chief Executive and the divisional directors, is the Principal Management Committee for RBLI and is given delegated authority for day-to-day matters through the formal Scheme of Delegation. All members are accountable to the Chief Executive and through this support, for the delivery of the short to medium-term strategic decisions for the organisation. There are SLT meetings held fortnightly, covering both performance and strategy. Members of the SLT attend Board and Sub-Committee meetings when required, to present papers for their area of responsibility. The Chief Executive, Director of Finance and Performance, and the Company Secretary attend all Trustee Board meetings.

## Governance Developments

A director with extensive experience in governance, risk management, and assurance oversees this function. This role also acts as the Data Protection Officer, Company Secretary, and the Freedom to Speak Up Lead, the latter being a role introduced in March 2024 as part of the regular review of the Whistleblowing Policy.

The Governance team leads on risk, data protection, and legal and regulatory compliance. They also handle policies, procedures, and all company secretariat matters. The governance training programme previously developed continues to be rolled out over the year.

The assurance framework developed in the previous financial year continues to be strengthened and now links with the review of the Articles of Association and Board Sub-Committees. The purpose of the assurance framework is to give sufficient, continuous, and reliable assurance to

# Governance, Management & Risk (Continued)

Trustees on RBLI's governance and management of the major risks, thereby helping to ensure effective and efficient working practices. As part of this programme, departmental heads provide an annual self-assessment against internal controls. These are summarised at a divisional level, approved by directors, and at a corporate level. The corporate level summary forms the basis of an annual Statement on Internal Control, which is signed by the Chief Executive and the Director of Governance, Compliance and Business Systems on behalf of the SLT. Action plans have been established for areas where further work is required.

In support of the assurance framework, a compliance programme is in place. This is risk-based and areas reviewed during the year and to date include the care and welfare settings and undertaking mock-CQC inspections, data systems within property services, and compliance with areas such as PCI DSS. Action plans are developed to address any weaknesses identified. All findings are reported to the relevant board sub-committees and the board in summary.

## Charity Governance Code

RBLI supports the principles of the Charity Governance Code, as shown by the board's formal adoption of this code in September 2021. During the 2024/25 financial year, compliance with the Code was under constant review. An area identified in the previous year was the need to strengthen the approach to equality, diversity, and inclusion within the membership of the Board. This was significantly improved during the latest recruitment campaign, but will continue to be monitored going forward.

## Supporter Promise

The charity sets the highest standards for our fundraising and complies with the relevant charity and data protection laws. Our aim is that supporters and volunteers are able to give to and fundraise for RBLI with confidence and trust that their hard work and generosity make a difference. RBLI is a member of the Fundraising Regulator and complies with the Fundraising Code of Practice, keeping records up to date with Fundraising Preference Service registrations.

The Supporter Promise describes how fundraising activity is approached, with details of how to contact RBLI if this falls short. The RBLI team is small and, in some cases, uses third-party agencies with specialist expertise to support its work. This is a more cost-effective way of working than trying to do everything in-house. Each external supplier has been carefully selected, and there is a service level agreement in place that is monitored closely.

RBLI believes in being transparent, open, and honest in relation to our fundraising and in how veterans and everyone who benefits from RBLI services are represented. The charity is careful to engage them in the planning and ensure they have given permission before materials are made available to our supporters or the general public.

## Public Benefit

The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's guidance on public benefit of the Charities Act 2011. When reviewing the charity's aims and objectives, and in planning future activities, the Senior Leadership Team is involved in strategic planning with the trustees, and their recommendations are then formally approved by the Board.

The Trustees are satisfied that the current and planned activities will continue to align and meet the public benefit requirement as outlined in the Charities Act 2011, namely through the promotion of community interests, and assisting veterans and disabled people

## Complaints

RBLI is committed to providing an excellent standard of service to all its beneficiaries, users, customers, and the organisations it supports across its diverse operations. Positive feedback is encouraged when this standard is met. Where the service falls short, concerns and complaints are taken seriously, with the aim of resolving issues as quickly as possible and driving improvement.

A formal complaints policy and procedure is in place, underpinned by local processes. The procedure outlines who is responsible for responding to and

investigating complaints, depending on their nature. It also sets out the three-stage complaints process, including how to progress to the next stage if a complainant remains dissatisfied.

Where possible, complaints are investigated at a local level with oversight from the relevant director, progressing through the stages as needed. The aim is to meet the response deadlines set out within the procedure. During the year, this standard was not always achieved, and steps are being taken to address performance in this area.

## Risk Management

A Risk Management Strategy is in place that outlines the overarching risk framework, including how risks are addressed at operational, corporate, and strategic levels. RBLI promotes a risk-aware, rather than risk-averse, culture—recognising that taking opportunities, such as the development of the Centenary Village or the construction of new HQ facilities, inevitably involves a degree of risk. These risks must, however, be managed within a clearly defined and acceptable framework.

Risk registers are maintained at departmental, divisional, corporate, and strategic levels, with a formal mechanism for escalation. The Corporate Risk Register, derived from escalated divisional risks, is reviewed at Senior Leadership Team (SLT) meetings every four weeks. Divisional directors are responsible for ensuring that risks within their areas are managed in line with acceptable target risk levels.

The Strategic Risk Register, which includes risks identified by the Trustees and the SLT, is reviewed at every Board and SLT meeting. This register is also subject to detailed scrutiny by the Finance, Performance and Remuneration Committee. Responsibility for this oversight will transition to the newly formed Audit and Risk Committee.

As in the previous year, individual risk appetites have been reviewed to support RBLI's overarching Risk Appetite Statement. The current statement, unchanged from the prior year, is set out below:

*'RBLI has no risk appetite for any health and safety or safeguarding risks that could result in injury or harm to staff, volunteers, residents, beneficiaries,*

*or any other relevant stakeholder. The safety and care of others is behind everything we do, and we will continue to ensure robust controls are in place to mitigate risks in these areas.*

*In addition, the tolerance levels set for the failure to comply with legislation and regulations or for financial loss is low and accordingly we continue to review the controls in place within these areas to ensure that there is no negative impact on the people we employ, care for and support.*

*As an organisation that is risk aware rather than risk averse, RBLI is willing to acknowledge and therefore accept that occasionally there may be risks arising in relation to areas such as the cultural change programme we are currently undertaking and the recruitment and retention of staff, which may materialise. As with all the risks we face these remain under review and work continues to reduce the likelihood and mitigate any potential impact.'*

# Governance, Management & Risk (Continued)

## Strategic Risks

The table below outlines the principal strategic risks identified as having the greatest potential impact on the achievement of RBLI's objectives. These risks are based on the Strategic Risk Register as at the year-end and have been updated to reflect any developments occurring since that date.

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<p><b>Health and Safety</b> In a complex organisation such as RBLI there are potential health and safety risks to staff, in particular within our manufacturing businesses, if training and awareness is not maintained or we operate with an insufficient maintenance programme for machinery and building.</p>	<ul style="list-style-type: none"> <li>Good level of resources in place, including across the organisation</li> <li>Risk assessment process</li> <li>Equipment inspections</li> <li>Programme of training, inspections, and audit in place</li> <li>Developing health and safety support roles within each division</li> <li>Strengthening governance through revision of the health and safety committee structure and providing IOSH training across the organisation</li> <li>Strengthening reporting processes through introduction of specialist health and safety software</li> <li>Revisiting building maintenance programme</li> </ul>
<p><b>Financial Performance</b> Reduction in reserves and cashflow because of lower occupancy rates in Living, lower sales in manufacturing, higher use of agency care staff or general cost increases that cannot be passed on to customers.</p>	<ul style="list-style-type: none"> <li>Cost reduction programme</li> <li>Annual budget setting process, which includes review and challenge from SLT and Trustees</li> <li>Management of working capital, particularly stock and receivables</li> <li>Monthly performance reviews led by Chief Executive and Director of Finance and Performance</li> <li>Annual going concern exercise</li> <li>Extensive use of KPIs and dashboards</li> <li>Finance Committee and Audit &amp; Risk Committee</li> </ul>

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<p><b>Attracting and retaining staff</b> The current active employment market results in difficulty recruiting and/or retaining staff and higher costs through greater staff turnover.</p>	<ul style="list-style-type: none"> <li>Strong marketing campaigns for recruitment into the care settings</li> <li>Initiatives to improve staff engagement such as the Chief Executive's Roadshows and Tactical Teams</li> <li>Staff Forum</li> <li>Open-door sessions</li> <li>Strong training programmes</li> <li>Organisational values, which were developed through collaboration with staff</li> <li>Training and development programmes</li> </ul>
<p><b>Legislation and regulations</b> Non-compliance with laws and regulations because of inadequate training could result in reputational damage, regulator intervention and fines and associated financial loss.</p>	<ul style="list-style-type: none"> <li>Internal support provided by the Governance Team</li> <li>Director of Governance, Compliance &amp; Business Systems has oversight</li> <li>Robust employment processes that ensure the employment of competent staff</li> <li>Continual training in key areas such as GDPR</li> <li>Formal review processes such as audits</li> <li>Monitoring programmes</li> </ul>
<p><b>Cyber Security</b> Lack of continued training and investment in security could cause data breaches and the resulting reputational damage and fines.</p>	<ul style="list-style-type: none"> <li>Regular testing, both internally and using external providers</li> <li>Ongoing training</li> <li>Policies and procedures</li> <li>Automated controls</li> </ul>

# Governance, Management & Risk (Continued)

## Directors' Indemnities

As permitted by the Articles of Association, the charity indemnifies the Directors/Trustees against any liability incurred in that capacity to the extent permitted by the Companies Act. There is an insurance policy in place for directors and officers, with the amount covered in the financial year being £2 million.

## Disclosure of Information to Auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Independent Auditors

Kreston Reeves were appointed by the Board as auditors of the charity for the 2024/25 financial year.

## Trustees' duty to promote the success of the Charity – Section 172 statement

Trustees have a duty to promote the success of the charity under section 172(1) of the Companies Act 2006. As the trustees of RBLI, we always act in good faith and would promote the success of the charity for the benefit of its members as a whole and in doing so have regard, amongst other things, to:

- The likely consequences of any decisions in the long term
- The interests of employees
- The need to foster the charity's relationships with third-party stakeholders
- The impact of the charity's operations on the community and the environment
- The desire for the charity to be best in class for providing support to beneficiaries
- The need to act fairly and equally towards our members

The Trustees of RBLI consider, both individually and together, that they have acted in good faith to achieve the above. The Trustees delegate day-

to-day management and decision making of RBLI's operations to its Chief Executive and Senior Leadership Team, and this plays a key part in ensuring the Trustees' duty in this area is fulfilled. Trustees are members of various committees with senior staff in attendance, where regular operational updates are provided.

More strategic updates are provided at Board meetings to ensure the charity is on target to meet its strategic objectives for beneficiaries and the wider community.

## Environmental commitment

As a respected charity with care for individuals at its core, RBLI recognises the importance of not only ensuring the wellbeing of its beneficiaries but also minimising its environmental impact. Reducing the organisation's carbon footprint and waste and acting as a responsible steward of its natural resources, are widely accepted, and increasingly expected ways of delivering meaningful, sustainable impact.

The Environmental Management System continues to be accredited to ISO14001. It is integral to supporting the continuous reduction of RBLI's environmental impact.

RBLI's emissions reporting methodology aligns with the requirements of the UK Energy Savings Opportunity Scheme (ESOS). It encompasses energy consumption where RBLI receives direct billing from utility providers, including cases where utility costs are recharged to third parties. Where tenants are billed directly for their energy usage and RBLI does not exercise operational control, such consumption is excluded from the scope of reported emissions.

		24/25	23/24
		KWh (000)	KWh (000)
SBMC	Electricity	76	63
	Gas	270	292
Leatherhead	Electricity	9	9
	Gas	39	42
Aylesford	Electricity	800	877
	**Gas	1,657	1,946
<b>Total</b>		<b>2,851</b>	<b>3,229</b>

Emission calculations are based on utility billing data. Where billing records did not cover the full year, estimates have been included using historical consumption data.

RBLI has a published Carbon Reduction Plan and continues to make progress against its environmental objectives. During the reporting period, the organisation advanced to Phase 3 of the UK Energy Savings Opportunity Scheme (ESOS). This submission has informed the Environmental Management System and supports compliance with wider energy reporting requirements, providing confidence in the measures being taken to meet net-zero targets.

A range of improvement initiatives and projects are ongoing to reduce environmental impact. Planning for new buildings incorporates environmental considerations throughout both construction and operational phases.

RBLI's Environmental Policy Statement is available on its website.

# Financial Review

In 2024/25, RBLI's total income slightly decreased to £24.4 million (2023/24: £26.7 million), and total expenditure also decreased to £22.8 million (2023/24: £24.3 million). Net income for the year, after interest and including gains and losses on the investment portfolio, was £1.63 million (2023/24: £2.41 million). The net increase in funds was £1.63 million (2023/24: £2.41 million).

## Fundraising Income: £6.3 million

(2023/24: £4.7 million)

With the Trustees' grateful thanks to the generous philanthropists and strategic grant-makers, without whom, RBLI's work could not happen:

Annington, The Armed Forces Covenant Fund Trust, The Army Benevolent Fund, BAE Systems, Barclays, Barratt Redrow, The Bernard Sunley Foundation, The Calleva Foundation, Chatham Maritime Trust, The Cobtree Charity Trust, The Edward Gostling Foundation, S. Elton, The Evenson Trust, The Francis Winham Foundation, The Gosling Foundation, Greenwich Hospital, The Harry Kane Foundation, Help to Create Hope, The Michael Uren Foundation, The Ministry of Defence, Moondance Foundation, R. Murphy, The Office of Veterans' Affairs, Queen Mary's Roehampton Trust, The Royal Engineers' Association, Sport England, 3i, The Swire Charitable Trust and The Veterans' Foundation,

And our proud donors to Scotland's Bravest Manufacturing Company:

Community Justice Renfrewshire, The Forces in Mind Trust, Mr & Mrs J M B Trust, The John Scott Charitable Trust, National Lottery Community Fund (Scotland), Robert Barr's Charitable Trust, The Veterans' Foundation, The Scottish Government's Scottish Veterans Fund

This year, unrestricted income from individuals, corporate partners, and friends totalled £2.8 million (2023/24: £1.7 million). One standout success was The Great Tommy Sleep Out campaign, which raised an impressive £2 million and saw incredible support from communities across the country.

Donations totalling £618,000 were received to support the latest stage of the Centenary Village development, including the completion of the community hub, gym, and additional veteran

accommodation. A new HMO for female veterans was completed in the first quarter of 2025, and an extension is in progress.

RBLI received a grant of £2.8 million to fund the next stage of development of the charity's social enterprise factory and headquarters, following survey work and the subsequent planning application submission.

## Living Income: £5.9 million

(2023/24: £7.8 million)

Consistently high occupancy levels across RBLI's accommodation services were maintained for much of the year. However, the loss of an NHS contract affected Greenwich House, and efforts are underway to improve occupancy.

Like much of the care sector, we faced recruitment difficulties and rising agency staffing costs. As a result, the strategic decision to sell Appleton Lodge and Bradbury House, our two high-dependency care facilities, was made. The sale was completed on 1 November 2024, and income is reported under discontinued activities.

RBLI continued to refurbish and upgrade housing stock this year.

## Social Enterprise Income: £7.3 million (BBMC), £2 million (SBMC)

(2023/24: £6.7 million (BBMC), £1.6 million (SBMC))

RBLI's social enterprises experienced a year of mixed performance. A strong start was followed by a temporary slowdown during the general election period, with momentum recovering in the latter part of the year.

A new Managing Director, Colin Harsant, was appointed to lead the strategic growth of RBLI's social enterprises.

Within BBMC, the wood products division continued to face pressures due to increased labour and raw material costs, declining demand for fruit bins, and reduced pallet margins. To protect the charity's financial position, the decision was made to close this operation effective 31 March 2025.

Conversely, signage manufacturing in Aylesford grew steadily, with strong road signage sales offsetting a

reduction in rail sector contracts.

Retail operations continued to expand and remain an important part of RBLI's employment strategy, offering valuable opportunities for its beneficiaries.

## Employment Solutions (including Lifeworks) Income: £0.8 million

(2023/24: £1.0 million)

The Lifeworks programme has continued to grow following its relaunch, delivering more courses (both online and in person) and supporting a greater number of veterans in developing the skills and confidence needed to secure employment and begin new careers. The programme continues to receive funding from Barclays and other key supporters.

In October 2024, RBLI began delivering vocational assessments for the Ministry of Defence via Reed in Partnership. The initiative draws on the expertise of the Lifeworks model and extends its reach to beneficiaries. We have successfully delivered vocational assessments for the MoD for many years and the new contract builds on the wider reach to our beneficiaries.

## Expenditure: £22.8 million

(2023/24: £24.3 million)

RBLI's operations continued to feel the effects of the ongoing cost-of-living crisis and inflationary pressures, including materials and staffing costs. The £1.5 million reduction in overall expenditure reflects strategic actions taken during the year, including the closure of high-dependency care facilities and internal organisational restructuring, with a focus on efficiency and effectiveness.

## Tangible Fixed Assets: £26.5 million

(2023/24: £32.3 million)

The completion of the high-dependency care homes sales in November 2024 led to a reduction in the value of assets held.

Land and buildings are recorded at historical cost, with depreciation applied to buildings. These figures have not been adjusted to reflect current market value, except for properties transferred from the Vanguard Trust, which are shown at market valuation

as of 2018. No professional valuation has been undertaken on land, originally transferred to RBLI in 1919, although Trustees consider its market value to be significantly higher than the negligible net book value presented in tangible assets.

Capital investment included £1.8 million spent on the Centenary Village. Costs associated with completing Lawson House were reclassified from assets under construction to fixed assets and are now subject to depreciation. Remaining assets under construction at year-end included £0.5 million towards the new factory and additional investment in Centenary Village buildings not yet operational.

## Working Capital

As part of an ongoing focus on strengthening cash flow, RBLI continued to closely monitor its management of raw material stock levels and the processes related to invoicing and receivables. Over the year to 31 March 2025, raw material stock was reduced from £0.7 million to £0.5 million, and debtor balances decreased from £2.4 million to £2.2 million.

## Pension Scheme

RBLI participates in the Royal British Legion Staff Defined Benefit Pension Fund, a UK-registered, trust-based, multi-employer scheme which closed to new entrants in 2002. In addition, RBLI operates a Defined Contribution Group Personal Pension Scheme.

An actuarial valuation of the defined benefit scheme is conducted every three years, with the latest carried out as at 1 April 2023. This valuation revealed a funding surplus of £3.0 million. In 2023/24, RBLI paid £161,000 in annual deficit contributions and £51,000 towards its share of scheme expenses. Following the latest valuation, the scheme's Trustees agreed that from 1 February 2024, RBLI would no longer be required to make deficit contributions, and all expenses would be met by the Fund. This arrangement remained in place throughout the reporting period.

As security for the scheme, RBLI has granted a charge over its factory building in Aylesford, capped at the lesser of RBLI's share of the pension debt or £1.2 million.

The valuation is updated annually. The most recent assessment recorded an actuarial gain of

# Financial Review (Continued)

£1.389 million and a net asset value of £1.418 million (2023/24: £1.197 million). This improvement was primarily due to greater diversification in the investment portfolio. In line with scheme rules, this asset has not been recognised in the financial statements, as employers do not have a contractual right to access any surplus.

## Reserves: £36.3 million

(2023/24: £34.7 million)

RBLI's total reserves of £36.3 million comprise £29.5 million in unrestricted funds and £6.8 million in restricted reserves.

Unrestricted reserves of £29.5 million include a £23.5 million fixed asset reserve and a £3.3 million general fund (2023/24: £3.1 million). In addition, £2.7 million from the sale of care homes has been designated by the Trustees for future housing initiatives.

Restricted reserves of £6.8 million include a £3.8 million Factory Fund, alongside various other funds allocated to restricted activities (see note 15).

Overall, RBLI's total reserves increased by £1.6 million during the year. Unrestricted Funds rose by £0.3 million, and Restricted Funds grew by £1.3 million. The Restricted Fund recorded net income of £3.7 million, while Unrestricted Funds incurred net expenditure of £2.1 million before transfers. This contributed to an overall operational loss of £3.0 million (2023/24: £4.9 million), partially offset by a £0.9 million gain on asset sales (2023/24: £4.3 million).

Following the completion of Phase Two of the Centenary Village and further investment in assets under construction, £2.4 million was transferred from Restricted to Unrestricted Funds, as the conditions associated with these donations had been fulfilled.

Historically, RBLI's reserve policy has been to maintain designated funds to provide an operating reserve of approximately £5 million and this remains a long term goal. RBLI currently holds £3.3 million in free reserves within unrestricted funds and continues to build these reserves.

## Going Concern

RBLI's financial statements have been prepared on a going concern basis, reflecting the assessment of current risks, available resources, and planned mitigating actions.

The organisation's long-term financial resilience is supported by its 75-acre RBLI Village site, the full market value of which is not reflected in the reported net asset position.

RBLI continues to rebuild its liquid reserves and improve operational performance, supported by asset and investment realisations. The Trustees have a reasonable expectation that RBLI will maintain adequate resources to meet its obligations and continue operating for the foreseeable future. Accordingly, the going concern basis of accounting remains appropriate.

# Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Strategic Report, the Trustees' Report, and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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
- make judgements and accounting 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
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Act (Scotland) Regulations 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website are the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

This Trustees' Report, including the Strategic Report, has been approved by the Board of Trustees, and is authorised for issue and is signed on their behalf.



**STEVEN ROWBOTHAM**  
Chairman

28 AUGUST 2025

# INDEPENDENT AUDITOR'S REPORT

## Opinion

We have audited the financial statements of Royal British Legion Industries Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

## 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 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 related 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

## 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 includes the Trustees' report prepared 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 included within the trustees' report 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 directors' report included within 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, 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 (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:

Based on our understanding of the charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety, Care Quality Commission inspection reports, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006, Charities accounts (Scotland) Regulations 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety, Care Quality Commission inspection reports and fundraising practices) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and

- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations if from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting on resulting from error; as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher

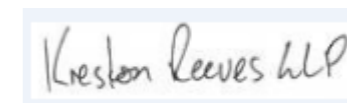
than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## 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.



## SAMANTHA ROUSE FCCA DChA (Senior Statutory Auditor)

For and on behalf of Kreston Reeves LLP, statutory auditor

Canterbury, UK

Date: 28 AUGUST 2025

# Financial Statements

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING AN INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES Year Ended 31 March 2025

	Note	24-25			23-24		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Income and Endowments from</b>							
Donations and Legacies	2	2,828	3,423	6,251	1,726	2,936	4,662
<b>Charitable activities - continuing</b>							
Employment Solutions		207	589	796	201	332	533
Scotland's Bravest Manufacturing		1,791	230	2,021	1,293	297	1,590
Britain's Bravest Manufacturing		4,288	142	4,430	3,742	179	3,921
RBLI Living		3,003	408	3,411	3,011	232	3,243
Shop		923	-	923	429	-	429
<b>Total charitable activities - continuing</b>	4	<b>10,212</b>	<b>1,369</b>	<b>11,581</b>	<b>8,676</b>	<b>1,040</b>	<b>9,716</b>
Investment Income and interest receivable	3	288	-	288	221	-	221
Gains/(Losses) on sale of assets		909	-	909	4,326	-	4,326
<b>Total income - continuing</b>		<b>14,237</b>	<b>4,792</b>	<b>19,029</b>	<b>14,949</b>	<b>3,976</b>	<b>18,925</b>
<b>Charitable Activities - discontinued</b>							
Employment Solutions		-	-	-	357	62	419
Britain's Bravest Manufacturing Company - Timber		2,866	9	2,875	2,718	15	2,733
RBLI Living - Care Homes		2,510	4	2,514	4,602	-	4,602
<b>Total Income</b>		<b>19,613</b>	<b>4,805</b>	<b>24,418</b>	<b>22,626</b>	<b>4,053</b>	<b>26,679</b>
<b>Expenditure on:</b>							
Raising Funds		2,628	-	2,628	2,479	-	2,479
<b>Charitable Activities - continuing</b>							
Employment Solutions	5	288	449	737	211	416	627
Scotland's Bravest Manufacturing	5	2,404	257	2,661	1,794	345	2,139
Britain's Bravest Manufacturing	5	6,101	142	6,243	5,614	149	5,763
RBLI Living	5	3,082	219	3,301	3,656	113	3,769
Shop		566	-	566	232	-	232
<b>Total Expenditure - continuing</b>		<b>15,069</b>	<b>1,067</b>	<b>16,136</b>	<b>13,986</b>	<b>1,023</b>	<b>15,009</b>

	Note	24-25			23-24		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Charitable activities - discontinued</b>							
Employment Solutions		-	-	-	385	23	408
Britain's Bravest Manufacturing Company - Timber		2,904	9	2,913	2,889	15	2,904
RBLI Living - Care Homes		3,732	4	3,736	5,963	-	5,963
<b>Total Expenditure</b>		<b>21,705</b>	<b>1,080</b>	<b>22,785</b>	<b>23,223</b>	<b>1,061</b>	<b>24,284</b>
<b>Net Income (Expenditure) before investment gains or losses</b>		<b>(2,092)</b>	<b>3,725</b>	<b>1,633</b>	<b>(597)</b>	<b>2,992</b>	<b>2,395</b>
Gains/(Losses) on investment assets		-	(7)	(7)	-	17	17
<b>Net Income/ (expenditure)</b>		<b>(2,092)</b>	<b>3,718</b>	<b>1,626</b>	<b>(597)</b>	<b>3,009</b>	<b>2,412</b>
<b>Transfers between funds</b>	15	<b>2,314</b>	<b>(2,314)</b>	<b>-</b>	<b>1,746</b>	<b>(1,746)</b>	<b>-</b>
Actuarial gain on defined benefit pension	16	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>222</b>	<b>1,404</b>	<b>1,626</b>	<b>1,149</b>	<b>1,263</b>	<b>2,412</b>
Fund balances brought forward		29,298	5,409	34,707	28,149	4,146	32,295
<b>Fund balances carried forward</b>	15	<b>29,520</b>	<b>6,813</b>	<b>36,333</b>	<b>29,298</b>	<b>5,409</b>	<b>34,707</b>

## BALANCE SHEET AS AT 31 MARCH 2025

	Note	31 MARCH 2025			31 MARCH 2024		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>FIXED ASSETS</b>							
Tangible assets	7	24,801	1,668	26,469	30,594	1,668	32,262
Investments	8	-	105	105	-	112	112
		<b>24,801</b>	<b>1,773</b>	<b>26,574</b>	<b>30,594</b>	<b>1,780</b>	<b>32,374</b>
<b>CURRENT ASSETS</b>							
Stock	10	496	-	496	724	-	724
Debtors	11	2,102	75	2,177	2,375	41	2,416
Cash		5,660	5,019	10,679	3,227	3,842	7,069
		<b>8,258</b>	<b>5,094</b>	<b>13,352</b>	<b>6,326</b>	<b>3,883</b>	<b>10,209</b>
<b>CURRENT LIABILITIES</b>							
Creditors	12	2,255	54	2,309	6,117	254	6,371
		<b>2,255</b>	<b>54</b>	<b>2,309</b>	<b>6,117</b>	<b>254</b>	<b>6,371</b>
<b>NET CURRENT ASSETS</b>		<b>6,003</b>	<b>5,040</b>	<b>11,043</b>	<b>209</b>	<b>3,629</b>	<b>3,838</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>30,804</b>	<b>6,813</b>	<b>37,617</b>	<b>30,803</b>	<b>5,409</b>	<b>36,212</b>
<b>LONG TERM LIABILITIES</b>							
Loan Financing	13	1,284	-	1,284	1,505	-	1,505
<b>NET ASSETS (excluding pension scheme)</b>		<b>29,520</b>	<b>6,813</b>	<b>36,333</b>	<b>29,298</b>	<b>5,409</b>	<b>34,707</b>
<b>DEFINED BENEFIT PENSION SCHEME</b>		-	-	-	-	-	-
<b>NET ASSETS (including pension scheme)</b>		<b>29,520</b>	<b>6,813</b>	<b>36,333</b>	<b>29,298</b>	<b>5,409</b>	<b>34,707</b>
<b>THE FUNDS OF THE CHARITY</b>							
Unrestricted - General	15	29,520	-	29,520	29,298	-	29,298
Pension Reserve	16	-	-	-	-	-	-
Total Unrestricted Funds		29,520	-	29,520	29,298	-	29,298
Restricted Income Funds	15	-	6,813	6,813	-	5,409	5,409
<b>Total Charitable Funds</b>		<b>29,520</b>	<b>6,813</b>	<b>36,333</b>	<b>29,298</b>	<b>5,409</b>	<b>34,707</b>

## BALANCE SHEET AS AT 31 MARCH 2025 (CONTINUED)

The notes from page 45-58 form part of these financial statements.

The Financial Statements which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes were approved by the Board of Trustees on XX XXXXX 2025 and were signed on its behalf by:



**NIK MARINOV**  
RBLI Director of Finance & Performance  
28 AUGUST 2025



**REBECCA LEWIS**  
RBLI Trustee  
28 AUGUST 2025

Company Number: 00158479 (Incorporated in England and Wales)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Note	24/25		23/24	
		£000's	£000's	£000's	£000's
<b>Net cash (outflow) / inflow from operating activities</b>	21		1,383		(1,201)
<b>Cashflows from investing activities</b>					
Investment income		4		4	
Interest receivable		284		217	
Net cash inflow from investments			288		221
Payments to acquire tangible fixed assets		(2,713)		(2,675)	
Receipts from the sale of fixed assets		8,304		4,330	
Net cash inflow from fixed assets			5,591		1,655
<b>Net cash inflow from investing activities</b>			<b>5,879</b>		<b>1,876</b>
<b>Cashflows from Financing Activities</b>					
Repayment of loans		(3,652)		(288)	
<b>Net cash (outflow) / inflow from financing</b>			<b>(3,652)</b>		<b>(288)</b>
<b>Increase in net cash</b>			<b>3,610</b>		<b>387</b>
Balance Brought Forward			<b>7,069</b>		6,682
<b>Balance Carried Forward at 31 March</b>	22		<b>10,679</b>		<b>7,069</b>

# Notes to the Financial Statements

## FOR THE YEAR ENDED 31 MARCH 2025

### 1. PRINCIPAL ACCOUNTING POLICIES

#### BASIS OF PREPARATION

Royal British Legion Industries (RBLI) is a registered charity (210063 and SCO48795) and a private company limited by guarantee incorporated in England and Wales (00158479). The registered office is Hall Road, Aylesford Kent ME20 7NL.

These Financial Statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 (FRS102) applicable in the UK and Republic of Ireland and in accordance with UK charity and company law.

The principal accounting policies are applied consistently in the preparation of the Financial Statements unless stated otherwise.

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

#### CONSOLIDATION

The company has two wholly owned subsidiaries, RBLI Contracts Limited and RBLI Ltd. Both subsidiaries are dormant and therefore have not been consolidated into the financial statements. Information on the subsidiaries is set out in note 9.

#### STRUCTURE OF FUNDS

The Charity maintains the following funds:

- **Restricted** the purpose for the use of these funds is restricted and defined by the donors.
- **Unrestricted** where the use of the fund is not restricted.
- **Designated** where the funds are unrestricted but the Trustees have designated the funds for a specific purpose.

#### INCOME RECOGNITION

Charitable activity income is measured as consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts, rebates and value added taxes.

#### DONATIONS AND LEGACIES

Donations and Legacies are recognised as income when received or when entitlement to receive has been established, receipt is probable and the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable. Legacies are recognised when probate is granted and there is sufficient information to measure the value of the legacy.

#### GRANTS RECEIVED

Grants are recognised in the Statement of Financial Activities when the conditions for entitlement have been met. Grants received before the conditions for entitlement have been met are deferred and included in creditors.

#### SUBSIDIES RECEIVABLE

A subsidy is made to host companies who employ a disabled person under the terms of the government work support schemes. The subsidy arises on the employment of the disabled person and remains for the term of the employment contract. The subsidy is accounted for on an accruals basis.

#### PENSIONS

The Charity operates two pension schemes, the Defined Benefit Scheme, which was closed to new entrants in 2002 and is closed to future accrual and the Group Personal Pension Scheme.

The Defined Benefit scheme, the assets of which are held and managed separately, is a multi-employer scheme. The actuaries have attributed scheme assets and liabilities to RBLI for the requirements of FRS102.

For the defined benefit section, the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in 'Other recognised gains and losses'.

The Defined Benefit scheme is funded, with the assets of the scheme held separately from those of the underlying employers, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet. Any defined benefit asset is not recognised on the balance sheet if not receivable by the employer. Details are in note 16.

In addition, the amount charged to the Statement of Financial activities includes contributions payable to the Group Personal Pension Scheme in the year.

#### SHORT TERM BENEFITS

Short-term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is incurred, or in the case of redundancy and termination payments when there is a commitment to an individual or group of people.

#### TAXATION

The company is a registered Charity, as such is entitled to certain tax exemptions on income, profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

#### INVESTMENTS

Investments are stated at bid-price and the value of both realised and unrealised gains are included in the Statement of Financial Activities within the relevant Funds. Investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

#### CHARITABLE EXPENDITURE

Costs are recognised on an accruals basis in the period in which they are incurred. Expenditure on raising funds includes the costs incurred in raising donation income and grant income, including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs. Where support costs cover more than one area of activity the costs are allocated to each activity based on weighting of the Charitable Activity revenue or other appropriate measure of activity. Redundancy/ termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

Costs of expenditure on raising funds includes the fees incurred in managing the Charity's investments and where applicable irrecoverable VAT.

#### OPERATING LEASES

Annual rentals under operating leases are charged against income on a straight-line basis over the lease term.

#### STOCK AND WORK-IN-PROGRESS

Raw materials, work-in-progress and finished goods are valued at the lower of cost or estimated selling price less

cost to complete and sell. Cost comprises the direct cost of production and the net attributable proportion of overheads appropriate to each department.

Cost is determined on an average cost method. Cost includes the purchase price including transport and handling directly attributable to bringing the stock to its present location and condition.

Regular reviews of stock take place to ensure all stock is in good condition and in addition a stock provision is included in the stock valuation to allow for the potential of stock not being consumed/sold.

#### TANGIBLE FIXED ASSETS

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Freehold buildings – 2% straight-line
- Leasehold Improvements – over the remaining term of the lease
- Building's plant – 7% straight-line
- Plant, Machinery, Fixtures and Fittings – 15% straight-line
- Motor vehicles – 25% straight-line
- Office equipment – 33% straight-line

#### ASSETS UNDER CONSTRUCTION

Assets under construction represent expenditure incurred in creating assets. Depreciation takes place once the asset is brought into use.

#### LIMITATION OF CAPITALISATION

Expenditure below £1,000 per item does not qualify for capitalisation as a Fixed Asset as it is not considered to be material.

#### FINANCIAL RISK MANAGEMENT

The Charity's operations expose it to some financial risks that include the effects of changes in market interest rates and its liquidity position. The Charity has in place a risk management programme that seeks to manage adverse effects on the financial performance of the Charity.

#### CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Charity makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### IMPAIRMENT OF ASSETS

The charity has material property developments currently held at net book value based on depreciated historic costs. The charity periodically undertakes valuations of its buildings to inform its insurers and ensure that no impairment is required to the asset value. Other assets are periodically reviewed for any impairment in economic value and impaired as required.

#### IMPAIRMENT OF DEBTORS

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

#### DEFINED BENEFIT PENSION SCHEME

The Charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current information.

#### FINANCIAL INSTRUMENTS

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the estimated cash flows. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in fair value reserve. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

##### (ii) Financial liabilities

Basic financial liabilities include trade and other payables and loans. They are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially and subsequently measured at transaction price as all of them are current.

All loans facilities are treated as a single financial instrument and are initially recognised at transaction price. Debt instruments are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised at transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### GOING CONCERN

RBLI continues to prepare its financial statements on the basis that it is a going concern. In doing so it has considered the potential risks that it faces and has put in place a number of actions to manage these.

Throughout 2024/25 RBLI has been continued rebuilding its liquid reserves and funding and turnaround in the financial performance of its operations, through asset and investment sales. The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75 acre site the market value of which is not wholly reflected in net asset position of the organisation.

The organisation completed a strategic review of all its activities. The plan encompassed fundraising plans, a detailed review of trading performance, capital expenditure plans and planned asset sales. On the basis of this exercise Trustees have reasonable expectation that RBLI will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### 2. INCOME FROM DONATIONS & LEGACIES

	24/25	23/24
	£000's	£000's
Donations	5,256	3,214
Legacies	2	-
Fundraising events	2,194	1,448
	<b>7,452</b>	<b>4,662</b>

### 3. INVESTMENT INCOME

	24/25	23/24
	£000's	£000's
Investment income	4	4
Interest receivable	284	217
	<b>288</b>	<b>221</b>

### 4. GOVERNMENT GRANT INCOME

The company receives grant income from various sources relating to its charitable activities, including government grants.

	24/25	23/24
	£000's	£000's
Income from government grants supporting employment	168	187

### 5. NET INCOME

Net income / (expenditure) is stated after charging	24/25	23/24
	£000's	£000's
Rentals payable under Operating Leases	154	211
Support Costs (see analysis)	3,318	3,829
Depreciation (Note 7)	1,110	1,236
Impairment of trade receivables	119	144
Auditors remuneration:		
– Audit services	74	82
– Tax compliance services	3	3
<b>Total amount payable to the auditor</b>	<b>77</b>	<b>85</b>

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 5. NET INCOME (CONTINUED)

SUPPORT COSTS 24/25	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	13	42	142	124	152	19	492
Governance	8	25	85	75	91	11	295
Finance	56	187	549	174	73	30	1,069
Business Systems	37	61	117	94	66	9	384
Human Resources	16	46	136	169	25	4	396
Marketing	10	33	112	98	120	15	388
Interest and Finance Costs	8	25	85	74	91	11	294
	<b>148</b>	<b>419</b>	<b>1,226</b>	<b>808</b>	<b>618</b>	<b>99</b>	<b>3,318</b>

All costs, including support costs are allocated, where practicable, to the charitable activities on a directly attributable basis.

The remainder is apportioned to each activity based on revenue or other appropriate activity measure. Interest and finance costs were also attributed to charitable activities on the basis of revenue as shown.

SUPPORT COSTS 24/25	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	16	27	109	127	92	7	378
Governance	13	22	91	106	77	6	315
Finance	61	100	404	471	341	26	1,403
Business Systems	23	36	145	169	122	9	504
Human Resources	19	33	132	153	111	9	457
Marketing	19	28	114	133	96	7	397
Interest and Finance Costs	47	30	107	109	69	13	375
	<b>198</b>	<b>276</b>	<b>1,102</b>	<b>1,268</b>	<b>908</b>	<b>77</b>	<b>3,829</b>

### 6. DIRECTORS AND EMPLOYEES

The average monthly number of persons employed by the Company during the year was:	24/25		23/24	
	Number	FTE	Number	FTE
Employment Solutions	10	9	14	7
RBLI Living	44	35	72	62
Scotland's Bravest Manufacturing	26	24	22	21
Britain's Bravest Manufacturing	66	53	66	55
Fundraising and Marketing	20	18	26	25
Executive & Corporate Services	27	25	30	28
	<b>193</b>	<b>164</b>	<b>230</b>	<b>198</b>

The average monthly number of persons employed by the Company during the year was:	24/25		23/24	
	Number	FTE	Number	FTE
In discontinued operations:				
Britain's Bravest Manufacturing - Timber	13	13	16	16
RBLI Living - Care Homes	52	43	3	59
	<b>258</b>	<b>220</b>	<b>319</b>	<b>273</b>

During the year 112 staff were transferred under TUPE arrangements as part of the sale of the two Care Homes.

The Charity also engaged the following workers on variable bank contracts.

RBLI Living	3.3	0.3	2	0.3
Britain's Bravest Manufacturing	3.5	1.9	0.8	0.3
Fundraising and Marketing	1.2	0.2	1.3	0.1
Executive & Corporate Services	-	-	0.3	0

In discontinued operations:

Britain's Bravest Manufacturing - Timber	1.5	1	2	1.3
RBLI Living - Care Homes	17	5.5	18.3	6.1
<b>Total Headcount</b>	<b>284.5</b>	<b>228.9</b>	<b>343.7</b>	<b>281.1</b>

	24/25	23/24
	£000's	£000's
<b>Staff costs</b>		
Wages and salaries	8,174	9,242
Social Security costs	774	837
Employer pension costs for Defined Contribution Scheme	595	638
Employer pension costs for the Defined Benefit Scheme	-	177
Other costs	71	62
Redundancy / Termination Payments	179	65
	<b>9,793</b>	<b>11,021</b>

The total number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 fell within the following bands:

£	24/25	23/24
	Number	Number
60,001 - 70,000	4	6
70,001 - 80,000	4	3
80,001 - 90,000	1	5
90,001 - 100,000	3	2
100,001 - 110,000	-	-
110,001 -120,000	-	1
120,001 -130,000	-	-
130,001 -140,000	-	-
140,001 -150,000	-	-
150,001-160,000	1	1
	<b>13</b>	<b>18</b>

Of the 13 employees (23/24: 18) earning over £60,000 in the year 12 (23/24: 17) participated in the company pension scheme and pension contributions of £69,755 (23/24: £91,164) were made by RBLI in the year to 31 March 2025.

The total remuneration (excluding employer pension contributions) of the key management personnel of RBLI was £820,918 (23/24: £840,211). Additionally, the Charity made employer pension and national insurance contributions in respect of members of key management personnel totalling £147,079 (23/24: £150,162).

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 7. TANGIBLE ASSETS

	Freehold Land and Buildings	Leasehold Improvements	Buildings Plant	Fixtures and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Assets Under Construction	Total
	£000's		£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>COST</b>									
At 01 April 2024	34,320	-	2,467	3,068	59	360	1,864	2,779	44,917
Additions	86	14	143	56	-	-	104	2,307	2,712
Disposals	(8,587)	-	(545)	(758)	(37)	(32)	(578)	-	(10,537)
Transfers	2,416	-	-	70	-	-	-	(2,486)	-
<b>At 31st March 2025</b>	<b>32,262</b>	<b>14</b>	<b>2,086</b>	<b>2,438</b>	<b>22</b>	<b>328</b>	<b>1,390</b>	<b>2,600</b>	<b>37,092</b>
<b>ACCUMULATED DEPRECIATION</b>									
At 01 April 2024	7,306	-	1,653	1,939	58	313	1,386	-	12,655
Charge for year	623	-	57	250	1	29	150	-	1,110
Disposals	(1,989)	-	(161)	(437)	(37)	(26)	(492)	-	(3,142)
Impairment charges	-	-	-	-	-	-	-	-	-
<b>At 31st March 2025</b>	<b>6,940</b>	<b>-</b>	<b>1,649</b>	<b>1,762</b>	<b>22</b>	<b>316</b>	<b>1,044</b>	<b>-</b>	<b>10,623</b>
<b>NET BOOK VALUE at 31 March 2025</b>	<b>22,295</b>	<b>14</b>	<b>618</b>	<b>686</b>	<b>-</b>	<b>12</b>	<b>348</b>	<b>2,600</b>	<b>28,469</b>
<b>NET BOOK VALUE at 31 March 2024</b>	<b>27,014</b>	<b>-</b>	<b>814</b>	<b>1,129</b>	<b>1</b>	<b>47</b>	<b>478</b>	<b>2,779</b>	<b>32,262</b>

The trustees believe that the market value of land is significantly higher than the book value, which is negligible as it was transferred to the Charity in 1919. Valuations of some properties were performed in the year showing that the market value is significantly higher than the book value.

Assets Under Construction represent capital expenditure on Projects which are not finalised. The largest project under this section is the continuing development of Centenary Village. When assets are completed and ready of use or occupation the costs are moved to the relevant category. The largest asset currently under construction is Centenary Village, during the year the new HMO, Lawson House, was completed and occupied with the Community Hub finished in spring 2025 and remaining in assets under construction until operational.

### 8. INVESTMENTS

	24/25	23/24
	£000's	£000's
<b>At Fair Value</b>		
Listed on UK Stock Exchange	105	112
	<b>24/25</b>	<b>23/24</b>
	<b>£000's</b>	<b>£000's</b>
<b>Analysis of Movements of Investments</b>		
Valuation at 01 April	112	95
Realised (Losses)	-	-
Unrealised gains in the year	(7)	17
Withdrawals	-	-
Management costs	-	-
<b>Valuation at 31 March</b>	<b>105</b>	<b>112</b>

### 9. INVESTMENT IN SUBSIDIARY

The company owns 100% of the issued share capital (being 2 shares of £1 each) of RBLI Contracts Ltd, a dormant company and 100% of the issued share capital (being 1 share of £1) of RBLI Ltd, a dormant company

There has been no income or expenditure in either subsidiary in the year (23/24: none) and there is no capital and reserves in either company at the year-end (23/24: none).

### 10. STOCKS AND WORK IN PROGRESS

	24/25	23/24
	£000's	£000's
Raw materials	475	652
Finished goods	21	72
	<b>496</b>	<b>724</b>

The replacement cost of raw materials does not differ materially from the value stated in the balance sheet.

### 11. DEBTORS

	24/25	23/24
	£000's	£000's
Trade debtors	1,702	1,689
Other debtors	31	106
Prepayments and accrued income	444	621
	<b>2,177</b>	<b>2,416</b>

### 12. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	24/25	23/24
	£000's	£000's
Amounts falling due within one year:		
Trade creditors	1,361	1,546
Other taxation and social security	231	260
Other creditors	279	274
Accruals	176	632
Deferred Income	42	7
Loans	220	3,652
	<b>2,309</b>	<b>6,371</b>

All income deferred from the prior year was recognised in the subsequent financial year. No income was deferred for more than 12 months.

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 13. LONG TERM LIABILITIES - DEBT ANALYSIS

Debt Maturity	24/25	23/24
	£000's	£000's
In one year or less, or on demand	220	3,652
In more than one year but not more than two years	220	220
In more than two year but not more than five years	660	661
In more than five years	404	625
<b>Total</b>	<b>1,504</b>	<b>5,157</b>

The Royal British Legion Loan is for a 10-year term with an interest of BoE Base Rate plus 0.5%.

The loan is secured with a charge over Greenwich House (moved from Appleton Lodge in the year) to a value of £2.1m.

The Loan facility with Barclays was a 5-year term repayable in instalments with a final payment due in April 2027. The loan had an interest rate of 2.65% above BoE Base Rate. The Loan was fully repaid during the year and the facility withdrawn at the request of the Charity.

The overdraft facility with Barclays Bank has an interest rate equal to the BoE Base Rate plus 2.25% when used.

The overdraft was initially secured with a charge on Queen Elizabeth Court to the value of £5.5m.

The overdraft facility was reduced on the drawdown of the loan in 2022 and the charge over Queen Elizabeth Court security included within the loan agreement. The borrowing agreement also included security charged over Invictus Games House and Victory House. During 2025 the security on Queen Elizabeth Court was satisfied.

During the year the Charity entered into a loan agreement with The Edward Gostling Foundation whereby a facility of £2million pounds will become available to the Charity to finance the building of the final phase of the Centenary Village. As at 31 March 2025 the facility had not been drawn down. This facility is secured with a charge over Fair Oak Crescent, off Hermitage Lane where the final phase will be completed.

	24/25		23/24	
	£000's	£000's	£000's	£000's
	Facility	Balance	Facility	Balance
Royal British Legion Loan	2,000	1,504	2,000	1,725
Barclays Secured Loan	-	-	5,000	3,432
Barclays Overdraft	1,000	-	1,000	-
The Edward Gostling Foundation	2,000	-	-	-
<b>Total</b>	<b>5,000</b>	<b>1,504</b>	<b>8,000</b>	<b>5,157</b>

### 14. CONTINGENT LIABILITY

The charity has one ongoing grievance with an employee which is being investigated in line with internal policies. There is a possible liability of approximately £25,000 depending on the outcome which is expected to be resolved in late summer 2025.

### 15. ANALYSIS OF FUND MOVEMENTS

The Trustees have reviewed the restrictions on funds donated for capital projects and consider the restrictions of the original donations have been satisfied. They have therefore moved these Capital Assets to unrestricted funds.

Fund	Balance	Income	Expenditure	Transfers	Gains and Losses	Balance
	As at 01 April 2024			Capital expenditure and disposals	Between funds	As at 31 March 2025
	£000's	£000's	£000's	£000's	£000's	£000's
<b>Unrestricted</b>						
General Fund	209	19,613	(21,705)	5,245	(48)	3,314
Pension Reserve	-	-	-	-	-	-
<b>Unrestricted - Designated</b>	-	-	-	2,700	-	2,700
Fixed Asset Reserve	29,089	-	-	(7,945)	2,362	23,506
<b>Total Unrestricted Funds</b>	<b>29,298</b>	<b>19,613</b>	<b>(21,705)</b>	<b>-</b>	<b>2,314</b>	<b>29,520</b>
<b>Restricted</b>						
<i>Capital and Revenue Grants</i>						
Centenary Village	1,833	618	-	(1,771)	-	680
Factory Fund	1,500	2,805	-	(471)	-	3,834
Scotland's Bravest Manufacturing	45	230	(257)	-	50	66
Lifeworks	136	589	(449)	-	-	276
Welfare	101	190	(156)	-	-	135
Britain's Bravest Manufacturing	-	142	(142)	-	-	-
Other Living and Employment Solutions	14	218	(63)	(120)	-	49
<i>Investments</i>	112	-	-	-	(7)	105
<i>Capital Assets</i>	-	-	-	-	-	-
Centenary Village	-	-	-	1,771	(1,771)	-
Factory Building	1,136	-	-	471	(471)	1,136
Vanguard Properties	133	-	-	-	-	133
Scotland Factory	-	-	-	-	-	-
Other	399	-	-	120	(120)	399
<b>Total Restricted Funds</b>	<b>5,409</b>	<b>4,792</b>	<b>(1,067)</b>	<b>-</b>	<b>(2,314)</b>	<b>6,813</b>
<b>Total Charitable Funds</b>	<b>34,707</b>	<b>24,405</b>	<b>(22,772)</b>	<b>-</b>	<b>(7)</b>	<b>36,333</b>

Restricted funds for under Capital and Revenue Grants are to be used for the activities indicated. The Vanguard Properties represent capital assets previously transferred to RBLI from the Vanguard Trust. The amounts represented are cottages in Sutton Valence, Maidstone used to provide housing for veterans. The Centenary Village and Factory Fund represent grants received to be spend on future capital programmes, once these have been spent the restriction is removed and the value of the capital asset is moved to the unrestricted fixed asset reserve.

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 15. ANALYSIS OF FUND MOVEMENTS (CONTINUED)

Fund	Balance	Income	Expenditure	Transfers		Gains and Losses	Balance
	As at 01 April 2023			Capital expenditure	Between funds		As at 31 March 2024
	£000's	£000's	£000's	£000's		£000's	£000's
<b>Unrestricted</b>							
General Fund	3,134	22,626	(23,223)	(263)	(2,065)	-	209
Pension Reserve	-						-
<b>Unrestricted - Designated</b>							
Fixed Asset Reserve	25,015	-	-	263	3,811	-	29,089
<b>Total Unrestricted Funds</b>	<b>28,149</b>	<b>22,626</b>	<b>(23,223)</b>	<b>-</b>	<b>1,746</b>	<b>-</b>	<b>29,298</b>
<b>Restricted</b>							
<i>Capital and Revenue Grants</i>							
Centenary Village	1,137	1,436	-	(2,685)	1,945	-	1,833
Factory Fund	-	1,500	-	-	-	-	1,500
Scotland's Bravest Manufacturing	98	297	(345)	(5)	-	-	45
Lifeworks	220	332	(416)	-	-	-	136
Welfare	65	127	(91)	-	-	-	101
Britain's Bravest Manufacturing	-	164	(164)	-	-	-	-
Other Living and Employment Solutions	70	167	(45)	(178)	-	-	14
Investments	96	-	-	-	-	17	112
<i>Capital Assets</i>							
Centenary Village (including Hermitage Lane Apartments)	-	-	-	2,685	(2,685)	-	-
Vanguard Properties	1,136	-	-	-	-	-	1,136
Scotland Factory	133	-	-	-	-	-	133
Bradbury House	350	-	-	-	(350)	-	-
Other	842	30	-	183	(656)	-	399
<b>Total Restricted Funds</b>	<b>4,146</b>	<b>4,053</b>	<b>(1,061)</b>	<b>-</b>	<b>(1,746)</b>	<b>17</b>	<b>5,409</b>
<b>Total Charitable Funds</b>	<b>32,295</b>	<b>26,679</b>	<b>(24,284)</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>34,707</b>

### 16. PENSION SCHEME

RBLI participates in the Royal British Legion Staff Defined Benefit Pension Fund (the Fund), which was closed to new entrants in 2002. RBLI also operates a Defined Contribution Group Personal Pension Scheme.

Contributions to the Group Personal Pension Plan in the year were £595k (23/24: £627k). Employer contributions are limited to twice the level of the employees' contribution, excluding additional employee contributions. There were 187 employees participating in the scheme at 31 March 2025 (23/24:301)

The Defined Benefit Scheme was closed to new entrants in 2002. During the year RBLI was not required to make any contribution to help fund any scheme deficit nor any contribution to fund administrative expenses of the scheme (23/24: £134K and £43K respectively)

A charge over land, the Churchill Centre and the factory buildings at Aylesford was granted to The Royal British Legion Pension Fund Trustees as security for the pension deficit liability and to support the Employers Covenant. During the year the charges over the land and the Churchill Centre were released due to changes in the scheme deficit and future liability.

The most recent formal full scheme published actuarial valuation was carried out by First Actuarial LLP as at 1 April 2023.

The major financial assumptions used by the actuary for FRS102 purposes were:

Actuarial Assumptions			24/25	23/24
Discount rate (%p.a.)			5.80%	4.85%
Retail Price Inflation (%p.a.)			3.35%	3.50%
Consumer Price Inflation (%p.a.)			2.85%	3.00%
Salary increase rate (%p.a.)			3.85%	4.00%
Rate of increases of pensions in payment				
	Post 98 pension		3.20%	3.30%
	Post 88 GMP		2.35%	2.40%
Revaluation of deferred pensions (non-GMP)			2.85%	3.00%
Life expectancy at age 65:				
	Current pensioners	Men	85.9	85.8
		Women	88.4	88.3
	Future pensioners now 45	Men	87.2	87.1
		Women	89.8	89.8

	24/25	23/24
	£000's	£000's
<b>Fair value of fund assets</b>		
Equities	548	1,068
Bonds	2,817	4,611
Gilts	129	-
Other Growth Seeking assets	2,538	2,585
Liability Driven Investments	3,767	3,794
Cash	2,538	304
<b>Total</b>	<b>11,264</b>	<b>12,362</b>

In addition, the Trustees hold insured annuity policies. The value of these annuities has been excluded from both the assets and the liabilities since the liability is matched directly by an asset value of equal value. This is consistent with previous disclosures. The Fund does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

# Notes to the Financial Statements (Continued)

## FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

### 16. PENSION SCHEME (CONTINUED)

Reconciliation of scheme assets and liabilities		Assets	Defined Benefit Obligation	Total
		£000's	£000's	£000's
<b>At 31 March 2024</b>		<b>12,362</b>	<b>(11,165)</b>	<b>1,197</b>
Benefits paid - Pensions		(441)	441	-
Benefits paid - Other		(19)	19	-
Employer contributions		-	-	-
Administration expenses		(171)	-	(171)
Interest income/(cost)		584	(530)	54
Remeasurement gains/(losses)				
- Actuarial gains (change of basis)		-	1,299	1,299
- Actuarial gains (experience)		-	90	90
- Return on plan assets interest income		(1,051)	-	(1,051)
<b>At 31 March 2025</b>		<b>11,264</b>	<b>(9,846)</b>	<b>1,418</b>

The charity does not recognise the scheme asset in its balance sheet (see accounting policy – pensions) and consequently, as the scheme has an overall surplus, the actuarial gain is not recognised in the Statement of Financial Activities.

### 17. TAXATION

The company is exempt from liability to corporation tax on its charitable activities due to its status as a registered charity.

### 18. CAPITAL COMMITMENTS

	24/25	23/24
	£000's	£000's
Capital Commitments contracted for at year end but not provided for.	217	1,642
Capital Commitments approved but not contracted	1,006	-

The Board have approved the ongoing work for Centenary Village, including £1.2M expenditure on an extension to Lawson House which has been partially contracted for at year end.

### 19. OPERATING LEASE COMMITMENTS

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	24/25	23/24
	£000's	£000's
Payments due		
Not later than one year	88	85
Later than one year and not later than five years	13	87
Later than five years	-	-
<b>Total operating leases</b>	<b>101</b>	<b>172</b>

### 20. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

### 21. NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	24/25	23/24
	£000's	£000's
<b>Net income</b>		<b>2,412</b>
Losses / (gains) on investment assets	7	(17)
Investment income and interest receivable	(288)	(221)
Depreciation on tangible fixed assets	1,110	1,236
(Profit) on disposal of fixed assets sold	(909)	(4,326)
Decrease in stocks	228	250
Decrease in debtors	239	111
(Decrease) in creditors	(630)	(646)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>1,383</b>	<b>(1,201)</b>

### 22. ANALYSIS OF CHANGES IN NET CASH / (DEBT)

	As at 01 April 2024	Cashflows	Other non-cash exchanges	As at 31 March 2025
	£000's	£000's	£000's	£000's
<b>Cash and cash equivalents</b>				
Cash	7,069	3,610	-	10,679
Overdrafts	-	-	-	-
	<b>7,069</b>	<b>3,610</b>	<b>-</b>	<b>10,679</b>
<b>Borrowings</b>				
Debt due within one year	(3,652)	3,652	(220)	(220)
Debt due after one year	(1,505)	-	220	(1,285)
	<b>(5,157)</b>	<b>3,652</b>	<b>-</b>	<b>(1,505)</b>
<b>Total</b>	<b>1,912</b>	<b>7,262</b>	<b>-</b>	<b>9,174</b>

### 23. POST BALANCE SHEET EVENTS

There were no post balance sheet events.

# LEGAL & ADMINISTRATIVE INFORMATION

## TRUSTEES:

Mr S Rowbotham - Chair  
 Ms R Wood – Vice Chair (resigned 30/05/2025)  
 Mrs N Ahmed CBE DL (resigned 20/03/2025)  
 Mr P Alesbury (appointed 20/06/2024)  
 Mr M Bailey (appointed 25/09/2024)  
 Mr C Blundell (resigned 01/03/2025)  
 Mr D Dent (appointed 20/06/2024)  
 Brigadier D Innes  
 Ms P Kaul-Green (appointed 20/06/24)  
 Mr M Kelleher (appointed 20/06/24)  
 Mr A Kotecha (appointed 25/09/24)  
 Ms R Lewis (appointed 20/06/24)  
 Mr F Martin DL (resigned 19/06/24)  
 Ms S Mason (resigned 25/09/24)  
 Mr C Spalding (appointed 25/09/24)  
 Ms A Start (appointed 20/06/24)  
 Mr N Stonley (appointed 20/03/25)  
 Mr A Watson

## SENIOR LEADERSHIP TEAM:

Lisa Farmer	Chief Executive
Helen Bidgway	Director Of People & Culture
Alexandra Brown	Interim Director of Care (appointed 01/04/2025)
Colin Harsant	Managing Director of Social Enterprises (appointed 29/07/24)
Nik Marinov	Director of Finance and Performance (appointed 04/09/24)
Stuart McClure	Acting Director of Commercial Marketing (appointed 01/01/2025)
Susan Stoker	Director of Governance, Compliance and Business Systems
Julie Walker-Jopson	Director of Living and Impact

**COMPANY NUMBER:** 00158479 Incorporated in England and Wales  
**REGISTERED CHARITY NUMBER: England & Wales** 210063 The Charity is a public benefit entity

**REGISTERED CHARITY NUMBER: Scotland** SC048795

**HEAD OFFICE AND REGISTERED OFFICE**  
 Royal British Legion Industries Limited  
 Hall Road  
 Aylesford  
 Kent  
 ME20 7NL

Tel: 01622 795900  
 Email: enquiries@rbli.co.uk

**INDEPENDENT AUDITORS:**  
 Kreston Reeves LLP  
 Statutory Auditor & Chartered Accountants  
 37 St Margret's St  
 Canterbury  
 CT1 2TU

**BANKERS:**  
 Barclays Bank Plc  
 Corporate Banking Kent Team  
 2<sup>nd</sup> Floor, 30 Tower View  
 Kings Hill, West Malling  
 Kent  
 ME19 4UY

**SOLICITORS:**  
 Thomson Snell & Passmore LLP  
 3 Lonsdale Gardens  
 Tunbridge Wells  
 Kent  
 TN1 1NX  
 Brachers LLP  
 59 London Road  
 Maidstone  
 Kent  
 ME16 8JH



# Board of Trustees

**LORD KING OF LOTHBURY**  
KG GBE DL  
PRESIDENT

**STEVE ROWBOTHAM**  
CHAIRMAN

Steve has a comprehensive background in the defence industry, having worked in the sector for more than four decades. He is Non-Executive Director of General Dynamics UK Limited, where he previously served as their Chief Operating Officer.

**PETER ALESBURY**  
(appointed 20 June 2024)

Peter is a strategic Estates Director with significant experience in the managing and operational delivery of the full estate lifecycle. His previous roles have included senior leadership positions in the NHS, private healthcare, facilities management, heritage organisations, and medical device companies.

**MARK BAILEY**  
(appointed 25 September 2024)

Mark is a seasoned professional in the construction industry with more than 40 years' experience. He has worked on a broad range of development related job functions within the residential sector, leading on land acquisition, technical and commercial procurement, sales and construction management.

**DAVID DENT MBE**  
(appointed 20 June 2024)

David is Vice President (Global Leader) of Integrated Strategy at Parexel International. A war-disabled veteran, he previously served in the British Army as a trauma and critical care specialist. He has more than 35 years of experience spanning international business and the NHS and holds honorary professorships from the business schools at the Universities of Stirling and Nottingham's. He is also a Companion of the CMI and Fellow of the Institute of Directors (IoD).

**BRIGADIER DAVID INNES**

David served in the British Army for 34 years as a Royal Engineer, followed by 15 years as Chief Executive in the charity sector. In addition, he has held several non-executive and trustee positions and remains actively involved with several charities.

**PARUL KAUL-GREEN**  
(appointed 20 June 2024)

Parul is a distinguished global executive and economist with more than 20 years of financial services experiences in global companies. Her leadership roles include Chief Digital Strategy, Chief of Staff and Executive Committee Member at AXA XL.

**MATT KELLEHER**  
(appointed 20 June 2024)

Matt is Chief Digital Officer and Executive Board Member at the Asda Group. Over his nearly 30-year career in retail in Director positions, he has led on strategy and transformation, eCommerce, supply chain and technology.

**AMEER KOTECHA**  
(appointed 25 September 2024)

Ameer is His Majesty's Consul General, heading up one of Britain's two diplomatic missions in Yekaterinburg Russia. He began his career in the private sector before joining the Foreign & Commonwealth Office in 2015. As a diplomat, he has worked both in London and abroad, including Hong Kong, West Africa, and New York. Beyond his day job, Ameer is interested in food and drink. He authored Her Majesty Queen Elizabeth II's Official Platinum Jubilee Cookbook and writes regularly for The Spectator.

**REBECCA LEWIS**  
(appointed 20 June 2024)

Rebecca is Finance Director and Company Secretary at General Dynamics UK. With more than 20 years' experience managing the finances for complex global defence programmes. She has led multiple large-scale events for charity and is a Fellow of the Association of Chartered Certified Accountants.

**CHRISTOPHER SPALDING**  
(appointed 25 September 2024)

Chris is an experienced CEO with significant commercial acumen and expertise. He has held senior leadership roles at Associated Newspapers, Metro International, Coca-Cola, PepsiCo, Virgin Group, LeapFrog International, and LineUp Systems

**ALISON START**  
(appointed 20 June 2024)

Alison runs a consulting company specialising in commercial strategy and operational challenges in Defence and telecommunications across private and public sectors. She also serves as a Non-Executive Director for a Royal Engineers training provider and is also a trustee for the National Museum of the Royal Navy.

**NICHOLAS STONLEY**  
(appointed 20 March 2025)

Nick has more than 40 years of all-round experience in residential development, including 28 years as Managing Director for leading UK developers such as Berkeley Homes and Millwood Designer Homes. He has a strong track record in all aspects of the industry including site engineering, land acquisition, project management, sales, and marketing and has delivered exciting regeneration schemes throughout London and the South East.

**ALISTAIR WATSON**

Alistair served in the Royal Navy, including an appointment as Equerry to HRH the Prince of Wales. After his military service, he worked at a leading international law firm in the City. In retirement, he is a governor of two London schools and a Pilotlighter.

# Senior Leadership Team

**LISA FARMER**  
CHIEF EXECUTIVE

Lisa was appointed Chief Executive of RBLI in 2022, having first joined the organisation in 2015 as Director of Strategic Development. She brings more than 20 years of experience in fundraising, marketing, and business development.

**COLIN HARSANT**  
MANAGING DIRECTOR  
OF SOCIAL ENTERPRISE

Colin joined RBLI's Senior Leadership Team in July 2024 following 20 years managing and leading companies in the aerospace, defence, and automotive industries. A specialist in SME manufacturing, he holds both undergraduate and postgraduate business qualifications from institutions in the UK and France.

**HELEN BIDGWAY**  
DIRECTOR OF PEOPLE  
& CULTURE

A Fellow of the Chartered Institute of Personnel and Development, Helen joined RBLI in 2022 with more than 30 years' senior-level Human Resource experience across the charity and education sectors.

**SUSAN STOKER**  
DIRECTOR OF GOVERNANCE,  
COMPLIANCE AND BUSINESS  
SYSTEMS

Working at RBLI since 2019, Susan is an expert in assurance processes and specialises in corporate governance, risk management, and internal control. She brings more than 25 years' experience across both the private and public sector.

**ALEXANDRA BROWN**  
INTERIM DIRECTOR OF CARE

Alex joined RBLI's Senior Leadership Team in April 2025, having been with the organisation for three years. With a background in disability charities and the social care sector, she brings strong project management skills and commercial insight to all aspects of care.

**NIK MARINOV**  
DIRECTOR OF FINANCE  
& PERFORMANCE

Nik joined RBLI in September 2024 following senior finance roles across a range of commercial and charitable organisations. A qualified chartered accountant, he contributes a broad breadth of financial leadership to the RBLI management team.

**STUART McCLURE**  
ACTING DIRECTOR OF  
COMMERCIAL MARKETING

Stuart joined RBLI in 2024, bringing more than 20 years of senior marketing leadership experience from several multi-million-pound commercial organisations spanning diverse industries.

**JULIE WALKER-JOPSON**  
DIRECTOR OF LIVING & IMPACT

Julie joined RBLI in 2008 and was appointed as a Director in November 2024. She has 30 years of experience running regional and national employability programmes and supporting vulnerable adults directly in welfare-focused roles.

**ROYAL BRITISH VETERANS ENTERPRISE LTD.**

England & Wales - Charity number 210063

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# Accounts

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## GET IN TOUCH

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## VOLUNTEER FOR US

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## CONTACT US

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## FIND US ONLINE

 [rbli.co.uk](http://rbli.co.uk)

 [Royal British Legion Industries](#)

 [Royal British Legion Industries](#)

## REGISTERED CHARITY NUMBER:

England & Wales 210063

Scotland SC048795



# ANNUAL ACCOUNTS

2023 - 2024

[rbli.co.uk](http://rbli.co.uk)

ROYAL BRITISH LEGION INDUSTRIES LIMITED  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2024



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FRONT COVER: Hari Budha Magar, record-breaking Gurkha mountaineer, launching RBL's 2023 Ride With A Veteran challenge.  
ABOVE: Judy from our dedicated fulfilment team packing products from our Tommy range.



## Introduction from our Chairman

Steven Rowbotham

Like many charities RBLI is recovering from the combined economic shocks of the past four years. Rebuilding financially has taken longer than we had hoped. However, the Charity's impact remains as strong as it has always done and we have also been lifted this year by exceptional financial support from the general public.

The financial year began with the thrilling news that Scotland's Bravest Manufacturing Co. was the first to be awarded a King's Award for Enterprise just before His Majesty King Charles took his throne in his magnificent Coronation ceremony. His Majesty's award was not just for the direct employment of veterans overcoming life-changing injury, mental health crisis or substance abuse. It is also in recognition of the work RBLI does in partnership with its commercial customers, promoting disability employment, and opening up new pathways into paid

employment far beyond our own enterprises in Greater Glasgow, Surrey and Kent.

Another great boost to the Charity was the national support we received from the public for The Great Tommy Sleep Out which was, frankly, overwhelming. This initiative is incredibly close to my heart as the support for my own Chairman's Sleep Out event grows and grows, and I was delighted that RBLI secured sponsorship from BAE Systems this year. This sponsorship was significant, enabling RBLI to promote the event in a genuinely national way for the first time ever, and raising over £1.2m! What a milestone for RBLI.

This year RBLI was able to deliver Lifeworks employability support in Portsmouth, Plymouth, Lancashire, Glasgow, North Wales, South Wales, and Darlington, with financial help from Barclays, The Army Benevolent Fund, The Veterans'

Foundation and Annington to name just a few of the companies, organisations and partners who work tirelessly to help RBLI deliver Lifeworks, while our partnership with the MoD helps us deliver support to our Forces at the moment they are medically discharged from service.

Everyone at RBLI was also rightly proud when an independent evaluation of Lifeworks, published in November and launched by our esteemed President Lord King of Lothbury in the House of Commons, evidenced yet again that Lifeworks is helping 80% of participants into paid work or structured volunteering. It was a terrific year for RBLI's national profile. At our Kent HQ, we were honoured to welcome Her Royal Highness The Princess Royal who opened 40 brand new homes for veterans, including Assisted Living homes, family homes, and new Move On apartments for veterans overcoming homelessness. The

Princess Royal's impromptu speech, which praised the spirit and the unique achievement of the new community, is something that none of us will ever forget.

These exciting new homes would not have been made real were it not for donations from foundations, companies and individuals from all over the UK. Our modernised Centenary Village setting showcases community at the heart of everything we do, and never fails to connect with people. RBLI's Village is a leader in veteran care, community cohesion, progression pathways, and positive routines for veterans of all ages, and for people living with life-changing and life-limiting illnesses.

**STEVEN ROWBOTHAM**  
RBLI Chairman  
19 November 2024

“  
The Charity's impact remains as **strong** as it has always done.  
”



## Introduction from our Chief Executive

Lisa Farmer

Over the last year, RBLI has been undertaking an important turnaround. Working with staff at all levels we have created, and rolled out, a new set of values to improve our focus and people-first culture. With disadvantaged veterans, and people with disabilities, at the centre of our mission, and our day-to-day work, we have improved our teamwork and accountability and we're starting to see the results.

On my part I have overseen an organisation-wide examination of operational performance, encompassing all divisions. We have achieved growth in unrestricted income, and we have been able to continue our exciting capital expansion projects, investing £4.7m in new facilities including a community centre and IT learning suite on our Centenary Village. Maximising RBLI's assets has also been important as we work to provide a solid platform from where RBLI can expand its vital services and social impact nationwide.

Commercially, in our social enterprise, we benefitted from an exceptional pledge from National Highways, who mobilised their entire supply chain network to deliver on a record-breaking £1m market share. The King's Award for Enterprise generated long-term pledges to Scotland's Bravest Manufacturing Co. All this is hugely positive and demonstrates the power of social procurement to our beneficiaries and our customers, and the determination of foundations and philanthropists to step in and create a brighter future for people overcoming disabilities at work.

This was, however, a difficult year battling increasing costs. Ensuring that RBLI is a Real Living Wage employer has definitely had an impact. As a result we had to reduce our corporate costs, and find efficiencies in all divisions, a difficult decision made with a heavy heart.

Moving forward we recognise that each division must be self-sustaining and we must rebuild our cash reserves to ensure the future sustainability of our amazing charity. Steps to achieve both of these key objectives are now in place. There are further difficult decisions to be made, but our disadvantaged beneficiaries are our priority at all times. RBLI is here to create opportunities for veterans, and people with disabilities, to lead full and independent lives with safe homes, increased mobility, activity, jobs and emotional support.

We have launched RBLI's new strategy and we move forward leaner and in a strong position. We will continue to fundraise for our Centenary Village, for more safe homes, and to improve our houses. We have ambitious plans to grow our social enterprise – an outstanding example of successful disability employment and social value impact.

“ My vision is a truly **sustainable future** for RBLI, where all the operations are **financially robust** while all the Village facilities are of the **highest quality**. ”

My vision is a truly sustainable future for RBLI, where all the operations are financially robust while all the Village facilities achieve the highest quality we can possibly deliver for the beneficiaries we serve. We intend to build a brand-new manufacturing facility in Kent – a workplace where our beneficiaries can be at the forefront of British manufacturing. A thriving fundraising function is essential to support RBLI's outstanding national programmes to reach more veterans overcoming disability, financial crisis, unemployment and mental health challenges.

we work so tirelessly to change the perceptions of what is possible for veterans and people with disabilities.

I would like to thank Hari and everyone who has supported us this year, and I look forward to working together in the year ahead.

**LISA FARMER**  
RBLI Chief Executive  
19 November 2024

When Royal Gurkha Rifles hero and Mount Everest conqueror Hari Budha Magar, spoke to those taking part in RBLI's annual cycle ride, he shared an ethos so close to our hearts; never let the size of the mountain prevent you from taking each and every step. Hari's motivational words are what we hold on to at RBLI, and he represents the reason that

# Our Mission

The Charity was originally established for wounded, injured or sick Armed Forces veterans so they could receive care, and gain family homes, and work opportunity that would enable them to build a whole new life and provide for a family.

Today, our mission is the same. We prioritise support to Armed Forces veterans who are overcoming illness, mental illness, or disability, especially those who need extra help to find or secure paid work.

Just as our founders did, we look at the whole person, and work to help them build a new life after service, fully participating in civilian society. We do this by providing homes, jobs, care and training. However, our charitable objects are wider, meaning that RBLI can support anyone with disabilities, health conditions or other social disadvantages and barriers to employment, or any older people who need extra support to live a more active and independent life.

“Our Village is a **national exemplar** of holistic veteran care.”  
Lisa Farmer, Chief Executive

# Our Divisions

## HOMES & CARE

RBLI provides 340 **family homes** and Move On apartments in a thriving community with a sense of belonging for veterans of all ages.

Our **Centenary Village** is home to our Community Centre, IT learning centre and our dedicated home of multiple occupancy for female veterans.

RBLI also successfully delivers **domiciliary care** across the Village with **assisted living facilities** and **care homes** providing on-site care in a thriving community for veterans who need it, whilst keeping their independence.

## SOCIAL ENTERPRISE

**Britain's Bravest Manufacturing Company (BBMC)** refers to RBLI's social enterprise factory in Aylesford, providing signs for road and rail, wooden products and fulfilment services, as well as our print, mail and fulfilment centre in **Leatherhead**.

This includes our **retail operations** selling Tommy figures and developing our **Tommy range**.

**Scotland's Bravest Manufacturing Company (SBMC)** is RBLI's award-winning factory in Renfrewshire, Scotland predominantly focusing on signage manufacturing and precision engineering.

As well as being market leaders in their industries, more than 70% of those employed across the Charity's social enterprise are military veterans, those with disabilities, or both.

## WELFARE

**STEP-IN** is RBLI's unique welfare model providing veterans and their families with structured, holistic support tailored to their individual needs.

Emergency support is also on-hand at **Mountbatten Pavilion**, RBLI's house of multiple occupancy, providing a stepping stone for Armed Forces veterans in crisis.

## LIFEWORKS

**Lifeworks** is a UK-wide, award-winning employment support programme which equips veterans with the tools needed to find meaningful employment outside the Armed Forces. It is also a delivery partner of the MoD on transition advice to those leaving the military on medical grounds.

## FUNDRAISING

RBLI's **fundraising** and marketing division drives awareness and partnerships as well as generating vital funds to support our full service offering and the Charity's ambitious growth strategy.

“RBLI is a charity that the whole nation can be **proud** of.”  
Steven Rowbotham, RBLI Chairman

# Our Impact



RBLI provides 340 homes for disadvantaged veterans in a thriving Village community



1/3 of working age veterans on RBLI's Village move on within 18 months



RBLI's holistic welfare model, STEP-IN, ensures residents lead full, independent lives



RBLI's Social Enterprise employs 150 people, providing social value and driving national procurement policy



RBLI's disability employment achieves £1.2 million in social value every year



80% of veterans gain employment within 12 months of RBLI's Lifeworks course

# Our Strategy

1

RBLI Village

2

Social Enterprise & Employability

3

National Impact & Partnerships

4

Financial Sustainability

5

Our People

# Homes & Care

## Key achievements for 2023-24

- Work at RBLI's Centenary Village development continued as planned, with £4.5m now having been spent on the new Community Centre and the female-only House of Multiple Occupancy (HMO). This phase is due for completion in 2024 as the jewel in the crown of the £28m development for military veterans and their families.
- In October 2023, Her Royal Highness The Princess Royal officially opened the latest phase of the Centenary Village including Greenwich House, RBLI's newest assisted living apartments for veterans and those with close military ties.
- The support of foundations such as the Edward Gostling Foundation helped with affordable housing and supporting those with disabilities to live independently, while The Hobson Charity provided a grant to help with rising energy costs.
- Significant upgrades continued to be made to residential houses across our Village through cost-of-living grants.
- RBLI achieved 96% occupancy rate across our Village facilities.
- Following a full strategic review of the Charity's activities, the difficult decision was made to sell our care homes, Bradbury House and Appleton Lodge. The rising cost of running our care homes and the high level of specialist provision required informed the decision to sell.
- Although both care homes have been sold, end of life care will remain on the Village and can still be accessed by RBLI's residents who will still also benefit from the support of the wider veteran community.
- Six residents moved from assisted living accommodation to care this year which is further evidence of the Village's full care pathway.
- RBLI's new block funding pilot with the NHS enabled us to significantly increase income across assisted living services. This pilot was successful in providing accommodation for 23 patients admitted from the NHS, resulting in three permanent residents on the Village and saving the NHS around £10k per week.

## Plans for 2024-25

- We will complete Phase 2b of our Centenary Village development including opening our HMO for female veterans, Lawson House – a truly groundbreaking development to offer support specifically to female veterans.
- The Army Benevolent Fund Community Centre will also open to act as a hub for veterans and the wider community which will include a gym for residents, staff and the wider community while incorporating partnerships with Arthritis Action and others to ensure the facility is used by people of all ages and capabilities.
- The venue will also include the Admiral Sir Donald Gosling IT Learning Centre which will be a place for people to develop skills with access they may not have at home. This will also become the home of our on-site Lifeworks employment courses.
- We will be continuing to source funding to complete the final phase of development at the Centenary Village through big gift fundraising and land sale receipts.
- We will continue the major upgrade programme for our Village embracing environment and housing changes. With the costs of utilities in our new homes around 50% cheaper than in our older buildings, building new homes that are environmentally and financially sustainable will remain a priority.
- The sale of both care homes will spell a change in the way we offer care services, exploring sustainable ways of delivering care, with domiciliary care a key focus across the Village and beyond. Although this strategy has changed, we are proud that care services will continue on our Village.
- Once funds are secured, an additional 20 homes and apartments will be built at pace to complete our expansion programme at the Centenary Village – a key milestone in RBLI's proud history.

## Ray's story

Ray Edwards, 89, first came to Queen Elizabeth Court (QEC) as an NHS patient to recuperate following the death of his wife and is now a permanent resident on RBLI's Village.

Ray served for 22 years in the Royal Signals after initially joining at the age of 20. During his time in the military, Ray served in the UK, Germany, Cyprus and China.

Ray married his wife, Olive, three months before he joined the Army. She went on to take care of Ray in later life. "As I had heart failure, Olive looked after me, but when she developed dementia, it became too much. Eventually she agreed to go to hospital, and I went with her, thinking it was just for moral support, but they kept me in."

Sadly, Olive passed away just five days after being admitted to hospital and Ray was discharged a couple of short days later. This was when he moved to his temporary home at QEC.

“Moving in was absolutely fantastic. It felt like home right away.”

“Coming from hospital, and having a little place of my own here, with carers looking after me who were outstanding as they checked I was ok, gave me the confidence to relax as I didn't have to fend for myself. Being able to recuperate at QEC and then moving into the flat was seamless and helped me.”



# Social Enterprise

## Key achievements for 2023-24

- RBLI has continued to prioritise employment opportunities for veterans and people with disabilities, including recruiting an additional three veterans on traineeships funded by the Scottish Veterans Fund and the MacRobert Trust, supporting another three veterans into paid full-time employment, and four veterans completing their NVQ Diploma in Manufacturing Operations.
- In April 2023, this great impact was recognised with SBMC being awarded the inaugural King's Award for Enterprise for Promoting Opportunity which has resulted in coverage and further pledges.
- Sales of signs have been strong across our social enterprise with £3m achieved in revenue at BBMC, an increase of 32%.
- Increased production capacity was aided by the inception of split working shifts and the installation of cameras so they can be left on in the evening with monitoring via an app. HW Martin kindly donated a new printer to support current production requirements and future growth.
- BBMC also secured a multi-year contract with Network Rail for providing trackside signage.
- The National Highways procurement challenge exceeded its £1m target.
- SBMC's tender for the Scotland Excel Framework was successfully renewed, allowing local authorities to continue purchasing directly from SBMC without entering a tender process.
- Several new customers were secured by SBMC with companies such as RJ MacLeod, George Leslie Ltd and Story Contracting becoming regular customers. SBMC also received renewed commitment from Scottish Prisons and successfully tendered for Scottish Canals to the value of £250k over the next four years, and support from The John Scott Charitable Trust, The National Lottery Community Fund, and The Royal Navy and Royal Marines Charity.
- We opened the Jackie Johnson Training Suite at SBMC, named after an inspirational woman who left a huge mark within the fundraising sector. In conjunction with this, SBMC's Training and Development Manager role was extended for another three years thanks to funding from The Veterans' Foundation, enabling us to deliver SVQ Level on-site.
- Our pallets division produced a total of 235,000 pallets this year, signalling an increase in pallet production of almost 7%. Despite this, increased operating costs played a huge part in financial performance, as did the purchase price of wood, ultimately resulting in the decision to divest this part of our social enterprise.
- Our print site in Leatherhead brought in £900k in sales, an increase of 20% in total orders compared to the previous year, with National Lottery support helping the team expand their work on new product lines.
- RBLI's shop welcomed 16,719 customers and sold 32,949 products, with the Remembrance period alone generating £300k of revenue.
- One retail highlight was the launch of a new range of products licenced by the MOD with the team at SBMC adopting new techniques to print regimental cap badges directly onto this range. This has resulted in over 2,500 products being sold to a new audience with close military links.
- Fulfilment had a strong year too with an increase of orders from our regular customers resulting in £35k revenue over budget.
- Our social enterprise also expanded its commercial signage portfolio - a key aim for this year - to include projects for golf courses, luxury hotels and office fitouts.



## Plans for 2024-25

- We will grow our signs business by 15% by diversifying into new markets.
- A crucial part of this growth plan will include building a new BREEAM excellent-rated factory in Aylesford with sustainability innovations firmly in mind. Not only will this keep us in line with ambitious growth plans by maximising production, but this will ensure we can support more people with an additional 30 job opportunities to place veterans at the forefront of UK manufacturing.
- Fundraising will begin for this new factory in Aylesford through a £12.5m fundraising campaign headed up by General The Lord Dannatt.
- To achieve targets, there will be more flexible and integrated working across our social enterprise to create one 'virtual factory' effectively utilising all equipment, skills and capacity moving forward. This joint working is expected to have a positive impact on orders, creating greater revenue across all sites.
- We will also expand our reach by working towards securing an exciting social value partnership with Network Rail, alongside working with customers, donors and partners to treble social value impact.
- Bear Scotland's further commitment to SBMC as their primary supplier until 2030 will represent approximately £1m worth of business over this period.
- Scottish Government will increasingly encourage public bodies to prioritise social value; a commitment we expect to have a positive impact on orders at SBMC.
- We will be investing in perfect binding machinery at our Leatherhead factory to increase our capability, reduce our cost and enable us to offer this service to customers.
- RBLI's online shop aims to surpass the milestone of 100,000 customers within this financial year.
- Our intention is to develop national corporate partnerships to sell our products in stores nationwide.

## Tirtha's story

Tirtha Thapa, a third generation Gurkha who is originally from Nepal, dreamed of following his family into the British Army. His ambitions were realised in 2005, when, at the age of 21 he was selected to join the 1st Gurkha Rifles.

During his seven year service Tirtha undertook two tours of Afghanistan. During his second tour he was on foot patrol and stepped on a IED, losing his left leg above the knee.

Tirtha found the process of leaving the Forces traumatic. He was facing loneliness and was unsure of his future, mourning the loss of the career he was so proud of.

He was in rehab for almost two years when he didn't think he would work, or even walk again. He couldn't imagine his future.

At Britain's Bravest Manufacturing Co, RBLI's social enterprise, Tirtha found what he calls his second life and family as a Team Leader in the Signs manufacturing department.

“BBMC gave me a second chance. Being here is like a family.”

Tirtha loves working at BBMC as he has colleagues around him who understand his life and everything that he's been through as they have similar shared experiences.

This, Tirtha says, has helped him come to terms with the challenges he faced as a result of his service injuries.



# Welfare

## Key achievements for 2023-24

- RBLI helped 14 residents move out of emergency accommodation and move on to other supported or independent accommodation; a key measurable success for RBLI.
- RBLI's STEP-IN programme provided 69 different residents across the Village with welfare support.
- A total of 316 welfare meetings were recorded across the Village, with 247 of those taking place at Mountbatten Pavilion; our emergency direct access accommodation. This figure signalled a 113% increase in welfare meetings with some of our most vulnerable residents.
- We moved in eight new residents to Mountbatten Pavilion using a newly developed referral and assessment process aimed at being easier for veterans to complete.
- Op Fortitude, a gateway for homeless veterans to apply for short term housing, has been a major player in our referral streams. After signing up, we received 17 referrals between January and March 2024. Op Courage too provided support for our mental health services.
- The Armed Forces Covenant Fund Trust made a generous contribution to the cost of our STEP-IN welfare programme through its fund dedicated to reducing veteran homelessness.
- Working in partnership is still a core objective at RBLI and this is emphasised in our welfare programme through increased work with PTSD Resolution and Change Grow Live, who provide support to our veterans suffering with the effects of Post Traumatic Stress Disorder (PTSD) or addiction.
- This year, RBLI partnered with Positive Transition to provide a digital tool for our beneficiaries to support areas including housing and welfare.
- We have continued our existing activities programme with water sports and other activities such as equine therapy and camping trips, while growing the programme with the addition of healthy eating and cooking courses.
- Over the past year, our weekly intergenerational coffee shop and 'scoff club' continue to be huge successes with an average of 15 to 20 Village residents attending both events. Both events were set up by RBLI staff and are now run by veteran volunteers.



## Plans for 2024-25

- RBLI will deliver more mental health support and Move On outcomes, while our STEP-IN model will continue to grow across the Centenary Village.
- A major part of this will result from an evaluation of mental health support and Move On outcomes in partnership with the Armed Forces Covenant Fund.
- We have a target to maintain full occupancy at Mountbatten Pavilion while enrolling 100% of residents on the STEP-IN programme.
- Further plans are in place to work in partnership with other welfare services, including winning new statutory programmes, to improve quality and speed of delivery to our beneficiaries.
- We will continue to raise funds specifically for mental health support through our STEP-IN welfare programme.
- There will be a new activity programme for residents across the Village aimed to encourage more active lifestyles and improve mental health, including the opening of a gym in our new Community Centre.
- Increasing our existing summer events calendar will also mean additional sessions for offsite activities.
- Work will be done to explore opportunities for more of our residents to volunteer with the Charity.
- RBLI will be investing in new fit-for-purpose furniture for Mountbatten Pavilion including new beds and mattresses in every room, with two rooms being kitted out with specialist wardrobes and desks manufactured for environments such as this.

## Ian's story

Ian Warrington, 57, served with the Royal Engineers from 1984 to 1994, seeing active service in the First Gulf War in 1991.

After his career in the services, Ian moved into the world of armoured security, followed by a stint as a driver. Ian was later medically retired after suffering a heart attack. More difficult changes in his personal life followed, leading to him becoming homeless for around 18 months before moving into RBLI's Mountbatten Pavilion in September 2023.

Ian states, "Since living here, RBLI has helped me through its STEP-IN welfare support programme, and I meet with PTSD Resolution at Mountbatten Pavilion. RBLI and the Royal Engineers Association have helped me overcome different issues, such as accommodation, money, PTSD, and medical issues.

“Since living here, RBLI has helped through its STEP-IN welfare support programme.”

"At Mountbatten Pavilion, I'm with like-minded people. They may be from different Regiments, but we've all got our reasons for being there. We have a joke and a laugh, have a coffee together, but don't invade each other's privacy. It's all part of our peer support and helps when we talk and laugh together."

Ian is now looking to move into his own accommodation; "I'm looking for accommodation, and the RBLI team is helping with that."



# Lifeworks

## Key achievements for 2023-24

- This year we concluded a 12-month long evaluation of the Lifeworks programme. Conducted by Community Enterprise, one key stat identified that 80% of Lifeworks participants reported being in work within 12 months.
- The report also highlighted the financial benefit to the UK economy as each veteran returning to employment brings in £23,100.
- Lifeworks increased the number of courses delivered last year to 36 courses across the UK.
- Our digital marketing strategy resulted in 750,000 veterans being reached by paid social advertising, with over 1,200 filling in a contact form.
- More than 100 veteran participants attained their SQA accreditation, providing tangible evidence of their commitment to prospective employers.
- Working in partnership was a key aim again this year and the team worked more closely with others including The Forces Employment Charity, The Poppy Factory, and Blind Veterans UK.
- With support from Op Nova and other partners, we developed an online version of the course trialled to support veterans from the criminal justice system into work.
- RBLI's Lifeworks programme attracted generous support from The Army Benevolent Fund, Barclays, The Veterans Fund, The Calleva Foundation, and Greenwich Hospital.
- In July 2023, with the support of colleagues at SBMC, the Scottish Qualifications Authority (SQA) approved our Lifeworks course for an internationally recognised employability award.



## Plans for 2024-25

- Lifeworks will be delivering face-to-face courses in new locations this year, including supporting veterans in Northern Ireland, and will continue to commit to our MoD partnership for all Forces at medical discharge.
- With the support of the Armed Forces Career Development Fund, the Lifeworks programme will be expanding to provide bespoke support for families of veterans and of serving personnel located at key Garrisons across the UK including Catterick, Edinburgh, Wiltshire, and Colchester.
- RBLI has recently partnered with Positive Transition to provide a digital tool for our beneficiaries to support in key areas such as training, housing, welfare, and finance. This year, Lifeworks will feed into this tool to provide additional digital employment support to all delegates.
- On-site Lifeworks courses will be able to take place at our new IT suite at RBLI's Centenary Village, providing an inspirational setting for the course as well as access to better resources.

## Patrick's story

Patrick had served in the London and Scottish Regiment, and subsequently in the Royal Navy but, like so many veterans, he faced some tough challenges when he left the services.

Despite having served in the Armed Forces for 10 years, job hunting and interviews were daunting, and negative thoughts regularly entered his mind. Patrick notes, "I've worked with people from every part of the world, but not knowing what civilian life will hold and if you'll fit in was hard."

“Life isn't easy but you must accept it and make a change. Every veteran who's looking to find work or change their job should go through the Lifeworks programme.”

Patrick pursued opportunities in cyber security, but was unsuccessful in his applications, leading to a detrimental impact on his mindset and motivation. Patrick recalls, "the Transition Officer recommended Lifeworks, and from the first email, it was life changing." He subsequently attended a four-day residential course as part of RBLI's award-winning programme where he instantly felt at home. "The trainers helped change my negative mindset. I took everything on Board and followed the process. Lifeworks taught me many lessons."

Within three weeks of completing the course, Patrick landed a job in the cyber security industry and declares that "without Lifeworks that wouldn't have been possible."



# Fundraising

## Key achievements for 2023-24

- In 2023-24 our generous supporters gave £4.7m.
- The Great Tommy Sleep Out raised over £1m - an increase of over 100% with almost 8,000 individuals and 800 groups taking part - with BAE Systems becoming the first corporate sponsor of The Great Tommy Sleep Out.
- The Chairman of RBLI's Board of Trustees again hosted The Chairman's Great Tommy Sleep Out where he was joined by 25 senior leaders raising £50k, an increase of 56% from 2023.
- Other virtual fundraising activity raised around £100k across our Tommy 10k and the 10,000 Steps in January challenge.
- The team continued to grow our in-person events with RBLI's annual golf day in October hosting 27 teams, a new running event in December with almost 200 participants, and Tommy Teas hosted by individuals and companies around the UK.
- Our Christmas Appeal, highlighting the importance of RBLI's Village in providing community and reducing social isolation, raised £45k from our generous supporters.
- Our Tommy Club continues to provide a community to its Champions through a newly styled magazine and re-designed sign-up pack.
- Our partners Barratt Developments provided a Remembrance Match Fund totalling £75k which went towards RBLI's Centenary Village.
- RBLI were proud to be a finalist at the Charity Film Awards, further enhancing brand awareness and boosting donations.

## Plans for 2024-25

- The team will aim to double fundraising income through The Great Tommy Sleep Out as we look to build upon one of the UK's most successful fundraising campaigns.
- In June we will mark the 80th anniversary of the D-Day landings with a range of activities including a 44k Trek, a virtual event inviting participants to cover 80k during the month of June, and an appeal to find new supporters. With military anniversaries forming a key part of RBLI's strategy, we expect this anniversary to bring additional success across our fundraising programme.
- Another key focus will be on creating more long-term supporters through our Tommy Club and the introduction of legacy giving.
- Regular donations have also been pinpointed as an area for growth and we will continue to find ways of gaining more regular givers and Tommy Club Champions.
- We will win more corporate partnerships to demonstrate the impact of the corporate and charity sectors.



**£4.7 MILLION**

raised by supporters during 2023-24



**£1 MILLION+**

raised by The Great Tommy Sleep Out



**£45K**

raised through our Christmas Appeal



# People

## Key achievements for 2023-24

- In March, we were re-accredited as a Disability Confident Leader having demonstrated clear and concrete evidence of our credentials across a range of criteria.
- This year, RBLI continued to commit to the Real Living Wage.
- Throughout the year, we ran the first cohort of the management development programme to equip managers with relevant skills relating to multiple areas including finance, data management, governance and people management.
- We successfully introduced training for staff in mental health, stress awareness and diversity to improve understanding of these key areas.
- We have continued to support staff's mental wellbeing through our team of Mental Health First Aiders who have had refresher training.
- A total of 201 people volunteered for 4,451 hours during the financial year.
- In February, we undertook a staff survey which incorporated questions across a range of different areas from communication to values. This was the first time a survey of this kind had been conducted with 60% of staff completing it.
- We have continued to embed our values throughout the organisation.

## Plans for 2024-25

- The Charity will continue to maintain a minimum standard of living for our staff by paying the real living wage, as a minimum, from April 2024. We acknowledge the financial impact of this decision but our people are the heart of what we do and how we deliver.
- We will finalise our evaluation of the results of the staff survey to identify an action plan for areas for improvement as we strive to be an Employer of Choice.
- This year will spell the introduction of 'values champions' as well as training linked to each value to help further embed them throughout the organisation.
- RBLI plans to continue improving staff communications and engagement with the introduction of the 'Inside RBLI' app; an app designed as a real-time way to keep one another updated, with colleagues without access to emails at front of mind.
- Plans remain in place to re-ignite our volunteer programme to support our beneficiaries over the coming 12 months and beyond.
- We will also further develop learning and development opportunities for all staff across all three sites.



### 2023/24

RBLI re-accredited as a Disability Confident Leader



### 60%

colleagues completed an in-depth staff survey on a variety of important topics



### 4,451

hours of volunteering took place at RBLI this year



# GOVERNANCE, MANAGEMENT & RISK

## Governing document

Royal British Legion Industries Ltd. (RBLI) is a charitable company limited by guarantee and was set up on 3 September 1919, when it was called Industrial Settlements (Incorporated) Limited. It is governed by Articles of Association which were last amended in October 2022. The Articles set out its charitable objects which are:

- The relief of those in need by reason of age, ill health, disability, or incapacity.
- The relief of the charitable needs of Members and former members of HM Forces, their relatives, and dependants.
- The advancement of education and training.
- The relief of unemployment for the benefit of the public in such ways as may be thought fit including assistance to find employment.
- To promote equality of opportunities for people with disabilities in relation to their access to employment.

As both a charity (registered charity numbers for England & Wales 210063 and Scotland SC048795) and a company (registered company number 0158470) RBLI is subject to both charity and company law. It is further subject to all relevant legislation within its geographical areas of operation, those being England and Scotland. The registered office of the Charity is situated in England.

During 2024 RBLI will be reviewing and updating the Articles of Association to ensure they are fit for the future.

## Reference and Administrative Information

The Trustees in office during the year and as at the date of this report, the Senior Leadership Team of the Charity, its principal places of business and its professional advisers, are set out on pages 61 and 62 of this report.

## Board of Trustees

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for the strategy, direction, and control of RBLI, including ensuring robust governance arrangements are in place. They govern in accordance with the Articles of Association, which

detail the decisions that are reserved for the Board and therefore cannot be delegated. This document also allows for delegation and therefore, authorisation can be given to individual Trustees, committees, or staff, to act on behalf of the Board in specific areas. The Matters Reserved for the Board and Scheme of Delegation document that was in place during the year will be subject to review and update during 2024.

The Board provides overall policy direction, and the management of the Charity is delegated to the Chief Executive and the Senior Leadership Team. The Board meets quarterly, and papers are made available prior to Board meetings including business plans and budgets.

The Articles of Association require that the Board of Directors consists of a minimum of two but not more than fifteen members of the Charity, excluding any ex officio members of the Board. Trustees are formally appointed at the Annual General Meeting in accordance with the terms they have agreed to serve. Where a vacancy arises during the year, the Trustees can co-opt a new Trustee, who will then be formally elected at the following Annual General Meeting.

Trustees are recruited based on the skills required on the Board. To support this a gap analysis is undertaken against the agreed skills and experience. The recruitment process, which is based on the Trustee Recruitment Policy, looks to ensure that there are a diversity of interests and experience brought to the Board. During the year three new Trustees were recruited, all of whom are members of a Board sub-committee. The skills gap analysis was reviewed during 2023, and a comprehensive Trustee recruitment programme run. After a successful campaign a significant number of new Trustees will join the Board during 2024. The new Trustees will bring new skills required for the current organisational change programme, such as digital transformation, as well as replacing three Trustees who have or will be retiring.

Newly appointed/elected Trustees are given induction training on their duties and responsibilities. This includes, although is not limited to, provision of key documentation such as Articles of Association, reports and financial statements and details of divisional work streams. In addition, on-Boarding visits to the various Royal British Legion Industries sites are undertaken at which introduction meetings

are held with key members of staff. There are several key policies in place for Trustees, including the Code of Conduct and Conflicts of Interest Policy, which are provided during this period.

The Board of Trustees holds strategy days with the Senior Leadership Team at least once a year. The Board reviews existing operations of the Charity and considers strategic options for the future. During the year the Trustees attended a number of events both on and off-site, including the Staff Awards and key visits.

## Board Sub-Committees

The Board has four formal sub-committees, all of which have approved terms of reference, are chaired by a Trustee with relevant experience and have a membership of Trustees, with the Chief Executive and other Senior Leadership Team members in attendance. One of these, the Social Enterprise Committee, was constituted during the year, with the first meeting being held in November 2023.

During the year the following committees were in place and held meetings at least quarterly in-line with the Board timetable.

### Care & Welfare Committee:

The Care and Welfare Committee considers all care and welfare matters across the Village, reviewing:

- standards of care within the care and welfare setting
- relevant risk registers
- significant incidents
- audit and inspection results

The committee is also responsible for providing updates in relation to any developments within the sector on both a local and national level.

### Estates Development Committee:

The Estates Development Committee is responsible for overseeing the Strategic Property Plan, which provides the vision for estates development across RBLI and overseeing any major property projects and overseeing the ongoing maintenance and development of the Village. It also reviews the Property Asset Management Plan, which details the maintenance requirements of the properties.

### Finance, Performance & Remuneration Committee (FPR):

The Finance, Performance and Remuneration Committee is responsible for reviewing the operational and financial performance of RBLI, considering strategic and corporate risks, and evaluating the effectiveness of the risk management approach. It also oversees the annual audit process.

### Social Enterprise Committee:

The Social Enterprise Committee is responsible for overseeing the strategy and operations for the social enterprise, which itself operates over three sites including one in Scotland and overseeing the operational and financial performance.

During 2023 the Board undertook a review of the governance structure in place. As a result, the committee structure will be subject to change in 2024, with the addition of an Audit & Risk Committee and a reallocation of some areas of responsibility. The Audit & Risk Committee responsibilities will include:

- providing oversight in all aspects of financial reporting, compliance, internal control, and risk
- evaluating and approving key policies for areas such as accounting and finance
- appointing and engaging with external and internal auditors

### Senior Leadership Team

The Senior Leadership Team (SLT), which comprises the Chief Executive and the divisional Directors, is the principal management committee for RBLI, given delegated authority for day-to-day matters through the formal Scheme of Delegation. All members are accountable to the Chief Executive and through this support the delivery of the short to medium term strategic decisions for the organisation. There are SLT meetings held every two weeks; covering both performance and strategy. Members of the SLT attend Board and sub-committee meetings when required, to present papers for their area of responsibility. The Chief Executive, Director of Finance and Performance and the Company Secretary attend all Trustee Board meetings.

# GOVERNANCE, MANAGEMENT & RISK (CONTINUED)

## Governance Developments

As noted in the previous annual report the Governance and Compliance Department was introduced in 2022. There is a Director in place with extensive experience in governance, risk management and assurance who oversees this function. This role also acts as the Data Protection Officer, Company Secretary and the Freedom to Speak Up Lead, the latter being a role introduced in March 2024 as part of the regular review of the Whistleblowing Policy.

The Governance team lead on risk, data protection and legal and regulatory compliance. They also handle policies and procedures and all company secretariat matters. In 2024 the team will be strengthened further. The governance training programme previously developed continues to be rolled out over the year.

The assurance framework developed in the previous financial year continues to be strengthened and now links with the review of the Articles of Association and Board sub-committees. The purpose of the assurance framework is to give sufficient, continuous, and reliable assurance to Trustees on RBLI's governance and management of the major risks thereby helping to ensure effective and efficient working practices. As part of this programme departmental heads provide an annual self-assessment against internal controls. These are summarised at a divisional level, approved by Directors, and at a corporate level. The corporate level summary forms the basis of an annual Statement on Internal Control, which is signed by the Chief Executive and the Director of Governance, Compliance and Business Systems on behalf of the SLT. Action plans have been established for areas where further work is required.

In support of the assurance framework a compliance programme is in place. This is risk based and areas reviewed during the year and to date include the care and welfare settings and undertaking mock-CQC inspections, data systems within property services and compliance with areas such as PCI DSS. Action plans are developed to address any weaknesses identified. All findings are reported to the relevant Board sub-committees and the Board in summary.

## Charity Governance Code

RBLI support the principles of the Charity Governance Code, as shown by the Board's formal adoption of this code in September 2021. During the 2023 / 24 financial year compliance with the Code was under constant review. An area identified in the previous year was the need to strengthen our approach to equality, diversity, and inclusion in relation to the membership of the Board. This was addressed during the 2023 recruitment campaign however will be continued to be monitored going forward.

As an organisation that strives for continual improvement, we will look during 2024 to strengthen the work undertaken previously in relation to the use of our data and systems and exploring the evaluation and monitoring of the Charity's impact. In December 2023 a role at Assistant Director level was created that includes impact within its remit.

## Supporter Promise

We set the highest standards for our fundraising and comply with the relevant charity and data protection laws. Our aim is that supporters and volunteers are able to give to and fundraise for RBLI with confidence and trust that their hard work and generosity makes a difference. We are members of the Fundraising Regulator and we comply with the Fundraising Code of Practice as well as keeping our records up to date with Fundraising Preference Service registrations.

We have a Supporter Promise that describes how we approach our fundraising activity with details of how to contact us if we fall short of this. We are a small team and in some cases we use third party agencies with specialist expertise to support our work. This is a more cost effective way of working than trying to do everything ourselves. Each external supplier has been carefully selected and we have in place a service level agreement which we closely monitor.

We believe in being transparent, open and honest in relation to our fundraising and in how we represent veterans and everyone who benefits from RBLI services. We are careful to engage them in the planning and ensure they have given permission before these materials are made available to our supporters or the general public.

## Public Benefit

The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's guidance on public benefit of the Charities Act 2011, when reviewing the Charity's aims and objectives and in planning future activities. The Senior Leadership Team are involved in strategic planning with the Trustees and their recommendations are then formally approved by the Board.

The Trustees are satisfied that the current and planned activities will continue to align and meet the public benefit requirement as outlined in the Charities Act 2011, namely through the promoting of community interests and assisting veterans and disabled people.

## Complaints

RBLI is committed to providing an excellent standard of service to all our beneficiaries, users, customers, and the organisations that we support across our diverse operations. Where we get this right, we encourage positive feedback. Where we get this wrong, we will seek to address and improve, taking all concerns and complaints seriously and aiming for resolution as quickly as possible.

We have an organisational policy and procedure in place for complaints, which is underpinned by local procedures and processes. The procedure details who will respond and investigate complaints, depending on what the complaint may be about. It also details the three-stage process in place for complaints and how to move on to the next stage if the complainant is not satisfied.

We seek to investigate complaints at a local level wherever possible, with the relevant Director having oversight, moving through the stages if required. We also aim to meet the deadlines set within our procedure. During the year we did not always meet this standard and are working to streamline our processes to ensure this measure improves going forward.

## Risk Management

A Risk Management Strategy was developed in late 2020, which sets out the high-level risk management framework including how to address risks at different levels. RBLI aims to have a risk aware rather than risk averse culture and accepts that the avoidance of risk

at all costs is unrealistic; to take opportunities in areas such as the development of the Centenary Village a certain level of risk is required. These risks however need to be managed to within an acceptable framework.

RBLI maintains risk registers at departmental, divisional, corporate, and strategic level. There is a mechanism for escalation of risk. The corporate risk register, which is produced as an escalation of divisional risks, is discussed at SLT meeting every two weeks. Divisional Directors are responsible for ensuring the risks within their area are managed to an acceptable target risk level.

The strategic risk register, which contains the risks identified by the Trustees and the SLT, are reviewed at every Board and SLT meeting. The FPR Committee reviews this register in more detail, reviewing individual risks together with the associated controls. During the year a mapping exercise was undertaken to ensure all strategic risks are discussed in sufficient detail at sub-committee and Board level.

The training programme for governance introduced in the previous year continued.

As in the previous year the appetites given on a risk-by-risk basis have been reviewed in support of RBLI's overarching risk appetite statement. The statement, which is the same as the previous year, is given below:

*'RBLI has no risk appetite for any health and safety or safeguarding risks that could result in injury or harm to staff, volunteers, residents, beneficiaries, or any other relevant stakeholder. The safety and care of others is behind everything we do, and we will continue to ensure robust controls are in place to mitigate risks in these areas.'*

*In addition, the tolerance levels set for the failure to comply with legislation and regulations or for financial loss is low and accordingly we continue to review the controls in place within these areas to ensure that there is no negative impact on the people we employ, care for and support.'*

*As an organisation that is risk aware rather than risk averse, RBLI is willing to acknowledge and therefore accept that occasionally there may be risks arising in relation to areas such as the cultural change programme we are currently undertaking and the recruitment and retention of staff, which may materialise. As with all the risks we face these remain under review and work continues to reduce the likelihood and mitigate any potential impact.'*

# GOVERNANCE, MANAGEMENT & RISK (CONTINUED)

## Strategic Risks

In the table below we have shared what we consider to be the main strategic risks to the achievement of our strategy. These are based on the strategic risk register at the year-end, updated to reflect any changes since that date.

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<p><b>Health and Safety</b> In a complex organisation such as RBLI there are potential health and safety risks to staff, in particular within our manufacturing businesses, if training and awareness is not maintained or we operate with an insufficient maintenance programme for machinery and building.</p>	<ul style="list-style-type: none"> <li>Good level of resources in place, including across the organisation</li> <li>Risk assessment process</li> <li>Equipment inspections</li> <li>Programme of training, inspections, and audit in place</li> <li>Developing health and safety support roles within each division</li> <li>Strengthening governance through revision of the health and safety committee structure and providing IOSH training across the organisation</li> <li>Strengthening reporting processes through introduction of specialist health and safety software</li> <li>Revisiting building maintenance programme</li> </ul>
<p><b>Financial Performance</b> Reduction in reserves and cashflow because of lower occupancy rates in Living, lower sales in manufacturing, higher use of agency care staff or general cost increases that cannot be passed on to customers.</p>	<ul style="list-style-type: none"> <li>Cost reduction programme</li> <li>Annual budget setting process, which includes review and challenge from SLT and Trustees</li> <li>Management of working capital, particularly stock and receivables</li> <li>Monthly performance reviews led by Chief Executive and Director of Finance and Performance</li> <li>Annual going concern exercise</li> <li>Extensive use of KPIs and dashboards</li> <li>Finance Committee and Audit &amp; Risk Committee</li> </ul>
<p><b>Attracting and retaining staff</b> The current active employment market results in difficulty recruiting and/or retaining staff and higher costs through greater use of agency staff.</p>	<ul style="list-style-type: none"> <li>Strong marketing campaigns for recruitment into the care settings</li> <li>Initiatives to improve staff engagement such as the Chief Executive's Roadshows and Tactical Teams</li> <li>Staff Forum</li> <li>Open-door sessions</li> <li>Strong training programmes</li> <li>Organisational values, which were developed through collaboration with staff</li> <li>Training and development programmes</li> </ul>

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<p><b>Legislation and regulations</b> Non-compliance with laws and regulations because of inadequate training could result in reputational damage, regulator intervention and fines and associated financial loss.</p>	<ul style="list-style-type: none"> <li>Internal support provided by the Governance Team</li> <li>Director of Governance, Compliance &amp; Business Systems has oversight</li> <li>Robust employment processes that ensure the employment of competent staff</li> <li>Continual training in key areas such as GDPR</li> <li>Formal review processes such as audits</li> <li>Monitoring programmes</li> </ul>
<p><b>Organisational and cultural change</b> As we continue with a period of organisational and cultural change, poor communication and insufficient project management could result in delays in the transformation programmes.</p>	<ul style="list-style-type: none"> <li>SLT meetings every two weeks</li> <li>Managers' training programme in place</li> <li>Staff forum</li> <li>Regular team meetings</li> <li>Cross committee working</li> <li>Revisit of sub-committee structure and Article of Association</li> <li>Stronger Performance Development Plans introduced around organisational values</li> </ul>
<p><b>Cyber Security</b> Lack of continued training and investment in security could cause data breaches and the resulting reputational damage and fines.</p>	<ul style="list-style-type: none"> <li>Regular testing, both internally and using external providers</li> <li>Ongoing training</li> <li>Policies and procedures</li> <li>Automated controls</li> </ul>
<p><b>Business Continuity</b> Inadequate planning and training could result in the delayed recovery from a business continuity event, resulting in reduced operational capacity, income loss and reputational damage.</p>	<ul style="list-style-type: none"> <li>All key documentation currently under review</li> <li>Training ongoing</li> <li>Learning taken from any actual incidents and improvements made if necessary</li> <li>Alternative working arrangement set up</li> <li>Arrangements in place within manufacturing to move work to other sites</li> <li>Technology solutions such as back-ups in place</li> </ul>

# GOVERNANCE, MANAGEMENT & RISK (CONTINUED)

## Directors' Indemnities

As permitted by the Articles of Association, the Charity indemnifies the Directors/Trustees against any liability incurred in that capacity to the extent permitted by the Companies Act. In addition, an insurance policy is in place for Directors & Officers, the amount covered in the financial year being £2m.

## Disclosure of Information to Auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

## Independent Auditors

BDO LLP were reappointed by the Board as auditors of the Charity for the 2023-24 financial year.

## Trustees' duty to promote success of the Charity – Section 172 statement

Trustees have a duty to promote the success of the Charity under section 172(1) of the Companies Act 2006. As the Trustees of RBLI, we always act in good faith and would promote the success of the Charity for the benefit of its members as a whole and in doing so have regard, amongst other things to:

- The likely consequences of any decisions in the long term
- The interests of employees
- The need to foster the Charity's relationships with third-party stakeholders
- The impact of the Charity's operations on the

community and the environment

- The desire for the Charity to be best in class for providing support to beneficiaries
- The need to act fairly and equally towards our members

The Trustees of RBLI consider, both individually and together, that they have acted in good faith to achieve the above. The Trustees delegate day to day management and decision making of RBLI's operations to its Chief Executive and Senior Leadership Team and this plays a key part in ensuring the Trustees' duty in this area is fulfilled. Trustees are members of various committees with senior staff in attendance at which regular operational updates are provided.

More strategic updates are provided at Board meetings to ensure the Charity is on target to meet its strategic objectives to beneficiaries and the wider community.

## Our environmental commitment

As a respected charity which puts care for individuals at its heart, not only do we need to ensure the wellbeing of our beneficiaries, but we must go beyond this to ensure that all we do minimises our impact on the environment. As such, reducing our carbon footprint, waste and caring for the natural resources we own are all accepted, and even expected ways to create impact.

The Environmental Management System continues to be accredited to ISO14001 and is core to RBLI's continuous improvement in reducing our impact on the environment.

Our methodology for reporting emissions is based upon the requirements for reporting under the UK Energy Savings Opportunity Scheme (ESOS). In

summary, this includes energy where RBLI is billed directly by the utility company. This includes where utilities are re-charged to third parties. Where tenants are billed directly for their own energy consumption and RBLI has no operational control, this is excluded from the following:

		23/24	22/23
		KWh (000)	KWh (000)
SBMC	Electricity	63	70
	Gas	292	269
Leatherhead	Electricity	9	10
	Gas	42	38
Aylesford	Electricity	877	735
	**Gas	1,946	1,999
<b>Total</b>		<b>3,229</b>	<b>3,121</b>

Emission calculations are derived from billing data. Where bills did not complete for a full year, an estimate based upon previous consumption has been included.

Moving forward RBLI has set carbon-reducing targets as follows:

Obtain a scope 2 emissions net neutral position for all RBLI Manufacturing – 2024

Obtain a scope 2 emissions net neutral position for all RBLI – 2024/25

Obtain a scope 3 net zero by for all RBLI – 2035.

RBLI is finalising its phase 3 ESOS submission based upon the energy consumption. Improvements and lessons, as advised by the external ESOS auditor are being applied to improve the overall reporting of energy in RBLI. This informs our Environmental Management System and supports other energy reporting requirements such as Streamlined Energy and Carbon Reporting (SECR). This also provides confidence in taking action to achieve our net neutral targets.

RBLI continues to implement improvements and projects to reduce the environmental aspects. Planning for new buildings include minimising the impact on environment both during development and when in service.

RBLI's policy statement is published on our website.

# FINANCIAL REVIEW

In 2023-24, RBLI's total income increased to £26.7m (2022-23: £26.0m) and total expenditure increased to £24.3m (2022-23: £23.2m). Net income for the year, after interest and including gains and losses on the investment portfolio was £2.4m (2022-23: £2.7m). The net increase in funds, was £2.4m (2022-23: £2.7m).

## **Fundraising - income £4.7m (2022-23: £4.0m)**

We continue to be hugely grateful for the Grants and Donations that we receive from our donors and the fundraising activity undertaken by our donors. Unrestricted fundraising income from individuals, corporates and friends totalled £1.7m (2022-23: £1.4m). Our hugely successful Tommy Sleep Out campaign raised £1.2m this year of which £1.0m has been recognised in 2023/24.

During the year donations totalling £1.4m were received to support the latest stage of the Centenary Village development. Construction of the Community Hub building, and additional veteran accommodation began in July 2023 and is due to be completed in 2024/25.

During the year we received a grant of £1.5m to fund exploratory design and survey work for a potential new BBMC factory on the RBLI Village.

## **Living - income £7.8m (2022-23: £6.3m)**

We achieved 96% occupancy across RBLI's portfolio of accommodation for much of 2023/24, a significant improvement on prior years. This also represented the first full year of income from Greenwich House, Sapper House and Bradbury House which were opened during 2022/23. Both these factors produced the significant increase in Living income in 2023/24. Recruitment challenges in the UK care sector continued throughout the year and we saw a very significant increase in agency care costs which have impacted adversely on the financial results of RBLI Living. By the end of the financial year agency staff costs were much reduced. During the year we refurbished and improved a number of our older properties

## **Social Enterprises – BBMC income £6.7m (2022-23: £6.1m), SBMC income £1.6m (2022-23: £1.7m)**

It was a mixed year for our social enterprises, with BBMC's wood products business continuing to be adversely impacted by increasing labour and utility costs, the slowdown in demand for fruit bins and pressure on pallet prices and margins.

The Signs business in Aylesford continued to grow with additional road signage sales balancing a reduction in rail work. Sign

sales in Scotland were impacted adversely a by a reduction in both road and rail work.

## **Employment Solutions (including Lifeworks) - income £1.0m (2022-23: £2.7m)**

Our Lifeworks programme has been building since its relaunch, running more courses, both online and in person, and helping a larger number of veterans to develop the skills and confidence to find employment and build a new career. We continue to receive multi-year funding for the programme from Barclays.

As noted last year our involvement with the Building Better Opportunities programme on behalf of the National Lottery Fund and the European Social Fund and the Access to Work programme for the Department of Work and Pensions ended in June 2023.

## **Expenditure - £24.3m (2022-23: £23.2m)**

All areas of RBLI have continued to be impacted by the sharp increase in utility costs, IT costs and agency labour costs as well as by inflationary pressures on materials and salaries. We continued to strengthen the Finance, Governance and Risk functions. Once again salary increases across the organisation have been weighted towards those with lower salaries and we

continued to increase our lowest salaries in line with the National Living Wage.

## **Tangible Fixed Assets - £32.3m (2023: £30.7m)**

During the year, Trustees continued their review of RBLI's property portfolio and made the decision to dispose of the final four bungalows in Hermitage Lane, four houses that RBLI owned in Hall Road, Aylesford and a parcel of land on the RBLI Village.

The sale of the Hall Road houses was completed on 28 March 2024 for consideration of £1.0m. The Hermitage Lane bungalows were sold at varying dates during the financial year for total consideration of £3.1m. The properties were held at historical cost and we have recognised a profit on sale of £1.8m relating to these transactions.

The sale of the land was completed on 20 November 2024, for consideration of £2.6m. The land was held at historical cost. We have recognised a profit on sale of £2.53m in relation to this transaction.

During 2023-24, £2.4m was spent on Phase 2B of the Centenary Village development. This stage of the development will be completed during 2024/25 and the accumulated cost at the date of completion will be transferred from assets under construction to freehold land and buildings and plant and machinery.

Land and Buildings are shown on the balance sheet at historical costs with buildings shown net of depreciation. These assets have not been restated at market value. The one exception to this is the properties transferred to RBLI from the Vanguard Trust, which are shown at market valuation as at 2018. A professional valuation of the land transferred to the Charity in 1919 has not been undertaken. The Trustees believe that the market value is significantly higher than the negligible net book value reflected in tangible assets.

## **Working Capital**

As part of a focus on improving cash flow, the management of raw material stock and the processes around invoicing and the collection of receivables, continue to be closely monitored. Raw material stock has reduced from £0.9m to £0.7m over the year to 31 March 2024.

## **Pension Scheme**

RBLI participates in the Royal British Legion Staff Defined Benefit Pension Fund (the Fund), which was closed to new entrants in 2002. RBLI also operates a Defined Contribution Group Personal Pension Scheme.

The Fund is a UK registered, trust-based, multi-employer defined benefit scheme. An actuarial valuation on the defined benefit is carried out every three years. The last actuarial valuation was performed as at 1 April 2023

which revealed a funding surplus of £ 3.0m. In 2023/24 RBLI paid to the scheme annual deficit contributions of £161k and an annual contribution of £51k to cover its share of the expenses of the scheme. Following the 1 April 2023 valuation, the Trustees of the scheme have agreed that from 1 February 2024 RBLI is not required to pay annual deficit contributions and all expenses will be met by the Fund.

RBLI have granted a charge over RBLI's factory building at Aylesford in favour of the Trustees of the scheme. The value of the charge is capped at the smaller of RBLI's share of the Fund's deficit and £1.2m.

The valuation is updated on an annual basis. The latest valuation showed an actuarial gain for the defined benefit pension of £678k with a net asset value of £1,197k (2022-23: a net asset of £852k). This improvement has arisen as a result of changes in assumptions, mainly the increased discount rate, and also due to the annual contributions that RBLI is making. This asset has not been recognised in the financial statements because Trustees do not have certainty that it will be recovered through future reductions in contributions.

# FINANCIAL REVIEW (CONTINUED)

## Reserves - £34.7m (2023: £32.3m)

In total, RBLI increased its reserves by £2.4m. Unrestricted Funds increased by £1.1m and Restricted Funds increased by £1.3m. Restricted Fund net income for the year was £3.0m and Unrestricted Funds net expenditure was £0.6m - a loss from operations of £4.6m was partially offset by a £4.3m gain on the sale of assets. Following completion of the second phase of Centenary Village, funds totalling £1.7m have been transferred from Restricted Funds to Unrestricted Funds.

Historically, RBLI's reserve policy has been to hold a sum of money as designated funds to provide an operating reserve of £5m (approximating to three months operating costs) and a £5m reserve to cover RBLI's contribution to planned future projects and developments. Following the completion of Bradbury House, Trustees decided to release the designation on the reserve for future projects and developments. RBLI will continue to look for opportunities to develop RBLI's Village but will do so through fundraising and utilising RBLI's funds as and when cash reserves permit. RBLI holds £3.1m as free reserves in unrestricted funds. RBLI will continue to build these free reserves to the value of the operating reserve in the designated funds as part of its three-year plan.

## Going Concern

RBLI continues to prepare its financial statements on the basis that it is a going concern. In doing so it has considered the potential risks that it faces and has put in place a number of actions to manage these.

The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75 acre site, the Market Value of which is not wholly reflected in the net asset position of the organisation.

Throughout 2023-24, RBLI has been focussed on rebuilding its liquid reserves and funding a turnaround in the financial performance of its operations, through asset and investment sales. This process is continuing into 2024-25.

The organisation has recently completed a strategic review of all its activities and the preparation of a three-year financial plan. This plan encompassed fundraising plans, a detailed review of trading performance, capital expenditure plans and planned asset sales. This strategic review has led to a number of key decisions including the sale of Bradbury House and Appleton Lodge, and the divestment of the Timber products division from BBMC.

Having completed this exercise Trustees, have reasonable expectation that RBLI will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgements and accounting 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
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Act (Scotland) Regulations 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.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

This Trustees' Report, including the Strategic Report, has been approved by the Board of Trustees, is authorised for issue and is signed on their behalf.



**STEVEN ROWBOTHAM**  
RBLI Chairman

19 November 2024

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RBLI

## Opinion on the financial statements

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 incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Royal British Legion Industries Limited ("the Charitable Company") for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

## Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

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 misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

## Extent to which the audit was capable of detecting irregularities, including fraud

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:

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RBLI (CONTINUED)

## **Non-compliance with laws and regulations**

Based on:

- our understanding of the Charitable Company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations that have a direct impact on the financial statements to be the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be taxation legislation, health and safety legislation, employment law and data protection.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

## **Fraud**

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Charitable

Company's policies and procedures relating to:

- detecting and responding to the risks of fraud; and

- internal controls established to mitigate risks related to fraud.

- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the posting of fraudulent journals, and bias in key accounting estimates.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- assessing significant estimates made by management for bias, including:
  - the valuation of liabilities that underpin the defined benefit pension scheme position (by involving our own actuarial experts); and
  - the provision for irrecoverable debtors (by reviewing the recovery of a sample of debtors, and recalculating the provision based on the Charity's policy).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate

concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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## **JILL HALFORD (Senior Statutory Auditor)**

For and on behalf of BDO LLP, Statutory Auditor  
London, UK

Date: 21 November 2024

BDO LLP is a limited liability partnership registered in England and Wales  
(with registered number OC305127).

# FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR YEAR ENDED 31 MARCH 2024

	Note	23-24			22-23		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Income and Endowments from</b>							
Donations and Legacies	2	1,726	2,936	4,662	1,368	2,674	4,042
<b>Charitable activities – continuing</b>							
Employment Solutions		201	332	533	192	290	482
Scotland's Bravest Manufacturing		1,293	297	1,590	1,396	308	1,704
Britain's Bravest Manufacturing		6,460	194	6,654	5,966	172	6,138
RBLI Living		7,613	232	7,845	6,108	167	6,275
Shop		429	-	429	731	-	731
<b>Total charitable activities – continuing</b>	4	<b>15,996</b>	<b>1,055</b>	<b>17,051</b>	<b>14,393</b>	<b>937</b>	<b>15,330</b>
Investment Income and interest receivable	3	221	-	221	94	-	94
Gains/(Losses) on sale of assets		4,326	-	4,326	4,269	-	4,269
<b>Total income - continuing</b>		<b>22,269</b>	<b>3,991</b>	<b>26,260</b>	<b>20,124</b>	<b>3,611</b>	<b>23,735</b>
<b>Charitable Activities - discontinued</b>							
Employment Solutions		357	62	419	2,209	-	2,209
<b>Total Income</b>		<b>22,626</b>	<b>4,053</b>	<b>26,679</b>	<b>22,333</b>	<b>3,611</b>	<b>25,944</b>
<b>Expenditure on:</b>							
Raising Funds		2,479	-	2,479	1,569	19	1,588
<b>Charitable Activities - continuing</b>							
Employment Solutions	5	211	416	627	688	211	899
Scotland's Bravest Manufacturing	5	1,794	345	2,139	1,855	303	2,158
Britain's Bravest Manufacturing	5	8,503	164	8,667	7,640	172	7,812
RBLI Living	5	9,619	113	9,732	8,151	189	8,340
Shop		232	-	232	413	-	413
<b>Total Expenditure - continuing</b>		<b>22,838</b>	<b>1,038</b>	<b>23,876</b>	<b>20,316</b>	<b>894</b>	<b>21,210</b>

	Note	23-24			22-23		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Charitable activities - discontinued</b>							
Employment Solutions		385	23	408	2,003	-	2,003
<b>Total Expenditure</b>		<b>23,223</b>	<b>1,061</b>	<b>24,284</b>	<b>22,319</b>	<b>894</b>	<b>23,213</b>
<b>Net Income (Expenditure) before investment gains or losses</b>		<b>(597)</b>	<b>2,992</b>	<b>2,395</b>	<b>14</b>	<b>2,717</b>	<b>2,731</b>
Gains/(Losses) on investment assets		-	17	17	(47)	(3)	(50)
<b>Net Income/ (expenditure)</b>		<b>(597)</b>	<b>3,009</b>	<b>2,412</b>	<b>(33)</b>	<b>2,714</b>	<b>2,681</b>
<b>Transfers between funds</b>	15	<b>1,746</b>	<b>(1,746)</b>	<b>-</b>	<b>15,329</b>	<b>(15,329)</b>	<b>-</b>
Actuarial gain on defined benefit pension	16	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>1,149</b>	<b>1,263</b>	<b>2,412</b>	<b>15,296</b>	<b>(12,615)</b>	<b>2,681</b>
Fund balances brought forward		28,149	4,146	32,295	12,853	16,761	29,614
<b>Fund balances carried forward</b>	15	<b>29,298</b>	<b>5,409</b>	<b>34,707</b>	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>

## BALANCE SHEET AS AT 31 MARCH 2024

	Note	23-24			22-23		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>FIXED ASSETS</b>							
Tangible assets	7	30,594	1,668	32,262	28,220	2,461	30,681
Investments	8	-	112	112	-	95	95
		<b>30,594</b>	<b>1,780</b>	<b>32,374</b>	<b>28,220</b>	<b>2,556</b>	<b>30,776</b>
<b>CURRENT ASSETS</b>							
Stock	10	724	-	724	974	-	974
Debtors	11	2,375	41	2,416	2,526	-	2,526
Cash		3,227	3,842	7,069	3,043	3,639	6,682
		<b>6,326</b>	<b>3,883</b>	<b>10,209</b>	<b>6,543</b>	<b>3,639</b>	<b>10,182</b>
<b>CURRENT LIABILITIES</b>							
Creditors	12	6,117	254	6,371	3,189	324	3,513
		<b>6,117</b>	<b>254</b>	<b>6,371</b>	<b>3,189</b>	<b>324</b>	<b>3,513</b>
<b>NET CURRENT ASSETS</b>		<b>209</b>	<b>3,629</b>	<b>3,838</b>	<b>3,354</b>	<b>3,315</b>	<b>6,669</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>30,803</b>	<b>5,409</b>	<b>36,212</b>	<b>31,574</b>	<b>5,871</b>	<b>37,445</b>
<b>LONG TERM LIABILITIES</b>							
Loan Financing	13	1,505	-	1,505	3,425	1,725	5,150
<b>NET ASSETS (excluding pension scheme)</b>		<b>29,298</b>	<b>5,409</b>	<b>34,707</b>	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>
<b>DEFINED BENEFIT PENSION SCHEME</b>							
		-	-	-	-	-	-
<b>NET ASSETS (including pension scheme)</b>		<b>29,298</b>	<b>5,409</b>	<b>34,707</b>	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>
<b>THE FUNDS OF THE CHARITY</b>							
Unrestricted - General	15	29,298	-	29,298	28,149	-	28,149
Pension Reserve	17	-	-	-	-	-	-
Total Unrestricted Funds		29,298	-	29,298	28,149	-	28,149
Restricted Income Funds	15	-	5,409	5,409	-	4,146	4,146
<b>Total Charitable Funds</b>		<b>29,298</b>	<b>5,409</b>	<b>34,707</b>	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>

## BALANCE SHEET AS AT 31 MARCH 2024 (CONTINUED)

The notes from page 39-57 form part of these financial statements.

The Financial Statements which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes were approved by the Board of Trustees on 19 November 2024 and were signed on its behalf by:



**NIK MARINOV**  
RBLI Director of Finance & Performance

19 November 2024



**REBECCA WOOD**  
RBLI Vice Chair

19 November 2024

Company Number: 00158479 (Incorporated in England and Wales)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	23/24		22/23	
		£000's	£000's	£000's	£000's
<b>Net cash (outflow) / inflow from operating activities</b>					
	23		(1,201)		649
<b>Cashflows from investing activities</b>					
Investment income		4		94	
Interest receivable		217		-	
Disposal of fixed asset investment		-		4,644	
Net cash inflow from investments			221		4,738
Payments to acquire tangible fixed assets		(2,675)		(8,279)	
Receipts from the sale of fixed assets		4,330		290	
Net cash inflow from fixed assets		1,655			286
<b>Net cash inflow from investing activities</b>			<b>1,876</b>		<b>5,024</b>
<b>Cashflows from Financing Activities</b>					
- new bank loans		-		3,500	
- repayment of loans		(288)		(2,305)	
<b>Net cash (outflow) / inflow from financing</b>			<b>(288)</b>		<b>1,195</b>
<b>Increase in net cash</b>			<b>387</b>		<b>6,868</b>
Balance Brought Forward			6,682		(186)
<b>Balance Carried Forward at 31 March</b>	24		<b>7,069</b>		<b>6,682</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

### 1. PRINCIPAL ACCOUNTING POLICIES

#### BASIS OF PREPARATION

Royal British Legion Industries (RBLI) is a registered charity (210063 and SCO48795) and a private company limited by guarantee incorporated in England and Wales (00158479). The registered office is Hall Road, Aylesford, Kent, ME20 7NL.

These Financial Statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 (FRS102) applicable in the UK and Republic of Ireland and in accordance with UK charity and company law.

The principal accounting policies are applied consistently in the preparation of the Financial Statements unless stated otherwise.

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

#### CONSOLIDATION

The company has two wholly owned subsidiaries, RBLI Contracts Limited and RBLI Ltd. Both subsidiaries are dormant and therefore have not been consolidated into the financial statements. Information on the subsidiaries is set out in note 9.

#### STRUCTURE OF FUNDS

The Charity maintains the following funds:

- **Restricted** the purpose for the use of these funds is restricted and defined by the donors.
- **Unrestricted** where the use of the fund is not restricted.
- **Designated** where the funds are unrestricted but the Trustees have designated the use for a specific purpose.

#### INCOME RECOGNITION

Charitable activity income is measured as consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts, rebates and value added taxes.

#### DONATIONS AND LEGACIES

Donations and Legacies are recognised as income when received or when entitlement to receive has been established, receipt is probable and the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable. Legacies are recognised when probate is granted and there is sufficient information to measure the value of the legacy.

#### GRANTS RECEIVED

Grants are recognised in the Statement of Financial Activities when the conditions for entitlement have been met. Grants received before the conditions for entitlement have been met are deferred and included in creditors.

#### SUBSIDIES RECEIVABLE

A subsidy is made to host companies who employ a disabled person under the terms of the Work Choice Programme. The subsidy arises on the employment of the disabled person and remains for the term of the employment contract. The subsidy is accounted for on an accruals basis.

#### PENSIONS

The Charity operates two pension schemes, the Defined Benefit Scheme, which was closed to new entrants in 2002 and is closed to future accrual and the Group Personal Pension Scheme.

The Defined Benefit scheme, the assets of which are held and managed separately, is a multi-employer scheme. The actuaries have attributed scheme assets and liabilities to RBLI for the requirements of FRS102.

For the defined benefit section, the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in 'Other recognised gains and losses'.

The Defined Benefit scheme is funded, with the assets of the scheme held separately from those of the underlying employers, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

In addition, the amount charged to the Statement of Financial activities includes contributions payable to the Group Personal Pension Scheme in the year.

#### SHORT TERM BENEFITS

Short-term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is incurred, or in the case of redundancy and termination payments when there is a commitment to an individual or group of people.

#### TAXATION

The company is a registered charity, as such is entitled to certain tax exemptions on income, profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities

#### INVESTMENTS

Investments are stated at bid-price and the value of both realised and unrealised gains are included in the Statement of Financial Activities within the relevant Funds. Investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

#### CHARITABLE EXPENDITURE

Costs are recognised on an accruals basis in the period in which they are incurred. Expenditure on raising funds includes the costs incurred in raising donation income and grant income, including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs. Where support costs cover more than one area of activity the costs are allocated to each activity based on weighting of the Charitable Activity revenue. Redundancy/ termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

Costs of expenditure on raising funds includes the fees incurred in managing the Charity's investments and where applicable irrecoverable VAT.

#### OPERATING LEASES

Annual rentals under operating leases are charged against income on a straight-line basis over the lease term.

#### STOCK AND WORK-IN-PROGRESS

Raw materials, work-in-progress and finished goods are valued at the lower of cost or estimated selling price less cost to complete and sell. Cost comprises the direct cost of production and the net attributable proportion of overheads appropriate to each department.

Cost is determined on an average cost method. Cost includes the purchase price including transport and handling directly attributable to bringing the stock to its present location and condition.

Regular reviews of stock take place to ensure all stock is in good condition and in addition a stock provision is included in the stock valuation to allow for the potential of stock not being consumed/sold.

#### TANGIBLE FIXED ASSETS

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Freehold buildings - 2% straight-line
- Building's plant - 7% straight-line
- Plant, Machinery, Fixtures and Fittings - 15% straight-line
- Motor vehicles - 25% straight-line
- Office equipment - 33% straight-line

#### ASSETS UNDER CONSTRUCTION

Assets under construction represent expenditure incurred in creating assets. Depreciation takes place once the asset is brought into use.

#### LIMITATION OF CAPITALISATION

Expenditure below £1,000 per item does not qualify for capitalisation as a Fixed Asset as it is not considered to be material.

#### FINANCIAL RISK MANAGEMENT

The Charity's operations expose it to some financial risks that include the effects of changes in market interest rates and its liquidity position. The Charity has in place a risk management programme that seeks to manage adverse effects on the financial performance of the Charity.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Charity makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### IMPAIRMENT OF ASSETS

The Charity has material property developments currently held at net book value based on depreciated historic costs. The Charity periodically undertakes valuations of its buildings to inform its insurers and ensure that assets no impairment is required to the asset value. Other assets are periodically reviewed for any impairment in economic value and impaired as required.

#### IMPAIRMENT OF DEBTORS

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

#### DEFINED BENEFIT PENSION SCHEME

The Charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current.

#### FINANCIAL INSTRUMENTS

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the estimated cash flows. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised,

the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in fair value reserve.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

##### (ii) Financial liabilities

Basic financial liabilities include trade and other payables and loans. They are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially and subsequently measured at transaction price as all of them are current.

All loans facilities are treated as a single financial instrument and are initially recognised at transaction price. Debt instruments are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised at transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### GOING CONCERN

RBLI continues to prepare its financial statements on the basis that it is a going concern. In doing so it has considered the potential risks that it faces and has put in place a number of actions to manage these.

Throughout 2023/24 RBLI has been focussed on rebuilding its liquid reserves and funding a turnaround in the financial performance of its operations, through asset and investment sales. This process is continuing in 2024/25. The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75 acre site the market value of which is not wholly reflected in net asset position of the organisation.

The organisation has recently completed a strategic review of all its activities and the preparation of a three year plan. The plan encompassed fundraising plans, a detailed review of trading performance, capital expenditure plans and planned asset sales. On the basis of this exercise Trustees have reasonable expectation that RBLI will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### 2. INCOME FROM DONATIONS & LEGACIES

	23/24	22/23
	£000's	£000's
Donations	3,214	2,893
Legacies	-	-
Fundraising events	1,448	1,149
	<b>4,662</b>	<b>4,042</b>

### 3. INVESTMENT INCOME

	23/24	22/23
	£000's	£000's
Investment income	4	94
Interest receivable	217	-
	<b>221</b>	<b>94</b>

### 4. GRANT INCOME

The company receives grant income from various sources relating to its charitable activities, including government grants.

	23/24	22/23
	£000's	£000's
Income from government grants supporting employment	187	186
Government support relating to COVID-19 infection control costs	-	37
Grants and income from non-governmental sources	868	714
	<b>1,055</b>	<b>937</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

### 5. NET INCOME

Net income / (expenditure) is stated after charging	23/24	22/23
	£000's	£000's
Rentals payable under Operating Leases	211	142
Support Costs (see analysis)	3,829	3,081
Depreciation (Note 7)	1,236	1,121
Impairment of trade receivables	144	52
Auditors remuneration:		
– Audit services	82	80
– Tax compliance services	3	3
Total amount payable to the auditor	85	83

SUPPORT COSTS 23/24	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	16	27	109	127	92	7	378
Governance	13	22	91	106	77	6	315
Finance	61	100	404	471	341	26	1,403
Business Systems	23	36	145	169	122	9	504
Human Resources	19	33	132	153	111	9	457
Marketing	19	28	114	133	96	7	397
	<b>151</b>	<b>246</b>	<b>995</b>	<b>1,159</b>	<b>839</b>	<b>64</b>	<b>3,454</b>

All costs, including support costs are allocated, where practicable, to the charitable activities on a directly attributable basis. The remainder is apportioned to each activity based on revenue.

Interest and finance costs were also attributed to charitable activities on the basis of revenue as shown..

INTEREST AND FINANCE COSTS 23/24	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Interest and Finance Costs	47	30	107	109	69	13	375

SUPPORT COSTS 22/23	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	66	41	147	149	95	18	516
Governance	15	9	33	34	21	4	116
Finance	111	69	249	253	161	30	873
Business Systems	61	38	137	139	89	16	480
Human Resources	52	31	113	115	73	13	397
Marketing	50	32	114	116	74	14	400
	<b>355</b>	<b>220</b>	<b>793</b>	<b>806</b>	<b>513</b>	<b>95</b>	<b>2,782</b>

INTEREST AND FINANCE COSTS 22/23	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Interest and Finance Costs	38	24	85	87	55	10	299

### 6. DIRECTORS, EMPLOYEES AND VOLUNTEERS

	23/24		22/23	
The average monthly number of persons employed by the Company during the year was:	Number	FTE	Number	FTE
Employment Solutions	14	7	49	45
RBLI Living	145	121	131	108
Scotland's Bravest Manufacturing	22	21	21	20
Britain's Bravest Manufacturing	82	71	81	67
Fundraising and Marketing	26	25	21	19
Executive & Corporate Services	30	28	29	28
	<b>319</b>	<b>273</b>	<b>332</b>	<b>287</b>

	23/24	22/23
	£000's	£000's
<b>Staff costs</b>		
Wages and salaries	9,242	8,285
Social Security costs	837	841
Employer pension costs for Defined Contribution Scheme	638	627
Employer pension costs for the Defined Benefit Scheme	177	212
Other costs	62	57
Redundancy / Termination Payments	65	84
	<b>11,021</b>	<b>10,106</b>

The total number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 fell within the following bands:

	23/24	22/23
£	Number	Number
60,001 - 70,000	6	2
70,001 - 80,000	3	3
80,001 - 90,000	5	-
90,001 - 100,000	2	-
100,001 - 110,000	-	1
110,001 - 120,000	1	1
120,001 - 130,000	-	-
130,001 - 140,000	-	-
140,001 - 150,000	-	1
150,001 - 160,000	1	-
	<b>18</b>	<b>8</b>

Of the 18 employees (22/23: 8) earning over £60,000 p.a. 17 (22/23: all) participated in the company pension scheme, and pension contributions of £91,164 were made by RBLI in the year to 31 March 2024 (22/23: £49,582).

The total remuneration (excluding employer pension contributions) of the key management personnel of RBLI was £840,211 (22/23: £730,512 including one end of contract payment of £30,000 made to a previous Director of Living and Welfare). On top of these payments, the Charity made employer pension and national insurance contributions in respect of the members of the key management personnel totalling £150,162 (22/23 £132,137).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

#### 7. TANGIBLE ASSETS

	Freehold Land and Buildings	Buildings Plant	Fixtures and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Assets Under Construction	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>COST</b>								
At 01 April 2023	34,280	2,379	2,832	66	323	1,810	423	42,113
Additions	40	83	224	-	37	54	2,384	2,882
Disposals	-	-	(11)	(7)	-	-	-	(18)
Transfers	-	5	23	-	-	-	(28)	-
<b>At 31st March 2024</b>	<b>34,320</b>	<b>2,467</b>	<b>3,068</b>	<b>59</b>	<b>360</b>	<b>1,864</b>	<b>2,779</b>	<b>44,917</b>
<b>ACCUMULATED DEPRECIATION</b>								
At 01 April 2023	6,628	1,585	1,650	60	278	1,231	-	11,432
Charge for year	678	68	295	5	35	155	-	1,236
Disposals	-	-	(6)	(7)	-	-	-	(13)
Impairment charges	-	-	-	-	-	-	-	-
<b>At 31st March 2024</b>	<b>7,306</b>	<b>1,653</b>	<b>1,939</b>	<b>58</b>	<b>313</b>	<b>1,386</b>	<b>-</b>	<b>12,655</b>
<b>NET BOOK VALUE at 31 March 2024</b>	<b>27,014</b>	<b>814</b>	<b>1,129</b>	<b>1</b>	<b>47</b>	<b>478</b>	<b>2,779</b>	<b>32,262</b>
<b>NET BOOK VALUE at 31 March 2023</b>	<b>27,652</b>	<b>794</b>	<b>1,182</b>	<b>6</b>	<b>45</b>	<b>579</b>	<b>423</b>	<b>30,681</b>

The Trustees believe that the market value of land is significantly higher than the book value, which is negligible as it was transferred to the Charity in 1919. Valuations of some properties were performed in the year showing that the market value is significantly higher than the book value.

Assets Under Construction represent capital expenditure on Projects which are not finalised. The largest project under this section is the continuing development of Centenary Village. When assets are completed and ready of use or occupation the costs are moved to the relevant category. The largest asset currently under construction is Centenary Village Phase B which is due for completion in summer 2024

#### 8. INVESTMENTS

	23/24	22/23
	£000's	£000's
<b>At Fair Value</b>		
Listed on UK Stock Exchange	112	95
<b>Analysis of Movements of Investments</b>	<b>£000's</b>	<b>£000's</b>
Valuation at 01 April	95	4,799
Realised (Losses)	-	(10)
Unrealised gains in the year	17	-
Withdrawals	-	(4,644)
Management costs	-	(50)
<b>Valuation at 31 March</b>	<b>112</b>	<b>95</b>

#### 9. INVESTMENT IN SUBSIDIARY

The company owns 100% of the issued share capital (being 2 shares of £1 each) of RBLI Contracts Ltd, a dormant company and 100% of the issued share capital (being 1 share of £1) of RBLI Ltd, a dormant company.

There has been no income or expenditure in either subsidiary in the year (22/23: none) and there is no capital and reserves in either company at the year-end (22/23: none).

#### 10. STOCKS AND WORK IN PROGRESS

	23/24	22/23
	£000's	£000's
Raw materials	652	923
Finished goods	72	51
	<b>724</b>	<b>974</b>

The replacement cost of raw materials does not differ materially from the value stated in the balance sheet.

The cost of raw materials recognised as an expense in the year was £4,648,542 (FY 22/23: £4,436,877)

#### 11. DEBTORS

	23/24	22/23
	£000's	£000's
Trade debtors	1,689	1,547
Other debtors	106	53
Prepayments and accrued income	621	926
	<b>2,416</b>	<b>2,526</b>

#### 12. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	23/24	22/23
	£000's	£000's
Amounts falling due within one year:		
Trade creditors	1,546	1,231
Other taxation and social security	260	352
Other creditors	274	599
Accruals	632	921
Deferred Income	7	115
Loans	3,652	295
	<b>6,371</b>	<b>3,513</b>

All income deferred from the prior year was recognised in the subsequent financial year. No income was deferred for more than 12 months.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

### 13. LONG TERM LIABILITIES - DEBT ANALYSIS

	23/24		22/23	
	£000's	£000's	£000's	£000's
	Facility	Balance	Facility	Balance
Royal British Legion Loan	2,000	1,725	2,000	1,945
Barclays Secured Loan	5,000	3,432	5,000	3,500
Barclays Overdraft	1,000	-	1,000	-
<b>Total</b>	<b>8,000</b>	<b>5,157</b>	<b>8,000</b>	<b>5,445</b>

Debt Maturity	23/24	22/23
	£000's	£000's
In one year or less, or on demand	3,652	295
In more than one year but not more than two years	220	319
In more than two year but not more than five years	661	3,987
In more than five years	625	844
	<b>5,157</b>	<b>5,445</b>

The Royal British Legion Loan is for a 10-year term with an interest of BoE Base Rate plus 0.5%.

The loan is secured with a charge over Appleton Lodge to a value of £2.1m. The charge was moved to Greenwich House in 2024.

The Loan facility with Barclays is a 5-year term repayable in instalments with a final payment due in April 2027. The loan has an interest rate of 2.65% above BoE Base Rate. Following a technical loan covenant breach the Barclays loan became repayable on demand as at 31 March 2024. Barclays have since waived all rights arising from the breach and the loan covenants have been revised and the facility remains otherwise unchanged.

The overdraft facility with Barclays Bank has an interest rate equal to the BoE Base Rate plus 2.25% when used.

The overdraft is secured with a charge on Queen Elizabeth Court to the value of £5.5m.

The overdraft facility was reduced on the drawdown of the loan in FY22 and the charge over Queen Elizabeth Court security included within the loan agreement. The loan agreement also included security charged over Invictus Games House and Victory House.

### 14. CONTINGENT LIABILITY

There are no contingent liabilities.

### 15. ANALYSIS OF FUND MOVEMENTS

Fund	Balance	Income	Expenditure	Transfers		Gains and Losses	Balance
	As at 01 April 2023			Capital expenditure	Transfer between funds		As at 31 March 2024
	£000's	£000's	£000's	£000's		£000's	£000's
<b>Unrestricted</b>							
General Fund	3,341	22,626	(23,223)	(263)	(2,065)	-	209
Pension Reserve	-						-
<b>Unrestricted - Designated</b>							
Fixed Asset Reserve	25,015	-	-	263	3,811	-	29,089
<b>Total Unrestricted Funds</b>	<b>28,149</b>	<b>22,626</b>	<b>(23,223)</b>	<b>-</b>	<b>1,746</b>	<b>-</b>	<b>29,298</b>
<b>Restricted</b>							
<i>Capital and Revenue Grants</i>							
Centenary Village	1,137	1,436	-	(2,685)	1,945	-	1,833
Factory Fund	-	1,500	-	-	-	-	1,500
Scotland's Bravest Manufacturing	98	297	(345)	(5)	-	-	45
Lifeworks	220	332	(416)	-	-	-	136
Welfare	65	127	(91)	-	-	-	101
Britain's Bravest Manufacturing	-	164	(164)	-	-	-	-
Other Living and Employment Solutions	70	167	(45)	(178)	-	-	14
<i>Investments</i>	95	-	-	-	-	17	112
<i>Capital Assets</i>							
Centenary Village (including Hermitage Lane Apartments)	-	-	-	2,685	(2,685)	-	-
Vanguard Properties	1,136	-	-	-	-	-	1,136
Scotland Factory	133	-	-	-	-	-	133
Bradbury House	350	-	-	-	(350)	-	-
Other	842	30	-	183	(656)	-	399
<b>Total Restricted Funds</b>	<b>4,146</b>	<b>4,053</b>	<b>(1,061)</b>	<b>-</b>	<b>(1,746)</b>	<b>17</b>	<b>5,409</b>
<b>Total Charitable Funds</b>	<b>32,295</b>	<b>26,679</b>	<b>(24,284)</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>34,707</b>

The Trustees have reviewed the restrictions on funds donated for capital projects and consider the restrictions of the original donations have been satisfied. They have therefore moved these Capital Assets to unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

#### 15. ANALYSIS OF FUND MOVEMENTS (CONTINUED)

Fund	Balance	Income	Expenditure	Transfers		Gains and Losses	Balance
	As at 01 April 2022			Capital expenditure	Transfer between funds		As at 31 March 2023
	£000's	£000's	£000's	£000's		£000's	£000's
<b>Unrestricted</b>							
General Fund	2,853	22,333	(22,319)	-	314	(47)	3,134
Pension Reserve	-	-	-	-	-	-	-
<b>Unrestricted - Designated</b>							
Fixed Asset Reserve	-	-	-	-	25,015	-	25,015
Operating Cost Reserve	5,000	-	-	-	(5,000)	-	-
Future Projects and Developments	5,000	-	-	-	(5,000)	-	-
<b>Total Unrestricted Funds</b>	<b>12,853</b>	<b>22,333</b>	<b>(22,319)</b>	<b>-</b>	<b>15,329</b>	<b>(47)</b>	<b>28,149</b>
<b>Restricted</b>							
<i>Capital and Revenue Grants</i>							
Centenary Village	727	2,564	-	(2,209)	55	-	1,137
Scotland's Bravest Manufacturing	93	308	(303)	-	-	-	98
Lifeworks	141	290	(211)	-	-	-	220
Welfare	250	96	(281)	-	-	-	65
Other	183	353	(99)	(367)	-	-	70
Investments	98	-	-	-	-	(3)	95
<i>Capital Assets</i>							
Centenary Village (including Hermitage Lane Apartments)	10,182	-	-	2,209	(12,391)	-	-
Appleton Lodge	2,384	-	-	-	(2,384)	-	-
Vanguard Properties	1,136	-	-	-	-	-	1,136
Scotland Factory	133	-	-	-	-	-	133
Bradbury House	601	-	-	63	(314)	-	350
Other	833	-	-	304	(295)	-	842
<b>Total Restricted Funds</b>	<b>16,761</b>	<b>3,611</b>	<b>(894)</b>	<b>-</b>	<b>(15,329)</b>	<b>(3)</b>	<b>4,146</b>
<b>Total Charitable Funds</b>	<b>29,614</b>	<b>25,944</b>	<b>(23,213)</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>32,295</b>

#### 16. PENSION SCHEME

Royal British Legion Industries participates in two staff pension funds. The Defined Benefit Scheme (the Fund), and the Group Personal Pension Plan (the GPPP), both operated in conjunction with The Royal British Legion.

Contributions to the Group Personal Pension Plan in the year were £627k (22/23: £627k). Employer contributions are limited to twice the level of the employees' contribution, excluding additional employee contributions. There were 301 employees participating in the scheme at 31 March 2024 (22/23:317)

The Defined Benefit Scheme was closed to new entrants in 2002. During the year RBLI made a contribution of £134K to help fund the scheme deficit and £43 to fund administrative expenses of the scheme (22/23: £161K and £51K respectively)

A charge over land, the Churchill Centre and the factory buildings at Aylesford has been granted to The Royal British Legion Pension Fund Trustees as security for the pension deficit liability and to support the Employers Covenant.

The most recent formal full scheme published actuarial valuation was carried out by First Actuarial LLP as at 1 April 2023.

The major financial assumptions used by the actuary for FRS102 purposes were:

Actuarial Assumptions			23/24	22/23
Discount rate (%p.a.)			4.85%	4.70%
Retail Price Inflation (%p.a.)			3.50%	3.25%
Consumer Price Inflation (%p.a.)			3.00%	2.75%
Salary increase rate (%p.a.)			4.00%	3.75%
Rate of increases of pensions in payment				
	Post 98 pension		3.30%	3.20%
	Post 88 GMP		2.40%	2.35%
Revaluation of deferred pensions (non-GMP)			3.00%	2.75%
Life expectancy at age 65:				
	Current pensioners	Men	85.8	86.4
		Women	88.3	88.8
	Future pensioners now 45	Men	87.1	87.7
		Women	89.8	90.3

	23/24	22/23
	£000's	£000's
<b>Fair value of fund assets</b>		
Equities	1,068	4,001
Bonds	4,611	711
Gilts	-	-
Other Growth Seeking assets	2,585	3,506
Liability Driven Investments	3,794	3,178
Cash	304	1,365
<b>Total</b>	<b>12,362</b>	<b>12,761</b>

In addition, the Trustees hold insured annuity policies. The value of these annuities has been excluded from both the assets and the liabilities since the liability is matched directly by an asset value of equal value. This is consistent with previous disclosures. The Fund does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

### 16. PENSION SCHEME (CONTINUED)

Reconciliation of scheme assets and liabilities		Assets	Defined Benefit Obligation	Total
		£000's	£000's	£000's
<b>At 31 March 2023</b>		<b>12,765</b>	<b>(11,913)</b>	<b>852</b>
Benefits paid - Pensions		(435)	435	-
Benefits paid - Other		(180)	180	-
Employer contributions		177	-	177
Administration expenses		(120)	-	(120)
Interest income/(cost)		587	(545)	42
Remeasurement gains/(losses)				
- Actuarial gains (change of basis)		-	323	323
- Actuarial gains (experience)		-	355	355
- Return on plan assets interest income		(432)	-	(432)
<b>At 31 March 2024</b>		<b>12,362</b>	<b>(11,165)</b>	<b>1,197</b>

The Charity does not recognise the scheme asset in its balance sheet (see accounting policy – pensions) and consequently, as the scheme has an overall surplus, the actuarial gain is not recognised in the Statement of Financial Activities.

### 17. TAXATION

The company is exempt from liability to corporation tax on its charitable activities due to its status as a registered charity.

### 18. CAPITAL COMMITMENTS

	23/24	22/23
	£000's	£000's
Capital Commitments contracted for at year end but not provided for.	1,642	-
Capital Commitments approved but not contracted	-	3,600

The Board have approved the ongoing work for the Centenary Village.

### 19. OPERATING LEASE COMMITMENTS

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	23/24	22/23
	£000's	£000's
Payments due		
Not later than one year	85	33
Later than one year and not later than five years	87	21
Later than five years	0	0
<b>Total operating leases</b>	<b>172</b>	<b>54</b>

### 20. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

### 21. GRANTS AND DONATIONS

Donations and Grants of £10,000 or more, received in either current or prior year, are shown below. These are reported in the Statement of Financial Activities either under Charitable activities or under income from donations.

	23/24	22/23
	£000's	£000's
The Michael Uren Foundation	1,500,000	1,000,001
The Edward Gostling Foundation	500,000	-
S Elton	187,500	15,000
Workchoice employee support grant	186,903	185,796
ABF, The Soldiers' Charity	161,795	108,000
Armed Forces Covenant Fund Trust	152,304	122,110
Barclays	100,000	100,000
The Bradbury Foundation	100,000	-
Peter Cruddas Foundation	100,000	50,000
Royal Engineers' Association	100,000	60,000
Barratt Developments	90,000	21,000
The Veterans' Foundation	80,000	50,000
The Gosling Foundation	75,000	100,000
3i Plc	70,000	65,889
BBO Grant	61,981	473,336
Annington	60,000	75,000
Forces In Mind Trust	59,779	87,048
The Conway Charitable Foundation	50,000	50,000
Help to Create Hope Trust	50,000	-
HRH The Crown Prince of Bahrain	50,000	-
The MacRobert Trust	50,000	-
Scottish Veterans' Fund	50,000	-
The National Lottery Community Fund	42,000	110,565
Queen Mary's Roehampton Trust	35,000	35,000
HW Martin	31,470	-
RAF Benevolent Fund	24,200	-
Calleva Foundation	22,680	-
John Scott Charitable Trust	20,000	-
Royal Navy & Royal Marines Charity	20,000	-
Milestone Infrastructure	18,000	-
Renfrewshire Council	16,061	-
Centor Insurance & Risk Management Ltd	15,360	15,000
The Golden Bottle Trust	12,000	-
The Hobson Charity	12,000	-
Armajaro Holdings	10,000	-
Sir G Odgers	10,000	-
Colyer-Fergusson Charitable Trust	-	375,000
Oak Foundation	-	300,000
The Lawson Trust	-	250,000
Frank Brake Charitable Trust	-	100,000
The Morrisons Foundation	-	60,000
Moondance Foundation	-	20,000
D Thomas	-	10,250
Charles Burnett Memorial Fund	-	10,000

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

#### 22. NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

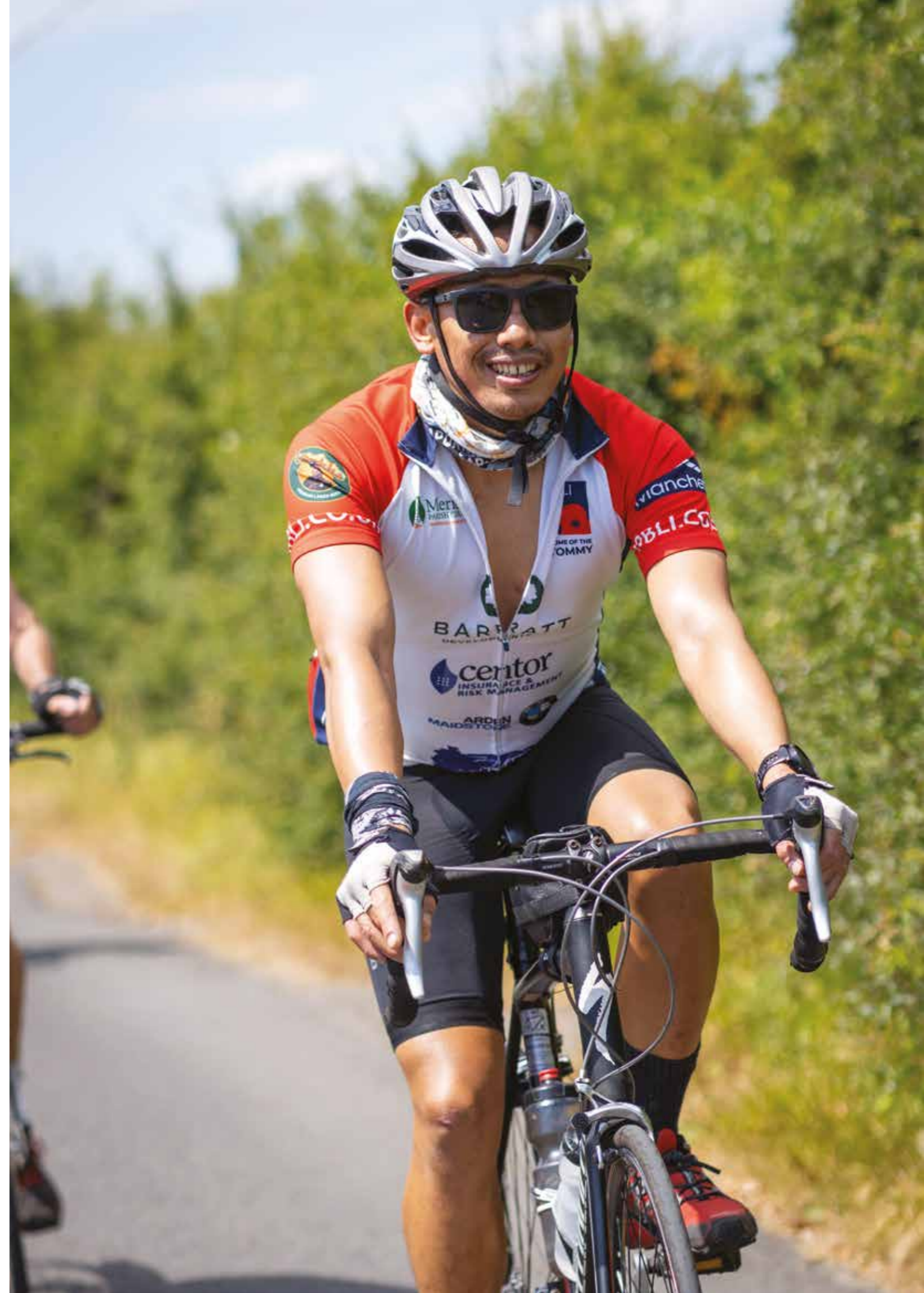
	FY 23/24	FY 22/23
	£000's	£000's
<b>Net income</b>	<b>2,412</b>	<b>2,681</b>
(Gains)/losses on investment assets	(17)	50
Investment management fees deducted from fund	-	50
Investment income and interest receivable	(221)	(94)
Increase in accrued Loan Interest	-	11
Depreciation on tangible fixed assets	1,236	1,121
(Profit) on disposal of fixed assets sold	(4,326)	(4,269)
Decrease in stocks	250	340
Decrease in debtors	111	1,370
(Decrease) in creditors	(646)	(611)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,201)</b>	<b>649</b>

#### 23. ANALYSIS OF CHANGES IN NET CASH / (DEBT)

	As at 01 April 2023	Cashflows	Other non-cash exchanges	As at 31 March 2024
	£000's	£000's	£000's	£000's
<b>Cash and cash equivalents</b>				
Cash	6,682	387		7,069
Overdraft	-	-	-	-
	<b>6,682</b>	<b>387</b>	-	<b>7,069</b>
<b>Borrowings</b>				
Debt due within one year	(295)	288	(3,645)	(3,652)
Debt due after one year	(5,150)		3,645	(1,505)
	<b>(5,445)</b>	<b>288</b>	-	<b>(5,157)</b>
<b>Total</b>	<b>1,237</b>	<b>675</b>	-	<b>1,912</b>

#### 24. POST BALANCE SHEET EVENTS

During 2024 the Trustees have agreed their strategic plan for the future of RBLI including decisions to focus on the core activities. As part of the plan RBLI completed the sale of the Care Home business of Bradbury House and Appleton Lodge in November 2024 for £8m including the land and buildings; the net book value of the land, buildings and equipment included in fixed assets on 31 March 2024 was £7.5m.



# LEGAL & ADMINISTRATIVE INFORMATION

## TRUSTEES:

Mr S Rowbotham - Chair  
 Ms R Wood – Vice Chair  
 Mrs N Ahmed CBE DL  
 Mr P Alesbury (appointed 20/06/2024)  
 Mr M Bailey (appointed 25/09/2024)  
 Mr C Blundell  
 Mr D Dent (appointed 20/06/2024)  
 Dr P Edmonson-Jones MBE (resigned 04/09/23)  
 Mr A B Gulland (resigned 05/02/24)  
 Brigadier D Innes  
 Ms P Kaul-Green (appointed 20/06/24)  
 Mr M Kelleher (appointed 20/06/24)  
 Mr A Kotecha (appointed 25/09/24)  
 Ms R Lewis (appointed 20/06/24)  
 Mr F Martin DL (resigned 19/06/24)  
 Ms S Mason (resigned 25/09/24)  
 Mr C Spalding (appointed 25/09/24)  
 Ms A Start (appointed 20/06/24)  
 Mr A Watson

## SENIOR LEADERSHIP TEAM:

Lisa Farmer	Chief Executive
Helen Bidgway	Director Of People & Culture
Louise Gibson	Director of Fundraising & Marketing
Susan Stoker	Director Of Governance, Compliance and Business Systems
Colin Harsant	Managing Director of Social Enterprise (appointed 29/07/24)
Nik Marinov	Director of Finance and Performance (appointed 04/09/24)

**COMPANY NUMBER:** 00158479 Incorporated in England and Wales  
**REGISTERED CHARITY NUMBER: England & Wales** 210063 The Charity is a public benefit entity

**REGISTERED CHARITY NUMBER: Scotland** SC048795

**HEAD OFFICE AND REGISTERED OFFICE** Royal British Legion Industries Limited  
 Hall Road  
 Aylesford  
 Kent  
 ME20 7NL  
 Tel: 01622 795900

**INDEPENDENT AUDITORS:** BDO LLP  
 55 Baker Street  
 London  
 W1U 7EU

**BANKERS:** Barclays Bank Plc  
 Corporate Banking Kent Team  
 2<sup>nd</sup> Floor, 30 Tower View  
 Kings Hill, West Malling  
 Kent  
 ME19 4UY

**SOLICITORS:** Thomas Snell & Passmore LLP  
 3 Lonsdale Gardens  
 Tunbridge Wells  
 Kent  
 TN1 1NX  
 Brachers LLP  
 59 London Road  
 Maidstone  
 Kent  
 ME16 8JH

# Board of Trustees

## **LORD KING OF LOTHBURY KG GBE DL PRESIDENT**

## **STEVE ROWBOTHAM CHAIRMAN**

Steve has a comprehensive background in the defence industry having worked in this sector throughout a career spanning over four decades, his final appointment being Chief Operating Officer of General Dynamics UK Limited. Steve has a passion for Social Value and is a Non-Executive Director of E50k, a company that specialises in the design and delivery of SV programmes.

## **BECKY WOOD VICE CHAIR**

Becky is a Fellow of the Institute of Chartered Accountants and a fellow of the Institute of Civil Engineers, and has significant transactions experience in both private and public sectors having spent the last 20 years working in and leading complex transport infrastructure programmes. She has held Non-Executive roles with a number of infrastructure bodies and projects in the UK and internationally.

## **NADRA AHMED CBE, DL**

High Sheriff of Kent (2023/24), Nadra is the Executive Chairman of the National Care Association and was awarded an OBE in 2006 and a CBE in 2023 for her work in social care over 40 years.

## **PETER ALESBURY (appointed 20 June 2024)**

Peter is a professional strategic Estates Director with significant experience in the management and operational delivery of the full estate's life cycle. His previous roles have included senior leadership positions within the NHS, private healthcare, facilities management organisations, heritage, and medical device companies.

## **CHRIS BLUNDELL**

Chris is recently retired following a 45-year career in housing and is a Fellow of both the RICS and the Chartered Institute of Housing. He has had four Director level positions in mid-sized and large housing associations in London and the South East.

## **DAVID DENT MBE (appointed 20 June 2024)**

David is currently Vice President (Global leader) Integrated Strategy at Parexel International. He has over 35 years of experience from working in International Business, the NHS, and the British Army where he was a trauma and critical care specialist and is a war disabled veteran. He is an Honorary Professor at Stirling and Nottingham Universities business schools Companion of the CMI and Fellow of the IoD.

## **BRIGADIER DAVID INNES**

David spent 34 years serving in the British Army as a Royal Engineer followed by 15 years as a Chief Executive in the charity sector. In addition, he held a number of non-executive and Trustee positions, and is still involved with several charities.

## **PARUL KAUL-GREEN (appointed 20 June 2024)**

Parul is a distinguished global executive and economist. With over two decades of financial service experience, she has held senior leadership positions in global companies most recently as Chief Digital Strategy Officer at Liberty Mutual Global Risk Solutions and Chief of Staff and Executive committee member at AXA XL.

## **MATT KELLEHER (appointed 20 June 2024)**

Matt is currently Chief Digital Officer sitting on the Executive Board of the Asda Group, and has spent nearly 30 years in Retail in various Director level positions with responsibility for strategy and transformation, eCommerce, supply chain and technology.

## **REBECCA LEWIS (appointed 20 June 2024)**

Rebecca is the Finance Director and Company Secretary at General Dynamics UK. Rebecca has over 20 years of experience in managing the finances on complex defence programmes across the UK and Internationally. Rebecca has led multiple large-scale events for charity and is a Fellow of the Association of Chartered Certified Accountants.

## **ALISON START (appointed 20 June 2024)**

Alison runs a consulting company specialising in commercial strategy and operational challenges within the Defence and telecommunications environment, working in both the private and the public sector. Alison is a Non Executive Director for a training company providing training to the Royal Engineers and is also a Trustee for the National Museum of the Royal Navy.

## **ALISTAIR WATSON**

Alistair served in the Royal Navy, during which time he was appointed Equerry to HRH the Prince of Wales and then worked in the City for a leading international law firm.

# Senior Leadership Team

## **LISA FARMER CHIEF EXECUTIVE**

Lisa was appointed Chief Executive at RBLI in 2022 having joined the organisation as Director of Strategic Development in 2015 with over 20 years of experience in fundraising, marketing and business development.

## **HELEN BIDGWAY Director OF PEOPLE & CULTURE**

A Fellow of the Chartered Institute of Personnel and Development, Helen joined RBLI in 2022 with over 30 years of experience in Human Resources at a senior level in the charity and education sectors.

## **LOUISE GIBSON Director OF FUNDRAISING AND MARKETING**

Louise joined RBLI in March 2023 with over 25 years' experience in fundraising in charities, most recently with the RAF Benevolent Fund. She has a Masters in Charity Marketing and Fundraising.

## **SUSAN STOKER**

## **Director OF GOVERNANCE, COMPLIANCE AND BUSINESS SYSTEMS**

Working at RBLI since 2019, Susan is an expert in assurance processes, specialising in corporate governance, risk management, and internal control with over 25 years' experience across both the private and public sector.

## **COLIN HARSANT MANAGING Director OF SOCIAL ENTERPRISE**

Colin joined RBLI following 20 years managing and leading companies in the Aerospace, Defence and Automotive Industries and is a specialist in SME Manufacturing.

## **NIK MARINOV Director OF FINANCE AND PERFORMANCE**

Having previously held senior Finance roles in multiple industries across the commercial and third sector, Nik brings a wealth of experience to RBLI's management team.

**ROYAL BRITISH VETERANS ENTERPRISE LTD.**

England & Wales - Charity number 210063

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# Accounts

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# ANNUAL ACCOUNTS

2022 - 2023

Company Registration Number: 00158479  
Registered Charity Number England & Wales: 210063  
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ROYAL BRITISH LEGION INDUSTRIES LIMITED  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2023



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**Front Cover:** Princess Beatrice and Princess Eugenie were left inspired by the 'incredible veterans' supported at Royal British Legion Industries after a visit to mark Armistice Day.

**Left:** The Minister for Veterans' Affairs, Johnny Mercer, visiting RBLI's village in March to meet the veterans they support following his announcement of a £33m Veteran Capital Housing Fund for military veterans.



## INTRODUCTION FROM OUR CHAIRMAN

STEVEN ROWBOTHAM

**I am pleased to report on a year of positive change and fantastic new service development at RBLI. At the start of the financial year, we grew our unique veterans' village considerably as we opened a specialist dementia care facility, followed by a new assisted living home and the addition of more homes for veterans and their families.**

Our village community now numbers 340 households. We have also taken on new signage contracts in our social enterprise operations UK-wide and brought our employability programmes back to national delivery to reach the most deprived areas of the UK.

To achieve this, we have recruited new leaders; new Trustees to our Board as well as our new Chief Executive and additional members of RBLI's Senior Leadership Team. They have all brought a fresh energy to our services and strategy, and new determination to increase our reach and impact. They have helped us grow the professional teams needed not just to deliver these services, but to better integrate the support we offer so that the veterans who need us most receive the right care at the right time and can tackle their challenges simultaneously. This is no mean feat.

Throughout this process we've been modernising our service structures and putting more training provisions in place. This ensures that we are empowering our staff and can support the most vulnerable veterans more quickly.

As a result, we have been supporting more homeless veterans and more veterans with complex mental health challenges than ever before.

Central to this direct support is the success of RBLI's Great Tommy Sleep Out, and I must thank everyone who supports and takes part in this event – sleeping out across the UK and even internationally – during March. It gives me the greatest pride to be involved in the Great Tommy Sleep Out, to organise my own sleep out with our corporate partners, and to have helped grow this fantastic event year on year.

This year RBLI has been modernising our manufacturing operations, our online retail and our IT systems. With fluctuating costs we've been looking to achieve efficiencies urgently. We are bringing in innovations that will help our colleagues, many of whom are also our beneficiaries, co-ordinate across RBLI's divisions more easily, make decisions more quickly, and find greater satisfaction and fulfilment at work.

“ I am pleased to report on a year of **positive change** and **fantastic new service** development at RBLI. ”

We have been undertaking a substantial governance review, refreshing our policies across all Divisions to ensure all are fully up to date and in line with best practice, and I am pleased to report that RBLI has been re-awarded with Investors in People accreditation. We are on the way to making RBLI charity an Employer of Choice.

There is no doubt that economic pressures during this period have been challenging particularly with the huge rises in energy prices. The combined financial and operational challenges our charity has faced this year have been considerable. Nevertheless, we have managed to take important steps forward in putting all RBLI's varied activities on a firm operational footing. There remains significant work to do in the journey to create a modern charity that is able to respond to our beneficiaries' emergency needs. I am very proud of RBLI's new strategy and our plans to reach and employ more beneficiaries than ever.

This has been a strong year for our Tommy brand, which is critical to RBLI's public recognition and to our income generation. The Tommy brand has been promoted widely through our exciting partnership with Leyton Orient Football Club, General The

Lord Dannatt's Tommy Club and our Tommy events have continued to engage the public and grow. Our Tommy products continued to sell well on our online shop with the products we manufacture certainly helping veterans in more ways than one, including those to mark the significant milestone of the 40th Anniversary of the Falklands conflict.

In September, we were saddened by the death of Her Majesty Queen Elizabeth II, a monarch who gave tremendous support to our nation's Armed Forces and to RBLI. We were immensely proud to manufacture products for Her Majesty's wonderful Jubilee celebrations and to support HM The Queen's Green Canopy initiative as one of only four manufacturers asked to make the plaques.

RBLI is a charity that our whole nation can be proud of as we are here for the most disadvantaged Armed Forces veterans UK wide. We never stop providing the practical services veterans need. We work tirelessly to bring on more much-needed facilities and homes, as quickly as we possibly can. It was an honour that HRH Princess Beatrice and HRH Princess Eugenie chose to mark Remembrance alongside veterans at RBLI and it was a mark of the Princesses' interest in RBLI's unique village and

support model.

I can only thank everyone involved in the charity, the veterans who are overcoming challenges, the customers and partners who are making our work possible, my fellow Trustees and RBLI's staff. On top of this I want to thank individuals from Falmouth to Faslane who have put themselves behind our work in their thousands. The nationwide response to The Great Tommy Sleep Out, and my own Chairman's Sleep Out, reminds us how lucky we are to have the passionate supporters that we do.

**STEVEN ROWBOTHAM**  
RBLI Chairman

21 December 2023



## INTRODUCTION FROM OUR CHIEF EXECUTIVE

LISA FARMER

The last year has been a particularly challenging one for most charities, with the cost-of-living crisis, housing pressures, and energy and food inflation all putting pressure on our most vulnerable beneficiaries as well as driving up the costs of our own projects and service delivery. The demand for RBLI's homes, work opportunities and outreach services has never been higher.

Within the military charity sector, we do now have a better picture of where veterans are living. The national census results were published in November 2022 showing, for the first time, where Armed Forces veterans are concentrated around the UK. RBLI has already responded to this with our Lifeworks programme getting our tailored employability coaching out to unemployed veterans in these communities as fast as we can. We have already reached Aldershot, Exeter, Hull, London, and Portsmouth.

My first year in post involved looking at RBLI's work in depth – taking the time to understand the services we offer. It is clear to me that we do need to do more to bring together our operations so that they are not only successful and integrated, but also more widely known, and more easily replicable to help more people overcome injury, disability and long-term health conditions. In my time assessing our varied operations I have been reassured of the positive impact RBLI is having, and our incredible ethos of fresh starts, and new opportunities.

We've delivered emergency housing organised at speed, move-on homes and dignified

work opportunities, the highest standards of person-centred care, new and uplifting dementia services, national employability programmes, as well as award-winning social enterprises. All of these powerful interventions have been delivered with a backdrop in 2022-23 of external pressures and I am incredibly proud of my new senior leadership team.

RBLI is doing exactly what it was set up to do and in our new strategy we have a clear mission:

- **To help** more people with disabilities, and more unemployed veterans, secure dignified paid work through our social enterprises and employment programmes.
- **To support** more disadvantaged veterans to live a more active and independent life through our care, welfare, employability and homes.
- **To create** a thriving and sustainable village community and diverse facilities in Kent that maintains our powerful heritage and demonstrates how encouraging diversity in age, gender, background, and service experience makes our community stronger and more forward looking. This is a community that is a national

“In my time assessing our varied operations I have been reassured of the **positive impact RBLI is having**, and our incredible ethos of fresh starts, and new opportunities.”

example of excellence in integrated care and welfare services, as well as social inclusion.

- **To promote** our Tommy brand, and our practical support, working with our partners, so that veterans and people with disabilities, wherever they are in the UK, know how to access our award-winning services.

Growth cannot be achieved without our people, and this is why we have launched new values, and we are working to embed these values in all our teams. I have worked closely with all staff from every division to generate and agree the values that inspire our work, and how we best achieve **IMPACT** for the charity. This is an exciting period of culture change. Our values are:

- **Integrity**
- **Motivated**
- **People First**
- **Accountable**
- **Community**
- **Teamwork**

RBLI's values also have clearly defined behaviours and have generated energy and conversation that create a culture where RBLI assesses the impact of everything we do. The values have been consolidated with involvement from staff across all divisions, and our beneficiaries, articulating the ethos of all we stand for. Everyone working at RBLI, whatever role they are in, and wherever they are based, knows how they contribute to the charity's impact.

The Chairman has reported on our drive to modernise and this is, indeed, critical and an area of concentration. In an unpredictable economic environment, with fluctuating prices, huge changes in the work environment and evolving expectations about working conditions, modernisation is essential for us to develop truly sustainable services, and our new values help us all move forward together.

Central to our mission and our determination to grow the support we offer are our philanthropic and commercial partnerships. This year we are hugely indebted to Network Rail, Highways England, Amey, Bear Scotland and Forestry and Land Scotland, who help us provide jobs for people with disabilities. We are thrilled about our new partnership with the NHS Maidstone and Tunbridge Wells, supporting people to overcome the effects of severe stroke and live independently again. We would not have been able to deliver our Lifeworks employability programme across the UK without Barclays, Morrisons, Annington and ABF The Soldier's Charity.

We have been overwhelmed by the support from philanthropic organisations including The Lawson Trust, The Colyer-Fergusson Charitable Trust, The Michael Uren Foundation, The Gosling Foundation, and the Veterans Foundation who are making the next stage of the Centenary Village a reality. Our partnership with The Telegraph

over the Christmas period mobilised the British public to give like nothing this charity has ever experienced before. It has been a step change for RBLI to have The Telegraph's support in making sure veterans' experiences and challenges are heard and understood.

The year ahead will be focussing on growing all income generation. We will do this by maximising the facilities we operate, growing our social enterprises and increasing our fundraising. In addition, we will be improving all of our estate and creating more new homes and community facilities. At the same time, we will be looking to reduce our cost base and find efficiencies in our operations.

It feels most fitting that I sign off my review with my sincere thanks to all our partners, as there isn't the space to mention them all here. Our Armed Forces will do whatever is necessary to keep us safe, and I can never thank our partners enough for making it possible for RBLI to be here for them in return.

**LISA FARMER**  
RBLI Chief Executive

21 December 2023

# WHO WE ARE

Royal British Legion Industries (RBLI) is a national charity that has been helping those in need for over 100 years, providing support to the Armed Forces community, those with disabilities and those who have found themselves unemployed.

Each RBLI division offers a service to help veterans live an independent life with whatever support they require resulting in the successful delivery of a full-care pathway on-site to help veterans of any age or background from across the three services.

## SOCIAL ENTERPRISES

**Britain's Bravest Manufacturing Company** refers to RBLI's social enterprise factory in Aylesford, providing signs for road and rail, wooden products and fulfilment services, as well as our print, mail and fulfilment centre in Leatherhead.

**Scotland's Bravest Manufacturing Company** is RBLI's award-winning factory in Renfrewshire, Scotland predominantly focusing on signage manufacturing and precision engineering.

As well as being market leaders in their industries, more than 70% of those employed across the Charity's social enterprises are military veterans, those with disabilities, or both.

## EMPLOYMENT SOLUTIONS

**Lifeworks** is an award-winning employment support programme which equips veterans and their family members, as well as the loved ones of those currently serving, with the tools needed to find meaningful employment outside the Armed Forces.

The free of charge programme continues to grow with courses nationwide and, with a core of ex-Armed Forces personnel in place behind the scenes, the team truly understands the complex needs of our nation's veterans.

“

RBLI is a charity that our whole nation can be proud of.”

Steven Rowbotham, RBLI Chairman

”

## LIVING

RBLI's village in Aylesford provides 340 homes and, more than that, it offers a thriving community and a sense of belonging for veterans of all ages – whatever their level of need.

**The Centenary Village** is RBLI's current capital project and the latest instalment of homes and facilities for our veterans. The first two phases have been completed, including an assisted living facility, move-on apartments particularly for younger veterans of more recent conflicts, and family homes. The next phase is due for construction shortly and will incorporate additional homes and a community centre at its heart.

**STEP-IN** is RBLI's unique welfare model providing veterans and their families with structured, holistic support tailored to their individual needs.

Whether it's support with housing, drug or alcohol dependency, financial issues or relationship breakdowns, RBLI's STEP-IN programme, and our dedicated Welfare Team, create a plan specifically to help with any challenges when veterans first join our village community.

**Mountbatten Pavilion** is RBLI's emergency accommodation, often used as a 'stepping stone' for single Armed Forces veterans. It enables residents to live in a safe environment whilst accessing training and welfare support from a dedicated team to lead independent lives with confidence in the future.

RBLI has two on-site assisted living facilities, **Queen Elizabeth Court** and **Greenwich House**. Both facilities are in place for those who have served in the Armed Forces, and their spouses, aged 55 and over, with on-site domiciliary care provided to help residents who need it whilst keeping their independence.

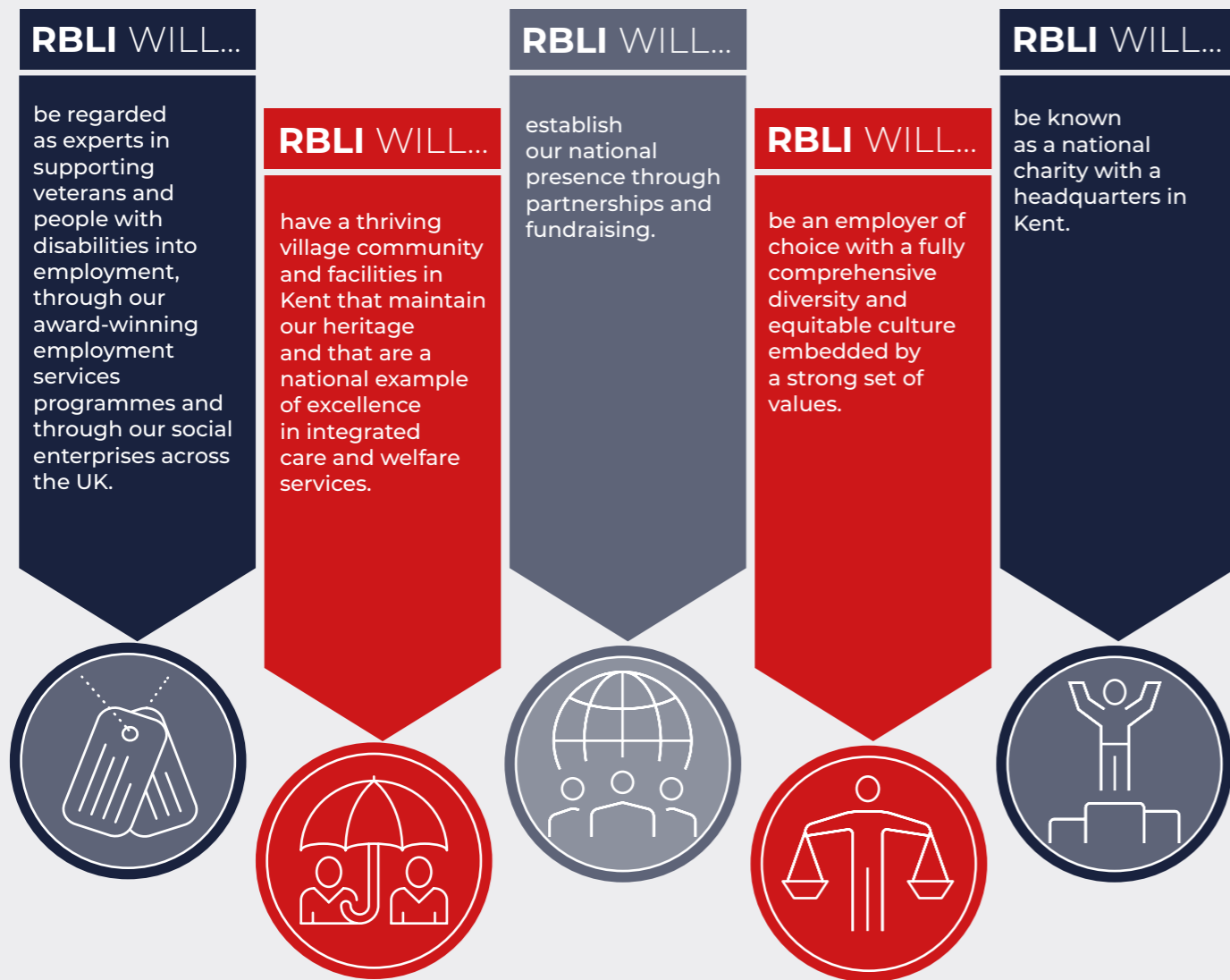
**Greenwich House** is our new 24 apartment assisted living accommodation that opened as part of RBLI's Centenary Village in 2022.

**Bradbury House** is our specialist nursing care home, now offering dementia care as of 2022. It provides longer term specialist support and care as well as shorter respite care packages. **Appleton Lodge**, opened by HM Queen Elizabeth II in 2019, is set amidst RBLI's village and provides extra-care nursing with specialist staff on-hand with the dignity of the residents in mind.



# STRATEGIC REPORT

## OUR OBJECTIVES



## OUR VALUES

Our values have been developed to underpin RBLI's culture across the organisation and are at the heart of how we interact with one another, our customers and supporters, and crucially, how we interact with those who need our support.

Making an **IMPACT** is a key part of our mission, having this word at the heart of our values is important to us as we aim to maximise the impact we have in everything we do.

To reinforce and embed the values, we have defined models of behaviours expected from our staff to ensure everyone is able to understand the importance and meaning of each values, as well as defining behaviours which would not live up to the values.

To drive this understanding and buy in from our staff we have been holding engagement sessions across the organisation and are updating our key HR processes to include the values, such as through our reward and recognition schemes, our personal development reviews and how we recruit colleagues.

We have also set up a team of staff representing different areas of the organisation who have been specifically tasked with identifying ways to embed the values through engagement with staff.

## IMPACT



### INTEGRITY

We are proud of the how; committed to doing what's best while maintaining transparency and respect at all times.



### MOTIVATED

We are motivated to maximise value through challenging ideas, innovation and embracing change.



### PEOPLE FIRST

People are at the centre of everything we do; we care about those we support, our colleagues, our customers and our stakeholders.



### ACCOUNTABLE

We are all responsible for our actions and we inspire each other to make decisions and take ownerships.



### COMMUNITY

We take pride in our inclusive and thriving community with its unique network of support.



### TEAMWORK

We achieve our goals together through the strength of our collaboration and communication.

# The support we provide: HOMES

Through a wide range of purpose-built homes, care and assisted living accommodation, RBLI's village in Aylesford is fast becoming a thriving intergenerational community of around 340 homes.

## KEY ACHIEVEMENTS FOR 2022-23

- Work at RBLI's Centenary Village development continued at pace, with Phase 2A completed in July 2022. This phase signalled the addition of 40 new homes, including a 24-apartment assisted living accommodation for veterans over the age of 55 at Greenwich House, 12 apartments with younger ex-service personnel of more recent conflicts in mind at Sapper House, and additional houses for veterans and their families in need of a suitable and safe place to call home. This £22m development will ensure that RBLI can support hundreds more military veterans and their families every year for the next one hundred years.
- During the latter part of the financial year, RBLI signed a block funding contract with the NHS to provide four fully furnished apartments at Greenwich House for patients admitted from Maidstone and Tunbridge Wells NHS Trust and who are ready to move back into independent or residential living.
- In May 2022, The Lord-Lieutenant of Kent, The Lady Colgrain, officially reopened Bradbury House, previously known as Gavin Astor House, following a £3.5m refurbishment. With the addition of specialist dementia suites, Bradbury House can now provide top-level, around the clock care in an empathetic setting to those living with dementia.
- In June 2022, a graduate team from Barratt Developments completed work on a new £100k dementia garden next to Bradbury House. Having raised funds to build the garden, the graduates worked alongside dementia specialists to ensure the garden incorporates accessibility features, such as raised flower beds, for as many residents as possible to enjoy. This project is the latest in a multi-layered partnership between RBLI and Barratt Developments which won the award for Corporate National Partnership Champion in the 2020 Charity Times Awards.
- We were delighted that our care homes, Bradbury House and Appleton Lodge, attracted higher than ever numbers of reviews, three times up from 2021, and ratings. Bradbury House was rated 9.7/10 and Appleton Lodge 9.5/10.
- We undertook a staff and resident satisfaction survey across all assisted living accommodation. The results prompted new initiatives, including preparing meals on site and minimising reliance on pre-prepared and processed ingredients.
- A key strategic and financial objective was to increase the number of homes and the occupancy levels across RBLI's village. An increase of 23% in occupancy was achieved through the addition of new flats and houses as well as attracting new residents.



Occupancy figures for FY 22-23:		
	31 March 22	31 March 23
Appleton Lodge	11	12
Bradbury House	33	48
QEC	39	40
Greenwich House	0	24
Mountbatten Pavilion	20	26
Housing	97	96
<b>TOTAL</b>	<b>200</b>	<b>246</b>

## PLANS FOR 2023-24

- The spade was put in the ground at Phase 2B of the Centenary Village in June 2023, commencing 52 weeks of work. This important next stage will include a female-only HMO for veterans, the first of its kind in the UK, which recognises the growing number of women in the Armed Forces.
- Included in this next phase of development will be a new community centre providing a hub for veterans of all generations and experiences to meet, form friendships and feel at home amongst fellow comrades, as well allowing access to the wider community.
- The addition of a state-of-the-art IT suite will enable veterans to develop their skills and career potential, while the on-site gym will support our residents' and staff's physical and mental wellbeing.
- Plans for Phase 2C have been revised following a strategic review of our property portfolio. We decided to sell part of the land initially proposed for this development, and we will use these funds to deliver other planned services for RBLI's beneficiaries.
- We will increase the number of permanently booked rooms at Greenwich House by Maidstone and Tunbridge Wells NHS Trust from four to six on a rolling six-month contract with a further option to extend.
- As part of this initiative, the NHS will provide free certified stroke recovery training to care staff working at the Charity's assisted living facilities.
- For the upcoming financial year, RBLI will be working to a budgeted target of 96% occupancy across the village.
- We have plans to create a new garden at Queen Elizabeth Court, one of the Charity's two assisted living homes, which will improve direct access from the ground floor apartments. The garden will also feature raised beds, enabling residents to enjoy growing a range of vegetables, herbs and flowers. This has been made possible by the generosity of Barratt Developments.
- We listened to the residents and staff about the preparing of meals in RBLI's assisted living facilities and we are rolling this out across all care services.

# Terry's story

"I'm absolutely over the moon with this place and all of the people."

Terry, 1957-2023



Terry O'Grady, 66 described his situation as "pure hell" when, having been diagnosed with a terminal condition, he found himself living in a bedsit with a leaky

ceiling and shared bathroom, surrounded by constant banging, shouting, and screaming.

With his health deteriorating, Terry was admitted to Maidstone Hospital for three weeks before being referred to an NHS flat in RBLI's Greenwich House, where he met team leader, Donna Sears.

Despite his father having served in the Air Corps, Terry had no knowledge of RBLI before moving in, but immediately felt at home. "I'm absolutely over the moon with this place and all the people", said Terry.

Shortly after moving in at Greenwich House, Terry started to go on walks, do his own shopping, and even started cooking his own meals at home. "It's incredible how far he came", explains Donna.

Just three weeks after arriving, Terry moved into one of the permanent flats available at Greenwich House, with more room for his family to visit; including his grandchildren.

Terry passed away peacefully from his condition in April 2023. He will be much missed at Greenwich House but the legacy he leaves is one of overwhelming positivity.

# The support we provide: **EMPLOYMENT**

RBLI supports veterans and those with disabilities into employment through our nationwide employability programmes as well as roles at our social enterprises.

## KEY ACHIEVEMENTS FOR 2022-23

- During the financial year 2022-23, more than 1,200 veterans connected with the Lifeworks team via email, phone, text, video call or face-to-face to provide the guidance or direct support they need.
- 450 veterans have been supported towards employment since receiving Lifeworks' support in the last financial year. The breakdown across the three services are:
  - Army 70%
  - Navy/Royal Marines 20%
  - RAF 10%
- We have extended the reach of the service by adding an option for veterans to access Lifeworks remotely. In addition to our residential four-day courses, Lifeworks can now be delivered directly in a modular form to veterans who are unable to travel, or those who are already employed but seeking career progression advice.
- The Lifeworks team has been forming new employment partners, which has resulted in more veteran-friendly employment opportunities being shared via the 'Lifeworks Hub'. The 'Lifeworks Hub' is an online resource that can be accessed anytime, further supporting veterans in independent learning and/or training.
- Increasing awareness of Lifeworks has been a key focus for us during 2022-23. We developed a bespoke marketing plan which included hearing from stakeholders and incorporating paid advertisements on our social media channels for the first time.
- RBLI has increased employment opportunities for veterans and people with disabilities, with 111 employees now working in our social enterprises.
- Six Britain's Bravest Manufacturing Company (BBMC) employees underwent training to upgrade their skills and qualifications.
- Four Gurkha veterans working in our signs division were promoted to new roles; the most internal promotions in our social enterprises in any given year.
- After initially joining BBMC, Army veteran Tim Brown moved to a new position as a Lifeworks Coach, where his military background and supportive nature is proving to be an invaluable asset to the programme.



## PLANS FOR 2023-24

- We will offer 24 courses with one course on location every month and one taking place at RBLI's village in Kent. We plan the locations to include veterans who are furthest from the labour market, spanning the length and breadth of the UK, from Glasgow to Portsmouth, to Cardiff and Hull.
- We will ensure a UK-wide reach through priority locations where the recent census shows veterans are concentrated.
- We are carrying out a year-long evaluation of the Lifeworks programme to determine and highlight the holistic benefits that the courses deliver, in addition to positive employment outcomes.
- The Lifeworks team is working towards the SQA accreditation for the four-day course content. This will be based on the employment skills the course provides by giving every Lifeworks veteran an internationally recognised qualification.
- We continue to seek out Lifeworks referral partners and work towards a more transparent veteran support roadmap, working as part of the COBSEO employment cluster whilst supporting local government to help more veterans into employment.
- We are planning to improve the 'Lifeworks Hub' with new material including more video training for on-demand modular support.
- Over the next year, we have set targets to employ more veterans who live on RBLI's village to fill internal vacancies.
- The Access to Work contract comes to an end in June 2023 as our bid in partnership with Jobs22 to continue offering this service was unsuccessful. We were unable to match the price and this will now be delivered by two new prime providers in Reed in Partnership and Maximus UK Services Limited.
- RBLI's Building Better Opportunities programme will be withdrawn after vital EU funding required for running the programme came to an end.
- We are extremely sad to lose these services and we are thankful to both teams for their hard work in ensuring that RBLI delivered these important services so diligently to our beneficiaries who are searching for work.

# Nick's story

"I walked out of the Lifeworks course smiling. It was a **massive confidence boost** and I should've done it ages ago!"

Nick – Royal Navy veteran



After 24 years in the Royal Navy, Nick now suffers from severe arthritis and problems with his spine, hips and joints. Nick told us that his chronic pain was slowly eroding

his personality and mental health, and he was finding it difficult to find work due to a lack of confidence and was afraid of how his disability would affect his employability.

Since attending our award-winning Lifeworks course, Nick has gained a new-found confidence, taking away an improved knowledge of his employability skills such as interview techniques and an ability to respond to interview questions. Lifeworks also helped Nick with tips and support for job searching and identifying key companies of interest.

Nick commented that he had been reluctant to take the first step into support from a charity, but now looks forward to new prospects in his life. Our Lifeworks experts pride themselves on supporting every veteran simply by learning about their individual situation and experiences and using that to boost their confidence for new employment opportunities.

# The support we provide:

## WELFARE

RBLI's unique STEP-IN welfare model provides veterans and their families with structured, holistic support which is tailored to their individual needs to help them overcome a range of challenges on their way to independence..

### KEY ACHIEVEMENTS FOR 2022-23

- RBLI's STEP-IN programme provided 92 residents with welfare support.
- 176 STEP-IN welfare meetings held with residents across the village, with 116 taking place with those residing in our emergency accommodation, Mountbatten Pavilion.
- Mountbatten Pavilion saw 20 new veterans move in, 14 of whom accessed a Lifeworks employment course, and 16 move out and into move-on accommodation both on and off the village: a key measurable success for the Charity.
- 100% of the residents at Mountbatten Pavilion accessed the STEP-IN welfare programme.
- We increased the numbers of staff in the welfare team by employing a second STEP-IN Officer to deliver our welfare services.
- Operation Fortitude, a new funding and support scheme created to end veteran homelessness, was announced in December 2022. We have joined and can now access key information and national referral routes for housing and welfare.
- We have established a new partnership with Alcoholics Anonymous who now have direct contact with residents to provide one-to-one support.
- The PTSD Resolutions team continue to visit the RBLI village twice a week, bringing qualified psychotherapists to help veterans recognise and learn to manage their PTSD. This collaboration guarantees speed of delivery and specialist support to those who need it; a key example for the success of working in partnership.
- We are delighted that communal activities on the village are now being reinstated after the pandemic. We have employed a Lifestyle and Wellbeing Coordinator to lead on activities and hear from residents to help us better understand needs and choices of our residents.
- We have set up an activities programme which includes weekly water sports during the summer months and other activities such as equine therapy and camping/activity trips.



### PLANS FOR 2023-24

- We have a target to reach full occupancy at our emergency accommodation Mountbatten Pavilion.
- We aim to provide more support for the veterans through a partnership with ReferKent. This will give access to 70 other organisations who offer support on debt management, domestic violence, homelessness and mental health issues.
- Further plans to work in partnership with others to enhance our service offering and speed of delivery will continue, including work with Men in Mind, who have been lined up to provide mental health awareness training to residents and staff.
- RBLI has plans to use three smaller rooms at Mountbatten Pavilion as emergency spaces for homeless veterans to use for the short term.
- We will employ a STEP-IN Officer with a specialism in drug and alcohol addiction to implement group recovery programmes for those who want to remain drug and alcohol free.
- As a proven model of support, the Charity will work at extending STEP-IN to those in our care and assisted living homes on the village.
- We have worked with the Kent Community Rough Sleepers NHS Trust to secure free dental treatment for the residents at Mountbatten Pavilion.

# James' story

"Don't give up, **it's okay not to be okay**. Talk and get the help that's out there. I am living proof!"

James



James' 11-year Army career included two tours of Afghanistan with the 1st Battalion Royal Anglian Regiment. After leaving, his mental health deteriorated resulting in

alcohol dependency, the breakdown of his marriage and ultimately homelessness.

Following the suggestion of a volunteer worker, James' sister, Katie, contacted RBLI and in April 2021, James moved into Mountbatten Pavilion to begin a bespoke STEP-IN programme. He successfully detoxed under a residential rehab programme and received weekly counselling from PTSD Resolutions. He also began volunteer work at The Great Comp Garden, one of Kent's finest gardens in Sevenoaks.

James is now making great progress towards independence and continues to be supported by the RBLI welfare team. He has moved into his own flat in the Centenary Village and has secured a voluntary position at Kent Life in Aylesford. James has also applied for his driving licence and looks forward to being independent and future employment opportunities. James informs us that his future looks promising and the support he has received from RBLI has been life changing.

James also embarked upon his own 10k running challenge in 2022, aptly named "James' Journey" to raise awareness of mental health and PTSD and raise funds for the Mountbatten Pavilion refurbishment, a place now very close to his heart.

# How we make it happen: FUNDRAISING

Donations continue to make up a key part of RBLI's income, covering community fundraising, individual giving and major gift donations. This support is crucial to the work RBLI is able to do in supporting those who need it most.

## KEY ACHIEVEMENTS FOR 2022-23

- Our generous supporters gave £4 million.
- After being restricted to virtual-only events by the pandemic, we were delighted to welcome supporters back in person for some new challenges, including a Tommy 10K in the stunning grounds of Eridge Park.
- In January 2023, we invited people to kick off the New Year by fundraising for RBLI by walking or running 10,000 steps across the month, raising £75k.
- The Great Tommy Sleep Out returned for a fourth year in March 2023, with over 3,000 individuals and groups sleeping outdoors. The event raised over £450k, a 27% increase from the previous year.
- The Chairman of our Trustee Board hosted his own Great Tommy Sleep Out, with 30 key supporters joining him at Fort Amherst, that generated a record-breaking £32k in sponsorship. We are grateful to each person who took part and worked so hard to achieve this amount.
- Falklands 40, a fundraising challenge to commemorate the anniversary of the Falklands War, contributed more than £100k to the annual fundraising total.
- We were delighted to be chosen for the Daily Telegraph 2022 Christmas Appeal, which raised £145k and promoted the Charity's work to a large new audience. As part of the campaign, Daily Telegraph journalists visited RBLI and published twelve articles featuring veterans who have benefitted from our support.
- After launching in 2020, the Tommy Club continues to go from strength to strength. In 2022 we increased the number of Champions by 67% and are extremely grateful for their donations and significant fundraising efforts.
- Important corporate partnerships with Morrisons, Annington, Barclays, Calleva Foundation, Barratt Developments, SERCO Foundation and ABF The Soldiers' Charity provided vital support to our Lifeworks programme.
- We were overwhelmed with the generosity of our partners with particular thanks to The Colyer-Fergusson Charitable Trust, The Michael Uren Foundation and The Lawson Trust who all gave towards the Centenary Village development to enable us to move ahead with the building programme.
- Further support for the Centenary Village came from The Gosling Foundation for the new IT learning suite, with Frank Brake Charitable Trust and Peter Cruddas Foundation supporting Greenwich House.
- The Royal Engineers' Association provided support through their innovative welfare partnership and Queen Mary's Roehampton Trust, and the Armed Forces Covenant Fund contributed to the intergenerational activities covering nursing care, fitness, horticulture, and wellbeing initiatives at Mountbatten Pavilion.



## PLANS FOR 2023-24

- The Tommy Club is a key source of fundraising income and we have plans to increase the number of Champions by over 60%.
- We will grow the income and number of participants taking part in the Great Tommy Sleep Out, with registration already open.
- We will update our gifts in Wills materials to encourage more people to consider supporting RBLI with a gift in their Will. This is in addition to the free Wills services that we have in place already.
- We will raise the remaining £900k to meet the target to complete the Centenary Village development plans.
- Fundraising will continue for other exciting projects across the village including development of more shared homes, improvements to existing properties and investment in green spaces.
- We will raise funds specifically for mental health support through our STEP-IN welfare programme, as well as employment through our nationwide Lifeworks course.



**£4 MILLION**

raised by supporters during 2022-23



**£450K**

raised by The Great Tommy Sleep Out



**£145K**

raised by the Daily Telegraph Christmas Appeal



**67%**

increase in Tommy Club membership



# How we make it happen: PEOPLE

People are at the heart of what RBLI delivers and we recognise that a motivated and cohesive workforce is key to the future success of the Charity. We can achieve more together with effective teamwork than as individuals.

## KEY ACHIEVEMENTS FOR 2022-23

- In September 2022, we secured Investors in People accreditation for another year, with an objective to attain a gold award at our next review in 2025.
- RBLI consulted staff and other stakeholders to develop our values. This was achieved by speaking to teams and allowing staff to choose their favourites in a survey.
- We introduced an employee forum, which welcomes participants from all areas of the organisation to improve engagement across RBLI and promote cohesive working.
- Instant awards were introduced during the year 2022-23, where staff can nominate colleagues to recognise where they have gone over and above the requirements of their job role. This will be further developed to include how employees are meeting the organisational values.
- A management development programme has been introduced, to ensure RBLI managers are fully supported with upskilling and training opportunities.
- As part of a wellbeing strategy to support staff, we have trained a team of 20 mental health first-aiders. We have also introduced training in stress management and mental health awareness for all staff members.
- As an equal opportunities employer, RBLI is proud to be a Disability Confident Leader and is looking at ways to further raise awareness amongst staff through equality and diversity training.



## PLANS FOR 2023-24

- We will launch and embed our recently established values over the forthcoming year, including them in new colleague induction, and our newly adapted Personal Development Reviews for all staff.
- We will look at re-establishing a volunteering programme now that the World Health Organization (WHO) has declared an end to COVID-19 as a public health emergency.
- From April 2023, we will be introducing the real living wage as a minimum rate of pay, which aims to ensure a fair standard of living for all staff.
- Staff retention is a key strategic aim. There is a drive to ensure that RBLI becomes an employer of choice and enhances its reputation as a great place to work.
- We will be working to further ensure that staff are made aware of the benefits available to them, such as defined contribution pensions, employee assistance programmes and cash plans.
- RBLI will be introducing learning and development opportunities for staff and improving communications, including a monthly staff newsletter and an app for those who do not have access to an RBLI email.



**2022/23**

RBLI re-awarded with IIP accreditation



**203**

colleagues voted for RBLI's values



**50**

instant rewards given to colleagues by their peers



# How we make it happen: RETAIL

Retail is a growing contributor to RBLI's revenue with the USP that all products sold are made and/or fulfilled by veterans or by people with disabilities. This resonates strongly with our customers.

## KEY ACHIEVEMENTS FOR 2022-23

- During the financial year 2022-23 we launched several new product lines and welcomed 13,485 new customers to RBLI through the online shop.
- A new product range to celebrate the Queen's Platinum Jubilee proved highly successful, generating £200k revenue through sales of lamp post signs, bunting, flags, pins, stickers, placemats and commemorative coins.
- Remembrance is an important period for our retail activity and, in November 2022, we launched 17 new Remembrance themed products which generated £300k of revenue.
- We embarked upon our first licensing agreement with an established seller of fine jewellery and collectables, contributing £25k during the financial year through the creation and sale of a ring for military veterans.



## PLANS FOR 2023-24

- We have a target to increase our retail net income by 35% through growing online sales and increasing the amount of fulfilment work.
- We want to increase the income from our fulfilment services by 16% through new customers and larger contracts.
- We will expand our retail business by selling our range through new retail outlets to reach new customers in addition to our existing online shop.
- Achieve an increase of 80% in new customers which will be met by diversifying our product ranges in new markets, including a Coronation collection, pet range and new MOD products.
- We are exploring the expansion of our licensing strategy as an area for potential growth.



**13,485**

new customers visited RBLI through the online shop



**£300K**

revenue generated through a new range of Remembrance products



**£25K**

generated through a new licensing agreement



# How we make it happen: MANUFACTURING

RBLI has three social enterprise factories in the UK, situated in Kent, Surrey and Renfrewshire. These cover the manufacturing of signs for road and rail, and wooden products such as pallets and fruit bins, as well as printing and mail facilities.

## KEY ACHIEVEMENTS FOR 2022-23

- Sales have been strong across the two signs divisions in Kent and Renfrewshire. In total, around 100,000 signs were manufactured and sold from Kent's BBMC, covering approximately 25,000m<sup>2</sup>, with a further 41,000 made in Scotland at SBMC equating to just over 10,000m<sup>2</sup>.
- We were honoured to be awarded the contract to manufacture steel tree-planting plaques for the Queen's Green Canopy project, one of only four approved manufacturers which generated £155k in revenue. The plaques were made by veterans at Scotland's Bravest Manufacturing Company.
- SBMC's biggest single sign contract last year was for Scottish Government/NHS Scotland "No Smoking" legislation. 1,557 signs were manufactured, delivered and installed on every NHS Scotland hospital and clinic site in Scotland, this included the mainland, Hebrides and the Northern Isles. The signs were manufactured in August 2022 and installation completed by February 2023.
- Network Rail has committed to buying safety signs through BBMC for a ground-breaking safety project to protect those working on the railway tracks BBMC has already supplied 340 of these signs with future orders for almost £375k.
- Our pallets division has struggled due to fluctuating sales and higher raw material prices, driven by the war in Ukraine. Despite a difficult trading year, we produced 220,000 pallets, including 65,000 for one key customer.
- Our print site in Leatherhead recorded 1,522 orders in this financial year, demonstrating the demand for print and mail services.



## PLANS FOR 2023-24

- Highways England has committed to spending £1 million in the forthcoming year, which represents a 25% year-on-year increase. The announcement was made in March 2023 by Malcolm Dare, Executive Director of Commercial and Procurement National Highways.
- A project is underway to provide £119k of high voltage signs for Transport for Wales in line with infrastructure changes to the voltage.
- RBLI will further promote the concept of 'buying social' to reinforce the key message that buying through us enables us to positively change lives every day, through our employment support to those who need it.
- New leadership and processes have now been implemented for wooden products to improve procurement, stock holding and just-in-time operations. As a result, we anticipate an improved performance during the forthcoming year.
- We will focus on forging new manufacturing partnerships and leveraging existing customers within our community to ensure our social enterprises can fully demonstrate the RBLI's values.
- A strategic focus will be increasing the volume of commercial signage we produce in the social enterprises as this is a key market to expand our operations.



**141,000**

signs were manufactured and sold by BBMC and SBMC combined.



**1,557**

no-smoking signs manufactured by SBMC for Scottish Government/NHS Scotland



**222,000**

pallets produced by our wood division, including 65,000 for one customer



**1,522**

orders fulfilled by our print site in Leatherhead



# GOVERNANCE, MANAGEMENT & RISK

## Governing document

Royal British Legion Industries Ltd. (RBLI) is a charitable company limited by guarantee and was set up on 2 September 1919, when it was called Industrial Settlements (Incorporated) Limited. It is governed by Articles of Association which were last amended in October 2022. The Articles set out its charitable objects which are:

- The relief of those in need by reason of age, ill health, disability, or incapacity.
- The relief of the charitable needs of Members and former members of HM Forces, their relatives, and dependants.
- The advancement of education and training.
- The relief of unemployment for the benefit of the public in such ways as may be thought fit including assistance to find employment.
- To promote equality of opportunities for people with disabilities in relation to their access to employment.

As both a charity (registered charity numbers for England & Wales 210063 and Scotland SC048795) and a company (registered company number 00158479) RBLI is subject to both charity and company law. It is further subject to all relevant legislation within its geographical areas of operation, those being England and Scotland. The registered office of the charity is situated in England.

## Reference and Administrative Information

The Trustees in office during the year and as at the date of this report, the Senior Leadership Team of the charity, its principal places of business and its professional advisers, are set out on page 63 of this report.

## Board of Trustees

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, have overall responsibility for the strategy, direction, and control of RBLI, including ensuring robust governance arrangements are in place. They govern in accordance with the Articles of Association, which details the decisions that are reserved for the Board

and therefore cannot be delegated. This document also allows for delegation and therefore, authorisation can be given to individual Trustees, committees, or staff, to act on behalf of the Board in specific areas. During the year a Matters Reserved for the Board and Scheme of Delegation document was approved by the Board to support this delegation.

The Board provides overall policy direction, and the management of the charity is delegated to the Chief Executive and the Senior Leadership Team. The Board meets quarterly, and papers are made available prior to Board Meetings including business plans and budgets.

In determining the remuneration of key management personnel within the charity, including the Chief Executive, consideration is given to the level of responsibility and skills requirements of the role, the market rate and external benchmarks for an equivalent role within the sector and relativity with other senior roles within the organisation. Remuneration for key management roles is recommended by the Chief Executive and approved by the Chair of Trustees. The remuneration of the Chief Executive is recommended by the Chair of Trustees and agreed by the Board of Trustees.

The Articles of Association require that the Board of Directors consists of a minimum of two but not more than fifteen members of the charity, excluding any ex officio members of the Board. Trustees are formally appointed at the Annual General Meeting in accordance with the terms they have agreed to serve. Where a vacancy arises during the year, the Trustees can co-opt a new trustee, who will then be formally appointed at the following Annual General Meeting.

Trustees are recruited based on the skills required on the Board. To support this a gap analysis is undertaken against the agreed skills and experience. The recruitment process, which is based on the Trustee Recruitment Policy, looks to ensure that there are a diversity of interests and experience brought to the Board. During the year three new Trustees were recruited, all of whom are members of a Board sub-committee. It is planned to revisit the skills gap analysis during 2023, with the view to recruit in areas such as social enterprise and digital transformation.

Newly appointed/elected Trustees are given induction training on their duties and responsibilities. This includes, although is not limited to, provision of key documentation such as Articles of Association, reports and financial statements and details of divisional work streams. In addition, on-Boarding visits to the various Royal British Legion Industries sites are undertaken at which introduction meetings are held with key members of staff. There are several key policies in place for Trustees, including the Code of Conduct and Conflicts of Interest Policy, which are provided during this period.

The Board of Trustees holds strategy days with the Senior Leadership Team at least once a year. The Board reviews existing operations of the charity and considers strategic options for the future. During the year the Trustees attended the two departmental open sessions run by the Fulfilment and Fundraising teams and took part in events on-site such as the Staff Awards and key visits.

## Board Sub-Committees

The Board has three formal sub-committees, all of which have approved terms of reference, are chaired by a trustee with relevant experience and have a membership of Trustees, with the Chief Executive and other Senior Leadership Team members in attendance. During the year the following committees were in place and held meetings at least quarterly in-line with the Board timetable.

## Care & Welfare Committee

The Care and Welfare Committee considers all care and welfare matters across RBLI's village, reviewing:

- standards of care within the care and welfare setting
- relevant risk registers
- significant incidents
- audit and inspection results

The committee is also responsible for providing updates in relation to any developments within the sector on both a local and national level.

## Estates Development Committee:

The Estates Development Committee is responsible for overseeing the Strategic Property Plan, which provides the vision for estates development across RBLI and overseeing any major property projects. It also reviews the Property Asset Management Plan, which details the maintenance requirements of the properties.

## Finance, Performance & Remuneration Committee:

The Finance, Performance and Remuneration Committee is responsible for reviewing the operational and financial performance of RBLI, considering strategic and corporate risks, and evaluating the effectiveness of the risk management approach. It also oversees the annual audit process.

## Senior Leadership Team

The Senior Leadership Team (SLT), which comprises the Chief Executive and the divisional Directors, is the principal management committee for RBLI, given delegated authority for day-to-day matters through the formal Scheme of Delegation. All members are accountable to the Chief Executive and through this support the delivery of the short to medium term strategic decisions for the organisation. There are SLT meetings held every two weeks; covering both performance and strategy. Members of the SLT attend Board and sub-committee meetings when required, to present papers for their area of responsibility. The Chief Executive, Director of Finance and Performance and the Company Secretary attend all Trustee Board meetings.

## Governance Developments

Following on from the establishment of a Governance and Compliance Department in the previous financial year the decision was made to create a Director role to oversee this function.

The Governance team, lead on risk, data protection and legal and regulatory compliance. They also handle policies and procedures and all company secretariat matters. The team has been strengthened

# GOVERNANCE, MANAGEMENT & RISK

## Continued

during the year and an extensive governance training programme has been developed which will be rolled out over the year.

During the year an assurance framework has been developed, the purpose of which is to give sufficient, continuous, and reliable assurance to Trustees on RBLI's governance and management of the major risks thereby helping to ensure effective and efficient working practices. As part of this programme departmental heads provide an annual self-assessment against internal controls. These are summarised at a divisional level, approved by Directors, and at a corporate level. The corporate level summary forms the basis of an annual Statement on Internal Control, which is signed by the Chief Executive and the Director of Governance, Compliance and Business Systems on behalf of the SLT. Action plans have been established for areas where further work is required.

### Charity Governance Code

RBLI support the principles of the Charity Governance Code, as shown by the Board's formal adoption of this code in September 2021. During the 2022 / 23 financial year work was undertaken to review our practice against the principles and recommended practice. Several work streams that had already been identified, in areas such as formal delegation, policies and procedures, Board planning and definition of the new values for RBLI have been completed.

We recognise however that there is still work to do to improve our use of data and systems, which we are addressing through our digital strategy and transformation programme, as well as strengthening our approach to equality, diversity and inclusion, an initiative which will be led by the Director of People and Culture and supported by SLT. In addition, we are exploring the evaluation and monitoring of the charity's impact.

Our self-assessment against the code going forward will be continuous.

### Supporter Promise

We set the highest standards for our fundraising and comply with the relevant charity and data protection laws. Our aim is that supporters and volunteers are able to give to and fundraise for RBLI with confidence and trust that their hard work and generosity makes a difference. We are members of the Fundraising Regulator and we comply with the Fundraising Code of Practice as well as keeping up to date with Fundraising Preference Service registrations.

We have a Supporter Promise that describes how we approach our fundraising activity with details of how to contact us if we fall short of this. We are a small team and in some cases we use third party agencies with specialist expertise to support our work. This is a more cost effective way of working than trying to do everything ourselves. Each external supplier has been carefully selected and we have in place a service level agreement which is closely monitored by our colleagues.

We believe in being transparent, open and honest in relation to our fundraising and in how we represent veterans and everyone who benefits from RBLI services. We are careful to engage them in the planning and ensure they have given permission before these materials are made available to our supporters or the general public.

We are especially careful and sensitive when engaging with vulnerable people. We make it easy for our supporters to tell us how they want us to communicate with them and we never swap or sell their details to third parties.

### Public Benefit

The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's guidance on public benefit of the Charities Act 2011, when reviewing the charity's aims and objectives and in planning future activities. The Senior Leadership Team are involved in strategic planning with the Trustees and their recommendations are then formally approved by the Board.

The Trustees are satisfied that the current and planned activities will continue to align and meet the public benefit requirement as outlined in the Charities Act 2011, namely through the promoting of community interests and assisting veterans and disabled people.

### Complaints

RBLI is committed to providing an excellent standard of service to all our beneficiaries, users, customers, supporters and the organisations that we support across our diverse operations. Where we get this right, we encourage positive feedback. Where we get this wrong, we will seek to address and improve, taking all concerns and complaints seriously and aiming for resolution as quickly as possible.

We have an organisational policy and procedure in place for complaints, which is underpinned by local procedures and processes. The procedure details who will respond and investigate complaints, depending on what the complaint may be about. It also details the three-stage process in place for complaints and how to move on to the next stage if the complainant is not satisfied.

We seek to investigate complaints at a local level wherever possible, with the relevant Director having oversight, moving through the stages if required. We also aim to meet the deadlines set within our procedure. During the year we did not always meet this standard and are working to streamline our processes to ensure this measure improves going forward.

As members of the Fundraising Regulator we record all complaints that we receive about our fundraising. In 2022-23 we recorded just six complaints, all of which were dealt with quickly and effectively. We were able to resolve these with the supporters concerned without referring them to the Fundraising Regulator.

### Risk Management

RBLI's Risk Management Strategy sets out the high-level risk management framework including how to

address risks at different levels. RBLI aims to have a risk aware rather than risk averse culture and accepts that the avoidance of risk at all costs is unrealistic; to take opportunities in areas such as the development of the Centenary Village a certain level of risk is required. These risks however need to be managed to within an acceptable framework.

RBLI maintains risk registers at departmental, divisional, corporate, and strategic level. There is a mechanism for escalation of risk. The corporate risk register, which is produced as an escalation of divisional risks, is discussed at SLT meeting every two weeks. Divisional Directors are responsible for ensuring the risks within their area are managed to an acceptable target risk level.

The strategic risk register, which contains the risks identified by the Trustees and the SLT, are reviewed at every Board and SLT meeting. The FPR Committee reviews this register in more detail, reviewing individual risks together with the associated controls.

A training programme for governance was introduced for staff and Trustees during the year and includes an overview of the risk management strategy together with detailed risk management sessions.

As part of the work on risk management the appetites given on a risk-by-risk basis have been reviewed in support of RBLI's overarching risk appetite statement. The statement is given below:

'RBLI has no risk appetite for any health and safety or safeguarding risks that could result in injury or harm to staff, volunteers, residents, beneficiaries, or any other relevant stakeholder. The safety and care of others is behind everything we do, and we will continue to ensure robust controls are in place to mitigate risks in these areas.

In addition, the tolerance levels set for the failure to comply with legislation and regulations or for financial loss is low and accordingly we continue to review the controls in place within these areas to ensure that there is no negative impact on the people we employ, care for and support.

# GOVERNANCE, MANAGEMENT & RISK

## Continued

As an organisation that is risk aware rather than risk averse, RBLI is willing to acknowledge and therefore accept that occasionally there may be risks arising in relation to areas such as the cultural change programme we are currently undertaking and the recruitment and retention of staff, which may materialise. As with all the risks we face these remain under review and work continues to reduce the likelihood and mitigate any potential impact.

### Strategic Risks

In the table below we have shared what we consider to be the main strategic risks to the achievement of our strategy. These are based on the strategic risk register at the year-end, updated to reflect any changes since that date.

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<b>Health and Safety</b> In a complex organisation such as RBLI there are potential health and safety risks to staff, in particular within our manufacturing businesses, if training and awareness is not maintained or we operate with an insufficient maintenance programme for machinery and building.	<ul style="list-style-type: none"> <li>Qualified Health &amp; Safety Manager in place</li> <li>Risk assessment process</li> <li>Equipment inspections</li> <li>Programme of training, inspections, and audit in place</li> <li>Developing health and safety support roles within each division</li> <li>Strengthening governance through revision of the health and safety committee structure</li> <li>Strengthening reporting processes through introduction of specialist health and safety software</li> <li>Revisiting building maintenance programme</li> </ul>
<b>Financial Performance</b> Reduction in reserves and cash flow because of lower occupancy rates in Living, lower sales in manufacturing, higher use of agency care staff or general cost increases that cannot be passed on to customers.	<ul style="list-style-type: none"> <li>Annual budget setting process, which includes review and challenge from SLT and Trustees</li> <li>Management of working capital, particularly stock and receivables</li> <li>Monthly performance reviews led by Chief Executive and Director of Finance and Performance</li> <li>Annual going concern exercise</li> </ul>
<b>Attracting and retaining staff</b> The current active employment market results in difficulty recruiting and/or retaining staff and higher costs through greater use of agency staff.	<ul style="list-style-type: none"> <li>Strong marketing campaigns for recruitment into the care settings</li> <li>Initiatives to improve staff engagement such as the Chief Executive's Roadshows and Tactical Teams</li> <li>Staff Forum</li> <li>Open-door sessions</li> <li>Strong training programmes</li> <li>Organisational values, which were developed through collaboration with staff</li> </ul>

RISK CATEGORY	CONTROLS AND FURTHER ACTIONS
<b>Legislation and regulations</b> Non-compliance with laws and regulations because of inadequate training could result in reputational damage, regulator intervention and fines and associated financial loss.	<ul style="list-style-type: none"> <li>Internal support provided by the Governance Team</li> <li>Director of Governance, Compliance &amp; Business Systems has oversight</li> <li>Robust employment processes that ensure the employment of competent staff</li> <li>Continual training in key areas such as GDPR</li> <li>Formal review processes such as audits</li> <li>Monitoring programmes</li> </ul>
<b>Organisational and cultural change</b> As we continue with a period of organisational and cultural change, poor communication and insufficient project management could result in delays in the transformation programmes.	<ul style="list-style-type: none"> <li>SLT meetings every two weeks</li> <li>Data strategy Board in place</li> <li>Digital strategy updates provided</li> <li>Chief Executive's Tactical Teams in place to drive forward change</li> <li>Managers' training programme in place</li> <li>Staff forum</li> <li>Values developed with staff, these will form the basis of Performance Development Plans going forward</li> </ul>
<b>Cyber Security</b> Lack of continued training and investment in security could cause data breaches and the resulting reputational damage and fines.	<ul style="list-style-type: none"> <li>Regular testing, both internally and using external providers</li> <li>Ongoing training</li> <li>Policies and procedures</li> <li>Automated controls</li> </ul>
<b>Business Continuity</b> Inadequate planning and training could result in the delayed recovery from a business continuity event, resulting in reduced operational capacity, income loss and reputational damage.	<ul style="list-style-type: none"> <li>All key documentation currently under review</li> <li>Training ongoing</li> <li>Desk-top test planned for later in 2023</li> <li>Learning taken from any actual incidents and improvements made if necessary</li> <li>Alternative working arrangement set up</li> <li>Arrangements in place within manufacturing to move work to other sites</li> <li>Technology solutions such as back-ups in place</li> </ul>

# GOVERNANCE, MANAGEMENT & RISK

## Continued

### Directors' Indemnities

As permitted by the Articles of Association, the charity indemnifies the Directors/Trustees against any liability incurred in that capacity to the extent permitted by the Companies Act. In addition, an insurance policy is in place for Directors and Officers, the amount covered in the financial year being £2m.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

### Independent Auditors

BDO LLP were reappointed by Board as auditors of the charity for the 2022-23 financial year.

### Trustees' duty to promote success of the Charity – Section 172 statement

Trustees have a duty to promote the success of the charity under section 172(1) of the Companies Act 2006. As the Trustees of RBLI, we always act in good faith and would promote the success of the charity for the benefit of its members as a whole and in doing so have regard, amongst other things to:

- The likely consequences of any decisions in the long term
- The interests of employees
- The need to foster the charity's relationships with third-party stakeholders
- The impact of charity's operations on the community and the environment

- The desire for the charity to be best in class for providing support to beneficiaries
- The need to act fairly and equally towards our members

The Trustees of RBLI consider, both individually and together, that they have acted in good faith to achieve the above. The Trustees delegate day to day management and decision making of RBLI's operations to its Chief Executive and Senior Leadership Team and this plays a key part in ensuring the Trustees' duty in this area is fulfilled. Trustees are members of various committees with senior staff in attendance at which regular operational updates are provided.

More strategic updates are provided at Board Meetings to ensure the charity is on target to meet its strategic objectives to beneficiaries and the wider community.

### Our environmental commitment

As a respected Charity which puts care for individuals at its heart, not only do we need to ensure the wellbeing of our beneficiaries, but we must go beyond this to ensure that all we do minimises our impact on the environment. As such, reducing our carbon footprint, waste and caring for the natural resources we own are all accepted, and even expected, ways to create impact.

We have established an Environmental Management System and allocated roles and responsibilities to internal environmental leads, created a consumer and production register of factors that can potentially impact the environment and conducted an external gap analysis. We achieved ISO14001 accreditation in May 2022.

Our methodology for reporting emissions is based upon those areas where we have operational control and are charged for energy consumption.

		22/23	21/22
		KWh (000)	KWh (000)
SBMC	Electricity	70	76
	Gas	269	341
Leatherhead	Electricity	10	12
	Gas	38	28
Aylesford	Electricity	735	655
	**Gas	1,999	1,753
<b>Total</b>		<b>3,121</b>	<b>2,865</b>

Indirect Emissions (tCO <sub>2</sub> e)	Electricity	623	571
Emissions per FTE	*Gas	2.18	2.13

\* Emissions per FTE have increased reflecting the increased usage in 22/23 following the full return to working activity on premises as well as the increased usage for beneficiaries.

\*\* Bradbury House care home was under renovation during 21/22 reducing gas consumption during that time, the prior year has also been recalculated to include all areas under operational control.

Emission calculations are derived from billing data. Where bills did not complete for a full year, an estimate based upon previous consumption has been included.

Moving forward RBLI has set carbon-reducing targets as follows:

- Obtain a scope 2 emissions net neutral position for all RBLI Manufacturing – 2023/24
- Obtain a scope 2 emissions net neutral position for all RBLI – 2024/25
- Obtain a scope 3 net zero by for all RBLI – 2035.

Our baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. The baseline emissions are therefore the reference point against which our emission reduction can be measured.

During 2022/23, RBLI carried out two energy audits from external specialist consultants. From these we identified areas of focus for future investment and action, for example, SBMC will fit fast-shutting roller doors and LED lighting at their Aylesford site.

RBLI continues to be committed to ISO14001 accreditation and the objectives set within that as published with our policy statement published on our website.

# FINANCIAL REVIEW

In 2022-23, RBLI's total income increased to £26.0m (2021-22: £21.6m) and total expenditure increased to £23.2m (2021-22: £20.6m). Net income for the year, after interest and including gains and losses on the investment portfolio was £2.7m (2021-22: £1.2m). The net increase in funds, after taking into account the actuarial gain on the pension fund was £2.7m (2021-22: £2.6m).

## Fundraising - income £4m (2021-22: £4.8m)

We continue to be hugely grateful for the Grants and Donations that we receive from our donors and the fundraising activity undertaken by our donors. Unrestricted fundraising income from individuals, corporates and friends totalled £1.4m (2021-22: £1.0m) benefitted from a hugely successful Tommy Sleep Out campaign which this year raised £0.4m. RBLI was delighted to be chosen as one of the Daily Telegraph Charities of the Year, which raised a further £145k.

As a result of receiving further donations, we are now able to commence construction on the next stage of the Centenary Village development; work on the Community Hub building and further veteran accommodation will begin in June 2023.

## Living - income £6.3m (2021-22: £5.2m)

The early part of the financial year saw the completion and handover of the Sapper House apartments and the Greenwich House assisted living accommodation, the latest stage of the Centenary

Village development and also the opening, following extensive refurbishment, of Bradbury House, our 50-bed high-dependency and Dementia care unit. Sapper House and Greenwich House have enabled us to significantly increase our accommodation for veterans and Bradbury House has broadened the range of specialist care services that we provide to our community. There were delays in the handover of both projects which meant that income generated from them in the year was significantly lower than we had hoped, although once the buildings were open occupancy increased rapidly.

The well-publicised recruitment challenges in the UK care sector have impacted adversely on the financial results of RBLI Living, because of the need to make increased use of agency care staff. By the end of the financial year occupancy levels were significantly higher and agency staff costs were much reduced.

## Social Enterprises – BBMC income £6.1m (2021-22: £6.8m), SBMC income £1.7m (2021-22: £1.4m)

The year was also a challenging one for our social enterprises, with BBMC's wood products business adversely impacted by both a slowdown in demand for pallets, following the post COVID restocking in 2021-22, and huge volatility in global wood prices in the months immediately following Russia's invasion of Ukraine. Although by the end of the financial year wood prices had returned close to pre-invasion

levels, the earlier volatility did impact temporarily on margins. Sales volumes increased in the final quarter of the year.

The Signs business has continued to grow, both in Aylesford and Scotland with significant new contracts obtained from Network Rail for trackside signage, Transport for London for London ULEZ signage and Scottish Government/NHS Scotland for no smoking signage. They also produced signage for both the Queens Green Canopy and the Birmingham Organising Committee for the 2022 Commonwealth Games.

## Employment Solutions (including Lifeworks) - income £2.7m (2021-22: £2.2m)

Our Lifeworks programme has been building since its relaunch last year, running more courses, both online and in person, and helping a larger number of veterans to develop the skills and confidence to find employment and build a new career. We continue to receive funding for the programme from partners including ABF The Soldiers' Charity, Barclays and Morrisons.

For many years we have been administering the Building Better Opportunities programme on behalf of the National Lottery Fund and the European Social Fund and the Access to Work programme for the Department of Work and Pensions. Sadly, our involvement in both programmes ended in June 2023 as a result of the UK's exit from the European Union and a competitive tender process respectively.

The contribution from these programmes has been classified as discontinuing activities in the Statement of Financial Activities.

## Expenditure - £23.2m (2021-22: £20.6m)

All areas of RBLI have been impacted by the sharp increase in energy costs and by inflationary pressures on materials and salaries. We have made significant investments in strengthening the Senior Leadership Team and improving resilience, particularly in the Finance and Governance and Risk functions. Salary increases across the organisation have been weighted towards those with lower salaries and we increased our lowest salaries up to the National Living Wage.

## Tangible Fixed Assets - £30.7m (2022: £28.1m)

During the year, Trustees carried out a review of RBLI's property portfolio and made the decision to dispose of the land and bungalows that RBLI owned in Hermitage Lane, Maidstone that were beyond the boundaries of the Centenary Village development site. During 2022-23, we completed the sale of 7 bungalows and a parcel of land for consideration of £4.4m. All the properties were held at historical cost. We have recognised a profit on sale of £4.3m relating to this transaction.

During 2022-23, £3.2m was spent on Phase 2 of the Centenary Village development. Following the completion of Phase 2A and handover, £11.25m was transferred from assets under construction to freehold land and buildings and plant and machinery.

Land and Buildings are shown on the balance sheet at historical costs with buildings shown net of depreciation. These assets have not been restated at market value. The one exception to this is

the properties transferred to RBLI from the Vanguard Trust, which are shown at market valuation as at 2018. A professional valuation of the land transferred to the Charity in 1919 has not been undertaken. The Trustees believe that the market value is significantly higher than the negligible net book value reflected in tangible assets.

## Investments - £nil (2022: £4.8m)

Following a review, Trustees made the decision to liquidate an investment portfolio managed by Julius Baer, consisting primarily of UK and overseas equities and bonds. The sale was completed during March 2023 raising cash proceeds, net of costs, of £4.7m.

## Working Capital

As part of a focus on improving cash flow, the management of raw material stock and the processes around invoicing and the collection of receivables, have received particular attention this year. Trade debtors have reduced from £2.3m at 31 March 2022 to £1.3m at 31 March 2023. Raw material stock has reduced from £1.2m to £0.9m over the same period.

## Loan Financing

In May 2022, £2.5m was drawn down from a £5million term loan facility provided by Barclays Bank. A further £1m was drawn down in September 2022.

Following the liquidation of the investment portfolio, the loan of £2.25m from Julius Baer, which was secured on the investment portfolio, was repaid on 30 March 2023.

## Pension Scheme

RBLI participates in the Royal British Legion Staff Defined Benefit Pension Fund (the Fund), which was closed to new entrants

in 2002. RBLI also operates a Defined Contribution Group Personal Pension Scheme.

The Fund is a UK registered, trust-based, multi-employer defined benefit scheme. An actuarial valuation on the defined benefit is carried out every three years. The last actuarial valuation was performed as at 1 April 2020 which revealed a funding shortfall of £24 million. RBLI therefore agreed to pay annual deficit contributions of £161k plus and annual contribution of £51k to cover the expenses of the Fund. These contributions will continue until 2028 at which point RBLI will pay the lesser of £1.8m or the Scheme Actuary's assessment of the share of the Fund's deficit in respect of RBLI as at 1 April 2028.

The valuation is updated on an annual basis. The latest valuation showed an actuarial gain for the defined benefit pension of £618k with a net asset value of £852k (2021-22: a net asset of £140k). This improvement has arisen as a result of changes in assumptions, mainly the increased discount rate, and also due to the annual contributions that RBLI is making. This asset has not been recognised in the financial statements because Trustees do not have certainty that it will be recovered through future reductions in contributions.

## Reserves - £32.3m (2022: £29.6m)

In total, RBLI increased its reserves by £2.7m. A gain on the sale of assets of £4.3m was partially offset by a loss from operations of £1.5m, resulting in total funds of £32.3m. Following completion of the second phase of Centenary Village, funds totalling £8m have been transferred from Restricted Funds to Unrestricted Funds. Trustees have carried out a review of the restrictions that remain on the remaining tangible assets and this has resulted in the transfer

# FINANCIAL REVIEW Continued

of a further £7.3m of funds from Restricted Funds to Unrestricted Funds. Overall, Restricted Funds have decreased by £12.6m to £4.1m and Unrestricted Funds have increased by £15.3m to £28.1m (of which £25m represents the net book fixed assets, less associated loans, and £3.1m relates to free reserves.).

Historically, RBLI's reserve policy has been to hold a sum of money as designated funds to provide an operating reserve of £5m (approximating to three months operating costs) and a £5m reserve to cover RBLI's contribution to planned future projects and developments. Following the completion of Bradbury House, Trustees have decided to release the designation on the reserve for future projects and developments. RBLI will continue to look for opportunities to develop RBLI's village but will do so through fundraising and utilising RBLI's funds as and when cash reserves permit. RBLI holds £3.1m as free reserves in unrestricted funds, which is below our target of £5m for operating cost reserves. RBLI will continue to build these free reserves through asset sales following its three year plan.

## Going Concern

The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75-acre site the market value of which is significantly more than the net asset position of the organisation. The Charity has invested substantial resources in developing the Village over the last twenty years and owns

significant areas of land that are held at historical cost and not yet developed. The ability to convert these assets to cash over the next few years is key to the long-term development of the Village and in the short term to the funding of the organisation.

RBLI continues to prepare its financial statements on the basis that it is a going concern. To support that view, for the two years ending 31 March 2025 management has prepared working capital forecasts, run stress tests, and specifically considered the risks relating to the completion of a programme of asset sales, the proceeds from which are necessary to support the process of delivering on RBLI's charitable objectives and realising significant improvements in the financial performance of its unrestricted activities.

Following the development of Centenary Village and the refurbishment of Bradbury House, coupled with challenging trading conditions for the unrestricted activities, RBLI has been focussed on rebuilding its unrestricted cash and reserves, through asset and investment sales and improving the financial performance of its operations. The next twelve months will continue to present challenges with rising costs and increasing interest rates. However, significant investment has been made and continues to be made in developing Centenary Village and in reducing costs and seeking to improve the performance of the social enterprises and the care homes.

These challenges are recognised by Trustees and management, and a three-year planning exercise has been performed for all areas of RBLI, incorporating fundraising plans, trading performance, capital expenditure plans and planned asset sales. The budgets for the next three financial years are driving the focus of Trustees, in monitoring progress against plan and pursuing timely actions against emerging issues. Trustees and management recognise the need to maintain a strong focus on the operational improvements required for RBLI to progress on a stable footing as an organisation and to move away from reliance on property disposals to maintain financial sustainability.

Based on the above plan and the joint focus of Trustees and management on the need to drive operational efficiencies and ensure financial stability for RBLI as an organisation, and after considering the status and timing of the planned asset sales, Trustees have reasonable expectation that RBLI will have adequate resources to continue in operation for the foreseeable future and to meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Trustees' Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgements and accounting 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
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Act (Scotland) Regulations 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

This Trustees' Report, including the Strategic Report, has been approved by the Board of Trustees, is authorised for issue and is signed on their behalf.



**STEVEN ROWBOTHAM**  
RBLI Chairman

21 December 2023

# INDEPENDENT AUDITOR'S REPORT

## Opinion on the financial statements

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 2023 and of its incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Royal British Legion Industries Limited ("the Charitable Company") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

## Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

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 misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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 determines 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

## Extent to which the audit was capable of detecting irregularities, including fraud

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:

# INDEPENDENT AUDITOR'S REPORT

## Continued

### **Non-compliance with laws and regulations**

Based on:

- our understanding of the Charitable Company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations that have a direct impact on the financial statements to be the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be taxation legislation, health and safety legislation, employment law and data protection.

Our procedures in respect of the above included:

- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- review of financial statement disclosures and agreeing to supporting documentation; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

### **Fraud**

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Charitable

Company's policies and procedures relating to:

- detecting and responding to the risks of fraud; and
- internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the posting of fraudulent journals, and bias in key accounting estimates.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- assessing significant estimates made by management for bias, including:
  - the valuation of liabilities that underpin the defined benefit pension scheme position (by involving our own actuarial experts); and
  - the provision for irrecoverable debtors (by reviewing the recovery of a sample of debtors, and recalculating the provision based on the charity's policy).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting

from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Jill Halford*

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**JILL HALFORD (Senior Statutory Auditor)**

For and on behalf of BDO LLP, Statutory Auditor

London, UK

Date: 21 December 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING AN INCOME AND EXPENDITURE ACCOUNT) FOR YEAR ENDED 31 MARCH 2023

	Note	22-23			21-22		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Income and Endowments from</b>							
Donations and Legacies	2	1,368	2,674	4,042	1,048	3,741	4,789
<b>Charitable activities - continuing</b>							
Employment Solutions	4	192	290	482	79	251	330
Scotland's Bravest Manufacturing	4	1,396	308	1,704	1,187	208	1,395
Britain's Bravest Manufacturing	4	5,966	172	6,138	6,644	195	6,839
RBLI Living	4	6,108	167	6,275	4,890	326	5,216
Shop	4	731	-	731	695	-	695
<b>Total charitable activities - continuing</b>		<b>14,393</b>	<b>937</b>	<b>15,330</b>	<b>13,495</b>	<b>980</b>	<b>14,475</b>
Investment Income	3	94	-	94	65	-	65
Gains on sale of assets		4,269	-	4,269	290	-	290
Furlough Income		-	-	-	52	-	52
<b>Total income - continuing</b>		<b>20,124</b>	<b>3,611</b>	<b>23,735</b>	<b>14,950</b>	<b>4,721</b>	<b>19,671</b>
<b>Charitable Activities - discontinuing</b>							
Employment Solutions		2,209	-	2,209	1,896	-	1,896
<b>Total Income</b>		<b>22,333</b>	<b>3,611</b>	<b>25,944</b>	<b>16,846</b>	<b>4,721</b>	<b>21,567</b>
<b>Expenditure on:</b>							
Raising Funds		1,569	19	1,588	1,415	94	1,509
<b>Charitable Activities - continuing</b>							
Employment Solutions	5	688	211	899	438	207	645
Scotland's Bravest Manufacturing	5	1,855	303	2,158	1,438	316	1,754
Britain's Bravest Manufacturing	5	7,640	172	7,812	7,845	192	8,037
RBLI Living	5	8,151	189	8,340	5,843	311	6,154
Shop		413	-	413	704	-	704
<b>Total Expenditure - continuing</b>		<b>20,316</b>	<b>894</b>	<b>21,210</b>	<b>17,683</b>	<b>1,120</b>	<b>18,803</b>

	Note	22-23			21-22		
		Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's	Unrestricted Funds £000's	Restricted Funds £000's	Total Funds £000's
<b>Charitable activities - discontinuing</b>							
Employment Solutions		2,003	-	2,003	1,795	-	1,795
<b>Total Expenditure</b>		<b>22,319</b>	<b>894</b>	<b>23,213</b>	<b>19,478</b>	<b>1,120</b>	<b>20,598</b>
<b>Net Income (Expenditure) before investment gains or losses</b>		<b>14</b>	<b>2,717</b>	<b>2,731</b>	<b>(2,632)</b>	<b>3,601</b>	<b>969</b>
(Losses)/Gains on investment assets		(47)	(3)	(50)	274	6	280
<b>Net Income/ (expenditure)</b>		<b>(33)</b>	<b>2,714</b>	<b>2,681</b>	<b>(2,358)</b>	<b>3,607</b>	<b>1,249</b>
Transfers between funds	14	15,329	(15,329)	-	-	-	-
Actuarial gain on defined benefit pension	17	-	-	-	1,320	-	1,320
<b>Net movement in funds</b>		<b>15,296</b>	<b>(12,615)</b>	<b>2,681</b>	<b>(1,038)</b>	<b>3,607</b>	<b>2,569</b>
Fund balances brought forward		12,853	16,761	29,614	13,891	13,154	27,045
<b>Fund balances carried forward</b>	15	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>	<b>12,853</b>	<b>16,761</b>	<b>29,614</b>

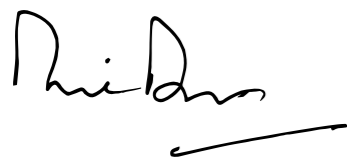
The notes from page 45-59 form part of these financial statements.

## BALANCE SHEET AS AT 31 MARCH 2023

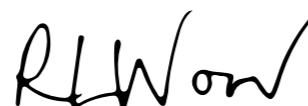
	Note	22/23	21/22
		£000's	£000's
<b>FIXED ASSETS</b>			
Tangible assets	7	30,681	28,068
Investments	8	95	4,799
		<b>30,776</b>	<b>32,867</b>
<b>CURRENT ASSETS</b>			
Stock	10	974	1,341
Debtors	11	2,526	3,466
Cash		6,682	-
		<b>10,182</b>	<b>4,807</b>
<b>CURRENT LIABILITIES</b>			
Bank overdraft		-	186
Creditors	12	3,513	3,613
		<b>3,513</b>	<b>3,799</b>
<b>NET CURRENT ASSETS</b>		<b>6,669</b>	<b>1,008</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>37,445</b>	<b>33,875</b>
<b>LONG TERM LIABILITIES</b>			
Loan Financing	13	5,150	4,261
<b>NET ASSETS (excluding pension scheme)</b>		<b>32,295</b>	<b>29,614</b>
<b>DEFINED BENEFIT PENSION SCHEME</b>		-	-
<b>NET ASSETS (including pension scheme)</b>		<b>32,295</b>	<b>29,614</b>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted - Designated	15	-	10,000
Unrestricted - General	15	28,149	2,853
		28,149	12,853
Pension Reserve	17	-	-
Total Unrestricted Funds		28,149	12,853
Restricted Income Funds	15	4,146	16,761
<b>Total Charitable Funds</b>		<b>32,295</b>	<b>29,614</b>

The notes from page 45-59 form part of these financial statements.

The Financial Statements which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes were approved by the Board of Trustees on 21 December 2023 were signed on its behalf by:



Mike Dixon  
Director of Finance & Performance  
21 December 2023



Rebecca Wood  
RBLI Trustee  
21 December 2023

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	22/23	21/22
		£000's	£000's
<b>Net cash inflow / (outflow) from operating activities</b>			
	23	-	649
			(222)
<b>Investments</b>			
Investment income		94	-
Disposal of fixed asset investment		4,644	-
<b>Net cash inflow from investments</b>		<b>-</b>	<b>4,738</b>
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(3,983)	-
Receipts from the sale of fixed assets		4,269	-
<b>Net cash inflow / (outflow) from capital expenditure and financial investment</b>		<b>-</b>	<b>286</b>
<b>Cashflows from Financing Activities</b>			
- new bank loans		3,500	-
- repayment of loans		(2,305)	-
<b>Net cash inflow from financing</b>		<b>1,195</b>	<b>4,250</b>
<b>Increase/(reduction) in net cash</b>		<b>6,868</b>	<b>(3,896)</b>
Balance brought Forward		(186)	3,710
<b>Balance Carried Forward at 31 March</b>	24	<b>6,682</b>	<b>(186)</b>

The notes from page 45-59 form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2023

### 1. PRINCIPAL ACCOUNTING POLICIES

#### BASIS OF PREPARATION

Royal British Legion Industries (RBLI) is a registered charity (210063 and SCO48795) and a private company limited by guarantee incorporated in England and Wales (00158479). The registered office is Hall Road, Aylesford Kent ME20 7NL.

These Financial Statements have been prepared in accordance with the 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) - Charities SORP (FRS102). Also prepared in accordance with UK charity and company law. The charity meets the definition of a public benefit entity under FRS102.

The principal accounting policies are applied consistently in the preparation of the Financial Statements unless stated otherwise.

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

#### CONSOLIDATION

The company has two wholly owned subsidiaries, RBLI Contracts Limited and RBLI Ltd. Both subsidiaries are dormant and therefore have not been consolidated into the financial statements. Information on the subsidiaries is set out in note 9.

#### STRUCTURE OF FUNDS

The Charity maintains the following funds:

- **Restricted** the purpose for the use of these funds is restricted and defined by the donors.
- **Unrestricted** where the use of the fund is not restricted.
- **Designated** where the funds are unrestricted but the Trustees have designated the use for a specific purpose.

#### INCOME RECOGNITION

Charitable activity income is measured as consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts, rebates and value added taxes.

#### DONATIONS AND LEGACIES

Donations and Legacies are recognised as income when received or when entitlement to receive has been established, receipt is probable and the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable. Legacies are recognised when probate is granted and there is sufficient information to measure the value of the legacy.

#### GRANTS RECEIVED

Grants are recognised in the Statement of Financial Activities when the conditions for entitlement have been met. Grants received before the conditions for entitlement have been met are deferred and included in creditors.

#### SUBSIDIES RECEIVABLE

A subsidy is made to host companies who employ a disabled person under the terms of the Work Choice Programme. The subsidy arises on the employment of the disabled person and remains for the term of the employment contract. The subsidy is accounted for on an accruals basis.

#### PENSIONS

The Charity operates two pension schemes, the Defined Benefit Scheme, which was closed to new entrants in 2002 and the Group Personal Pension Scheme.

The Defined Benefit scheme, the assets of which are held and managed separately, is a multi-employer scheme. The actuaries have attributed scheme assets and liabilities to RBLI for the requirements of FRS102. The impact on the current year SOFA was an actuarial gain of £1.3m.

For the defined benefit section, the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in 'Other recognised gains and losses'.

The Defined Benefit scheme is funded, with the assets of the scheme held separately from those of the underlying employers, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

In addition, the amount charged to the Statement of Financial activities includes contributions payable to the Group Personal Pension Scheme in the year.

#### SHORT TERM BENEFITS

Short-term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is incurred, or in the case of redundancy and termination payments when there is a commitment to an individual or group of people.

#### TAXATION

The company is a registered Charity, as such is entitled to certain tax exemptions on income, profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

#### INVESTMENTS

Investments are stated at bid-price and the value of both realised and unrealised gains are included in the Statement of Financial Activities within the relevant Funds. Investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

#### CHARITABLE EXPENDITURE

Costs are recognised on an accruals basis in the period in which they are incurred. Expenditure on raising funds includes the costs incurred in raising donation income and grant income, including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs. Where support costs cover more than one area of activity the costs are allocated to each activity based on weighting of the Charitable Activity revenue. Redundancy/ termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

Costs of expenditure on raising funds includes the fees incurred in managing the Charity's investments and where applicable irrecoverable VAT.

#### OPERATING LEASES

Annual rentals under operating leases are charged against income on a straight-line basis over the lease term.

#### STOCK AND WORK-IN-PROGRESS

Raw materials, work-in-progress and finished goods are valued at the lower of cost or estimated selling price less cost to complete and sell. Cost comprises the direct cost of production and the net attributable proportion of overheads appropriate to each department.

Cost is determined on an average cost method. Cost includes the purchase price including transport and handling directly attributable to bringing the stock to its present location and condition.

Regular reviews of stock take place to ensure all stock is in good condition and in addition a stock provision is included in the stock valuation to allow for the potential of stock not being consumed/ sold.

#### TANGIBLE FIXED ASSETS

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Freehold buildings -2% straight-line
- Building's plant- 7% straight-line
- Plant, Machinery, Fixtures and Fittings -15% straight-line
- Motor vehicles - 25% straight-line
- Office equipment - 33% straight-line

#### ASSETS UNDER CONSTRUCTION

Assets under construction represent expenditure incurred in creating assets. Depreciation takes place once the asset is brought into use.

#### LIMITATION OF CAPITALISATION

Expenditure below £1,000 per item does not qualify for capitalisation as a Fixed Asset as it is not considered to be material.

#### FINANCIAL RISK MANAGEMENT

The Charity's operations expose it to some financial risks that include the effects of changes in market interest rates and its liquidity position. The Charity has in place a risk management programme that seeks to manage adverse effects on the financial performance of the Charity.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

### 1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Charity makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### IMPAIRMENT OF ASSETS

The charity has material value of assets under construction where the market value post completion could be lower than the net book value and therefore could give rise to an estimation uncertainty at the year end. The Charity will undertake market valuations once the material capital developments have been completed to ensure the assets are reflected at the lesser of the recoverable value or the net book value.

#### IMPAIRMENT OF DEBTORS

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

#### DEFINED BENEFIT PENSION SCHEME

The Charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

#### FINANCIAL INSTRUMENTS

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the estimated cash flows. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in fair value reserve.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

##### (ii) Financial liabilities

Basic financial liabilities include trade and other payables and loans. They are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially and subsequently measured at transaction price as all of them are current.

All loans facilities are treated as a single financial instrument and are initially recognised at transaction price. Debt instruments are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised at transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### GOING CONCERN

The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75-acre site the market value of which is significantly more than the net asset position of the organisation. The Charity has invested substantial resources in developing the Village over the last twenty years and owns significant areas of land that are held at historical cost and not yet developed. The ability to convert these assets to cash over the next few years is key to the long-term development of the Village and in the short term to the funding of the organisation.

RBLI continues to prepare its financial statements on the basis that it is a going concern. To support that view, for the two years ending 31 March 2025 management has prepared working capital forecasts, run stress tests, and specifically considered the risks relating to the completion of a programme of asset sales, the proceeds from which are necessary to support the process of delivering on RBLI's charitable objectives and realising significant improvements in the financial performance of its unrestricted activities.

Following the development of Centenary Village and the refurbishment of Bradbury House, coupled with challenging trading conditions for the unrestricted activities, RBLI has been focussed on rebuilding its unrestricted cash and reserves, through asset and investment sales and improving the financial performance of its operations. The next twelve months will continue to present challenges with rising costs and increasing interest rates. However, significant investment has been made and continues to be made in developing Centenary Village and in reducing costs and seeking to improve the performance of the social enterprises and the care homes.

These challenges are recognised by Trustees and management, and a three-year planning exercise has been performed for all areas of RBLI, incorporating fundraising plans, trading performance, capital expenditure plans and planned asset sales. The budgets for the next three financial years are driving the focus of Trustees, in monitoring progress against plan and pursuing timely actions against emerging issues. Trustees and management recognise the need to maintain a strong focus on the operational improvements required for RBLI to progress on a stable footing as an organisation and to move away from reliance on property disposals to maintain financial sustainability.

Based on the above plan and the joint focus of Trustees and management on the need to drive operational efficiencies and ensure financial stability for RBLI as an organisation, and after considering the terms of the land sale completed on 20 November 2023 (see note 25 to the financial statements), and the status and timing of planned asset sales, Trustees have reasonable expectation that RBLI will have adequate resources to continue in operation for the foreseeable future and to meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### 2. INCOME FROM DONATIONS & LEGACIES

	22/23	21/22
	£000's	£000's
Donations	2,893	3,809
Legacies	-	56
Fundraising events	1,149	924
	4,042	4,789

### 3. INVESTMENT INCOME

	22/23	21/22
	£000's	£000's
Investment dividends	94	65
	94	65

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

### 4. GRANT INCOME

RBLI receives grant income from various sources relating to its charitable activities, including government grants.

	22/23	21/22
	£000's	£000's
Income from government grants supporting employment	186	207
Government support relating to COVID-19 infection control costs	37	108
Grants and income from non-governmental sources	714	665
	<b>937</b>	<b>980</b>

### 5. NET INCOME

Net income is stated after charging	22/23	21/22
	£000's	£000's
Rentals payable under Operating Leases	142	162
Support Costs (see analysis)	3,081	2,524
Depreciation (Note 7)	1,121	895
Auditors remuneration		
– Audit services	80	61
– Tax compliance services	3	3
– Total amount payable to the auditor	83	64
Impairment of trade receivables	52	142

Activities within Employment Solutions for Building Better Opportunities and Access to Work ended in June 2023, these activities have been classed as Discontinuing.

SUPPORT COSTS 22/23	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	66	41	147	149	95	18	516
Governance	15	9	33	34	21	4	116
Finance	111	69	249	253	161	30	873
Business Systems	61	38	137	139	89	16	480
Human Resources	52	31	113	115	73	13	397
Marketing	50	32	114	116	74	14	400
	<b>355</b>	<b>220</b>	<b>793</b>	<b>806</b>	<b>513</b>	<b>95</b>	<b>2,782</b>

All costs, including support costs are allocated, where practicable, to the charitable activities on a directly attributable basis. The remainder is apportioned to each activity based on revenue.

Interest and finance costs were also attributed to charitable activities on the basis of revenue as shown.

INTEREST AND FINANCE COSTS 22/23	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Interest and Finance Costs	38	24	85	87	55	10	299

Governance costs include compliance with statutory regulation of the various activities of the charity.

The Trustees continue to review the method of allocation for the future.

SUPPORT COSTS 21/22	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Executive	27	17	86	66	60	9	265
Finance	75	46	230	176	160	24	711
Governance	15	9	42	32	29	4	131
Business Systems	47	29	144	110	100	15	445
Human Resources	36	22	110	84	75	11	338
Marketing	38	24	116	88	80	12	358
Other Costs	2	2	8	6	5	1	24
Pension Deficit	26	17	81	62	58	8	252
	<b>266</b>	<b>166</b>	<b>817</b>	<b>624</b>	<b>567</b>	<b>84</b>	<b>2,524</b>

### 6. DIRECTORS, EMPLOYEES AND VOLUNTEERS

	22/23		21/22	
The average monthly number of persons employed by the Company during the year was:	Number	FTE	Number	FTE
Employment Solutions	49	45	48	42
RBLI Living	131	108	147	95
Scotland's Bravest Manufacturing	21	20	20	18
Britain's Bravest Manufacturing	81	67	100	72
Fundraising and Marketing	21	19	19	17
Executive & Corporate Services	29	28	27	24
	<b>332</b>	<b>287</b>	<b>361</b>	<b>268</b>

During the year a total of 90 volunteers (FY 21/22: 40) worked for a total of 3,600 hours (FY 21/22: 3,043 hours)

The Charity is grateful for the large number of volunteers who have helped support the charity over the last 12 months. All areas of the Charity have benefitted from this support ranging from admin support, job coaching, care etc.

	22/23	21/22
	£000's	£000's
<b>Staff costs</b>		
Wages and salaries	8,285	7,625
Social Security costs	841	685
Employer pension costs for Defined Contribution Scheme	627	597
Employer pension costs for the Defined Benefit Scheme	212	212
Other costs	57	535
Redundancy / Termination Payments	84	35
	<b>10,106</b>	<b>9,689</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 6. DIRECTORS, EMPLOYEES AND VOLUNTEERS (CONTINUED)

The total number of employees (excluding the Chief Executive) whose emoluments, excluding pension contributions, were in excess of £60,000 fell within the following bands:

	22/23	21/22
£	Number	Number
60,001 - 70,000	2	3
70,001 - 80,000	3	1
80,001 - 90,000	-	-
90,001 - 100,000	-	1
100,001 - 110,000	1	-
110,001 -120,000	1	2
120,001 -130,000	-	-
130,001 -140,000	-	-
140,001 -150,000	1	-
	<b>8</b>	<b>7</b>

All the 8 employees, including the Chief Executive, (21/22: 7) earning over £60,000 in the year, participated in the company pension scheme, and pension contributions of £49,582 were made by RBLI in the year to 31 March 2023 (21/22 : £80,141).

The total remuneration (excluding employer pension contributions) of the key management personnel of RBLI was £730,512 (21/22: £670,984) including an end of contract payment of £30,000 made to the Director of Living and Welfare (21/22 : £nil). On top of these payments, the charity made employer pension and national insurance contributions in respect of the members of the senior leadership team totalling £132,137.

No remuneration is paid to the Trustees as they act on an honorary basis. There total expenses reimbursed to Trustees was £8 (21/22: £22).

#### 7. TANGIBLE ASSETS

	Freehold Land and Buildings	Buildings Plant	Fixtures and Fittings	Motor Vehicles	Office Equipment	Plant and Machinery	Assets Under Construction	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>COST</b>								
At 01 April 2022	23,551	2,046	2,531	101	477	1,755	8,252	38,713
Additions	81	110	174	-	10	36	3,421	3,832
Disposals	( 51 )	( 9 )	( 116 )	( 35 )	( 180 )	( 41 )	-	( 432 )
Transfers	10,699	232	243	-	16	60	( 11,250 )	-
<b>At 31st March 2023</b>	<b>34,280</b>	<b>2,379</b>	<b>2,832</b>	<b>66</b>	<b>323</b>	<b>1,810</b>	<b>423</b>	<b>42,113</b>
<b>ACCUMULATED DEPRECIATION</b>								
At 01 April 2022	6,048	1,526	1,445	88	422	1,116	-	10,645
Charge for year	580	67	276	7	36	155	-	1,121
Disposals	-	( 8 )	( 71 )	( 35 )	( 180 )	( 40 )	-	( 334 )
Impairment charges								-
<b>At 31st March 2023</b>	<b>6,628</b>	<b>1,585</b>	<b>1,650</b>	<b>60</b>	<b>278</b>	<b>1,231</b>	<b>-</b>	<b>11,432</b>
<b>NET BOOK VALUE at 31 March 2023</b>	<b>27,652</b>	<b>794</b>	<b>1,182</b>	<b>6</b>	<b>45</b>	<b>579</b>	<b>423</b>	<b>30,681</b>
<b>NET BOOK VALUE at 31 March 2022</b>	<b>17,503</b>	<b>520</b>	<b>1,086</b>	<b>13</b>	<b>55</b>	<b>639</b>	<b>8,252</b>	<b>28,068</b>

The Trustees believe that the market value of land is significantly higher than the book value, which is negligible as it was transferred to the Charity in 1919. Valuations of some properties were performed in the year showing that the market value is significantly higher than the book value.

Assets Under Construction represent capital expenditure on Projects which are not finalised. The largest project under this section is the development of Centenary Village Phase 2B. A number of buildings were completed in July 2022 and bought into use. The expenditure has been transferred to the relevant category.

#### 8. INVESTMENTS

	22/23	21/22
	£000's	£000's
<b>At Fair Value</b>		
Managed Investment Portfolio		
Listed on UK Stock Exchange	95	1,005
UK Fixed Interest	-	1,337
Overseas Equities	-	1,757
Overseas Fixed Interest	-	-
Quoted Property	-	-
Alternative Investments	-	289
Cash Reserve	-	411
<b>Fair Value at 31 Marc</b>	<b>95</b>	<b>4,799</b>
Cost of Managed Investments at 31 March	-	4,142

	22/23	21/22
	£000's	£000's
<b>Analysis of Movements of Investments</b>		
Valuation at 01 April	4,799	4,565
Realised (Losses)/Gains	(10)	188
Unrealised Gains	-	165
Withdrawals	(4,644)	(72)
Management Costs	(50)	(47)
<b>Valuation at 31 March</b>	<b>95</b>	<b>4,799</b>

#### 9. INVESTMENT IN SUBSIDIARY

The company owns 100% of the issued share capital (being 2 shares of £1 each) of RBLI Contracts Ltd, a dormant company and 100% of the issued share capital (being 1 share of £1) of RBLI Ltd, a dormant company.

There has been no income or expenditure in either subsidiary in the year (21/22: none) and there is no capital and reserves in either company at the year-end (21/22: none).

#### 10. STOCKS AND WORK IN PROGRESS

	22/23	21/22
	£000's	£000's
Raw materials	923	1,232
Finished goods	51	109
	<b>974</b>	<b>1,341</b>

The replacement cost of raw materials does not differ materially from the value stated in the balance sheet. The cost of raw materials recognised as an expense in the year was £4,436,877 (21/22: £3,921,128).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 11. DEBTORS

	22/23	21/22
	£000's	£000's
Trade debtors	1,547	2,271
Other debtors	53	309
Prepayments and accrued income	926	886
	<b>2,526</b>	<b>3,466</b>

#### 12. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	22/23	21/22
	£000's	£000's
Amounts falling due within one year:		
Trade creditors	1,231	897
Other taxation and social security	352	380
Other creditors	599	205
Accruals	921	1,840
Deferred Income	115	291
Loans	295	-
	<b>3,513</b>	<b>3,613</b>

All income deferred from the prior year was recognised in the subsequent financial year. No income was deferred for more than 12 months.

#### 13. LONG TERM LIABILITIES - DEBT ANALYSIS

	22/23			21/22		
	£000's	£000's	£000's	£000's	£000's	£000's
	Facility	Drawn	Undrawn	Facility	Drawn	Undrawn
Royal British Legion Loan	2,000	1,945	55	2,000	2,000	-
Julius Baer - RCF	-	-	-	3,380	2,250	1,130
Barclays Secured Loan	5,000	3,500	1,500	-	-	-
Barclays Overdraft	1,000	-	1,000	2,000	185	1,815
Total	<b>8,000</b>	<b>5,445</b>	<b>2,555</b>	<b>7,380</b>	<b>4,435</b>	<b>2,945</b>

The Royal British Legion Loan is for a 10-year term with an interest of BoE Base Rate plus 0.5%.

The loan is secured with a charge over Appleton Lodge to a value of £2.1m (carrying value of the building was £1.9m as of 31 March 2023).

The Julius Baer facility was previously drawdown against the investment portfolio.

The loan was redeemed when the portfolio was liquidated during the year.

The loan was secured with a charge over the investments placed with the Bank.

The Loan facility with Barclays is a 5-year term repayable in instalments with a final payment due in April 2027.

Issue costs of £25,000 were incurred, paid and charged to the profit and loss during the year.

The loan accrues interest at a rate of 2.65% above BoE Base Rate.

The overdraft with Barclays Bank has an interest rate equal to the BoE Base Rate plus 2.25%.

The overdraft is secured with a charge on Queen Elizabeth Court to the value of £5.5m (carrying value of the building was £2.3m as of 31 March 2023).

The overdraft facility was reduced on the drawdown of the loan and the charge over Queen Elizabeth Court security included within the loan agreement. The loan agreement also includes security charged over Invictus Games House and Victory House (the carrying value of these buildings on Hermitage Lane was £3.6m as of 31 March 2023).

Debt Maturity	22/23	21/22
	£000's	£000's
In one year or less, or on demand	295	2,490
In more than one year but not more than two years	319	220
In more than two year but not more than five years	3,987	661
In more than five years	844	1,064
	<b>5,445</b>	<b>4,435</b>

#### 14. ANALYSIS OF FUND MOVEMENTS

	Balance	Income	Expenditure	Transfers		Gains and Losses	Balance
	As at 01 April 2022			Capital expenditure	Transfer between funds		As at 31 March 2023
FUND	£000's	£000's	£000's	£000's		£000's	£000's
<b>Unrestricted</b>							
General Fund	2,853	22,333	(22,319)	-	314	(47)	3,134
Pension Reserve	-	-	-	-	-	-	-
<b>Unrestricted - Designated</b>							
Fixed Asset Reserve	-	-	-	-	25,015	-	25,015
Operating Cost Reserve	5,000	-	-	-	(5,000)	-	-
Future Projects and Developments	5,000	-	-	-	(5,000)	-	-
<b>Total Unrestricted Funds</b>	<b>12,853</b>	<b>22,333</b>	<b>(22,319)</b>	<b>-</b>	<b>15,329</b>	<b>(47)</b>	<b>28,149</b>
<b>Restricted</b>							
<i>Capital and Revenue Grants</i>							
Centenary Village	727	2,564	-	(2,209)	55	-	1,137
Scotland	93	308	(303)	-	-	-	98
Lifeworks	141	290	(211)	-	-	-	220
Welfare	250	96	(281)	-	-	-	65
Other	183	353	(99)	(367)	-	-	70
Investments	98	-	-	-	-	(3)	95
<i>Capital Assets</i>							
Centenary Village (including Hermitage Lane Apartments)	10,182	-	-	2,209	(12,391)	-	-
Appleton Lodge	2,384	-	-	-	(2,384)	-	-
Vanguard Properties	1,136	-	-	-	-	-	1,136
Scotland Factory	133	-	-	-	-	-	133
Bradbury House	601	-	-	63	(314)	-	350
Other	833	-	-	304	(295)	-	842
<b>Total Restricted Funds</b>	<b>16,761</b>	<b>3,611</b>	<b>(894)</b>	<b>-</b>	<b>(15,329)</b>	<b>(3)</b>	<b>4,146</b>
<b>Total Charitable Funds</b>	<b>29,614</b>	<b>25,944</b>	<b>(23,213)</b>	<b>-</b>	<b>-</b>	<b>(50)</b>	<b>32,295</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 14. ANALYSIS OF FUND MOVEMENTS (CONTINUED)

Following the successful completion of several capital projects, the Trustees have reviewed the restrictions on funds donated for these and consider the restrictions of the original donations have been satisfied. They have therefore moved these Capital Assets to unrestricted designated funds. Trustees have decided to release the designation on the reserve for future projects and developments. RBLI will continue to look for opportunities to develop the RBLI Village but will do so through fundraising or using RBLI's funds as and when cash reserves permit. Trustees have also decided to release the designation for the operating cost reserve, as it is felt that this is more appropriately reflected within general funds.

The fixed asset designated reserve represents the net book value of tangible fixed assets held within unrestricted funds less the carrying value of the associated loan.

Restricted funds represent monies received for specific purposes. Funds for Centenary Village are for the ongoing development of housing for beneficiaries. Other restricted funds support the relevant operational activities of the charity.

#### 15. ANALYSIS OF FUND BALANCES

	22/23			21/22		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£000's	£000's	£000's	£000's	£000's	£000's
Tangible fixed assets	28,220	2,461	30,681	12,799	15,269	28,068
Investments	–	95	95	4,701	98	4,799
	<b>28,220</b>	<b>2,556</b>	<b>30,776</b>	<b>17,500</b>	<b>15,367</b>	<b>32,867</b>
Net current assets/(liabilities) [free reserves]	3,134	3,535	6,669	(2,386)	3,394	1,008
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>31,354</b>	<b>6,091</b>	<b>37,445</b>	<b>15,114</b>	<b>18,761</b>	<b>33,875</b>
Other Liabilities	–	–	–	–	–	–
Loan	(3,205)	(1,945)	(5,150)	(2,261)	(2,000)	(4,261)
<b>NET ASSETS</b>	<b>28,149</b>	<b>4,146</b>	<b>32,295</b>	<b>12,853</b>	<b>16,761</b>	<b>29,614</b>

Following the successful completion of several capital projects, the Trustees have reviewed the restrictions on funds donated for these and consider the restrictions of the original donations have been satisfied. They have therefore moved these Capital Assets to unrestricted funds. Trustees have also decided to release the designation on the reserve for future projects and developments. RBLI will continue to look for opportunities to develop the RBLI Village but will do so through fundraising or using RBLI's funds as and when cash reserves permit.

#### 16. CONTINGENT LIABILITY

There were no contingent liabilities at year end.

#### 17. PENSION SCHEME

Royal British Legion Industries participates in two staff pension funds. The Defined Benefit Scheme (the Fund), and the Group Personal Pension Plan (the GPPP), both operated in conjunction with The Royal British Legion.

Contributions to the Group Personal Pension Plan in the year were £627k (21/22: £597k). Contributions are limited to twice the level of the employees' contribution, excluding additional employee contributions. There were 317 employees participating in the scheme at 31 March 2023 (21/22: 293).

The Defined Benefit Scheme was closed to new entrants in 2002. During the year RBLI made a contribution of £161K to help fund the scheme deficit and £51K to fund administrative expenses of the scheme (21/22: £161K and £51K respectively).

A charge over land, the Churchill Centre and the factory buildings at Aylesford has been granted to The Royal British Legion Pension Fund Trustees as security for the pension deficit liability and to support the Employers Covenant.

The most recent formal scheme published actuarial valuation was carried out by First Actuarial LLP as at 1 April 2020.

The major financial assumptions used by the actuary for FRS102 purposes were:

Actuarial Assumptions			22/23	21/22
Discount rate (%p.a.)			4.70%	2.70%
Retail Price Inflation (%p.a.)			3.25%	3.75%
Consumer Price Inflation (%p.a.)			2.75%	3.05%
Salary increase rate (%p.a.)			3.75%	4.05%
Rate of increases of pensions in payment				
	Post 98 pension		3.20%	3.65%
	Post 88 GMP		2.35%	2.50%
Revaluation of deferred pensions (non-GMP)			2.75%	3.05%
Life expectancy at age 65:				
	Current pensioners	Men	86.4	86.3
		Women	88.8	88.8
	Future pensioners now 45	Men	87.7	87.7
		Women	90.3	90.2

	22/23	21/22
	£000's	£000's
<b>Fair value of fund assets</b>		
Equities	4,001	5,868
Bonds	711	4,621
Gilts	–	–
Other Growth Seeking assets	3,506	3,288
Liability Driven Investments	3,178	2,035
Cash	1,365	127
<b>Total</b>	<b>12,761</b>	<b>15,939</b>

In addition, the Trustees hold insured annuity policies. The value of these annuities has been excluded from both the assets and the liabilities since the liability is matched directly by an asset value of equal value. This is consistent with previous disclosures. The Fund does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

Reconciliation of scheme assets and liabilities	Assets	Defined Benefit Obligation	Total
	£000's	£000's	£000's
<b>At 31 March 2022</b>	<b>15,939</b>	<b>(15,799)</b>	<b>140</b>
Benefits paid	(442)	442	–
Employer contributions	212	–	212
Administration expenses	(118)	–	(118)
Past service cost	–	–	–
Interest income/(cost)	421	(421)	–
Remeasurement gains/(losses)			
– Actuarial gains (change of basis)	–	4,465	4,465
– Actuarial gains (experience)	–	(600)	(600)
– Return on plan assets excluding interest income	(3,247)	–	(3,247)
<b>At 31 March 2023</b>	<b>12,765</b>	<b>(11,913)</b>	<b>852</b>

The Charity does not recognise the scheme asset in its balance sheet (see accounting policy - pensions) and consequently, as the scheme has an overall surplus, the actuarial gain is not recognised in the Statement of Financial Activities.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 18. TAXATION

The company is exempt from liability to corporation tax on its charitable activities due to its status as a registered Charity.

#### 19. CAPITAL COMMITMENTS

	22/23	21/22
	£000's	£000's
Capital Commitments contracted for at year end but not provided for.	-	2,171
Capital Commitments approved but not contracted	3,600	122

The Board have approved the ongoing work for Centenary Village Phase 2B.

#### 20. OPERATING LEASE COMMITMENTS

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Operating leases	22/23	21/22
	£000's	£000's
Payments due		
Not later than one year	33	162
Later than one year and not later than five years	21	92
Later than 5 years	-	-
<b>Total operating leases</b>	<b>54</b>	<b>254</b>

#### 21. RELATED PARTY TRANSACTIONS

During the prior year expenditure was incurred with Gullands LLP, an organisation related to a Trustee total expenditure for 20/21 was £1.1k.

There were no related party transactions in the year to 31 March 2023.

#### 22. GRANTS AND DONATIONS

Donations and Grants of £10,000 or more, received in either current or prior year, are shown below. These are reported in the Statement of Financial Activities either under Charitable activities or under income from donations.

	22/23	21/22
	£000's	£000's
The Michael Uren Foundation	1,000,001	-
BBO Grant	473,336	445,333
The Colyer-Fergusson Charitable Trust	375,000	125,000
Oak Foundation	300,000	-
The Lawson Trust	250,000	500,000
Workchoice employee support grant	185,796	206,574
Royal Engineers Association	180,000	220,000
ABF, The Soldiers' Charity	173,900	123,650
Armed Forces Covenant Fund Trust	122,110	174,601
The National Lottery Community Fund	110,565	-
Gosling Foundation, The	100,000	-
Barclays	100,000	100,000
Frank Brake Charitable Trust	100,000	-
Forces In Mind Trust	87,048	87,048
Annington	75,000	50,000
3i Plc	65,889	63,000
The Morrisons Foundation	60,000	-
Peter Cruddas Foundation	50,000	10,000
The Conway Charitable Foundation	50,000	50,000
The Veterans' Foundation	50,000	72,500
Queen Mary's Roehampton Trust	35,000	25,000
Barratt Developments PLC (Head Office)	21,000	-
Moondance Foundation	20,000	-
Sheila Elton	15,000	-
David Thomas	10,250	-
Charles Burnett Memorial Fund	10,000	-
Greenwich Hospital	-	1,349,000
The Bradbury Foundation	-	350,000
Garfield Weston Foundation	-	300,000
Kent County Council	-	132,519
BAE Systems	-	120,000
Royal Navy and Royal Marines Charity	-	100,000
The Davis Foundation	-	50,000
The Rigby Foundation	-	50,000
The Masonic Charitable Foundation	-	45,000
The Swire Charitable Trust	-	40,756
John Scott Charitable Trust	-	30,000
Francis Winham Foundation	-	25,000
Officers Association Scotland	-	25,000
Calleva Foundation	-	21,000
Corra Foundation	-	20,000
The Pack Foundation	-	20,000
Roger de Hann Charitable Trust	-	20,000
Michael J Head	-	42,325
The Army Central Fund	-	15,000
Childwick Trust	-	15,000
Veterans Scotland	-	15,000
Armajaro Holdings	-	12,500
Michael Holland	-	12,500
Howard Bellm	-	10,000
Lord Farmer	-	10,000

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023 (CONTINUED)

### 23. NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	FY 22/23	FY 21/22
	£000's	£000's
<b>Net income</b>	<b>2,681</b>	<b>1,249</b>
Losses/(Gains) on investment assets	50	(280)
Investment management fees deducted from fund	50	46
Difference between pension charge and cash contributions	-	57
Investment income	(94)	(65)
Accrued Loan Interest	11	11
Depreciation on tangible fixed assets	1,121	895
Profit on disposal of fixed assets	(4,269)	(290)
Decrease/(Increase) in stocks	340	(601)
Decrease/(Increase) in debtors	1,370	(1,007)
Decrease in creditors	(611)	(237)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>649</b>	<b>(222)</b>

### 24. ANALYSIS OF CHANGES IN NET CASH / (DEBT)

	As at 01 April 2022	Cashflows	Other non-cash exchanges	As at 31 March 2023
	£000's	£000's	£000's	£000's
<b>Cash and cash equivalents</b>				
Cash	-	6,682	-	6,682
Overdraft	(186)	186	-	-
	<b>(186)</b>	<b>6,868</b>	-	<b>6,682</b>
<b>Borrowings</b>				
Debt due within one year	-	(185)	(110)	(295)
Debt due after one year	(4,261)	(1,010)	121	(5,150)
	<b>(4,261)</b>	<b>(1,195)</b>	<b>11</b>	<b>(5,445)</b>
<b>Total</b>	<b>(4,447)</b>	<b>5,673</b>	<b>11</b>	<b>1,237</b>

### 25. POST BALANCE SHEET EVENTS

On 20 November 2023, the charity completed the sale of a plot of land for £2.6m. The net book value of this land at the 31 March 2023 was £nil, giving rise to a surplus on disposal of £2.5m (after taking account of transaction costs).

The sale agreement granted the buyer an option under which it may require the Charity to buy back the land for £2.6m plus interest if certain historic covenants relating to the land have not been removed by 20 January 2025.



# LEGAL & ADMINISTRATIVE INFORMATION

## TRUSTEES:

Mr S Rowbotham - Chairman  
 Mr F Martin DL – Vice Chairman  
 Mrs N Ahmed CBE DL  
 Mr C Blundell (appointed 18/10/22)  
 Mrs K Cearns OBE, FCA FCCA (resigned 31/12/22)  
 Dr P Edmondson-Jones MBE (appointed 18/10/22)  
 Mr A B Gulland  
 Brigadier D Innes  
 Mr S Kingsman DL (resigned 21/09/22)  
 Ms S Mason  
 Mr A Watson  
 Ms R Wood (appointed 18/10/22)

## SENIOR LEADERSHIP TEAM:

Lisa Farmer	Chief Executive
Helen Bidgway	Director Of People & Culture
John Cowman	Director Of Living & Welfare
Mike Dixon	Director of Finance and Performance
Louise Gibson	Director of Fundraising & Marketing
Ghalume Obi	Managing Director Of Social Enterprises – Operations
Susan Stoker	Director Of Governance, Compliance and Business Systems
Michelle York	Managing Director Of Social Enterprises – Commercial
Will Campbell-Wroe	Director of Living (resigned 07/10/22)
Jagjit Dosanjh-Elton	Director of Finance and Corporate Services (resigned 31/07/22)
Michelle Ferguson	Managing Director of RBLI Social Enterprises (resigned 10/04/23)
Christopher James	Interim Director of Finance (resigned 31/03/22)

## COMPANY NUMBER:

00158479 Incorporated in England and Wales

## REGISTERED CHARITY NUMBER: England & Wales

210063

The Charity is a public benefit entity

## REGISTERED CHARITY NUMBER: Scotland

SC048795

## HEAD OFFICE AND REGISTERED OFFICE

Royal British Legion Industries Limited  
 Hall Road  
 Aylesford  
 Kent  
 ME20 7NL

Tel: 01622 795900  
 Fax: 01622 882195

## INDEPENDENT AUDITORS:

BDO LLP  
 55 Baker Street  
 London  
 W1U 7EU

## BANKERS:

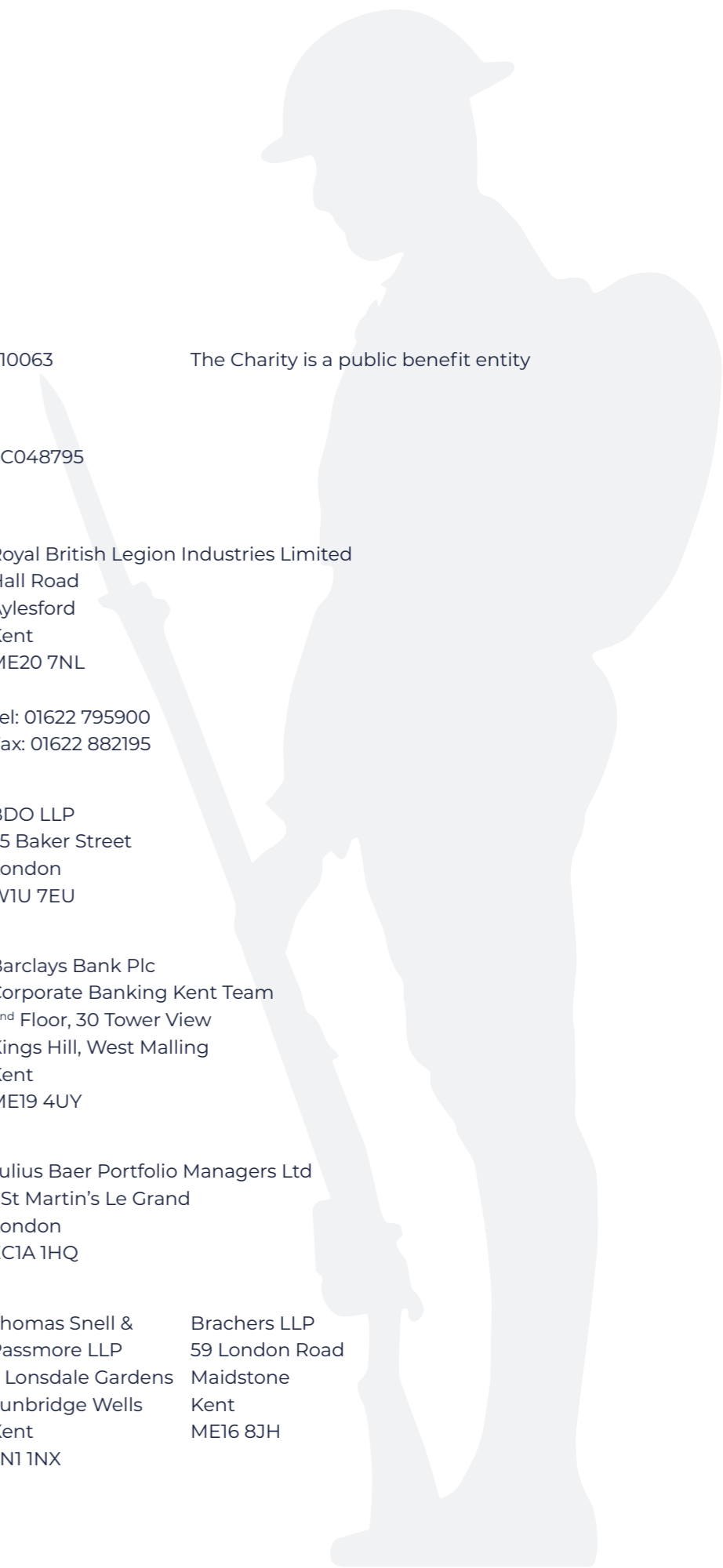
Barclays Bank Plc  
 Corporate Banking Kent Team  
 2<sup>nd</sup> Floor, 30 Tower View  
 Kings Hill, West Malling  
 Kent  
 ME19 4UY

## INVESTMENT ADVISORS:

Julius Baer Portfolio Managers Ltd  
 1 St Martin's Le Grand  
 London  
 EC1A 1HQ

## SOLICITORS:

Thomas Snell & Passmore LLP 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX	Brachers LLP 59 London Road Maidstone Kent ME16 8JH
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# Board of Trustees

## LORD KING OF LOTHBURY KG GBE DL

PRESIDENT

## STEVE ROWBOTHAM

CHAIRMAN

Steve has a comprehensive background in the defence industry having worked in this sector throughout a career spanning over four decades, now as Non-Executive Director of General Dynamics UK Limited having previously been their Chief Operating Officer.

## FRANK MARTIN DL

VICE CHAIRMAN

Frank is a former Deputy Lieutenant of Kent and former Chief Executive of Hornby Plc where he committed to building an international brand while maintaining its Kent roots and heritage.

## NADRA AHMED OBE DL

Currently High Sheriff of Kent, Nadra is the Executive Chairman of the National Care Association and was awarded an OBE for her work in social care over 30 years.

## CHRIS BLUNDELL

Chris is recently retired following a 45-year career in housing and is a Fellow of both the RICS and the Chartered Institute of Housing. He has had four Director level positions in mid-sized and large housing associations in London and the southeast.

## DR PAUL EDMONDSON-JONES MBE

Dr Edmondson-Jones was awarded an OBE having spent 23 years as an Army Doctor. He is currently Chief Medical Officer at Staffordshire & Stoke-on-Trent Integrated Care Board.

## BLAIR GULLAND

Blair has been a practising solicitor for over 45 years and is a Trustee of many other charities including Benenden Almshouse Charities and the Michael Yoakley Charity.

## BRIGADIER DAVID INNES

David is now retired having spent 34 years serving in the British Army as a Royal Engineer and 15 years as a Chief Executive in the charity sector.

## SARAH MASON

Sarah is a member of the Royal Institution of Chartered Surveyors, working for an award-winning private house builder, having been an Associate Director in private practice previously, acting as a development consultant to the public and private sectors.

## ALISTAIR WATSON

Alistair served in the Royal Navy, during which time he was appointed Equerry to HRH the Prince of Wales and then worked in the City for a leading international law firm.

## BECKY WOOD

Becky is a Fellow of the Institute of Chartered Accountants and has significant transactions experience in both private and public sectors having spent the last 20 years working in and leading complex transport infrastructure programmes.

# Senior Leadership Team

## LISA FARMER

CHIEF EXECUTIVE

Lisa was appointed Chief Executive at RBLI in 2022 having joined the organisation as Director of Strategic Development in 2015 with over 20 years of experience in fundraising, marketing and business development.

## HELEN BIDGWAY

DIRECTOR OF PEOPLE & CULTURE

A Fellow of the Chartered Institute of Personnel and Development, Helen joined RBLI in 2022 with over 30 years of experience in Human Resources at a senior level in the charity and education sectors.

## JOHN COWMAN

DIRECTOR OF LIVING & WELFARE

John became a Director at RBLI in 2022 after holding the position of Chief Operating Officer at the Royal Mencap Society where he oversaw and supported a range of activities for people with learning disabilities.

## MIKE DIXON

DIRECTOR OF FINANCE AND PERFORMANCE

Mike joined RBLI in October 2022 having worked for over 30 years in senior leadership positions with blue chip organisations in both the commercial and not for profit sectors. A Chartered Accountant, Mike has also performed non-executive and Charity Trustee roles and is currently a Trustee of Age UK.

## LOUISE GIBSON

DIRECTOR OF FUNDRAISING AND MARKETING

Louise joined RBLI in March 2023 with over 25 years' experience in fundraising in charities, most recently with the RAF Benevolent Fund. She has a Masters in Charity Marketing and Fundraising.

## GHALUME OBI

MANAGING DIRECTOR OF SOCIAL ENTERPRISES – OPERATIONS

Obi has held senior positions within the manufacturing sector with companies such as Morrisons, Saint Gobain and UCC Coffee and joined RBLI in February 2023.

## SUSAN STOKER

DIRECTOR OF GOVERNANCE, COMPLIANCE AND BUSINESS SYSTEMS

Working at RBLI since 2019, Susan is an expert in assurance processes, specialising in corporate governance, risk management, and internal control with over 25 years' experience across both the private and public sector.

## MICHELLE YORK

MANAGING DIRECTOR OF SOCIAL ENTERPRISES - COMMERCIAL

Michelle joined RBLI in March 2023 having previously held several senior positions within the manufacturing sector, most recently with Nuneaton Signs, another social enterprise in the manufacturing sector.

**ROYAL BRITISH VETERANS ENTERPRISE LTD.**

England & Wales - Charity number 210063

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# Accounts

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# ANNUAL ACCOUNTS

2021 - 2022



**ROYAL BRITISH LEGION INDUSTRIES LIMITED**  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR  
THE YEAR ENDED 31 MARCH 2022





“ RBLI has remained **focused** on bringing our services back to full capacity and **investing** further. ”

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# CHAIRMAN AND CHIEF EXECUTIVE'S REVIEW

During the financial year 2021/22, the charity focused on recovery from the pandemic. We are very pleased to report that most of Royal British Legion Industries (RBLI) activity is now back to pre-pandemic levels.

This year the charity has demonstrated its resilience and ability to adapt to challenging circumstances, this is thanks to the incredible creativity and dedication of our teams and their ability to tailor our services for those most in need.

The impact of the pandemic on our beneficiaries, whether older veterans, working-age veterans, or people with disabilities, has been profound. The periods of social isolation caused mental health crises, relationship breakdowns, job instability and further impacted physical health, mobility and fitness. Throughout the year, the charity has remained focused on bringing our services back to full capacity and investing in them further, to ensure we can deliver the best service and outcomes to those we care for.

The pace has remained with the expansion of the Centenary Village and we are very proud of the investment in much-needed adapted-homes, assisted living and new family homes. At the end of the financial year, following a challenging construction schedule, 40 new homes were watertight, all with utilities and only awaiting their fixtures and fittings.

At the same time as our much-needed expansion works, the charity also completed the total re-construction of our 50-bed high-dependency care home. Now the charity provides specialist dementia

care services, in a homely and vibrant setting and has created much larger social spaces so that it is easier for families to visit. Over the past five years the charity has invested £10m in our care provision and our care teams have worked harder than ever to help the residents stay safe and mobile, and to create a truly stimulating living environment.

It has been a considerable achievement to deliver all of this through a global pandemic and at the same time add dementia care to our services. We are rightly proud to say that we offer the full care pathway in a single location as this is something that is rare and very special.

During the year our Social Enterprises, Britain's Bravest Manufacturing Company (BBMC) and Scotland's Bravest Manufacturing Company (SBMC), performed admirably during an extraordinarily difficult economic climate. Despite an environment in which industry was hesitant to commit and with fluctuations in global and domestic supply chains and material costs, both enterprises

have continued to win new business, even launching a new Highways Challenge in 2020 to engage with new customers in this sector.

Not only did they deliver on their commitments to high-profile customers, such as Network Rail and Bear Scotland, but they also worked hard to bring businesses together, holding roundtable events to influence industry leaders and entire supply chains to buy products from social enterprises. Such activities have resulted in deepened relationships with partners and strengthened RBLI's ability to be a voice for disability employment during this time.

Our Lifeworks programme, Access to Work and our back-to-work programmes continued to use video calls and virtual coaching methods in order to help people gain work or stay in work. Clearly this is not the same as supporting our beneficiaries face to face, but it is infinitely better than vulnerable and disadvantaged people managing difficult

“ At many times we were reminded that this expertise is **lifesaving**. ”

employment situations and precarious financial situations, alone. A blended approach to delivery of our core expertise has meant that we were able to continue to reach veterans in Wales, the North East and the Highlands, whenever or wherever they found themselves needing support.

Our fundraising activity continues to adapt and has had a successful year as a result. RBLI marked the VE Day anniversary with a cycle ride that covered the length of the country and honoured WW2 veterans all the way. This was our tribute to “the remarkable generation” who served their country like no other. As overseas travel was still impossible for many, we adapted our Menin Gate cycle ride to create an event that reached the Cyclists' War Memorial in Meriden. Our Tommy Club Founding Patron, Ash Alexander Cooper, even ran a Marathon while he was quarantined in an Australian hotel!

We are also very grateful to our former Chairman Stephen Kingsman who donated a Mini Cooper so we could trial a raffle for the first time – something that worked both online and at the superb venues of our partners Shepherd Neame.

We are incredibly grateful to our supporters who, like us, remained focused on the mental health and wellbeing of our beneficiaries. We are more conscious than ever of the importance of our expertise in helping people re-discover their purpose whether we are supporting homeless veterans, older people coping with grief, or people forced to change their work due to injury or health conditions. At many times and with people of all ages and backgrounds, we were reminded that this expertise is lifesaving. We are currently in the process of setting out our strategy for the next five years, and the experience of the pandemic and the recovery will inform this strategy significantly.

# CHAIRMAN AND CHIEF EXECUTIVE'S REVIEW

## Continued

We are grateful to the partners whose flexibility and understanding meant we could deliver on our Centenary Village expansion. We must thank ABF The Soldiers' Charity, The Royal Engineers' Association, Greenwich Hospital and Annington especially for bringing donations forward, and all the supporters of the new Centenary Village for their unwavering commitment to the project. We are also incredibly grateful to the supporters that included The Veterans' Foundation, The Lawson Trust and BAE Systems who saw the urgency for Move On homes and made the decision to support.

We are especially indebted to The Lord Colgrain, who in June, established a new Kent Campaign Board, specifically to help us deliver on The Centenary Village fundraising campaign. Lord Colgrain not only saw a need to engage more locally but galvanised an excellent group of senior volunteers who secured £600,000 in 6 months. Michael Head, who sadly passed away in 2021 and is greatly missed, was critical to this success, bringing his enthusiasm, energy, generosity and creative thinking just when it was needed the most.

It was positive for the charity that events could return during the year. Lord Colgrain was able

to host a dinner at the House of Lords. He was joined by General The Lord Dannatt GCB, CBE, MC, DL, President of RBLI's Tommy Club, and Baroness Goldie DL, who shared their formidable knowledge and experience in the defence sector as well as their heartfelt determination to help RBLI reach the most vulnerable veterans wherever they are in the UK. Our campaign Patron General Sir Gordon Messenger KCB DSO\* OBE was able to host receptions for the campaign once again and we were able to be part of a beautiful inter-faith remembrance service at Lambeth Palace. Through our partnership with Leyton Orient Football Club, our veterans were able to get back to enjoying sports events and the Tommy Club was promoted throughout the season thanks to the generosity of the Kane family.

The fundraising performance was strong on mass-participation events too, with The Great Tommy Sleep Out a resounding success. From the Chairman's own Sleep Out to the participation of schools, families and cadets, the commitment to supporting homeless veterans on RBLI's Village was immense. The Tommy 10K also garnered nationwide support and was launched with a stunning circuit of the deck of HMS Prince of Wales.

The online shop continues to evolve and develop new products and grow our supporter base. We have invested in new engraving equipment to make this possible, enabling our veterans to learn new skills with both manufacturing and online retail processes. We are grateful to our partners Barratt Developments who supported our Women in War figures and to The Lord Lieutenant of Kent, who helped us promote our corten-steel plaques for the Queen's Green Canopy Platinum Jubilee initiative.

2021/22, has been a period of great change in the charity's leadership team with Steven taking on the role of Chair and Lisa taking over as the Chief Executive. The new leadership has picked up the baton with tremendous energy. By remaining focused and being quick to adapt, this new team has led an accelerated recovery from the pandemic and continued the investment into services, new facilities and exciting partnerships.

As we start a new financial year and whilst we have shown a solid recovery, the ramifications of the pandemic are still being felt. We have invested heavily and, consequently, the charity's unrestricted financial reserves are low. Our designated operating reserves at £5m are

now equivalent of 3 months' operating expenditure. Our General Unrestricted Funds have reduced to £2.8m (20/21 £5.2m). This means our attention on cost control will be necessarily vigilant and our position this year understandably cautious.

However, as we support more veterans, with at least 40 more veterans moving on to the Village this summer, many overcoming significant loss, trauma and self-harm, we do have to expand our welfare team and continue to improve our governance function. The move-on and transition opportunities are exciting, as are the new dementia services, but these demand larger care and welfare teams in place to enable positive outcomes.

Our Centenary Village expansion project remains our core priority and, in parallel, our growing Tommy brand is evolving our Charity in all the right ways, reaching and connecting with beneficiaries and supporters alike.

We would like to thank everyone, once again, for supporting RBLI so generously throughout the past financial year and we very much look forward to even more successful Tommy events in the year ahead.



**STEVEN ROWBOTHAM**  
RBLI Chairman



**LISA FARMER**  
RBLI Chief Executive

12 August 2022



# REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2022

## Strategic Goals

During the Financial Year to March 2022, we have continued to deliver on our strategic goals with real vigour and resilience against the backdrop of navigating through the ongoing challenges relating to the pandemic.

Key achievements include:



The continued development of Centenary Village, which will see RBLI provide a home to hundreds more veterans every year. With the second phase of construction due to complete in July 2022, we are continuing to raise funds to commence the third and final stage of development.



Building the Tommy brand, which is now recognised as a national veteran symbol, representing RBLI's leading support of military veterans and their families.



Building on the gains made by all divisions as they recover from the economic and social impact of the pandemic.



Increasing the footprint of RBLI's social enterprises as industry leaders in their respective areas of operation.



Tailoring our care and welfare services to manage mental health challenges caused by the pandemic, ensuring we can support those with the most intense and varied needs.

OUR ACHIEVEMENTS ARE DELIVERED THROUGH A **DIVERSE RANGE OF SERVICES** AT RBLI'S VILLAGE, THROUGH OUR **EMPLOYMENT SOLUTIONS** AND OUR **SOCIAL ENTERPRISES**.

## RBLI Village

RBLI offers homes to veterans of any age and any background, supporting veterans of all three services. RBLI provides high-dependency and extra care, as well as independent homes, including specially adapted apartments for veterans with disabilities. Admissions to RBLI's accommodation are prioritised by need and RBLI's unique community and holistic services are most beneficial in supporting those with multiple needs. On top of the variety of homes, which include emergency accommodation for homeless veterans, the Village also has a community café, large training centre and community garden. An integrated welfare programme called STEP-IN co-ordinates excellent nursing and care, welfare benefits and welfare support, along with direct employment, job seeking advice and meaningful activity. During the year, the STEP-IN programme has been vital in helping residents maintain social connection, mobility, vocational interests and sensory experiences through the periods of lockdown.

Our nationally delivered employment support programme, LifeWorks, has also now successfully returned to face-to-face delivery following postponement due to the pandemic. The programme specialises in supporting those who face the most significant barriers to employment and we are proud that it has been able to return.

## Employment Solutions

RBLI's Employment Solutions division utilises RBLI's employment support expertise in areas perhaps not typically associated with us as a military charity.

Through the delivery of the Department for Work and Pensions' Access to Work programme and Building Better Opportunities, supported by the European Social Fund National Lottery Community Fund, the department boasts a sizeable reach totalling more than 7,000 individuals.

Over the past 12 months, the Employment Solutions division has consistently met KPIs in the delivery of these contracts – importantly at a time when face-to-face delivery of the programme was restricted or unavailable.



## Britain's Bravest Manufacturing Company (BBMC)

BBMC continues to provide entry-level work experience as well as more specialised roles in road, rail and commercial signage production and the manufacturing of wooden products, such as pallets, print, mail and fulfilment services.

The social enterprise has continued to showcase tremendous flexibility as industry emerges from the pandemic. Domestic and international raw material costs have fluctuated significantly over the past 12 months, requiring additional supply processes, yet, despite this, BBMC has brokered new relationships and worked more closely with old partners to perform well over the past 12 months.

The factory's senior team has engaged with leaders from across industry – particularly the highways procurement space – to determine what more can be done by the sector to place a greater weighting on social value in their business choices. Such engagements have resulted in sizeable business opportunities, which will prove fruitful in the coming year.

## Scotland's Bravest Manufacturing Company (SBMC)

SBMC has continued its growth trajectory, forging new relationships and strengthening existing ones. The Glasgow-based factory has undergone significant development over the past year with significant investment in machinery, broadening its product offering in an effort to continue exploring new avenues of activity.

Following an operational review, SBMC has updated its employment model and is now able to provide full-time permanent contracts to a core team of Scottish veterans. In addition to this, the social enterprise can now deliver formal SQA-accredited qualifications for its team, bolstering their employee upskilling activities and become a more attractive proposition for other businesses in the long term.

The start-up social enterprise, which opened in 2018 remains on track towards its target to achieve break-even in year five from when it started trading.

## Looking forward

We anticipate that material cost instability will continue into 2022/23, which will affect our social enterprise's signs and pallet departments. To buffer the impact, we will continue to streamline our manufacturing processes without sacrificing quality, pass through costs where appropriate and increase efficiencies to offset potential increases in expense.

Meanwhile, the developing cost of living crisis will undoubtedly have an impact on individual charitable giving and the capacity for charitable participants to raise funds from their social circles. However, we will continue to mobilise and bolster our newly established online groups through our successful digital fundraising model which has been a significant revenue generation during the pandemic, while also expanding our live event offering which includes the Tommy 10k. Our national support club, The Tommy Club, will also launch its first match-funding campaign in 2022 and we will also participate in the Big Give event during the 2022 Christmas period.

The construction of Phase 2A of the Centenary Village development will complete this summer, allowing us to increase our village capacity by an additional 40 units and move disadvantaged veterans more quickly through our village progression model. We will continue to raise funds to complete the £22m development through consultation with our experienced and talented national and Kent campaign boards to continue to execute the large gift capital fundraising campaign.

Following the creation of a new post, Assistant Director of Governance and Compliance, we will continue to develop our Governance Framework. To accelerate this work, a Trustee-led review has commenced into the charity's care and welfare practices to further ensure staff, veterans and beneficiaries feel as safe as possible. This review, which is due to be completed in summer 2022, will inform a new strategy to further integrate the physical health, mental health and practical support we offer to disadvantaged and vulnerable beneficiaries.



# GOVERNANCE AND MANAGEMENT

“ We are **incredibly proud** of our online groups who have raised vitals funds for our charities. ”



## Governing Document

Royal British Legion Industries is a charitable company limited by guarantee and was set up on 3 September 1919, when it was called Industrial Settlements (Incorporated) Limited. It is governed by Articles of Association which were last amended in June 2018.

## Reference and Administrative Information

The Trustees in office during the year as at the date of this report, the Senior Leadership Team of the Charity, its principal places of business and its professional advisers, are set out on pages 63 and 64 of this report.

## Board of Trustees

The Board of Trustees is responsible for the overall governance and work of the Charity. The Articles of Association require that the Board of Directors consists of a minimum of two but not more than twelve Members of the Charity, excluding any ex-officio members of the Board. Trustees are formally appointed at the Annual General Meeting. Where a vacancy arises during the year, the Trustees can co-opt a new Trustee, who will then be formally appointed at the following Annual General Meeting.

Newly elected Trustees are given induction training on their duties and responsibilities as Members of the Board of Trustees. This includes, although is not limited to, provision of key documentation such as Articles of Association, reports and financial statements and details of divisional work streams. In addition, on-boarding visits to the various Royal British Legion Industries sites are undertaken at which introduction meetings are held with key members of staff.

The Board governs the Charity within its Articles of Association and in line with its charitable objectives and values. The Board

provides overall policy direction and the management of the Charity is delegated to the Chief Executive and through to the Senior Leadership Team. The Board meets quarterly and papers are made available prior to Board Meetings including business plans and budgets. Finance reports are reviewed by the Trustees at each Board meeting.

The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's guidance on public benefit of the Charities Act 2011, when reviewing the Charity's aims and objectives and in planning future activities. The Trustees and Senior Leadership Team are involved in strategic planning and their recommendations are then considered by the Board.

The Trustees are satisfied that the current and planned activities will continue to align and meet the public benefit requirement as outlined in the Charities Act 2011, namely through the promoting of community interests and assisting disabled people.

In addition to the quarterly Board Meetings, the Trustees also meet

annually for a strategic review and planning day. The Board reviews existing operations of the Charity and considers strategic options for the future. In addition to this, the Board also considers its own effectiveness and practices.

This year RBLI has formally established a Governance and Compliance department to lead on all company secretariat matters, policies and procedures framework, data protection and legal and regulatory Compliance.

A new Finance, Performance and Remuneration Committee was also formally constituted in the year. The terms of reference cover Financial Performance (including investment and reserves), Remuneration, Audit and Risk matters.

The Estates Development Committee considers and reviews the land and building matters and the Care and Welfare Committee considers all care and welfare matters across the Village.

A selected Trustee with the relevant skills chairs each Committee with all Committee recommendations submitted to the Board of Trustees for approval.

# GOVERNANCE AND MANAGEMENT

## Continued

### Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Strategic Report, Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgements and accounting 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;

- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Remuneration and Recruitment

The Finance, Performance and Remuneration (FPR) Committee will review the annual pay review proposal for all employees including the Senior Leadership Team and make recommendations to the Board of Trustees.

When new members join the Senior Leadership Team, the Chairman or Vice-Chairman, in consultation with the FPR Committee, will approve the proposed remuneration package.

Where appropriate, employees with revenue targets benefit from a bonus system that rewards good performance. Details of the bonus payments made to members of the Senior Leadership Team are disclosed in Note 6 to the financial statements.

All staff are encouraged to join the current pension scheme which is a Defined Contribution scheme. The Charity contributes to the scheme and the contribution is determined by the individual employee contribution level.

RBLI operates an objective and cost-effective recruitment and selection process to ensure the appointment of the best people in accordance with RBLI's standard recruitment criteria.

We are an equal opportunities employer and can demonstrate this commitment to providing equal opportunities through an effective, regularly reviewed, Equal Opportunities Policy. It is our aim to attract and recruit people with diverse backgrounds, skills and abilities who will enhance the quality of the service and contribute to RBLI's success.

Candidates are not discriminated against and short listing is carried out against a set of defined criteria appropriate to the role. Consideration is given to any reasonable adjustments. Where RBLI is advised in advance of an interview by a candidate of any reasonable adjustments on the basis of a disability, every effort will be made to accommodate this request to ensure that no applicant is placed at a substantial disadvantage because of their disability.

The recruitment, development, promotion and treatment of employees, volunteers or job applicants shall be based solely on factors relevant to the job and performance and reasonable adjustment will be made in accordance with the Equality Act 2010.

RBLI recognises that our continuing success and the achievement of business objectives is dependent upon having a well-trained, competent and motivated workforce.

We are committed to learning and training that enables everyone to carry out their jobs to a high standard to both their personal and customer's satisfaction and to the achievement of business and care needs.

It is important to us that all employees have the necessary support and same opportunity for learning in RBLI. We do this in the following ways:

- Providing appropriate induction training for new entrants and transferring staff
- Identifying personal and organisational development needs and planning to meet those needs, both for now and into the future so that we can respond positively to change
- Ensuring competence in job roles with knowledge, skills and behaviour
- Develop a culture of participation and accountability
- Provide opportunities for positive action and implementation of equality through targeted, accredited where appropriate, staff development and training.

Staff with disabilities will be invited to identify any particular requirements they may have to enable them to participate fully

in all training and development events offered e.g. materials in alternative formats, sign language interpreters, ergonomic seating. RBLI is proud to be a Level 3 Accredited Disability Confident Leader.

RBLI aims to ensure that all employees are kept abreast of changes that not only affect them as individuals regarding their employment, but that they are also provided with wider information relating to the challenges and successful performance of the Charity. This information is disseminated through electronic and print notifications, employee forums and formal and informal team meetings. Examples of this include regular welcome days for new starters and annual Chief Executive informative roadshow events.

On an individual basis, RBLI places great store in the annual appraisal meetings that employees undertake with their line managers which highlights the success, challenges and personal objectives of employees and how these have a contributing factor to the financial success and growth of the Charity, in turn enabling more support for beneficiaries. On a wider scale, employee forum meetings are also used to discuss issues relevant to their division and to enable consultation with employees.

# GOVERNANCE AND MANAGEMENT

## Continued

### Trustees' duty to promote success of the Charity – Section 172 statement

Trustees have a duty to promote the success of the Charity under section 172(1) of the Companies Act 2006. As the Trustees of RBLI, we always act in good faith and would promote the success of the Charity for the benefit of its members as a whole and in doing so have regard, amongst other things to:

- The likely consequences of any decisions in the long term
- The interests of employees
- The need to foster the Charity's relationships with third-party stakeholders
- The impact of Charity's operations on the community and the environment
- The desire for the Charity to be best in class for providing support to beneficiaries and
- The need to act fairly and equally towards our members.

The Trustees of RBLI consider, both individually and together, that they have acted in good faith to achieve the above. The Trustees delegate day to day management and decision making of RBLI's operations to its Chief Executive and Senior Leadership Team. Trustees are members of various committees with senior staff in attendance at which regular operational updates are provided.

More strategic updates are provided at Board Meetings to ensure the Charity is on target to meet its strategic objectives to beneficiaries and the wider community.

### Engaging with our stakeholders

Through regular engagement with key stakeholders (other Charities, Local Authorities, Community Health Providers) we maintain an understanding of our beneficiaries' needs that informs how we design our services, objectives, policies, strategy and influencing goals. The decision-making process within both the Senior Leadership Team and the Board of Trustees considers the impact of potential decisions on relevant internal and external stakeholder groups.

### People in need

Our beneficiaries receive a wide array of support services and we employ differing methods of engagement and feedback mechanisms as appropriate. The beneficiaries working in our social enterprises have a staff forum, receive regular newsletters and briefings. Our veteran and family members on our employment programme, LifeWorks, have formal feedback sessions which include in-group sessions and post events feedback via a structured telephone call-back programme.

### Our Supporters

We continue to further develop our fundraising governance practices – particularly to support newly established online supporter groups brought about by our digital fundraising campaigns and Tommy Club activities.

During the year, we also moved to a new database communication system to better integrate our fundraising and online shop activity to ensure more efficient communication with our audiences.

We are incredibly proud of our online groups who have not only come together to raise vital funds for our charity but have actively combatted isolation amongst those in the group. Following the pandemic, a number of supporters have undergone prolonged periods of isolation and our new online communities provide a reassuring outlet.

We have also taken great pride in running our first ever raffle: Tommy's Mini Mission. We greatly value the advice of many – including the gambling commission – who helped us launch this successful campaign - another prime example of growing our valuable supporter base.

### Our commercial customers

We work in an open and transparent way, with all the customers who are involved with our two social enterprise operations. We are very proud indeed to work with well-known national names, who are giving veterans opportunities to work on prestigious and high-profile projects. During the year, we have been overwhelmed by the commitment and proactive support shown from our commercial customers – many have had extremely difficult challenges of their own to deal with, but never let their dedication to social value falter. We have even been able to continue organising disability awareness and social value sessions in partnership with key customers, such as Amey, Bear Scotland and Balfour Beatty. We work extremely closely with our customers to help them achieve their goals, including their veteran recruitment goals.

### Key leaders and other influences

RBLI works closely with key opinion leaders and influencers in both national and local Government and this work happens across all our varied activities and divisions. During the crisis we worked harder than ever to raise the profile of veteran mental health. Our veterans' survey, which showed the impact of isolation on veterans was

published at the same time as the Office of National Statistics reported that 30% of the UK population felt their mental health had been negatively impacted. We strive to work in partnerships with a wide range of other charities and we actively support the objectives of Cobseo and the Confederation of Service Charities, by participating in their cluster groups and also in key conferences sharing best practice, identifying need and collaborating on national campaigns. We are very proud to be a driver for increased collaboration in the military Charity sector and have been delighted to establish a new welfare relationship with The REME Charity. We are active members of the British Association of Supported Employment (BASE) and we work with DWP and other department/agencies to improve the employment opportunities of people with disabilities and health conditions. The design of our Centenary Village, with its integrated wrap-around services has been further recognised by leaders and influencers in planning as an exemplar in community creation.

### Our staff and volunteers

Our Senior Leadership Team conducts periodic surveys for staff and volunteers and assesses outcomes and actions. Our newsletters to staff have continued and the Chief Executive

operates an open-door policy every Friday afternoon as an opportunity for staff across the organisation to share their thoughts and feelings. In addition to this, the groundwork has been put in place to initiate a pan-organisational Employee Forum which will meet regularly to share ideas for improvement for both staff and the wider community.

These initiatives are supported by a culture of regular briefings and a policy of visible and open leadership. We are accredited with Investors in People (IIP) and this provides an independent source of feedback and appropriate action plans. Our employee forums in our social enterprises in Scotland and England are a shining example of excellent staff engagement. We have provided extra support to those with learning difficulties which has been particularly effective during the pandemic period.

As we emerge from the pandemic, RBLI has begun to put plans in place to reinstate our volunteering activity and we look forward to restarting this as soon as it is possible.

### Risk Management

The Charity maintains a Corporate Risk Register that is reviewed by the Board of Trustees at every Board Meeting. This is supported by risk registers at divisional level and operational risk assessments.

The Corporate Risk Register is updated regularly for events or



“ This place has changed my life. I’ve now got a purpose. ”

# GOVERNANCE AND MANAGEMENT

## Continued

issues that emerge and wherever possible alternative scenarios are evaluated. Relevant action plans/strategies are developed to help manage, reduce, or mitigate risk.

During the previous financial year, a revised risk management strategy was developed and work has continued throughout this year to embed and cascade our risk management approach across the organisation.

### Principal Risks and Uncertainties

As noted above, the Charity has a Corporate Risk Register that is reported and discussed at each board meeting. The principal risks as at 31 March 2022 include:

- **Adverse Financial Performance:** caused by either cost increases due to inflationary pressures, capital build programme overrunning or by lower than anticipated occupancy levels, manufacturing sales volumes or reduced investment returns. This risk is managed by reviewing key indicators through regular reporting with remedial action taken as required, including actively managing the cost base, delaying activity where feasible and boosting income generation opportunities.
- **High staff turnover and / or the inability to attract new talent:** This risk has increased with the active employment market emerging post-

pandemic having a resulting impact on operations and support services. This risk is managed through strong marketing campaigns to attract and recruit the right talent. The risk around retention is actively managed through our approach to staff engagement which includes promoting positive interaction with colleagues through open-door sessions, employee forums and making sure our colleagues feel valued for their hard work, commitment and dedication.

- **Health and Safety and Compliance Risk:** As we transition from the pandemic, we are focused on ensuring current levels of quality and safety are maintained with complete adherence to legislative and regulatory compliance. We continue to manage this risk through robust supervision, a comprehensive programme of training, inspections and audits, together with the monitoring of near misses and taking appropriate actions. Compliance risks are mitigated through robust employment processes that ensure the employment of competent staff, continual training in key areas such as GDPR and formal review processes such as audits.

### Directors' Indemnities

As permitted by the Articles of Association, the Directors/ Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Charity also purchased and maintained throughout the financial year, Directors' and Officers' liabilities insurance in respect of itself and its Directors/ Trustees.

### Disclosure of Information to Auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

### Independent Auditors

A resolution proposing that BDO LLP be reappointed as auditors of the Charity was put to the Board at the Annual General Meeting and passed.

# OUR BOARD OF TRUSTEES



**STEVEN ROWBOTHAM**  
CHAIRMAN

Steve has a comprehensive background in the defence industry having worked in this sector throughout his career spanning over four decades. Steve is now a Non-Executive Director of General Dynamics UK Limited having previously been employed by the Company as Chief Operating Officer. He is a Trustee of Bovington Tank Museum where he chairs the Collection Committee and is also a business mentor to military veterans for the Charity Heropreneurs.



**FRANK MARTIN DL**  
VICE CHAIRMAN

Frank is a Deputy Lieutenant of Kent. He was formerly Chief Executive of Hornby Plc, Deputy Chairman of Dover Harbour Board and Chairman of Governors/Pro-Chancellor of Canterbury Christ Church University.



**NADRA AHMED OBE DL**

Nadra is a Deputy Lieutenant for Kent and is Executive Chairman of the National Care Association and is a regular contributor to media outlets nationally and internationally. In 2006, she was awarded an OBE for her work in social care over 30 years. Nadra holds numerous honorary roles in the charitable sector including Vice President of Hi Kent, Patron of Rockdale Housing and Kent Autistic Trust. She has worked in the field of Social Care for 40 years.



**BRIGADIER DAVID INNES**

David is now retired having spent 34 years serving in the British Army as a Royal Engineer and 15 years as a Chief Executive in the charity sector (primarily in Health & Social Care). He has also been a governor of Mid Kent College, chairman of an artisan training company and holds a number of other Trusteeships.



**KATHRYN CEARNS OBE FCA FCCA**

Kathryn is a Chartered Accountant and non-executive director, mainly in the public sector. Among other appointments, she is on the board of the UK Supreme Court, the UK Endorsement Board and National Highways. She also Chairs the Office of Tax Simplification and is a Trustee for the Royal Mencap Society. She was previously on the External Audit Committee of the IMF, Chair of the Financial Reporting Advisory Board to HM Treasury and Chair of ICAEW Financial Reporting Committee.



**ALISTAIR WATSON**

Alistair served in the Royal Navy, during which time he was appointed Equerry to HRH the Prince of Wales and then worked in the City for a leading international law firm. In retirement he is a governor of two schools in central London and a Pilotlighter.



**BLAIR GULLAND**

Blair is a Consultant at Gulland Solicitors and has been a practising solicitor for over 45 years. He is also a Trustee of many other charities including Benenden Almshouse Charities and the Michael Yoakley Charity.



**SARAH MASON**

Sarah is a member of the Royal Institution of Chartered Surveyors, working for an award winning private house builder, having been an Associate Director in private practice previously, acting as a development consultant to the public and private sectors. She is a mentor to Cambridge University Land Economy Masters students and is part of the Development Committee at Medway Yacht Club.



**STEPHEN KINGSMAN DL**

Stephen is former Chair of the Denne Construction Group, which specialises in delivering affordable housing, regeneration schemes and care facilities, much like those offered by RBLI. His extensive history in charitable service has seen him in the role of Chairman of Canterbury Further Education College, Chairman of Kent Training and Enterprise Council as well as RBLI's former Chairman.



“ We’re building a **community** which will support **veterans** for generations to come. ”

## SENIOR LEADERSHIP TEAM



**LISA FARMER**  
CHIEF EXECUTIVE

Lisa Farmer was appointed RBLI's Chief Executive in February 2022 having originally joined RBLI as Director of Strategic Development in October 2015. With over 20 years of commercial experience including fundraising, marketing and business development. Lisa has led on many commercial development initiatives including Loughborough University's £40m fundraising campaign, Birmingham Gas Street Basin and two capital fundraising campaigns at Young Epilepsy.



**JAG DOSANJH-ELTON (Resigned 31 July 2022)**  
DIRECTOR OF FINANCE AND CORPORATE SERVICES

Jag has over 20 years of experience in senior finance positions having worked across multiple sectors from publishing and energy to property and healthcare. Prior to her role at RBLI, Jag worked for Golding Homes, Anstey Horne, Gemserv Limited and The Economist Group. Jag sits on the board of several organisations, including the Chartered Institute of Legal Executives (CILEx) and the Social Investment Business; all positions underpinned by a commitment to creating an inclusive society and delivering social impact.

Following Jag Dosanjh-Elton's resignation, **RICHARD JAMES** was appointed Interim Director of Finance.



**WILL CAMPBELL-WROE**  
DIRECTOR OF CARE AND WELFARE

Will Campbell-Wroe has 20 years' experience in the housing and charity sectors specialising in designing, securing funding for and delivering services that support people to be independent and actively contributing to their local community. Will, holds Masters' Degrees in both Social Research and Housing and Social Policy, has a strong track record in developing innovative services that are designed and delivered to an extremely high standard.



**MICHELLE FERGUSON**  
MANAGING DIRECTOR OF SOCIAL ENTERPRISES

Michelle has led and delivered impactful change and growth within national and international businesses as Director and Managing Director. Michelle was appointed Director of Scotland's Bravest Manufacturing Company in 2018 and in 2021 was promoted to Managing Director of RBLI's UK Social Enterprises. Michelle is a champion of Social Enterprises and regularly speaks at National and International Conferences on the importance of delivering value to society through public and private sector procurement. Michelle also sits on the board of Renfrewshire Chamber of Commerce.

# DIRECTORS' REPORT

As the country continues its emergence from the Covid-19 pandemic, RBLI has moved forward on a positive footing to continue to deliver on our nationally significant projects and further specialise in our support for those who urgently need our help.

The charity continued with its primary focus which has served it so well over the recent challenging periods: to protect our people, protect our finances and deliver on our purpose. Now, with lockdown having long been lifted, RBLI has been able to return to activity levels pleasingly close to pre-pandemic levels and with exciting opportunities on the horizon.

During the year, the Board formally adopted the Charity Governance Code. A training programme is currently being developed to ensure staff across the organisation understand the principles of the code. The Board will undertake regular self-assessments against the Charity Governance Code to develop high standards of governance.

## Measuring success

The RBLI Village offers care and support to veterans of any age or background from across the three services. We have invested significantly in our care services over the past few years and now have a fully integrated care pathway across the RBLI Village; from low-level social care to high-needs care, dementia and, if needed, end-of-life care. This pathway ensures that veterans and their families can be cared for within RBLI's Village and can move flexibly between different

settings as their needs change while retaining relationships with families, their peers, friends and staff on the village. The ethos for all our care settings is to support our residents in enjoying life and be as active, creative and independent as possible. To achieve this alongside our care work, we provide a range of activities and events for the people in our homes and for their loved ones. As we emerge from the restrictions of the pandemic, we look forward to continuing to widen our activities and community engagement to pre-Covid levels.

Our holistic support programme, STEP-IN, continues to provide support to veterans of all ages to help them avoid homelessness and to take steps to living independently in the future. We provide a range of emergency, disabled-adapted and general needs accommodation for veterans, all with integrated support. Rather than tackle just the immediate housing need, we work with veterans to understand and tackle the root causes and put practical support in place across mental and physical health, relationships, finance, wellbeing, volunteering and employment and a range of community and purposeful activity to support themselves and the wider RBLI Village community.

“ This development ensures RBLI can **support military veterans** no matter their age or the challenges they face. ”

As well as the accommodation and support, the village offers gardens, allotments, a training centre, sports hall, community café and health facilities. We work closely with a range of local and national organisations both in the veteran and wider community sectors. We are proud that, as a result, the village has a real sense of community which is palpable to our residents, staff and visitors alike.

## Fundraising priorities and policies

Construction of the most significant development in our more than 100-year history, the Centenary Village, has continued at pace. Phase 2 of the £22m development, which when complete will comprise family homes, specially adapted apartments, assisted living accommodation and a community centre with a state-of-the-art gym, is due for completion in August 2022.

While big gift giving for the capital fundraising campaign remains challenging, given the economic impact of the pandemic, the finish line is firmly in sight. We now have less than £2m to raise of our original target to complete the development. With inflationary pressures steeply increasing

we will undoubtedly need to raise funds in excess of the £2m to successfully complete the development as planned.

Meanwhile, RBLI has completed our Aylesford village's full care pathway – the culmination of more than six years of consultation, analysis and implementation. The support available via our existing village, which comprises family homes, assisted-living accommodation and palliative care homes, has now been expanded. This year has seen the completion of the £4.2m Gavin Astor refurbishment (now known as Bradbury House), which has seen the home become a leading dementia facility in Kent. This development will ensure that RBLI is able to provide support to military veterans no matter their age or the challenges they face, while existing residents can also seamlessly move throughout the village care system as their needs increase.

RBLI is registered with the Fundraising Regulator and is signed up to the Code of Fundraising Practice. During the year, we received zero complaints in relation to fundraising. RBLI has an organisational policy and procedure in place for complaints, which is underpinned by local procedures and processes.

## Our Social Enterprises

Despite industry still reeling from market fluctuations caused by the pandemic, our two social enterprises, BBMC and SBMC, both performed admirably during what continued to be a challenging period.

The BBMC and SBMC signage teams both performed well over the past year, despite seeing significant changes in domestic and international raw material costs and overheads. However, through extensive market knowledge, close collaboration with customers across numerous sectors to combat price volatility, the business areas have managed to steer through the volatility, limiting the shortfall on financial targets set out the beginning of the year.

The BBMC signs team continued their work as sole providers of trackside signage for Network Rail as part of a multi-million pound contract, while the SBMC's signs team established new customers and strengthened existing relationships through the Scottish Government Supported Business Framework and Scotland Excel Framework, working with organisations such as BEAR Scotland, Sir Robert McAlpine, Forestry and Land Scotland and, most recently, Social Security Scotland. The

# DIRECTORS' REPORT

## Continued

team went above and beyond their ordinary activities, continuing their contribution to the pandemic response by manufacturing Covid-19 safety signage for NHS hospitals, The Prison Service and the Scottish Ambulance Service.

### Grant income

This year has also seen SBMC celebrate achieving SQA-approved status. Thanks to a £300,000 donation from the Forces in Mind Trust, veterans in the Scotland's Bravest team will now receive accredited training and formal qualifications, gaining practical and marketable work experience.

This will not only provide direct support to beneficiaries but will also make SBMC a substantially more attractive proposition for business partners due to the heightened skill of the team, thereby securing future revenue.

Glasgow Caledonian University will conduct an evaluation to examine the impact of veterans attaining such qualifications on long-term job prospects, work-readiness, employment and mental health.

SBMC's commercial model is predicated on continued investment in the factory to further veterans' opportunities

and prospective business. In recent years, SBMC has bought a state-of-the-art Flow Corp Water Jet Cutter which allows veterans to produce bespoke engineering products with virtually any material, as well as an IS8000XP engraver which allows such products to be personalised. These two investments alone have seen the veterans formally commissioned as the only social enterprises to produce commemorative plaques for the Queen's Green Canopy – a tree-planting initiative launched in line with Her Majesty's 2022 Platinum Jubilee.

The Scottish factory's employment model also underwent review – the result of which was a number of new full-time permanent contracts offered to a core manufacturing team of veterans who were previously on fixed-term contracts.

Meanwhile, having implemented new flexible processes to respond to changes in demand during the pandemic, BBMC's flexibility continued to prove fruitful as the country emerged from the lockdowns. The team had to respond to an urgent order to supply more than 120 signs to enable King's Cross station's East Coast Line project to be opened on time.

BBMC's Leatherhead site, which specialises in Print & Mail services and employs people with disabilities, has too had a strong year. It has expanded its product offering, creating a new textile development centre comprising textile and sewing machines allowing for the production of t-shirts, scarves and bunting.

Aylesford-based BBMC has worked hard over the last period to bring together industry leaders to discuss what more can be done in BBMC's areas of operation to further social value and provide greater opportunities. We hosted the CEOs and directors of major national infrastructure highways companies to discuss social value in procurement, where the organisations made a significant commitment to increase spend with BBMC.

### Transforming lives through work

RBLI's Access to Work (ATW) programme, delivered on behalf of the Department for Work and Pensions (DWP), turned in a very impressive year of results to March 2022. More than 6,800 people with disabilities, health conditions or other workplace barriers were successfully supported by our professional team in this last

year. The customer support team recorded outstanding performances for efficient contact and appointment booking, achieving 100% on one key indicator for four months out of twelve. The holistic needs assessment team managed to exceed 99% of reports being fit for purpose throughout the year, demonstrating the extraordinary level of quality delivered on scale. In addition, the team have supported DWP with developing a process for a dual-assessment type delivery, offering both face to face and virtual appointments, as well as providing design support for several proof-of-concept projects, in collaboration with DWP colleagues, including supported internships and supported businesses across the UK. With over 96% of customers satisfied with RBLI's ATW service, the strategy for this coming year is to continue to benchmark performance in this sector and strive to increasingly optimise the customer journey, through further digitalisation and transformation plans, to help even more people with disabilities through expert support in meeting the needs of our customers and beneficiaries.

RBLI's Employment Solutions division also saw successful delivery of the Building Better Opportunity Projects, supported

by the National Lottery Community Fund/European Social Fund. More than 60% of referrals exited the programme into work – the preferred route – or into training upon completion. This is especially impressive when considering that more than 55% faced barriers to employment due to disability.

RBLI's transformational employment support programme LifeWorks has also been busy supporting over 1,000 beneficiaries in the last year, whilst also developing new ways to support serving families and the tri-service veteran community. Having temporarily postponed the face-to-face delivery of the programme during the pandemic, we are proud to say that more than 80% of planned courses were successfully delivered during 2021, with cancellations only due to Covid-19.

We were delighted when our hard work was validated at an award ceremony last year hosted by the Ex-Forces in Business Awards. We won the 'Initiative of the Year Award' for our commitment to supporting veterans through the challenging times of lockdown and the Covid pandemic by rapidly switching our courses and support to an online provision. We have not

stopped there – we are now further developing what we offer through more flexible options such as bite size course modules for those in employment who are looking to change career but cannot spare four days to attend our residential courses.

To support this, we have dedicated online employment support via our employment HUB which helps to enhance our service by linking our beneficiaries directly to Armed services-friendly employers, who recognise the value that service personnel bring to an organisation. Our LifeWorks team are working closely with employers to forge partnerships with the LifeWorks programme. Our HUB which, can be found on our webpage, has a wide range of opportunities across all sectors and areas of the country and is being added to each week.

We are keeping a keen focus on our LifeWorks Families programme too, a national offer to support serving families and offer them all the added benefits that LifeWorks now includes. LifeWorks recognises that there is a pool of employment talent in this area that should be supported towards employment solutions that will fit around busy service family life.

# DIRECTORS' REPORT

## Continued

### Fundraising

During the pandemic, RBLI's community fundraising programme successfully adapted to a digital activity model, utilising the online space to mobilise supporters and generate revenue.

Over the past 12 months, RBLI has continued much in the same vein, relaunching successful campaigns such as the Great Tommy Sleep Out and the Tommy 10k. With in-person events being broadly cancelled during the pandemic, it was incredibly encouraging to see that our digital fundraising campaigns retained or surpassed the same participation levels as the country emerged from lockdown.

Community fundraising activity has also utilised third party events, such as the London Landmarks Half Marathon which in the last year saw 64 RBLI participants – double the year prior.

However, as the pandemic seemingly came to a close and the country opened up, RBLI did re-engage with physical events. In the run up to November 21, Lambeth Palace hosted a special Remembrance service in aid of RBLI's Tommy Club – our national supporters club which raises vital funds for military veterans.

Meanwhile, the charity also capitalised on a flourishing partnership with football club Leyton Orient, who identified a professional fixture and dedicated it as a Remembrance fixture. There, veterans and volunteers from across RBLI were mobilised outside the ground with collection buckets to take donations from attending fans.

Underpinning this successful fundraising activity is the strength of the Tommy figure – which has become a truly national symbol representing the sacrifice and support for, military veterans. Over the past year, this strength has only developed and conscious efforts have been made to further establish RBLI as the home of the Tommy. This has been no more the case than in the Tommy Club which now secures an almost 80% re-subscription rate after accruing thousands of supporters all over the UK.

### The online shop

After two years of operation, RBLI's online shop has become a consistent revenue generator for the charity. Following its 2020/21 success, which saw the shop attract a significant share of the market for VE Day products, the online shop has increased and diversified its product offering.

Through dedicated campaigns for the 40th anniversary of the Falklands War, 2021's Remembrance period and Her Majesty's Platinum Jubilee, the shop has been a driving force in RBLI's general business to customer product offering generating more than £700,000 in revenue.

This has not only provided vital income for the charity, it has also allowed for more dedicated support of the factory's beneficiaries through direct employment.

In accordance with our commitment to the environment standards, importantly, the shop has focussed on recyclable materials such as paper, corten steel, Foamex and Correx.

### Our environmental commitment

As a respected Charity which puts at its heart care for individuals by Improving Lives Every Day, not only do we need to ensure the wellbeing of our beneficiaries, but we also plan to go beyond this to ensure that all we do minimises our impact on the environment. As such, reducing our carbon footprint, waste and caring for the natural resources we own are all accepted and even expected ways that also Improve Lives Every Day.

Over the past 12 months, RBLI has been unwaveringly committed to the betterment of its environmental footprint. We have established an Environmental Management System and allocated roles and responsibilities to internal environmental leads, created a consumer and production register of factors that can potentially impact the environment and conducted an external gap analysis. This work has culminated into the achievement of the ISO14001 accreditation in June 2022.

Our methodology for reporting emissions is based upon those areas where we have operational control and are charged for energy consumption.

		21/22 KWh (000)	20/21 KWh (000)
SBMC	Electricity	76	53
	Gas	341	413
Leatherhead	Electricity	12	11
	Gas	28	4
Aylesford	Electricity	655	677
	Gas	1,363	1,128
<b>Total</b>		<b>2,475</b>	<b>2,286</b>
Indirect Emissions (tCO <sub>2</sub> e)		493	457
Emissions per FTE		1.84	1.65

\* Gas KWH has been restated based on more accurate data.

\*\* Emissions per FTE have increased reflecting the increased usage in 21/22 following the return to business as usual activity post pandemic.

Emission calculations are derived from billing data. Where bills did not complete for a full year, an estimate based upon previous consumption, has been included.

Moving forward RBLI has set carbon-reducing targets as follows:

- Obtain a scope 2 emissions net neutral position for SBMC and BBMC Leatherhead – 2022
- Obtain a scope 2 emissions net neutral position for all RBLI Manufacturing – 2023
- Obtain a scope 2 emissions net neutral position for all RBLI – 2024
- Obtain a scope 3 net zero by for all RBLI – 2035.

Our baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. The baseline emissions are therefore the reference point against which our emission reduction can be measured.

# DIRECTORS' REPORT

## Continued

In 2021, a project was launched to establish an environmental management system and to ensure RBLI's carbon footprint was formally measured and improved. A challenge identified in the project is the need to improve carbon footprint data collection at source – this has been implemented as a priority and will certainly include Scopes 1 and 3. Gathering this data at RBLI is complex due to the diverse nature of the services, operations and charity activity, including the projects and enterprises across the RBLI Village, care facilities and homes, large manufacturing sites, national delivery programmes and ongoing construction work at our new Centenary Village.

However, we are committed to refining a robust reporting process and, to support this, an external environmental consultancy has been engaged to conduct a detailed carbon footprint baseline analysis and to help RBLI prepare its 2023 ESOS submission. This consultancy project is scheduled for July 2022.

Our Carbon Reduction Plan authorised by the CEO includes the Scope 2 figures and a commitment to report on Scope 1 and Scope 3. The activities already in progress are documented and a target of net neutral has been set for Scope 3 by 2035. The report does not yet contain a year-on-year percentage as this will be created with integrity, in accordance with the external consultants tangible reporting and advisories. RBLI has published the current Carbon Reduction Plan on our website alongside our environmental policy and commitment to the environment, to demonstrate both compliance and the programmes already in progress to achieve our carbon and emissions targets.



**STEVEN ROWBOTHAM**

RBLI Chairman

12 August 2022



# STRATEGIC REPORT

FOR THE YEAR ENDED 31ST MARCH 2022

## RBLI Activities

RBLI financial performance in 2021/22 has very much reflected the ebbs and flows seen across the country emerging from the pandemic generating income of £21.6m (20/21 £19.8m).

Green shoots have been seen in the recovery of fundraising activity which has been instrumental in continuing with our build of the Centenary Village with the second phase due to be completed in Summer 2022. We are immensely thankful for the Grant and Donations we have received from our donors and the fundraising activity undertaken by our supporters. This level of support has enabled the Charity to continue to extend its reach and strengthen the social impact we are able to deliver by providing more homes to vulnerable veterans.

At the latter end of the year, we have also successfully completed the refurbishment of one of our Care Homes which now includes the provision of specialist Dementia care suite. The refurbishment coupled with intermittent Covid-related lockdowns has resulted in lower occupancy levels in the year which has impacted our unrestricted income levels. Our Living activities a generated total income of £5.2m compared to £5.3m in 2020/21.

Our Social Enterprises in Aylesford and Scotland have focused on rebuilding a steady momentum of post pandemic business. The financial performance in year has been impacted by material fluctuations in price and availability of raw materials such as timber and metal which has put pressure on securing supply chains and holding margins. We are focused on building longer term relationships with our key partners and customers to ensure we can continue to deliver large scale social impact through our enterprises.

In employment services we have re-launched our Lifeworks programme. This programme, supported by our partners including Barclays and Morrisons, helps veterans develop the skills and confidence to build a new career. The programme is focused on delivering outcomes and in the year we have helped hundreds of individuals on their path to employment. For all our employment services programmes we now use a blend of online and in person delivery methods making sure we adopt an approach that works best for participants.

Our total expenditure is equal to £20.6m (20/21 £18.8m).

The increase is partly reflective of the cost required to generate the increased income and partly

an investment to strengthen our governance and operating model.

Looking forwards to 2022/23 we are excited to welcome more residents onto our Village and into our newly renovated Care Home and into Centenary Village. We will also be making great strides into increasing the reach of our social enterprises. Being able to deliver more products manufactured by our beneficiaries across sectors and organisations helps to collectively increase our social impact and footprint. Undoubtedly, like other organisations, RBLI will have to navigate through a challenging economic climate with costs of delivering social impact materially increasing. With the continued commitment of our colleagues and donors and with careful financial stewardship, we will continue to increase the support we provide to a wide range of beneficiaries.

## Investment Fund

The Charity's investments are held to achieve balanced long-term growth. This year the Trustees decided to reposition our investment strategy from delivering a blend of income and capital gains to being entirely focused on delivering long term capital growth.

Performance of the Fund has been measured against a long-term target of CPI+3% per annum, however, as a result of the current economic situation this target is currently under review. The investment portfolio has achieved an annualised net return of 5.14% since inception and a net return of 6.74% in 2021/22. Performance is also measured against a bespoke benchmark that reflects the fund asset allocation.

No change to the investment fund has taken place during the year in terms of divestment or adding to the portfolio additional cash funds. The valuation of the portfolio has risen to £4.8m (20/21 £4.6m).

Investment powers are governed by the Memorandum and Articles of Association and permit the Charity's fund to be invested in a wide range of assets. The Board reviews fund performance at every Board Meeting. Management meets with our investment managers quarterly and the investment managers present and report to the board on an annual basis.

## Pension

RBLI operates two pension schemes, the Defined Benefit Scheme which was closed to new entrants in 2002 and a Defined Contribution Group

Personal Pension Scheme. RBLI participates in the Royal British Legion Staff Defined Benefit Pension Fund (the Fund), a multi-employer UK registered trust-based pension scheme. An actuarial valuation on the defined benefit is carried out every three years. The last actuarial valuation of the Fund was performed as at 1 April 2020 which revealed a funding shortfall of £24.0 million. RBLI therefore agreed to pay annual contributions with respect to the deficit equal to £161k per annum plus £51k per annum to cover the expenses of the fund. These contributions will continue until 2028 at which point RBLI will pay the lesser of £1.8m or the Scheme Actuary's assessment of the share of the Fund's deficit in respect of RBLI as at 1 April 2028.

The valuation is updated on an annual basis. The latest valuation showed an actuarial gain for the defined benefit pension of £1.5m with a net asset value of £140k (21/22 a net liability of £1.3m). This improvement has arisen due to several factors including changes in assumptions which has decreased the defined benefit obligation, a high investment return achieved on the assets and also due to the annual contributions that RBLI is making. However, as the Trustees do not have certainty that it would be recovered through reductions

in contributions, have decided against recognising the net asset value in the financial statements.

## Reserves

Overall, RBLI increased its funds by £2.7m (£1.5 pension liability reduction, £0.3m investment gain and £1m operational surplus) giving the Charity total funds of £29.7m. This is represented by an increase in Restricted Funds to £16.7m (20/21 £13.2m) which is partially offset by a decrease in Unrestricted Funds to £13m (20/21 £13.9m).

The reserve policy has been historically been to hold a sum of money as designated funds in two parts as follows:

- An operating reserve of £5m, which equates to approximately three months of operating costs
- A reserve equating to the forecast cost to RBLI for planned future projects and developments. This currently equates to £5m.

As a result of current economic challenges and to allow for the completion of the capital projects, the Board has reviewed the reserve policy and agreed to temporarily deviate from that. This has resulted in the depletion of cash reserves and the taking on of new debt.

# STRATEGIC REPORT

## Continued

The Board intends to return to the reserves policy as stated above, and plans are being put in place to effect this.

Land and buildings are shown on the balance sheet at historical costs with buildings shown net of depreciation. These assets have not been restated at market value. The one exception to this is the Vanguard Trust properties, that were transferred to RBLI, are shown at Market Valuation as at 2018. A professional valuation of the land transferred to the Charity in 1919 has not been undertaken. The Trustees believe that the market value is significantly higher than the negligible net book value reflected in tangible assets.

### Going Concern

The Trustees reviewed RBLI's plans and financial projections in March 2022. The impact of the pandemic on unrestricted operational activity together with the capital investment in Centenary Village and developing a new dementia suite is clearly visible in the reduction in our liquid reserves.

The next 12 months will be subject to a challenging economic environment with increasing inflation and interest rates. The completion of the dementia suite and second phase of Centenary Village will strengthen our income streams in the coming year, which will help buffer the impact of economic challenges.

The long-term financial strength

of the Charity is underpinned by the RBLI Village, a 75 acre site the market value of which is not wholly reflected in the £29m net asset position of the organisation. The Trustees are reviewing the Estate with a view to rationalising the portfolio through the disposal of non-strategic assets. Plans for certain disposals are advanced with others to be considered by the Board in 2022/23.

Over the short to medium term, the Charity has arranged financing facilities with £2.25m drawdown against our investment portfolio and a further £2m restricted loan from The Royal British Legion to support our restricted capital development activities. To ensure we continue to have access to sufficient liquidity over the short to medium term a further £5m term loan facility has been agreed with Barclays post year-end.

Having given due consideration to the financial position of the organisation and the operating environment, the Trustees are of the opinion that the Charity has sufficient resources to meet its liabilities as they fall due over the next 12-month period from the date the Financial Statements are signed.



**STEVEN ROWBOTHAM**

RBLI Chairman

12 August 2022



# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS AND TRUSTEES OF ROYAL BRITISH LEGION INDUSTRIES LIMITED

### Opinion on the financial statements

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 2022 and of its incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Royal British Legion Industries ("the Charitable Company") for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has

been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remain independent of the Charitable Company in accordance with the ethical requirements 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.

### Conclusions related 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and,

except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

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 misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 determines 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.

# INDEPENDENT AUDITOR'S REPORT Continued

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

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

## Extent to which the audit was capable of detecting irregularities, including fraud

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:

- enquiry of management and those charged with governance regarding known or suspected instances of non-compliance with laws and regulation;
- reading minutes of those charged with governance; reviewing correspondence with regulatory bodies and from legal advisors to identify indications of non-compliance with laws and regulations;
- assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and

the detection and prevention of irregularities and fraud;

- determining whether the accounting policies and presentation adopted in the financial statements are in accordance with 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) and the Statement of Recommended Practice for Charities;
- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments, with particular focus on unusual account combinations and postings by unexpected users or senior management;

- challenging the assumptions and judgements made by management for key estimates, in particular the valuation of investments and assumptions used to value the defined benefit pension scheme;
- incorporating unpredictability testing into our testing approach through the test of non-financial line item;
- carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the

further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

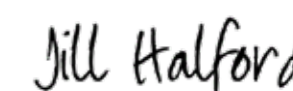
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other

than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**JILL HALFORD**  
(Senior Statutory Auditor)

For and on behalf of BDO LLP,  
statutory auditor

London, UK

Date: 16 August 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



“ All donations, no matter how big or small, will make a huge difference to a veteran’s life. ”

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

		21/22 Unrestricted Funds £'000	21/22 Restricted Funds £'000	21/22 Total Funds £'000	20/21 Unrestricted Funds £'000	20/21 Restricted Funds £'000	20/21 Total Funds £'000
<b>Income from:</b>							
Donations and Legacies	2	1,048	3,741	4,789	865	2,441	3,306
<b>Charitable Activities:</b>							
Employment Solutions		1,975	251	2,226	2,055	539	2,594
Scotland's Bravest Manufacturing		1,187	208	1,395	851	312	1,163
Britain's Bravest Manufacturing		6,644	195	6,839	5,108	279	5,387
RBLI Living		4,890	326	5,216	4,703	597	5,300
Shop		695	-	695	1,364	-	1,364
<b>Total Charitable Activities</b>		<b>15,391</b>	<b>980</b>	<b>16,371</b>	<b>14,081</b>	<b>1,727</b>	<b>15,808</b>
Investment Income	3	65	-	65	89	-	89
Furlough Income		52	-	52	596	-	596
Gains (Losses) on sale of assets		290	-	290	-	-	-
<b>Total</b>		<b>16,846</b>	<b>4,721</b>	<b>21,567</b>	<b>15,631</b>	<b>4,168</b>	<b>19,799</b>
<b>Expenditure on:</b>							
Raising Funds	4	1,415	94	1,509	900	303	1,203
<b>Charitable Activities:</b>							
Employment Solutions	4	2,233	207	2,440	2,625	524	3,149
Scotland's Bravest Manufacturing	4	1,438	316	1,754	1,104	265	1,369
Britain's Bravest Manufacturing	4	7,845	192	8,037	6,213	228	6,441
RBLI Living	4	5,843	311	6,154	4,981	860	5,841
Shop	4	704	-	704	811	-	811
Total Expenditure	4	19,478	1,120	20,598	16,634	2,180	18,814
Net (Expenditure)/Income before Investment (Losses)/Gains		(2,632)	3,601	969	(1,003)	1,988	985
Gains on investments assets	8	274	6	280	545	26	571
<b>Net (Expenditure)/Income</b>		<b>(2,358)</b>	<b>3,607</b>	<b>1,249</b>	<b>(458)</b>	<b>2,014</b>	<b>1,556</b>
<b>Other recognised gains and losses</b>							
Actuarial Gain on defined benefit pension scheme	17	1,320	-	1,320	1,469	-	1,469
<b>Net movement in funds</b>		<b>(1,038)</b>	<b>3,607</b>	<b>2,569</b>	<b>1,011</b>	<b>2,014</b>	<b>3,025</b>
Fund balances brought forward at 1st April		13,891	13,154	27,045	12,880	11,140	24,020
<b>Fund balances carried forward at 31 March</b>	<b>15</b>	<b>12,853</b>	<b>16,761</b>	<b>29,614</b>	<b>13,891</b>	<b>13,154</b>	<b>27,045</b>

There were no other recognised gains or losses other than those stated above. The movement in funds are disclosed in note 16 to the financial statements.

All of the current year results above are derived from continuing activities. The notes on pages 44 to 61 form part of these financial statements.

## BALANCE SHEET AT 31 MARCH 2022

	Notes	21/22 £'000	20/21 £'000
<b>FIXED ASSETS</b>			
Tangible assets	7	28,068	20,684
Investments	8	4,799	4,565
<b>TOTAL FIXED ASSETS</b>		<b>32,867</b>	<b>25,249</b>
<b>CURRENT ASSETS</b>			
Stocks and work in progress	10	1,341	740
Debtors	11	3,466	2,459
Cash at bank and in hand		-	3,710
<b>TOTAL CURRENT ASSETS</b>		<b>4,807</b>	<b>6,909</b>
<b>CURRENT LIABILITIES</b>			
Bank Overdraft		(186)	-
Creditors – amounts falling due within one year	12	(3,613)	(3,850)
		(3,799)	(3,850)
<b>NET CURRENT ASSETS</b>		<b>1,008</b>	<b>3,059</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>33,875</b>	<b>28,308</b>
<b>LONG TERM LIABILITIES</b>			
Loan Financing		(4,261)	-
Defined benefit pension scheme liability	17	-	(1,263)
<b>NET ASSETS (including pension scheme liability)</b>	<b>15</b>	<b>29,614</b>	<b>27,045</b>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted - Designated	16	10,000	10,000
Unrestricted - General	16	2,853	5,154
		12,853	15,154
Pension Reserve	17	-	(1,263)
Total Unrestricted Income Funds		12,853	13,891
Restricted Income Funds	16	16,761	13,154
<b>TOTAL CHARITY FUNDS</b>		<b>29,614</b>	<b>27,045</b>

The notes on pages 44 to 61 form part of these financial statements

The Financial Statements which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes were approved by the Board of Trustees on 12 August 2022 and were signed on its behalf by: -



MR STEVEN ROWBOTHAM  
12 August 2022



MRS K CEARNS  
12 August 2022

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	21/22 £'000	20/21 £'000
<b>Net cash (outflow) / inflow from operating activities</b>	<b>23</b>	(222)	2,538
Investment Income		65	89
Net cash inflow from investments		65	89
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(8,279)	(3,097)
Receipts from the sale of fixed assets		290	-
<b>Net cash outflow from capital expenditure &amp; financial investment</b>		<b>(7,989)</b>	<b>(3,097)</b>
<b>Cashflows from Financing Activities</b>			
New Bank Loans		4,250	-
<b>Net cash inflow from financing</b>		<b>4,250</b>	<b>-</b>
<b>Reduction in net cash</b>		<b>(3,896)</b>	<b>(470)</b>
Balance Brought Forward		3,710	4,180
<b>Balance Carried Forward at 31 March</b>		<b>(186)</b>	<b>3,710</b>
<b>Analysis of changes in Net (Debt) / Cash</b>			
Net cash at 31 March 2021		3,710	4,180
Net cash outflow		(8,146)	(470)
Short term borrowings - Overdraft		(186)	-
Long term borrowings - Loan Facilities		(4,250)	-
<b>Net (Debt)/Cash at 31 March 2022</b>		<b>(8,872)</b>	<b>3,710</b>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022

### 1. PRINCIPAL ACCOUNTING POLICIES

#### Basis of Preparation

Royal British Legion Industries (RBLI) is a registered charity (210063 and SCO48795) and a private company limited by guarantee incorporated in England and Wales (00158479). The registered office is Hall Road, Aylesford Kent ME20 7NL.

These Financial Statements have been prepared in accordance with the Charities SORP, the Financial Reporting Standard (FRS102) applicable in the UK and Republic of Ireland and in accordance with UK charity and company law.

The principal accounting policies are applied consistently in the preparation of the Financial Statements unless stated otherwise

The financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

#### Consolidation

The company has two wholly owned subsidiaries, RBLI Contracts Limited and RBLI Ltd. Both subsidiaries are dormant and therefore have not been consolidated into the financial statements. Information on the subsidiaries is set out in note 9.

#### Structure of Funds

The Charity maintains the following funds:

- **Restricted** the purpose for the use of these funds is restricted and defined by the donors
- **Unrestricted** where the use of the fund is not restricted.
- **Designated** where the funds are unrestricted but the Trustees have designated the use for a specific purpose.

#### Income Recognition

Charitable activity income is measured as consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts, rebates and value added taxes.

#### Donations and Legacies

Donations and Legacies are recognised as income when received or when entitlement to receive has been established, receipt is probable and the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable. Legacies are recognised when probate is granted and there is sufficient information to measure the value of the legacy.

#### Grants Received

Grants are recognised in the Statement of Financial Activities when the conditions for entitlement have been met. Grants received before the conditions for entitlement have been met are deferred and included in creditors.

Furlough grants were received from the Government during the year to support the continued employment during the pandemic, no other government grants were received.

#### Subsidies Receivable

A subsidy is made to host companies who employ a disabled person under the terms of the Work Choice Programme. The subsidy arises on the employment of the disabled person and remains for the term of the employment contract. The subsidy is accounted for on an accruals basis.

#### Pensions

The Charity operates two pension schemes, the Defined Benefit Scheme, which was closed to new entrants in 2002 and the Group Personal Pension Scheme.

The Defined Benefit scheme, the assets of which are held and managed separately, is a multi-employer scheme. The actuaries have attributed scheme assets and liabilities to RBLI for the requirements of FRS102. The impact on the current year SOFA was an actuarial gain of £1.3m.

For the defined benefit section, the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as

part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in 'Other recognised gains and losses'.

The Defined Benefit scheme is funded, with the assets of the scheme held separately from those of the underlying employers, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

In addition, the amount charged to the Statement of Financial activities includes contributions payable to the Group Personal Pension Scheme in the year.

#### Short Term Benefits

Short-term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is incurred, or in the case of redundancy and termination payments when there is a commitment to an individual or group of people.

#### Taxation

The company is a registered Charity, as such is entitled to certain tax exemptions on income, profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

## Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

## Investments

Investments are stated at bid-price and the value of both realised and unrealised gains are included in the Statement of Financial Activities within the relevant Funds. Investments are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

## Charitable Expenditure

Costs are recognised on an accruals basis in the period in which they are incurred. Expenditure on raising funds includes the costs incurred in raising donation income and grant income, including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs. Where support costs cover more than one area of activity the costs are allocated to each activity based on weighting of the Charitable Activity revenue. Redundancy/ termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

Costs of expenditure on raising funds includes the fees incurred in managing the Charity's investments and where applicable irrecoverable VAT.

## Operating Leases

Annual rentals under operating leases are charged against income on a straight-line basis over the lease term.

## Stock and Work-in-progress

Raw materials, work-in-progress and finished goods are valued at the lower of cost or estimated selling price less cost to complete and sell. Cost comprises the direct cost of production and the net attributable proportion of overheads appropriate to each department.

Cost is determined on an average cost method. Cost includes the purchase

price including transport and handling directly attributable to bringing the stock to its present location and condition.

Regular reviews of stock take place to ensure all stock is in good condition and in addition a stock provision is included in the stock valuation to allow for the potential of stock not being consumed/ sold

## Tangible Fixed Assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation. An annual review is undertaken to identify whether an impairment adjustment is required. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Freehold buildings -  
2% straight-line

Building's plant-  
7% straight-line

Plant, Machinery, Fixtures and  
Fittings -  
15% straight-line

Motor vehicles -  
25% straight-line

Office equipment -  
33% straight-line

## Assets under Construction

Assets under construction represent expenditure incurred in creating assets. Depreciation takes place once the asset is brought into use.

## Limitation of Capitalisation

Expenditure below £1,000 per item does not qualify for capitalisation as a Fixed Asset as it is not considered to be material.

## Financial Risk Management

The Charity's operations expose it to some financial risks that include the effects of changes in market interest rates and its liquidity position. The Charity has in place a risk management programme that seeks to manage adverse effects on the financial performance of the Charity.

## Critical accounting estimates and assumptions

The Charity makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

### Impairment of Assets

The charity has material value of assets under construction where the market value post completion could be lower than the net book value and therefore could give rise to an estimation uncertainty at the year end. The Charity will undertake market valuations once the material capital developments have been completed to ensure the assets are reflected at the lesser of the recoverable value or the net book value.

### Stock Provisioning

At each balance sheet date, the Charity considers the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

### Impairment of debtors

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

### Defined Benefit Pension Scheme

The Charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

## Financial Instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the estimated cash flows. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in fair value reserve.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

### (ii) Financial liabilities

Basic financial liabilities include trade and other payables and loans. They are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially and subsequently measured at transaction price as all of them are current.

All loans facilities are treated as a single financial instrument and are initially recognised at transaction price. Debt instruments are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the

establishment of loan facilities are recognised at transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## Going Concern

The Trustees reviewed RBLI's plans and financial projections in March 2022. The impact of the pandemic on unrestricted operational activity together with the capital investment in Centenary Village and developing a new dementia suite is clearly visible in the reduction in our liquid reserves. Given the capital development is near completion and that sufficient financing facilities have been put in place the Trustees are content that our financial projections are achievable and that the accounts should be prepared on a going concern basis.

The next 12 months will be subject to a challenging economic environment with increasing inflation and interest rates. The completion of the dementia suite and the second phase of Centenary Village will strengthen our income streams in the coming year which will help buffer the impact of economic challenges. RBLI will continue to ensure services are delivered effectively to efficiently manage the cost base whilst providing residents and employees an excellent environment to live and work in.

The long-term financial strength of the Charity is underpinned by the RBLI Village, a 75-acre site the market value of which is not wholly reflected in the £28m net asset position of the organisation. The Trustees are reviewing the Estate with a view to rationalising the portfolio through the disposal of non-strategic assets. Plans for certain disposals are advanced with others to be considered by the Board in 2022/23.

The investment portfolio has also shown strong recovery following the pandemic with a £0.2m increase in value reflected in the balance sheet. Over the short to medium term, the Charity has arranged financing facilities with £2.25m drawdown against our investment portfolio and a further £2m restricted loan from The Royal British Legion to support the restricted capital development activities. To ensure continue access to sufficient liquidity over the short to medium term the Trustees have agreed a further £5m term loan facility with Barclays post year-end.

The Senior Leadership Team will continue to expand the RBLI social impact footprint through its care and housing provision, the social enterprise market and employment services. The strong network of donors and partners will enable the continued delivery of front-end services with confidence that RBLI's collaborative working partnerships will continue to generate grants, donations and commercial contracts at an ever-increasing pace and value.

Notwithstanding the drive and ambition the Trustees and the senior leadership team acknowledge the next 12 months will not be without its challenges heightened by the likely economic impact of the war in Ukraine. Accordingly, Trustees will closely monitor performance, current and emerging risks with a view to implementing corrective action if required.

Having given due consideration to the financial position of the organisation and the operating environment, the Trustees are of the opinion that the Charity has sufficient resources to meet its liabilities as they fall due over the next 12 month period from the date the Financial Statements are signed.

“ I don't know where I would be without **RBLI**. ”



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### 2. INCOME FROM DONATIONS & LEGACIES

	21/22 £'000	20/21 £'000
Donations	3,809	2,812
Legacies	56	-
Events	924	494
	<b>4,789</b>	<b>3,306</b>

### 3. INVESTMENT INCOME

	21/22 £'000	20/21 £'000
Investment dividends	65	89
	<b>65</b>	<b>89</b>

### 4. TOTAL EXPENDITURE

	21/22	21/22	21/22	20/21	20/21	20/21
	Activities undertaken directly £'000	Support costs £'000	Total £'000	Activities undertaken directly £'000	Support costs £'000	Total £'000
Raising Funds	942	567	1,509	852	351	1,203
Employment Solutions	2,174	266	2,440	2,875	274	3,149
Scotland's Bravest Manufacturing	1,587	167	1,754	1,246	123	1,369
Britain's Bravest Manufacturing	7,220	817	8,037	5,873	568	6,441
RBLI Living	5,531	623	6,154	5,282	559	5,841
Shop	620	84	704	668	143	811
<b>Total</b>	<b>18,074</b>	<b>2,524</b>	<b>20,598</b>	<b>16,796</b>	<b>2,018</b>	<b>18,814</b>

Auditors' remuneration was £61k (20/21: £56k). In addition, other advice was provided by BDO relating to taxation services £ 4,125 (20/21: £3,869).

Operating lease payments included in Resources Expended totalled £162k (20/21: £235k).

The gain on disposal of assets was £290k (20/21: a loss of £5k).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### SUPPORT COSTS 21/22

	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	21/22 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive	35	22	108	83	76	11	335
Finance	81	51	250	190	174	26	772
Business Systems	47	29	144	110	100	15	444
Human Resources	36	22	110	84	75	11	340
Marketing	38	24	116	88	80	12	358
Other Costs	2	2	8	6	5	1	24
Pension Deficit	26	17	81	62	58	8	252
	265	167	817	623	568	84	2,525

Support costs are allocated, where practicable, to the charitable activities on a directly attributable basis. The remainder is apportioned to each activity based on revenue.

### SUPPORT COSTS 20/21 COMPARATIVES

	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	20/21 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive	38	18	80	79	49	20	284
Finance	72	32	149	147	91	38	529
Business Systems	52	23	107	105	66	27	380
Human Resources	44	20	92	91	57	23	327
Marketing	36	16	74	73	46	19	264
Other Costs	15	6	30	29	20	7	107
Pension Deficit	17	8	36	35	22	9	127
	274	123	568	559	351	143	2,018

## 5. EXPENSES BEFORE NET EXPENDITURE FOR THE YEAR

Net operating loss is stated after charging:

	21/22 £'000	20/21 £'000
Rentals payable under Operating Leases	162	235
Depreciation (Note 7)	895	844
Auditors remuneration	61	56
(Gain) / Loss on investments	(280)	(571)
	838	564

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

## 6. DIRECTORS, EMPLOYEES AND VOLUNTEERS

	21/22 Number	21/22 FTE	20/21 Number	20/21 FTE
The average monthly number of persons employed by the Company during the year was				
Employment Solutions	48	42	53	48
RBLI Living	147	95	137	93
Scotland's Bravest Manufacturing	20	18	18	15
Britain's Bravest Manufacturing	100	72	111	79
Fundraising and Marketing	19	17	21	18
Executive & Corporate Services	27	24	27	24
	361	268	367	277

During the year a total of 40 volunteers (20/21: 31) worked for a total of 3,043 hours (20/21: 2,474 hours)

	21/22 £'000	20/21 £'000
Staff costs		
Wages and salaries	7,625	7,954
Social Security costs	685	689
Other Pension costs	597	642
Other costs	535	15
Redundancy / Termination Payments	35	176
FRS 102 adjustment in SOFA	-	128
	9,477	9,604

In addition, during the year £138,061 expenditure was incurred on recruitment fees (20/21: £45,011).

The total number of employees whose emoluments, excluding pension contributions, were more than £60,000 per annum fall within the following bands:

£	21/22 Number	20/21 Number
60,001 - 70,000	3	3
70,001 - 80,000	1	2
80,001 - 90,000		
90,001 - 100,000	1	2
100,001 - 110,000		
110,001 - 120,000	2	1
120,000 - 130,000		1
130,001 - 140,000		
140,000 - 150,000		1
	7	10

All 7 employees (20/21: 10) earning over £60,000 p.a. participated in the company pension scheme and pension contributions of £80,141 were made by RBLI in the year to 31 March 2022. (20/21: £69,526)

The total remuneration of the above 7 (20/21: 10) key management personnel was £670,984 (20/21: £1,100,351). There was £35k redundancy payments in the year (20/21: £73k).

Included in the wages and salaries are bonus payments relating to achieving fundraising and sales targets for Lisa Farmer, Director of Fundraising, now CEO of £11,500 and Michelle Ferguson, Managing Director of Social Enterprises of £9,500.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

No remuneration is paid to the 9 Trustees as they act on an honorary basis. The total expenses reimbursed to one Trustee was £22.50 (20/21: none)

The Charity is grateful for the large number of volunteers who have helped support the charity over the last 12 months.

All areas of the Charity have benefited from this support ranging from admin support, job coaching, care etc.

Governance costs for the year were £131k (20/21: £107k)

### Analysis of Governance Costs:

	21/22 £'000	20/21 £'000
Employment Costs	37	34
Audit	61	56
Overheads	33	17
	<u>131</u>	<u>107</u>

## 7. TANGIBLE ASSETS

	Freehold Land and Buildings £'000	Buildings Plant £'000	Plant and Machinery £'000	Fixtures and Fittings £'000	Motor Vehicles £'000	Office Equipment £'000	Assets Under Construction £'000	Total £'000
At 1 April 2021	19,738	2,046	1,530	2,154	101	426	4,450	30,445
Additions			140	47		51	8,041	8,279
Disposals			(11)					(11)
Transfers	3,813		96	330			(4,239)	0
At 31 March 2022	<u>23,551</u>	<u>2,046</u>	<u>1,755</u>	<u>2,531</u>	<u>101</u>	<u>477</u>	<u>8,252</u>	<u>38,713</u>

### ACCUMULATED DEPRECIATION

At 1 April 2021	5,633	1,425	1,006	1,218	83	396	-	9,761
Charge for year	415	101	121	227	5	26	-	895
Disposals			(11)					(11)
At 31 March 2022	<u>6,048</u>	<u>1,526</u>	<u>1,116</u>	<u>1,445</u>	<u>88</u>	<u>422</u>	<u>0</u>	<u>10,645</u>

### NET BOOK VALUE

at 31 March 2022	<u>17,503</u>	<u>520</u>	<u>639</u>	<u>1,086</u>	<u>13</u>	<u>55</u>	<u>8,252</u>	<u>28,068</u>
at 31 March 2021	<u>14,105</u>	<u>621</u>	<u>524</u>	<u>936</u>	<u>18</u>	<u>30</u>	<u>4,450</u>	<u>20,684</u>

The Trustees believe that the market value of land is significantly higher than the book value, which is negligible as it was transferred to the Charity in 1919, although a professional valuation was not performed.

Assets Under Construction represent capital expenditure on projects which are not finalised. The largest project under construction is Centenary Village Phase A (£8.3m).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

## 8. INVESTMENTS

	21/22 £'000	20/21 £'000
At Fair Value		
Managed Investment Portfolio		
Listed on UK Stock Exchange	1,005	1,050
UK Fixed Interest	1,337	1,308
Overseas Equities	1,757	1,592
Overseas Fixed Interest	-	65
Quoted Property	-	-
Alternative Investments	289	280
Cash Reserve	411	270
Fair Value at 31 March 2022	<u>4,799</u>	<u>4,565</u>
Cost of Managed Investments at 31 March 2022	4,142	4,073

	21/22 £'000	20/21 £'000
Analysis of Movements of Investments		
Valuation at 1 April 2021 / 2020	4,565	4,044
Realised Gains / (Losses)	188	(43)
Unrealised Gains	165	704
Deposits and Withdrawals	(72)	(91)
Sales of Investments	-	-
less: Management Costs	(47)	(49)
Valuation at 31 March 2022/2021	<u>4,799</u>	<u>4,565</u>

## 9. INVESTMENT IN SUBSIDIARY

The company owns 100% of the issued share capital (being 2 shares of £1 each) of RBLI Contracts Ltd, a dormant company and 100% of the issued share capital (being 1 share of £1) of RBLI Ltd, a dormant company.

There has been no income or expenditure in either subsidiary in the year (20/21: none) and there is no capital and reserves in either company at the year-end (20/21: none).

## 10. STOCKS AND WORK IN PROGRESS

	21/22 £'000	20/21 £'000
Raw materials	1,232	715
Finished goods	109	25
	<u>1,341</u>	<u>740</u>

The replacement cost of raw materials does not differ materially from the value stated in the balance sheet.

The cost of raw materials recognised as an expense in the year was £3,921,128 (20/21: £3,600,097)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

#### 11. DEBTORS

	21/22 £'000	20/21 £'000
Trade debtors	2,271	1,961
Other debtors	309	31
Prepayments and accrued income	886	467
	3,466	2,459

#### 12. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	21/22 £'000	20/21 £'000
Amounts falling due within one year:		
Trade creditors	897	1,052
Other taxation and social security	380	516
Other creditors	205	500
Accruals	1,840	1,697
Deferred Income	291	85
	3,613	3,850

#### Analysis of Deferred Income

As at 1st April 2021	85
Recognised as income in the year	(85)
Deferred in the year	291
As at 31 March 2022	291

#### 13. LONG TERM LIABILITIES - DEBT ANALYSIS

	Facility	Drawn	Undrawn
Royal British Legion	2,000	2,000	0
Julius Baer - RCF	3,380	2,250	1,130
Barclays Overdraft	2,000	185	1,815
Total	7,380	4,435	2,945

The Royal British Legion Loan is for a 10-year term with an interest of BoE Base Rate plus 0.5%. The loan is secured with a charge over Appleton Lodge to a value of £2.1m.

Julius Baer loan is a drawdown against investments. The maximum loan to value is 72% with an interest based on the refinancing rate plus 1.1%. The loan is secured with a charge over the investments placed with the Bank.

The overdraft with Barclays Bank has an interest rate equal to the BoE Base Rate plus 2.25%. The overdraft is secured with a charge on Queen Elizabeth Court to the value of £5.5m.

A charge over land, the Churchill Centre and the factory buildings at Aylesford has been granted to The Royal British Legion Pension Fund Trustees as security for the pension deficit liability and to support the Employers Covenant.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

#### 14. CONTINGENT LIABILITY

RBLI has one potential employee-related claim that could be subject to an employment tribunal decision. At the date of signing a tribunal date had not been set. The maximum potential liability including legal costs is estimated to be in the region of £25k. It is likely this contingent liability will lapse or be realised in 2022/23.

#### 15. FUND BALANCES CARRIED FORWARD AT 31 MARCH

	21/22 Unrestricted Funds £'000	21/22 Restricted Funds £'000	21/22 Total Funds £'000	20/21 Unrestricted Funds £'000	20/21 Restricted Funds £'000	20/21 Total Funds £'000
Tangible assets	12,799	15,269	28,068	10,239	10,445	20,684
Investments	4,701	98	4,799	4,474	91	4,565
	17,500	15,367	32,867	14,713	10,536	25,249
Net current assets	(2,386)	3,394	1,008	441	2,618	3,059
	15,114	18,761	33,875	15,154	13,154	28,308
Total Assets Less Current Liabilities						
Other Liabilities						
Loan	(2,261)	(2,000)	(4,261)	-	-	-
Defined benefit pension scheme asset/(liability)	-	-	-	(1,263)	-	(1,263)
<b>NET ASSETS</b>	12,853	16,761	29,614	13,891	13,154	27,045

#### 16. ANALYSIS OF FUNDS

##### Unrestricted Funds

There are four unrestricted funds, two of which are designated totalling £10m. The designated funds include:

£5m for Future Projects and Developments (20/21: £5m) for the development of the RBLI Village.

£5m to provide cover for operating costs (20/21: £5m).

The other unrestricted fund reserve include:

The General Funds reflects the remaining Undesignated Funds used by the charity to provide services and support the beneficiaries.

The Pension Reserve reflects the balance of surplus or deficit on the defined benefit pension scheme and moves in line with annual valuations as per note 16.

	Balance as at 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains and Losses £'000	Balance as at 31 March 2022 £'000
Designated Funds set aside by the Trustees					
Future Projects and Developments	5,000	2,343	(2,343)	-	5,000
Operating Cost Reserve	5,000	-	-	-	5,000
	10,000	2,343	(2,343)	-	10,000
General Fund	5,154	14,503	(17,078)	274	2,853
Pension Reserve	(1,263)	-	(57)	1,460	140
<b>Total Unrestricted Funds</b>	13,891	16,846	(19,478)	1,734	12,993

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### Analysis of Funds Comparative

	Balance as at 1st April 2020 £'000	Income £'000	Expenditure £'000	Expenditure Gains and Losses £'000	Balance as at 31st March 2021 £'000
Designated Funds set aside by the Trustees					
Future Projects and Developments	5,000	-	-	-	5,000
Operating Cost Reserve	5,000	-	-	-	5,000
	10,000		-		10,000
General Fund	5,484	15,554	(16,429)	545	5,154
Pension Reserve	(2,604)		(128)	1,469	(1,263)
<b>Total Unrestricted Funds</b>	<b>12,880</b>	<b>15,554</b>	<b>(16,557)</b>	<b>2,014</b>	<b>13,891</b>

### Restricted Funds

Capital and Revenue Grants hold restricted grants received for the development of property, plant and equipment and the provision of services to disabled people and armed forces veterans.

	Balance as at 1st April 2021 £'000	Income £'000	Transfer £'000	Expenditure, gains and losses £'000	Balance as at 31st March 2022 £'000
Capital and Revenue Grants	3,168	4,721	(5,598)	(897)	1,394
Investments	92	-	-	6	98
Capital Assets	9,894	-	5,598	(223)	15,269
<b>Total Restricted Funds</b>	<b>13,154</b>	<b>4,721</b>	<b>-</b>	<b>(1,114)</b>	<b>16,761</b>

### Analysis of Capital and Revenue Grants

Centenary Village	2,782	2,942	(4,997)		727
Scotland	201	208		(316)	93
Lifeworks	173	174		(206)	141
Welfare	73	326		(149)	250
Vanguard Trust Net Assets	110				110
Bradbury House (prev. Gavin Astor)	-	601	(601)		-
Other	(171)	470	-	(225)	73
<b>Total</b>	<b>3,168</b>	<b>4,721</b>	<b>(5,598)</b>	<b>(896)</b>	<b>1,394</b>

Transfer of Revenue Grants to Capital Assets represents Grants which have been expended on Capital Projects

### Analysis of Restricted Capitalised Assets

Centenary Village	3,160	-	4,997		8,157
Appleton Lodge	2,490	-		(106)	2,384
Hermitage Lane Apartments	2,118	-	-	(93)	2,025
Vanguard Properties	1,160	-	-	(24)	1,136
Scotland Factory	133	-		-	133
Other	833	-	601	-	1,434
<b>Total</b>	<b>9,894</b>	<b>-</b>	<b>5,598</b>	<b>(223)</b>	<b>15,269</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### Restricted Funds Comparative

	Balance as at 1st April 2020 £'000	Income £'000	Transfer £'000	Expenditure, gains and losses £'000	Balance as at 31st March 2021 £'000
Capital and Revenue Grants	2,868	4,168	(1,688)	(2,180)	3,168
Investments	66	-	-	26	92
Capital Assets	8,206	-	1,688	-	9,894
<b>Total Restricted Funds</b>	<b>11,140</b>	<b>4,168</b>	<b>-</b>	<b>(2,154)</b>	<b>13,154</b>

### Analysis of Capital and Grants

Centenary Village	2,266	2,204	(1,688)	-	2,782
Scotland	104	362	-	(265)	201
Lifeworks	142	323	-	(292)	173
Welfare	35	231	-	(193)	73
Vanguard Trust Net Assets	110	-	-	-	110
Other	211	1,048	-	(1,430)	(171)
<b>Total</b>	<b>2,868</b>	<b>4,168</b>	<b>(1,688)</b>	<b>(2,180)</b>	<b>3,168</b>

### Analysis of Restricted Capitalised Assets

Centenary Village	1,472	-	1,688		3,160
Appleton Lodge	2,593	-	-	(103)	2,490
Hermitage Lane Apartments	2,162	-	-	(44)	2,118
Vanguard Properties	1,160	-	-		1,160
Scotland Factory	163	-	-	(30)	133
Other	656	-	-	177	833
<b>Total</b>	<b>8,206</b>	<b>-</b>	<b>1,688</b>	<b>-</b>	<b>9,894</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### 17. PENSION SCHEME

Royal British Legion Industries participates in two staff pension funds. The Defined Benefit Scheme (the Fund), and the Group Personal Pension Plan (the GPPP), both operated in conjunction with The Royal British Legion.

Contributions to the Group Personal Pension Plan in the year were £597k (20/21: £535k). Contributions are limited to twice the level of the employees' contribution. There were 293 employees participating in the scheme at 31 March 2022 (20/21: 296)

The Defined Benefit Scheme was closed to new entrants in 2002. During the year RBLI made a contribution of £161k to help fund the scheme deficit (20/21: £0).

The most recent formal scheme published actuarial valuation was carried out by First Actuarial LLP as at 1 April 2022.

#### The major financial assumptions used by the actuary for FRS102 purposes were:

Actuarial Assumptions	21/22	20/21
Discount rate (%p.a.)	2.70%	2.00%
Retail Price Inflation (%p.a.)	3.75%	3.30%
Consumer Price Inflation (%p.a.)	3.05%	2.60%
Salary increase rate (%p.a.)	4.05%	3.60%
Rate of increases of pensions in payment		
Post 98 Pension	3.65%	3.30%
Post 88 GMP	2.50%	2.30%
Revaluation of deferred pensions in excess of GMP	3.05%	2.60%
Life expectancy at age 65		
Current Pensioners Men	86.3	86.3
Current Pensioners Women	88.8	88.7
Future Pensioners now aged 45 Men	87.7	87.6
Future Pensioners now aged 45 Women	90.2	90.2

	21/22 £'000	20/21 £'000
<b>Fair value of fund assets</b>		
Equities	5,868	5,390
Bonds	4,621	5,184
Gilts	-	-
Other Growth Seeking assets	3,288	3,131
Liability Driven Investments	2,035	1,906
Cash	127	337
<b>Total</b>	<b>15,939</b>	<b>15,948</b>

In addition, the Trustees hold insured annuity policies. The value of these annuities has been excluded from both the assets and the liabilities since the liability is matched directly by an asset value of equal value. This is consistent with previous disclosures. The Fund does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

Total cost recognised as an expense:	21/22 £'000	20/21 £'000
Administration expenses	117	115
Past service cost	-	-
Net Interest	24	61
<b>Total cost recognised as an expense:</b>	<b>141</b>	<b>176</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

Reconciliation of scheme assets and liabilities	Asset	Liability	Total
<b>As at March 2021</b>	<b>15,948</b>	<b>(17,211)</b>	<b>(1,263)</b>
Benefits Paid	(502)	502	-
Employers Contributions	198	-	198
Administration Expenses	(117)	-	(117)
Past Service Cost	-	-	-
Interest Income (expense)	315	(339)	(24)
Remeasurement Gains	-	-	-
Actuarial Gains	-	1,109	1,109
Return on plan assets excluding interest income	97	-	97
<b>As at March 2022</b>	<b>15,939</b>	<b>(15,939)</b>	<b>-</b>

### 18. TAXATION

The company is exempt from liability to corporation tax on its charitable activities due to its status as a registered Charity.

### 19. CAPITAL COMMITMENTS

	21/22 £'000	20/21 £'000
Capital Commitments contracted for at year end but not provided for.	2,171	8,379
Capital Commitments approved but not contracted	122	904

### 20. OPERATING LEASE COMMITMENTS

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Operating leases	21/22 £'000	20/21 £'000
Payments due		
Not later than one year	162	167
Later than one year and not later than five years	92	160
Later than 5 years	-	8
<b>Total operating leases</b>	<b>254</b>	<b>335</b>

### 21. RELATED PARTY TRANSACTIONS

There is no ultimate controlling party of the Charity.

Key management personnel include all Trustees, directors and a number of senior managers across the Charity who together have authority and responsibility for planning, directing and controlling the activities of the Charity.

During the year five Trustees made charitable donations equal to an aggregate value of £25k (20/21: £24k).

Services were also purchased from Gullands LLP, a related party to one Trustee to a total value of £1.1k (20/21: nil).

The total compensation paid to key management personnel for services provided to the group was £671k (20/21: £1.1m).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

#### 22. GRANTS AND DONATIONS

Donations and Grants of £10,000 or more, received in the current and prior years, are shown below.

These are reported in the Statement of Financial Activities either under Charitable activities or under income from donations

	21/22 £	20/21 £
Greenwich Hospital	1,349,000	-
The Lawson Trust	500,000	-
BBO Grant	445,333	436,231
The Bradbury Foundation	350,000	-
Garfield Weston Foundation	300,000	-
Royal Engineers' Association	220,000	220,000
Workchoice employee support grant	206,574	225,144
Armed Forces Covenant Fund Trust	174,601	323,560
Kent County Council	132,519	164,127
Colyer Fergusson Charitable Trust	125,000	125,000
ABF The Soldiers' Charity	123,650	315,000
BAE Systems	120,000	7,500
Barclays	100,000	-
Royal Navy and Royal Marines Charity	100,000	150,000
Forces in Mind Trust	87,048	95,000
The Veterans' Foundation	72,500	56,000
The Annington Trust	50,000	50,000
The Davis Foundation	50,000	-
The Conway Charity	50,000	50,000
The Rigby Foundation	50,000	-
The Masonic Charitable Foundation	45,000	45,000
The Swire Charitable Trust	40,756	40,756
Kent Community Foundation	8,000	-
John Scott Charitable Trust	30,000	10,000
Francis Winham Foundation	25,000	10,000
Officers Association Scotland	25,000	-
Queen Mary's Roehampton Trust	25,000	15,000
Calleva Foundation	21,000	-
Corra Foundation	20,000	-
The Pack Foundation	20,000	-
Roger de Hann Charitable Trust	20,000	-
Michael J Head	42,325	12,000
The Army Central Fund	15,000	15,000
Childwick Trust	15,000	-
Veterans Scotland	15,000	-
Armajaro Holdings	12,500	10,000
Michael Holland	12,500	10,000

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

	21/22 £	20/21 £
Howard Bellm	10,000	-
Lord Farmer	10,000	-
The Peter Cruddas Foundation	10,000	-
The Oak Foundation		500,000
The Wolfson Foundation		150,000
The National Lottery		148,008
Barratt Developments		100,000
The Hands Family Trust		100,000
The Michael Bishop Foundation		75,000
Big Lottery		70,701
3i	63,000	66,500
The Bernard Sunley Charitable Foundation		50,000
The Peter Harrison Foundation		50,000
Wellbeing Fund SCVO		48,206
Tonbridge & Malling Borough Council		41,243
St James's Place Foundation		35,000
Remembered		31,599
The Hobson Charity		28,000
Poppy Scotland		24,000
REME Charity		20,000
Stephen Kingsman		19,000
Impact Funding Workplace Equality Fund		18,000
Centor		15,000
Linstone Supporting Communities		7,595
Basil Death Trust		6,000
Shears Foundation		6,000
The Morrisons Foundation		5,500
Sir Graeme Odgers		5,000
Chartered Accountants' Livery Company		5,000
Mr F Martin DL		5,000
Fort Foundation Burnley		5,000
The Blythe Sappers		5,000
Simon Gibson Charitable Trust		5,000
RAF Benevolent Fund		1,500
	5,091,306	4,032,170

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *Continued*

### 23. NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES

	21/22 £'000	20/21 £'000
Net income	1,249	1,556
(Gains) on investment assets	(280)	(571)
Investment management fees deducted from fund	46	50
Difference between pension charge and cash contributions	57	128
Investment income	(65)	(89)
Accrued Loan Interest	11	-
Depreciation on tangible fixed assets	895	844
(Gain)/Loss on disposal of fixed assets	(290)	5
(Increase) in stocks	(601)	(259)
Decrease) in debtors	(1,007)	(255)
(Decrease)/Increase in creditors	(237)	1,129
Net cash (outflow) / inflow from operating activities	(222)	2,538

### 24. FINANCIAL INSTRUMENTS

	Note	21/22 £'000	20/21 £'000
Financial assets			
Financial assets measured at amortised costs			
Trade debtors	11	2,271	1,961
Others debtors	11	309	31
		2,580	1,992
Cash at bank and in hand		-	3,710
Financial liabilities measured at amortised costs			
Overdraft		186	-
Trade creditors	12	897	1,052
Other creditors	12	205	500
		1,102	1,552
Loan Financing	13	4,261	-

### 25. POST BALANCE SHEET EVENTS

A £5m term loan with Barclays Bank was agreed in May 2022. The capital repayment is based on a 20-year amortisation period with the interest equal to the Bank of England Base Rate plus 2.65% margin. The loan is secured with a charge over Queen Elizabeth Court, Invictus Games House and Victory House. At the date of signing £2.5m of the loan value has been drawdown.

“ RBLI’s **Tommy** figure is a national symbol of veteran support ”



# LEGAL & ADMINISTRATIVE INFORMATION

<b>Trustees:</b>	Mr S Rowbotham - Chairman Mr F Martin DL – Vice Chairman Mr S W Kingsman DL Mr A Watson Mrs N Ahmed OBE DL Mr A B Gulland Mrs K Cearns OBE, FCA FCCA Ms S Mason Brigadier D Innes	
<b>SENIOR LEADERSHIP TEAM:</b>	Mrs L Farmer Mr S Sherry Mrs J Dosanjh-Elton  Mr G Nobbs FCCA  Mr W Campbell-Wroe Miss Michelle Ferguson Ms K Wickes-Bull	Chief Executive Chief Executive (Resigned 28 February 2022) Director of Finance and Corporate Services & Co. Secretary (Appointed 23 September 2021, resigned 31 July 2022)  Director of Corporate Services & Co. Secretary (Resigned 23 September 2021)  Director of Living Managing Director of RBLI Social Enterprises Director of Britain's Bravest Manufacturing Company (Resigned 5 November 2021)
<b>COMPANY NUMBER:</b>	00158479	Incorporated in England and Wales
<b>REGISTERED CHARITY NUMBER: England &amp; Wales</b>	210063	The Charity is a public benefit entity
<b>REGISTERED CHARITY NUMBER: Scotland</b>	SC048795	

## HEAD OFFICE AND REGISTERED OFFICE

Royal British Legion Industries Limited  
Hall Road  
Aylesford  
Kent  
ME20 7NL

Tel: 01622 795900  
Fax: 01622 882195

## INDEPENDENT AUDITORS:

BDO LLP  
55 Baker Street  
London  
W1U 7EU

## BANKERS:

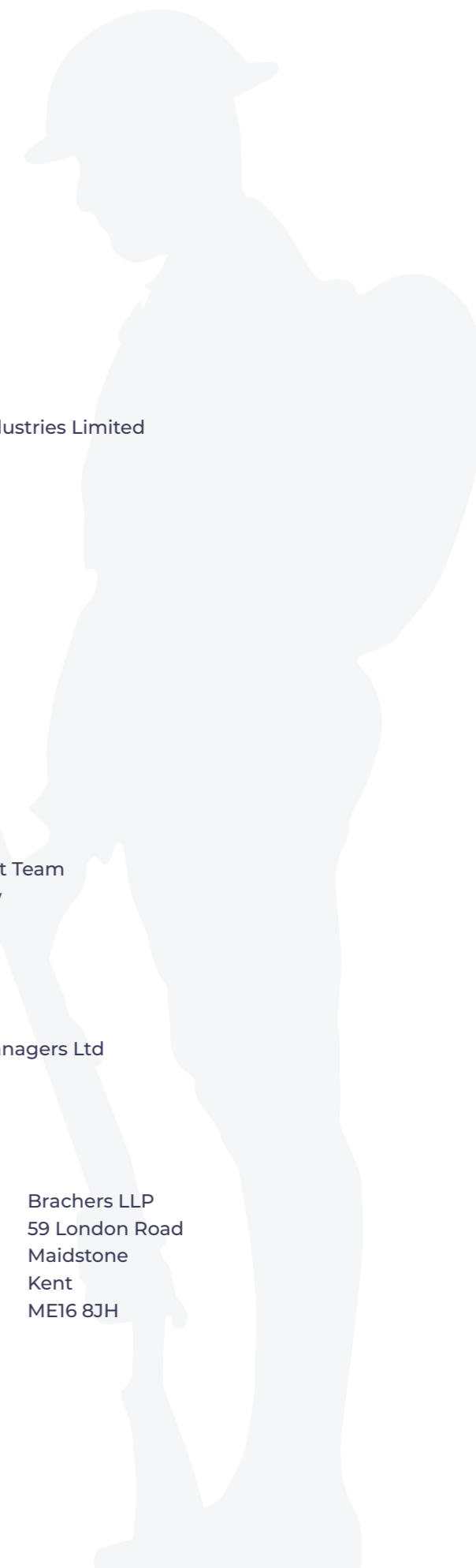
Barclays Bank Plc  
Corporate Banking Kent Team  
2<sup>nd</sup> Floor, 30 Tower View  
Kings Hill, West Malling  
Kent  
ME19 4UY

## INVESTMENT ADVISORS:

Julius Baer Portfolio Managers Ltd  
1 St Martin's Le Grand  
London  
EC1A 1HQ

## SOLICITORS:

Thomas Snell & Passmore LLP  
3 Lonsdale Gardens  
Tunbridge Wells  
Kent  
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## GET IN TOUCH

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☎ 01622 795900

✉ [marketing@rbli.co.uk](mailto:marketing@rbli.co.uk)

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## SUPPORT US

✉ [fundraising@rbli.co.uk](mailto:fundraising@rbli.co.uk)  
Mon to Fri 9am-5:30pm

## VOLUNTEER FOR US

✉ [volunteer@rbli.co.uk](mailto:volunteer@rbli.co.uk)  
Mon to Fri 9am-5:30pm

## PARTNER WITH US

✉ [fundraising@rbli.co.uk](mailto:fundraising@rbli.co.uk)  
Mon to Fri 9am-5:30pm

## BECOME A FRIEND OF RBLI

✉ [enquiries@rbli.co.uk](mailto:enquiries@rbli.co.uk)  
Mon to Fri 9am-5:30pm

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🖥 [rbli.shop](http://rbli.shop)


🖥 [wearelifeworks.org.uk](http://wearelifeworks.org.uk)


🖥 [britainsbravestmanufacturing.org.uk](http://britainsbravestmanufacturing.org.uk)

🖥 [scotlandsbravest.org.uk](http://scotlandsbravest.org.uk)

 Royal British Legion Industries

 @RBLI

 Royal British Legion Industries

 Royal British Legion Industries

# rbli.co.uk



Company Registration Number: 00158479

Registered Charity Number England & Wales: 210063

Registered Charity Number Scotland: SCO48795

**ROYAL BRITISH VETERANS ENTERPRISE LTD.**

England & Wales - Charity number 210063

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# Accounts

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# ANNUAL ACCOUNTS

2020 - 2021



ROYAL BRITISH LEGION INDUSTRIES LTD

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**A hero's goodbye:** Late D-day veteran Charles Boyer salutes RBLI's carers



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# CHAIRMAN AND CHIEF EXECUTIVE'S REVIEW

What a year! All of us at Royal British Legion Industries Limited (RBLI) have learned so much during this global pandemic. We focussed our efforts on our three key priorities protecting people, protecting our finances and delivering our purpose so that we could emerge safe and strong.

We are now into the second half of our 10-year strategic plan – Improving Lives Every Day – and we are well on course to achieving our goals of helping more beneficiaries whilst at the same time developing our services and facilities so we are here to serve veterans for the next 100 years.

Operationally, our Charity has delivered on its top priority of protecting people. This has been achieved by an enormous team effort. Our nurses and carers were very much in the eye of the storm, particularly in those early months where the whole country was trying to come to terms with an unprecedented threat and understand how best to operate during a pandemic. Sadly in this year, we lost some of our wonderful residents to Covid-19 and firstly our thoughts are with their families and friends as we reflect on the year passed. Our care teams demonstrated unprecedented responsiveness, dedication, stamina and skill. Our Charity could not be more proud of their contribution and their service this year. The RBLI team worked as one and, as well as carers, Property Services, Business Systems, management and our factory workers became 'essential workers' across the Charity. The work of RBLI never stopped and we are indebted to all those that rose to the challenge.

Our operational finances have been protected and, positively, we finished the year remarkably close to the budget that was set prior to a pandemic or national lockdown ever being considered. This result, quite understandably, has been reached by a slightly different route than we had originally envisaged. Nonetheless, it has been nothing short of miraculous and there are many people to thank.



**First**, the Government's support with emergency grants, both in care and more generally, has provided a lifeline.

**Second**, our teams across RBLI have continued operating throughout, providing essential signage and pallets for the pharmaceutical and food sectors, delivering assessment services online and keeping as close as possible to 'business as usual' but always staying safe within Government rules and guidance.

**Thirdly**, we have been overwhelmed by the enormous moral and financial support given by the Great British public.

It has not been so positive on the strategic finances. We had built considerable momentum following Her Majesty's turf cutting ceremony and anticipated raising a further two million pounds towards our Centenary Village Campaign but we have quite naturally fallen well short of this target. The capital fundraising remains our top priority and we need to raise a further £3 million by the end of 2022.

As planned, we have now reinforced our National Development Board with a Kent Development Board in order to accelerate this campaign.

On the positive side, work continues apace on Phase 2A of the Centenary Village with the much needed 12 apartments, 24 assisted living homes and 4 family houses on course for completion in May 2022.

The other major capital project is the £3.5 million refurbishment and reconfiguration of our 30-year old 50-bed nursing home into 24 dementia suites and 26 nursing suites. Phase 1 is complete and we now have 25 residents occupying the fantastic new half of Gavin Astor House. Construction work is on schedule for the whole building to be handed back for use in early November 2021.

The immense public support for our new virtual Tommy events and also by purchasing VE day commemorative items from our online shop has been staggering. These new online communities have not only given us much needed operational funds but have also served a need in bringing people together and reducing social isolation at a difficult time for many across the country, including veterans living alone.



# CHAIRMAN AND CHIEF EXECUTIVE'S REVIEW

## Continued

Impressively, our team and the respective contractors, WW Martin and BBS, have not allowed the pandemic to halt the much-needed new homes that are coming with the Centenary Village and Gavin Astor House.

We have not stopped with the development and advancement of our employment services and our contract with the Department of Work and Pensions, delivering approximately 700 workplace assessments every month across the UK has been extended for a further 2 years to June 2023. The team on Access to Work has innovated and delivered virtual assessments throughout the lockdown period. Similarly, our three ESF BBO contracts (Brighter Futures, Change Your Tomorrow and Let's Get Working) which are helping people who were struggling to work even before the pandemic hit, have been rewarded for delivering excellent positive outcomes with a further two year extension until 2023. In 2021, RBLI became an accredited Kick-Start provider and will offer exciting employment experience opportunities for over fifty 18-24 year-olds at a time.

LifeWorks continued to operate virtually throughout the pandemic albeit with much reduced throughput. A major review has seen our LifeWorks and STEP-IN programmes merge in order to provide greater efficiencies and effectiveness, and make best use of funds. We are pleased to announce an exciting new funding partnership with Barclays which complements the great support given by our existing LifeWorks partners such as ABF The Soldiers' Charity, The Swire Charitable Trust, and the Morrisons Foundation so that we were ready to begin scaling up the programme again in the new financial year.

Employment, as part of an integrated range of services to assist individuals in regaining their independence, remains at the heart of RBLI's impact. This is self-evident when you see our Social Enterprises in Kent, Renfrewshire and Surrey and the dignity, purpose, experience and skills that they have been able to give beneficiaries throughout the pandemic. Coupled with the iconic Tommy brand, and some important philanthropic investments, all RBLI's social enterprise operations have grown their product offer, customer base, and new business relationships.

This, in turn, provides more employment opportunities for veterans and other people with disabilities. The positive approach taken by National Government, their agencies and local government towards insisting on Social Value in contracting is much welcomed and is showing real outcomes in terms of employment opportunities for disadvantaged groups. Despite the pandemic, both Forestry & Land Scotland and Highways England have been working harder than ever to use their leadership to grow Social Value procurement to great effect.

Our strategic plan involves using our resources to maximum effect. Our financial reserves are at the minimum possible level now. This forthcoming year, as we finish off refurbishing Gavin Astor House and completing the Centenary Village Phase 2A, will demand that we continue raising much needed funds for these critical capital projects to happen.

Last year's AGM, on Zoom of course, was presided over by our President, Lord King and we were pleased to be joined by so many supporters from far afield who were keen to hear how the Charity has adapted to help the most disadvantaged veterans during the pandemic.

The Board of Trustees has provided exceptional support to the Charity throughout this difficult year with over 20 Board and Trustee-led committee meetings. There is no getting away from the fact that things are tight as we emerge from a series of lockdowns but the Charity remains confident that our medium and long term plans remain relevant and robust enough to deliver in the medium to long-term – that is to say for the next 100 years!

**Stephen Kingsman DL**  
CHAIRMAN

Date: 8 July 2021

**Steve Sherry CMG OBE**  
CHIEF EXECUTIVE

Date: 8 July 2021

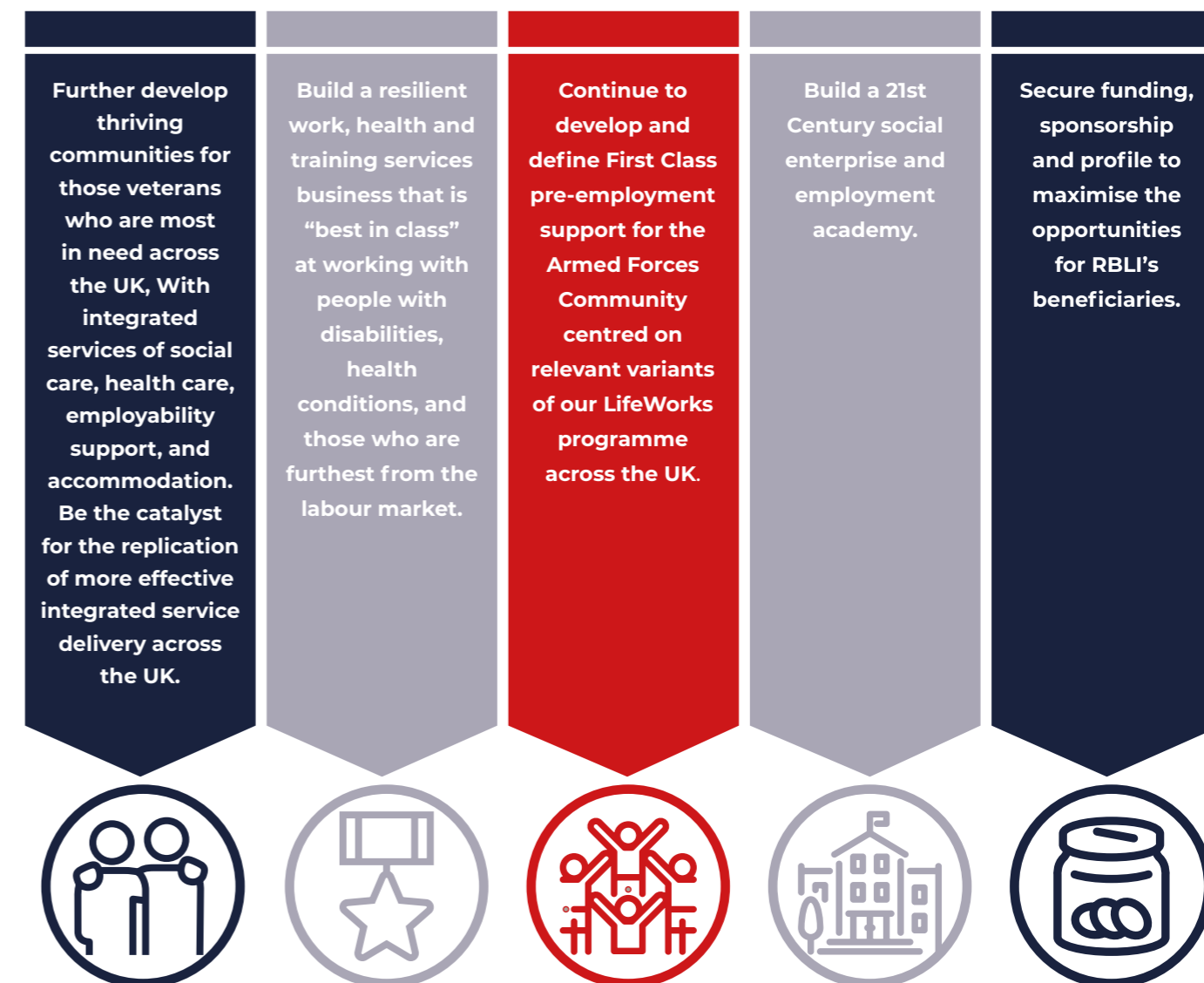
# REPORT OF THE TRUSTEES

## FOR THE YEAR ENDED 31ST MARCH 2021



The financial year 2020/2021 falls half way in RBLI's 10 Year Strategy which was launched in 2015. It is testament to the strength of the Charity's strategic goals that they have not changed. The pandemic has not changed the goals, and has only shown us, even more vividly, why RBLI's charitable goals are so important.

# STRATEGIC GOALS



The work of RBLI's clearly organised divisions ensures that all the strategic goals could be progressed significantly despite the challenges to service delivery caused by social distancing measures and national lockdowns.

**Salutations:** former Royal Marine George Bradford salutes the carers who helped him during the pandemic.



### RBLI VILLAGE

RBLI offers homes to veterans of any age, and any background, supporting veterans of all 3 services. RBLI provides high-dependency and extra care, as well as independent homes, including specially adapted apartments for veterans with disabilities. Admissions to RBLI's accommodation are prioritised by need and RBLI's unique community and holistic services are most beneficial in supporting those with multiple needs. On top of the variety of homes, which include emergency accommodation for homeless veterans, the Village also has a Community Café, large Training Centre, and Community Garden. An integrated welfare programme called STEP-IN co-ordinates excellent nursing and care, welfare benefits and welfare support, along with direct employment, job seeking advice, and meaningful activity. During the year the STEP-IN programme has been vital in helping residents maintain social connection, mobility, activity, vocational interests and sensory experiences through the periods of lockdown. With the support of partners including ABF the Soldiers' Charity, the Covenant Fund, and Barratt we were able to adapt our seasonal celebrations, and our vocational programmes, to make sure that Village residents were able to participate.



### EMPLOYMENT SOLUTIONS

Our face-to-face employability services were impacted by the pandemic but not as much as would have been expected. Our largest-scale outreach activity, Access to Work, where we help people with disabilities remain in employment, experienced a 28% drop in referral volumes due to Covid-19. The RBLI team worked closely with the DWP, adapting to the external environment rapidly and developing a transformational operational delivery over to digital and online platforms. This positive reaction provided continuity of service, helping our customers with disabilities or health conditions to overcome workplace barriers through the Access to Work Programme, ultimately managing to successfully support 8,406 people through a challenging 12 month period to March 2021.

Thanks to the flexibility of our funders, European Social Fund and the National Lottery Community Fund towards our outreach programmes for the furthest from employment, we were able to continue using new approaches. Similarly, the support and flexibility of our LifeWorks funders meant that we were able to adapt significant activity to increase virtual delivery and video coaching, and we were able to reach almost 600 unemployed veterans across the UK, responding to the increased demand for support with redundancy.



### BRITAIN'S BRAVEST MANUFACTURING COMPANY (BBMC)

RBLI's social enterprises are providing entry level work experience as well as skilled roles in sign making, wooden products, print & mail. During the financial year 2020/2021 these activities expanded significantly. We started the year with a huge opportunity for the Tommy online shop, helping the nation mark the 75th Anniversary of VE Day. Disadvantaged veterans and workers with disabilities were able to stay in work making and dispatching Tommy products for thousands of new customers nationwide. The social enterprise was also involved in emergency food distribution during the pandemic, and even in the manufacture of visors in partnership. BBMC's role as a local emergency distribution centre, the essential need for wooden pallets for food and medicine distribution and the need for signage meant that BBMC's workers gained key worker status. This shows the impact of BBMC's work and products on essential national services during the pandemic. BBMC's wooden products were further developed with a new garden range and thanks to support from the Lottery Covid-19 Emergency, fabric products were also introduced at the end of the financial year.



### SCOTLAND'S BRAVEST MANUFACTURING COMPANY (SBMC)

Scotland's Bravest Manufacturing Company was able to gain new customers during the pandemic as the social enterprise was producing Covid-19 distancing signage, health and safety, and NHS signage throughout the pandemic.

The social enterprise was also able to begin a major strategic project funded by the Forces in Mind Trust and in partnership with Glasgow Caledonian University which will see SBMC able to accredit vocational qualifications on site. This is very significant, not just in the new learning and qualification opportunities it opens up for beneficiaries but for RBLI's strategic goal to build an employment academy.

The start-up social enterprise which opened in 2018 remained on track towards its target to achieve break even in year 5 of operations.



# OBJECTIVES AND ACTIVITIES

- Provision of welfare, healthcare and housing mainly for members of the ex-service community
- Provision of employment and development opportunities through a thriving social enterprise business and LifeWorks employability support outreach programme
- Supporting unemployed, disabled and disadvantaged veterans and other unemployed people to increase their independence and participation in meaningful employment

## The Charity achieves its purpose and objectives by the following activities and services:

- Delivering Village services at Aylesford in Kent
- Delivering supported employment at BBMC and SBMC
- Delivering a range of Government and Lottery funded programmes to help those furthest from the labour market keep or find work
- Creating innovative new projects, products and outreach
- Designing, developing, and delivering vocational assessment for the ex-service community including through RBLI's LifeWorks programme
- The Board of Trustees review the Charity's strategic goals and activities, and performance and are confident that this Charity is fulfilling its purpose and objects.



# ACHIEVEMENT AND PERFORMANCE

On our unique village we made considerable progress with our re-designed high dependency care home, Gavin Astor House. We are refurbishing the provision in order to create specialist dementia care suites. This is an area of care with growing demand, and with the wider Village support allowing more varied daily routines, an area where RBLI is best placed to provide exceptional care and a national exemplar. The Charity has already delivered extensive training in dementia awareness in order to drive better specialist provision and this year saw the Charity begin the structural changes that will dramatically improve the home's facilities. The changes bring much larger social areas, easier outdoor access for all residents, better navigation around the home and stimulating themed environments, including a sensory dementia garden. By the end of the financial year, the whole of one floor was successfully refurbished. The Charity also raised sufficient funding to expand the lounge area at Queen Elizabeth Court, our Assisted Living home which will greatly increase the space for social interaction, events and meaningful activity.

The unique Village also saw dramatic progress with the Centenary Village expansion with construction works moving forward at pace. The

expanded development will see new adapted apartments, will double RBLI's capacity for Assisted Living and will add new family homes. Once completed, these homes are sustainable through rent and social care income so represent the main strategic priority for the Charity. This construction activity was able to progress well and was not hindered greatly by the lock downs.

The pandemic forced us to adapt our Charity's fundraising methods and we were able to create new supporter communities through our online shop and the creation of new virtual sporting challenges. During the year this increased RBLI's supporter base from almost 5,000 to over 50,000. The communities and events that RBLI developed proved to be motivating and to connect people to the beneficiaries, seeing the immediate impact of their own fundraising.

The Tommy 10k Challenge was particularly successful, raising over £250,000 for the Charity. The Tommy brand has also proved to resonate with the public. We know from our customer feedback that Tommy is not only a symbol of service and sacrifice but represents family members and is deeply important to our customers and event participants. A major achievement for the Charity was launching the new Tommy Club in October 2020.



# 10-YEAR PLAN

**In summer 2015, we launched our Strategy, Improving Lives Every Day, along with our 10-year plan.**

**Our aim remains to provide the foundations for RBLI to be fit for purpose for the next 100 years whilst at the same time reaching out to more veterans who are most in need.**

The key objective of growing and modernising the accommodation and services on the Village in Aylesford is, by any measure, a strong success. By May of 2022, we will have invested £22m+ on infrastructure development with many new units, including: 24 apartments, a 24 room assisted living home, a 15 bed extra care nursing home, a 26 bed nursing suite, a 24 bed dementia suite and 4 family homes. The real benefit comes, of course, from our integration of service provision including accommodation, healthcare, social care and employment. RBLI's STEP-IN programme continues to support veterans back to independence.

Our plans to increase reach and help more veterans is evident from the success of Scotland's Bravest Manufacturing Company, now 3 years since opening and now progressing 10 Veterans, at any one time, through an employment programme, with an annual turnover growing close to £1 million. Our disability assessment programme, Access to Work, under contract to the Department of Work and Pensions, continues to assess over 700+ people a month all across the UK and the recent 2 year extension until summer 2023, is seen as a strong vote of confidence in the quality of our service provision. Our employment programmes in the South East have also been extended by 2 years and our award winning LifeWorks employment programme for veterans, delivered across the UK, has strong funding from a variety of sources and continued throughout the pandemic. RBLI's national reach remains strong.

A key element of the strategic plan was to create, from scratch, a fundraising team to secure the vital funding to deliver the positive impact on the lives of our beneficiaries. The strong results are evident in this year's report and the previous two sets of statutory accounts. RBLI now has a growing range of supporters across the UK from many sectors and the wider public.

Always looking to the future, this growth and modernisation will continue alongside continued co-operation and collaboration with other charities and service providers. Such collaboration, along with appropriate integration of service provision, allows us all to better support our beneficiaries. The recommendations of our Trustee-led governance review are now being implemented through a Board approved action plan under the guidance of the Board supported by our Head of Corporate Governance.

The actions include reviewing Board sub-committee Terms of Reference and frequency of meetings, undertaking a Trustee skills audit, updating Trustee recruitment processes and the formal adoption of the Charity Governance Code. All actions are due to complete within 2021 and as at the date of this report this is on target with approximately three-quarters of the actions complete.

RBLI is now embarking on a further set of reviews over the next 18 months with an eye to designing a new strategic plan towards the end of 2022. These reviews will include, as a minimum, Estates, service provision and opportunities for greater collaboration and partnerships. The Board is committed to leveraging all the of the Charity's strengths and assets to better improve the lives of our beneficiaries.



10-YEAR PLAN



# GOVERNANCE AND MANAGEMENT

## Governing Document

Royal British Legion Industries is a charitable company limited by guarantee and was set up on 3 September 1919, when it was called Industrial Settlements (Incorporated) Limited. It is governed by Articles of Association which were last amended in June 2018.

## Reference and Administrative Information

The Trustees in office during the year and at the date of this report, Senior Management of the Charity, its principle places of business and its professional advisers are set out on page 79.

## Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the Charity. The Articles of Association require that the Board of Directors consists of a minimum of two but not more than twelve Members of the Charity, excluding any ex-officio members of the Board. Trustees are formally appointed at the Annual General Meeting. Where a vacancy arises during the year the Trustees can co-opt a new Trustee, who will then be formally appointed at the following Annual General Meeting.

Newly elected Trustees are given induction training on their duties and responsibilities as Members of the Board of Trustees. This includes, although is not limited to, provision of key documentation such as Articles of Association, reports and financial statements, details of divisional work streams.

In addition, on-boarding visits to the various Royal British Legion Industries sites are undertaken at which introduction meetings are held with key members of staff.

The Board governs the Charity within its Articles of Association and in line with its charitable objectives and values. The Board provides overall policy direction and the management of the Charity is delegated to the Chief Executive and through him to the Senior Management Team. The Board meets quarterly and papers are made available prior to Board Meetings including business plans and budgets. Finance reports are reviewed by the trustees at each Board meeting.

The Trustees confirm that reference has been made to the guidance contained in the Charity Commission's guidance on public benefit of the Charities Act 2011, when reviewing the Charity's aims and objectives and in planning future activities. The Trustees and Senior Management are involved in the strategic planning and their recommendations are then considered by the Board.

In addition to the quarterly Board Meetings the Trustees also meet annually for a strategic review and planning day. The Board reviews existing operations of the Charity and consider strategic options for the future. In addition to this, the Board also considers its own effectiveness and practices.

A Board led review of Governance was completed during the year and an action plan agreed with the Board in January 2021. Completion of this plan is being facilitated by the recently appointed Head of Corporate Governance, a new role to the organisation, which commenced 5 October 2020. The first actions, of the agreed plan, were delivered in March 2021. These focused on review of meeting frequency, review and updating of the sub-committee Terms of Reference and development of an organisational-wide Policy Framework.

Estates Development matters are considered and reviewed by the Estates Development Committee, which is chaired by a Trustee and its recommendations are submitted to the Board of Trustees for its approval.

Care and Welfare matters are considered and reviewed by the Care and Welfare Committee, which is chaired by a Trustee and its recommendations are submitted to the Board of Trustees for its approval.

## Statement of Trustees' Responsibilities

The Trustees, who are also Directors of Royal British Legion Industries Ltd for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted

Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees believe the financial statements give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- Select suitable accounting policies and then apply them consistently
- 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the RBLI's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# GOVERNANCE AND MANAGEMENT CONTINUED

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## Pay Policy

The Board of Trustees approves any relevant annual pay rise to all employees with the Senior Management Team receiving the same annual increase as all other employees.

When new members join the Senior Management Team, the Chairman or Vice-Chairman of the Board of Trustees are asked to approve relevant salaries and other compensation/rewards.

Out of cycle pay rises not covered by the annual process require the approval of the Chief Executive and the Director of Corporate Services and typically reflect a change of roles and responsibilities or a market change in a specific division or area of the Charity.

Where appropriate, staff with revenue targets benefit from a bonus system that rewards good performance.

All staff are encouraged to join the current pension scheme which is a Defined Contribution scheme. The Charity contributes to the scheme and the contribution is determined by the individual employee contribution level.

RBLI operates an objective and cost effective recruitment and selection process to ensure the appointment of the best people in accordance with RBLI's standard recruitment criteria and to specific criteria established for a particular job. We are an equal opportunities employer and can demonstrate this commitment to providing equal opportunities through an effective, regularly reviewed, Equal Opportunities Policy. It is our aim to attract and recruit people with diverse backgrounds, skills and abilities who will enhance the quality of the service and contribute to RBLI's success.

Candidates are not discriminated against in any way and short listing is carried out against a set of defined criteria appropriate to the role. Consideration is given to any reasonable adjustments. Where RBLI is advised in advance of an interview by a candidate of any reasonable adjustments on the basis of a disability, every effort will be made to accommodate this request to ensure that no applicant is placed at a substantial disadvantage because of their disability.

The recruitment, development, promotion and treatment of employees, volunteers or job applicants shall be based solely on factors relevant to the job and performance and reasonable adjustment will be made in accordance with the Equality Act 2010.

RBLI recognises that our continuing success and the achievement of business objectives is dependent upon having a well-trained, competent and motivated workforce.

We are committed to learning that enables everyone to carry out their jobs to a high standard to both their personal and customer's satisfaction and to the achievement of business and care needs.

It is important to us that all employees have the necessary support and same opportunity for learning in RBLI. We do this in the following ways:

- Providing appropriate induction training for new entrants and transferring staff
- Identifying personal and organisational development needs and planning to meet those needs, both for now and into the future so that we can respond positively to change
- Ensuring competence in job roles with knowledge, skills and behaviour
- Develop a culture of participation and accountability
- Provide opportunities for positive action and implementation of equality through targeted, accredited where appropriate, staff development and training

Staff with disabilities will be invited to identify any particular requirements they may have to enable them to participate fully in all training and development events offered e.g. materials in alternative formats, sign language interpreters, ergonomic seating.

RBLI is proud to be a Level 3 Accredited Disability Confident Leader.

RBLI aims to ensure that all employees are kept abreast of changes that not only affect them as individuals regarding their employment, but that they are also provided with wider information relating to the challenges and successful performance of the Charity. This information is disseminated through electronic and print notifications, employee forums and formal and informal team meetings. Examples of this include regular welcome days for new starters and annual Chief Executive informative roadshow events.

On an individual basis, RBLI places great store in the annual appraisal meetings that employees undertake with their line managers which highlights the success, challenges and personal objectives of employees and how these have a contributing factor to the financial success and growth of the Charity, in turn enabling more support for beneficiaries. On a wider scale, employee forum meetings are also used to discuss issues relevant to their division and to enable consultation with employees.

The Charity has a regular 'rhythm' of meetings and briefings at all levels, with the frequency being contingent on the prevailing situation.



# GOVERNANCE AND MANAGEMENT CONTINUED

For example, at the height of the pandemic there were daily pan-RBLI operational meetings which resulted in weekly formal updates sent to all staff.

As a result of the pandemic, in order to promote and enhance communication across the organisation whilst working remotely, a working group formed of Divisional Directors and Heads of Department was created to participate in daily 'Operations Meeting' to share information and maintain business continuity in response to impact and changes imposed by Covid-19. These meetings have continued throughout the pandemic and whilst have now moved to weekly, continue to provide an effective communication channel across the Charity.

## Trustees' duty to promote success of the Charity – Section 172 statement

Trustees have a duty to promote the success of the Charity under section 172(1) of the Companies Act 2006. As the Trustees of RBLI, we always act in good faith and would promote the success of the Charity for the benefit of its members as a whole, and in doing so have regard, amongst other things to:

- The likely consequences of any decisions in the long term
- The interests of employees
- The need to foster the Charity's relationships with third-party stakeholders
- The impact of Charity's operations on the community and the environment

- The desire for the Charity to be best in class for providing support to beneficiaries and
- The need to act fairly and equally towards our members

The Trustees of RBLI consider, both individually and together, that they have acted in good faith to achieve the above. The Trustees delegate day to day management and decision making of RBLI's operations to its Chief Executive and Senior Management Team, who are required to implement the Charity's strategic plan and ensure all policies, approved by Trustees, are complied with. Trustees are members of various committees with senior staff, as well as receiving operational updates at regular Board Meetings to ensure the Charity is on target to meet its objectives to beneficiaries and the wider community.

## Engaging with our stakeholders

Through regular engagement with key stakeholders, we maintain an understanding of their needs that informs how we design our services, objectives, policies, strategy and influencing goals. The decision-making process within both the Senior Management Team and the Board of Trustees considers the impact of potential decisions on relevant internal and external stakeholder groups.

## People in need

Our beneficiaries receive a wide array of support services and we employ differing methods of engagement and feedback mechanisms as appropriate. Unfortunately, as a result of the Covid-19 restrictions, the Village Residents' Association was unable to have the regular meetings seen previously however it is expected that these will be running again in the near future. These meetings are attended by a Director and relevant support staff. The beneficiaries working in our social enterprises have a staff forum, receive regular newsletters and briefings. Our veteran and family members on our employment programme, LifeWorks, have formal feedback sessions whilst in group sessions and post the events via a structured telephone call-back programme.

## Our Supporters

During the Covid-19 crisis, many of our corporate partners and supporters made extra efforts to be flexible with their commitments and pledges. Determined philanthropists across the UK took the decision during 2020 to create new emergency funding programmes and mobilised these as fast as they possibly could ie; in April and May.

These decisions were transformational not just for RBLI but for the third sector in the UK. As RBLI runs 3 different care homes, the emergency funding directed towards additional care staffing costs, PPE and catering, and support towards refurbishment to increase the size of social spaces, were particularly impactful. We are

incredibly grateful to our supporters who worked in all the ways they could to help RBLI with the short term emergency, as well as helping RBLI continue with vital longer term projects such as the Gavin Astor refurbishments, the Queen Elizabeth Court Lounge and the Centenary Village expansion.

In 2020/2021, RBLI gained an unprecedented number of individual supporters who chose to get involved in online events and our newly formed Tommy Club. The supporters raised funds and also created online communities that were able to lift the spirits of many, providing meaningful connection, for people anywhere in the country during the extended periods of restricted social activity. We are especially grateful to the Founding Patrons of the new Tommy Club, too many to list here, who threw their weight behind the new initiative during a particularly challenging year. The launch of the Tommy Club in October 2020, with General The Lord Dannatt, Raj Bisram, Heather Stanning and Martin Barraud, gave the new Club exactly the push it needed. The great British public proved they were fully behind Tommy, from the May anniversary of VE Day, and onwards, buying products in their thousands. At key points, more veteran workers and even volunteers had to be brought in to the social enterprise to meet the customer demand. Individual customers who purchased special edition Tommies, garden products, window stickers and badges did more for our Charity and social enterprise than they will ever know.



# GOVERNANCE AND MANAGEMENT CONTINUED

## Our commercial customers

We work in an open and transparent way with all the customers who are involved with our two social enterprise operations. We are very proud indeed to work with well-known national names, who are giving veterans opportunities to work on prestigious and high-profile projects. During this year we have been overwhelmed by the commitment and proactive support shown from our commercial customers – many have had extremely difficult challenges of their own to deal with, but never let their dedication to social value falter. We have even been able to continue organising disability awareness, and social value sessions in partnership with key customers, such as Amey, Bear Scotland, and Balfour Beatty. We work extremely closely with our customers to help them achieve their goals, including their veteran recruitment goals. Barratt Developments were awarded the 2020 Charity Times Corporate Partnership of the Year award for the outstanding and multi-layered engagement with RBLI. Bear Scotland won the Highways Partnership Award in January 2021 for the impact they achieved working with Scotland's Bravest Manufacturing Co.

## Key leaders and other influences

RBLI works closely with key opinion leaders and influencers in both national and local Government, and this work happens across all our varied activities and divisions. During the crisis we worked harder than

ever to raise the profile of veteran mental health and our veterans' survey, which showed the impact of isolation on veterans, came out at the same time as the Office of National Statistics reported that 30% of the UK population felt their mental health had been negatively impacted. The Covid-19 crisis was a time when the pain of separation, and the difficulties of social isolation, could more generally be understood. It was also a time when the importance of nursing and care was celebrated nationwide and RBLI is proud at the influence of our Carers' Awards event, particularly on Care organisations in Wales. We strive to work in partnerships with a wide range of other charities and we actively support the objectives of Cobseo, the Confederation of Service Charities, through participation in their cluster groups and also key conferences sharing best practice, identifying need, and collaborating on national campaigns. We are very proud to be a driver for increased collaboration in the military Charity sector and have been delighted to establish a new welfare relationship with The REME Charity. We are active members of the British Association of Supported Employment (BASE) and we work with DWP and others to improve the employment opportunities of people with disabilities and health conditions. The design of our Centenary Village, with its integrated wrap-around services have also been recognised by leaders and influencers in planning as an exemplar in community creation.

## Our staff and volunteers

Our Senior Management Team conducts periodic surveys for staff and volunteers and assesses outcomes and actions. In addition, specific surveys are implemented, such as the one to measure the impact of Covid-19 across a work force split between the workplace, working from home and on furlough. We have quarterly newsletters to all staff and the frequency was increased to weekly during the first 4 months of the pandemic. These have continued and are now sent out as a minimum monthly.

There is currently a weekly health and wellbeing newsletter with a specified manager to receive feedback and recommend actions. The Chief Executive (CE) has previously run an annual series of roadshows which update all staff on strategy, policies and objectives which encourages a healthy discussion period in each area of the Charity. Unfortunately, due to the Covid-19 restrictions, it has not been possible to undertake these meetings face to face. In their place the CE has sent out regular updates to all staff and identified alternative methods of communication to maintain the engagement and participation of all our staff. It is intended that as soon as restrictions are lifted, that the roadshows may once again take place.

These are supported by a culture of regular briefings and a policy of visible and open leadership. We are accredited IIP and this provides an independent source of feedback and appropriate action plans. Our staff forums in our social enterprises in Scotland and England are a shining example of excellent staff engagement, with extra support to those with learning difficulties, and have proved particularly effective during this Covid-19 affected period.

During the pandemic, RBLI unfortunately had to scale back significantly on our volunteering activity. We look forward to restarting this as soon as it is safe to do so.

## Risk Management

The Charity operates a risk reporting matrix that is reviewed by the Board of Trustees at every Board Meeting. The matrix is updated in real time as events or issues emerge and wherever possible alternative scenarios are evaluated and relevant action plans or strategies are developed to help plan through and mitigate any possible material risk that may emerge. During the financial year a revised risk management strategy was developed and work will be undertaken during the coming financial year to embed this across the organisation.



# GOVERNANCE AND MANAGEMENT CONTINUED

## Principal Risks and Uncertainties

As noted above, the Charity has a risk matrix that is reported to and discussed at Board Meetings. This will change in name, to the Corporate Risk Register, and in style going forward however at the year-end the main risks noted on the risk matrix are as follows:

- The continued impact of Covid-19 on RBLI, whether this be through lockdowns or re-occurrence of outbreaks within the care settings, in terms of the effect on both people and finances. Work continues, as it has throughout the pandemic period, on mitigating this risk through the embedding of strong safety protocols and effective operational and financial management. These include, although are not limited to, strong business continuity planning including weekly Covid-19 Ops meetings, testing for staff and residents within the care setting and regular updates to staff and Trustees through the tracking and adherence to Government protocols. The diverse nature of RBLI provides some inherent protection against this risk. To mitigate further RBLI will continue with the new ways of working established during the first lockdown such as virtual fundraising events. It should be noted that since the end of the Financial Year an inspection by the Care Quality Commission has been undertaken on one of the care settings, Appleton Lodge, resulting in an extremely positive report and a rating of 'Good' throughout. This provides external assurance that the potential risks are well managed.
- Ensuring that the current levels of quality and safety, together with legislative and regulatory compliance, are maintained during periods of transition, for example within the care setting during the refurbishment of one of our care homes and in relation to GDPR whilst members of staff are working from home. The first phase of the refurbishment in the care setting is now complete, reducing the quality and financial risks, with a robust project plan in place for the final work. RBLI has recently put in place Divisional Data Protection Advisory Groups to facilitate ongoing information security during these unusual times, the purpose of which is, in part, to facilitate an ongoing training programme in this area.
- Reduction in financial performance as a result of increased costs either in terms of the refurbishment of the care setting or Centenary Village or lost sales within the manufacturing divisions. Robust financial controls over areas such as capital expenditure and staffing are in place. The risks associated with the estates work are mitigated by strong project planning and Board oversight. New revenue generation activities continue

to be explored and where possible utilised, for example by expanding shop sales into garden products. There is also a risk of reduction in investment income because of economic factors such as the ongoing pandemic. Investment management adopts a risk spreading policy within the investments.

## Directors' Indemnities

As permitted by the Articles of Association, the Directors/Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Charity also purchased and maintained throughout the financial year Directors' and Officers' liabilities insurance in respect of itself and its Directors/Trustees.

## Disclosure of Information to Auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware.
- The Trustees have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

## Independent Auditors

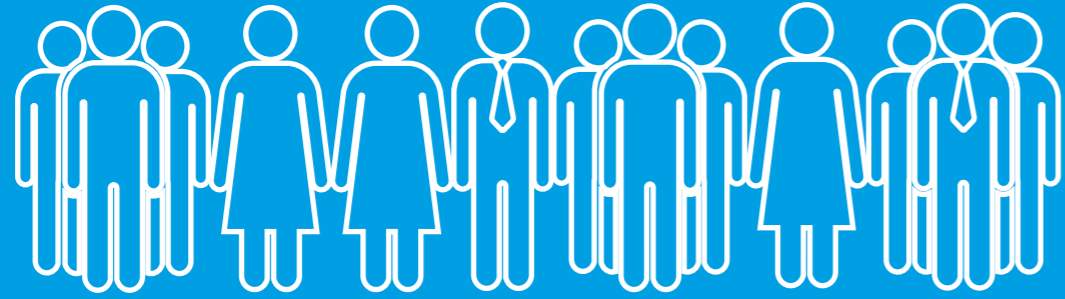
A resolution proposing that BDO LLP be reappointed as auditors of the Charity was put to the Board at the Annual General Meeting and passed.

Approved by the Board and signed by its order by

**Stephen Kingsman**  
CHAIRMAN

8 July 2021

# OUR YEAR IN NUMBERS



**50,000**  
supporters



**£1m+**

income generated from Tommy  
product sales



**900**

unemployed veterans supported by LifeWorks  
(10 x more than pre-pandemic.)



**29,000**

viewers for RBLI's VE Day 75  
anniversary ceremony online



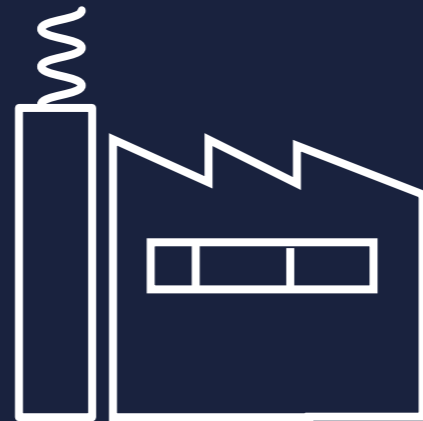
**8,406**

people with disabilities assessed  
and supported



**45%**

of beneficiaries supported with  
mental health challenges



**£1.2m**

turnover at Scotland's Bravest  
Manufacturing Company



**22**

veterans progressed from emergency  
accommodation



**£3.4m**

spent building new homes



# OUR BOARD OF TRUSTEES



**STEPHEN KINGSMAN DL**  
**CHAIRMAN**

Stephen is former Chair of the Denne Construction Group, which specialises in delivering affordable housing, regeneration schemes and care facilities, much like those offered by RBLI. His extensive history in charitable service has seen him in the role of Chairman of Canterbury Further Education College, Chairman of Kent Training and Enterprise Council and as an RBLI Trustee for four years preceding his election to Chair.



**FRANK MARTIN DL**  
**VICE CHAIRMAN**

Frank is a Deputy Lieutenant of Kent and Chairman of Governors/ Pro Chancellor of Canterbury Christ Church University. He was formerly Chief Executive of Hornby Plc. and Deputy Chairman of the Dover Harbour Board.



**BRIGADIER TONY KERR OBE**

Tony rose to the ranks of Brigadier in the British Army. Now retired, he has spent many years a trustee of RBLI. He was previously the President of the Royal British Legion Village Branch at Aylesford.



**ALISTAIR WATSON**

Alistair served in the Royal Navy, during which time he was appointed Equerry to HRH the Prince of Wales, and then worked in the City for a leading international law firm. In retirement he is a governor of two schools in central London and a Pilotlighter.



**NADRA AHMED OBE DL**

Nadra is a Deputy Lieutenant for Kent and is Executive Chairman of the National Care Association. In 2006, she was awarded an OBE for her work in social care over 30 years. Nadra holds numerous honorary roles in the charitable sector including Vice President of Hi Kent, Patron of Rockdale Housing and Kent Autistic Trust. She has worked in the field of Social Care for 40 years.



**BLAIR GULLAND**

Blair is a Consultant at Gulland Solicitors and has been a practising solicitor for over 45 years. He is also a trustee of many other charities including Benenden Almshouse Charities, the Michael Yoakley Charity and Canterbury Cantata.



**KATHRYN CEARNS OBE FCA FCCA**

Kathryn is a Chartered Accountant and non-executive director, mainly in the public sector. Among other appointments, she is on the board of Companies House, the UK Supreme Court, the UK Endorsement Board and Highways England. She also Chairs the Office of Tax Simplification and is a Trustee for the Royal Mencap Society. She was previously on the External Audit Committee of the IMF, Chair of the Financial Reporting Advisory Board to HM Treasury and Chair of ICAEW Financial Reporting Committee.



**SARAH MASON**

Sarah is a member of the Royal Institution of Chartered Surveyors, working for an award winning private house builder, having been an Associate Director in private practice previously, acting as a development consultant to the public and private sectors. She is a mentor to Cambridge University Land Economy Masters students and is the Head of House at Medway Yacht Club.



**STEPHEN ROWBOTHAM**

Steve worked in the defence industry throughout his career spanning over four decades, he is now a Non-Executive Director of General Dynamics UK Limited having previously been employed by the Company as Chief Operating Officer. He is a Trustee of Bovington Tank Museum where he chairs the Collection Committee, and is also a business mentor to military veterans for the Charity Heropreneurs.



# SENIOR MANAGEMENT TEAM



**STEVE SHERRY CMG OBE**  
CHIEF EXECUTIVE

Brigadier Steve Sherry has been Chief Executive of RBLI since April 2010. With a MBA and MSc in Strategic Studies as well as a wealth of experience in implementing change in many differing environments, including Pakistan and the Czech Republic, Steve is enjoying leading RBLI at a time of significant growth, innovation and modernisation.



**WILL CAMPBELL-WROE**  
DIRECTOR OF CARE AND WELFARE

Will Campbell-Wroe has 20 years' experience in the housing and Charity sectors specialising in designing, securing funding for, and delivering services that support people to be independent and actively contributing to their local community. Will, who holds Masters' Degrees in both Social Research and Housing and Social Policy, has a strong track record in developing innovative services that are designed and delivered to an extremely high standard.



**MICHELLE FERGUSON**  
DIRECTOR OF SCOTLAND'S BRAVEST MANUFACTURING COMPANY

Michelle has held Senior Management positions within the media industry, television press and magazines and was a director for Scottish Sports Futures Charity. Before joining RBLI in 2018, she was Managing Director of successful social enterprise St Andrew's First Aid Training and Supplies Ltd, leading the team as they gained Highly Commended at the UK National Business Awards. Michelle was also a Guest Lecturer at the University of Glasgow Business School in 2017.



**LISA FARMER**  
DIRECTOR OF STRATEGIC DEVELOPMENT

Lisa Farmer joined RBLI in October 2015 as Director of Strategic Development with over 20 years of experience in fundraising, marketing and business development. Lisa spent eight years at Young Epilepsy as Fundraising Director before becoming Director of Development and has been involved in major commercial developments including Loughborough University's £40m fundraising campaign and two capital fundraising campaigns at Young Epilepsy.



**KATE BULL**  
DIRECTOR OF BRITAIN'S BRAVEST MANUFACTURING COMPANY

Kate joined RBLI in May 2019 as Director of Britain's Bravest Manufacturing Company. An experienced director, Kate holds a depth of commercial, financial, property and business improvement experience across both the private and not-for-profit sectors. Prior to her appointment, Kate held senior positions at the Royal Voluntary Service and Action on Hearing Loss, as well as co-founding the prolific community interest company the People's Supermarket.



**PHILIP DEFRAIME**  
DIRECTOR OF FINANCE AND CORPORATE SERVICES  
(Resigned 19th March 2021)

Philip Defraime is a CIMA qualified accountant. Having originally worked as a trainee accountant at the Burton Group, Philip spent 20 years in a number of Senior Management roles including UBS, Warburgs, Deutsche Bank and Lloyds TSB. Philip joined RBLI as Head of Business Services within Employment Solutions Division in 2005. Philip was appointed Director of Finance Company Secretary in 2010.



# DIRECTOR'S REPORT

**The Covid-19 pandemic which hit the nation very hard in the spring of 2020, and peaked in London on the weekend of 18 April, had a major impact on RBLI as a Charity.**

This invisible and unpredictable threat caused serious distress, particularly in RBLI's three care homes, impacting the older residents and care team most profoundly. For several particularly awful weeks in April, RBLI's nurses were most certainly on the front line. During the same lockdown period, while care costs were rising due to care staffing challenges, and urgent PPE demand, RBLI temporarily closed all other services which depend on face-to-face delivery, including our large scale back to work and employment outreach programmes. As a result, the Charity needed to start spending down some of its financial reserves.

RBLI's social enterprise factories were able to continue operating, albeit initially on a much reduced scale during lockdown, as manufacturing workers on health and safety signage, and pallet manufacture were deemed essential to the national supply chain. Britain's Bravest Manufacturing Co. was also able to help Tonbridge and Malling Borough Council store and package emergency food supplies.

RBLI's social enterprise factory also helped the nation mark the 75th Anniversary of VE Day on 8 May by making an exciting new special edition consumer product and launching the "Tommy in the Window" campaign. A new 75th Anniversary VE Day Tommy was made, and was endorsed on BBC SE, Sky News, Good Morning Britain and Channel 5 News by General The Lord Dannatt. With the nation in lockdown, people were looking for ways they could mark the day safely, and were able to draw strength from remembering their relatives' contribution. Over 32,000 Tommy products were sold to the British public, who expressed their pride and respect by putting Tommy in the window for all to see. Additional workers were brought in to the social enterprise with an army of volunteers joining on site and working safely from home. On the 8 May anniversary itself, resident George Bradford, 89-year-old Royal Marine, held the 11am silence outdoors for QEC residents to hear safely. This was filmed and shared by 16,000 people using Facebook Live.

The Tommy in the Window campaign raised £1m for RBLI, helping the Charity to get through the most difficult period financially.

The partial emergence from lockdown in the autumn was all too short lived and the subsequent lockdown was particularly tough on care home residents and their families due to restrictions on visits. This drive to reopen visiting was to the front of our minds and the visitor 'pod' outside of Appleton Lodge and Gavin Astor House became a lifeline for social interaction.

There is little doubt that the Charity emerged at the end of the financial year, in an operational sense, roughly on budget. The financial pain was within the capital fundraising campaign where we could justifiably have expected to have raised a further £2m during this period. That this did not happen can be mainly attributed to the pandemic in that a combination of our inability to host potential donors and also, quite understandably, many trusts and foundations were focussing on emergency funding. We are now moving back into gear with capital fundraising.

Our construction costs have marginally increased due to Covid-19 related issues such as fragility in the construction sector and also an inability to conduct full investigative surveys in our care home prior to setting the contract.

For RBLI's social enterprises we are very hopeful that all our customers in construction and infrastructure can grow, and the early signs are encouraging. We felt it important to include this update and clarify that although RBLI's general reserve is now at £4.3m, the government's furlough scheme was extremely helpful,

as were the emergency funds created at speed by philanthropic organisations. The Charity has also had success during the crisis and with thanks to our loyal donors, our volunteers and the Great British public, RBLI has been able to get through the Covid-19 lockdown with its finances secure.

Faced with an unprecedented nursing situation, RBLI's nursing and care team rose to the challenge with professionalism, compassion, and resilience. Our care teams have been very much on the frontline and we formally thanked them for their tremendous work throughout the testing Covid-19 conditions with a formal 'Thank You' ceremony on 1 July 2020. The Charity continues to focus on protecting people, protecting our finances and delivering our purpose and outcomes. To that end, both of our strategic development projects are continuing at some pace, with the Centenary Village Phase 2A clearly out of the ground with a completion date of May 2022. The major refurbishment and reconfiguration of Gavin Astor House has successfully completed Phase 1 and is scheduled to complete in November 2021. In such uncertain times, RBLI has remained safe but also very positive and passionate about delivering our services to those that need them.

The Trustees reviewed RBLI's financial plans at 9 separate Board meetings throughout the last financial year and met on 28 May and 29 June 2021, as part of the normal annual review, as well as reviewing our main financial risks including those risks resulting from the impact of Covid-19. At that time, they were satisfied that RBLI had sufficient resources to continue operating for the foreseeable future and

accounts have been prepared in the knowledge that RBLI is a financially viable organisation.

With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that are likely to affect the Charity's net assets are revenue streams, including capital fundraising and completing the two major developments. Since the year-end, revenue streams are marginally better than budget, capital fundraising is progressing to plan and both development projects are hugely de-risked with the experience of Phase 1 for Gavin Astor House and the completion of all ground works on the Centenary Village Phase 2A.

Our new online shop raised circa £500k in the first two months of this financial year. The impact of the Triennial review on pension fund liabilities is now clear and the annual payments into the fund are both manageable and factored into our planning.

Contingency planning for a bumpy year until Covid-19 is finally behind us is in place and includes a restriction on all non-essential capital expenditure and maintenance.

We have a renewed focus on fundraising and our online shop to generate more income.

The Trustees will continue to review plans with RBLI's executive team to make the necessary changes to remain within free reserves policy level over the life of the 3-year plan.

RBLI has a strong balance sheet, with unrestricted liquid investments of £4m. Should the income predictions fall short of the 3-year plan, the Trustees have contingency arrangements of £2m secured overdraft facility and a £1.5m loan facility to manage cash flow requirements, if needed. The Trustees are therefore of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

As such, they remain satisfied that RBLI can continue operating for the foreseeable future and accounts have been prepared in the knowledge that the RBLI is a financially viable organisation.

#### Monitoring Success

The Support for Britain's Bravest division, adapted immediately to that change in environment by moving a planned CEO sleep out in March 2020 online. The division continued to adapt their activity and work closely with supporters to create more and more appealing events. After the success of the CEO Sleep Out, the division created new online sporting challenges including a sit-up challenge and a squat challenge. The Tommy 10k Challenge which inspired different ways to complete 10km, raised an incredible £250,000 and the Dunkirk Step Challenge and Great Tommy Sleep Out that followed also proved successful. Each new event created a new online community that was warm, passionate, and genuinely interested. The supporters were able to see how the money raised

supports the Charity with direct delivery of emergency homes and care, and gives veterans practical help with housing issues, relationship breakdown, financial crisis and redundancy.

With so much knowledge about the Charity and the direct support they are enabling, it is no surprise that many people have chosen to be involved in more than one RBLI challenge during the year or have become involved with the new Tommy Club as a means of supporting RBLI for the long term. Investment in the Tommy Club shows RBLI's commitment to involving individuals and we are also delighted with the corporate involvement in the new club, and the incredible backing of England football Captain, and Tommy Club Ambassador, Harry Kane. These activities exceeded all income targets. They are not considered temporary and we invested considerable human resource in supporting donor care so we could better communicate with thousands of new customers, and develop new initiatives that will appeal to them. We also invested in the preparation for an exciting new Car Raffle following the Chairman's donation of a brand new Mini.

We have not yet engaged any external agencies to undertake fundraising on our behalf but we have benefited from the consultancy support of Give Panel and Woods Valldata as we grow these new areas. For example Woods Valldata has been advising on how the raffle activity is planned in a way that protects people who are vulnerable.

RBLI is registered with the Fundraising Regulator and is signed up to the Code of Fundraising Practice. During the year, we received zero complaints from the general

public and one complaint from a supporter about our fundraising. This supporter felt that the timing of a fundraising email was inappropriate and we apologised profusely.

### Grant Income

RBLI benefitted from significant grants which allow for the direct delivery of our charitable services in care, employability and welfare. These included emergency grants from the Covenant Fund and the National Lottery which enabled the protection of our oldest residents, most of whom are also living with multiple health conditions, as well as the most vulnerable workers in our social enterprise operations. Trusts and Foundations came forward to support homeless veterans who moved into our emergency accommodation, as well as our LifeWorks programme which adapted to support the veterans all over the UK dealing with furlough, redundancy, and mental health. Scotland's Bravest Manufacturing Co. secured a major strategic grant from Forces In Mind Trust which will see not only the investment in vocational qualification on site, but independent evaluation of the impact of new skills on longer term outcomes.

RBLI's Capital Campaigns have been much harder to fundraise for in the context of the pandemic. However this division has achieved sufficient success to allow important Capital improvements to progress. Several supporters got behind the creation of specialist dementia suites, larger social spaces and the new dementia garden at Gavin Astor House. There is a growing demand for specialist dementia care which is more stimulating and which enables more positive and varied daily routines.

It is an issue that more families, as well as more trusts and foundations are interested in.

Donations to the new facilities will benefit Village residents who are currently living with dementia symptoms and will help RBLI be here to meet this increasing demand. Companies and foundations also stepped in to enable the expansion of the QEC lounge because fitness, craft and social activities, as well as meal times were so difficult with two-metre distancing in place.

RBLI's Centenary Village expansion campaign has suffered significantly but was nevertheless able to draw down sufficient income from pledges and raise enough new income for the construction works to press on dramatically. The Centenary Village expansion is RBLI's flagship strategic project as, once complete, it enables the Charity to reach additional beneficiaries with holistic support, and without further fundraising.



### Sales of Tommy Products

The marketing and promotion of RBLI's Tommy products was so successful during 2020/2021 that £1.4m in new income was generated. These marketing and sales campaigns proved to be a financial lifeline at the precise moment when the crisis hit the Charity hardest, and went on to generate more income later in the year.

The campaigns would not have had the impact they did without the generous and consistent backing of General The Lord Dannatt who called on the nation to join him in putting "Tommy in the Window" in solidarity with veterans, and at the time of key national anniversaries. General The Lord Dannatt, now the President of RBLI's new Tommy Club, recognising the pressing demand for mental health support and the need to create more jobs for disadvantaged veterans, seized the moment to make this happen.

We know that during lockdown, when most people's limited exercise was a daily walk around the block, veterans UK-wide were greatly encouraged to spot the Tommy figurines on display in their immediate communities.

The Tommy in the Window campaign achieved several of RBLI's objectives simultaneously – to improve the mental health of veterans around the UK, create jobs for veterans, and raise vital funds.

### Fundraising Priorities and Policies

RBLI's fundraising priority is to secure capital donations for the Centenary Village expansion project which, once built, is a financially sustainable means of supporting hundreds more ex-service men and women, and their wider families. The pandemic damaged this area of fundraising significantly as donors diverted their help to immediate emergency support and senior stakeholders were prevented from visiting the Charity.

The Charity is extremely grateful to the philanthropists and funders who created new Covid-19 emergency grants, or became more flexible in their giving. RBLI was able to secure several emergency grants to help us reach unemployed veterans, adapt our activity, and support older veterans with multiple health conditions; those at the greatest risk from the virus.

RBLI's move to increased sales to the public via our social enterprises, and our growing supporter base, has created new income streams and has dramatically changed RBLI's fundraising potential long term. As well as successfully creating new challenges for the public to get involved in RBLI has been building on the offer for individual supporters through the new Tommy Club, greater engagement with our shop customers, legacy giving, and working on the launch of a new raffle. It is a major strategic achievement that RBLI has been able to develop new unrestricted income streams in this crisis that the Charity can build on for the long term.

### Stakeholder Management

During the Covid-19 crisis RBLI has increased contact with donors and customers, explaining that although visits have not been possible in the same way our services have still been open and running. We have had close contact with our supporters explaining the impact of the pandemic on our beneficiaries and our needs to adapt our programmes. This increased contact has led to customer retention, generous donations, and funder flexibility. Some of our supporters, for example, Barratt Developments, continue to support veterans at RBLI through a collaborative range of volunteering opportunities, donations and moral support. They are Founding Corporate Patrons of the new Tommy Club and it was no surprise that this impactful relationship won the Charity Times Corporate Partnership Award in 2020.

### Sustainability & Environment

As a respected Charity which puts at its heart care for individuals by Improving Lives Every Day, not only do we need to ensure the wellbeing of our beneficiaries, but we also plan to go beyond this to ensure that all we do minimises our impact on the environment. As such, reducing our carbon footprint, waste and caring for the natural resources we own are all accepted and even expected ways that also Improve Lives Every Day.

As a Charity with a clear focus on employability and skills, we recognise that our environmental strategy and goals (e.g. reducing waste in manufacturing processes, reducing packaging in customer fulfilment, identifying product adaptations) can offer our beneficiary employees transferable work experience and new skill development opportunities. We will proactively create these opportunities for our beneficiaries.

	FY 20/21	FY 19/20	
Leatherhead Site	14k Kwh	15k Kwh	
Scotland Site	925k Kwh	1,021k Kwh	
Aylesford Site	1,805k Kwh	1,940k Kwh	
<b>Total Consumption</b>	<b>2,744k Kwh</b>	<b>2,976k Kwh</b>	
Indirect Emissions	541 tCO2e	627 tCO2e	from purchased energy
Emission per FTE	1.96	1.98	

	FY 20/21	FY 19/20
Sent waste wood for recycling	415 Tonnes	385 Tonnes

The methodology for reporting emissions is based upon those areas where we have operational control and are charged for energy consumption. Emission calculations are derived from billing data. Where bills did not complete a full year an estimate, based upon previous consumption, has been included for the missing month.

In addition to sending waste wood for recycling, a machine was acquired to convert cardboard sheets into sign packaging for product protection during travel instead of buying bubble wrap.

RBLI agreed a new policy on the environment with an action plan for commencement of 1 April 2020; due to Covid-19 this started on 1 October 2020.

The action plan for the first 12 months includes:

- A fuller understanding of our legal requirements and the industry guidelines and identify key measurements that are relevant to each division
- Conduct an internal audit and carry out a benchmarking exercise across the organisation/divisions against the agreed metrics
- Establish an environmental working party drawn from across RBLI and as a minimum be trustee led, sponsored by a director and with representatives across the RBLI and our many locations
- Create an environmental statement and pan-organisational five year strategy
- Create divisional frameworks with annual objectives to support the delivery of the organisation's strategy
- Understand the financial impact of the implementation of the strategy
- Issue an overarching and resourced plan to meet the environmental demands placed upon the Charity



**Stephen Kingsman**  
CHAIRMAN

8 July 2021





# STRATEGIC REPORT

FOR THE YEAR ENDED 31ST MARCH 2021

## FINANCE REVIEW

### RBLI Activities

During the year the Charity has generated income of £19.7m (FY 19/20 £19.5m). A good result, given the pandemic. However, this year's pandemic required the Charity to be flexible in its income generation activities. In particular, fundraising for the Centenary Project has not been possible, however our fundraising teams have been very successful in obtaining emergency funds and grants to assist the Charity through the year. RBLI has also had its first full year running its online shop which has had a tremendous start with VE Day sales of the "Tommy" exceeding £1.2m. Likewise, both of our social enterprise's (Britain's Bravest Manufacturing Company and Scotland's Bravest Manufacturing Company) have seen income grow compared to the previous year. Scotland had to close during the first lock down but upon reopening maximised a business opportunity in producing Covid-19 signage to a number of public service organisations that had a new requirement if they too were to reopen. Britain's Bravest Manufacturing have remained open throughout the pandemic providing key products for the UK infrastructure in terms of pallets and signs. They also adapted to providing new services during the pandemic by facilitating a food distribution hub for local councils to assist the community.

The Employment Solutions activities have continued their operations throughout the pandemic but adapted their method of providing services from Face to Face meetings to virtual online meetings.

The funding of these services was also adjusted such that costs were covered for services provided, including retaining

all staff at full pay regardless of work requirements. A scheme that has been a benefit to staff and also ensured that RBLI did not financially suffer from the impact of the pandemic on the work of the Employment Solutions Division.

Living had an income of £5.3m (FY 19/20 £5.1m). However unrestricted income reduced due to available accommodation rent out decreased and also if vacancies did arise during the year it was not always possible to move a new resident in straight away due to general pandemic restrictions. However significant support was received via emergency grants to assist during the pandemic.

Expenditure during the year was £18.7m (FY 19/20 £19.2m). Clearly as the Charity adapted the way it provided support to its beneficiaries so this also had an impact on expenditure. This is general due to less travel (plus associated costs) and physical fund raising activities being replaced by online activities.

Whilst continuing all of its operational activities to beneficiaries, RBLI has begun the much needed refurbishment of one of its care homes and also begun the building of the new Centenary Project started when the Queen cut the first turf in November 2019. These investment projects have continued as planned. The refurbished care home will be fully open in November 2021 and the current phase of the Centenary Village will be open to new residents in 2022. Both will provide improved services to a wider range of beneficiaries and be self-sufficient from a financial perspective.

### Investment Fund

No change to the investment fund has taken place during the year in terms of divestment or adding to the portfolio additional cash funds. However the valuation of the portfolio has risen to £4.6m (FY 19/20 £4.0m) from the recovery of the stock market worldwide compared to 31 March 2020 when it dipped.

Investment powers are governed by the Memorandum and Articles of Association and permit the Charity's fund to be invested in a wide range of assets.

The Charity's investments are held to achieve balanced long term growth. Performance is measured against a long term target of CPI+3% per annum. The investment portfolio has achieved an annualised net return of 4.9% achieved since inception. Performance is also measured against a bespoke benchmark that reflects the fund asset allocation. Investment Income has been significantly down on budget this year.

The Board reviews fund performance at every Board Meeting. Management meet with our investment managers quarterly and the investment managers present and report to the board on an annual basis.

### Pension

In addition to the above, the Financial Statements show an actuarial gain for the defined benefit pension of £1.5m with a total liability of £1.3m (FY 19/20 £2.6m). This improvement has arisen from the recovery of the Stock Markets and also a change in the proportion of

the Pension Fund attributable to RBLI i.e. 17% up from 15% in prior years.

### Reserves

Overall, RBLI increased its funds by £3m (£2m gain due investment gains and pension liability reduction) giving the Charity total funds of £27.0m. This is represented in an increase of Unrestricted Funds to £13.9m and an increase in Restricted Funds to £13.2m (FY 19/20 £12.9m & £11.1m respectively).

The reserve policy, reviewed annually by trustees, is to hold a sum of money as a designated funds in 2 parts as follows:

- An operating reserve of £5m, which equates to approximately 4 months of operating costs
- A reserve equating to the forecast cost to RBLI for planned future projects and developments, primarily accommodation and care facilities at Aylesford. This currently equates to £5m

The Board has reviewed the reserve policy in the light of Covid-19 and given RBLI's diverse revenue streams and our experience of lockdown, considers that the operating reserve of £5m, which equates to approximately 4 months of operating costs, is prudent.

Unrestricted Reserves totalled £13.9m (FY 19/20 £12.9m).

The operating reserve in a designated fund equates to £5m.

The development reserve in a designated fund stands at £5m principally for the Centenary Village

Project (£2m) and the refurbishment of our care home, Gavin Astor House (£2m).

The pension deficit reserve calculated per FRS102 is £1.3m (FY 19/20 £2.6m).

The General Fund of £4.7m (FY 19/20 £5.6m) reflects the infrastructure and tangible fixed assets used by the Charity to support our beneficiaries in Aylesford and Leatherhead.

Within the General Fund are Free Reserves (Cash & Investments) of £4.7m (FY 19/20: £4.3m).

In addition to the above, the unrestricted fund also includes a sum covering the investment fair value reserve which equates to the difference between the original cost of the investments and their market value.

Land and buildings shown on the balance sheet at historical costs less depreciation and have not been restated at market value. The one exception to this is the Vanguard Trust properties that were transferred to RBLI are shown at Market Valuation as at 2018. The valuation was carried out in September 2017 and we do not believe that the value would be materially different in value as at March 2021. A professional valuation of all other land has not been done, however the Trustees believe that the market value is significantly higher than book value which is negligible as it was transferred to the Charity in 1919.

### Going Concern

The Trustees have reviewed (in March 2020, September 2020 and again in March 2021 and May 2021) the future plans for the Charity and this, combined with the strength of the balance sheet and future funds already secured, are confident that the Charity will remain a going concern for the foreseeable future. Consideration of Covid-19 pandemic is covered in the Director's report.



**Stephen Kingsman**  
CHAIRMAN

8 July 2021



**Key Workers:** BBMC remained operational throughout the pandemic.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF ROYAL BRITISH LEGION INDUSTRIES LTD

## Opinion on the financial statements

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 2021 and of its incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010

We have audited the financial statements of Royal British Legion Industries ("the Charitable Company") for the year ended 31 March 2021 which comprise the statement of financial activities (incorporating the summary income and expenditure account), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 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 related 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The other information comprises: the Chairman and Chief Executive's Review, the Report of the Trustees and the Strategic 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Other Companies Act 2006 reporting

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

- The information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements

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 misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- Proper and 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

AUDITOR'S REPORT

- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

### Responsibilities of Trustees

As explained more fully in the statement of trustees responsibilities, 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 determines 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

### Extent to which the audit was capable of detecting irregularities, including fraud

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:

- Enquiry of management and Those Charged with Governance regarding known or suspected instances of non-compliance with laws and regulation and fraud
- Reading minutes of meetings of Those Charged with Governance; reviewing correspondence with regulatory bodies and from legal advisors to identify indications of

non-compliance with laws and regulations

- Assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud
- Determining whether the accounting policies and presentation adopted in the financial statements are in accordance with 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) and the Statement of Recommended Practice for Charities
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively
- Addressing the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments, with particular focus on unusual account combinations and postings by unexpected users or senior management

- Challenging the assumptions and judgements made by management for key estimates, in particular the valuation of investments and assumptions used to value the defined benefit pension scheme
- Incorporating unpredictability into our testing approach through amending the nature and extent of audit procedures
- Carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Jill Halford*

**Jill Halford**  
SENIOR STATUTORY AUDITOR

For and on behalf of BDO LLP, statutory auditor, London, UK

Date: 13 July 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).







# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	FY 20/21		FY 19/20	
		£000s	£000s	£000s	£000s
<b>Net cash inflow from operating activities</b>	22		2,538		737
Investments					
Investment Income		89		203	
Net cash inflow from investments			89		203
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(3,097)		(2,430)	
Receipts from the sale of Investments		-		2,500	
Net cash outflow / (inflow) from capital expenditure & financial investment			(3,097)		70
<b>(Reduction) / increase in net cash</b>			(470)		1,010
Balance brought Forward			4,180		3,170
<b>Balance Carried Forward at 31 March</b>			3,710		4,180
<b>Analysis of changes in net cash / (Debt)</b>					
Net cash at 31st March 2020			4,180		3,170
Net Cash (outflow) / inflow			(470)		1,010
Net Cash at 31st March 2021			3,710		4,180



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

## 1. ACCOUNTING POLICIES

### Basis of Accounting

The Financial Statements have been prepared in accordance with the Charities SORP, FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and applicable UK Charity and company law.

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

These financial statements are prepared on a going concern basis under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

### Consolidation

The company has wholly-owned subsidiary companies, RBLI Contracts Limited and RBLI Ltd. Consolidated financial statements have not been prepared as they have been dormant for several years and the activities of the subsidiaries are not material to the group. Information concerning the subsidiaries is set out in note 9.

### Funds

The Charity maintains the following funds:-

- Restricted – where the purpose to which the funds may be used has been restricted by the donors
- Unrestricted – where the fund is not restricted as to its use
- Designated – where the funds are unrestricted but the trustees have designated them for a specific purpose

Funds have been set up and designated by the Board of Trustees and transfers between funds are agreed by the trustees.

### Income Recognition

Charitable activity income is measured as consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed and value added taxes. Donations are recognised as income when received or when entitlement to receive has been established, receipt is probable, and the amount can be quantified with reasonable accuracy. Gift Aid receivable is included when claimable. Legacies are recognised when probate is granted and there is sufficient information to measure them.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

CONTINUED

## Grants Received

Grants are recognised in the Statement of Financial Activities when the conditions for entitlement have been met. Grants received before the conditions for entitlement have been met are deferred and included in creditors at year-end.

Furlough grants were received from the Government during the year to support the continued employment during the pandemic, no other government grants were received.

## Subsidies Receivable

A subsidy is made to host companies who employ a disabled person under the terms of the Work Choice Programme. The subsidy arises on the employment of the disabled person and remains for the term of the employment contract. It is accounted for on an accruals basis.

## Pensions

The Charity operates two pension schemes, the Defined Benefit Scheme which was closed to new entrants in 2002 and the Group Personal Pension Scheme.

The Defined Benefits scheme, the assets of which are held and managed separately, is a multi-employer scheme. The actuaries have attributed scheme assets and liabilities to RBLI for the requirements of FRS102. The impact on the current year SOFA was an actuarial gain of £1.5m and a deficit on the balance sheet of £1.3m.

For the defined benefit section the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments.

They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in 'Other recognised gains and losses'.

The Defined Benefit scheme is funded, with the assets of the scheme held separately from those of the underlying employers, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

In addition, the amount charged to the Statement of Financial activities includes contributions payable to the Group Personal Pension Scheme in the year.

## Short Term Benefits

Short term benefits, including holiday pay, termination payments and other similar non-monetary benefits, are recognised as an expense in the period in which the service is incurred, or in the case of redundancy and termination payments when there is a commitment to an individual or group of people.

## Taxation

The company is a registered Charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

## Investments

Investments are stated at bid-price and the value of both realised and unrealised gains are included in the Statement of Financial Activities within the relevant Funds. Investments are subject to review for impairment when there is an

indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

## Charitable Expenditure

Costs are recognised on an accruals basis in the period in which they are incurred. Expenditure on raising funds includes the costs incurred in raising donation income and grant income, including apportioned support costs. Expenditure on charitable activities comprises the costs incurred on charitable activities including apportioned support costs. Where support costs cover more than one area of activity the costs are allocated to each activity based on weighting of the Charitable Activity revenue. Redundancy/ termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot be realistically withdrawn.

Costs of expenditure on raising funds includes the fees incurred in managing the Charity's investments and also where applicable irrecoverable VAT.

## Operating Leases

Annual rentals under operating leases are charged against income on a straight line basis over the lease term.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

CONTINUED

## Stock and Work-in-progress

Raw materials, work-in-progress and finished goods are valued at the lower of cost or estimated selling price less cost to complete and sell. Cost comprises the direct cost of production and the net attributable proportion of works overheads appropriate to each department.

Cost is determined on an average cost method. Cost includes the purchase price including transport and handling directly attributable to bringing the stock to its present location and condition.

Regular reviews of stock take place to ensure all stock is in good condition and in addition a stock provision is included in the stock valuation to allow for the potential of stock not being consumed / sold.

## Tangible Fixed Assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation. An annual review is undertaken to identify whether an impairment adjustment is required. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Freehold buildings – 2% straight-line

Buildings plant – 7% straight-line

Plant, Machinery, Fixtures and Fittings – 15% straight-line

Motor vehicles – 25% straight-line

Office equipment – 33% straight-line

## Assets under Construction

Assets under construction represents expenditure incurred in creating assets. Depreciation takes place once the asset is brought into use.

## Limitation of Capitalisation

Expenditure below £1,000 per item does not qualify for capitalisation as a Fixed Asset as it is not considered to be material.

## Financial Risk Management

The Charity's operations expose it to some financial risks that include the effects of changes in market interest rates and its liquidity position. The Charity has in place a risk management programme that seeks to limit adverse effects on the financial performance of the Charity.

## Critical accounting estimates and assumptions

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

## Stock Provisioning

At each balance sheet date the Charity considers the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

## Impairment of debtors

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

## Defined Benefit Pension Scheme

The Charity has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

## Financial Instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

### (i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the estimated cash flows. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Investments which are not subsidiaries are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in fair value reserve.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

CONTINUED

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

## (ii) Financial liabilities

Basic financial liabilities include trade and other payables, and loans. They are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially and subsequently measured at transaction price as all of them are current.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

## (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## Going Concern

The Trustees reviewed RBLI's plans in March 2021 and were content that these plans were affordable and the accounts should be prepared on a going concern basis. Taking into account the continued impact of Covid-19, the Board again reviewed the Going Concern of RBLI in May 2021 including cash projections for FY 21/22 and FY 22/23.

There is recognition that the Charity retains a strong balance sheet (£27m), healthy cash holdings and significant value held in land values on the Village site. The only significant commitments over the next 18 months are the construction projects are included in the cashflow projections and will provide much needed support to the beneficiaries and also return a healthy year on year new income stream. Based on this review the Board is satisfied that RBLI is financially viable for the next 12 months and beyond.

The Trustees and executive remain vigilant, with regular communications, to monitor RBLI as it emerges from lockdown. The feedback from donors, where relationships have been nurtured over several years, indicates that the original targets for raising Centenary Village funding remain achievable and with only a few months delay to original timescales. Funds have been secured to ensure completion of the Gavin Astor House refurbishment, to high quality dementia and nursing suites, started on time on 1 September 2020. The construction of Phase 2A of the Centenary Village commenced in October 2020 and

the completion of these nationally significant development projects will not only provide vital care and accommodation for our Veterans but will significantly boost revenues in once completed in November 2021 and 2022 respectively.

The next 12 months will not be without some turbulence from the tail end of the pandemic and the Board is not complacent about the future. RBLI starts from a position of strength and the diverse nature of RBLI provides some protection in that revenue streams are equally diverse. Fixed costs continue to be monitored and the lessons of lockdown have provided lessons in deploying the workforce in the social enterprises more flexibly to meet changing demands. Equally discretionary spend including Capital spend is also being managed tightly. The online shop sales are consistently growing month on month; this will benefit fundraising and also provide more work for the social enterprises. Social enterprise order books are currently better than this time last year.

RBLI's balance sheet, currently standing at £27m, remains part of the underlying strength of the Charity and the land holdings across the 75 acre site in Kent adds significantly to its financial security. At the time of writing the investment portfolio has recovered from its initial Covid-19 fall earlier in the year.

The Trustees will continue to review plans with RBLI's executive team to make the necessary changes to remain within the free reserve policy level over the 3-year plan. RBLI has a strong balance sheet, with unrestricted liquid investments of £4.6m. Should the income predictions fall short of the 3-year plan, the Trustees have contingency arrangements of £2.0m secured overdraft facility and a £1.5m loan facility to manage cash flow requirements, if needed. The Trustees are therefore of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

## 2. INCOME FROM DONATIONS & LEGACIES

	FY 20/21	FY 19/20
	£000s	£000s
Donations	2,812	3,458
Legacies	-	69
Events	494	231
	<u>3,306</u>	<u>3,758</u>

## 3. INVESTMENT INCOME

	FY 20/21	FY 19/20
	£000s	£000s
Investment dividends	89	200
Interest - receivable	-	3
	<u>89</u>	<u>203</u>

## 4. TOTAL EXPENDITURE

	FY 20/21	FY 20/21	FY 20/21	FY 19/20	FY 19/20	FY 19/20
	Activities undertaken directly	Support costs	Total	Activities undertaken directly	Support costs	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Raising Funds	852	351	1,203	1,007	85	1,092
Employment Solutions	2,875	274	3,149	4,395	566	4,961
Scotland's Bravest Manufacturing	1,246	123	1,369	804	285	1,089
Britain's Bravest Manufacturing	5,873	568	6,441	5,826	565	6,391
RBLI Living	5,282	559	5,841	5,035	624	5,659
Shop	668	143	811	36	7	43
	<u>16,796</u>	<u>2,018</u>	<u>18,814</u>	<u>17,103</u>	<u>2,132</u>	<u>19,235</u>

Auditors' remuneration was £56k (FY 19/20 : £61k). In addition other advice was provided by BDO relating to taxation services - £ 3,869 (FY 19/20 : £3,111).

Operating lease payments included in Resources Expended totalled £235,081 (FY 19/20 : £175,255).

The loss on disposal of fixed assets was £5k (FY 19/20 : £402).

SUPPORT COSTS FY 20/21	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	FY 20/21 Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Executive	38	18	80	79	49	20	284
Finance	72	32	149	147	91	38	529
Business Systems	52	23	107	105	66	27	380
Human Resources	44	20	92	91	57	23	327
Marketing	36	16	74	73	46	19	264
Other Costs	11	5	23	23	14	7	83
Pension Deficit	17	8	36	35	22	9	127
	<u>270</u>	<u>122</u>	<u>561</u>	<u>553</u>	<u>345</u>	<u>143</u>	<u>1,994</u>

Support costs are allocated, where practicable, to the charitable activities on a directly attributable basis. The remainder is apportioned to each activity based on revenue.

SUPPORT COSTS FY 19/20 Comparatives	Employment Solutions	Scotland's Bravest Manufacturing	Britain's Bravest Manufacturing	RBLI Living	Fundraising	Shop	FY 19/20 Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Executive	70	16	90	77	16	1	270
Finance	158	203	35	174	22	2	594
Business Systems	107	23	137	118	15	1	401
Human Resources	101	22	129	111	14	1	378
Marketing	65	14	84	72	9	1	245
Other Costs	32	-	48	36	4	1	121
Pension Deficit	33	7	42	36	5	-	123
	<u>566</u>	<u>285</u>	<u>565</u>	<u>624</u>	<u>85</u>	<u>7</u>	<u>2,132</u>

## 5. EXPENSES BEFORE NET EXPENDITURE FOR THE YEAR

	FY 20/21	FY 19/20
	£000s	£000s
Rentals payable under Operating Leases	235	175
Depreciation (Note 7)	844	771
Auditors remuneration	56	61
(Gain) / Loss on investments	(571)	454
	<u>564</u>	<u>1,461</u>

## 6. DIRECTORS, EMPLOYEES AND VOLUNTEERS

	FY 20/21	FY 20/21	FY 19/20	FY 19/20
	Number	FTE	Number	FTE
The average monthly number of persons employed by the Company during the year was:				
Employment Solutions	53	48	85	79
RBLI Living	137	93	162	108
Scotland's Bravest Manufacturing	18	15	18	13
Britain's Bravest Manufacturing	111	79	118	82
Fundraising and Marketing	21	18	14	13
Executive & Corporate Services	27	24	25	22
	367	277	422	317

During the year a total of 31 volunteers (FY 19/20: 826) worked for a total of 2,474 hours (FY 19/20: 14,579 hours)

	FY 20/21	FY 19/20
	£000s	£000s
Staff costs		
Wages and salaries	7,954	8,465
Social Security costs	689	748
Other Pension costs	642	717
Other costs	15	32
Redundancy / Termination Payments	176	126
FRS 102 adjustment in SOFA	128	172
	9,604	10,260

During the year £45,011 expenditure was incurred on recruitment fees (FY 19/20: £49,746).

Redundancy / termination payments included amounts totalling £73k (FY 19/20 nil) which were unpaid as at 31st March 2021.

The total number of employees whose emoluments, excluding pension contributions, were in excess of £60,000 per annum fell within the following bands:

£	FY 20/21	FY 19/20
	Number	Number
60,001 - 70,000	3	4
70,001 - 80,000	2	1
80,001 - 90,000		1
90,001 - 100,000	2	3
100,001 - 110,000	-	
110,001 - 120,000	1	1
120,000 - 130,000	1	1
130,001 - 140,000		
140,000 - 150,000	1	1
	10	12

All the 10 employees (FY 19/20: 12) earning over £60,000 p.a. participated in the company pension scheme, and pension contributions of £ 69,526 were made by RBLI in the year to 31 March 2021. (FY 19/20 : £83,954).

The total remuneration of the above 10 key ( FY 19/20 : 12 ) management personnel was £1,100,351 (FY 19/20: £1,281,581). This was no redundancy pay this year (FY 19/20 : £20,435).

No remuneration is paid to the Trustees as they act on an honorary basis. There were no travel expenses reimbursed to Trustees (FY 19/20 £ 26 was paid to 1 Trustee).

The Charity is grateful for the volunteers who have helped support the Charity over the last 12 months. All areas of the Charity have benefited from this support ranging from admin support, job coaching, care etc.

Governance costs for the year were £107k (FY 19/20: £107k)

### Analysis of Governance Costs:

	FY 20/21	FY 19/20
	£000s	£000s
Employment Costs	34	36
Audit	56	46
Trustee Expenses	5	6
Overheads	12	19
	107	107

## 7. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Buildings Plant	Plant and Machinery	Fixtures and Fittings	Motor Vehicles	Office Equipment	Assets Under Construction	Total
<b>COST</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
At 1st April 2020	19,738	2,043	1,463	2,006	79	446	1,799	27,574
Additions	-	13	192	113	22	1	2,756	3,097
Disposals	-	(10)	(125)	(70)	-	(21)	-	(226)
Transfers	-	-	-	105	-	-	(105)	-
At 31st March 2021	19,738	2,046	1,530	2,154	101	426	4,450	30,445
<b>ACCUMULATED DEPRECIATION</b>								
At 1st April 2020	5,242	1,313	1,026	1,082	79	396	-	9,138
Charge for year	391	116	109	202	4	21	-	843
Disposals	-	(4)	(129)	(66)	-	(21)	-	(220)
At 31st March 2021	5,633	1,425	1,006	1,218	83	396	-	9,761
<b>NET BOOK VALUE at 31st March 2021</b>	<b>14,105</b>	<b>621</b>	<b>524</b>	<b>936</b>	<b>18</b>	<b>30</b>	<b>4,450</b>	<b>20,684</b>
<b>NET BOOK VALUE at 31st March 2020</b>	<b>14,496</b>	<b>730</b>	<b>437</b>	<b>924</b>	<b>-</b>	<b>50</b>	<b>1,799</b>	<b>18,436</b>

The Trustees believe that the market value of land is significantly higher than the book value, which is negligible as it was transferred to the Charity in 1919, although a professional valuation was not performed.

Assets Under Construction represent capital expenditure on Projects which are not finalised. The largest projects under this section are the work that has started on the Centenary Village (£3,160k) and also the Refurbishment of Gavin Astor House (£1,263k).

## 8. INVESTMENTS

	<b>FY 20/21</b>	<b>FY 19/20</b>
	<b>£000s</b>	<b>£000s</b>
At Fair Value		
Managed Investment Portfolio		
Listed on UK Stock Exchange	1,050	1,039
UK Fixed Interest	1,308	1,248
Overseas Equities	1,592	1,200
Overseas Fixed Interest	65	-
Quoted Property		
Alternative Investments	280	247
Cash Reserve	270	310
Fair Value at 31 March 2021	4,565	4,044
Cost of Managed Investments at 31 March 2021	4,073	4,254

### Analysis of Movements of Investments

	<b>FY 20/21</b>	<b>FY 19/20</b>
	<b>£000s</b>	<b>£000s</b>
Valuation at 1 April 2020 / 2019	4,044	7,068
Realised (Losses) / Gains	(43)	(201)
Unrealised Gains / (Losses)	704	(714)
Deposits and Withdrawals	(91)	57
Sales of Investments		(2,500)
less: Management Costs	(49)	(68)
Valuation at 31 March 2021 / 2020	4,565	4,044

## 9. INVESTMENT IN SUBSIDIARY

The Company owns 100% of the issued share capital (being 2 shares of £1 each) of RBLI Contracts Ltd, a dormant company and 100% of the issued share capital (being 1 share of £1) of RBLI Ltd, a dormant company.

There has been no income or expenditure in either subsidiary in the year (FY 19/20: none) and there are no capital and reserves in either company at the year end (FY 19/20: none).

## 10. STOCKS AND WORK IN PROGRESS

	<b>FY 20/21</b>	<b>FY 19/20</b>
	<b>£000s</b>	<b>£000s</b>
Raw materials	715	467
Finished goods	25	14
	740	481

The replacement cost of raw materials does not differ materially from the value stated in the balance sheet.

The cost of raw materials recognised as an expense in the year was £3,600,097 (FY 19/20: £2,731,023)

## 11. DEBTORS

	<b>FY 20/21</b>	<b>FY 19/20</b>
	<b>£000s</b>	<b>£000s</b>
Trade debtors	1,961	1,479
Other debtors	31	8
Prepayments and accrued income	467	716
	2,459	2,203

## 12. CREDITORS – AMOUNTS FALLING DUE WITHIN 1 YEAR

	FY 20/21	FY 19/20
	£000s	£000s
Amounts falling due within one year:		
Trade creditors	1,052	570
Other taxation and social security	516	466
Unallocated government funds received	500	-
Accruals	1,697	1,622
Deferred Income	85	62
	<u>3,850</u>	<u>2,720</u>

The charity is seeking clarification of the amount of £500k received from the government before it can be treated as income.

Deferred Income brought forward has been fully utilised in the year.

## 13. FINANCE CHARGE

A charge over land, the Churchill Centre and the factory buildings at Aylesford has been granted to The Royal British Legion Pension Fund Trustees as security for the pension deficit liability and to support the Employers Covenant.

A charge over Queen Elizabeth Court has been granted to Barclays Bank plc as security for bank facilities provided to RBLI.

## 14. FUND BALANCES CARRIED FORWARD AT 31ST MARCH

	FY 20/21 Unrestricted Funds	FY 20/21 Restricted Funds	FY 20/21 Total Funds	FY 19/20 Unrestricted Funds	FY 19/20 Restricted Funds	FY 19/20 Total Funds
	£000s	£000s	£000s	£000s	£000s	£000s
Tangible assets	10,239	10,445	20,684	9,981	8,456	18,437
Investments	4,474	91	4,565	3,978	66	4,044
	14,713	10,536	25,249	13,959	8,522	22,481
Net current assets	441	2,618	3,059	1,525	2,618	4,143
NET ASSETS (excluding pension scheme liability)	15,154	13,154	28,308	15,484	11,140	26,624
Defined benefit pension scheme (liability)	(1,263)	-	(1,263)	(2,604)	-	(2,604)
NET ASSETS (including pension scheme liability/ asset)	<u>13,891</u>	<u>13,154</u>	<u>27,045</u>	<u>12,880</u>	<u>11,140</u>	<u>24,020</u>

## 15. ANALYSIS OF FUNDS

### Unrestricted Funds

There are five unrestricted funds, two of which are designated:

The designated Future Projects and Developments Fund holds reserves of £5m (FY 19/20: £5m) for the development of the RBLI Village.

The designated Operating Cost Reserve provides a reserve covering 4 months of operating cost.

The General Funds reflects the remaining Undesignated Funds used by the Charity to provide services and support to beneficiaries.

The Pension Reserve reflects the balance of surplus or deficit on the defined benefit pension scheme and moves in line with annual valuations as per note 16.

The Fair Value Reserve reflects the balance of surplus or deficit on the revaluation of the investments as per note 8.

	Balance as at 1st April 2020	Income	Expenditure	Gains and Losses	Balance as at 31st March 2021
	£000s	£000s	£000s	£000s	£000s
Designated Funds set aside by the trustees					
Future Projects and Developments	5,000	-	-	-	5,000
Operating Cost Reserve	5,000	-	-	-	5,000
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
General Fund	5,624	15,554	(16,429)	(87)	4,662
Pension Reserve	(2,604)	-	(128)	1,469	(1,263)
Fair Value Reserve	(140)	-	-	632	492
<b>Total Unrestricted Funds</b>	<u>12,880</u>	<u>15,554</u>	<u>(16,557)</u>	<u>2,014</u>	<u>13,891</u>

### Analysis of Funds Comparative

	Balance as at 1st April 2019	Income	Expenditure	Gains and losses	Balance as at 31st March 2020
	£000s	£000s	£000s	£000s	£000s
Designated Funds set aside by the trustees					
Future Projects and Developments	5,000	-	-	-	5,000
Operating Cost Reserve	5,000	-	-	-	5,000
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
General Fund	7,141	15,313	(17,106)	276	5,624
Pension Reserve	(1,934)	-	(124)	(546)	(2,604)
Fair Value Reserve	585	-	-	(725)	(140)
<b>Total Unrestricted Funds</b>	<u>15,792</u>	<u>15,313</u>	<u>(17,230)</u>	<u>(995)</u>	<u>12,880</u>

## Restricted Funds

Capital and Revenue Grants hold restricted grants received for the development of property, plant and equipment and the provision of services to disabled people and armed forces veterans.

	Balance as at 1st April 2020	Income	Transfer	Expenditure, gains and losses	Balance as at 31st March 2021
	£000s	£000s	£000s	£000s	£000s
Capital and Revenue Grants	2,868	4,168	(1,688)	(2,180)	3,168
Investments	66	-	-	26	92
Capital Assets	8,206	-	1,688	-	9,894
<b>Total Restricted Funds</b>	<b>11,140</b>	<b>4,168</b>	<b>-</b>	<b>(2,154)</b>	<b>13,154</b>

### Analysis of Capital and Revenue Grants

Centenary Village	2,266	2,204	(1,688)	-	2,782
Scotland	104	362	-	(265)	201
Lifeworks	142	323	-	(292)	173
Welfare	35	231	-	(193)	73
Vanguard Trust Net Assets	110	-	-	-	110
Other	211	1,048	-	(1,430)	(171)
	2,868	4,168	(1,688)	(2,180)	3,168

Transfer of Revenue Grants to capital Assets represents Grants which have been expended on Capital Projects.

### Analysis of Restricted Capitalised Assets

Centenary Village	1,472	-	1,688	-	3,160
Appleton Lodge	2,593	-	-	(103)	2,490
Hermitage Lane Apartments	2,162	-	-	(44)	2,118
Vanguard Properties	1,160	-	-	-	1,160
Scotland Factory	163	-	-	(30)	133
Other	656	-	-	177	833
	8,206	-	1,688	-	9,894

## Restricted Fund Comparative

	Balance as at 1st April 2019	Income	Transfer	Expenditure, gains and losses	Balance as at 31st March 2020
	£000s	£000s	£000s	£000s	£000s
Capital and Revenue Grants	1,765	4,165	(1,206)	(1,856)	2,868
Investments	71	-	-	(5)	66
Capital Assets	4,619	-	3,736	(149)	8,206
LIBOR	2,530	-	(2,530)	-	-
<b>Total Restricted Funds</b>	<b>8,985</b>	<b>4,165</b>	<b>-</b>	<b>(2,010)</b>	<b>11,140</b>

### Analysis of Capital and Revenue Grants

Centenary Village	1,171	2,247	(1,152)	-	2,266
Scotland	159	192	(53)	(194)	104
Lifeworks	71	611	-	(540)	142
Welfare	73	163	-	(201)	35
Vanguard Trust Net Assets	110	-	-	-	110
Other	181	952	(1)	(921)	211
	1,765	4,165	(1,206)	(1,856)	2,868

### Analysis of Restricted Capitalised Assets

Centenary Village	320	-	1,152	-	1,472
Appleton Lodge	72	-	2,530	(9)	2,593
Hermitage Lane Apartments	2,233	-	-	(71)	2,162
Vanguard Properties	1,160	-	-	-	1,160
Scotland Factory	112	-	53	(2)	163
Other	722	-	1	(67)	656
	4,619	-	3,736	(149)	8,206

## 16. PENSION SCHEME

Royal British Legion Industries participates in two staff pension funds. The Defined Benefit Scheme (the Fund), and the Group Personal Pension Plan (the GPPP), both operated in conjunction with The Royal British Legion.

Contributions to the Group Personal Pension Plan in the year were £535k (FY 19/20 : £552k). Contributions are limited to twice the level of the employees' contribution. There were 296 employees participating in the scheme at 31 March 2021 (FY 19/20 : 336).

The Defined Benefit Scheme was closed to new entrants in 2002. During the year no contributions were made by RBLI (FY 19/20 : £NIL). It has been agreed with the trustees of the Defined Benefit Pension Scheme that from April 2021 payments will commence to help fund the liability. These payments will amount to £161k a year with further reviews at each triennial stage.

The most recent formal scheme published actuarial valuation was carried out by First Actuarial LLP as at 1 April 2020.

### The major financial assumptions used by the actuary for FRS102 purposes were:

Actuarial Assumptions	FY 20/21	FY 19/20	
Discount rate (%p.a.)	2.00%	2.30%	
Retail Price Inflation (%p.a.)	3.30%	2.60%	
Consumer Price Inflation (%p.a.)	2.60%	2.10%	
Salary increase rate (%p.a.)	3.60%	3.10%	
Rate of increases of pensions in payment			
	Post 98 pension	3.30%	2.60%
	Post 88 GMP	2.30%	1.90%
Revaluation of deferred pensions (non-GMP)	2.60%	2.10%	
Life expectancy at age 65:			
	Current pensioners Men	86.3	86.9
	Women	88.7	89.2
	Future pensioners now aged 45 Men	87.6	88.2
	Women	90.2	90.6

Fair value of fund assets	FY 20/21	FY 19/20
	£'000	£'000
Equities	5,390	3,398
Bonds	5,184	4,346
Gilts	-	-
Other Growth Seeking assets	3,131	2,414
Liability Driven Investments	1,906	2,281
Cash	337	384
<b>Total</b>	<b>15,948</b>	<b>12,823</b>

In addition, the Trustees hold insured annuity policies. The value of these annuities has been excluded from both the assets and the liabilities since the liability is matched directly by an asset value of equal value. This is consistent with previous disclosures. The Fund does not invest in the sponsor's own financial instruments, including property or other assets owned by the sponsor.

	FY 20/21	FY 19/20
	£'000	£'000
<b>Total cost recognised as an expense:</b>		
Administration expenses	115	125
Past service cost	-	-
Net Interest	61	47
<b>Total cost recognised as an expense:</b>	<b>176</b>	<b>172</b>

Reconciliation of scheme assets and liabilities		Assets	Liabilities	Total
		£'000	£'000	£'000
<b>At 31 March 2020</b>				
Benefits paid	Pensions	(433)	433	-
	Other	(8)	8	-
Employer contributions		48	-	48
Administration expenses		(115)	-	(115)
Past service cost		-	-	-
Interest income/(expense)		289	(350)	(61)
remeasurement gains				
- Actuarial gains / (losses)	Change of Basis	-	(1,629)	(1,629)
- Actuarial gains / (losses)	Experience		(246)	(246)
- Return on plan assets excluding interest income		3,344	-	3,344
		<b>15,948</b>	<b>(17,211)</b>	<b>(1,263)</b>

Reconciliation of scheme assets and liabilities		Assets	Liabilities	Total
		£'000	£'000	£'000
<b>At 31 March 2019</b>				
Benefits paid		(486)	486	-
Employer contributions		48	-	48
Administration expenses		(125)	-	(125)
Past service cost		-	-	-
Interest income/(expense)		326	(373)	(47)
remeasurement gains				
- Actuarial gains / (losses)		-	252	252
-Return on plan assets excluding interest income		(798)	-	(798)
		<b>12,823</b>	<b>(15,427)</b>	<b>(2,604)</b>

## 17. TAXATION

The Company is exempt from liability to corporation tax on its charitable activities due to its status as a registered Charity.

## 18. CAPITAL COMMITMENTS

	FY 20/21	FY 19/20
	£000s	£000s
Capital Commitments contracted for at year end but not provided for	8,379	829
Capital Commitments approved but not contracted	904	10,800

## 19. OPERATING LEASE COMMITMENTS

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	FY 20/21	FY 19/20
	£000s	£000s
Payments due		
Not later than one year	167	152
Later than one year and not later than five years	160	185
Later than 5 years	8	21
<b>Total operating leases</b>	<b>335</b>	<b>358</b>

## 20. RELATED PARTY TRANSACTIONS

No donations were received from organisations connected with trustees (FY 19/20 nil). However donations of £24k were received from two trustees in the year (FY 19/20: £6k).



## 21. GRANTS AND DONATIONS

Donations and Grants of £5,000 or more, received in either current or prior year, are shown below. These are reported in the Statement of Financial Activities either under charitable activities or under income from donations

	FY 20/21	FY 19/20		FY 20/21	FY 19/20
	£	£	Continued	£	£
The Oak Foundation	500,000	200,000	Basil Death Trust	6,000	6,000
BBO Grant	436,231	435,490	Shears Foundation	6,000	-
Armed Forces Covenant Fund Trust	323,560	-	The Morrisons Foundation	5,500	195,100
ABF The Soldiers' Charity	315,000	368,500	Sir Graeme Odgers	5,000	5,000
Work Choice employee support grant	225,144	240,416	F Martin	5,000	-
The Royal Engineers' Association	220,000	-	Fort Foundation Burnley	5,000	-
Kent County Council	164,127	-	The Blythe Sappers	5,000	-
The Royal Navy and Royal Marines Charity	150,000	-	Simon Gibson Charitable Trust	5,000	-
The Wolfson Foundation	150,000	-	RAF Benevolent Fund	1,500	18,000
The National Lottery Community Fund	148,008	-	Greenwich Hospital	-	684,000
Colyer Fergusson Charitable Trust	125,000	125,500	Garfield Weston Foundation	-	500,000
Barratt Developments	100,000	240,963	Sir Jules Thorn	-	175,000
The Hands Family Trust	100,000	-	Scottish Veterans Fund	-	40,600
Forces in Mind Trust	95,000	-	Annington Trust	-	25,000
The Michael Bishop Foundation	75,000	-	Officers Association Scotland	-	25,000
Big Lottery Scotland	70,701	40,000	The Lawson Trust	-	25,000
3i	66,500	-	Berkeley Foundation	-	20,000
Veterans Foundation	56,000	20,000	Childwick Trust	-	20,000
Annington	50,000	106,000	Serco Foundation	-	19,878
The Bernard Sunley Charitable Foundation	50,000	50,000	Golding Homes	-	15,000
The Conway Charitable Foundation	50,000	50,000	Standard Life Aberdeen	-	13,194
The Peter Harrison Foundation	50,000	-	Gerald and Gail Ronson Family Foundation	-	10,000
Wellbeing Fund SCVO	48,206	-	Zochonis	-	7,500
The Masonic Charitable Foundation	45,000	45,000	Charles N Villiers	-	5,000
Tonbridge & Malling Borough Council	41,243	-	Cobtree Charity Trust	-	5,000
The Swire Charitable Trust	40,756	40,756	Constance Travis Charitable Trust	-	5,000
St James's Place Foundation	35,000	-	John James Bristol Foundation	-	5,000
Remembered	31,599	-	Julian Hodge Foundation	-	5,000
The Hobson Charity	28,000	-	Reo Stakis Charitable Trust	-	5,000
Poppy Scotland	24,000	39,717	The Rowlands Trust	-	5,000
REME	20,000	-		4,032,170	4,010,214
Stephen Kingsman	19,000	6,000			
Impact Funding Workplace Equality Fund	18,000	18,000			
Queen Mary's Roehampton Trust	15,000	35,000			
Centor	15,000	15,000			
The Army Central Fund	15,000	15,000			
Michael J Head	12,000	6,100			
John Scott Charitable Trust	10,000	20,000			
Francis Winham Foundation	10,000	5,000			
Armajaro Holdings	10,000	-			
Michael Holland	10,000	-			
Linstone Supporting Communities	7,595	-			
BAE Systems	7,500	-			

## 22. NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	FY 20/21	FY 19/20
	£000s	£000s
Net Income / (expense)	1,556	(211)
(Gains) / Losses on investment assets	(571)	457
Investment management fees deducted from fund	50	68
Difference between pension charge and cash contributions	128	124
Investment income	(89)	(203)
Depreciation on tangible fixed assets	844	771
Loss on disposal of fixed assets	5	-
(Increase) / decrease in stocks	(259)	45
(Increase) / Decrease in debtors	(255)	166
Increase / (Decrease) in creditors	1,129	(480)
Net cash inflow from operating activities	2,538	737

## 23. FINANCIAL INSTRUMENTS

		FY 20/21	FY 19/20
	Note	£000s	£000s
Financial assets			
Financial assets measured at amortised costs			
Trade debtors	9	1,961	1,479
Others debtors	9	30	8
		1,991	1,487
Cash at bank and in hand		3,710	4,180
Financial liabilities measured at amortised costs			
Trade creditors	10	1,052	570
Other creditors	10	-	-
		1,052	570



**Service awards:** RBLI carers were presented with Florence Nightingale awards for their work during the pandemic



# LEGAL & ADMINISTRATIVE INFORMATION

## TRUSTEES:

Mr S W Kingsman DL – Chairman  
 Mr F Martin DL – Vice Chairman  
 Brigadier H H Kerr OBE  
 Mr A Watson  
 Mrs N Ahmed OBE DL  
 Mr A B Gulland  
 Mrs K Cearns OBE, FCA FCCA  
 Ms S Mason  
 Mr S Rowbotham

## SENIOR MANAGEMENT TEAM:

Mr S F Sherry CMG OBE	Chief Executive
Mr P Defraigne ACMA	Director of Corporate Services & Co. Secretary (Resigned 19 <sup>th</sup> March 2021)
Mr G Nobbs FCCA	Director of Corporate Services & Co. Secretary (Appointed 1 <sup>st</sup> April 2021 & 28 <sup>th</sup> May 2021)
Mr W Campbell-Wroe	Director of Living
Mrs L Farmer	Director of Strategic Development
Miss Michelle Ferguson	Director of Scotland's Bravest Manufacturing Company
Ms K Wickes-Bull	Director of Britain's Bravest Manufacturing Company

**COMPANY NUMBER:** 00158479 Incorporated in England and Wales

**REGISTERED CHARITY NUMBER: England & Wales** 210063 The Charity is a public benefit entity

**REGISTERED CHARITY NUMBER: Scotland** SC048795

**HEAD OFFICE AND REGISTERED OFFICE** Royal British Legion Industries Limited  
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 Aylesford  
 Kent  
 ME20 7NL  
  
 Tel: 01622 795900  
 Fax: 01622 882195

**INDEPENDENT AUDITORS:** BDO LLP  
 55 Baker Street  
 London  
 W1U 7EU

**BANKERS:** Barclays Bank Plc  
 Corporate Banking Kent Team  
 2<sup>nd</sup> Floor, 30 Tower View  
 Kings Hill, West Malling  
 Kent  
 ME19 4UY

**INVESTMENT ADVISORS:** Julius Baer Portfolio Managers Ltd  
 1 St Martin's Le Grand  
 London  
 EC1A 1HQ

**SOLICITORS:** Thomas Snell & Passmore LLP 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX  
 Brachers LLP 59 London Road Maidstone Kent ME16 8JH

## RBLI SHOP GARDEN RANGE

REMEMBER THE SACRIFICES OF THE PAST  
BY DISPLAYING A BEAUTIFUL TOMMY PIECE  
IN YOUR GARDEN THIS SUMMER



## GET IN TOUCH

Royal British Legion Industries  
Hall Road  
Aylesford ME20 7NL

01622 795900  
marketing@rbli.co.uk  
rbli.co.uk

## FUNDRAISING FOR US

Contact fundraising@rbli.co.uk  
Mon to Fri 9am-5:30pm

## VOLUNTEER FOR US

Contact volunteer@rbli.co.uk  
Mon to Fri 9am-5:30pm

## PARTNER WITH US

Contact fundraising@rbli.co.uk  
Mon to Fri 9am-5:30pm

## BECOME A FRIEND OF RBLI

Contact enquiries@rbli.co.uk  
Mon to Fri 9am-5:30pm

## FIND US ONLINE

-  [rbli.co.uk](http://rbli.co.uk)
-  [rbli.shop](http://rbli.shop)
-  [wearelifeworks.org.uk](http://wearelifeworks.org.uk)
-  [britainsbravestmanufacturing.org.uk](http://britainsbravestmanufacturing.org.uk)
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Registered charity number 210063

