THE ROYAL BRITISH LEGION

England & Wales · Charity number 219279

Details

Other names	BRITISH LEGION, THE ROYAL BRITISH LEGION (CORPORATE BODY), POPPY APPEAL, THE LEGION
Status	Registered
Legal form	Other
Registered	1977-07-10
Register	View on the Charity Commission register

Contact

Address	The Royal British Legion 199 Borough High Street London SE1 1AA
Phone	02032072100
Email	sgray@britishlegion.org.uk
Website	www.britishlegion.org.uk

Activities

Objects: (A) TO RELIEVE NEED, SUFFERING AND DISTRESS OF BENEFICIARIES AND THEIR DEPENDANTS AND TO FURTHER THE EDUCATION OF BENEFICIARIES AND THEIR DEPENDANTS; (B) TO RELIEVE NEED AND PROTECT THE MENTAL AND EMOTIONAL HEALTH OF THE DEPENDANTS OF BENEFICIARIES WHO HAVE DIED OR BEEN SEVERELY INJURED; (C) TO RELIEVE SUFFERING, HARDSHIP AND DISTRESS TO DEPENDANTS CAUSED BY THE ABSENCE OF THOSE SERVING IN THE ARMED FORCES; (D) TO PROMOTE AND SUPPORT SCHEMES FOR THE RESETTLEMENT, REHABILITATION, RETRAINING AND SHELTERED EMPLOYMENT OF BENEFICIARIES AND THEIR DEPENDANTS; AND (E) TO PROMOTE THE COMMEMORATION FOR THE PUBLIC BENEFIT OF THOSE WHO HAVE DIED WHILST SERVING IN THE ARMED FORCES.

Activities: To safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces. One of the largest membership organisations in the UK, recognised as the custodians of Remembrance and also run the annual Poppy Appeal.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** Other Defined Groups

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Geography

- Belgium
- Belize
- Brazil
- Chile
- Cyprus
- Falkland Islands
- Fiji
- France
- Germany
- Gibraltar
- Guernsey
- Hong Kong
- Ireland
- Isle Of Man
- Japan
- Jersey
- Kenya
- Malta
- Monaco
- Netherlands
- Northern Ireland
- Portugal
- Scotland
- Spain
- Switzerland
- Thailand
- United States
- Throughout England And Wales

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£160,711,000	£174,426,000	£358,247,000	1774
2023-09-30	£147,061,000	£180,628,000	£350,514,000	1649
2022-09-30	£153,527,000	£151,854,000	£378,107,000	1544
2021-09-30	£137,359,000	£141,829,000	£379,796,000	1567
2020-09-30	£143,114,000	£160,970,000	£350,576,000	1675

Trustees

Name	Role	Appointed
Lynda Atkins DL	Chair	2025-05-18
Becks Buckingham		2026-05-10
DEBBIE SORKIN MA MBA		2018-06-14
ELIZABETH BUTLER		2018-06-14
Helen Owen		2020-05-17
James Lambert		2023-05-21
Jan Buxton		2024-01-29
John Thornhill		2025-05-18
Major James Sibbald		2025-05-18
Monica Risam		2020-09-24
Neil James		2026-04-21
PAUL HARRIS		2025-05-18
Paul Astruc		2023-05-21
Paul Lincoln		2026-02-01
Philip Davies		2023-05-21
Steven Lee		2023-05-21

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Linked charities

- BRITISH LEGION AREA HOUSES AT ROCHDALE (219279-1)
- BRITISH LEGION AREA HOUSES AT LAUNCESTON (219279-2)
- BRITISH LEGION AREA HOUSES CHARITIES (219279-3)
- BRITISH LEGION AREA HOUSES AT KETTERING (219279-4)
- ROYAL BRITISH LEGION HOUSING ESTATE (219279-5)
- THE ROYAL BRITISH LEGION CONVALESCENT HOME SOUTHPORT (219279-6)
- THE ROYAL BRITISH LEGION HOMES (219279-7)
- CROWTHORNE BRANCH THE ROYAL BRITISH LEGION (219279-8)
- ROYAL BRITISH LEGION - PILLING (219279-9)

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THE ROYAL BRITISH LEGION

England & Wales - Charity number 219279

Accounts

2024

Annual Report and Accounts

Year ended 30 September

ROYAL BRITISH LEGION

Jim Forbes (this page) and Jim Justice (cover), D-Day veterans, at the British Normandy Memorial, Ver-sur-Mer

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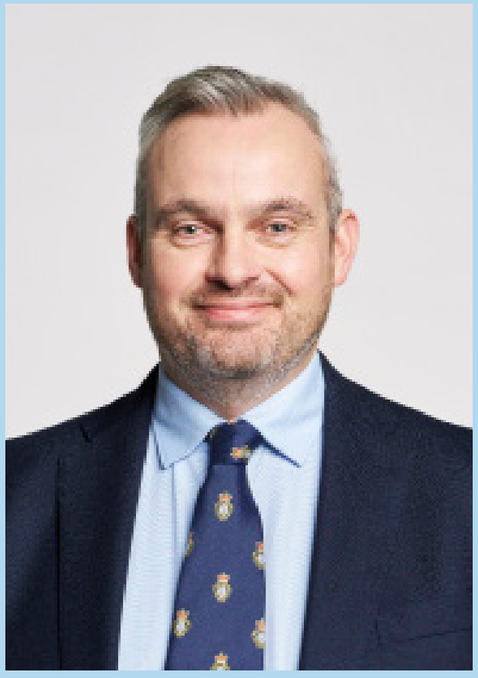
Forewords

Jason Coward
National Chair



Mark Atkinson
Director General

NATIONAL CHAIR

I have seen a lot of change during my 11 years as a Trustee, including three as National Chair – but never more so than right now. The world is more volatile and unstable than it has been for several generations. There is war in Europe and ongoing uncertainty in the Middle East, while here in the UK, there is a growing demand on our services due to economic pressures. It is therefore a challenging environment for the Royal British Legion – and other charities – to operate in.

However, the organisation was built on strong foundations and its charitable objectives remain the same: to provide welfare support to the Armed Forces community; to lobby and campaign on its behalf; and to recognise and remember the unique contribution of all who serve and sacrifice, past and present.

While our purpose remains valid, we do need to change to reflect the world we live in, which continues to evolve at pace. We must modernise. We must be flexible. We must focus on beneficiaries, and identify and adapt to their changing needs. In this, my last Annual Report before I step down in May, I cannot stress enough that we must be ready for what is next in order to best serve our Armed Forces community.

We have been working hard on strengthening the RBL – and I am pleased to say that this has been the year that much of the transition and modernisation has come together. A lot of this is down to Mark joining as Director General in January 2024. With his arrival, the organisation has mobilised around six strategic priorities (read more about these on page 9) and the development of a new strategy for the next decade.

We also have a strong and committed Board of Trustees and Executive Board, who have completed a huge amount of work internally to achieve a better working culture and outcomes.

We are now ready to move forward and build a more robust organisation, capable of meeting the needs of the Armed Forces community over the coming years.

I would just like to take a moment to remember Sir Clive Johnstone KBE CB, our former National President, who sadly passed away in May 2024. In the year he was in the role, he made a significant contribution, for which we are very grateful. Clive's impact continues to be felt – he is talked about every day – and his legacy lives on.

Reflecting on the past year, there is much to be proud of, including significant improvements to the beneficiary experience, our delivery of Team UK to the Invictus Games and the ongoing success of the plastic-free poppy. There are further design improvements we want to make to the paper poppy, but we are not afraid to innovate and challenge ourselves and the conventions of the past.

In May, His Majesty King Charles III undertook patronage of the RBL. This was another proud moment for us. HM The King is the fourth monarch to serve as our Patron, a role held for 70 years by his mother, Her Majesty Queen Elizabeth II. We are fortunate to have a strong relationship with the Royal Family and dignitaries, which enables the RBL's work to be amplified on a global stage. They regularly attend Remembrance events, and their presence is greatly appreciated in helping us honour all who have served and sacrificed.

It has been a big year for anniversaries too, including the 80th anniversary of D-Day, and Their Majesties The King and Queen joined Mark and me for a series of events in France. It was an incredible privilege to take a group of 20 veterans and their families across the Channel to commemorate the occasion. The youngest were in their late 90s; their children, in their 70s. Their determination to travel to Normandy to remember their fallen friends was extraordinary. We also hosted D-Day 80 events at the National Memorial Arboretum in Staffordshire, and we encouraged the nation to come together to remember this incredible generation.

Of course, we could not do any of it without our network of colleagues, members, supporters and volunteers – it is something we hugely appreciate. Members are the beating heart of the RBL. Their support and contribution are vital in creating and sustaining the national footprint that makes us who we are, and we cannot deliver the impact we want – locally, nationally or internationally – without them. Thank you to them all.

Jason Coward

"Reflecting on the past year, there is much to be proud of, including significant improvements to the beneficiary experience, our delivery of Team UK to the Invictus Games and the ongoing success of the plastic-free poppy"

DIRECTOR GENERAL

I have always admired the work of the Royal British Legion. When I joined, three months into the financial year, I was eager to ensure the organisation was fit for the future. My priority was to lead the development of a long-term strategy that ensured this charity was able to meet the changing needs of the Armed Forces community today and over the coming years. We are in a good place with this and expect to finish this piece of work in the middle of 2025. It will define our future vision and values, and it will also set out the outcomes we want to achieve and how.

As Jason says, we are living in a rapidly changing world. Even in the short time I have been Director General, global uncertainty has heightened. When the Chief of the Defence Staff, Admiral Sir Tony Radakin KCB ADC, spoke at our Annual Conference, he said that the RBL needs to be doubling its capability. It is therefore imperative that we are ready to support the Armed Forces community as it leads the country through significant change, uncertainty and volatility.

With very few surviving Second World War veterans left and a decreasing National Service generation, the Armed Forces community is likely to get smaller, younger and more diverse in the next decade. It is essential that we address this and make sure the RBL has an offer that is relevant to them. The next phase of our strategy work will explore all the ways we can widen our reach and continue to have a profound effect on people's lives.

We must also build and strengthen our relations with the younger cohort of veterans – those who served in more recent conflicts, including Bosnia, Kosovo, Iraq and Afghanistan – as well as currently serving personnel. We are making good progress and, in 2024, the RBL held commemorations for the 25th anniversary of the end of the Kosovo War and to mark ten years since UK combat troops left Afghanistan.

It has become more apparent than ever over the past year that beneficiaries need the RBL's help more than once. And in these unpredictable times, they will almost certainly need us more in the future. We have become much better at asking the right questions and understanding and addressing their ongoing needs. Our Cost of Living Grants were a great example of us responding to demand. It is likely that we will need to be more responsive to beneficiary needs as further uncertainties or risks materialise.

We must also be more proactive in identifying what beneficiaries need so that we can give them that help at exactly the right time. Data is crucial in achieving this. Our new strategy will be data driven, to improve efficiency in predicting and planning for the long term.

This year, we have worked hard to save money and ensure that spending in every department is as cost efficient as possible. By putting greater scrutiny on our operating costs and challenging every part of the charity, we can maximise the amount that goes towards helping our beneficiaries. The RBL has always strived to be financially diligent and will continue to do so. We are largely funded by voluntary donations from the British public and we do not take that for granted – we are committed to making sure all of our funds are spent appropriately. We want the RBL to remain an enduring and trustworthy brand.

Finally, I would like to reiterate Jason's sentiment about the importance of our colleagues, members, supporters and volunteers and thank them for their continued support. Their tremendous efforts year on year, particularly during the Poppy Appeal, enable us to change lives for the better and help unite the nation in Remembrance. There are very few organisations that bring the country together in the way the Royal British Legion does, and this is something we can all be very proud of.

Mark Atkinson

"I would like to thank our colleagues, members, supporters and volunteers for their continued support. Their tremendous efforts year on year, particularly during the Poppy Appeal, enable us to change lives for the better and help unite the nation in Remembrance"

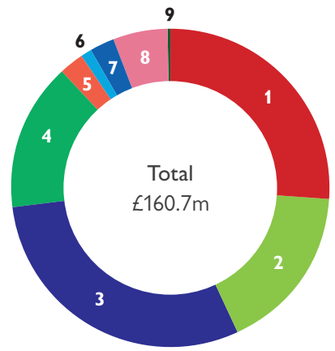
Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2024. Details of the group structure can be found in the financial review on page 48 and in note 14 to the accounts.

Financial overview

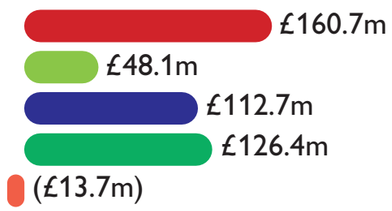
Where the money comes from

		£ million	%
1	The Poppy Appeal	41.9	26
2	Legacies	27.5	17
3	Other fundraising	48.2	30
4	Care home fees	24.0	15
5	Grants for welfare services	4.3	3
6	Remembrance	1.8	1
7	Membership subscriptions	4.0	2
8	Investment and property income	8.8	5
9	Other	0.3	0
	TOTAL INCOME	**160.7**	**100.0**



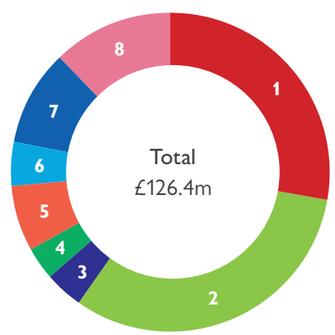
Income, expenditure and operating deficit

		£ million	%
1	Total income	160.7	100
2	Fundraising expenditure	48.1	30
3	Net income after fundraising expenditure	112.7	70
4	Charitable expenditure	126.4	79
5	Operating deficit	(13.7)	-9



Where our charitable expenditure goes

		£ million	%
1	Care homes	35.3	28
2	Welfare services, recovery and comradeship	40.4	32
3	Remembrance	5.1	4
4	National Memorial Arboretum	4.3	3
5	Membership	8.2	6
6	Properties and offices	5.5	4
7	Campaigns	12.3	10
8	Support costs (including People and Digital)	15.3	12
	TOTAL CHARITABLE EXPENDITURE	**126.4**	**100.0**



Funds and Reserves

The total funds of the RBL group are broken down into three categories: Not available to spend, Membership and Restricted Funds, and Available Unrestricted Funds. Our Reserves policy can be found on page 51. Full details of each type of fund can be found on pages 92-95.

Not available to spend

Buildings such as care homes	£76.2m
Branch properties occupied by RBL clubs	£62.2m
Interest-free loans to beneficiaries	£4.4m

Subtotal of funds not available to spend: £142.8m

Membership and Restricted Funds

Membership funds, including money held by branches	£35.7m
Money that can only be used in a specific geographical area	£54.4m
Money given to us for a specific purpose	£22.4m

Subtotal of Membership and Restricted Funds: £112.4m

Available Unrestricted Funds

Money set aside for unexpected items or emergencies	£80.0m
Money we have available to spend	**£22.9m**

Subtotal of Available Unrestricted Funds: £102.9m

Total Funds held by the RBL group

£358.2m

The year in context

Amelia Lam, Collector at London Poppy Day 2023. Contactless donations are increasingly popular

The RBL is a well-governed and well-run organisation with good reserves. We are also building a new and exciting strategy, all of which puts us in a strong position to meet the needs of our beneficiaries, despite various challenges.

While inflation fell throughout 2024, economic pressures have continued to create headwinds for the charity sector as well as the communities it serves. Many of our services are in higher demand due to pressures on beneficiaries, and these same pressures place similar strain on the finances of individual supporters.

We have also been affected by wage inflation, partially due to increases in the National Living Wage – which we are committed to providing to our colleagues, particularly those in our care homes. And although we endeavour to maintain a good level of fundraising, supply-chain inflation means that many of the costs of goods and services required to deliver our ambitions have increased.

However, we will make the decisions necessary to confront these challenges and ensure we can continue to support those who need us – and even improve the impact of our work through the development of our new strategy.

Most people in the UK Armed Forces community have a positive experience of service and do well in civilian life. A sizeable minority, however, have increased needs compared to the general population. Physical-health challenges are widespread, and 32% of veterans live with a disability. Many veterans provide unpaid care to loved ones or live with relatives who do – 19% of partners and 8% of children provide this support, including nearly 14,000 young carers. Some mental-health challenges, such as elevated rates of anxiety, depression and alcohol use, are more prevalent than in the general population.

Financial pressures, including housing maintenance, debt and the complexities of war pensions and compensation, are also key concerns. Family life can be affected by challenges such as intimate-partner violence, loneliness and the strain of service life, which is often cited as a reason for leaving the military.

As we work on building a new strategy, it is crucial that we prepare the way. To do this, we agreed six strategic priorities during 2024 to ensure a smoother transition towards the delivery of this new strategy.

THE RBL'S SIX STRATEGIC PRIORITIES FOR 2024

1 Develop a new strategy and target operating model

In the summer, our work started in earnest to develop a new ten-year strategy. The work so far has focused on:

- Gathering a wide range of views about what we do well and what needs to improve. This input, and the research we have undertaken, has provided us with a rich understanding of the landscape we are operating in.
- Bringing clarity and definition to our future strategy by developing our shared purpose, mission, vision, values and behaviours, and reviewing our structure. We will continue to develop our finance model, identify strategic gaps and define the outcomes we want to achieve for beneficiaries.
- Adapting to change. We will continue to be agile and adjust to the evolving landscape and changes in the Armed Forces community, as well as try new things to remain relevant. We plan to present our new strategy at the Annual Conference in May 2025 and share it with other stakeholders.

2 Drive financial performance across the RBL

The financial year 2022/23 left us with an increase in our operating deficit, which stood at £33.6 million (before investment gains). This level of deficit is affordable in the short-to-medium term due to our financial reserves, but it is not sustainable in the long term. Progress against this priority includes:

- Initiating the Managing our Finances project to target improvements in the operating deficit through increases in income and cost efficiencies. A decision was also taken to stop issuing Cost of Living Grants as the rate of inflation and increase in utility costs had reduced.
- Identifying deficit improvements of £15 million per annum, to be delivered over a three-year period, from the 2023/24 financial year; £10 million was used to reduce the operating deficit and £5 million on funding investments in new systems and organisational improvements.
  The initiatives cover all areas of the RBL's activities – the largest single programme is the Care Home Efficiency Review, which is seeking to reduce the level of subsidy it takes to run our six care homes.
- Reducing our operating deficit from £33.6 million to £13.7 million in 2023/24. We are on track to achieve our targets on the vast majority of the initiatives over the next two years.

3 Build the foundations to grow our future income

A significant amount of research and groundwork has already taken place to help deliver this. Two projects have been instrumental in building these foundations:

- The Fundraising Change programme, in which the six most important areas for income growth were identified and a project-management structure created (see page 36 for more details).
- A large piece of work was implemented around the Three Giants of our fundraising strategy: the Poppy Appeal, Individual Giving and Legacies. To help strengthen the Poppy Appeal, we built on the success of previous Appeals, planned further in advance and better supported our volunteer collectors. Around £1 million was moved from underperforming fundraising areas to use within Individual Giving recruitment – focusing our spend and agreeing further investment here will lead to greater long-term sustainable income. We also commissioned an external review of our Legacies programme. This is to be completed but has already given helpful insight into where improvement is required. This review will also help us predict our legacy income with greater accuracy and identify opportunities to grow legacy income.

4 Strengthen and evolve our culture and governance

Evolving the culture of the RBL is critical to the success of our future strategic ambitions and goals. Put simply, culture is 'how we do things' – the organisational environment that our colleagues, beneficiaries and partners experience when engaging with the RBL. Projects in progress include:

- Building on our work around understanding key behaviours that we believe our colleagues across all areas should demonstrate. These will stem from our revised set of RBL Values, an important aspect of the new strategy that is being developed. They will then be threaded through all of our work so that they become part of a culture that produces a positive experience for all.
- Further focus on: our commitment to valuing diversity across the Armed Forces community, our membership and beneficiaries; reducing conflict; building on the principles of mutual respect; and driving a performance culture.
- A review of the role and remit of our governance team, findings of which we will use to deliver a high-quality service across the organisation, operating within a clear, transparent framework. Good governance is fundamental to the effective operation of the RBL.

From left: Jean Read, Jean Hall, Linda Sharp and Gloria Thirrouez, members of the Women's Section Desborough Branch

5 Improve our Digital, Data and Technology (DDaT) capability

To progress this priority, we have established DDaT as an Executive Board directorate in its own right for the first time, led by a DDaT Executive Director.

- As a critical foundation of DDaT, we have matured our cyber-security posture (our overall readiness to protect against and respond to cyber threats), achieving Cyber Essentials Plus accreditation and developing our own rolling programme of improvements in both our defences and our cyber-incident response capabilities.
- We have also leveraged new digital capabilities in a range of operational ways across Annual Conference, the Poppy Appeal and London Poppy Day.
- Good progress has been made in introducing technology into our six care homes, with electronic care planning, medication-management systems, digital receptions and nurse call systems implemented across all homes.
- At a strategic level, we are focusing on improving our customer-relationship management (CRM), which will modernise our operating capability over a multi-year period and strengthen our ability to be data driven and evidence led.

6 Improve our membership experience

We want to grow membership by attracting new members and improving retention. We will do this by strengthening the membership offering, increasing satisfaction and engagement, and ensuring our members feel valued and supported.

- To improve our membership experience, we are focusing on six priorities: engagement; communication; member experience, including joining/renewal improvements; finance, including internet banking; branch offer, including Branch Community Support (BSC) rollout; and clubs.
- We are also investing in better tools and platforms to streamline member interactions, making it easier to access resources, connect with others and participate in events. We gather regular feedback through surveys, focus groups and direct communication, allowing us to continually refine our membership offering and address any concerns.
- Progress is ongoing in strengthening our community-building efforts by creating more opportunities for members to interact, collaborate and share experiences. This includes growing our networking events, both online and in person, and expanding our BCS programme with new roles and resources. By prioritising an inclusive and responsive approach, we aim to create a membership experience that is satisfying and empowering to ensure long-term membership loyalty and engagement, which in turn helps the RBL deliver on its charitable aims.

Ambassador stories

Former RAF medic Bronwyn Wilkinson was supported by the RBL's Recovery Through the Arts

Bronwyn Wilkinson, an RAF veteran from Neath, South Wales, joined the Armed Forces aged 18 and trained as a Paramedic in Cumbria. Her parents were first-aid instructors in the Territorial Army, so she knew how to deal with a chest wound from bullets before she knew how to handle a nosebleed.

Bronwyn enjoyed service life but was in constant pain from an ongoing hip and shoulder injury sustained in training in 2011. This became much worse in 2015, when she was working towards representing the RAF in taekwondo at the Combined Services Championships.

A challenging five-year period followed, culminating in Bronwyn being medically discharged in 2020, during the height of the pandemic. "I found my military discharge very hard to accept – I was only 28, but I couldn't imagine anyone else wanting to employ me," she says.

With her mental and physical health at an all-time low, Bronwyn turned to the RBL for support and was offered a place on a multi-activity course for wounded, injured and sick serving personnel and veterans at the RBL's Battle Back Centre in Lilleshall, Shropshire. These specialist courses help participants to rebuild their confidence and develop positive thinking, focusing on what they can do, rather than what they can't. They also aim to foster camaraderie through shared experience.

"On the first day, it was like a room full of shadows,' Bronwyn admits. "But on the last day, it was almost like we were too crammed in there, because we were all bursting with life. That course saved my life – it completely changed my perspective."

Bronwyn also attended workshops run by the RBL's Recovery Through the Arts (formerly Bravo 22 Company). "I was so keen to have a connection with like-minded people again. I was hoping to come away feeling a bit more confident in myself and my abilities. But I came away with a much better outlook, generally."

Bronwyn's experience with Recovery Through the Arts has been a huge source of joy. It has even given her the confidence to pursue amateur dramatics, and she has since joined a local musical theatre group. Now 32, Bronwyn has also found a new career as a Clinical Adviser with the Welsh Ambulance Service NHS University Trust. "Everything in life just seems brighter and more fun, because I'm in a better place."

Nigel Hardisty grew up in the seaside town of Scarborough and had always wanted to join the Royal Navy. However, when he went to enlist, aged 15, the Navy was full. He was persuaded to join the Royal Marines instead – and never looked back. "It was the making of me," he says.

In his almost ten years in the Armed Forces, Nigel served in Northern Ireland during the riots in West Belfast and in the Falklands at the height of the conflict – where he experienced a narrow escape. After marching towards Port Stanley, Nigel says his "knees were shot", so he was put onto support ship RFA *Sir Galahad* to get a couple of days' rest. But on 8th June, 1982, *Sir Galahad* was attacked. "There was no warning, just a huge bang as the ship was targeted by three Argentinian Skyhawks," he recalls. "There was instant black smoke – you couldn't see a thing, and I couldn't breathe."

Nigel managed to escape, but he later learned that 32 Welsh Guards, 11 soldiers and five civilian crew had died in the attack. After safely reaching shore, he was reunited with his unit who had made it to Port Stanley. He discovered that during his absence, four of his section had been killed in an ambush. Nigel was already struggling with survivor's guilt, and this made it far worse. "I was sent home and my family put on a massive homecoming event for me, but I hated it," he reveals. "I felt guilty about coming back and leaving lads behind."

Nigel left the Army in 1985 and worked as a decorator and a professional driver. Then, in September 2023, his 15-year marriage ended suddenly. "I was 64 and retired. I lost my home and my savings and was effectively made homeless," he says. "You can't rent a house or a flat without a job, and I had no income, so I had to register with the council for the first time ever. It was tough – I needed help."

He reached out to the RBL for support, followed the charity's advice and was moved further up the priority housing list thanks to the Armed Forces Covenant. "One day, the local authority rang and offered me a flat," he says. "I moved in on my 65th birthday, in March last year."

Nigel adds: "I'm eternally grateful. I've been provided with new carpets, a cooker, a fridge-freezer and the RBL paid my first month's rent. My case officer has kept in touch and been a rock for me. I never thought I would need the RBL, but I'm so glad they were there."

Nigel Hardisty has been helped by the RBL in a number of ways

National Serviceman Alan Sillett enjoys life at RBL care home Galanos House

Alan Sillett was called up for National Service in 1959 and was in one of the last intakes. He served with the Royal Army Service Corps in Aldershot, Hampshire, for two years. He then spent his civilian career in the food industry managing bakeries.

When Alan's wife became very unwell, they decided to split up so that she could get the care she needed. Alan's daughter began to search for the best place for her father to live and found Galanos House, one of the RBL's six care homes.

Alan, from South East London, has now been living at Galanos House for nearly three years and the move has been transformational for him. "I've received all the support one could ask for," he says.

"At first, everybody feels insecure. It's a totally natural feeling because you've given up your own space and you've come to live with people you've never met before. But gradually you settle in, and you're looked after and cared for. I'm a different person from when I first arrived."

Alan is actively involved with life at Galanos House and has put his skills from his career to good use. He has helped to conduct an audit of the dining room and kitchen, and runs regular forums with residents to improve menu selections. Alan has also organised several baking workshops and 'bake-offs', which have been popular.

A fan of classical music and opera, Alan also runs a monthly concert for his fellow residents to enjoy. "The power of music is just amazing," he says. "Some of the people who may be suffering with dementia here, it lifts them."

He credits the care home staff with his involvement: "I can only say good things about Galanos House. You're encouraged to find your own way and independence. They ask you to get involved in whatever area you've got something to offer."

Alan adds: "The bottom line is: we have fun! That's key to what we're trying to do – to bring happiness. It's amazing the lengths people go to at Galanos House to ensure the residents are having a good time."

"I can only say good things about Galanos House. You're encouraged to find your own way and independence"

2024 in numbers

£41.9 million

was raised through the 2023 Poppy Appeal. This compares to £39.3 million in 2022/23

To mark D-Day 80, we took

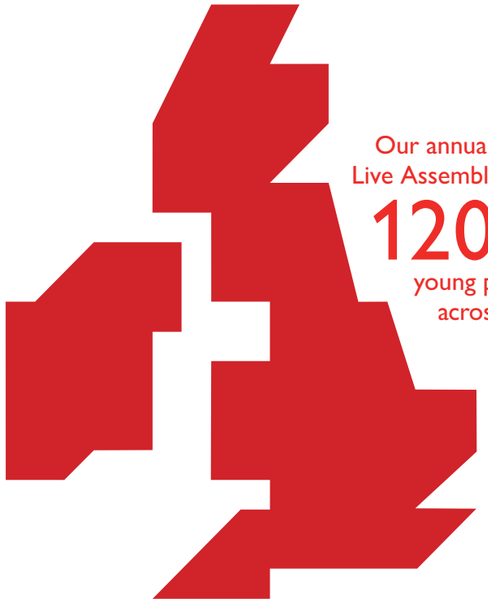
20

Normandy veterans to France

and welcomed another

26

to the National Memorial Arboretum



Our annual Remembrance Live Assembly was watched by

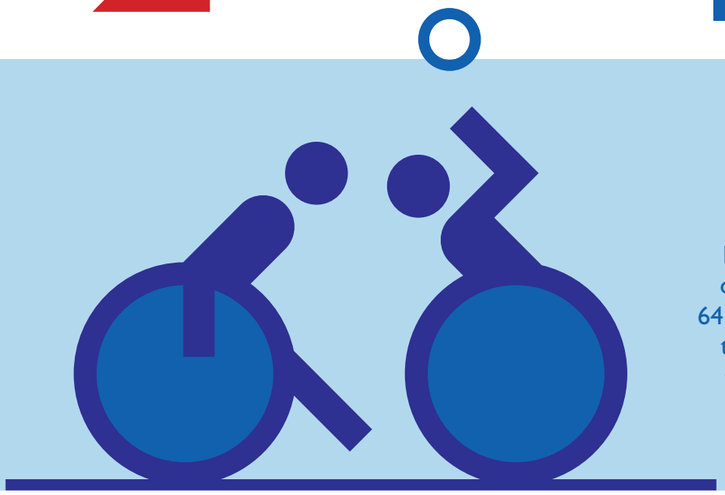
120,000

young people from across the UK

We saw more than

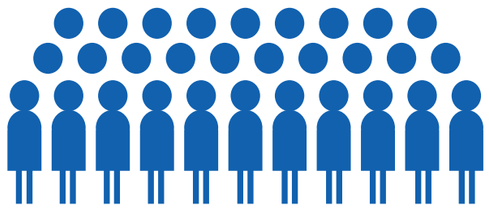
2,000

new supporters join our campaigning community, helping us to foster direct engagement with policymakers



761

beneficiaries took part in our recovery courses and 64 competitors were selected to be part of Team UK at the Invictus Games 2025



An estimated

54,000

volunteers took part in our 2023 Poppy Appeal

We helped beneficiaries with 22,600 grants, totalling

£11.8 million

We represented

733

beneficiaries at tribunals, resulting in £24.5 million in War Pensions awards

Dunkirk Memorial House and Galanos House were rated Outstanding by the Care Quality Commission

We recruited

52,000

new regular supporters, 30% more than 2022/23, helping us to grow our longer-term, sustainable fundraising

Our benefits, debt and money advice specialists supported

1,314

households, with financial outcomes of nearly £10 million achieved, a 29% increase from the previous year

£116.1 million

was raised through fundraising and Poppy Appeal activity

Through our casework and specialist support services, we helped

22,507

households across 66 countries

Services and support

Dan Bennett, Royal Navy veteran and Team UK competitor at a training camp in the lead-up to the 2025 Invictus Games

The needs of the Armed Forces community are central to all we do. The economic climate remains difficult for our beneficiaries, but the Royal British Legion has continued to provide outstanding support to those in need. During 2023/24, we saw case numbers reduce and good customer satisfaction across the board.

The volume of beneficiary households we directly supported in 2023/24 returned to non-cost-of-living-crisis levels, decreasing by 18% on the previous year. This was still up 11% on the year before that, with 128,491 beneficiaries seeking help via the RBL's contact centre. Our Casework Services and Specialist Services teams helped 22,507 households in 66 countries, highlighting that our support reaches far and wide.

We implemented a number of changes to enhance the experience of beneficiaries, a major objective for this financial year. These included clearer support pathways, introducing a named point of contact for all beneficiaries and, for the first time, direct referrals to our specialist services. We have already seen several positive outcomes, such as reduced waiting times. Thanks to the introduction of new customer-satisfaction indicators, we know that 87% of beneficiaries said that they would recommend the RBL, and 85% said we understood them and their concerns.

We measure the impact of our casework and specialist-advice services using The Independence Star, a beneficiary-led, quality-of-life assessment tool that measures against six categories of welfare need. Most of our work focuses on household finances, housing and mental health, and those consistently note the highest growth in life quality, with an increase of 24.3%, 19.9% and 17.9% respectively.

To ensure quality and regulatory compliance, our Benefits, Debt and Money Advice service is monitored by the Financial Conduct Authority, and our six care homes are regulated by the Care Quality Commission.

Casework Services

The RBL's Casework Services are at the heart of our welfare work. To inform our strategic decision-making, and in line with aims set out in last year's Annual Report, we have used data and insight more effectively to maximise the breadth and scale of our services. This has enabled us to monitor caseloads, anticipate resourcing requirements and respond to service demands so that beneficiaries receive meaningful contact within set timescales. We continue to see beneficiaries who present with multiple and complex needs, and we are always looking to strengthen our links and relationships with other RBL departments and services. We recently set up mentors within Casework Services to liaise with the RBL's care homes and the wider Recovery Services team.

Recovery Services

We deliver our Recovery Services via three main areas: the Battle Back Centre, Recovery Through the Arts and Team UK (Invictus Games).

The Battle Back Centre continues to provide best-in-class recovery initiatives to the wounded, injured and sick community, with 38 courses delivered in 2023/24, reaching 761 beneficiaries (572 serving and 189 veterans). Wellbeing courses aimed at families were also piloted and, as a result, reached 150 more beneficiaries compared to 2022/23.

We moved our coaching capability in-house, saving more than £200,000 per year. Recent restructuring saw an increase in staffing levels in response to the growing demands of the delivery required by the Battle Back Centre and the RBL's involvement with the Invictus Games.

The RBL's Recovery Through the Arts, in partnership with The Drive Project, has provided 340 spaces this year to participate in programmes such as storytelling, comedy, watercolour and creative-coaching projects. These help participants to develop new skills and improve confidence and self-worth.

Delivering Team UK to the next Invictus Games in Canada in 2025 has come with new challenges and considerations, as this event will include winter sports for the first time. Team UK continues to attract applicants, with 283 beneficiaries registering interest for Canada 2025. This year, we offered a pre-application phase with four camps and three Battle Back Centre courses available to 59 veterans and 38 serving personnel. A total of 64 competitors were selected for Team UK, including four reserves.

Care Services

The RBL continues to provide high-quality residential, nursing, respite and day care in our six care homes. Last year, we supported 781 elderly veterans, their dependants and families. These care

"Casework Services and Specialist Services teams helped 22,507 households in 66 countries, highlighting that our support reaches far and wide"

homes offer a unique environment that recognises and honours the service and sacrifice of our residents.

Dunkirk Memorial House and Galanos House continue to be rated Outstanding by the Care Quality Commission, and we have made progress in improving occupancy levels in three of our homes (Dunkirk Memorial House, Maurice House and Galanos House). This remains a challenge in the other three (Lister House, Mais House and Halsey House). Care home staff turnover rate is also problematic but remains beneath the UK care sector benchmark (29% vs 30.4%), and absence levels are stable at 9.9 days per annum.

Highlights this year include Maurice House being accredited with the Gold Standards Framework, and all six care homes being awarded the Veteran Friendly Framework, which ensures the best standard of care to veterans in residential homes.

In June, care home staff supported D-Day veterans travelling to Normandy for the RBL's D-Day 80 commemorative events, and all six care homes held events locally. In partnership with charity UK Men's Sheds Association, Galanos House opened a new Men's Shed on its grounds in August to help reduce loneliness.

Following the introduction of electronic care planning, electronic medication management has also been implemented in all of our care homes, and we have established and completed the first phase of the Care Home Efficiency Review programme. In line with last year's aims, this is a major review and efficiency project to help improve the financial performance of our care homes – without impacting on safety, quality or experience. A proposal to implement the improvements will be agreed with Trustees.

Our Admiral Nurse Service provides personalised support to the family of a person living with dementia, equipping carers with the skills necessary to assist with care and promote positive approaches to living with dementia. Following a period of expansion, we now have 32 Admiral Nurses working across the UK, having recently extended the service to Scotland and Northern Ireland.

Between October 2023 and September 2024, Admiral Nurses received 1,548 new referrals and supported an average of 2,256 beneficiaries per month. They undertook 37,432 interventions with – and on behalf of – families and delivered 16 clinics or further support at the RBL's six care homes, reaching more than 60 families. We also have a dedicated Admiral Nurse working alongside our care homes, providing support to families and staff, and helping to roll out the RBL's Dementia Strategy to improve quality of care for residents living with dementia.

National Serviceman Tommy McGuire, who was diagnosed with vascular dementia in 2020, with his wife, Pat, who is his carer

Specialist Services

This year, the RBL's Benefits, Debt and Money Advice specialists supported 1,314 households, with 91% of beneficiaries stating they had their needs met in the latest customer-satisfaction survey. The service was also recognised by the Institute of Money Advisers, which shortlisted the RBL as a finalist for the Innovation and Impact Award in 2024.

Financial outcomes of nearly £10 million have been achieved through a combination of debt write-off, access to additional benefits and RBL-issued grants for priority debts and insolvency fees – this is a 29% increase from the previous year.

Our Advocacy and Complex Needs service, formerly Outreach Service, assists beneficiaries with complex support needs in relation to homelessness, mental health, domestic abuse, children/families at risk, addiction and dependency issues, and

"Admiral Nurses received 1,548 new referrals and supported 2,256 beneficiaries a month"

Mina Endeley, Army veteran, at the Invictus Games Team UK line-up announcement in July 2024

those engaged with the criminal-justice system. In the past year, the service has been expanded and is now operating in Scotland (under the Poppyscotland banner). With provision now fully available across the UK, in 2023/24 it was able to help 1,109 individuals/families, an increase of 9% from the previous year. Support with homelessness and mental health continue to be among the top referral needs, but approximately 90% of beneficiaries have multiple support needs. Following our assistance, beneficiaries reporting an improvement in their housing were up by 3% on the previous financial year.

The RBL's Independent Living Advice team helps beneficiaries to live independently, safely and well in their own homes or to transition to a more supported environment. Support also extends to practical and emotional aid for carers, including carer's assessments. In 2023/24, the service supported 1,645 beneficiaries, an increase of 45% on the previous year. Two advisers joined last year, which meant the service could be expanded to cover Scotland, creating a UK-wide Independent Living Advice team.

Our War Pension and Armed Forces Compensation Service supports serving personnel, veterans and bereaved families at War Pensions and Armed Forces Compensation tribunals. In the past year, 724 new requests for support were received and beneficiaries were represented at 733 tribunals, ensuring that every beneficiary who requested representation received it. A total of 222 clinics took place, providing beneficiaries with the opportunity to review their appeal together with their RBL adviser.

Financial awards gained for represented beneficiaries during this time totalled £24.5 million. This includes awards for eight beneficiaries, which, over an anticipated lifetime, will pay in excess of £1 million.

Grant giving

The RBL's Grants to Individuals programme funds individual interventions for beneficiaries to meet identified welfare needs. The volume and value of support provided during 2023/24 was 22,600 grants, totalling £11.8 million. This is a significant reduction compared to the prior year, due to the end of the Cost of Living Grants in January 2024.

Our core grant-giving activities are linked to comprehensive action plans developed by our Casework and Specialist Services teams and partner organisations such as SSAFA and the Royal Air Forces Association. Areas of need followed broadly the same trends as in previous years – the highest volume and value of grant applications were for mobility-related items and household goods. Beneficiaries have access to our sector-leading online pathway, which allows them to 'self-serve' by applying for funding from the RBL through a purely digital channel. This portal was first launched to support applications for the Cost of Living Grants but is now used to accept applications where there is no requirement for standard case management. This route continues to attract applications from harder-to-reach demographics within the Armed Forces community. For example, the RBL's beneficiary reach in Northern Ireland has doubled as a result, and more than 20% of applicants are currently serving.

In 2023/24, RBL-funded grants to external organisations benefited 29,000 households. New grants were awarded to charity partners, including the Forces Employment Charity, with new projects expected to help more than 12,000 beneficiaries. In the second year of a three-year funding agreement, the Forces Employment Charity reported that 3,554 beneficiaries have been supported since the project began in 2022; 71% of beneficiaries reported an increase in their wellbeing; 81% felt more aspirational and motivated; and within the last six reporting months, 678 beneficiaries moved into employment.

The success of the Forces Employment Charity in delivering sustainable, positive change to beneficiary households is a prime example of how the RBL can invest in high-quality work without delivering it ourselves. Project funding allows us to broaden our reach and impact while contributing to the stability and success of the wider Armed Forces charity sector.

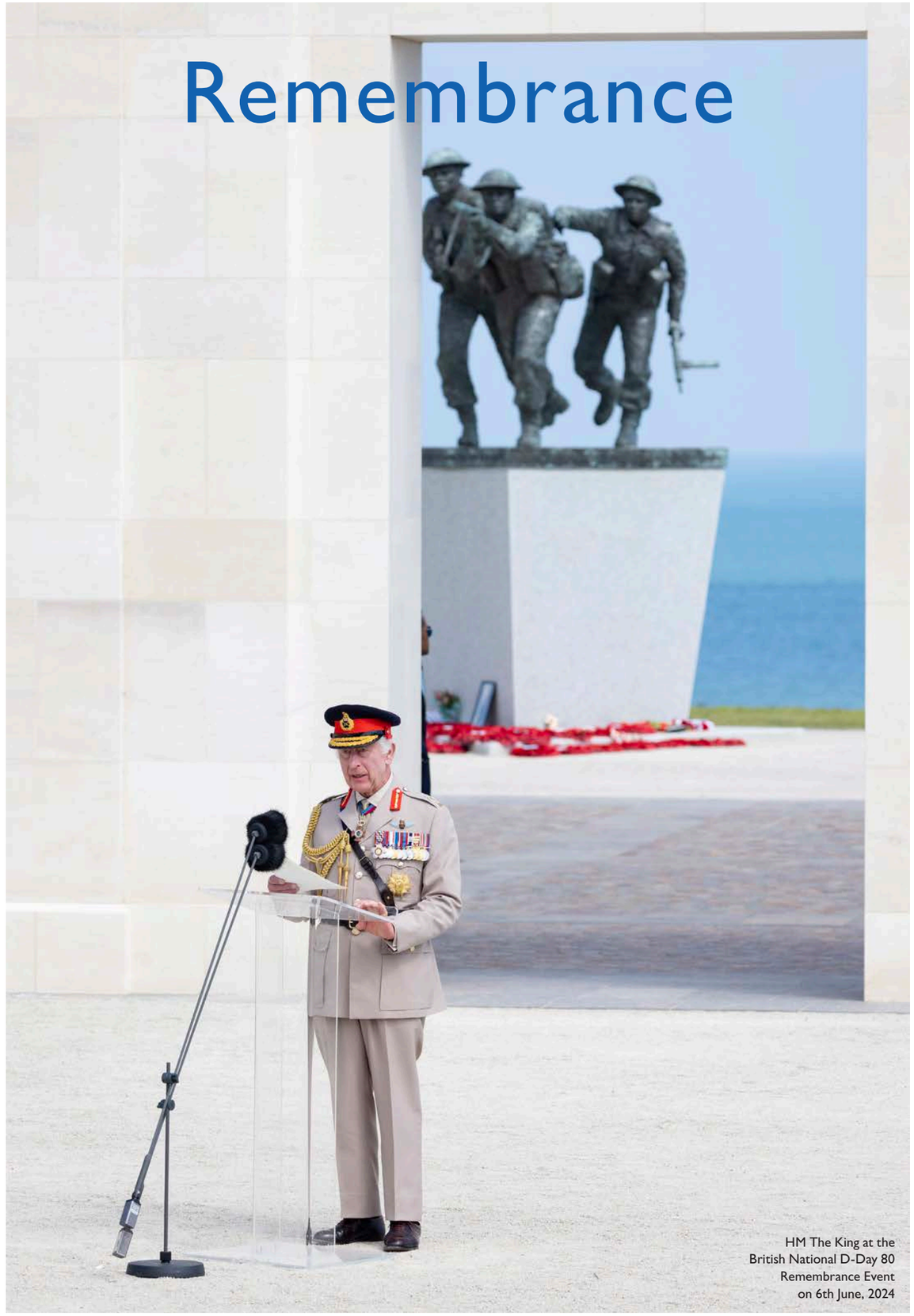
In summary

We have made great progress against our aims from last year – in particular, implementing new ways of working that will help improve the beneficiary experience, and the establishment (and completion of phase one) of our Care Home Efficiency Review programme. We have also launched the Team UK recovery programme, and planning is underway for the delivery of Team UK to the Invictus Games in Birmingham in 2027.

Other successes include completing the integration of Poppyscotland welfare services into the RBL, ensuring the Armed Forces community in Scotland were not disadvantaged by where they lived. We also created an urgent support service seven days a week, 8am-8pm (to mirror the RBL's contact centre), providing food, clothing and temporary accommodation to 867 individuals and families.

Veterans participate in indoor short tennis at the Battle Back Centre

Remembrance



HM The King at the British National D-Day 80 Remembrance Event on 6th June, 2024

"Throughout 2024, we marked the 80th anniversaries of the key conflicts of 1944, telling diverse stories from across the Commonwealth"

It has been a big year for Remembrance, not only in terms of events but also with regard to our ways of working. In line with the aims we set out in last year's Annual Report, we have developed a new research strategy that has allowed us to evaluate the progress and impact of our work. This centres around our key objective of ensuring that the service and sacrifice of our Armed Forces family from Britain and the Commonwealth are actively remembered.

As a result, we are now able to more thoroughly evaluate our work within the RBL as well as within the RBL-funded National Memorial Arboretum. This ranges from nationwide commemorative events and educational programmes to knowing more about the vital support of branches, members and partners. The data shows that our work continues to be impactful and that we are making a difference in the Remembrance space by providing inclusive access to a wider and more relevant choice of content, events and opportunities to remember.

We also refreshed our Remembrance Position Paper, and its key points have been shared across the RBL, including with branches and members, to make sure we align. These key points provide rich insights into how Remembrance can be practised in ways that resonate with our audiences across the UK.

Significant anniversaries

Throughout 2024, we marked the 80th anniversaries of the key conflicts of 1944. These included the battles of Monte Cassino in Italy, Kohima and Imphal in India, and D-Day and the Normandy campaign in France. Crucially, this also enabled us to tell diverse stories from across the Commonwealth and highlight breadth of service.

At the start of June, to mark D-Day 80, our year-long planning came to fruition and the RBL took 20 Normandy veterans to France and welcomed another 26 to the National Memorial Arboretum in the UK. These Remembrance events drew on veteran testimony, and further stories were explored in our Legacies of D-Day exhibition, putting veterans at the heart of our commemorations.

Approximately 1,500 people were present at our 5th June service at the Bayeux War Cemetery, which was attended by HRH The Princess Royal, who spoke at the event. Another 2,500 joined us on 6th June at the British Normandy Memorial for the RBL and Ministry of Defence's British National D-Day 80 Remembrance Event. Broadcast on the BBC, it attracted a live audience of 1.9 million, while a further 400,000 watched later on iPlayer. The Remembrance Service at the National Memorial Arboretum, also on 6th June, was attended by 2,300 people and attracted substantial media interest, with 80 outlets joining us to report on the event.

We encouraged members to make connections to local Second World War veterans and to hold commemorations within their communities. Resources drawing on some of the core exhibition content were created, and our free downloadable resource packs, which featured tips and ideas to help members plan events, saw the largest uptake.

D-Day Poppy Appeal activity took place across the country. Poppy Appeal Organisers arranged events alongside collections at 14 mainline and a number of London Underground stations, raising £284,000 on 6th June alone. Overall, our D-Day activity performed as expected, bringing in £430,000 in revenue. To assess its impact, we commissioned YouGov to carry out a nationwide quantitative survey. Key findings include that awareness of D-Day 80 was high, at 88%, and 57% of those aware of D-Day 80 identified the RBL as the leading charity.

Another of our aims, set out in the last Annual Report, was to strengthen relations with service personnel from more recent conflicts, such as the Balkans, Iraq and Afghanistan, and mark contemporary milestones in ways that will connect with them. June saw the 25th anniversary of the end of the war in Kosovo and the deployment of the NATO peace-support force, KFOR. For a quarter of a century, British forces have been dedicated to supporting peace and stability in Kosovo. We honoured their unwavering service with a special event on 23rd June for veterans, civilian contractors and families, held at the Armed Forces Memorial at the Arboretum, and we received positive feedback from the veterans who attended. It is essential that we continue to build collaborative relationships with this generation.

National events

The 2023 Festival of Remembrance at London's Royal Albert Hall commemorated the anniversaries of two crucial historical battles: 80 years since the Battle of the Atlantic – the longest military campaign of the Second World War – and the 70th anniversary of the end of the Korean War, in which many National Servicemen fought and died. We were honoured to have veterans from both battles join us.

The Festival also marked the 75th anniversary of the arrival of HMT *Empire Windrush* in the UK, paying tribute to the extraordinary contribution of the Windrush generation. Currently serving personnel were celebrated as we heard about the remarkable work of the British Army Chaplains in training their Ukrainian counterparts.

On Remembrance Sunday, the RBL honoured the contribution of British and Commonwealth military and civilian service personnel at the National Service of Remembrance at the Cenotaph in London. This was followed by the veteran March Past, where 10,000 veterans from across all three services and representing their respective associations marched with pride. For the first time in the history of the March Past, the parade welcomed veterans who do not belong to associations. A greater number of veterans from more recent conflicts were represented than in previous years, due to our growing connection with this generation and their networks.

We have also continued to strengthen the partnerships we have established with the Memorial Gates Council, Defence for the Bereaved Families Group, South Asian Heritage Month, Black History Month and the National Literacy Trust. These alliances are vital to our work as they help ensure that everything we do is authentic, diverse, inclusive and accessible to the audiences who we are here to engage with and serve.

The next generation

The RBL's Teaching Remembrance Learning Programme continued to offer teachers, educators and young people high-quality learning resources and events to support their engagement with Remembrance at school and at home.

In 2023/24, Teaching Remembrance engaged more than 1.5 million via our downloadable resources. Online events continue to be popular – our Remembrance Poetry workshop was attended by around 16,470 pupils, and our annual Remembrance Live Assembly, which featured art, music and veteran stories, was watched by 120,000 young people across the UK. To mark D-Day 80, we commissioned *War Horse* author Sir Michael Morpurgo to write *Finding Alfie: A D-Day Story*. Learning resources and an event for schools centred around the book reached more than 125,000 young people.

The annual Teaching Remembrance Days, held at the National Memorial Arboretum in July, were once again well attended. Around 900 children from local primary schools enjoyed an interactive performance that highlighted the service and sacrifice of the 1944 generation in ways that were relatable to them.

National Memorial Arboretum

Fully funded by the RBL, the National Memorial Arboretum saw strong growth

Remembrance Sunday 2023

The 2023 Festival of Remembrance at the Royal Albert Hall

Teaching Remembrance Day at the National Memorial Arboretum on 3rd July, 2024

in visitor numbers throughout the year and welcomed more than 303,000 to its Staffordshire site. This increase was driven by a strong programme of activities and events linked to the 80th anniversary of D-Day and other 1944 campaigns. There were also exhibitions, including The Year Was 1944, which featured personal recollections, photographs and artefacts submitted by members of the public, uncovering previously untold stories.

On Armed Forces Day in June, an evening of contemporary music and performance included poetry and songs supplied by participants of the Talent in the Ranks programme, developed in collaboration with the RBL's Network Engagement team.

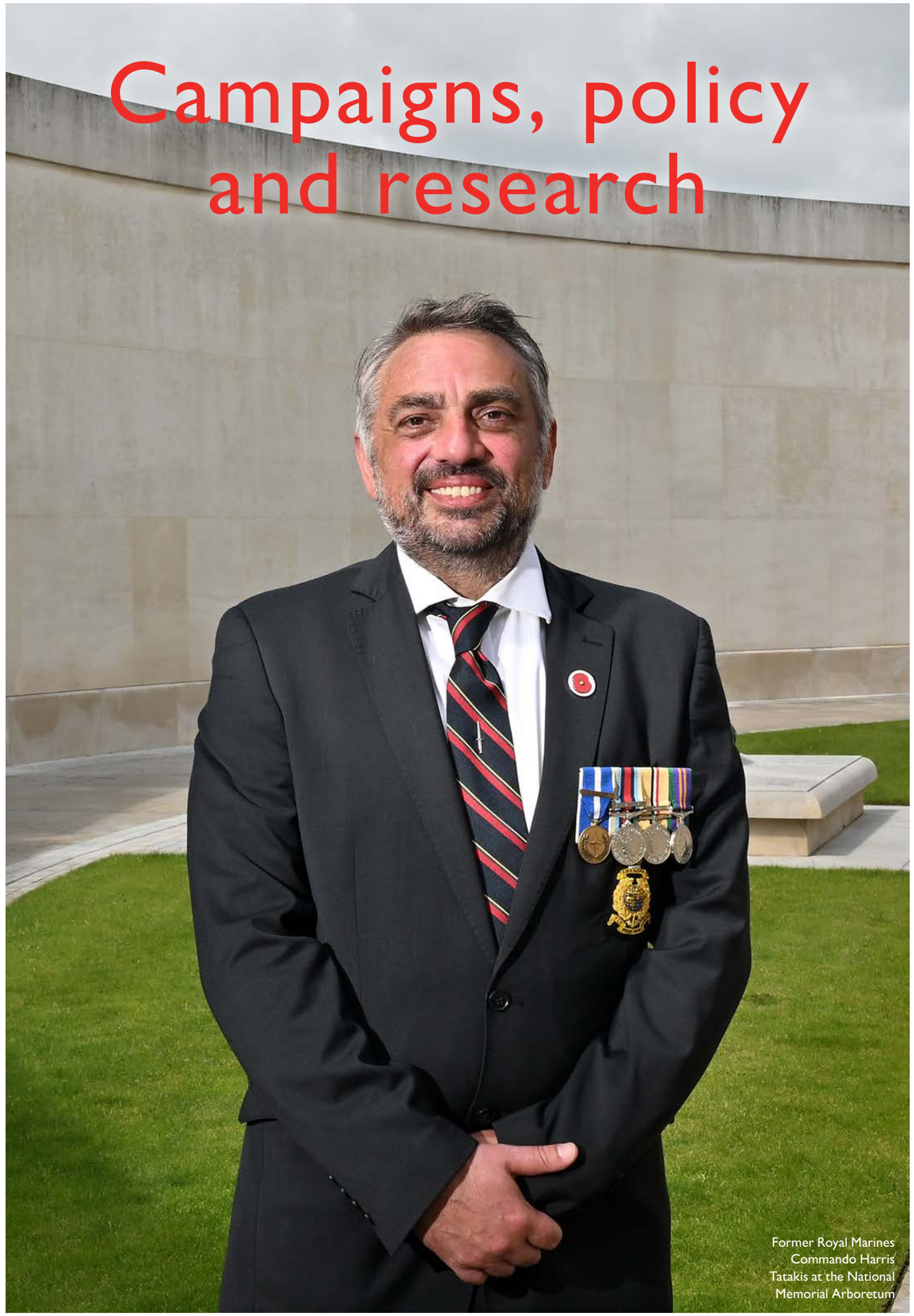
The popular Illuminated Arboretum, a winter light trail, revisited some of the key Remembrance themes from the previous year. Artwork was submitted by a diverse range of community groups, including elders from the Windrush Generation, who explored their experiences of leaving the Caribbean to start a new life in the UK. The Arboretum has received external recognition for the work that has been carried out on inclusion and accessibility.

In summary

We were pleased to deliver an RBL-wide programme for D-Day 80 that connected people of all ages to those in their family or community who played a vital part in the path to liberation. This created relevance and reasons for people to actively remember the service and sacrifice of the Second World War generation. We are looking forward to continuing to honour this cohort of veterans with work around the 80th anniversaries of VE Day and VJ Day. We will also endeavour to use data more effectively to help grow our relationships with younger veterans, as well as targeting different and more diverse audiences so that we can spread the message of Remembrance far and wide.

"The National Memorial Arboretum saw strong growth in visitor numbers and welcomed more than 303,000 visitors"

Campaigns, policy and research



Former Royal Marines Commando Harris Tatakis at the National Memorial Arboretum

The Royal British Legion has always put the experiences of the Armed Forces community at the heart of its work, and since the last Annual Report, the Campaigns, Policy and Research (CPR) team has focused on understanding their future needs.

Key achievements

We strengthened our evidence base through comprehensive analysis of the needs of – and provision for – the Armed Forces community across the UK and at local level using national data sets such as the Census and the RBL's own extensive beneficiary data. We shared this research with the Armed Forces charity sector and RBL members. We also launched research projects to help us further understand the future needs of our community so that we can inform the development of the RBL's new strategy.

In 2023, the CPR team released a report considering the impact of the Armed Forces Covenant Duty, which we had successfully campaigned for. The Covenant Duty is a legal obligation on certain public bodies to pay due regard to the principles of the Armed Forces Covenant, which is a promise made by the nation to ensure those who serve and who have served, and their families, face no disadvantage because of their service, and that special consideration be given in certain circumstances. We are now using our report to shape future planned changes to strengthen the Covenant Duty.

This year, we have worked with service families whose children have disabilities and additional needs to explore the barriers they face when accessing services such as healthcare and education, and have held workshops with female veterans to better understand their needs. We also listened to the views of current serving personnel and their families to inform the government about how a proposed Armed Forces Commissioner – who would potentially have the power to investigate general service welfare matters – might be useful.

Other highlights in 2023/24 included our Credit their Service campaign, which influenced 17 councils to change their policies and disregard military compensation in benefit assessments. As a result, thousands of poorer veterans injured in service will now receive their compensation and benefits in full.

When the General Election was called in July 2024, we were well prepared to represent the Armed Forces community in the election debates, as we had spent the previous six months sharing our manifesto with a range of political stakeholders. We achieved a strong degree of success in influencing the manifestos of the main political parties – the Conservatives, Labour and Liberal Democrats all included substantive commitments relevant to the Armed Forces community, several of which met the RBL's own manifesto calls. This put us on a strong footing for engagement with the new government's legislative and policy programme.

From April 2023 to September 2024, we saw more than 2,000 new supporters join our Campaigner Community, fostering direct engagement with policymakers. Our influence in Parliament was recognised, with the RBL continuing to be ranked as one of the leading charities campaigning at Westminster. A poll in February showed that 79% of MPs considered us to be effective in our influencing, with only Macmillan Cancer Support ahead of us on 81%.

Throughout the year, we have continued to work with partners to support the development of the Veteran Friendly Framework to improve care for veterans in residential homes. This project prepares non-specialist homes to be ready to support the Armed Forces community, and we have commissioned an independent evaluation of the programme to understand its impact.

Looking ahead, the CPR team is poised to build on this momentum in 2024/25, ensuring that the Armed Forces community remains central to the new government's priorities. We will make certain that the RBL has the evidence gathered through data, research and the involvement of the community itself to continue to create impactful change.

Progress against aims set out in our 2023 report

Advocate for change using insights based around the needs of the Armed Forces community

In-depth analysis was shared using diverse formats tailored to various audiences, including conferences, seminars and webinars, incorporating data visualisation such as charts, graphs and tables for clarity and impact. We spoke to a wide range of groups about the analysis, including the RBL's colleagues and membership, the Armed Forces charity and community

> "The RBL continues to be ranked as one of the leading charities campaigning at Westminster. A poll showed that 79% of MPs considered us to be effective in our influencing"

sector, and Parliamentarians (including members of the Defence Committee) as well as officials in the Office for Veterans' Affairs.

This robust understanding of needs in the Armed Forces community has allowed us to advocate for improved services and support. In the run-up to – and following – the 2024 General Election, the CPR team promoted our manifesto and secured a number of key asks in the Labour manifesto, including the full implementation of the Armed Forces Covenant Duty into law. We continue to engage with politicians across all parties to demonstrate the positive impact our recommendations would have on the Armed Forces community.

Alongside our manifesto, the RBL produced a wider Policy Programme, outlining our priorities for the Armed Forces community. These span a wide range of policy areas, including social care, financial wellbeing and homelessness. Throughout 2025, the CPR team will continue to develop the programme by ensuring recommendations are reinforced with high-quality evidence, so that we can influence change and improve outcomes for the Armed Forces community.

Make strong recommendations to political parties that would positively impact the Armed Forces community

Elections always bring change at Westminster, and that was especially true this year, with 335 new MPs taking their seats. We were already in a good position with new MPs, as more than 1,200 people in the RBL Campaigner Community had written to their local Parliamentary candidates asking them to support our manifesto. In the short time since the election, we have met individually with more than 30 new MPs and built relationships with the government's new ministerial team.

In 2025, we will continue working with stakeholders from across the political spectrum to deliver on our top five manifesto asks, and the wider Policy Programme. We will also develop asks of governments in the devolved nations ahead of their elections in 2026 and 2027.

Monitor the effectiveness of the Armed Forces Covenant Duty and help expand its scope

As part of the Armed Forces Act 2021, the Armed Forces Covenant Duty was introduced in November 2022. A year on, the RBL held conversations with the organisations responsible for implementing the Covenant Duty in England, Scotland and Wales. The Covenant Duty's biggest perceived success is that it generally raised awareness of the Armed Forces community, while its biggest perceived challenge was its implications for resource, with no new ringfenced funding from central government to implement the legal obligation.

The CPR team led a successful campaign in the lead-up to the 2024 General Election, which resulted in a commitment within the Labour Party manifesto to fully implement the Covenant Duty into law. The RBL welcomes this commitment and, throughout 2025, will continue to work closely with the Ministry of Defence and other stakeholders to ensure that it is delivered effectively and that the Covenant Duty continues to improve a wider range of services, support and outcomes for more members of the Armed Forces community.

Continue to support the LGBTIQA+ community and the recommendations outlined in the Etherton Report

We have remained closely involved with the work to ensure that the government delivers on the recommendations made by Lord Etherton in his review of the ban on homosexuals in the British Armed Forces between 1967 and 2000. The report of the Etherton Review was published in July 2023, with 49 recommendations to government. Throughout 2024, the RBL lobbied the government to introduce a fair and properly funded financial recognition scheme for the veterans whose lives and careers were damaged by the ban, including briefing MPs and ministers and delivering a letter to the Prime Minister alongside Fighting with Pride, Help for Heroes and others as part of the LGBT Veterans Coalition.

We publicly opposed the proposed cap of £50 million, which we felt would be insufficient in delivering a sense of justice and honouring the service and sacrifice of the men and women affected by the ban.

The RBL is also part of the steering group to establish the memorial to honour LGBT+ veterans and serving personnel, another of the recommendations from the Etherton Review. The memorial will be constructed at the National Memorial Arboretum in 2025.

HM Naval Base Portsmouth was floodlit in rainbow colours to mark 20 years since the ban on homosexuality in the Armed Forces was lifted

PHOTOGRAPHY: UK MOD © CROWN COPYRIGHT

Membership

Susan (left) and Amy Parke of Cookstown Branch, Northern Ireland

"Over the past year, one of our areas of focus has been to build on all the good work delivered through our branches and to make the overall membership experience better"

Membership lies at the heart of our mission. RBL members reach deep into communities, ensuring that our Armed Forces family have friends and allies standing by them in every corner of the nation.

As of September 2024, we have nearly 189,000 members. New members increased by 12% this year, and 93% of our long-standing members chose to renew their membership. We were encouraged by the results of the recent Membership Engagement Survey, which revealed that 81% of current members are satisfied with their membership.

There is, however, more work to do to support the retention of our more recent joiners and ensure that all members feel a sense of belonging. By creating more opportunities to interact, collaborate and share their experiences, we want them to feel valued and recognised for their continued support.

Our presence is felt far and wide, with 2,135 branches (81 of which are overseas) and 369 clubs playing their part in helping the Armed Forces community. The true strength of our membership is in the camaraderie and unwavering support they provide. From participating in Remembrance events and fundraising efforts to championing campaigns and local welfare initiatives, our members are active and passionate within their communities, and we are very grateful for all that they do.

Continued progress

As we reflect on the past year, we recognise there is more we can do to better serve our members. So, a key focus for 2023/24 was on improving the membership experience.

Behind the scenes, we have been refining the operations that support our members. Our commitment to improving branch compliance has seen great progress, with 88% of branches now fully compliant – an improvement on previous years. Working closely with the Membership Council and county and branch leaders, we have been embedding best-practice processes to make day-to-day operations smoother and more efficient, ensuring that our branches are better equipped to serve their communities.

Branch Community Support (BCS) promotional materials and the associated network have been expanded and updated with new official roles: BCS Supporter and Branch Community Coordinator. Training sessions, additional resources and a new reporting platform have led to clearer processes, heightened safeguarding and an increased awareness of and participation in the BCS programme. The network continues to grow, providing more opportunities for members to connect with and support beneficiaries.

A high point was Annual Conference, which brought together more than 1,000 members, who attended both in person and virtually. There was a vibrant atmosphere and we discussed strategic priorities for the year ahead, recognised remarkable contributions and spent time networking with members and supporters. The feedback was overwhelmingly positive, reflecting how far we have come in making the event not only more accessible but also more relevant to members.

Leadership development

Our Aspire Leadership Programme, launched this year, is already helping to shape the future of our organisation. By identifying and nurturing emerging leaders, we are ensuring that the RBL is in strong hands for years to come. Thirty members have already participated, and their feedback tells us that the programme has given them the skills and confidence they need to take on senior leadership roles within the RBL.

Behind all these improvements is a team committed to supporting our members. A big change this year was centralising our Customer Services. By moving Membership Services to sit within Customer Operations, we were able to streamline processes, improve response times and operate more efficiently. We have also simplified how members can interact with us by introducing a single point of contact for all membership enquiries. Early signs suggest this has made a difference, with members reporting quicker response times and a more seamless experience.

Another initiative that stood out was our Beacon Branches pilot, designed to recognise branches that are excelling and to share best practices with others. The pilot was a success, and based on the feedback we have received, we will officially launch the Beacon Branches initiative in early 2025. It is vital that we continue to strengthen our branches so that they can better serve their local communities and amplify the impact we can make together.

Improved service

As part of our broader mission to provide the highest levels of service to our members, we continued to improve our Membership Handbook, which is a practical guide covering all aspects of membership and governance. This work has included refining its content and navigation, making it clearer and easier for members to follow. We also worked on bringing consistency to our National Elections process.

Recognising that the membership voice is crucial to the success of the RBL, we refined our programme of engagement and partnership working events, ensuring that members had various opportunities to get involved. This included the County Officers away day to help equip our volunteers with the skills and training necessary to carry out their roles effectively, as well as providing opportunities for networking and sharing best practices across counties. We also continued our successful County Chairs conferences twice yearly, which bring senior members from all over the country together for peer support, networking and the chance to engage with senior RBL colleagues. We are continuing to develop further networking events.

Recognising our centenarian members

We also took a moment to honour our centenarian members in a meaningful way. These extraordinary individuals, some of whom have been with us for decades, received personalised recognition for their dedication to the RBL. In response, the messages we received from them and their families were deeply moving, and we are proud to have provided this special acknowledgement to those who have given so much over the years.

Embracing digital

As we look forward, we are continuing our endeavours to enhance the member experience. One key area of focus has been our ongoing efforts to improve the digital member journey, from automating some of our communications to exploring the potential of digital ID cards for our BCS programme. Satisfaction ratings have been consistently high, and digital advances will create a solid foundation for an even more seamless experience in the future.

In summary

We are energised by the progress we have made, but we know there is more to do. As already mentioned on pages 9-11, we have developed a clear plan that focuses on the six key areas members want us to get right. These initiatives are designed to meet the evolving needs of our members and ensure that the RBL can continue its vital support of the Armed Forces community.

We are looking forward to the upcoming expansion of the BCS programme, which will provide even more support to those who need it most, and to further improving our digital platforms and communication channels, making it easier for members to connect with the RBL and access the services they need.

Thank you to all our members. You are a force for good. Together, we have achieved so much, and with your help, we will keep making strides to serve our Armed Forces community in the years ahead.

Standard Bearers march during the parade at Annual Conference 2024

Volunteers and colleagues

Kate Field (left) and Jemma Cottam-Verbruggen, RBL Event Managers

To be the best it can be for the people it serves, its members, volunteers and colleagues, the RBL strives to continually strengthen its organisational culture and ways of working across teams. This year has seen a significant amount of work in this area.

Colleague satisfaction

Work on the outcomes of our first colleague survey was ongoing this year, with a focus on clear, honest communication and recognition of strong performance, making it apparent to individuals where their efforts have added real value. We know work is still needed in some teams and functions to ensure their experience of the RBL is more positive. We undertook another survey towards the end of the 2023/24 reporting period to heighten our understanding of how colleagues feel about the organisation. We received a good engagement score and will now work on an action plan based on these findings, which will be rolled out to the wider business.

The work that has started on the RBL's new strategy has also been a key part of our future plans for cultural alignment. With a review of our values and the associated behaviours currently underway, this will give us a solid platform to create a clear cultural ambition going forward, helped by our colleagues, volunteers and members.

Inclusion

We have continued to focus our attention on inclusivity. The launch of the Pride Poppy Badge was mainly received positively. We are aware of the negative reaction from some quarters about our commitment to inclusion and the value of diversity, but we stand firm in our approach to supporting everyone from the Armed Forces community who needs us. We will continue our work to ensure under-represented groups have a voice within the RBL.

Our inclusion work has seen the development and growth of our colleague network groups, a more robust approach to supporting our volunteers and colleagues with disabilities and those impacted by the menopause. In addition, a number of both local and organisational initiatives aim to create an environment where everyone is welcome.

We are developing our approach to the recruitment of our colleagues and volunteers to ensure we provide an inclusive and positive experience for them all in the selection process.

Progress against our 2023 aims

Progress our work on the evolution of our culture and in the building of stronger relationships across the organisation

Since the last Annual Report, we have made a good level of advancement in these areas. Our three leadership communities – the Board of Trustees, Membership Council and Executive Board – have engaged in meaningful discussions, leading to the Newport Agreement, which details our commitment to positive and constructive ways of working going forward.

This year, we have run a programme of development for our Board and Executive to increase alignment and understanding of roles, and expectations of one another. Using key strategic themes, groups have come together to tackle issues and find common ground, all with the aim of improving working relationships.

Our Directors and Executive Board attended an Inclusive Leadership programme, aimed at equipping them with positive leadership styles to bring out the best in their teams. We have also run two successful Aspire Leadership courses for members who want to develop their leadership skills and apply for roles on the Membership Council and/or Board of Trustees. We are pleased they were so well attended. Training opportunities such as these help us to strengthen our culture by creating positive leaders and role models across all of our communities.

Having sought agreement on changes to our complaints process for colleagues and members, we have worked hard to create a more positive environment where all communities can flag their concerns. Our aim is to help people raise and resolve issues early, without having to resort to formal processes, and therefore reduce conflict and bureaucracy. Our work has included early resolution and mediation training, triaging complaints before they become areas of conflict, a revision of policies and better monitoring of complaints handling.

We aim to go further, with the introduction of a Speak Up commitment to our colleagues, giving them the opportunity to voice their concerns and, where possible, work through solutions with the support of Speak Up advocates.

In the past 12 months, we have seen real progress within the RBL's services and functions. This would not be possible without the commitment and endeavours of colleagues employed across all areas of the RBL, and we owe them thanks and appreciation.

> "With a review of our values and the associated behaviours currently underway, the RBL's new strategy will give us a solid platform to create a clear cultural ambition going forward, helped by our colleagues, volunteers and members"

Fundraising

Maisie Mead at London Poppy Day 2023

"In 2023/24, we had an excellent year, with fundraising and our Poppy Appeal growing significantly from the previous period. It is brilliant to see the generosity and commitment of the RBL's supporters, volunteers and fundraisers"

The Royal British Legion relies on the support, dedication and passion of the great British public, with hundreds of thousands of people giving millions of pounds to help change lives.

In 2023/24, we had an excellent year, with fundraising and our Poppy Appeal growing significantly from the previous period. In total, £116.1 million in income was raised across the group, which was £9.3 million more than 2022/23. This is even more impressive considering the wider fundraising environment, where we know that for many charities, it is proving more and more difficult to raise funds. In this context, it is brilliant to see the generosity and commitment of the RBL's supporters, volunteers and fundraisers in showing their support for the Armed Forces community. We need to work in the best possible way to ensure this incredible support continues.

This year, we have continued the development of our Three Giants fundraising strategy, which focuses on the Poppy Appeal, Legacies and Individual Giving as the largest areas of our fundraising. These are also the areas with the biggest growth opportunities.

An impressive Poppy Appeal

The 2023 Poppy Appeal was very successful, with an uplift on the previous year. The total year-end income was £41.9 million in public donations and £2.2 million from the sale of wreaths; a total of £44.1 million. The net overall position for 2023/24 was £29.3 million, with costs of £14.8 million. This compares with a gross total income including wreaths of £44.1 million in 2022/23 and a net contribution after costs of £26.6 million; an increase of £2.7 million.

It was a strong performance, despite disruption due to public protests about the Gaza conflict and the subsequent impact both on social media and also directly on volunteers. The plastic-free poppy was introduced after three years of development and was a significant step forward in reaching our sustainability goals. The new paper poppy also created strong promotional messaging to support the launch of the Poppy Appeal, which took place in the Aylesford poppy warehouse in Kent and attracted much media interest. As our National Chair mentions in his foreword, improvements are still required, and work continues to optimise durability of the new design.

A big part of the success of the Poppy Appeal can be attributed to our supermarket partners. Their support for volunteer collectors to sell poppies in store is vital. We would like to thank Sainsbury's, Tesco, Asda, Morrisons, Waitrose, Aldi and Lidl for their ongoing support.

During the 2023 Poppy Appeal, 44% of contactless donations took place in a supermarket and 65% of people donating were made aware of the Poppy Appeal by its presence in supermarkets. Cashless donations continue to grow, increasing from £6.2 million in 2022/23 to £8.7 million in 2023/24 as volunteers became more comfortable with the devices and the public were more aware of contactless options. For the first time in Poppy Appeal history, QR codes were used in conjunction with card-reader terminals to expand the ease and reach of digital payments. There is more to be done to build confidence in the use of these among volunteers and the public.

London Poppy Day is always a key focus of the Poppy Appeal, with uniformed service personnel supporting collections around the capital city. They raised just under £1 million despite adverse weather from Storm Ciarán, which negatively impacted footfall via Transport for London by 10%. This was also a test year for a Manchester Poppy Day, working to a similar model, but this was found to be cost prohibitive. Therefore, only London Poppy Day will continue in this format, although a broader approach for cities will be reviewed.

Volunteers continue to be the lifeblood of the Poppy Appeal, and an estimated 54,000 took part in 2023. A small-scale recruitment campaign brought new collectors and district organisers to the RBL; this will be an annual exercise going forward to replenish volunteers. There were 255 districts without a Poppy Appeal Organiser going into the 2023 Appeal – reducing this number and replacing any retirees are key areas of focus for the future success of the Appeal. The average district organiser raised £13,000, but this varies hugely by population and location.

In addition to improving resources, digital payments and the day-to-day operations of the Poppy Appeal year on year, there will be a programme of transformational change to help fix, protect and strengthen it in the longer term. This will include attracting more volunteers and supporters, using technology to improve processes as well as the volunteer experience, and

growing the number of contactable supporters gathered during each Poppy Appeal, thereby securing the foundations of future fundraising.

Change and development

With a new organisational strategy on the horizon, our fundraising needs to be ready and in a good position to be able to grow. This year, we started to look at what we, as an organisation, need in the long term to best work with the thousands of people who want to engage with our cause. We have put together a Fundraising Change programme that will drive new processes, solutions and ways of working to help us collaborate more effectively. This project is a cross-fundraising priority, run in conjunction with the RBL's Transformational Office, bringing together the key elements required to help build the foundations to drive future income growth.

We have defined six key areas of the Fundraising Change programme that interlink with one another. They are:

- Creating a performance culture within fundraising
- Delivering a high-quality case for support so potential supporters can understand the significant impact of giving to the RBL
- Establishing effective customer journeys and improving the efficiency of how we work in fundraising, so we can give supporters an improved experience
- Assessing the product portfolio so we can make these as effective as possible and evaluate gaps and opportunities
- Understanding our audiences so that we can create a high level of engagement
- Looking at our approach to our financial future, helping us make the best decisions for the long term and considering the right level of risk within our fundraising

They come together to help deliver our vision for fundraising, which is to grow sustainable net income over the next three to five years.

> "Individual Gifting had additional focus and investment. We recruited 52,000 new supporters, 30% more than in 2022/23"

Growth areas in detail

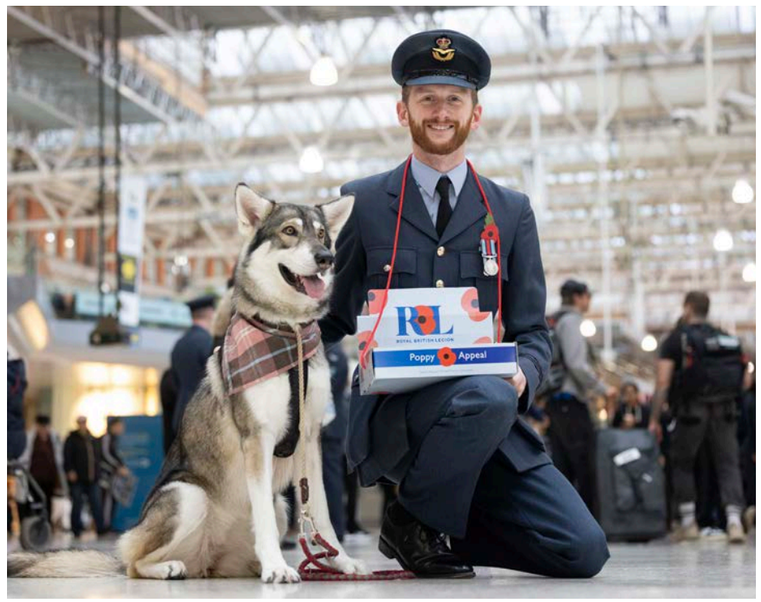
Non-Poppy Appeal income was significant at £63.7 million, which was £6.7 million up on the previous year. A big driver was our Legacy income, with a single £3 million gift from a generous supporter helping make this the highest year for Legacy income since 2020 – and one of the highest for the RBL in the past ten years. This is partly the result of targeted activity in the area, strategically focusing on encouraging supporters to understand and consider helping the Armed Forces community with a Gift in their Will.

This year, Individual Giving had additional focus and investment. As a result, there has been a significant increase in the number of new regular supporters. We recruited 52,000 new supporters, 2,000 ahead of target and 30% more than in 2022/23. These supporters will contribute for the long term, helping grow this sustainable and reliable area of fundraising. With these new recruits – as well as the work we have done on valuing and retaining our donors – we now have 170,000 regular supporters in this area.

We have more than 68,000 supporters interested in leaving, or having already left, a Gift in their Will to the RBL. This is a 12% growth on 2022/23, with each and every one of these incredible supporters helping to make a significant difference to members of the Armed Forces community for the long term.

The RBL Poppy Shop also had a successful year – it was £350,000 up on budget and £1 million ahead of 2022/23 as a result of a well-performing Poppy Appeal and D-Day 80 activity, combined with our work to refine the offer and a focus on the most profitable products.

More than 3,700 people took part in RBL fundraising events to raise money for our beneficiaries. We had great participation in Pedal Normandy Beaches, a three-day



Flight Lieutenant Banks, Royal Air Force, at London Poppy Day 2023

Nick Snook, a participant of the Pedal Normandy Beaches event in 2024, which marked the 80th anniversary of the D-Day landings

"The Pedal Normandy Beaches bike ride exceeded fundraising targets and uncovered powerful stories of service and sacrifice"

bike ride to commemorate D-Day 80. The event exceeded fundraising targets and uncovered powerful stories of service and sacrifice from participants, many of whom had close relatives who landed on those beaches 80 years ago. Our Fundraising Events programme is still working through change, but for 2024/25 we can see the right portfolio mix defined to support net income growth.

Within corporate partnerships, we saw some excellent new relationships established, including with People's Postcode Lottery and Cadent Gas. Both are long-term partnerships based on a model we want to follow in the future. We will also continue to work effectively with our ongoing key partners, including The Premier League, Pets at Home, The Westminster Collection and Golden Charter.

Progress against aims set out in the 2023 report

One of our objectives was to drive the development of an excellent fundraising culture. Much of the work in this area has been about setting up the right processes within the Fundraising Change programme so that we can define and measure our work. This will enable us to use the data and insight required to drive continuous improvement and excellent performance management, as well as identify and support other elements of culture that could potentially propel future income growth.

We also said we would create a great supporter experience across fundraising. There is still more to do here, but this is established as a principle of where we are moving to. And, as mentioned earlier, we have also committed to creating a transformational programme of change to help fix, protect and strengthen the Poppy Appeal in the longer term.

While all of these areas are moving forward, they are still very much in progress, and work will continue throughout the next financial year.

Responsible fundraising

At the RBL, we are committed to ensuring that our fundraising activities are carried out to the highest standards and in full compliance with all regulations. Our fundraising approach continues to be driven by three key principles:

- **Accountability** Our own fundraising teams and third-party fundraisers are required to ensure that their activities meet the Fundraising Regulator's standards. We will only work with third parties who share this commitment to accountability and transparency.
- **Fairness** We strive to treat all members of the public fairly by providing clear information on how donations can be made, how regular donations can be stopped and what is involved in signing up to a fundraising challenge.
- **Respect** We value and appreciate the support of our donors. We respect their privacy and make it easy for supporters to change their preferences or opt out of communications at any time.

The RBL is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We adhere to the Fundraising Code of Practice and use the Fundraising Regulator's logo appropriately on all fundraising materials.

Our Fundraising Promise remains central to operations and is published on the RBL website. We continue to review and update our Fundraising Compliance training as part of the onboarding process for new fundraising colleagues. This will incorporate the Fundraising Promise to ensure we create a culture that consistently aligns with our ethical standards and regulatory commitments. We fundraise in compliance with all relevant schemes and standards, and we have not reported any breaches of the Fundraising Code of Practice in the past year. We also ensure full compliance with UK data-protection legislation.

Additionally, we have introduced our Fundraising Governance and Compliance Framework, which supports fundraising activities by ensuring we are fulfilling our fundraising obligations and that they are consistently in line with governance best practices and the Fundraising Code of Practice.

To best serve our Armed Forces community, it is crucial that we protect the RBL's reputation and future income while maintaining compliance with regulatory standards. As part of our commitment to ensuring that the RBL's fundraising activities align with our strategic goals and comply with regulations, we are introducing the Fundraising Risk and Reward Framework (part of the Fundraising Change programme). This framework defines our risk appetite for new fundraising activities, helping us assess the risks and rewards associated with different fundraising opportunities.

We must approach our fundraising activities with a clear understanding of the associated risks and rewards to guarantee we have the income necessary to continue providing vital support to veterans and their families in the future.

We view complaints as an opportunity to understand our supporters better and improve our engagement with them. Any expression of dissatisfaction is recorded as a complaint and included in our annual complaints returns to the Fundraising Regulator and Gambling Commission. In 2023/24, we received 734 complaints related to fundraising activities, versus 811 complaints in the previous year. We are working to improve our processes to ensure that we meet supporter expectations.

The RBL remains committed to protecting individuals who may be in vulnerable circumstances. Our Supporters in a Vulnerable Circumstance policy is regularly reviewed and updated to reflect changes in legislation and best practices. We continue to display Gambling Support resources on all marketing materials for Lottery and Raffle activities.

A proportion of our fundraising is carried out by RBL colleagues, some by volunteers, and a small amount is managed by professional fundraising agencies. All third-party commercial fundraisers are contractually obligated to be registered with the Fundraising Regulator. The RBL conducts regular Mystery Shopping exercises for face-to-face agencies that partner with us, and we monitor fundraising calls made by third-party agencies on our behalf. We work closely with our fundraising agencies, visiting their premises regularly to provide training on our standards and conducting Train the Trainer sessions to ensure our expectations are clear to all fundraisers representing us.

Many thanks to our major supporters

We are truly grateful for the steadfast support we receive from our key partners. Thanks to the generous contributions from companies, trusts and individuals in the past year, we have been able to continue our vital work. This has included providing life-changing support to the Armed Forces community and their families, campaigning on their behalf and encouraging the nation to remember service and sacrifice.

We would particularly like to thank the following organisations and individuals, all of whom have contributed financial or in-kind support during 2023/24:

288 Group Ltd (The Westminster Collection)
Amazon
Asda
Cadent Gas
Cash4Coins
Dartmouth Brands
Dorothy Twiggins Charitable Trust
Girlguiding
Golden Charter Ltd
Greggs PLC
Greenwich Hospital
The Ian Fleming Charitable Trust
Insignia 16 Ltd (Poppies4Kits)
J D Wetherspoon
The Livery Committee
Marks & Spencer
The Michael Uren Foundation
Morrisons
One Stop Stores Ltd
PayPal Giving UK
People's Postcode Lottery
Pets at Home
The Premier League and its member clubs
Revolut
Sainsbury's PLC
Tesco
Transport for London
Wells Fargo

Every year, our member branches and clubs undertake their own fundraising in support of the Royal British Legion. We continue to be hugely grateful for their generosity, passion and commitment. **Thank you.**

Registered with FUNDRAISING REGULATOR

Vicky Lawson, Poppy Appeal Manager and Army veteran, at Manchester Poppy Day 2023

Standard Bearers at the
2024 Annual Conference

National President and Trustees

Vice Admiral (Rtd) Paul Bennett CB OBE
National President

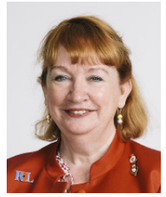
Paul joined the Royal Navy in 1985 and enjoyed an extensive career. He was recognised with an OBE for his work as a Capability Manager in Navy Command for Above Water Capability and Maritime Security. His final role before retiring from services in 2021 was as Chief of Staff for Allied Command Transformation in Norfolk, Virginia, after which he became a NATO Senior Mentor. Paul was appointed National President in October 2024.

Vice Admiral Sir Clive Johnstone (Rtd) KBE CB
National President

Clive assumed his role as National President of the Royal British Legion in May 2023. He retired as a Vice Admiral in 2019 and his last role was as the Commander of NATO's Allied Maritime Command (MARCOM). During his career, he deployed to most points on the compass and served on ships ranging from minesweepers to aircraft carriers. Clive passed away in May 2024.

Jason Coward
National Chair

Jason completes his three-year elected term as National Chair in May 2025. He has served as a Trustee of the RBL since May 2014. His RBL service has included time as Trustee of the National Memorial Arboretum, Chair and Vice Chair of the Membership Council, Chair of Poppyscotland and Chair of the Governance & Nominations Committee. His broad professional experience has been across media companies such as Sky and TalkTalk, as well as retail and financial services.



Lynda Atkins DL
National Vice Chair

Lynda was elected National Vice Chair in May 2022, having previously served as a Trustee between May 2019 and March 2022. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She served as an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda is now the Vice Lord Lieutenant of Oxfordshire.

Paul Astruc FCCA MBA

Paul was appointed to the Board of Trustees in May 2023. Paul qualified as an accountant with Shell International and has more than 30 years' experience in banking and commerce, including nine years as a Finance Executive at Lloyds Banking Group and, more recently, as CFO of Nottingham Building Society, where he stepped down from the Board in April 2024. Paul chairs the Finance Committee and its Investments Sub-committee.

John Boisson

John was elected onto the Board of Trustees in May 2022 after serving three years on the Membership Council. For almost four decades, he has been serving in the Guards Division of the British Army. During his career, he has deployed on numerous operational tours to all of the Army's main theatres of operation. He is passionate about growing the RBL's mission extensively through the charity's representatives actively working in local communities for the benefit of Armed Forces personnel.

Elizabeth Butler FCA

Liz was appointed to the Board of Trustees in May 2018. In addition to being a chartered accountant, Liz has a portfolio of non-executive roles, including Board member and Chair of the Audit & Risk Committees of the Regulator of Social Housing and Kent & Medway Integrated Care Board. Liz chairs the Audit & Risk Committee and is a member of the Finance Committee.

Jan Buxton

Jan joined the Board of Trustees in January 2024 in her capacity as Chair of the Women's Section. Jan joined the RBL Women's Section in 1994 and has served as a Branch and County Treasurer and County Committee member, as well as the National Vice Chair of the Women's Section for the past three years. Before her retirement, Jan worked for 26 years in the NHS. Jan is a member of the Care Services Committee.

Phil Davies

Phil was elected to the Board of Trustees in May 2023 after serving eight years on the Membership Council. He joined the Royal Navy as an Electrical Mechanic before transferring to the aircrew branch to be a Search and Rescue diver. After leaving the Navy, he ran his own business, and although semi-retired, is now Managing Director of a local business enterprise. Phil chairs the Membership Council and is a member of the Finance Committee, its Investments Sub-committee and the Branch Property Trusts Trustee Committee.

Paul Harris QGM

Paul was co-opted as a Trustee in February 2018, elected in May 2019 and re-elected in May 2022. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He was a director of an international company, then owned a management consultancy, from which he has retired. Paul is a member of the Audit & Risk and Governance & Nominations committees, and is a Trustee of Poppyscotland.

James Lambert

James was elected to the Board of Trustees in May 2023. He was previously Vice Chair of the National Branches District Committee. James is the Head of Economics and Regulation at London Gatwick Airport. James served in the RAF Volunteer Reserve and is a Fellow of the Royal Aeronautical Society and of the Society of Professional Economists. James is a member of the Audit & Risk Committee and the Care Services Committee.

Steven Lee

Steven was elected to the Board of Trustees in May 2023. He is a former Royal Marine. During his career, he served in 42 Commando, 43 Commando, RMR City of London, the Royal Navy headquarters, the Ministry of Defence and with the United Nations, NATO and the US Marine Corps. Steven is a member of the Finance Committee and the Branch Property Trusts Trustee Committee. Steven chairs the Royal British Legion Republic of Ireland.

Helen Owen

Helen was elected to the Board in May 2020, and re-elected for a second term in May 2023. She is the Director of Transformation at the charity GambleAware and has held non-executive roles including Governor at the University of Westminster. Her RBL experience includes two years as Chair of the Governance Committee, and she is currently Chair of the Board of Trustees of Poppyscotland.

Anny Reid OBE

Anny was elected as a Trustee in May 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the last four as Chair of its trust. Anny chairs the Conference Committee, is Chair of the Board of Trustees for the National Memorial Arboretum and is a member of the Care Services Committee.

Monica Risam

Monica was appointed to the Board of Trustees in October 2020. She is a dual-qualified US and UK lawyer and is the Group General Counsel of the Lombard International Group. Monica is also a non-executive member of The Elton John AIDS Foundation's Finance and Investment Committee. Monica is a member of the Governance & Nominations Committee.

Debbie Sorkin

Debbie was appointed to the Board of Trustees in June 2018. She is National Director of Systems Leadership at the Leadership Centre, a charity working to strengthen leadership across public services. Debbie has extensive experience of working in the NHS and in social care. Debbie leads for the Board on care and safeguarding, chairs the Care Services Committee and is a member of the Audit & Risk Committee.

Heather Spence

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. Heather was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times. Heather served on the Board of Trustees as Chair of the Women's Section until January 2024.

Patsy Wilkinson CB

Patsy was appointed to the Board of Trustees in December 2021, following a senior government career in national security. She is also Deputy Chair at Health Data Research UK, Non-Executive Director at Nominet UK and Honorary Fellow at Murray Edwards College, Cambridge. Patsy chairs the Governance & Nominations Committee and is a Trustee of the National Memorial Arboretum.

Charity information

National President
Paul Bennett CB OBE

National Chair
Jason Coward

National Vice Chair
Lynda Atkins

Patron
HM King Charles III

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee
Elizabeth Butler (Chair)
Paul Harris
James Lambert
Debbie Sorkin

Finance Committee
Paul Astruc (Chair)
Elizabeth Butler
Phil Davies
Vanessa Donegan
Steven Lee
Raj Mody (appointed on 12th December, 2024)
Dr Jonathan Wittmann (stood down on 9th September, 2024)

Investments Sub-Committee
Paul Astruc (Chair)
Phil Davies
Vanessa Donegan
Raj Mody (appointed on 12th December, 2024)
Dr Jonathan Wittmann (stood down on 9th September, 2024)

Governance & Nominations Committee
Patsy Wilkinson (Chair)
Paul Harris
James Lambert (appointed 4th April, 2024)
Monica Risam

Conference Committee
Anny Reid (Chair)
John Gilmore
Dilys Hooper (appointed February 2025)
Garry Mills (elected May 2024)
Grant Parrott
Kenneth Terry

Branch Property Trusts Trustee Committee
Jenny Rowe (Chair)
Phil Davies
Steven Lee
Antony Macaulay

Care Services Committee
Debbie Sorkin (Chair)
Jan Buxton
James Lambert
Anny Reid

Independent Committee Members

The Trustees would like to recognise the support given by the following Independent Committee Members, who bring their special expertise to the boards and committees on which they sit:

Vanessa Donegan
Antony Macaulay
Raj Mody (appointed on 12th December, 2024)
Naim Moukarzel
Jenny Rowe
Dr Jonathan Wittmann (stood down on 9th September, 2024)

Membership Council
Phil Davies (Chair)
Patsy Wilkinson (Vice Chair)
Hugh Ashton-Moore
Gordon Barker
Albert Bell
Michael Challinor
Bob Chambers
Emma Cox
Dilys Hooper
Bob Howard
Steve Lewis
Gerry Nunn
Marc Reynolds
Kelly Slark (stood down January 2025)
Kenneth Terry
Philip Walden
Adrian Wright

Executive Board

Director General
Mark Atkinson (from January 2024)
Charles Byrne (until November 2023)

Chief Financial Officer
Christopher Tingle (from December 2023)

Executive Director: Digital, Data and Technology
Steve Blackburn

Executive Director: Services
Antony Baines OBE

Executive Director: Marketing, Fundraising and Remembrance
Gary Ryan

Executive Director: People and Organisational Development
Karen Gill

Interim Executive Director: Membership
Nina Villa

Executive Director: Membership
Janet Talman (until September 2024)

Chief of Staff

Colonel (Rtd) Clare Waterworth MBE

Consultants and Advisors

Bankers
Lloyds Bank
Charities
4th Floor
25 Gresham Street
London EC2V 7HN

Independent Auditors
Deloitte LLP
1 New Street Square
London EC4A 3HQ

Investment Managers
Cazenove Capital Management Limited
12 Moorgate
London EC2R 6DA

Legal Advisors
Withers LLP
20 Old Bailey
London EC4M 7AN

Women's Section

President
HRH The Princess Royal

Chair
Jan Buxton

Vice Chair
Laura Hayworth

Chair of Finance
Sandra Fishlock

Central Committee
Pat Holden
Very Rogers
Sandra Saban
Kay Scase
Alyson Wilson

Life Vice Presidents
Dame Mary Bridges DBE
Doris Ingham OBE
Maureen Lodder OBE
Patricia Valler OBE
Wendy Bromwich JP
Marilyn Humphry
Pat Chrimes OBE

Vice President and Patronesses
Joanne Andrew-Steer MBE
Auriol, Marchioness of Linlithgow
Elizabeth, The Dowager Countess of Scarborough LVO
The Right Honourable the Countess Bathurst
The Lady Grey of Codnor
Baroness Grey-Thompson DBE
Diana Hill
Sara Jones CBE, OStJ, DL, JP
Janie Martin DL
Jane Lewin Smith JP DL

Charity Registration number: 219279

Principal Office:
The Royal British Legion
Haig House
199 Borough High Street
London SE1 1AA

Financial review

Income of

£160.7 million

(increase of £13.7 million – 9%)

Operating deficit before investment gains of

£13.7 million

(reduction of £19.9 million – 59% improvement)

Net surplus of

£7.7 million

(improvement of £35.3 million)

In 2024, the Royal British Legion's total financial situation strengthened, and the year-end position was a net surplus of £7.7 million. This was due to a combination of improved operating performance and strong returns achieved by our investment portfolio.

We responded to the cost-of-living crisis in 2023 by making an additional £10 million of grant awards to beneficiaries, to help those in the Armed Forces community struggling with the rising cost of food and fuel. The additional grant awards were funded from our free reserves. A decision was taken during 2024 to phase out this programme as inflationary pressures in the economy eased. The RBL also faced its own financial challenges during 2023 from a difficult fundraising environment and inflationary pressures on staff costs and other expenditure.

Our focus for 2024 has been to deliver an improved financial performance and reduce the operating deficit back to a sustainable long-term level of circa £10 million at the same time as maintaining focus on delivering strong support for our beneficiaries. The deficit improvement plan has been achieved through a targeted combination of income increases and expenditure efficiencies.

Income

Our fundraising performance improved during 2024, partly as a result of the stronger economic environment. Overall income at £160.7 million was up by £13.7 million. The key highlights were as follows:

- Our Legacy income of £27.5 million (up 18.0%, compared with £23.3 million in 2023) was particularly strong. We are very grateful for a £3 million single donation that was received, though this highlights the non-recurring and unpredictable nature of Legacy income.
- The RBL had a strong Poppy Appeal, with income during the Remembrance period of £41.9 million. This was an improvement of £2.6 million, +6.6% compared with the previous year.
- Other fundraising income of £46.7 million (up £2.6 million, +5.9%) benefited from new supporters, good visitor numbers at the National Memorial Arboretum and a strong online trading performance by the Poppy Shop.
- Our care services income of £24.0 million was up £2.4 million (+11.2%). This reflected improvements in room-utilisation levels across the six RBL care homes, and fee increases implemented in response to the market environment and to fund staff costs for increases in the National Living Wage.
- Our membership income of £4.0 million remained constant. Overall membership numbers at year end were just under 189,000 (compared with just under 195,000 at 2023 year end).
- Our income from Remembrance activities of £1.8 million was up from £320,000 last year.
- Our Finance & Commercial income of £8.8 million was up £1.0 million. This includes strong dividend returns from our investment portfolio (£3.9 million) and bank interest received (£1.75 million). We have focused on improving our Treasury operations to achieve higher interest returns while still placing deposits at banks with strong credit ratings.

Expenditure

Our total expenditure reduced by £6.2 million to £174.4 million (-3.4%). The main reason was the end of the Cost of Living Grants programme, which reduced expenditure by £9.6 million year on year. Total expenditure, excluding grants, increased by £2.9 million (0.7%).

- Fundraising expenditure of £48.1 million increased by £1.2 million (+2.46%). This includes the cost of the Poppy Appeal and other costs associated with lotteries, events, Individual Giving activities and Legacies. This resulted in fundraising delivering a contribution of £68.1 million, which was a £8.2 million (+13.7%) improvement on the previous year.
- The largest expenditure item for the RBL is staff costs (£72.9 million), which represent 45.3% of income. Like many other charities and care homes, the RBL has faced pressures over the past few years on staff costs, to increase colleague pay in line with the heightened levels of inflation. We have sought to remain competitive with market salaries and have implemented the agreed increases in National Living Wages.
- The care homes, which employ 704 of the RBL's 1,825 full-time-equivalent staff, have experienced pressures in both staff and non-staff costs (e.g. food, utilities and property costs).
- The initiatives agreed as part of the Managing Our Finances project include a Care Homes Efficiency Review, which is identifying options to reduce the operating deficit of the care homes.
- Other initiatives agreed as part of the project have achieved improvements over 2024 in the areas of consultancy costs, marketing and property expenditure.
- Our welfare services have increased capacity for Caseworking and Specialist services. We continue to be proud of the services delivered by the Battle Back Centre and the support provided to fund Invictus Team UK.

Spend on charitable activities of

72.5 pence in every £1

(2023: 74p)

Surplus after investment gains of

£7.7 million

(2023: £33.6 million deficit)

Overall, our charitable expenditure decreased by £7.3 million (5.5%) to £126.4 million (2023: £133.7 million). The two main areas of charitable spend are our care homes (£43.4 million) and welfare and recovery services (£48.9 million). We spent 72.5p in every pound on our charitable activities (2023: 74p in every pound), with the remainder spent on raising the funds needed to deliver the RBL's mission.

The spend on charitable activities in 2023 (74p) was high due to the utilities grant programme in response to the cost-of-living crisis. The 2024 spend of 72.5p in every pound is a return to the levels in 2022 (72p) and 2021 (73p).

Welfare services: grant making

Grants of £11.8 million made to

22,600

individuals

Grants of £1.9 million made to

15

organisations to support RBL beneficiaries

Included in our welfare-services expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. In 2024, the RBL spent £11.8 million on individual grants (2023: £20.9 million), and more than 22,600 grants were issued. The main reason for the reduction in grants was the phasing out of the Cost of Living Grants programme, which represented a quarter of annual individual grant expenditure during 2024.

Grants are also made to organisations, where a third party has skills, facilities or expertise that are unavailable within the RBL's own resources. The RBL invites organisations to submit formal applications, which are then evaluated by the Grants Department, local welfare teams and any subject-matter experts relevant to the application. This information is then reviewed by a Grants Panel, which issues awards to those organisations best able to show that their project will address an unmet need for RBL beneficiaries.

In 2024, grants were awarded to 15 organisations, totalling £1.9 million (2023: 21 organisations, £4.2 million).

Surplus/deficit

The RBL's overall operating deficit in 2023/24 before investment gains and losses was £13.7 million (2023: £33.6 million).

After net gains on our financial and property investments of £21.1 million (2023: £6.6 million) and a £0.4 million gain in the value of our pension funds (2023: £0.6 million decrease), group funds increased by £7.7 million (2023: £27.6 million reduction).

Financial investments

Total investment portfolio of

£187.4 million

(2023: £173.0 million)

At the year end, the total value of the group's investment portfolio was £187.4 million (2023: £173.0 million). Our investment portfolio delivered a strong performance due to its asset allocation towards equities and strong performance by the US technology stocks.

The portfolio is managed through three main investment managers: Cazenove Capital manages the charity's main investment portfolio (£168.8 million); Sarasin & Partners manages Poppyscotland's investments (£2.6 million); and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£7.7 million), including those held in legacy and property trusts. The remaining investments are held overseas.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. All investments must comply with the RBL's Responsible Investment Policy, which aligns the charity's investment strategy with its aims, which are to safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces. The RBL restricts investment in areas that may directly conflict with its aims, including alcohol, gambling, tobacco, fossil fuels and high-interest-rate lending. Accordingly, it will not invest directly in companies that generate more than 10% of revenues from these areas. As it is more difficult to apply these restrictions to pooled funds, indirect exposure to these areas is closely monitored and a review triggered if this exceeds 1% of the total investment portfolio or 10% of an individual fund holding.

The investment strategy integrates Environmental, Social and Governance factors, meaning that each investment's impact on the environment and society is considered as part of the investment decision. The investment managers are mandated to fulfil the requirements of the UK stewardship code, actively engaging with the companies in which they invest to promote best-practice corporate behaviour and sustainable business practices. Where consistent with the financial objectives, the RBL seeks to invest in areas with a positive environmental and/or social impact.

The RBL recognises the need to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. A policy decision was made during the year to hold no direct investments in fossil-fuel companies.

Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio delivered returns of 11.3% for the year ended 30th September, 2024, which was well ahead of its inflation benchmark of 4.9%. The portfolio allocation to global public equities (59%) and private equities (10%) has been the main reason for the strong performance over the year.

Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September, 2024, the portfolio reduced its value from £3.3 million to £2.6 million and generated £0.1 million (2023: £0.2 million) of investment income. The Poppyscotland portfolio has been drawn down to finance Poppyscotland's deficits over previous years.

It has recently been agreed that the RBL will provide financial-grant support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. There will no longer be a requirement to draw down funds from the investment portfolio held by Sarasin. It is also agreed that the investment mandate will be adjusted to target a higher return in line with the rest of the RBL investment portfolio.

Branch investments

Branch and County investments of £6.3 million (2023: £7.1 million) are primarily managed by CCLA and held in a mix of listed investments and unit trusts.

Pension

RBL Defined Benefit Scheme in surplus by

£5.6 million

(2023: £4.4 million)

Poppyscotland Defined Benefit Scheme has a deficit of

£1.40 million

(2023: £1.36 million)

The RBL pension fund was in surplus by £5.6 million (2023: £4.4 million) as at 30th September, 2024. Under the pension scheme rules, employers are unable to utilise this asset, as once contributions are paid into the scheme, they cannot be withdrawn. Accordingly, the surplus on the RBL scheme is not recognised in these accounts.

The group pension deficit reported in the RBL group accounts relates solely to the Earl Haig Fund (Poppyscotland). The deficit on the Poppyscotland pension fund increased slightly from £1.36 million to £1.40 million. The Poppyscotland pension fund has been transferred into the RBL scheme as at 18th January, 2025, as disclosed in note 32 to these accounts, and the RBL has provided a guarantee to support the deficit to the Pension Trustees.

Total reserves

Total restricted reserves of

£164.1 million

(2023: £164.9 million)

Total unrestricted reserves of

£194.1 million

(2023: £185.6 million)

The value of restricted funds reduced by £0.8 million to £164.1 million (2023: £164.9 million), and the value of unrestricted funds increased by £8.5 million to £194.1 million (2023: £185.6 million).

During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £4.4 million (2023: £1.8 million) from restricted Branch Property Trust funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as an important source of funding for welfare services in the area where the branch property was originally located.

The RBL's total funds of £358.2 million (2023: £350.5 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8.

They include £164.1 million (2023: £164.9 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £194.1 million (2023: £185.6 million) are designated funds representing the value of the RBL's functional fixed assets of £56.2 million (2023: £58.3 million); funds held by RBL branches, counties and districts of £29.1 million (2023: £30.3 million); the value of programme-related investments, which is £4.4 million (2023: £4.9 million); and the General Fund of £1.5 million (2023: £3.3 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

Free reserves

Free reserves of

£102.9 million

compared to agreed target of £80.0 million

In addition to the funds described above, at 30th September, 2024, the RBL was holding £102.9 million (2023: £88.5 million) in liquid and immediately available unrestricted funds (free reserves). In common with other charities, the RBL holds free reserves to ensure that our welfare services can continue during a period of unforeseen reduced income or increased expenditure.

Our care homes represent an area of financial risk due to the heavily regulated nature of the industry and the ongoing challenges related to staff recruitment and retention. Our reserves are needed to mitigate against reduced fee income due to lower occupancy and unexpected and unavoidable increases in expenditure.

Our reserves also mitigate against fluctuations in our income and the value of our investments. Having reserves means that we would not need to sell our investments when it is not advantageous to do so.

Taking all these risks into consideration, the Trustees have resolved that the RBL should hold minimum free reserves of £80 million. As noted above, at 30th September, 2024, the RBL was holding free reserves of £102.9 million (2023: £88.5 million), which is above the minimum target we have set. As part of the work on a new organisational strategy and implementation of the Future Operating Model, we anticipate a number of investment projects will be agreed, which will be funded via our available free reserves.

Investment properties

Investment properties primarily comprise 243 properties (2023: 259) held by the RBL as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease.

The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ended 30th September, 2024, 68 properties were revalued (2023: 66) and a revaluation gain of £2.8 million (2023: £4.3 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and no valuation gains or losses were recorded (2023: £nil).

During the year, the RBL disposed of 16 investment properties (2023: 6), realising gains on disposal of £2.5 million (2023: £0.8 million).

Branch Property Trusts

A Branch Property Trust is a property or the proceeds of its sale that is held in a separate charitable trust in connection with an RBL branch. Its charitable purposes are usually restricted to a specific geographical area.

	2024	2023
Restricted Investment Property Reserve	£62.2 million	£65.6 million
Restricted Branch Property and Area Trust Funds	£45.2 million	£40.8 million
Number of properties	243	259

At 30th September, 2024, the RBL held £62.2 million (2023: £65.6 million) (see note 20) in the restricted investment property reserve, representing the market value of 243 (2023: 259) properties predominantly held under Branch Property Trusts. In addition, £45.2 million (2023: £40.8 million) was held in restricted Branch Property and Area Trust funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose, so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were made on 6 Branch Property Trusts (2023: 12), resulting in £4.4 million (2023: £3.1 million) being moved into less restricted and designated Area Trust funds. These funds can now be used to provide welfare support to people in a wider geographical area.

Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans to beneficiaries living in their own home to provide housing improvements, together with a loan to Royal British Legion Industries Limited (RBLI) to help finance the construction of facilities for beneficiaries at the charity's site in Aylesford, Kent. Programme-related investments totalled £4.4 million at the year end (2023: £4.9 million).

Going concern

The Trustees have considered the ability of the group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. We have forecast our income, expenditure, cash and reserves for the financial years ending 30 September, 2025 and 2026. These forecasts show a planned reduction in our free reserves. However, we will continue to hold sufficient reserves, cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure, and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

The Trustees have therefore concluded that it remains appropriate to prepare these accounts on a going concern basis.

Risk management and internal control

The Board of Trustees has responsibility for the oversight of risk management. There has been no change to the risk model operated by the RBL this year. The risk framework includes a risk-management policy and requires that risks are identified and managed appropriately. This is achieved as follows:

- all risks have a named risk owner;
- risks are required to have mitigations in place to provide effective risk response;
- risk exposures should be evaluated by risk owners and reported formally, as appropriate to the Executive Board and the Audit & Risk Committee each quarter; and
- there is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

The Head of Risk Management & Insurance oversees and coordinates the risk framework. Regular reports are made to the Executive Board and the Audit & Risk Committee.

The Audit & Risk Committee is chaired by a Trustee; it receives copies of all audit reports. Group entities, such as the National Memorial Arboretum and Poppyscotland, are included in the above risk framework and a consistent risk model is used. At their last review, the Trustees were satisfied that appropriate and effective controls were in place to mitigate risk exposures.

The most significant inherent risks are set out in the table above, together with selected controls from our risk register.

Risks	Mitigations
Governance Suboptimal governance and management results in the charity being unable to deliver its objectives	Regular, independent review of governance arrangements and implementing the findings of that review to include: • Appropriate training for Trustees • Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees • Regular reviews of the Royal Charter • Head of Governance supported by a team, to ensure governance arrangements function and are fit for purpose • Trustees are appointed to fill specific skills gaps
Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	• Annual budget process • Financial forecasting for short and medium term • Appropriate free reserves policy • Fundraising strategy • Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget • Sound basis for grant-funding decision-making
Safeguarding A beneficiary, member, volunteer or employee suffers harm, abuse or neglect	• Safeguarding Committee meets regularly through the year to receive and act on management information • A designated safeguarding lead • Multi-level, mandatory training programme • Whistleblowing process • Regular reporting of safeguarding data and risk exposures
Cyber Attack A malicious attack on our IT infrastructure causes material business interruption and/or financial loss, or a significant data breach	• Information Security policies and procedures • MS Defender configurations • Cyber Essential Plus accreditation renewed annually • Mandatory cyber-security awareness and education campaigns, including phishing simulation • Security Operations Centre 24/7 monitoring • RBL infrastructure for threat monitoring, detection and response • Virtual Chief Information Security Officer to advise best practice • Rehearsed Incident Response plan with Executive Board exercises • Annual Penetration Test – external perimeter and high-priority third-party systems • Regular staff communications

Public benefit

The Trustees have given due regard to the public-benefit guidance published by the Charity Commission. They believe that the extensive welfare support provided to our beneficiaries, along with the other charitable activities undertaken, satisfies the public-benefit requirements of the Charities Act 2011.

Safeguarding

The RBL delivers regulated activities through our care homes and a wide range of non-regulated welfare, fundraising and membership activities that involve interaction with vulnerable adults at risk and can often include children. Our staff, volunteers and members have a moral and legal responsibility to ensure the safety of the people we work with. Recognising our commitment to ensure that those engaged with the RBL can live free from harm, abuse or neglect, the charity implements a range of policies and procedures including a Safeguarding Policy, Code of Conduct, Welfare Practice Guide and robust recruitment procedures for staff and volunteers.

The RBL deploys a network of trained designated safeguarding leads, who are responsible for reporting safeguarding concerns to statutory agencies and recording all safeguarding incidents. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level.

The Board of Trustees and Executive Board receive appropriate safeguarding training in compliance with the expectations of the UK Charity Regulators.

Modern Slavery Act 2015

The RBL is committed to ensuring that slavery and human trafficking do not occur in our operations or supply chain. We continue to work with new and existing suppliers to minimise the risk of modern slavery and human trafficking and to ensure compliance with the Modern Slavery Act 2015. Our anti-slavery and human-trafficking statement is published on our website.

Streamlined Energy and Carbon Reporting (SECR)

This is the fourth year the RBL has reported in line with the SECR regulations by way of an annual report on greenhouse-gas emissions from Scope 1 and 2 Electricity, Gas and Transport. The report reflects the activities of the RBL group (RBL, Poppyscotland and the National Memorial Arboretum), including Scope 3 emissions from staff, Trustee and volunteer business travel and electricity transmission and distribution losses.

This report has been compiled in line with March 2019 HM Government 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting for the relevant years.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by RBL's energy supplier.

Transport data has been taken from RBL internal claimed mileage and expenses tracking. This includes Scope 1 emissions from Company Fleet, fuel-card records and Scope 3 emissions from Grey Fleet, rail and air travel.

Gas Oil data has been taken from invoices for delivery of fuel onto our sites throughout the year.

Energy-reduction measures

During 2023/24, the RBL has worked to improve energy efficiency across the estate, supported by our in-house energy manager. We delivered the following energy-efficiency projects during the period:

- reviewed heating and cooling schedules and set points at Haig House;
- reduced lighting and air conditioning in unoccupied areas at the National Memorial Arboretum;
- installed a new, more energy-efficient boiler at Mais House Care Home; and
- reviewed heating-system set points to switch on/off with external temperature, to improve resident comfort during extreme hot and cold days across our six care homes.

During the financial year 2023/24, our total emissions decreased by around 6%. For the third consecutive year, Scope 1 and 2 emissions, as well as energy consumption related to our buildings, have declined due to our ongoing efforts to improve building efficiency. Additionally, there was a significant reduction in Scope 1 emissions from our owned vehicle fleet, as many vehicles were removed through changes in fleet management. However, this has led to an increase in Scope 3 emissions from the use of employee-owned vehicles (Grey Fleet), which we will continue to monitor closely.

SECR statistics

Scope	Description	2024		2023	
		(MwH)[2]	tCO_2e	(MwH)[2]	tCO_2e
Scope 1	**Combustion of fuel on-site & transportation**				
	Natural Gas	8,483	1,552	9,367	1,714
	Gas Oil	52	14	42	11
	Fleet Travel	30	7	247	62
Total		**8,565**	**1,572**	**9,656**	**1,786**
Scope 2	**Purchased energy**				
	Electricity	4,459	923	4,805	995
Total		**4,459**	**923**	**4,805**	**995**
Scope 3	**Business travel**				
	Grey Fleet[1]	2,057	499	1,786	433
	Train Travel	-	60	-	63
	Air Travel	-	203	-	192
	Electricity T&D Losses[2]	-	80	-	86
Total		**2,057**	**841**	**1,786**	**774**
	Grand Total	**15,081**	**3,337**	**16,246**	**3,555**
	Intensity/£1 million Turnover	**94**	**20.9**	**109**	**23.9**
	Turnover (£1 million)		**160**		**149**

Notes
1. Employee/volunteer-owned vehicles used for business travel where RBL has provided a car allowance or reimbursed mileage.
2. Transmission & Distribution Losses

Structure, governance and management

The RBL has a head office in London, where the Director General and the supporting Board of six Executive Directors are based. There are offices in Northern Ireland, Scotland and Wales, which provide facilities for beneficiaries, members, volunteers and staff. Care home services are delivered through the RBL's premises around the country. The National Memorial Arboretum, the home of the Armed Forces Memorial, is situated in Alrewas, Staffordshire, and the Legion's Contact Centre is based in Cardiff. The headquarters for Poppyscotland are located in Edinburgh. The charity's branches are located throughout England, Wales, Northern Ireland, the Republic of Ireland, the Channel Islands, the Isle of Man and overseas.

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The Board of Trustees has the responsibility for its implementation and review, but charter amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The King in council.

All employee roles, including those of Executive Directors, are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. The Board of Trustees approves the annual pay award and determines the remuneration for the Director General.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the RBL. All substantive decisions are

made by the Board of Trustees within the bounds of the Royal Charter and the RBL's vision, mission and charitable objectives. The Board of Trustees provides overall strategic direction, while administration of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

The Board of Trustees meets eight times per year and comprises 16 Trustees:

- the National Chair and National Vice Chair are elected by voting branches;
- seven Trustees are elected by voting branches;
- six Trustees are appointed by the Board of Trustees. Invitation is by open advertisement and selection takes place through the Governance & Nominations Committee; and
- the Chair of the Women's Section is elected by the members of the Women's Section at the Women's Section National Conference.

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chair and Vice Chair may only serve one term of three years; however, the Vice Chair may also serve one term of three years as National Chair if so elected by voting branches. Newly elected Trustees are given induction training on their duties and responsibilities as members of the Board of Trustees. Training needs are reviewed on an annual basis and specific training is given to Trustees as required.

Trustees receive no remuneration but are reimbursed for the cost of attending meetings and other official functions.

Trustees may be invited to attend and officiate at Remembrance events and the costs involved in that duty, where relevant, are included in the declared figure for Trustee expenses (Note 15).

Committees of the Board

The Board of Trustees has seven committees that report to it, all of which have written terms of reference.

Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of all membership issues; and
- Conference Committee – oversees the organisation of the Annual Conference.

Five committees form an integral part of the governance of the charity and oversee the charity's resources:

- Governance & Nominations Committee – makes recommendations on Trustee appointments, overall staffing arrangements including pay, and monitors governance best practice;
- Audit & Risk Committee – reviews the significant judgements made in the accounts before Board approval. It provides assurance to the Board on the effectiveness of internal controls and risk-management procedures. It also oversees the work of external and internal audit;
- Care Services Committee – oversees the delivery of the RBL's care services, including our Admiral Nurse Service and six care homes;
- Finance Committee – provides oversight of financial performance, corporate property and IT. It reviews the annual budget and updates to the quarterly financial forecast, as well as advising on long-term strategic financial targets and RBL's reserves policy. It addresses any other financial matters referred to it by the Board of Trustees. Its Investment Sub-committee reviews, oversees and monitors the investment portfolio and pensions; and
- Branch Property Trusts Trustee Committee – recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts and approves property disposals.

The day-to-day management of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

Corporate structure

The RBL has an extensive corporate structure, comprising:

- the charity;
- 10 wholly owned subsidiaries, six of which are active and four of which are dormant; and
- the Irish Ex-Service Trust (IEST), for which it acts on behalf of His Majesty's Government as the distributary agent. The results of IEST are not included in the RBL group accounts.

Further details of the activities and performance of subsidiaries are given in Note 14 to the accounts.

In addition, there are four active organisations that share part of the RBL's name:

- Royal British Legion Industries Limited (RBLI), which provides employment, training and support for people, including those with disabilities, plus care and support for ex-serving personnel and families;
- Royal British Legion Poppy Factory Limited in Richmond (the Poppy Factory), which creates paid meaningful employment opportunities for wounded, injured and sick ex-serving personnel;
- The Royal British Legion Attendants Company Trust, which promotes the rehabilitation and resettlement of men and women of His Majesty's Armed Forces who are in need of assistance in civilian life; and
- Royal British Legion Scotland, which helps Scottish ex-serving personnel of all ages to adapt to civilian life.

These four companies are separate charitable trusts with no common shareholding and no other form of control by the RBL. The results of these companies are therefore not included in the consolidated accounts of the RBL.

Connections to a non-charity

The Trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connections. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Role of the membership and volunteers

The Royal British Legion is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 189,000 members are organised through approximately 2,135 branches operating across England, Wales, Northern Ireland and the Isle of Man, with a further 81 branches overseas and ten national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;
- undertake fundraising, with central support, for the Poppy Appeal;
- recruit and retain members;
- ensure that Remembrance is undertaken locally; and
- act as RBL representatives in their local community.

Branches report into 52 Section, County and District committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Directorate, including the Membership Engagement Team, which is located across England, Wales and Northern Ireland.

The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 369 clubs (2023: 374) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 206 clubs (2023: 209) that occupy premises owned by the RBL and leased to the club.

The RBL depends on the dedication and commitment of thousands of volunteers who give their time and energy in supporting our charitable objectives. Volunteers add value to almost every area of RBL activities, from casework and fundraising to improving the quality of life of our care home residents. The RBL has in excess of 55,000 volunteers, with more than half of our volunteers undertaking more than one volunteer role in the RBL.

Guidance and advice on volunteer management and support is provided by the centrally based Volunteering Support and Development team. The team focuses on creating a flexible framework to develop volunteer opportunities and on professionalising the experience of our volunteers. Through our volunteering strategy, we are looking to build a two-way relationship with our volunteers, where how we support and manage them is just as important as how they support us.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity, of the incoming resources, and of the application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 47) was approved by the Board of Trustees and signed on their behalf.

Jason Coward, National Chair
10th April, 2025

Independent Auditor's Report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Royal British Legion (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September, 2024 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

- the consolidated and parent charity statements of financial activities;
- the consolidated and parent charity balance sheets;
- the consolidated and parent charity cash flow statements; and
- the related notes 1 to 33.

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 group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with the Act 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act, Charities (Accounts and Reports) Regulations 2008, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Charity Commission for England and Wales (Charity Commission) regulations, The Care Quality Commission (CQC) regulations, Gambling Commission regulations and Fundraising regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- revenue recognition, which is related to the accuracy and completeness of legacy income, as this can often include significant judgement over whether conditions have been met for recognition and the amount to recognise: we performed detailed substantive tests on legacy income including on information from third-party legacy notifications, on a sample basis, to verify that they are accurate and complete; and
- branch cash, which is related to the completeness and accuracy of branch cash, as this includes branch data, which can be incomplete and inaccurate: we performed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008, we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
XX April, 2025

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Royal British Legion

Consolidated Statement of Financial Activities for the year ended 30 September 2024

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from					
Donations and legacies	4	86,589	6,102	**92,691**	83,218
Charitable activities	5	28,259	6,926	**35,185**	31,565
Other trading activities	6	20,400	3,304	**23,704**	23,925
Investments	7	5,614	3,185	**8,799**	7,763
Other		272	60	**332**	590
Total income		**141,134**	**19,577**	**160,711**	147,061
Expenditure on					
Raising funds	8	**41,629**	**6,425**	**48,054**	46,900
Charitable activities					
Care	9	42,829	612	**43,441**	42,730
Recovery	9	3,559	220	**3,779**	4,854
Community welfare	9	32,602	12,489	**45,091**	53,277
Membership	9	9,893	34	**9,927**	10,689
Comradeship	9	360	-	**360**	350
Communications and campaigning	9	14,000	-	**14,000**	13,990
Remembrance and ceremonial	9	3,363	6,411	**9,774**	7,838
Total charitable activities	9	**106,606**	**19,766**	**126,372**	133,728
Total expenditure		**148,235**	**26,191**	**174,426**	180,628
Net expenditure before investment gains		**(7,101)**	**(6,614)**	**(13,715)**	(33,567)
Net gains on disposal of investments		1,403	2,556	**3,959**	529
Unrealised gains on revaluation of investments		12,934	4,177	**17,111**	6,091
Net income/(expenditure) before tax		**7,236**	**119**	**7,355**	(26,947)
Taxation charge	11	-	-	**-**	-
Net income/(expenditure) for the year		**7,236**	**119**	**7,355**	(26,947)
Transfers between funds	30	978	(978)	**-**	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	316	62	**378**	(646)
Net movement in funds		**8,530**	**(797)**	**7,733**	(27,593)
Fund balances brought forward at 1 October		**185,578**	**164,936**	**350,514**	378,107
Fund balances carried forward at 30 September		**194,108**	**164,139**	**358,247**	350,514

The notes on pages 64 to 97 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Charity Statement of Financial Activities for the year ended 30 September 2024

	Note	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from					
Donations and legacies	4	89,997	3,315	**93,312**	80,266
Charitable activities	5	28,259	5,265	**33,524**	29,863
Other trading activities	6	10,963	9	**10,972**	11,003
Investments	7	5,528	2,840	**8,368**	7,361
Other		272	-	**272**	590
Total income		**135,019**	**11,429**	**146,448**	129,083
Expenditure on					
Raising funds	8	**34,454**	**183**	**34,637**	32,362
Charitable activities					
Care	9	42,825	612	**43,437**	42,730
Recovery	9	3,559	220	**3,779**	4,854
Community welfare	9	35,428	8,026	**43,454**	52,561
Membership	9	9,893	8	**9,901**	10,662
Comradeship	9	360	-	**360**	350
Communications and campaigning	9	14,000	-	**14,000**	13,990
Remembrance and ceremonial	9	3,363	1,977	**5,340**	3,582
Total charitable activities	9	**109,428**	**10,843**	**120,271**	128,729
Total expenditure		**143,882**	**11,026**	**154,908**	161,091
Net (expenditure)/income before investment gains		**(8,863)**	**403**	**(8,460)**	(32,008)
Net gains/(losses) on disposal of investments		1,403	2,545	**3,948**	1,140
Unrealised gains on revaluation of investments		12,934	3,730	**16,664**	5,292
Net income/(expenditure) for the year		**5,474**	**6,678**	**12,152**	(25,576)
Transfers between funds	30	3,726	(3,726)	**-**	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	316	-	316	(442)
Net movement in funds		**9,516**	**2,952**	**12,468**	(26,018)
Fund balances brought forward at 1 October		182,197	131,020	313,217	339,235
Fund balances carried forward at 30 September		**191,713**	**133,972**	**325,685**	313,217

The notes on pages 64 to 97 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Consolidated and Charity Balance Sheets as at 30 September 2024

	Note	**Group 2024 £'000**	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
Fixed assets					
Intangible assets	17	**284**	679	**252**	622
Tangible assets	18	**80,090**	82,914	**55,987**	57,677
Investments	19	**187,367**	172,944	**183,896**	167,313
Investment properties	20	**62,248**	65,556	**62,248**	65,556
Programme-related investments	21	**4,357**	4,928	**4,357**	4,928
Total fixed assets		**334,346**	327,021	**306,740**	296,096
Current assets					
Stocks		**1,728**	2,366	**-**	-
Debtors	22	**13,359**	9,404	**14,287**	8,081
Cash at hand and in bank	23	**35,646**	43,775	**29,342**	38,611
Total current assets		**50,733**	55,545	**43,629**	46,692
Current liabilities					
Creditors: Amounts falling due within one year	24	**(21,076)**	(24,549)	**(20,328)**	(24,017)
Net current assets		**29,657**	30,996	**23,301**	22,675
Total assets less current liabilities		**364,003**	358,017	**330,041**	318,771
Creditors: Amounts falling due after more than one year	24	**(3,780)**	(4,276)	**(3,780)**	(4,276)
Provisions for liabilities	26	**(576)**	(1,866)	**(576)**	(1,278)
Net assets excluding pension liability		**359,647**	351,875	**325,685**	313,217
Defined benefit pension liability	16b	**(1,400)**	(1,361)	**-**	-
Net assets		**358,247**	350,514	**325,685**	313,217
Funds:					
Total unrestricted funds	28	**194,108**	185,578	**191,713**	182,197
Total restricted funds	29	**164,139**	164,936	**133,972**	131,020
Total funds		**358,247**	350,514	**325,685**	313,217

The notes on pages 64 to 97 form part of the financial statements.

The financial statements of The Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 10 April, 2025.

These were signed on its behalf by:

Jason Coward
National Chairman

Royal British Legion

Consolidated and Charity Cash Flow Statement for the year ended 30 September 2024

	Note	**Group 2024 £'000**	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
Net cash flow from operating activities	A	**(25,067)**	(34,716)	**(23,319)**	(31,498)
Cash flows from investing activities					
Dividends, interest and rents from investments		**8,799**	7,763	**8,368**	7,361
Purchase of tangible fixed assets		**(1,262)**	(4,707)	**(1,195)**	(3,466)
Proceeds from sale of fixed assets		**800**	-	**800**	-
Proceeds from sale of investment properties		**8,701**	1,944	**8,701**	1,944
(Purchase)/Sale of investments		**(53)**	1,078	**(2,624)**	(2,203)
Net cash provided by investing activities		**16,138**	6,078	**13,250**	3,636
Change in cash and cash equivalents in the year		**(8,129)**	(28,638)	**(9,269)**	(27,862)
Cash and cash equivalents at the beginning of the year		**43,775**	72,413	**38,611**	66,473
Cash and cash equivalents at the end of the year	23	**35,646**	43,775	**29,342**	38,611

A. Reconciliation of net income to net cash flow from operating activities	**2024 Group £'000**	2023 Group £'000	**2024 Charity £'000**	2023 Charity £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	**7,355**	(26,947)	**12,152**	(25,576)
Adjustments for:				
Depreciation, amortisation and impairment charges	**3,893**	3,889	**3,168**	3,135
Gains on investments	**(19,713)**	(6,784)	**(19,352)**	(6,046)
Dividends, interest and rents from investments	**(8,799)**	(7,763)	**(8,368)**	(7,361)
Gain on disposal of tangible and intangible fixed assets	**(215)**	-	**(713)**	-
Decrease in stock	**638**	123	**-**	-
Decrease in programme-related investments	**571**	601	**571**	601
(Increase)/decrease in debtors	**(3,955)**	1,504	**(6,206)**	2,001
Increase/(decrease) in creditors	**(3,969)**	1,318	**(4,185)**	2,490
(Decrease) in provisions	**(1,290)**	(300)	**(702)**	(300)
Adjustment in respect of pension funding	**417**	(357)	**316**	(442)
Net cash flow from operating activities	**(25,067)**	(34,716)	**(23,319)**	(31,498)

Royal British Legion
Notes to the Accounts for the Year ended 30 September 2024

1 Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2024, with prior year comparatives (2023) for the year to 30 June 2023.

The group meets the definition of a public benefit entity under FRS 102 and the financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

Group financial statements

These financial statements comprise the central General and Benevolent funds vested in the Board of Trustees in accordance with the Royal British Legion's ("the RBL") Royal Charter. As agreed with the Charity Commission and in accordance with FRS 102, they include the results, assets and liabilities of the RBL's counties, districts, branches and Women's Section. The RBL's policy is to consolidate results of all branches, counties and districts based upon receipt of individual returns. Where returns are not received, assets are included at the previously reported value adjusted for known transactions. The subsidiaries and organisations listed in note 14 have been consolidated on a line-by-line basis.

Four organisations that carry the RBL's name but are not controlled by the RBL have not been included in these financial statements; namely, Royal British Legion Industries, The Royal British Legion Poppy Factory Limited, The Royal British Legion Attendants Company Trust and Royal British Legion Scotland. The accounts do not include the results of affiliated social clubs, which are not controlled by the charity but are separately registered organisations licensed to use the RBL's name.

Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund unless otherwise stated. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the balance sheet. The funds of The National Memorial Arboretum Company Limited and its subsidiary (NMA (Enterprises) Limited), the Earl Haig Fund Scotland and the Lady Haig Poppy Factory (Poppyscotland Group), and the Royal British Legion Republic of Ireland are held within restricted funds since their objects are narrower than those of the Royal British Legion group.

Income

Income is recognised in the year in which the RBL is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy:

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received. Investment income includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2024.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

The economic value of time given by volunteers is not included in these financial statements as it cannot be reasonably and accurately calculated.

Royal British Legion
Notes to the Accounts for the Year Ended 30 September 2024

Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates. Expenditure comprises:

- *Cost of raising funds* includes expenditure on poppies and other fundraising items, staff and related expenditure of the Poppy Appeal, costs of the central fundraising department, commercial (trading) activities and investment management fees.
- *Charitable activities* includes expenditure directly related to the delivery of the services (including staff costs) provided by the charity to eligible beneficiaries, and includes the cost of residential care, recovery services, community welfare services, and Remembrance and comradeship. It also includes the cost of supporting and maintaining the RBL's extensive membership and the costs of campaigning on behalf of beneficiaries. The cost of evaluating, supporting and managing charitable programmes is also included and further analysed in the notes to the accounts.
- *Certain campaign costs* are allocated between Cost of raising funds and Charitable activities on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively.
- Support costs include the central functions such as general management, financial administration, information technology, human resources, governance and facilities management.

Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation.

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury Gilts over the period of the grant.

Allocation of costs

Where possible, the RBL's operating costs, which include staff costs, are allocated directly to the various categories of charitable expenditure or cost of raising funds. Where costs are not directly attributable to any category, they have been apportioned on an appropriate basis to reflect, in each case, an estimate of the efforts and resources devoted to each category of activity – see note 13. Activities that are predominantly outsourced bear no allocation of support costs.

Stocks, poppies and wreaths

The majority of stock relates to Poppy Shop products held for resale by Royal British Legion Trading Ltd. Stock also includes poppies and wreaths produced at the Lady Haig Poppy Factory, which are manufactured for external resale. Stocks are valued at the lower of cost and net realisable value and include direct costs of labour and materials plus allocation of general overheads. Poppies and wreaths produced for distribution during the Poppy Appeal are expensed immediately.

Staff pension schemes

There are three staff pension schemes, which are accounted for in accordance with FRS 102 section 28. There are two defined benefit schemes closed to future accrual: the Royal British Legion Staff Pension Fund and the Earl Haig Defined Benefit Scheme. The remaining one is a current, defined contribution scheme: the Group Flexible Retirement Plan. Further details are included in note 16 to the accounts.

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet when in deficit; however, share of the scheme assets when in surplus is not recognised in accordance with scheme rules, as employer contributions cannot be withdrawn once they are paid into the scheme.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year. The amount charged is allocated between restricted and unrestricted funds in line with the allocation of the staff costs.

Investments and bank deposits

Fixed asset investments are stated at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publicly available price. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Properties not used for charitable purposes are classified as investment properties and are included in investments at market value. Investment properties are revalued on a rolling five-year basis, with 20% of properties being revalued each year internally by qualified surveyors in our Estates team. The remaining 80% of properties are reviewed for material changes.

Programme-related investments are held at the amount invested less any impairment. These are reviewed on an annual basis and any impairment is immediately recognised in the Statement of Financial Activities.

Tangible and intangible fixed assets

Purchases of individual tangible and intangible fixed assets costing more than £50,000, or purchases related to capital projects costing more than £50,000 in total, are capitalised.

Functional properties (freehold and leasehold) used by the charity are included at cost, where known, or valuation at date of acquisition. Branch properties acquired or gifted before 1 October 1995 where the original cost cannot be established are included at a nominal value of £1 each. Depreciation and amortisation are charged to Charitable Activities. Depreciation on functional properties is provided on the cost of buildings on a straight line basis over 50 years or the term of the lease if less. Leasehold improvements are depreciated over the term of the lease. The head office building, Haig House, is depreciated over its expected useful life of 33 years.

Plant, machinery and equipment where capitalised is included at cost. Depreciation is calculated over 3–12 years from the month of first use.

Solar panels are capitalised at cost and depreciated on a straight line basis over the course of their useful economic life.

Software, databases and licences where capitalised are included at cost, which includes the cost of internal development where applicable. Amortisation is provided over 5 years on a straight line basis from the month of first use where no distinct life of the asset can be identified at the point of capitalisation; where the life is known – for example, licences – amortisation is provided over the life of the asset.

Tangible and intangible fixed assets that are under construction are classified as Assets Under Construction and are transferred into the appropriate category on project completion, when depreciation then commences.

The useful economic lives and residual lives of fixed assets are reviewed at the end of each accounting year to consider whether there has been an impairment. Impairments are charged to the Statement of Financial Activities.

Heritage assets

The Armed Forces Memorial (AFM) is included as a heritage asset in the accounts of The National Memorial Arboretum Company Limited at a nominal value of £1. The Trustees consider that the cost of ascertaining a definite value through a surveyor's valuation significantly outweighs the benefit gained from such a valuation.

Other heritage assets (being trees at the National Memorial Arboretum) are included within plant and machinery in tangible fixed assets and are not depreciated (as they are deemed to have indeterminable lives).

Finance and Operating Leases

Instalments payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Any lease incentives (such as rent-free periods) are spread over the life of the lease. The group does not have any material finance leases.

Taxation

The activities of the RBL and its charitable subsidiaries are exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 to the extent that they are applied to the organisation's charitable objects. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay their taxable profits as Gift Aid to the RBL.

Royal British Legion
Notes to the Accounts for the Year Ended 30 September 2024

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts converted to Sterling at the exchange rate as at 30 September 2024.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash and cash equivalents include cash and short-term highly liquid investments with a maturity of three months or less from the date of acquisitions or opening of the deposit or similar account.

2 Critical accounting judgements and key sources of estimation uncertainty

2.1 Critical accounting judgements

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources, and to disclose judgements here. The Trustees consider that no material judgements have been made during the production of the financial statements.

2.2 Key sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Investment property valuation

The fair value of investment properties is measured using valuation techniques (e.g. completed sales values from transactions that concluded after the valuation date, details of offers produced as the outcome of marketing programmes, Charities Act compliant valuation reports and marketing agent's commentary).

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible, judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in assumptions used could affect the fair value of the group's assets.

Significant unobservable inputs used in the fair value measurement include management assumptions, for example regarding the potential to redevelop.

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties.

Retirement benefit liabilities

As disclosed in note 16, the group has defined benefit schemes. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation and expectations on future salary growth and asset returns.

These assumptions are made by the group in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000
Income and endowments from			
Donations and legacies	76,715	6,503	83,218
Charitable activities	25,977	5,588	31,565
Other trading activities	20,936	2,989	23,925
Investments	4,356	3,407	7,763
Other	586	4	590
Total income	128,570	18,491	147,061
Expenditure on			
Raising funds	38,817	8,083	46,900
Charitable activities			
Care	42,102	628	42,730
Personnel Recovery Centres	4,608	246	4,854
Community welfare	39,874	13,403	53,277
Membership	9,518	1,171	10,689
Comradeship	350	-	350
Communications and campaigning	13,990	-	13,990
Remembrance and ceremonial	2,953	4,885	7,838
Total charitable activities	113,395	20,333	133,728
Total expenditure	152,212	28,416	180,628
Net income/(expenditure) before investment gains	(23,642)	(9,925)	(33,567)
Net (losses)/gains on disposal of investments	(3,939)	4,468	529
Unrealised losses on revaluation of investments	5,761	330	6,091
Net expenditure before tax	(21,820)	(5,127)	(26,947)
Taxation charge	-	-	-
Net expenditure for the year	(21,820)	(5,127)	(26,947)
Transfers between funds	(1,277)	1,277	-
Other recognised (losses)/gains			
Actuarial gains on defined benefit pension scheme	(442)	(204)	(646)
Net movement in funds	(23,539)	(4,054)	(27,593)
Fund balances brought forward at 1 October	209,117	168,990	378,107
Fund balances carried forward at 30 September	185,578	164,936	350,514

3a Charity Comparative Statement of Financial Activities

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000
Income and endowments from			
Donations and legacies	78,799	1,467	80,266
Charitable activities	25,977	3,886	29,863
Other trading activities	10,985	18	11,003
Investments	4,322	3,039	7,361
Other	586	4	590
Total income	120,669	8,414	129,083
Expenditure on			
Raising funds	32,233	129	32,362
Charitable activities			
Care	42,102	628	42,730
Personnel Recovery Centres	4,608	246	4,854
Community welfare	42,900	9,661	52,561
Membership	9,518	1,144	10,662
Comradeship	350	-	350
Communications and campaigning	13,990	-	13,990
Remembrance and ceremonial	2,953	629	3,582
Total charitable activities	116,421	12,308	128,729
Total expenditure	148,654	12,437	161,091
Net income/(expenditure) before investment gains	(27,985)	(4,023)	(32,008)
Net (losses)/gains on disposal of investments	(3,939)	5,079	1,140
Unrealised losses on revaluation of investments	5,761	(469)	5,292
Net (expenditure)/income for the year	(26,163)	587	(25,576)
Transfers between funds	1,749	(1,749)	-
Other recognised gains			
Actuarial gains on defined benefit pension scheme	(442)	-	(442)
Net movement in funds	(24,856)	(1,162)	(26,018)
Fund balances brought forward at 1 October	207,053	132,182	339,235
Fund balances carried forward at 30 September	182,197	131,020	313,217

4 Donations and legacies

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Voluntary income				
Donations	**23,280**	20,561	**26,805**	20,573
Legacies	**27,512**	23,344	**26,908**	22,475
The Poppy Appeal	**41,899**	39,313	**39,599**	37,218
Total donations and legacies	**92,691**	83,218	**93,312**	80,266

The total of the Poppy Appeal launched in October 2023 in the United Kingdom and the Republic of Ireland was £41.899 million (2023: £39.313 million). This includes donations collected of £40.764 million (2023: £39.133 million) and legacies of £1.135 million (2023: £180,000).

At 30 September 2024, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £5.065 million (2023: £1.870 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £104,000 (2023: £157,000) where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £19.842 million (2023: £24.438 million). These are a mixture of residuary legacies that are not recognised in these accounts as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in donations above is pro bono legal support of £161,000 (2023: £146,000) from Mayer Brown, J A Kemp and Withers. Also included are other benefits-in-kind valued at £250,000 (2023: £595,000).

5 Charitable activities

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Grants for welfare services and Remembrance				
Ex-service charities and other organisations (almonisation)	**3,595**	3,246	**3,420**	3,183
Contributions for Remembrance activities	**1,763**	320	**1,238**	-
Other grants and contributions	**662**	1,356	**471**	745
Total grants for welfare services and Remembrance	**6,020**	4,922	**5,129**	3,928
Fees from residential care homes	**23,966**	21,558	**23,966**	21,558
Membership fees	**3,982**	4,017	**3,981**	4,014
Income from charitable services	**1,217**	1,068	**448**	363
Total other income from charitable activities	**29,165**	26,643	**28,395**	25,935
Total income from charitable activities	**35,185**	31,565	**33,524**	29,863

Almonisation income is the contribution from other charities towards grants paid by the RBL to individuals when the recipient of assistance is also a beneficiary of these other charities.

Income from other grants includes non-performance-related grants, of which £92,000 are government grants (2023: £138,000). This relates to Grant in Aid funding from the Ministry of Defence. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

6 Other trading activities

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fundraising events income	**2,449**	2,681	**2,397**	2,680
Fundraising lotteries	**8,401**	7,945	**8,305**	7,945
Income from commercial activities	**12,590**	12,926	**6**	5
Licence fees and royalties	**67**	96	**67**	96
Advertising in Legion magazine	**197**	277	**197**	277
Total income from other trading activities	**23,704**	23,925	**10,972**	11,003

7 Investment income

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Dividends and interest on listed investments	**3,891**	3,398	**3,725**	3,121
Investment income on funds held by branches	**414**	409	**414**	409
Rentals from investment properties	**2,743**	2,633	**2,743**	2,633
Bank deposit interest	**1,751**	1,323	**1,486**	1,198
Total investment income	**8,799**	7,763	**8,368**	7,361

Rentals from investment properties with a market value of £62.248 million (note 20) at 30 September 2024 (2023: £65.556 million) are in most cases received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Donations costs	**12,055**	9,933	**9,715**	8,290
Legacies costs	**1,679**	2,330	**1,576**	1,799
Poppy Appeal costs	**15,020**	15,859	**14,253**	14,233
Cost of raising voluntary income	**28,754**	28,122	**25,544**	24,322
Fundraising events costs	**3,375**	3,661	**3,304**	3,661
Fundraising lotteries costs	**5,392**	3,909	**5,268**	3,909
Commercial activities (trading)	**10,043**	10,761	**41**	33
Cost of activities to raise funds	**18,810**	18,331	**8,613**	7,603
Investment management	**490**	447	**480**	437
Total cost of raising funds	**48,054**	46,900	**34,637**	32,362

The total cost of raising funds for the group of £48.054 million (2023: £46.900 million) includes direct costs of £41.946 million (2023: £40.805 million) and allocated support costs of £6.108 million (2023: £6.095 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £17.595 million (2023: £15.030 million), of which £13.483 million (2023: £11.507 million) remains within cost of raising funds representing the fundraising element of the literature, and £4.112 million (2023: £3.523 million) has been reallocated into charitable activities representing the raising awareness element.

9 Analysis of charitable activities

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Residential care homes		**43,441**	42,730	**43,437**	42,730
Total care		**43,441**	42,730	**43,437**	42,730
Recovery		**3,779**	4,854	**3,779**	4,854
Welfare grants to individuals		**11,791**	20,856	**10,866**	19,777
Grants to other organisations	10	**1,859**	4,236	**3,899**	6,180
Information, advice and support		**26,659**	23,583	**23,907**	22,002
Welfare cost in branches, counties and districts		**4,782**	4,602	**4,782**	4,602
Total community welfare		**45,091**	53,277	**43,454**	52,561
Central membership support		**5,932**	5,314	**5,906**	5,287
Recruitment, development, training		**464**	370	**464**	370
Support to branches with clubs		**262**	249	**262**	249
Legion magazine		**737**	715	**737**	715
Membership costs in branches, counties and districts		**2,532**	4,041	**2,532**	4,041
Total membership		**9,927**	10,689	**9,901**	10,662
Comradeship		**360**	350	**360**	350
Direct cost of communication and campaigning		**9,888**	10,467	**9,888**	10,467
Allocated cost of communication and campaigning		**4,112**	3,523	**4,112**	3,523
Total communication and campaigning		**14,000**	13,990	**14,000**	13,990
Festival of Remembrance		**1,215**	1,064	**1,215**	1,064
Ceremonial and commemorative events		**4,282**	2,633	**4,125**	2,518
National Memorial Arboretum operating costs		**4,277**	4,141	**-**	-
Total Remembrance and ceremonial		**9,774**	7,838	**5,340**	3,582
Total cost of charitable activities		**126,372**	133,728	**120,271**	128,729

The total cost of charitable activities for the group of £126.372 million (2023: £133.728 million) includes direct costs of £103.432 million (2023: £111.475 million) and allocated support costs of £22.940 million (2023: £22.253 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £4.112 million (2023: £3.523 million) relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Grants awarded by the Charity:				
Army Families Federation	**2**	-	**2**	-
Combat Stress	**1,070**	2,053	**1,070**	2,053
The Matthew Project	**-**	6		6
National Memorial Arboretum	**-**	-	**2,610**	2,500
Never Such Innocence	**298**	4	**298**	4
Poppyscotland	**-**	-	**216**	526
RFEA The Forces Employment Charity	**-**	20	**-**	20
Royal Commonwealth Ex-Services League	**422**	55	**422**	55
Shelter	**7**	-	**7**	-
Gulab Sorkh Foundation	**145**	-	**145**	-
X-Forces	**-**	191		191
Cancellation – Edinburgh PRC	**(963)**		**(963)**	
Cancellation of grant commitment – nil (2023: 1)	**-**	(20)	**-**	(20)
Grants to 3 other charities and voluntary organisations (2023: 7)	**92**	845	**92**	845
Grants awarded by Poppyscotland:				
Citizens Advice Scotland	**486**	487	**-**	-
NHS Highland	**-**	325	**-**	-
Grants to 5 other charities and voluntary organisations (2023: 6)	**216**	270	**-**	-
Grants awarded by RBL Republic of Ireland:				
Brooke House	**84**	-	**-**	-
Total grants to other organisations	**1,859**	4,236	**3,899**	6,180

Grants awarded may relate to commitments for multiple future years. For more information on grant commitments, see note 25.

A commitment had previously been recognised for a grant awarded to the Ministry of Defence for the Edinburgh Personnel Recovery Centre. This grant was not drawn down by the recipient in due time and has been written back upon the agreement end date reaching expiration.

11 Taxation

	Group 2024 £'000	Group 2023 £'000
Current tax credit:		
UK corporation tax (see below)	**-**	-
Adjustment to deferred tax	**-**	-
Total tax charge/(credit) on income	**-**	-

The taxation credits and charges above arise in the trading subsidiary operations.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations is as follows:

	Group 2024 £'000	Group 2023 £'000
Surplus on ordinary activities before tax	**2,748**	3,468
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2023: 19%)	**522**	659
Unutilised losses	**1**	-
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 32)	**(523)**	(659)
Tax credit not recognised due to uncertainty over future profits	**-**	-
UK corporation tax charge/(credit) for the year	**-**	-

12 Net incoming resources for the year is stated after charging:

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**274**	274	**274**	274
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	**134**	172	**-**	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	**3**	3	**3**	3
Tax advisory services	**7**	11	**3**	5
Branch, county and district audit and examination fees	**36**	37	**36**	37
Depreciation, amortisation and impairment charges	**3,893**	3,889	**3,168**	3,135
Rentals under operating leases	**1,111**	1,505	**1,088**	1,482

The above fees are inclusive of irrecoverable VAT.

13 Support costs

	Head Office Central 2024 £'000	Facilities Management 2024 £'000	Human Resources 2024 £'000	Finance and IT 2024 £'000	Governance 2024 £'000	Total Charity 2024 £'000	Subsidiaries 2024 £'000	Total Group 2024 £'000
Donations costs	157	183	187	696	34	**1,257**	**391**	**1,648**
Legacies costs	32	37	38	140	7	**254**	**93**	**347**
Poppy Appeal costs	-	429	439	1,632	80	**2,580**	**543**	**3,123**
Fundraising events costs	71	82	84	314	15	**566**	**8**	**574**
Fundraising lotteries costs	50	58	59	221	11	**399**	**-**	**399**
Cost of raising funds	**310**	**789**	**807**	**3,003**	**147**	**5,056**	**1,035**	**6,091**
Care homes	**-**	**2,412**	**2,471**	**2,820**	**451**	**8,154**	**-**	**8,154**
Personnel Recovery Centres	**-**	**59**	**60**	**69**	**11**	**199**	**-**	**199**
Information, advice and support	906	1,052	1,078	4,006	197	**7,239**	**1,177**	**8,416**
Welfare cost in branches, counties and districts	28	32	33	122	6	**221**	**-**	**221**
Community welfare	934	1,084	1,111	4,128	203	**7,460**	**1,177**	**8,637**
Central membership support	191	221	227	843	41	**1,523**	**26**	**1,549**
Recruitment, development, training	12	14	15	54	3	**98**	**-**	**98**
Support to branches with clubs	9	11	11	41	2	**74**	**-**	**74**
Membership costs in branches, counties and districts	-	-	-	-	-	**-**	**-**	**-**
Membership	**212**	**246**	**253**	**938**	**46**	**1,695**	**26**	**1,721**
Comradeship	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Direct cost of communications and campaigning	211	245	251	933	46	**1,686**	**-**	**1,686**
Communications and campaigning	**211**	**245**	**251**	**933**	**46**	**1,686**	**-**	**1,686**
Ceremonial and commemorative events	29	34	35	128	6	**232**	**133**	**365**
Remembrance tours	-	-	-	-	-	**-**	**-**	**-**
National Memorial Arboretum operating costs	-	-	-	-	-	**-**	**2,174**	**2,174**
Remembrance and ceremonial	**29**	**34**	**35**	**128**	**6**	**232**	**2,307**	**2,539**
Charitable activities	**1,386**	**4,080**	**4,181**	**9,016**	**763**	**19,426**	**3,510**	**22,936**
Total support costs	**1,696**	**4,869**	**4,988**	**12,019**	**910**	**24,482**	**4,545**	**29,027**

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

13 Support costs continued

	Head Office Central 2023 £'000	Facilities Management 2023 £'000	Human Resources 2023 £'000	Finance and IT 2023 £'000	Governance 2023 £'000	Total Charity 2023 £'000	Subsidiaries 2023 £'000	Total Group 2023 £'000
Donations costs	139	175	203	718	32	1,267	397	1,664
Legacies costs	33	42	49	172	8	304	143	447
Poppy Appeal costs	-	419	485	1,716	76	2,696	482	3,178
Fundraising events costs	49	62	72	255	11	449	1	450
Fundraising lotteries costs	39	49	57	202	9	356	-	356
Cost of raising funds	260	747	866	3,063	136	5,072	1,023	6,095
Care homes	-	2,348	2,721	2,880	426	8,375	-	8,375
Personnel Recovery Centres	-	28	32	34	5	99	-	99
Information, advice and support	761	958	1,112	3,930	174	6,936	829	7,765
Welfare cost in branches, counties and districts	28	35	41	144	6	254	-	254
Community welfare	789	993	1,153	4,074	180	7,190	829	8,019
Central membership support	150	190	220	777	34	1,371	27	1,398
Recruitment, development, training	11	14	16	57	3	101	-	101
Support to branches with clubs	9	11	13	45	2	80	-	80
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	170	215	249	879	39	1,552	27	1,579
Comradeship	-	-	-	-	-	-	-	-
Direct cost of communications and campaigning	199	251	291	1,028	45	1,814	-	1,814
Communications and campaigning	199	251	291	1,028	45	1,814	-	1,814
Ceremonial and commemorative events	20	25	29	104	5	183	109	292
Remembrance tours	-	-	-	-	-	-	-	-
National Memorial Arboretum operating costs	-	-	-	-	-	-	2,075	2,075
Remembrance and ceremonial	20	25	29	104	5	183	2,184	2,367
Charitable activities	1,178	3,860	4,476	8,999	700	19,213	3,040	22,253
Total support costs	1,438	4,607	5,342	12,062	836	24,285	4,063	28,348

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

14 Activities of consolidated subsidiaries and organisations

The RBL has ten wholly owned subsidiaries, seven of which are consolidated into these accounts as described below. There are a further three subsidiaries that are dormant with no assets so have no figures to consolidate.

The results of the subsidiary entities are shown in the table below. All subsidiaries have 30 September year ends and are registered in the UK, with the exception of Royal British Legion Republic of Ireland (registered in the Republic of Ireland).

	The National Memorial Arboretum Company 2024 £'000	NMA (Enterprises) 2024 £'000	Poppyscotland Group 2024 £'000	Royal British Legion Republic of Ireland 2024 £'000	Royal British Legion Trading 2024 £'000	Royal British Legion Developments 2024 £'000
Turnover/incoming resources	4,682	3,186	4,947	123	9,642	-
(Expenditure) (including gains/(losses))	(5,140)	(3,083)	(6,686)	(1,778)	(7,216)	-
Net incoming/(outgoing) resources	**(458)**	**103**	**(1,739)**	**(1,655)**	**2,426**	**-**
Assets	24,130	803	7,997	1,081	4,390	5
Liabilities	(517)	(680)	(2,531)	(116)	(1,964)	(36)
Net assets/(liabilities)	**23,613**	**123**	**5,466**	**965**	**2,426**	**(31)**

	The National Memorial Arboretum Company 2023 £'000	NMA (Enterprises) 2023 £'000	Poppyscotland Group 2023 £'000	Royal British Legion Republic of Ireland 2023 £'000	Royal British Legion Trading 2023 £'000	Royal British Legion Developments 2023 £'000	Remembrance Travel 2023 £'000
Turnover/incoming resources	5,071	2,927	5,105	250	9,985	-	-
Expenditure	(4,928)	(3,111)	(8,163)	(43)	(8,668)	-	-
Net incoming/(outgoing) resources	143	(184)	(3,058)	207	1,317	-	-
Assets	24,528	687	8,954	2,655	4,126	7	47
Liabilities	(457)	(667)	(1,749)	(35)	(725)	(34)	(40)
Net assets/(liabilities)	24,071	20	7,205	2,620	3,401	(27)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited (Company number: 09297443, Charity number: 1043992) – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited (Company number: 04259701) – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to National Memorial Arboretum visitors. Its expenditure includes prior year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £220,000 (2023: £250,000).

Poppyscotland (Earl Haig Fund Scotland) (Company number: SC194893, Charity number SC014096) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity was the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services; the trade and assets of Lady Haig Poppy Factory were acquired by Poppyscotland at 30 September 2023 and Lady Haig Poppy Factory is now dormant.

Royal British Legion Republic of Ireland (Company number: 585272, Charity number: CHY 7564) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited (Company number: 04783730) – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior year profits paid under the Gift Aid scheme to the RBL of £3.402 million (2023: £2.084 million).

Royal British Legion Developments Limited (Company number: 02906738) – a trading company that develops or improves properties, principally those owned by the RBL, and is currently inactive. There were no profits to pay to the RBL in 2024 or 2023.

Remembrance Travel Limited (Company number: 04272358) – a subsidary that previously operated as a travel company delivering pilgrimages and associated travel activity until 1 October 2018 and was dissolved on 23 July 2024.

Royal British Legion Poppy Lottery Limited (Company number: 02522956, Charity number: 1145007), *The Royal British Legion Family and Support Lottery Limited* (Company number: 07758114) and *Poppy Travel Limited* (Company number: 07937118) – dormant subsidiaries with no assets.

15 Information regarding employees and Trustees

	Total 2024	Total 2023
Average number of employees (full-time equivalent) during the year	**No.**	No.
Raising funds	**221**	203
Charitable activities		
Care services and Personnel Recovery Centres	**695**	644
Community welfare services	**305**	270
Membership services	**69**	58
Comradeship	**-**	-
Communication and campaigning	**69**	68
Remembrance and ceremonial	**9**	7
Total charitable activities	**1,147**	1,047
Support and governance	**201**	191
Total charity full-time equivalent staff	**1,569**	1,441
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	**84**	88
National Memorial Arboretum Group	**103**	103
Royal British Legion Trading	**18**	17
Total group full-time equivalent staff	**1,774**	1,649

The group incurred costs of £3.4 million (2023: £5.1 million) on agency staff, which are not included in the staff costs below.

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Staff costs comprise:				
Wages and salaries	**60,097**	54,507	**54,691**	49,123
National Insurance contributions	**6,010**	5,454	**5,523**	4,981
Pension costs	**6,788**	6,162	**6,127**	5,489
Total staff costs	**72,895**	66,123	**66,341**	59,593

The number of staff paid more than £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
£60,000 - £69,999	**36**	32	**36**	30
£70,000 - £79,999	**13**	11	**12**	11
£80,000 - £89,999	**6**	11	**6**	10
£90,000 - £99,999	**5**	2	**5**	2
£100,000 - £109,999	**1**	1	**1**	1
£110,000 - £119,999	**4**	2	**4**	2
£120,000 - £129,999	**-**	2	**-**	2
£130,000 - £139,999	**1**	1	**1**	1
£140,000 - £149,999	**2**	-	**2**	-
£150,000 - £159,999	**-**	1	**-**	1
£160,000 - £169,999	**-**	-	**-**	-
£170,000 - £179,999	**1**	-	**1**	-

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £1.24 million (2023: £1.01 million).

The RBL operates a transparent Pay Policy, which is communicated to all staff. Salary levels are regularly benchmarked against other comparable organisations across the private, public and third sectors. RBL executive pay is subject to annual review by a Governance Committee comprising five Trustees including the Chair and Vice Chair.

During the year, redundancy payments of £71,000 (2023: £145,000) and termination payments of £199,000 (2023: £209,000) were made across the group to 22 (2023:32) individuals, which are included in the staff costs figures above.

During the year, the total expenses paid in respect of 15 (2023: 20) Board of Trustee members amounted to £43,000 (2023: £66,000). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds

The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:

1. Group Flexible Retirement Plan (GFRP)

2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)

3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)

4. The Royal British Legion Staff Pension Fund (DB Fund)

5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (including Poppyscotland from 1 October 2022) that is provided by Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £6.790 million (2023: £6.163 million) for the year, of which £590,000 (2023: £548,000) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002, and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2023 and showed the fund to be in surplus by £3.0 million. The results of the last valuation were updated to 30 September 2024 by a qualified actuary, and showed a surplus of £6.1 million. This surplus has not been recognised in these accounts as under the pension fund rules, there is no mechanism to refund employer contributions once they are paid in. In the year ended 30 September 2024, deficit contributions of £nil together with administrative cost contributions of £330,000 were paid into the fund.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002, and on 31 March 2018 was closed to accrual from the remaining members. The last full actuarial valuation of the EH Fund was carried out as at 31 March 2022. As a result of the 2022 triennial valuation, the employer agreed to pay monthly instalments of an annual deficit contribution of £124,000 per year from 1 October 2023 until 31 July 2035, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

The RBL is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent Court of Appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. The RBL understands that the Trustees of the RBL Fund have received legal advice suggesting that this is unlikely to impact on the RBL Fund. However, this may have an impact on Stanplan F. There remains significant uncertainty as to whether the judgements will result in additional liabilities for UK pension schemes and it is possible that the Department for Work & Pensions will introduce legislation to allow changes to be certified retrospectively. A detailed review of historic documentation will be needed to determine whether any changes made by a UK pension scheme were valid (assuming retrospective certification does not become an option), and such a review will take some time to complete. As a result, the RBL cannot be certain of the potential implications (if any) and therefore a sufficiently reliable estimate of any effect on the obligation cannot be made.

Please also note a post-balance-sheet event disclosed in note 32 regarding the merger of the Stanplan F Earl Haig defined benefit pension scheme into the RBL's defined benefit pension scheme.

16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2024 £'000	DB Fund 2024 £'000	Total 2024 £'000	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000
Current service cost	**-**	**-**	**-**	-	-	-
Administration expenses	**(197)**	**(638)**	**(835)**	(163)	(560)	(723)
Net interest	**(75)**	**8**	**(67)**	(59)	12	(47)
Amount charged to net incoming resources	**(272)**	**(630)**	**(902)**	(222)	(548)	(770)
Actuarial gains/(losses)	**(114)**	**(459)**	**(573)**	54	4,548	4,602
Return on assets excluding amount included in net interest	**176**	**1,795**	**1,971**	(258)	(5,256)	(5,514)
Limit on recognition of assets less interest	**-**	**(1,020)**	**(1,020)**	-	266	266
Amount recognised in other comprehensive income	**62**	**316**	**378**	(204)	(442)	(646)
Total (decrease)/increase in net funds	**(210)**	**(314)**	**(524)**	(426)	(990)	(1,416)

16b Reconciliation to the Balance Sheet

	EH Fund 2024 £'000	DB Fund 2024 £'000	Total 2024 £'000	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000
Market value of assets	**2,930**	**50,974**	**53,904**	2,944	50,017	52,961
Present value of defined benefit obligation	**(4,330)**	**(45,349)**	**(49,679)**	(4,305)	(45,652)	(49,957)
Irrecoverable surplus	**-**	**(5,625)**	**(5,625)**	-	(4,365)	(4,365)
Pension liability recognised in the Balance Sheet	**(1,400)**	**-**	**(1,400)**	(1,361)	-	(1,361)

16c Analysis of changes in the value of the fund liabilities over the year

	EH Fund 2024 £'000	DB Fund 2024 £'000	Total 2024 £'000	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000
Value of liabilities at start of year	**(4,305)**	**(45,652)**	**(49,957)**	(4,452)	(50,761)	(55,213)
Interest cost	**(228)**	**(2,424)**	**(2,652)**	(232)	(2,655)	(2,887)
Benefits paid	**317**	**3,186**	**3,503**	325	3,216	3,541
Actuarial gains/(losses)	**(114)**	**(459)**	**(573)**	54	4,548	4,602
Value of liabilities at end of year	**(4,330)**	**(45,349)**	**(49,679)**	(4,305)	(45,652)	(49,957)

16d Analysis of changes in the value of the fund assets over the year

	EH Fund 2024 £'000	DB Fund 2024 £'000	Total 2024 £'000	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000
Market value of assets at start of year	**2,944**	**50,017**	**52,961**	3,380	55,155	58,535
Return on assets excluding amount included in net interest	**176**	**1,795**	**1,971**	(258)	(5,256)	(5,514)
Administration expenses	**(197)**	**(638)**	**(835)**	(163)	(560)	(723)
Employer contributions	**171**	**330**	**501**	137	990	1,127
Interest income	**153**	**2,656**	**2,809**	173	2,904	3,077
Benefits paid	**(317)**	**(3,186)**	**(3,503)**	(325)	(3,216)	(3,541)
Market value of assets at end of year	**2,930**	**50,974**	**53,904**	2,944	50,017	52,961

16e Asset classes

	DB Fund 2024 Market Value £'000	DB Fund 2024 % of total fund assets	DB Fund 2023 Market Value £'000	DB Fund 2023 % of total fund assets
Equities	**4,802**	**9%**	4,744	9%
Bonds	**17,008**	**33%**	14,422	29%
LDI	**17,027**	**34%**	15,161	30%
Cash	**1,177**	**2%**	775	2%
Annuities	**840**	**2%**	991	2%
Other assets	**10,120**	**20%**	13,924	28%
Total fund assets	**50,974**		50,017	
The actual return on assets over the year was	**4,975**		(2,352)	

	EH Fund 2024 Market Value £'000	EH Fund 2024 % of total fund assets	EH Fund 2023 Market Value £'000	EH Fund 2023 % of total fund assets
Equities	**669**	**23%**	614	21%
Bonds	**308**	**11%**	-	0%
Cash	**178**	**6%**	139	5%
Annuities	**178**	**6%**	216	7%
Other assets	**1,597**	**54%**	1,975	67%
Total fund assets	**2,930**		2,944	
The actual return on assets over the year was	**329**		(85)	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation.

The assets are invested in a diversified portfolio.

During 2025, contributions of £177,414 are expected to be paid into the EH Fund inclusive of deficit reduction payments. Given the surplus position on the DB Fund, no further payments into the fund will be required at this time.

16f Actuarial assumptions

	2024 % p.a.		2023 % p.a.	
Financial assumptions				
	EH Fund	**DB Fund**	EH Fund	DB Fund
Discount rate	**5.1**	**5.1**	5.5	5.5
Retail price index inflation	**3.4**	**3.4**	3.55	3.55
Consumer price index inflation	**3.1**	**2.8**	3.2	2.9
Salary increases	**-**	**3.8**	-	3.9
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	**-**	**3.2**	-	3.4
Capped at 5% or CPI if less	**3.6**	**-**	3.6	-
Capped at 3% or CPI if less	**2.4**	**2.3**	2.4	2.4
Capped at 2.5% or CPI if less	**2.1**	**-**	2.1	-
Rate of increase for deferred pensioners	**2.5**	**2.8**	2.5	2.9

Mortality assumptions – EH Fund

	2024		2023	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**24.3 years**	**27.2 years**	24.4 years	27.2 years
Future pensioner now aged 40	**25.9 years**	**28.7 years**	25.9 years	28.7 years

Mortality assumptions – DB Fund

	2024		2023	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**25.2 years**	**28.2 years**	25.3 years	28.1 years
Future pensioner now aged 40	**26.8 years**	**29.7 years**	26.8 years	29.6 years

17 Group intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Group £'000
At cost or valuation			
At 1 October 2023	5,493	-	**5,493**
Additions	-	-	**-**
Transfers	-	-	**-**
Disposals	-	-	**-**
At 30 September 2024	**5,493**	**-**	**5,493**
Accumulated amortisation			
At 1 October 2023	(4,814)	-	**(4,814)**
Charge for the year	(395)	-	**(395)**
Eliminated on disposals	-	-	**-**
At 30 September 2024	**(5,209)**	**-**	**(5,209)**
Net book value at 30 September 2024	**284**	**-**	**284**
Net book value at 30 September 2023	**679**	**-**	**679**

17a Charity Intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation			
At 1 October 2023	5,367	-	**5,367**
Additions	-	-	**-**
Transfers	-	-	**-**
Disposals	-	-	**-**
At 30 September 2024	5,367	-	**5,367**
Accumulated amortisation			
At 1 October 2023	(4,745)	-	**(4,745)**
Charge for the year	(370)	-	**(370)**
Eliminated on disposals	-	-	**-**
At 30 September 2024	(5,115)	-	**(5,115)**
Net book value at 30 September 2024	**252**	**-**	**252**
Net book value at 30 September 2023	622	-	622

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2023	46,139	34,481	31,177	12,315	720	**124,832**
Additions	-	-	3	1,151	108	**1,262**
Transfers	-	-	1	35	(36)	**-**
Disposals	-	(530)	-	-	(65)	**(595)**
At 30 September 2024	**46,139**	**33,951**	**31,181**	**13,501**	**727**	**125,499**
Accumulated depreciation						
At 1 October 2023	(15,059)	(9,236)	(11,384)	(6,242)	-	**(41,921)**
Charge for the year	(837)	(749)	(734)	(1,178)	-	**(3,498)**
Impairment	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	**-**
Disposals	-	10	-	-	-	**10**
At 30 September 2024	**(15,896)**	**(9,975)**	**(12,118)**	**(7,420)**	**-**	**(45,409)**
Net book value at 30 September 2024	**30,243**	**23,976**	**19,063**	**6,081**	**727**	**80,090**
Net book value at 30 September 2023	31,080	25,245	19,793	6,073	720	82,911

18a Charity tangible fixed assets including functional property

	Freehold homes	Other freehold	Leasehold property and leasehold improvements	Plant, machinery and equipment	Assets under construction	Total Charity
	£'000	£'000	£'000	£'000	£'000	£'000
At cost or valuation						
At 1 October 2023	46,139	29,622	6,485	10,691	291	**93,228**
Additions	-	-	-	1,151	44	**1,195**
Transfers	-	-	-	35	(35)	**-**
Disposals	-	(32)	-	-	(65)	**(97)**
At 30 September 2024	**46,139**	**29,590**	**6,485**	**11,877**	**235**	**94,326**
Accumulated depreciation						
At 1 October 2023	(15,059)	(8,572)	(6,285)	(5,635)	-	**(35,551)**
Charge for the year	(837)	(656)	(192)	(1,113)	-	**(2,798)**
Impairment	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	**-**
Disposals	-	10	-	-	-	**10**
At 30 September 2024	**(15,896)**	**(9,218)**	**(6,477)**	**(6,748)**	**-**	**(38,339)**
Net book value at 30 September 2024	**30,243**	**20,372**	**8**	**5,129**	**235**	**55,987**
Net book value at 30 September 2023	31,080	21,050	200	5,056	291	57,677

19 Investments

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Market value at 1 October	**172,944**	172,317	**167,313**	164,143
Net additions/(disposals)	**103**	(1,078)	**2,624**	2,203
Investment gain/(loss) on revaluation	**14,320**	1,705	**13,959**	967
Market value at 30 September	**187,367**	172,944	**183,896**	167,313

The asset distribution of the investment portfolio at 30 September is presented below.

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Equities:				
UK	**6,592**	7,637	**6,406**	6,877
Overseas	**101,972**	85,763	**100,806**	84,071
Total equities	**108,564**	93,400	**107,212**	90,948
Bonds:				
UK	**15,787**	16,776	**14,141**	14,553
Overseas	**7,694**	5,624	**7,626**	5,331
Total bonds	**23,481**	22,400	**21,767**	19,884
Cash:				
UK	**1,915**	1,924	**1,794**	1,689
Overseas	**-**	-	**-**	-
Total cash	**1,915**	1,924	**1,794**	1,689
Hedge funds – UK	**2,588**	2,329	**2,588**	2,329
Property	**8,711**	10,113	**8,711**	10,041
Private equity	**11,870**	10,412	**11,870**	10,412
Commodities	**7,815**	9,532	**7,743**	9,432
Portfolio funds:				
UK	**7,918**	7,465	**7,844**	7,291
Overseas	**-**	-	**-**	-
Total portfolio funds	**7,918**	7,465	**7,844**	7,291
Other:				
UK	**8,157**	8,173	**8,132**	8,155
Overseas	**6,348**	7,196	**6,235**	7,132
Total other	**14,505**	15,369	**14,367**	15,287
Total investments	**187,367**	172,944	**183,896**	167,313

£168.808 million of the investments are managed by Cazenove Capital Management Limited (2023: £151.877 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publically available price.

Other investments includes investments held by branches, and balances relating to the Arthur Atock Memorial Trust and Devon Community Trust.

20 Group & Charity investment properties

	2024 £'000	2023 £'000
Market value at 1 October	**65,556**	62,421
Disposal proceeds	**(8,701)**	(1,944)
Net gain on disposal from opening market value	**2,545**	754
Net gain on revaluation of investment properties	**2,848**	4,325
Market value at 30 September	**62,248**	65,556

Investment properties primarily comprise 243 properties (2023: 259 properties) that are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2024, 68 properties were revalued (2023: 66 properties) and a revaluation gain of £2.8 million (2023: £4.3 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £nil (2023: £nil) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2024, none of these properties (2023: 0) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2023: £nil) has been recognised in respect of these properties.

21 Programme-related investments

	Group & Charity 2024 £'000	Group & Charity 2023 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	**-**	101
RBL Industries Limited	**1,619**	1,840
Other schemes unrestricted		
Loans for property repairs (PRL)	**2,738**	2,987
Total programme-related investments	**4,357**	4,928

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	RBL Industries Limited £'000	PRL loans £'000	Total Group & Charity £'000
Opening balance at 1 October	101	1,840	2,987	**4,928**
Interest	2	98	-	**100**
Repayments and security deposits	(103)	(319)	(249)	**(671)**
Closing balance at 30 September	**-**	**1,619**	**2,738**	**4,357**

The RBL has provided a number of loans in furtherance of its charitable objectives as follows:

Sir Oswald Stoll Foundation – a secured loan repayable over 10 years issued towards the development costs of a veterans' housing centre. An interest rate of 4% is applied to the principal issued on the anniversary of the loan agreement (17 September 2013). The loan was fully repaid in the year.

RBL Industries Limited – a secured loan repayable over 10 years issued towards the development of Phase 2B of the RBLI Centenary Village. An interest rate of 0.5% above the Bank of England base rate is applied on the daily outstanding balance.

Property Repair Loans – interest-free secured loans to beneficiaries living in their own homes to provide housing improvements. The majority are lifetime loans as they are repayable on the sale of property. The minimum amount for a loan is £2,000 and the maximum allowed is £25,000. The RBL ceased issuing new loans in 2013.

22 Debtors

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Trade debtors	**2,732**	1,717	**2,508**	1,460
Amounts due from consolidated entities	**-**	-	**1,966**	89
Other debtors	**1,997**	1,733	**1,731**	1,486
Prepayments and accrued income	**8,630**	5,954	**8,082**	5,046
Total debtors	**13,359**	9,404	**14,287**	8,081

23 Cash at hand and in bank and short-term deposits

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Cash held centrally				
Short-term deposits	**13,758**	20,241	**11,983**	18,474
Cash at hand and in bank	**13,487**	14,080	**8,958**	10,683
	27,245	34,321	**20,941**	29,157
Cash held by branches	**8,401**	9,454	**8,401**	9,454
Total cash	**35,646**	43,775	**29,342**	38,611

24 Creditors

Creditors falling due within one year	**Group 2024 £'000**	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
Trade creditors	**4,705**	3,182	**3,990**	2,682
Amounts due to consolidated entities	**-**	-	**1,450**	1,300
Grant commitments (see note 25)	**4,183**	8,650	**4,183**	8,650
Accruals	**7,118**	7,800	**6,402**	7,166
Deferred income (see note 24a)	**2,515**	2,379	**2,287**	2,164
Other creditors	**2,555**	2,523	**2,016**	2,055
Hire Purchase commitments due within one year	**-**	15	**-**	-
Total creditors falling due within one year	**21,076**	24,549	**20,328**	24,017

Creditors falling due after more than one year:	**Group 2024 £'000**	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
External grant commitments (see note 25):				
Due within two to five years	**3,780**	4,276	**3,780**	4,276
Total creditors falling due after more than one year	**3,780**	4,276	**3,780**	4,276

24a Deferred income movement during the year

	Group 2024 £'000	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
Opening balance at 1 October	**2,379**	2,698	**2,164**	2,499
Deferred income released in the year	**(2,379)**	(2,698)	**(2,164)**	(2,499)
Income deferred in the year	**2,515**	2,379	**2,287**	2,164
Closing balance at 30 September	**2,515**	2,379	**2,287**	2,164

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2024, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group & Charity grant commitments

	Personnel Recovery Centres 2024 £'000	**Combat Stress 2024 £'000**	**Other 2024 £'000**	**Group & Charity Total 2024 £'000**
Opening balance at 1 October 2023	963	6,204	5,759	**12,926**
Grants awarded	-	1,000	862	**1,862**
Unwinding of discount	-	70	6	**76**
Payments during the year	-	(2,000)	(3,938)	**(5,938)**
Commitments written back	(963)	-	-	**(963)**
Closing balance at 30 September 2024	**-**	**5,274**	**2,689**	**7,963**

26 Provisions for liabilities

	Group 2024 £'000	Group 2023 £'000	**Charity 2024 £'000**	Charity 2023 £'000
Opening balance at 1 October	**1,866**	2,166	**1,278**	1,578
Provisions made in the year	**-**	50	**-**	50
Provisions released/utilised in the year	**(1,290)**	(350)	**(702)**	(350)
Closing balance at 30 September	**576**	1,866	**576**	1,278

Charity Provisions for liabilities includes estimated future costs of dilapidations obligations arising from land and building operating lease contracts where the RBL is the lessee and the contract requires the RBL to pay such costs at the end of the lease period. Current lease obligations expire no later than 2025.

Group Provisions for liabilities also included a brought-forward provision for VAT payable to HMRC of £588,000 to cover any potential liability relating to the VAT status of the refurbishment of the Lady Haig Poppy Factory that was funded by Earl Haig Fund Scotland. Further details were provided in the 2021 Earl Haig Fund Scotland statutory annual accounts. This provision was settled at £89,000 in the year and the balance of the provision released.

27 Group operating lease commitments

At 30 September, the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2024 £'000	**Vehicles and equipment 2024 £'000**	Land and buildings 2023 £'000	Vehicles and equipment 2023 £'000
Within one year	**156**	11	697	-
Within two to five years	**152**	26	593	-
Over five years	**704**	-	756	-
Total	**1,012**	37	2,046	-

27a Charity operating lease commitments

At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2024 £'000	**Vehicles and equipment 2024 £'000**	Land and buildings 2023 £'000	Vehicles and equipment 2023 £'000
Within one year	**156**	-	677	-
Within two to five years	**152**	-	523	-
Over five years	**704**	-	756	-
Total	**1,012**	-	1,956	-

28 Group unrestricted funds

	Opening Balance 1 Oct 2023 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2024 £'000
Central benevolent fund	78,725	123,285	(124,090)	13,746	1,601	**93,267**
Area trust funds	6,438	-	(3,636)	-	4,428	**7,230**
Pension reserve	-	-	(630)	316	314	**-**
Subsidiaries' funds	3,381	9,523	(7,220)	-	(3,289)	**2,395**
Available reserves	**88,544**	**132,808**	**(135,576)**	**14,062**	**3,054**	**102,892**
General fund	3,336	4,004	(5,850)	-	-	**1,490**
Branch, county, district and Women's Section funds	30,352	4,222	(3,600)	591	(2,503)	**29,062**
WS Invictus Games	119	-	(51)	-	-	**68**
Functional fixed asset reserve	58,299	-	(3,158)	-	1,098	**56,239**
Programme-related investment reserve	4,928	100	-	-	(671)	**4,357**
Total group unrestricted funds	**185,578**	**141,134**	**(148,235)**	**14,653**	**978**	**194,108**

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Central benevolent fund	90,932	109,521	(120,993)	1,747	(2,482)	78,725
Area trust funds	16,110	-	(11,482)	-	1,810	6,438
Pension reserve	-	-	(548)	(442)	990	-
Subsidiaries' funds	2,064	9,985	(6,584)	-	(2,084)	3,381
Available reserves	109,106	119,506	(139,607)	1,305	(1,766)	88,544
General fund	4,483	4,149	(5,296)	-	-	3,336
Branch, county, district and Women's Section funds	32,031	4,820	(4,043)	75	(2,531)	30,352
WS Invictus Games	-	-	(131)	-	250	119
Functional fixed asset reserve	57,968	-	(3,135)	-	3,466	58,299
Programme related investment reserve	5,529	95	-	-	(696)	4,928
Total group unrestricted funds	209,117	128,570	(152,212)	1,380	(1,277)	185,578

The Central benevolent fund incorporates the core activities of the RBL, such as operating residential care homes, giving grants, providing resettlement training, giving pension claims advice and acting as the custodian of Remembrance. The proceeds from the annual Poppy Appeal collection are allocated to this fund.

The Area trust funds are benevolent funds that have been designated for use in a particular geographical area.

The Pension reserve is a specific allocation of unrestricted funds in relation to the Royal British Legion Staff Pension Fund.

Subsidiaries' funds represent unrestricted funds held in subsidiaries.

Taken together, the above four lines represent the total unrestricted reserves of the RBL, which are available for immediate use at the discretion of the Trustees.

The General fund is used to support the central administration of the membership of the RBL.

Branch, county, district and Women's Section funds represent those funds held by, or on behalf of, the various RBL membership formations.

WS Invictus Games represents funds designated by the Women's Section for spending on Invictus Games support.

The Functional fixed asset reserve represents the value of the RBL's functional fixed asset portfolio (such as residential care homes) used by the charity in the delivery of its charitable objectives.

The Programme-related investment reserve represents the value of the programme-related investments used by the charity in the delivery of its charitable objectives.

28a Charity unrestricted funds

	Opening Balance 1 Oct 2023 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2024 £'000
Central benevolent fund	78,725	126,693	(126,957)	13,746	1,060	**93,267**
Area trust funds	6,438	-	(3,636)	-	4,428	**7,230**
Pension reserve	-	-	(630)	316	314	**-**
Available reserves	**85,163**	**126,693**	**(131,223)**	**14,062**	**5,802**	**100,497**
General fund	3,336	4,004	(5,850)	-	-	**1,490**
Branch, county, district and Women's Section funds	30,352	4,222	(3,600)	591	(2,503)	**29,062**
WS Invictus Games	119	-	(51)	-	-	**68**
Functional fixed asset reserve	58,299	-	(3,158)	-	1,098	**56,239**
Programme-related investment reserve	4,928	100	-	-	(671)	**4,357**
Total charity unrestricted funds	**182,197**	**135,019**	**(143,882)**	**14,653**	**3,726**	**191,713**

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Central benevolent fund	90,932	111,605	(124,019)	1,747	(1,540)	78,725
Area trust funds	16,110		(11,482)		1,810	6,438
Pension reserve	-		(548)	(442)	990	-
Available reserves	107,042	111,605	(136,049)	1,305	1,260	85,163
General fund	4,483	4,149	(5,296)			3,336
Branch, county, district and Women's Section funds	32,031	4,820	(4,043)	75	(2,531)	30,352
WS Invictus Games	-	-	(131)	-	250	119
Functional fixed asset reserve	57,968	-	(3,135)	-	3,466	58,299
Programme-related investment reserve	5,529	95	-	-	(696)	4,928
Total charity unrestricted funds	207,053	120,669	(148,654)	1,380	1,749	182,197

29 Group restricted funds

	Opening Balance 1 Oct 2023 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2024 £'000
Investment property reserve	65,556	-	-	5,393	(8,701)	**62,248**
Income and sales proceeds from property held in corporate trusteeship	40,824	2,648	(3,591)	252	5,113	**45,246**
Grants for specific purposes	1,297	5,166	(6,142)	-	19	**340**
Donor-restricted legacies and donations	11,414	1,481	(521)	131	1,549	**14,054**
Branch and county funds	5,115	22	(44)	2	-	**5,095**
Charity Commission schemes	2,433	51	-	164	-	**2,648**
Homes' residents' amenity funds	1,428	304	(542)	-	39	**1,229**
The Arthur Atock Memorial Trust	1,552	42	(175)	217	-	**1,636**
British Korean Veterans (1981) Relief Fund	135	2	(1)	5	-	**141**
Samsung British Korean Veterans Scholarship Fund	229	10	(10)	13	(21)	**221**
Permanent endowments	1,037	-	-	98	(21)	**1,114**
Total charity restricted funds	**131,020**	**9,726**	**(11,026)**	**6,275**	**(2,023)**	**133,972**
Poppyscotland Group	8,566	4,731	(6,656)	180	45	**6,866**
Poppyscotland pension provision	(1,361)	-	(272)	62	171	**(1,400)**
National Memorial Arboretum Group	24,091	4,997	(7,884)	-	2,532	**23,736**
Royal British Legion Republic of Ireland	2,620	123	(353)	278	(1,703)	**965**
Total group restricted funds	**164,936**	**19,577**	**(26,191)**	**6,795**	**(978)**	**164,139**

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Investment property reserve	62,421	-	-	5,079	(1,944)	65,556
Income and sales proceeds from property held in corporate trusteeship	42,078	2,578	(4,863)	73	958	40,824
Grants for specific purposes	2,642	3,702	(4,517)	-	(530)	1,297
Donor-restricted legacies and donations	11,305	1,316	(1,015)	22	(214)	11,414
Branch and county funds	6,713	449	(1,290)	(757)	-	5,115
Charity Commission schemes	2,361	50	-	22	-	2,433
Homes' residents' amenity funds	1,814	261	(628)	-	(19)	1,428
The Arthur Atock Memorial Trust	1,480	47	(124)	149	-	1,552
British Korean Veterans (1981) Relief Fund	132	2	-	1	-	135
Samsung British Korean Veterans Scholarship Fund	303	8	-	(82)	-	229
Permanent endowments	933	1	-	103	-	1,037
Total charity restricted funds	132,182	8,414	(12,437)	4,610	(1,749)	131,020
Poppyscotland Group	11,335	4,579	(7,734)	(3)	389	8,566
Poppyscotland pension provision	(1,072)	-	(222)	(204)	137	(1,361)
National Memorial Arboretum Group	24,132	5,248	(7,789)	-	2,500	24,091
Royal British Legion Republic of Ireland	2,413	250	(234)	191	-	2,620
Total group restricted funds	168,990	18,491	(28,416)	4,594	1,277	164,936

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund. Restricted funds include permanent endowment funds that are not material and are not therefore shown separately on the face of the Balance Sheet.

The investment property reserve represents the estimated market value of £62.248 million (2023: £65.556 million) representing a portfolio of 243 properties (2023: 259 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds, pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2024 was £45.246 million (2023: £40.824 million), which includes both investment income and sales proceeds.

29a Charity restricted funds

	Opening Balance 1 Oct 2023 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2024 £'000
Investment property reserve	65,556	-	-	5,393	(8,701)	**62,248**
Income and sales proceeds from property held in corporate trusteeship	40,824	2,648	(3,591)	252	5,113	**45,246**
Grants for specific purposes	1,297	5,166	(6,142)	-	19	**340**
Donor-restricted legacies and donations	11,414	3,184	(521)	131	(154)	**14,054**
Branch and county funds	5,115	22	(44)	2	-	**5,095**
Charity Commission schemes	2,433	51	-	164	-	**2,648**
Homes' residents' amenity funds	1,428	304	(542)	-	39	**1,229**
The Arthur Atock Memorial Trust	1,552	42	(175)	217	-	**1,636**
British Korean Veterans (1981) Relief Fund	135	2	(1)	5	-	**141**
Samsung British Korean Veterans Scholarship Fund	229	10	(10)	13	(21)	**221**
Permanent endowments	1,037	-	-	98	(21)	**1,114**
Total charity restricted funds	**131,020**	**11,429**	**(11,026)**	**6,275**	**(3,726)**	**133,972**

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Investment property reserve	62,421	-	-	5,079	(1,944)	65,556
Income and sales proceeds from property held in corporate trusteeship	42,078	2,578	(4,863)	73	958	40,824
Grants for specific purposes	2,642	3,702	(4,517)	-	(530)	1,297
Donor-restricted legacies and donations	11,305	1,316	(1,015)	22	(214)	11,414
Branch and county funds	6,713	449	(1,290)	(757)	-	5,115
Charity Commission schemes	2,361	50	-	22	-	2,433
Homes' residents' amenity funds	1,814	261	(628)	-	(19)	1,428
The Arthur Atock Memorial Trust	1,480	47	(124)	149	-	1,552
British Korean Veterans (1981) Relief Fund	132	2	-	1	-	135
Samsung British Korean Veterans Scholarship Fund	303	8	-	(82)	-	229
Permanent endowments	933	1	-	103	-	1,037
Total charity restricted funds	132,182	8,414	(12,437)	4,610	(1,749)	131,020

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £978,000 from restricted to unrestricted reserves (2023: £1.277 million transferred from unrestricted to restricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 6 trusts (2023: 8 trusts), resulting in the release of £4.4 million (2023: £1.8 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £2.5 million (2023: £2.5 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £216,000 (2023: £526,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2024 £'000	Restricted 2024 £'000	Total 2024 £'000	Unrestricted 2023 £'000	Restricted 2023 £'000	Total 2023 £'000
Fund balances are represented by:						
Intangible and tangible assets	**56,239**	**24,135**	**80,374**	58,299	25,294	83,593
Investments	**125,155**	**128,817**	**253,972**	115,945	127,483	243,428
Current assets	**36,546**	**14,187**	**50,733**	40,115	15,430	55,545
Current and non-current liabilities	**(23,832)**	**(1,600)**	**(25,432)**	(28,781)	(1,910)	(30,691)
Defined benefit pension liability	**-**	**(1,400)**	**(1,400)**	-	(1,361)	(1,361)
Total funds	**194,108**	**164,139**	**358,247**	185,578	164,936	350,514

32 Events after the reporting period

On 13 January 2025, Gift Aid totalling £2.426 million relating to the 2024 profits of Royal British Legion Trading was paid to the charity; consequently no tax is payable by this subsidiary in respect of the year ended 30 September 2024.

On 3 April 2025, Gift Aid totalling £123,000 relating to the 2024 profits of NMA (Enterprises) was paid to the National Memorial Arboretum Company; consequently no tax is payable by this subsidiary in respect of the year ended 30 September 2024.

On 18 January 2025, the transfer of assets and liabilities of the defined benefit pension scheme (full details of the scheme in note 16) Stanplan F (Earl Haig Fund, 'EH Fund') into the parent entity The Royal British Legion's Staff Pension Fund (DB Fund) was completed. We consider the transfer to be a non-adjusting post-balance-sheet event as at 30 September 2024 because the transfer concluded after the reporting period. As set out in note 16 on page 81, the deficit on the Earl Haig defined benefit pension scheme at the year end stood at £1.4 million. The impact of the merger is that this liability will move to be recognised in the parent entity Royal British Legion's balance sheet.

33 Related party transactions

During the year ended 30 September 2024, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £2.6 million was provided by the charity to The National Memorial Arboretum Company (2023: £2.5 million).
- The charity received donations of profits from Royal British Legion Trading of £3.402 million (2023: £2.084 million) and a dividend of equity from converted redeemable preference shares and equity shares of £47,000 from Remembrance Travel Limited prior to its winding up (2023: £nil). Royal British Legion Developments had no profits to pay to the charity in 2024 (2023: £nil).
- Grant funding of £216,000 was provided by the charity to the Poppyscotland Group (2023: £526,000). In addition to this, the charity purchased £147,000 of goods from the Poppyscotland Group.
- The charity purchased goods and services valued at £173,000 from NMA (Enterprises) (2023: £248,000).
- NMA (Enterprises) purchased goods and services valued at £119,000 from Royal British Legion Trading (2023: £72,000).
- A restricted donation from RBL Republic of Ireland's Dun Laoghaire BPT to the RBL for the amount of £1.7 million (2023: £nil)

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2024:

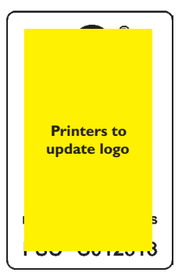
	Charity 2024 £'000	Charity 2023 £'000
Amounts receivable from consolidated entities		
The National Memorial Arboretum Company	**61**	2
NMA (Enterprises)	**7**	-
Royal British Legion Developments	**32**	32
Royal British Legion Trading	**1,228**	24
Royal British Legion Republic of Ireland	**-**	8
Poppyscotland Group	**685**	23
Total amounts receivable from consolidated entities	**2,013**	89

	Charity 2024 £'000	Charity 2023 £'000
Amounts payable to consolidated entities		
Royal British Legion Trading	**1,170**	1,237
NMA (Enterprises)	**126**	63
The National Memorial Arboretum Company	**154**	-
Total amounts payable to consolidated entities	**1,450**	1,300

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). One of the RBL's Trustees holds a position within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £46,000 during the year (2023: £48,000). The RCEL does not make payments to the RBL for these services.

A grant of £480,000 for a two-year period was awarded on 24 September 2021 as an extension of a prior five-year grant. An additional grant of £402,000 was awarded in the year to 30 September 2024, which is included in expenditure. The charity also recognised a discount credit to grant expenditure of £2,000 during 2024 (2023: £7,000) and holds a grant creditor of £400,000 owed to RCEL at 30 September 2024 (2023: £240,000) in respect of this funding.

Organisation	Related party	Position at the Legion	Position at related party organisation
Royal Commonwealth Ex-Services League	Jason Coward	National Chair	Trustee



The Royal British Legion would like to thank its colleagues, members, supporters and volunteers for their invaluable contribution in helping us support the Armed Forces community. Together, we can continue to change lives for the better and unite the nation in Remembrance.

Army veteran
David 'Jack' Plant,
a former Kingsman

Registered address: Royal British Legion, Haig House, 199 Borough High Street, London SE1 1AA
Registered Charity Number: 219279

THE ROYAL BRITISH LEGION

England & Wales - Charity number 219279

Accounts

2023

Annual Report and Accounts

Year ended 30 September

ROYAL BRITISH LEGION

The Pedal to Paris fundraising event

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Annual Report 2023

Foreword

Jason Coward
National Chair

Mark Atkinson
Director General

"We saw a 35% increase in the number of beneficiaries and households that we supported. Key to this was our Cost of Living Grants programme. We are proud to say our response was quick and effective"

The world continues to change at pace, with global conflict and economic instability leading to very real hardship for families in the UK, not least the most vulnerable in our Armed Forces community. As ever, the Royal British Legion strives to rise to those challenges, and despite difficult circumstances, we found new and effective ways to help our beneficiaries in 2023.

The cost-of-living crisis, fuelled by high inflation and energy costs, has had an undeniable impact on UK society. Yet just when our help has been needed most, the RBL – and the rest of the charity sector – has seen a drop in fundraising revenue. Budgets are tight and the public are understandably watching their spending.

However, healthy financial reserves have enabled us to continue to meet the needs of the Armed Forces community, and in 2023, we saw a 35% increase in the number of beneficiaries and households that we supported. Key to this was our Cost of Living Grants programme to help people with the increasing cost of bills. We are proud to say that our response was quick and effective, helping people of all ages across the length and breadth of the UK.

It is not lost on us that in 1921, we provided bread and coal to help those struggling in the aftermath of the First World War, and in 2023, we provided fuel and food vouchers, following the effects of the conflict in Ukraine. The basic need for food and warmth does not change, but we continue to work to make sure that our delivery evolves to meet the demands of modern life.

Last year, we spoke of the strategic planning needed to transform how we provide support. Work had begun on mapping out our Improving Beneficiary Journeys programme, and this year, that planning turned into practice, with investment in resourcing and the launch of a full training programme for staff to ensure better beneficiary experiences.

We also continued to invest in providing the best possible recovery for anyone in the Armed Forces community who has undergone life-changing injuries in military service. And this year, our support reached a new high as we sponsored, funded and managed Invictus Team UK for the first time, which culminated in September at the Games in Düsseldorf, Germany.

Through this programme, we were able to help young people and their families on their recovery journey. The year-long selection and training process was not so much about winning medals but about the path participants took to get there. And if it turns out that Invictus isn't right for someone, then we find them a recovery programme that is. No one is left behind.

We saw some important events in 2023, none more so than the Coronation of Their Majesties King Charles III and Queen Camilla on 6th May, in which we were honoured to participate. Also in May, it was the 60th anniversary of the last National Serviceman to be demobbed, and the participation of families at an event at the National Memorial Arboretum saw new people introduced to the RBL and what we do.

The anniversaries continued in June, when we marked 75 years since HMT *Empire Windrush* docked at Tilbury Docks in Essex, and in July, when we held events to raise public awareness of 70 years since the end of the 'forgotten' Korean War.

Another proud moment in 2023 was the launch of our plastic-free poppy. It was the result of years of collaborative working and shows our determination to reduce single-use plastic, be more economical and lessen our impact on the environment. We hope you like it as much as we do.

Our campaigning work continues to bear fruit, particularly our Count Them In campaign for a question on veterans to be included in the 2021 Census. The Office for National Statistics has now published the information it has collected, and for the first time we have access to data that is critical in developing our understanding of veterans' needs. This is information that is useful not only to us as a charity, but also to the whole sector, including government. It reframes current decision-making and is crucial in informing future strategy, too.

We are also proud to have contributed to the creation of the Etherton report, which was published in July. This is the independent review into the military's pre-2000 ban on LGBT personnel, which ruined many people's lives. The RBL encouraged LGBT veterans to contribute to the review, and we submitted our own evidence of the appalling treatment of many service people, whose lives were shattered. We will make sure that those

affected by the ban are supported to apply for the compensation scheme.

Greater diversity and inclusion across the RBL itself is an objective that underpins all our work, and 2023 has seen us make great progress towards this goal. We look forward to building on it in the year to come.

As ever, our network of members continues to contribute incredible work in terms of Remembrance, local events and awareness, fundraising and looking after the local veteran community. They are passionate and operate all over the world, which is what helps maintain our strength as an organisation. Unfortunately, our member numbers are still declining, so our Future of Membership programme continues to commit time and energy to increasing and revitalising our base for the future.

We have seen changes in our leadership over the past year, including a new National President, Vice Admiral Sir Clive Johnstone KBE CB. He replaced Lieutenant General James Bashall CB CBE, who had served his term in the role. Our Director General, Charles Byrne, also stepped down in November 2023. And our Chief Operating Officer, Daniel Oppenheimer, left the RBL in October 2023. We are grateful for their dedication and hard work in making the RBL what it is today.

In a turbulent year for the UK, we are proud to say that we have seen a huge commitment from our staff, members, volunteers and supporters, who continue to help us change lives for the better. Our thanks and appreciation is heartfelt, and we look forward to making more progress in the years to come.

"As ever, our network of members continue to contribute incredible work in terms of Remembrance, local events and awareness, fundraising and looking after the local veteran community. They are passionate and operate all over the world, which is what helps maintain our strength as an organisation"

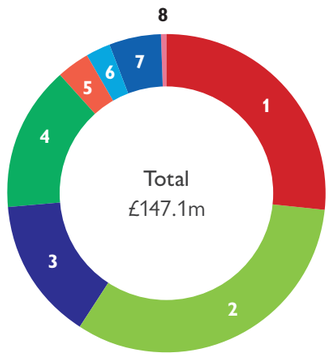
Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2023. Details of the group structure can be found in the financial review on page 46 and in note 14 to the accounts.

Financial overview

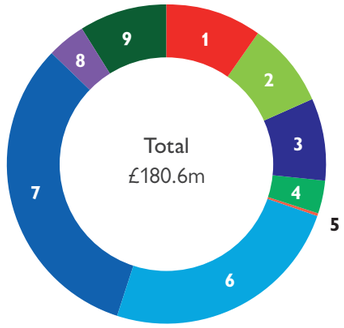
Where the money comes from

		£ million	%
1	The Poppy Appeal	39.3	26.7
2	Donations, legacies and events	47.7	32.5
3	Lotteries and trading	21.2	14.4
4	Fees charged to care home residents	21.6	14.7
5	Grants for welfare services and Remembrance	4.9	3.3
6	Membership subscriptions	4.0	2.7
7	Investment income	7.8	5.3
8	Other	0.6	0.4
	TOTAL INCOME	**147.1**	**100.0**



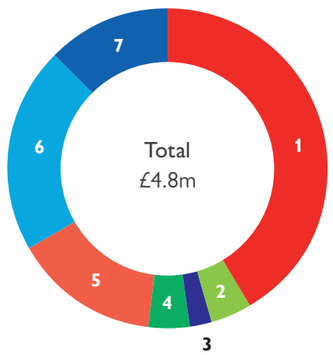
Where the money goes
Operational costs

		£ million	%
1	The Poppy Appeal	15.9	8.8
2	Donations, legacies and events	15.9	8.8
3	Lotteries and trading	14.7	8.1
4	Remembrance	7.8	4.3
5	Comradeship	0.4	0.2
6	Care homes	48.0	26.6
7	Welfare services	53.2	29.5
8	Membership	10.7	5.9
9	Communication and campaigns	14.0	7.8
	TOTAL OPERATIONAL COSTS	**180.6**	**100.0**



Where the money goes
Capital costs

		£ million	%
1	Care homes	2.0	41.6
2	Improving IT infrastructure	0.2	4.2
3	Invictus Games equipment	0.1	2.1
4	Festival of Remembrance set	0.2	4.2
5	Lady Haig Poppy Factory	0.7	14.6
6	Poppy machines	1.0	20.8
7	National Memorial Arboretum development	0.6	12.5
	TOTAL CAPITAL COSTS	**4.8**	**100.0**



Funds and Reserves

The total funds of the RBL group are broken down into three categories: Not available to spend, Membership and Restricted Funds, and Available Unrestricted Funds. Our Reserves policy can be found on page 48. Full details of each type of fund can be found on pages 88-91.

Not available to spend

Buildings such as care homes	£78.7m
Branch properties occupied by RBL clubs	£65.6m
Interest-free loans to beneficiaries	£4.9m

Subtotal of funds not available to spend: £149.2m

Membership and Restricted Funds

Membership funds, including money held by branches	£38.9m
Money that can only be used in a specific geographical area	£53.3m
Money given to us for a specific purpose	£20.6m

Subtotal of Membership and Restricted Funds: £112.8m

Available Unrestricted Funds

Money set aside for emergencies	£60.0m
Money we have available to spend	**£28.5m**

Subtotal of Available Unrestricted Funds: £88.5m

Total Funds held by the RBL group

£350.5m

Services and support

Richard Davies, Invictus competitor at the Invictus Games, Düsseldorf, 2023

The act of defending and protecting the nation's democratic freedoms and way of life is rarely without cost to those who serve. Which is why we, the Royal British Legion, need to be there for them, particularly when times get tough.

This year, with the cost-of-living crisis, our Armed Forces community has seen some particularly challenging times. In response, our welfare services have been even more committed to providing life-changing support for the UK Armed Forces community at their time of need, with many staff going above and beyond their normal duties to make sure our beneficiaries get the best service.

Care services

Our six care homes continue to provide 24-hour residential, nursing, respite and day care for hundreds of elderly and very frail veterans and their dependants, as well as specialist support for individuals with dementia. We provide a unique environment that recognises and celebrates our residents' service to the country.

Despite the well-reported staffing and funding issues faced by the social-care sector in the UK, we continued to provide high-quality care for the residents in our homes and for their families. We have made good progress in improving occupancy levels, seeing a rise to 81% (from 75% in 2022), while satisfaction levels were recorded at 97% for relatives and 98% for residents in our 2022 annual satisfaction survey.

Other highlights include Lister House gaining the Gold Standards Framework for end-of-life care for the first time, while Dunkirk Memorial House was re-accredited. All our homes have been involved in collaborative initiatives and research with local colleges, universities and NHS trusts, which were looking at areas such as veterans living with dementia, accessing social care for the LGBTQ community, and loneliness and isolation.

Our Admiral Nurse Service continues to provide personalised and holistic support to families of people living with dementia, helping 1,736 people on average per month. The service is expanding, using a blended approach of face-to-face and remote support. This, along with the eight new nurses who have been recruited over the past 12 months, enables us to reach more beneficiaries in need.

Jenny Hartley, Invictus competitor at the Invictus Games, Düsseldorf, 2023

The Admiral Nurse Service has also supported development within our care homes by delivering dementia training and assistance with the roll-out of dementia-care mapping, which helps us to measure and learn from the experience of people with dementia.

Helping the Armed Forces community cope with the cost-of-living crisis

Last year, the rising cost of living, and particularly energy costs, saw parts of the Armed Forces community in extreme need. In response, we launched our Cost of Living Grants programme in October 2022, which allowed new beneficiaries to apply online for RBL funding assistance. Demand was extremely high, due in large part to a successful awareness-raising campaign. We provided grants of more than £5.1 million to more than 7,000 households, with applicants ranging in age from 19 to 90 years old. Feedback was very positive, with satisfaction scores at more than 95% and hundreds of heartfelt thank-you messages.

While the focus of the programme was help with energy costs, applicants with simple requests for clothing, food and household goods were also supported. The perceived anonymity of the online approach also enabled us to reach audiences who had never asked for help before – for example, we saw double the normal number of applicants from Northern Ireland.

Regional casework and specialist advice

The RBL's casework is at the heart of our welfare services. We provide expert multi-need, multi-solution support on a case-by-case basis to meet individual circumstances. During 2023, we supported almost 27,000 people in need of help in the UK and 59 countries across the world. We awarded more than £18 million in grants to individuals (2022: more than £10 million), far exceeding previous years, which provided practical solutions for mobility, housing, household items and debt.

Of the beneficiaries who have been supported during 2023 by our Caseworking and Specialist teams, 87% state that we fully met their welfare needs, an increase of 4% from the previous year.

Our Outreach Service supported 1,080 beneficiaries during 2023, an increase of 33% from the previous year. We continue to help beneficiaries with complex and often multiple needs, together with support from our expert partners. Our help in accessing this support is a lifeline to beneficiaries, who can find the process confusing and overwhelming to navigate.

The Veterans Hearing Fund assistance that we committed to in 2022 is now complete, and 567 people were provided with high-quality hearing aids. We are continuing to gather and analyse evidence to support our ongoing campaign to HM Government to establish a permanent fund to support veterans with poor hearing health.

Throughout the year, the RBL has continued to lead the group of Armed Forces charities that provide support to Afghan nationals who worked alongside the UK Armed Forces and have since resettled in the UK, following the withdrawal of HM Armed Forces from Afghanistan (May to August 2021). We arranged support for more than 1,200 families, assessing their most urgent needs and then referring them to Help for Heroes, the Forces Employment Charity and/or our own individual needs grants

Samantha Norris, Wellbeing Assistant at Dunkirk Memorial House, and Ron Winterbottom, resident of Dunkirk Memorial House and Royal Air Force veteran

"During 2023, we supported almost 27,000 people in need of help in the UK and 59 countries across the world and awarded more than £18 million in grants to individuals"

Below: Brian Garner with Admiral Nurse Claire Moorhouse

Opposite: Liz Davies, RBL helpline staff member

programme. More than 1,500 grants were awarded in 2023, and the programme will continue until October 2024 at least.

Our Benefits, Debt and Money Advice specialists supported more than 1,700 beneficiaries this year, helping them to access benefits, deal with debt and apply for RBL grants. Our now fully staffed team addressed more than £7 million of debt via insolvency applications and successfully worked with creditors to write off £370,000 of debt.

During 2023, our War Pensions service represented veterans at 1,354 tribunals, helping those who received compensation for an injury or illness due to their service to appeal, overturning previous decisions and increasing their award at tribunal. As a result, the financial awards for this year totalled £39 million, an increase of 37% from 2022. This includes 12 beneficiaries who have received awards that, over an anticipated lifetime, will pay more than £1 million, one beneficiary who received an award of more than £2 million, and another who received an award of more than £5 million.

Progress against aims set out in our 2022 report

Last year, we aimed to increase capacity in our Caseworking and Specialist teams, with a goal to support 10% more people than in 2022. To help meet this goal and to successfully support our One Legion strategy, we reviewed and restructured services, matching staff resources to case numbers to ensure good service levels.

The Outreach team, with the recruitment of more staff, exceeded our goal by supporting 33% more people. The Independent Living Service, which provides advice, support and advocacy to enable people to live independently, safely and well in their homes, or to transition to a more supported environment such as residential care, saw 25% more beneficiaries being supported. The Benefits, Debt and Money Advice team saw an increase of 12%, and they were finalists in the Institute of Money Advisers' Debt Team of the Year. Together, these services increased beneficiary reach by 20% against the previous year.

Overall, we have seen a 35% increase in the number of beneficiaries/households supported during the year, rising from approximately 20,000 to 27,000.
Last year's pledge to provide financial help for the hardest-hit members of the UK Armed Forces, making support available in person and online, was fulfilled not only by the expansion of our area Caseworking and Specialist teams, but also by the launch of our Cost of Living Grants programme. In recognition of the success of the scheme, we were finalists for Most Impactful Grant in the 2023 Association of Charitable Organisations awards. Our nomination was a testament to the RBL's One Legion approach in action – it would not have been possible without the support from departments across the whole organisation.

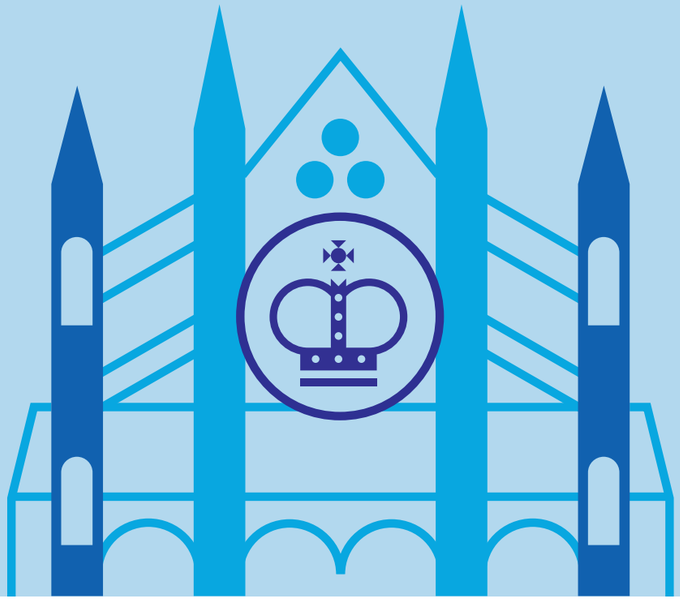
This year, we successfully completed the discovery and design phases of our programme to improve beneficiary journeys, to make it easier for people to reach out for help. Whatever route our beneficiaries take to get to our support, obtaining assistance from us will be more straightforward and centred around them. This does not mean the welfare services on offer will change, but the way beneficiaries access and experience them will.

For the first time, the RBL took full responsibility for the selection, training and support of Team UK, as well as their families and friends, for the Invictus Games, which took place in Düsseldorf in September 2023. We worked with 59 competitors on their recovery pathways to help them thrive while competing at the Games. Their individual and collective confidence and resilience grew throughout, which also had a positive impact on their family and friends.

While delivering a highly successful Games, the RBL Recovery team continuously looked for ways in which we can improve both the operational delivery and the beneficiary experience. We look forward to implementing improvements for Team UK on the road to Canada 2025.

Elsewhere in our work to support wounded, injured and sick serving personnel and veterans, the Battle Back Centre continued to deliver best-in-class recovery courses, with 34 taking place in 2023, reaching 611 beneficiaries. We are looking forward to expanding the number of courses during 2024 and piloting new programmes.

In our care homes, we aimed to introduce electronic care planning, new electronic medication-management systems and nurse call systems. The first phase, introducing electronic care planning and digital reception systems, has been successfully implemented at all our care homes, with the second phase well underway.



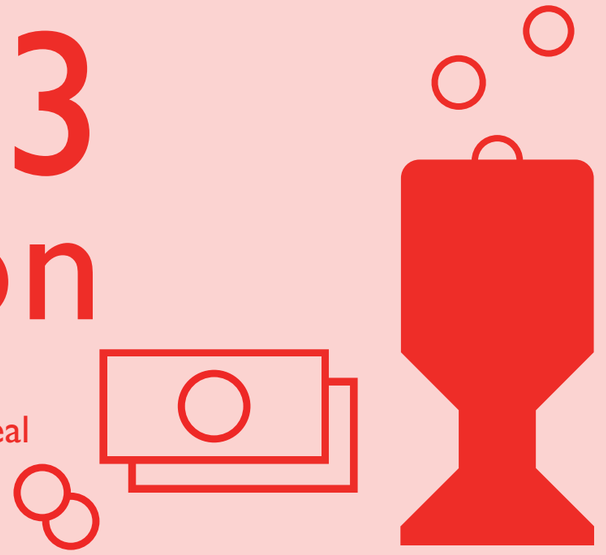
100

Standard Bearers

lined the procession route for the coronation of Their Majesties King Charles III and Queen Camilla, and we helped 1,000 veterans and their families attend the event

£39.3 million

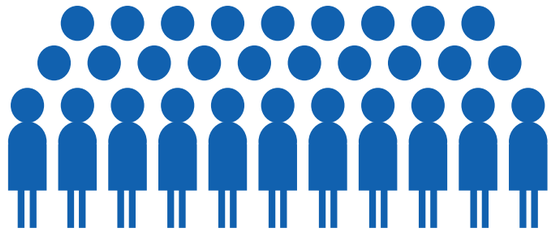
was raised through the 2022 Poppy Appeal

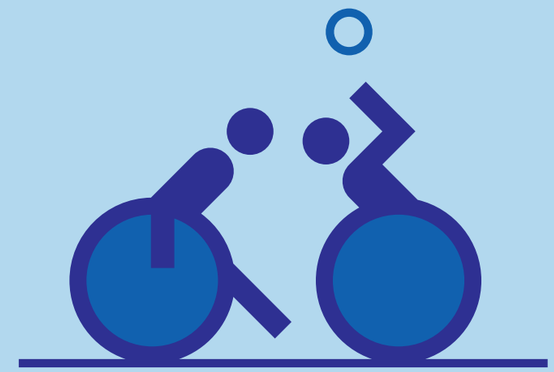


2023 in numbers

More than 430,000 pupils

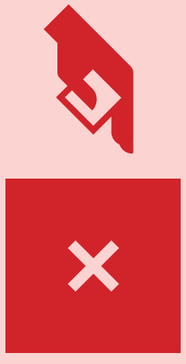
engaged with our Remembrance learning programme through physical and online events and downloadable materials





611

beneficiaries undertook our recovery courses at the Battle Back Centre, and we also supported the 59 Invictus Games Team UK competitors



MPs voted the RBL's charity campaigning as the third most effective in Westminster

We arranged support for more than

1,200 families

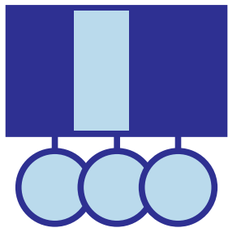
of Afghan military personnel who have resettled in the UK, awarding them more than 1,500 grants

We helped 7,621 beneficiaries with Cost of Living Grants totalling

£5.1 million

700

guests attended our Korea 70 event



£106.8 million

in total was raised through all fundraising activities

100,000

new supporters engaged with us through donating, running, sponsoring and purchasing

We represented veterans at

1,354

tribunals, resulting in War Pensions awards of £39 million, an increase of 37% from last year

Our new 100% paper poppy has a

40%

smaller carbon footprint

We supported almost

27,000

people in need through our casework

Ambassador stories

John Parkes
(pictured on page 17)

John is an Army veteran who served in 3 Staffordshire Regiment (Prince of Wales's) between 1991 and 1994. He loved his time in service and worked as a Battalion Cook before being demobbed. He went on to have a career as a truck driver, and joined the Rugeley Branch of the RBL, becoming Welfare Officer and Chair.

During the COVID-19 pandemic, John developed charcot foot syndrome – a deterioration of bones and soft tissue in the foot. Lockdowns made diagnosis slow, and in December 2021, his lower leg was amputated.

Although it was a relief not to be in constant pain any more, John struggled with his mental health. His life had completely changed. "I couldn't provide for my family, I couldn't get upstairs in our home to shower or go to the toilet. I was having to be taken to the local leisure centre to use their disabled facilities. It was also a struggle to attend social events."

However, his connections at the local RBL branch recommended that he contact the Welfare team in the West Midlands, who could provide support and advice.

John says: "I was put in touch with a case officer called Caroline, who was outstanding with her level of empathy and support. I talked through my worries and what I was struggling with. I didn't have a clue about what I was eligible for, as I had never claimed any support before."

The RBL was able to help John with heating bills, food shopping and a perching stool for the shower, and even supported him in his applications for a mobility car and his Personal Independence Payment (PIP). Caroline also stepped in to put John's case to the council for moving the family to a suitable bungalow.

Then it was suggested that he apply to go on a veterans' multi-activity course run by the RBL's Battle Back Centre in Shropshire. John says: "I didn't really know what to expect and was quite apprehensive, but as soon as we were thrown into wheelchair basketball, all my worries melted away. Being an amputee wasn't going to hinder my experience there one bit!

"I threw myself into all the activities. The staff were great at ensuring I was feeling comfortable and were able to really boost my confidence. I came back just buzzing. "My partner immediately saw the difference in me. I was positive and determined to make changes in my life. I can't speak highly enough of my experience there, and for this to be available to all veterans is just amazing."

John has now joined his local wheelchair rugby team, volunteers for the Help a Squaddie charity, conducts talks at an amputee support group and enjoys going to the gym and swimming. He is due to return to Battle Back in the coming months.

"If it wasn't for the RBL, I genuinely don't know how we would have coped. I was so reluctant to ask for help as a veteran, but that is what the RBL is there for."

Alison Jeatt
(pictured below)

Alison's husband, Alan, served in the Royal Navy for 25 years – she describes him as "a naval man through and through". They met in Llandudno, Wales, while Alan's ship was doing a home tour. Six months later, they were married.

Nowadays, Alison has a tough time with arthritis in her spine. She's also had two knee replacements and suffers with diabetes, angina and fibromyalgia. She says, "A lot of days aren't good and I'm regularly in pain."

When Alison started to find her gravelled garden tricky to walk on, her brother, also a Navy man, suggested that she call the RBL. She couldn't do basic things such as hanging out her washing – or even enjoy being outside. Alison and Alan had been given some paving slabs to redo the garden, but they couldn't afford the £1,500 cost to install them.

Alison says, "Initially, we thought we didn't need it. But the more I thought about it, the more I realised I was only going to get worse as I got older." Alison was worried about falling over in the garden and seriously hurting herself. "So I rang the RBL, and they paid the £1,500 for us to redo our garden, which was just marvellous."

Alison also has trouble walking, and it was stopping her from leaving the house. She approached her doctor for a wheelchair, but although the NHS offered one to her, its limited battery pack meant it would still need to be pushed up hills.

"Where I live in Devon, it's very hilly – our home is at the top of a hill, and Alan is 72 now, so he couldn't push me," she says. "I went to the RBL and they said they'd help."

In October 2022, with funding from the NHS, the RBL and the Royal Naval Benevolent Trust, Alison received a fully electric wheelchair, and it's transformed her life. "Our youngest daughter bought us a National Trust membership, but we couldn't use it because I couldn't get around the grounds. But this has made such a massive difference," she says.

"We've been for walks on the prom and had lunches out. I also did my Christmas shopping in town for the first time in three years, rather than ordering things online. It's given me back my independence."

Tilly Fisher
(pictured above)

Tilly officially joined the British Army in 2004, following a recruitment drive in her home country of Fiji. From 5,000 applicants, Tilly was one of only 50 – around 15 of them women – to get through the first round. After training, Tilly was posted out to Iraq for her first overseas tour. She says: "It was scary and dangerous, but being there with my comrades was unlike anything I had done before."

Tilly also did two tours of Afghanistan. During her time out there with the 2 Rifles, her company suffered the loss of 11 of their own. "There is no time to grieve and no time to reflect – you just had to carry on with the job at hand, and your emotions went on to autopilot," she says.

Tilly was discharged from the Army with a knee injury. She played in the women's rugby union and league teams, which helped with her mental health but resulted in physical damage. She left in 2016, and one month later, she was also diagnosed with PTSD.

She struggled with civilian life. Keeping appointments and arriving at job interviews on time were hard because of her PTSD symptoms. She managed to stay fit and that was what led her to look into the Invictus Games, for which Team UK selection and training is run by the RBL.

She was invited to a pre-selection camp, and happily, was successful. She competed with Team UK in Düsseldorf in 2023, winning gold in powerlifting. "Being part of Team UK was the ultimate motivation on my recovery journey," she says.

For Tilly, it's the friendships and sense of belonging, rather than the medals, that will stay with her. "The camaraderie within Team UK and with the other nations was so inspirational," she says. "Our days were filled with cheering, laughter and dancing – and tears of sadness and joy."

The experience has also given her the confidence to pursue coaching opportunities in powerlifting and possibly apply for the Invictus Games another year. "Recovery through sports is certainly a game-changer, both physically and mentally, and to do it with Team UK Class of 2023 is an honour."

"Recovery through sports is certainly a game-changer, both physically and mentally, and to do it with Invictus Team UK is an honour"

Remembrance

The Festival of Remembrance on 12th November, 2022 at the Royal Albert Hall, London

This year, we reviewed our research into the connection that exists between the Armed Forces and the British public and considered how our Remembrance activities can strengthen this, so that the vital contribution of the Armed Forces community is never forgotten.

This review informed our new Remembrance strategy, which ensures that remembering those who served and continue to serve within the Armed Forces is at the heart of all our work. This is done through year-round engagement – daily at the National Memorial Arboretum and periodically through Remembrance events and programmes.

Ultimately, we want to make sure that remembering can take place at all times, within all spaces and by everyone: Remembrance for All.

Delivering on our 2022 aim and bringing Remembrance for All to life

It was clear that we needed not just to deepen our relationship with our heartland audience, but also widen it to include their families and communities, too.

On Tuesday 16th May, 2023, we held a Remembrance event at the National Memorial Arboretum to mark 60 years since the last National Serviceman was demobbed. In the spirit of our new approach, we asked the public to find out from their fathers, uncles, grandfathers and great-grandfathers if they had taken part in National Service, and to encourage them all to join us for afternoon tea. We welcomed more than 700 veterans, their families and invited guests, many of whom had never attended an RBL event before. The RBL Outreach team at the Arboretum had 153 meaningful welfare conversations with new beneficiaries at the event. The team reported that wider family attendance was key to facilitating this, which shows how Remembrance for All and its inclusive approach is key to locating new beneficiaries.

We took a slightly different approach as we marked 70 years since fighting in the Korean War came to an end with the signing of the armistice, but still had the aim of facilitating 'all' to remember. We worked closely with the Korean Embassy to hold an event for veterans and their families on Horse Guards Parade in London on Thursday 27th July, 2023. Aware of the power of veteran testimony, we encouraged members of the public to join us to watch the service and learn first-hand about the 'Forgotten War' from those who were there. It was a privilege to listen to veterans and hear the letters they wrote home to their loved ones. In attendance were 250 veterans and guests, 250 descendants, 70 bereaved family members and 170 invited guests. Their feedback afterwards told us that they felt recognised and remembered.

With accessibility and inclusivity in mind, we engaged new, more diverse audiences through our work with partners such as the National Windrush Museum. Together, we worked to honour the service and sacrifice of the Caribbean Second World War veterans who arrived at Tilbury Docks in Essex on HMT *Empire Windrush* to rebuild Britain 75 years ago, and the thousands more who followed.

We also worked with the Memorial Gates Council to mark Commonwealth Day at an event with a Windrush theme in London on Monday 13th March, 2023. The keynote speaker was well-known British journalist Clive Myrie, who told the audience of his heritage as a descendant of the Windrush generation, highlighting their service and sacrifice within the British Armed Forces.

Our relationship with Black History Month also continued, as we worked together to tell stories of servicewomen of Black heritage, one of whom recounted her experience of being proud to serve, with LGBTQ also being part of her identity.

This year, we refocused our learning programme, teaching new generations about the importance of the Armed Forces in terms of service and sacrifice.

The programme engaged with hundreds of schools and approximately 430,000 pupils across Key Stages 1, 2 and 3 through physical events, online events and downloadable materials. Our activities align closely with the National Curriculum and provide relevant, engaging and accessible resources to help children understand and take part in Remembrance.

Our 2023 online Remembrance Live assembly engaged more than 340,000 attendees from across the country, and our free Learning Days at the National Memorial Arboretum welcomed 1,500 children from 22 surrounding schools. For these, we offer travel bursaries to schools with a high percentage of children who qualify for the pupil premium.

The National Memorial Arboretum's learning programme has similarly been

> "Ultimately, we want to make sure that remembering can take place at all times, within all spaces and by everyone – Remembrance for All"

"We continue to build on the successes of this year and engage our audiences in appropriate ways for us to move closer to them"

refocused, with core sessions updated to align with shifts in society, the National Curriculum and learning objectives. The programme reached 20,000 young people in 2023 and now includes interactive learning events coinciding with national commemorations such as Holocaust Day, World Book Day and International Women's Day.

This approach not only attracts new schools but also broadens educational opportunities by incorporating arts and culture, and facilitating cross-curricular activities to deepen understanding. To eliminate travel barriers and extend our reach to priority areas, in 2023, we introduced in-school workshops for National Service 60, Windrush 75 and Remembrance, which reached more than 3,500 pupils.

Core Remembrance activity

Our core Remembrance events in November 2022, such as the Festival of Remembrance and veteran March Past the Cenotaph, had a strong presence and were at full capacity for the first time since the pandemic. At the Festival, we were joined by His Majesty King Charles III, and the event opened with a poignant tribute to Her late Majesty Queen Elizabeth II, which was a powerful moment shared by the British Royal Family and all in attendance at the Royal Albert Hall.

RBL Standard Bearers were on parade for the Coronation of Their Majesties King Charles III and Queen Camilla on Saturday 6th May, 2023 outside Westminster Abbey. They will receive a Coronation Medal for their participation in this significant historical moment. On the day, the RBL was represented by 19 veterans and RBL National President Lieutenant General James Bashall CB CBE in Westminster Abbey. We worked with the government to welcome nearly 1,000 veterans and their guests to watch the Coronation procession from grandstands located outside Buckingham Palace.

National Memorial Arboretum

The National Memorial Arboretum faced challenging operating circumstances, particularly in the latter part of the year, which had an impact on visitor numbers, and it ended the year having welcomed almost 278,000. Challenges were caused by adverse weather, particularly over the key summer holiday period, consumer confidence due to the rise in the cost of living, and significant long-term traffic disruption in the vicinity of the Arboretum.

The biggest impact was felt in the day-visitor operation, but the Arboretum's group and hospitality business has continued to grow and has received several leisure and tourism awards over the year.

The Arboretum continues to develop its visitor programme, seeking new ways to engage people with Remembrance year-round and reflecting the themes of our wider Remembrance programming. This includes Windrush 75 and building partnerships with regional community groups, such as those that came together for Carnival Windrush in August.

The New World school-holiday activity also took inspiration from the experiences of the Windrush generation and National Servicemen, and successfully attracted first-time visitors. The popular Winter Light Trail illuminated Arboretum installations recalled the loss of British lives during the Falklands conflict and invited visitors to place a light to remember a loved one, alongside more uplifting, colourful displays.

The Duke and Duchess of Gloucester led the annual Armistice Day Service at the Armed Forces Memorial. Afterwards, they completed the planting of the Arboretum's Queen's Green Canopy project, an avenue of native trees on newly donated land that significantly enhances the approach to the Arboretum.

Alongside events, the daily on-site activities that capture visitors' interest have been reviewed. Relevantly themed trails have successfully introduced visitors to different areas of the site and have enabled them to engage with corresponding daily activities. An extended dwell time not only increases our storytelling opportunities, but also leads to increased secondary spend in the coffee shop, restaurant and shop.

We continue to build on the successes of this year and engage our external audiences in appropriate ways for us to move closer to them. We endeavour to deliver important Remembrance messaging and events, and, through them, promote the RBL and all that it is able to offer.

The March Past the Cenotaph on Remembrance Sunday, 13th November, 2022

The RBL marked 60 years since the end of National Service at the National Memorial Arboretum on 16th May, 2023

Introducing our plastic-free poppy

The 2023 Poppy Appeal, which launched after the year-end in October 2023, saw the successful introduction of the Royal British Legion's first-ever plastic-free poppy, made entirely from paper and recyclable through normal household collections. It has been the biggest redesign of the iconic poppy in 28 years.

The damaging impact of plastic pollution has become more widely recognised: in the EU, up to 85% of marine litter is believed to be plastic, with single-use items representing half of that total. The RBL decided to address its own plastic usage and make a positive impact by creating a more sustainable poppy.

As with many significant new initiatives, the journey to plastic free was not without its challenges. The initial process was interrupted by the COVID-19 lockdowns in 2020, and once the first poppy designs were in, they looked nothing like the traditional one, so the designers went back to the drawing board. The final poppy retains the familiar two-petal shape and embossed letters at the centre, but it was made entirely without plastic.

To make the poppy more sustainable, a bespoke paper was developed using a combination of 50% renewable wood fibre (from sustainable forestry) and 50% recycled material (offcuts from the production of disposable coffee cups).

The new paper was found to be the best at holding the green and red colours, as well as having the strength, fade resistance and colour fastness of the traditional poppy. Using this material also made the new poppy lighter and easier to store.

Experts tested the colourfastness of the plastic-free poppy by placing samples on a range of materials, simulating a rain shower and drying them at 60°C, to check the poppy did not 'bleed'. The durability of the new poppy was also verified, with testers submerging it in water to simulate it falling into a puddle, and wearing it during a range of everyday activities, including dog walking, mowing the lawn, cooking and jogging.

It's a project that could not have happened without working in collaboration with others. Expertise from different parts of the RBL and its partners – including Poppyscotland, the Lady Haig Poppy Factory and the Poppy Factory in Richmond – was combined to brilliant effect in one of the biggest projects worked on together to date.

The RBL also collaborated with external partners, including researchers from University College London (UCL). Professor Paola Lettieri (FREng), from UCL's Department of Chemical Engineering, conducted a lifecycle assessment on the new poppy to understand the environmental impacts of the change in materials.

She explains: "We were delighted to be invited to assess the plastic-free poppy's environmental impact and to suggest how it could be made more sustainable. We looked at its carbon footprint and factors such as how much water and resources go into making it. By replacing the single-use plastic with a paper-based construction and increasing the amount of recycled paper used, UCL found that the new poppy design has a 40% smaller carbon footprint and a similar reduction in its overall impact on the environment."

Even though the new paper poppy was launched at the 2023 Poppy Appeal, stocks of the traditional poppy were not wasted, and both were available to the public. The RBL also scrapped the use of plastic in other poppy products where possible.

And the work doesn't stop there. The RBL hopes to make its poppy wreath plastic free, too. So far, there has been a 10% reduction in plastic by using a thinner base and paper petals.

For the teams involved, seeing the new design come to fruition has been exciting and humbling in equal measure. The RBL is proud to have developed a plastic-free poppy that will serve as a more sustainable symbol of Remembrance for the service and sacrifice of the Armed Forces community. We are listening to feedback and will respond with design updates where feasible.

We want to encourage more engagement with Remembrance among audiences who are interested in sustainability issues, and we hope this will open up new strands of support for the charity.

Campaigns, policy and research

Opposite:
Veteran Anthony Cooper MBE

"This year, we have contributed to major government reviews, providing expert input towards improving the services our community receives"

The Royal British Legion has a strong campaigning heritage, and 2023 is a year to be proud of. Our campaign work results in positive outcomes for the Armed Forces community, making sure their voices are heard in discussion and debates with politicians and policymakers across the country.

In 2023, the Campaigns, Policy and Research (CPR) team has attended and held events in Westminster, the Scottish Parliament and at the main political-party conferences. We represent the RBL in many Ministry of Defence (MOD) and Cobseo (The Confederation of Service Charities) working groups, to make sure our beneficiaries feature at the heart of decision-making. We also nurture relationships, maintaining close contact with all UK administrations, as well as making sure that more than 450 councillors regularly hear about our work through our Councillor Network. Our efforts are noted, and this year, MPs voted the RBL's charity campaigning the third most effective in Westminster.

This year, we have delivered consultation responses and evidence submissions to government departments, parliamentary committees, the devolved administrations and local government, providing insight into the lives of current and ex-service personnel and their families. This has led to practical changes, including several councils altering their policies to make sure that military compensation does not count as income in means tests for local benefits.

We have also contributed to major government reviews, including the Armed Forces Compensation Scheme Quinquennial Review, and a review of Veterans' Welfare Services, providing expert input towards improving the services our community receives.

The Armed Forces Covenant

The Armed Forces Covenant is a promise by the nation that the Armed Forces community should be treated fairly and face no disadvantage when accessing public and commercial services, with special provision made in appropriate cases for those who have sacrificed most. It is the foundation of the RBL's campaigning and influencing activity.

In November 2022, local health, education and housing services were given a legal duty to take the promise of the Covenant into account. That greater awareness has led to early signs of positive change, as evidence presented by the RBL to the Defence Select Committee in May 2023 showed. In submissions to the MOD and the Defence Secretary, the RBL has continued to call for the extension of the Covenant Duty to all areas of policy and national and devolved governments.

Supporting the Etherton report

The Etherton report, published in July 2023, detailed the terrible prejudice and mistreatment that many LGBTQ veterans faced during a ban on homosexuals in the Armed Forces between 1967 and 2000. To give the review our full support, we collected and submitted evidence, as well as encouraging our community to submit their own.

Welcoming the publication of the report, the RBL's then-Director General, Charles Byrne, said, "We condemn the mistreatment the LGBTQ community experienced and are urging the government to accept the recommendations of the report in full. We welcome the Prime Minister's landmark apology. We believe the service and sacrifice of the LGBTQ Armed Forces community should be rightfully recognised and honoured.

"The Royal British Legion will play its role in supporting veterans affected by the ban. We want members of the community to know they are a vital part of our Armed Forces and our organisation, and we are here to provide support to anyone who needs it."

We are actively working to improve the RBL's provision for the LGBTQ Armed Forces community through a range of development and communication activities with staff, trustees and volunteers, to ensure our working culture and services are fully inclusive. A key part of our work will be to build on our engagement with our staff and branch LGBTQ networks in these activities.

Hearing loss

This year, we began a new research project with the University of Chester Westminster Centre for Research in Veterans to understand more about hearing loss in veterans, how common it is and how it affects work, wellbeing and families. The project will be steered by a group of people with wide-ranging professional and lived experience, including the NHS, Royal College of General Practitioners, law, military psychiatry, charities, academia and the MOD, as well as veterans with hearing difficulties. It will report late in 2024.

Credit their Service

The cost of living has affected us all; however, some in the Armed Forces community with low incomes face an extra pressure on their finances. If you receive military compensation, it can be included in benefit means tests, causing veterans and their families to miss out on thousands of pounds of support every year.

In a bid to challenge this unfair treatment, the RBL launched a new campaign, Credit their Service, in 2023. It aims to help the cause of 100,000 veterans and their families who receive compensation awarded by the government for the pain and loss they endured in service to HM Armed Forces. This compensation is considered income when determining eligibility for many benefits, while civil compensation awarded by courts, such as personal injury or medical-negligence compensation, is exempt.

The treatment of military compensation within means tests varies widely: Universal Credit fully disregards all military compensation, while Pension Credit, Employment and Support Allowance (ESA) and Disabled Facilities Grants all consider military compensation as income.

Pension Credit offers a lifeline for those over State Pension age whose income is below the minimum amount the UK government says you need to live on. When military compensation awards are treated as income, some of our poorest veterans and their families are pushed beyond the threshold for Pension Credit, missing out on thousands of pounds of support that civilians can access.

Local council support, such as Housing Benefit, Council Tax Support, Discretionary Housing Payments and Disabled Facilities Grants can also be affected. At the time of our initial Freedom of Information request, four in five (80%) of British councils treated military compensation as income.

Through our campaign, 12 local authorities have so far agreed to change their policies to ensure that they fully disregard military compensation as income within means tests. We will continue to campaign to reverse these unfair policies.

Veteran Friendly Framework for care homes

In May 2023, we established a project to develop a Veteran Friendly Framework (VFF) for care homes, in partnership with Royal Star & Garter and the Veterans Covenant Healthcare Alliance (VCHA).

The project will tackle loneliness and isolation, and deliver improved health and wellbeing for more than 25,000 veterans who live in care homes across the country.

The VFF is a two-year collaboration, with funding support from the Armed Forces Covenant Fund Trust, and follows on from the veteran-friendly accredited GP practice scheme and the VCHA NHS accreditation scheme. It aims to better support the practical, emotional and social needs of the Armed Forces community in residential care homes, providing them with training and resources to assess and improve their offer. Care providers will need to meet eight standards to complete their accreditation. These include being able to identify veterans' and their partners' wellbeing needs by ensuring that Armed Forces status is included in care planning, signing up to the Armed Forces Covenant and providing signposting to local statutory and charitable-support services.

Only around 20 of the 15,000 care homes in the UK offer specific support to those who have served in the Armed Forces. Most veterans are cared for in civilian homes that, in some cases, may not fully understand their social, emotional or physical needs.

The exciting potential of this project is to raise the standards of care received by all members of the Armed Forces community living in all care homes. We want to showcase the thought and creativity that goes into care for veterans in veteran-specific care homes, such as the RBL's own homes, so it can be shared across the wider sector.

Progress against aims set out in our 2022 report

The Census gives us a clearer picture of need

Following the success of the RBL's Count Them In campaign, a question was included in the Census for England and Wales in 2021 (and Scotland in 2022), recording the number of veterans for the first time. This year, the Campaigns, Policy and Research team has delivered on one of our aims for 2022 and used this data to produce a clearer picture of the demographic profile and needs of the Armed Forces community.

We now have density maps of veteran and family locations across England and Wales; an understanding of veteran age, gender and ethnicity; the number and location of veterans who live in care homes; the (higher than average) proportion of veterans who are carers; and the number of veterans who live with a disability and whose children or spouses/partners have disabilities.

This information has helped us to see where our community needs help. Additional needs, such as an increased risk of musculoskeletal issues and hearing impairment, alcohol misuse, anxiety and depression, and experience of partner violence and abuse, are clear.

These findings will allow the RBL to better plan its services to meet the needs of the Armed Forces community where support is needed. We have also shared information across the military charity sector and with the Office for Veterans' Affairs and the MOD, to enable us all to reflect on how we can better serve those who served us.

Supporting those who serve us – general election manifesto 2024

We also promised to build a general election manifesto that makes the case for a better deal for our Armed Forces community. Following extensive research and consultation, our 2024 general election manifesto presents a series of practical ideas to significantly improve the lives of the Armed Forces community as they face increased living costs and difficulties accessing public services.

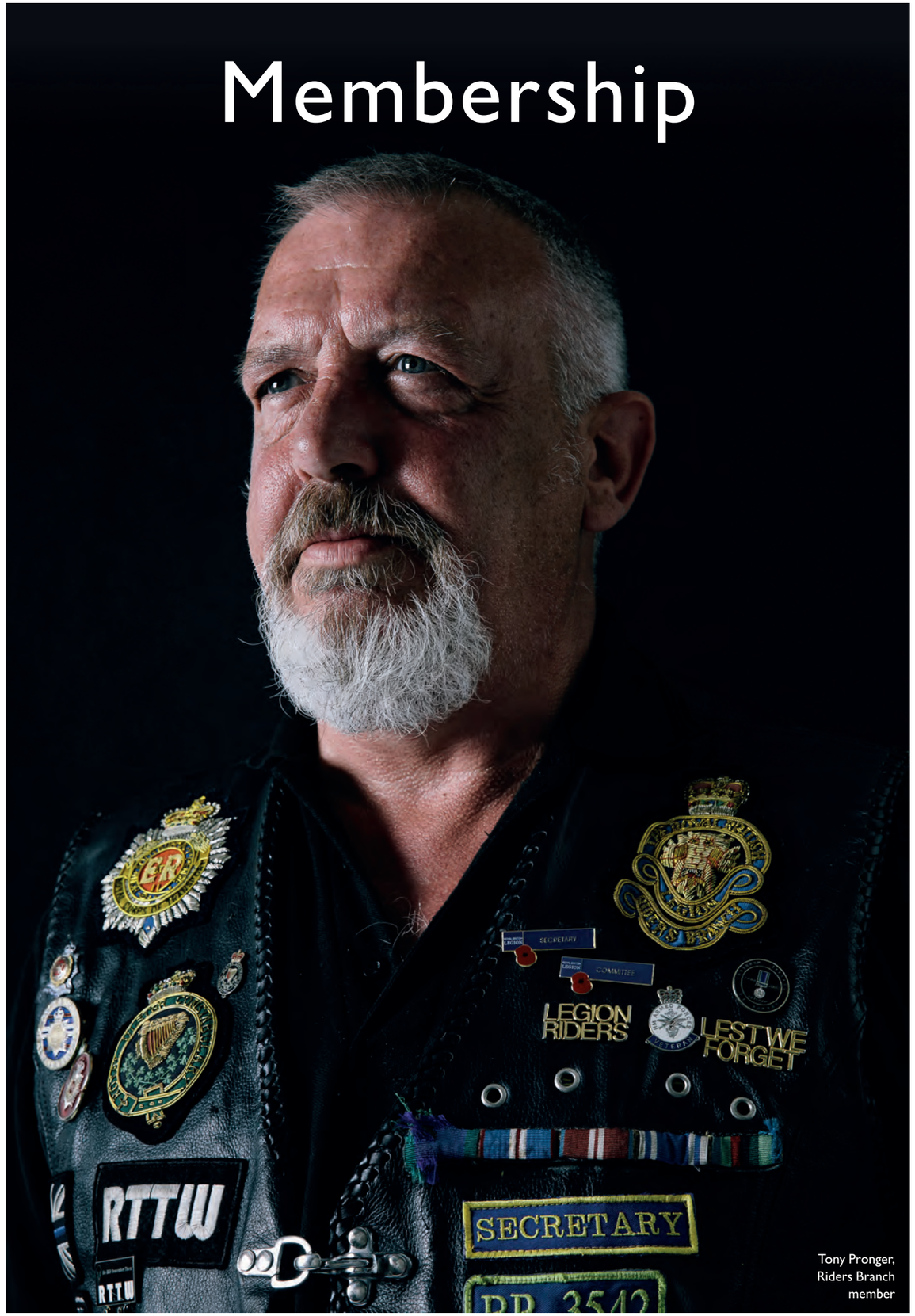
The RBL's priorities for the next government are as follows:

1. Extend the Armed Forces Covenant Duty to UK and devolved governments, covering all policy areas.
2. Encourage public bodies to identify veterans and family members when delivering services, to provide tailored support.
3. Make sure military compensation is never considered as income for welfare-benefit means tests.
4. Introduce a national protocol for consistent access to services, and increase special educational needs and disability support funding for Armed Forces families.
5. Remove barriers for families of non-UK service personnel, waiving fees for Leave to Remain and the Minimum Income Requirement.

We have engaged with politicians of all parties to ensure they understand why these measures would transform the lives of the Armed Forces community, and we look forward to working with the next UK government to deliver these policy changes.

Adam Sefton, Regimental Engagement Mentoring Support Officer for the British Yeomanry, with his sons, Lennon and Mac

Membership



Tony Pronger, Riders Branch member

Membership exists so our Armed Forces family have friends and allies standing by them in every community. Alongside offering that comradeship, our members actively take part in Remembrance, fundraising, local welfare and campaigns.

We have just under 195,000 members, 2,260 branches and 374 clubs. Over the past year, one of our areas of focus has been to build on all the good work delivered through our branches and to make the overall membership experience better.

"Over the past year, one of our areas of focus has been to build on all the good work delivered through our branches and to make the overall membership experience better"

We began by bringing our Membership Engagement team and the Central Services team together into a reorganised membership directorate with a new senior management team in place. We now have specialist teams in place to support the wider membership as well as the Membership Council and its various subcommittees and working groups. They also help to deliver events, training, compliance and communications, as well as the membership helpline, to members, branches and clubs.

On a local level, there are now five teams, which each have a regional Membership Engagement Manager, Membership Engagement Officers and a Membership Engagement Administrator. We also have a team that covers Northern Ireland, the Republic of Ireland, Wales, the Women's Section and national branches.

Together, these groups make up our Membership Engagement team, there to support our county and branch networks as they organise local events and activities. The team is also there to encourage members to resolve issues locally and advise on other branch matters, as set out in the Membership Management Handbook.

Progress against aims set out in 2022

We said there would be a particular focus on improving branch compliance, and now the new team is in place, we are able to provide dedicated support and advice to counties, branches and RBL teams. As a result, we have already seen a 3% improvement in branch compliance (Annual Returns), achieving 86%. There is more work to do, and we look forward to updating the membership on more initiatives planned in this area.

Other highlights brought about by these changes include:

- For our long-standing members, a 3% improvement in our retention rate, achieving 93.7%
- 6% growth in national branches membership
- 45% growth in youth members
- an easier process for overseas branches to make international payments
- membership training has been moved into the Learning and Development team, with a new and improved policy and procedures, and new training content.

We also said we would build on our support for successful branches with a focus on Branch Community Support (BCS). Our BCS programme transferred to the Membership Directorate in March and has been simplified into three areas: telephone calls, home visits and hospital visits. We would like to extend our thanks to our Branch Community Supporters for their understanding when we paused the BCS programme from May to August while we reviewed the training in terms of approach and content. We now have a much-improved offer in place, with a standardised training programme and a suite of materials available for Branch Community Supporters.

As a result of these developments, we improved our BCS service by:

- supporting 20% more beneficiaries
- increasing our numbers of Branch Community Supporters from 723 to 1,010 (39% increase)

The BCS developments have been led by the BCS working group, who ensure that a clear picture of need is viewed and the best possible service delivered.

As included in our 2022 aims, we also continued to explore what membership means, both to improve the experience and attract younger and more diverse members.

In August, we developed new recruitment materials, enabling branches to capture members' interest early on before taking them through the joining process. This material will be available in January 2024.

That said, we know there is more work to do. Our anniversary renewal rates are much lower than group renewals, which continues to highlight the challenges in retaining our newer and younger members, so our overall membership numbers are still in decline.

We are continuing to develop a more sustainable membership model that will attract a new audience. Priorities include offering individual membership (not just branch) and a more interactive digital experience that builds on and complements our established branches and clubs.

We were pleased to secure Membership Council support for our approach in August, followed by positive feedback at the September County Chairs seminar. This has now enabled us to push forwards with a more detailed design phase as we continue to engage with membership through a series of online regional roadshows.

Annual Conference 2023 was held in May in Torquay, and was an in-person and online event. There were 443 branch delegates, 42 county delegates and 459 visitors, along with 104 VIPs, Standard Bearers, Parade Marshals and RBL staff. This totals 782 in-person and 266 virtual attendees.

Volunteers and staff

Volunteers at a Poppy Walk

This year has seen a significant step forward in our efforts to evolve our culture, to ensure we achieve our strategic goals and progress the ways we work to meet the needs of our customers and colleagues.

Progress against our 2022 aims

Following an independent review of the current culture across all aspects of the Royal British Legion, we received some strong insights on our strengths and areas for development. Since then, we have begun work on a programme that aims to remove silos and create more collaborative working practices.

To reduce conflict and build stronger relationships right across the RBL, we are working to upskill colleagues and members in early resolution and intervention. We are also creating a set of behavioural principles that show our commitment to colleagues, members and partners, and our expectations of how we will work together. We will also build stronger alignment between our senior leaders and Trustees.

This work and more will follow over the coming months and years. Our staff survey provided strong insights too on how engaged our staff and volunteers are with the RBL, with an overall engagement score of 72%.

In what is also a key aim for this year, we have made great progress towards making the RBL more inclusive and diverse than it has ever been. We are proud of what we have achieved, and of course, the work continues.

- We achieved Disability Confident Committed Level 1 status and a Race Equality Matters Bronze Trailblazer award.
- We celebrated Windrush 75 with drop-in sessions run by an external facilitator and launched a podcast to provide a legacy for this work.
- We had a strong RBL presence at several Pride events during the summer, including London Pride for the first time.
- We showed our continuing support for our Armed Forces family and our commitment to the Armed Forces Covenant Gold Award by introducing a Guaranteed Interview Scheme for former members of the Armed Forces, their families and reservists.
- We celebrated National Inclusion Week with a talk from Emma Sheardown, former Paralympian dressage medallist and motivational speaker, who talked about the barriers disabled people face in customer services.
- We surveyed RBL branches (with Network Engagement) to find out more about the diverse communities they were already engaging with, and the tools and resources they need to engage with more.
- We undertook a detailed analysis of our staff engagement survey's key D&I themes to discover more about engagement levels of different and diverse groups of colleagues at the RBL.

Learning and development

Our newly developed Learning and Development (L&D) function has enabled us to make real progress in this area over the past 12 months.

Staff training for colleagues right across the RBL has been significantly enhanced to ensure we take a proactive approach to development for staff. For example, 556 colleagues have attended 48 courses during 2023, 52 colleagues are currently undertaking apprenticeship qualifications, 41 colleagues were approved to undertake external professional qualifications and 20 colleagues are having professional coaching.

Staff involved in our Improving Beneficiary Journeys programme have been supported with timely and appropriate training, including approximately 220 colleagues each attending a four-day training programme between June and October 2023.

Membership training has now moved under the central L&D team, which has enabled us to focus on Branch Community Support and their learning needs. By September 2023, 160 members had been trained or were signed up for training. The L&D team has also reviewed all training packages, developed a new learning strategy and policy, completed a training-needs analysis and developed a membership learning plan for 2024.

We have introduced a new platform, a Learning Management System, to better inform staff of the training and personal-development opportunities that are available and accessible to them. The new system is being used to offer face-to-face courses as well as e-learning modules for staff, members and volunteers. Since we introduced the platform, 297 e-learning courses have been completed for both personal and professional development, and 1,239 e-learning courses have been completed as part of induction or refresher training.

We have started to digitalise much of our learning content to allow easy access to colleagues working remotely or hybrid, thereby cutting costs and increasing uptake. This means we are developing our own e-learning courses, with eight having been created this year.

Resourcing

This year has also seen improvement in our resourcing function. Capability and capacity were increased so the candidate experience was better. Our time to recruit dropped and our success rate in filling vacancies increased.

For the first time, we ran recruitment open days in two care homes, and we were able to make job offers to nine of the 24 candidates who attended, which proved that it was a successful initiative. We plan to run two recruitment open days in each care home in 2024.

To build on our recruitment successes, we have sourced a new Applicant Tracking System that will provide the step change needed to meet our resourcing requirement now and in the future, for both staff and volunteers. This will help us to be more efficient and reduce costs, and will be implemented in 2024.

Volunteers

Early in 2023, we delivered a joint People Survey of staff and volunteers. All volunteers across the RBL, Poppyscotland and the National Memorial Arboretum were given the opportunity to contribute, and the results show that they have a positive experience when supporting us:

- 85% would recommend the RBL as a good place to volunteer
- 85% feel their contribution is valued
- 95% feel proud to volunteer for the RBL
- 93% feel volunteering with the RBL gives them a sense of personal achievement

The results also showed that there were two areas we can focus on improving in 2024:

- 69% feel RBL shares information effectively
- 63% understand where the organisation is headed

To address this, we launched an improved Volunteer Newsletter, reaching more people than ever, and more than 400 volunteers are now regularly engaging with our communications. The Volunteer Voice Group has been expanded, with more representation from all our key volunteer

Volunteer at a Poppy Walk

roles, to give them an opportunity to offer their perspective and get more involved in strategic projects.

We have also launched a new Volunteer Induction. Delivered by local managers, it will ensure volunteers joining the RBL receive a consistent experience and gain a better understanding of the charity's vision and strategy.

We launched new recruitment pages on the RBL website to deliver a consistent and professional experience for those applying for volunteer roles. Delivered in time for our 2023 Poppy Appeal, this new process allows the public to find specific vacancies in their local area and apply directly.

We also launched a new recruitment portal to enable RBL employees to volunteer during the Poppy Appeal and Remembrance. The portal allows staff to volunteer for multiple roles, increasing the impact of their contribution.

Pay review – cost-of-living payments

April 2020 saw the launch of our new pay framework, designed to ensure salaries are benchmarked against the charity/job sector and to provide transparency to staff on their pay and future progression. Significant investment was made in this scheme, resulting in a strong offering for both current and new staff.

Care homes were a particular concern, with high turnover rates, alongside high social-care vacancies more broadly. The need to remain competitive in the care labour market meant that we took a targeted approach to pay that would allow us to secure and retain capable and committed staff.

Alongside the pay review, we were also very mindful of the cost-of-living crisis that has hit so many of our staff. The RBL was keen to support as many employees as possible, with a one-off payment for those in lower-paid roles in the winter of 2022.

"Our Volunteer Induction will ensure volunteers receive a consistent experience and gain a better understanding of the charity's vision"

Fundraising

Poppy Appeal Collector at Birmingham City Poppy Day on 8th November, 2022

"We receive incredible support from the great British public. Our volunteers, fundraisers and supporters are at the heart of our work"

At the Royal British Legion, we receive incredible support from the great British public, with hundreds of thousands of people giving millions of pounds to help support the Armed Forces family. Our volunteers, fundraisers and supporters are at the heart of our work. Over the past year, we have begun to implement our new strategy to drive long-term, sustainable fundraising, with a great supporter experience in everything that we do.

The Three Giants

Our strategy, the 'Three Giants', runs throughout our fundraising activity, straddling the Poppy Appeal, Individual Giving and Legacies. This year, we have made great progress in identifying the right resources for the right places and have worked through this period of change to deliver business as usual.

Work has started on developing an enhanced culture of collaboration and top performance, as well as addressing ways of working to support efficiency across our fundraising. Evolving and embedding this new culture will be a key deliverable for 2024.

While the 'Three Giants' strategy identifies the Poppy Appeal, Individual Giving and Legacies as the biggest opportunity for significant long-term growth, it's important to recognise that every gift or income fundraised from a supporter is essential and needs to be valued and appreciated as such.

To support this, we have been working on our processes, looking to make sure that every fundraising query is answered properly and that every donation is processed, with heartfelt thanks given, as quickly and efficiently as possible.

The heart of the Poppy Appeal

The November 2022 Poppy Appeal raised £39.3 million in public donations and £3.2 million from the sale of wreaths, broadly in line with the previous year's total of £42.2 million. This was achieved through a combination of our extraordinary volunteer collectors, members, supporters and staff. At its core, the Poppy Appeal has always been a volunteer-led campaign centred around Remembrance, and it was great to see many volunteers return to collecting, following the pandemic limitations of recent years.

Importantly, £19 million of that total was raised by more than 1,000 volunteer Poppy Appeal Organisers who are also Royal British Legion members, with many affiliated to local branches. This membership support accounts for 43% of our vital volunteer Poppy Appeal Organisers across England, Wales, Northern Ireland and in overseas branches as well. This demonstrates the ongoing commitment and time members put towards the Poppy Appeal each year, for which we are extremely grateful.

Production of the new plastic-free poppy was also ramped up at our Aylesford site this year, ready for its planned introduction at the 2023 Poppy Appeal. The announcement of our new plastic-free poppy design in the spring was very well received in the media and by our supporters. Find out more on page 24.

More than £1 million in a single day's collection

Our 2022 London Poppy Day smashed through the £1 million-in-a-day target this year, raising £1.137 million. It saw hundreds of Armed Forces personnel in uniform, veterans and volunteers once again collecting for us across transport hubs and promoting the cause of the Royal British Legion. We sincerely thank Network Rail, Transport for London and the many companies, volunteers and, of course, Armed Forces personnel for their continued support of our biggest fundraising day of the Poppy Appeal.

Following the 2022 Poppy Appeal, we took a fresh approach to our other City Poppy Day collections, and we will be trialling a pilot in Manchester in 2023 to provide a more engaging opportunity for the charity to raise awareness of our support work and the funds needed.

Plans were also developed this year to test the promotion of Gifts in Wills during the Poppy Appeal period. Staff and volunteer teams across the North-west of England and Northern Ireland have been provided with training and materials to encourage conversations with the public. These very significant bequests are an essential part of our current and future fundraising for the charity, and we will carefully monitor how these promotions occur during the Poppy Appeal period.

Cashless donations

More than £6.2 million was raised via our 5,000 contactless terminals in the 2022 Poppy Appeal, up from £3.8 million in 2021. This further signalled a change in the use of cash. We have taken the learning from this growing donation route and will be using more terminals and testing more cashless enhancements in 2023, including

The Pedal to Paris fundraising event

Maya Renard and D-Day veteran Bernard Morgan at the launch of the annual Poppy Appeal

the use of local QR codes and unattended devices with corporate partners. Public cash donations still account for the significant majority of the Poppy Appeal, so we need to continue to encourage those, while also investing in and evolving the cashless donations routes to match a changing society.

Support from across society

Alongside the amazing support of the Poppy Appeal, the British public have shown wonderful generosity to the RBL throughout the year. Here, we raised £39.3 million. This was below our £50 million target, but within this were some great successes. More than 100,000 new supporters kindly engaged with us, donating, running, sponsoring and purchasing to support our vital work.

In this year, we recruited 35,000 new regular givers to support us for the future, with a lower cost per supporter than in previous years. We now have more than 61,000 supporters interested in leaving, or having already left, a Gift in their Will to the RBL. This incredible generosity is enormously appreciated and will make a significant difference to our work to support the Armed Forces community for the long term.

However, income from Gifts in Wills was significantly down, with a smaller average per estate and a notable delay in some estates owing to delays in the probate service. The overall impact of this was income of £23.3 million, £1.1 million down on budget and £7 million down on the previous exceptional year.

Our fundraising events saw more than 4,600 people run, cycle or walk to raise money for our Armed Forces community. This was a great number, with particularly good support for some key events, such as Pedal to Paris and the London Marathon. However, other events did less well, and the overall impact was income of £1.6 million, £1.1 million lower than expected. In the next year, we are reviewing our events portfolio and implementing evolved ways of working that should lead us back to a better position.

In corporate partnerships and our trading activities, we were broadly on track. We saw the end of some significant partnerships, such as our multi-year relationship with Coventry Building Society, as well as great ongoing relationships with key partners, including the Premier League, Pets at Home, The Westminster Collection and Golden Charter. Our Poppy

> "More than 100,000 new supporters kindly engaged with us, donating, running, sponsoring and purchasing to support our vital work"

Shop was successful, with web sales of more than £4.6 million. We intend to keep working to offer these supporters greater options to engage with the RBL and ensure we have the right products to make the most of this area.

Progress against aims set out in the 2022 report

We said we would complete the implementation of the new 'Three Giants' fundraising strategy and team structure to provide a longer-term view of sustainable income to meet the needs of the RBL.

Within the Poppy Appeal this year, we have established a new strategy and leadership to support the overarching 'Three Giants' fundraising strategy. We have also embedded a dedicated Poppy Appeal Directorate and Team structure, while refining our longer-term plans to fix, protect and strengthen the Poppy Appeal for the future.

We said we would improve our ability to contact more of our new supporters by establishing clearer communication permissions, to help grow our number of overall fundraising supporters to more than 607,000.

We have done this by developing new techniques to ask individual supporters of the 2023 Poppy Appeal to give their permission for further communication. This will also include development across our cashless technology to test engagement and help grow our regular supporter numbers.

We said we would raise £50 million in the 2022 Poppy Appeal and £50 million from the broader fundraising activity across the year.

We raised £42.5 million in the 2022 Poppy Appeal, including wreath sales, falling short of our £50 million aim. To improve this, we need to boost staff and volunteer vacancies going into the next appeal. We also failed to raise more than £1 million of all-year-round income that was planned outside of the Poppy Appeal, but can improve this with a more targeted plan of events throughout the year.

Within the Poppy Appeal, we have established a pilot programme to promote Gifts in Wills in two key regions, before learning from that experience at the next appeal and rolling out a refined programme across all regions. We have also established a new Poppy Appeal Organiser Insight Panel to encourage and improve our fundraising engagement opportunities, as well as piloting a new Poppy Appeal volunteering opportunity in some areas with no central role.

We said we would promote the value of our Gift in Wills and Legacy donations across the RBL and establish more fundraising volunteering engagement opportunities, to include Business Ambassadors.

Within the year, we have looked at our Business Ambassadors work and decided that a different approach would most support income growth from corporate partnerships. While this is still an opportunity, we have first focused on our new-business pipeline and the opportunity of restricted funding for some of our welfare work. This new approach is still being developed but, at the end of the year, it is bearing fruit, with our corporate new-business opportunities looking significant. Over the course of the next year, we hope to be able to turn a number of these opportunities into additional income to support the Armed Forces community.

Responsible fundraising

We want to ensure that all fundraising activities for the Royal British Legion are carried out to high standards and

in full compliance with all regulations. Our approach to fundraising is driven by three key principles:

- **Accountability** Our own and third-party fundraisers are required to ensure that their fundraising is delivered to the Fundraising Regulator's standards. We will only work with third parties who share this commitment.
- **Fairness** We set out to treat all members of the public fairly. We try to explain clearly how donations can be made, how regular donations can be stopped and what is involved in signing up to a fundraising challenge.
- **Respect** We want to thank and appreciate supporters for any support they can give us. We respect our supporters' privacy and look to make it easy to change preferences or opt out of communications.

The RBL is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We always aim to comply with the Fundraising Code of Practice, and we make appropriate use of the Fundraising Regulator logo on our fundraising materials. Our Fundraising Promise is published on our website, and we continue to utilise our 'Fundraising Compliance' e-learning module as part of our inductions for new fundraising staff. We fundraise in accordance with all relevant schemes and standards, and within the last year have not reported any breaches of the Fundraising Code of Conduct. We work to comply with UK data-protection legislation.

"Generous donations from companies, trusts and individuals enabled us to continue providing support for the Armed Forces community"

Our approach to complaints is that they are an opportunity to better understand our supporters, with any expression of dissatisfaction by a supporter recorded as a complaint and featured in our annual complaints returns to the Fundraising Regulator and Gambling Commission. In 2023, the number of complaints relating to fundraising activity was 811. This number has increased from 2022, in which 670 were recorded. The main area of complaints was for Addressed Direct Mail (312), and we are reviewing our contact strategy to ensure we are talking to the right people at the right time. We also had some issues related to fulfilment of items to supporters, our Poppy Supporter Pins, thank-you letters and our little Remembrance crosses. We are working to make sure we can provide what supporters need in a reasonable timeframe, particularly during our busiest period around the Poppy Appeal. Our complaint ratios for our fundraising areas also remain consistent with what other charities of our size see across the charity sector.

We recognise that we have an obligation to protect those who may be in vulnerable circumstances. We do this in a way that strikes a balance – setting out to protect potential donors while also being respectful of any desire they express to support us. The RBL is committed to protecting children and vulnerable adults from being harmed by gambling. Therefore, our 'Supporters in a Vulnerable Circumstance' policy is regularly reviewed and updated to reflect changes in legislation/best practice, and we continued to advertise Gambling Support resources on all our Lottery and Raffle marketing materials.

Some of our fundraising activity is carried out by our own staff, some by volunteers, and a small proportion is delivered by professional fundraising agencies. All commercial third-party fundraisers are contractually obligated to be registered with the Fundraising Regulator. The RBL conducts its own Mystery Shopping exercises for all face-to-face agencies that partner with us. The RBL listens to a proportion of all the fundraising calls made on our behalf by third-party fundraising agencies. We work in partnership with the professional fundraising agencies that we employ. We visit their premises regularly to provide training on our standards as well as 'train the trainer' to ensure our standards can be made clear to new fundraisers and refreshed with existing fundraisers who are representing us.

Registered with FUNDRAISING REGULATOR

Above: A participant in one of the 2022 Poppy Run fundraising events

Thank you to our major supporters

The generous donations we have received over the past year from companies, trusts and individuals have enabled us to continue providing life-changing support for the Armed Forces community. The funds raised also help us campaign for that community and make sure the whole nation remembers their unique contribution.

In particular, we would like to thank the following organisations and individuals, who have contributed £20,000 or more in financial or in-kind support during 2023:

288 Group Ltd (The Westminster Collection)
AmazonSmile
Mrs G M Bramall
Britvic PLC
Cash4Coins
Centrica
Chapel Down Group PLC
Coventry Building Society
Dartmouth Brands
Garfield Weston Foundation
Girlguiding
Golden Charter Ltd
Greenwich Hospital
Greggs PLC
Howmet Aerospace
Insignia 16 Ltd (Poppies4Kits)
J D Wetherspoon
Marks & Spencer
Morrisons
PayPal Giving UK
Pets at Home
The Premier League and its member clubs
Revolut
Sainsbury's PLC
Sky
Sir Howard and Lady Stringer
Tesco
Transport for London
Dorothy Mary Twiggins Charitable Trust
The Michael Uren Foundation
Viking Cruises

Every year, our branches and clubs undertake their own fundraising in support of the Royal British Legion. We continue to be hugely grateful for their generosity, passion and commitment. **Thank you.**

Aims for 2024

Services and support
- Embed our new ways of working to make things easier for people reaching out for support with our Improving Beneficiary Journeys programme.
- Carry out a home-by-home efficiency review in our care homes, looking to drive value for money and effectiveness.
- Launch and run the Invictus Team UK recovery programme in readiness for the Invictus Games in Canada in 2025.
- We expect the reduction in available funds will impact the breadth and scale of our services. We will monitor beneficiary needs data and minimise any impact reduced resources may have.

Remembrance
- Define a research strategy that allows us to evaluate the impact of our work and progress at ensuring the service and sacrifice of our Armed Forces family is always remembered.
- Deliver an RBL-wide programme to ensure that the service and sacrifice of the D-Day generation is always remembered, by connecting people to those in their family or community who played their part 80 years ago, creating relevance and reasons for people to actively remember.
- Build relationships with those who served in more recent conflicts in the Balkans, Iraq and Afghanistan, to ensure that we mark these significant anniversaries in ways that resonate with them and their families.

Campaigns, policy and research
- Ensure that insights from the needs analysis of the Armed Forces community help us to advocate for the changes the community most needs us to deliver.
- Communicate to political parties and candidates the changes we think would have the most positive impact for the Armed Forces community during the general election.
- Provide ongoing evidence about the impact of the Armed Forces Covenant Duty and press for expansion in its scope.
- Build a strong response to the Etherton report that demonstrates our commitment to the LGBTQ+ community.

Membership
- Set out our technical requirements for the Future of Membership (FoM), based on a phased delivery. Attract the next generation of RBL members, offering individual membership and a new digital experience.
- Keep improving branch compliance, with the support of the Membership Council, county officers and branch officers, embedding best practice and better ways of working into our membership formations.

Staff and volunteers
- Progress our work on the evolution of our culture and build stronger relationships across teams and communities.
- Establish a clear pathway for the replacement of our HRIS system in 2026 and prepare our systems and processes accordingly.

Fundraising
- Drive the development of an excellent fundraising culture, focusing on continuous improvement, excellent performance management and insight.
- Create the right infrastructure to support sustainable fundraising growth, with a focus on the case for support and supporter journeys.
- Create a great supporter experience across fundraising, asking the right people for the right thing at the right time.
- Establish a transformational programme of change to help fix, protect and strengthen the Poppy Appeal in the longer term.

National President and Trustees

Vice Admiral Sir Clive Johnstone (Retd) KBE CB
National President

Clive assumed his role as National President of the Royal British Legion in May 2023. He retired as a Vice Admiral in 2019 and his last role was as the Commander of NATO's Allied Maritime Command (MARCOM). During his career, Clive has deployed to most points on the compass and has served on ships ranging from minesweepers to aircraft carriers.

Jason Coward
National Chair

Jason was elected National Chair in May 2022, but has been on the RBL Board of Trustees since May 2014. He has a commercial background in marketing and communications. His RBL experience includes three years as Chair of the Membership Council, as well as serving as Chair of Poppyscotland and on the Governance & Nominations Committee.

Lynda Atkins DL
National Vice Chair

Lynda was elected National Vice Chair in May 2022, having previously served as a Trustee between May 2019 and March 2022. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She served as an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda chairs the Membership Council.

Paul Astruc FCCA MBA

Paul was appointed to the Board of Trustees in May 2023. Paul qualified as an accountant with Shell International and has more than 30 years' experience in banking and commerce, including nine years as a Finance Executive at Lloyds Banking Group and, more recently, as CFO of Nottingham Building Society, where he remains on the Board. Paul chairs the Finance Committee and its Investments Sub-committee.

John Boisson

John was elected to the Board of Trustees in May 2022 after serving on the Membership Council. As a civil servant, he currently commands RAF Holbeach and RAF Donna Nook, both Air Weapons Ranges on the Lincolnshire coast. John is also serving in the Army and has completed 37 years' service in the Guards Division – 34 years full time and three years as a reservist. During the year ended 30th September, 2023, John served as Chair of the Membership Council.

Steven Lee

Steven was elected to the Board of Trustees in May 2023. He is a former Royal Marine. During his career, Steven served in 42 Commando, 43 Commando, RMR City of London, the Royal Navy headquarters, the Ministry of Defence, and with the United Nations, NATO and the US Marine Corps. Steven is a member of the Finance Committee and the Branch Property Trusts Trustee Committee.

Jan Buxton

Jan joined the Board of Trustees in January 2024 in her capacity as Chair of the Women's Section. Jan joined the RBL Women's Section in 1994 and has served as a Branch and County Treasurer and County Committee member, as well as National Vice Chair of the Women's Section for the past three years. Before her retirement, Jan worked for 26 years in the NHS. Jan is a member of the Care Services Committee.

Phil Davies

Phil was elected to the Board in May 2023 after serving on the Membership Council. He joined the Royal Navy as an Electrical Mechanic before transferring to the aircrew branch to become a Search and Rescue Diver. After leaving the Navy, he ran his own business and is now Managing Director of a local business. Phil is a member of the Finance Committee, its Investments Sub-committee and the Branch Property Trusts Trustee Committee.

Paul Harris QGM

Paul was co-opted as a Trustee in February 2018, elected in May 2019 and re-elected in May 2022. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He was a Director of an international company, then owned a management consultancy, from which he has retired. He is a member of the Audit & Risk Committee and Governance & Nominations Committee, a Trustee of Poppyscotland, and chairs the Royal British Legion Republic of Ireland and the Irish Ex-Service Trust.

James Lambert

James was elected to the Board of Trustees in May 2023. He was previously Vice-Chair of the National Branches District Committee. James is Head of Economics and Regulation at London Gatwick Airport. He served in the RAF Volunteer Reserve and is a Fellow of the Royal Aeronautical Society and of the Society of Professional Economists. James is a member of the Audit & Risk Committee and the Care Services Committee.

Elizabeth Butler FCA

Liz was appointed to the Board in May 2018. In addition to being a chartered accountant, Liz has a portfolio of non-executive roles, including Board member and Chair of the Audit & Risk Committees of the Regulator of Social Housing and Kent & Medway Integrated Care Board. Liz chairs the Audit & Risk Committee and is a member of the Finance Committee.

Helen Owen

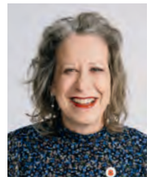
Helen was elected to the Board in May 2020, and re-elected for a second term in May 2023. She is the Director of Transformation at the charity GambleAware and has held non-executive roles, including Governor at the University of Westminster. Helen is Chair of the Board of Trustees of Poppyscotland.

Anny Reid OBE

Anny was elected as a Trustee in May 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the last four as Chair of its trust. Anny chairs the Conference Committee, is Chair of the Board of Trustees for the National Memorial Arboretum and is a member of the Care Services Committee.

Monica Risam

Monica was appointed to the Board in October 2020. She is a dual-qualified US and UK lawyer and is the Group General Counsel of the Lombard International Group. Monica is also a non-executive member of The Elton John AIDS Foundation's Finance and Investment Committee. Monica is a member of the Governance & Nominations Committee.



Debbie Sorkin

Debbie was appointed to the Board in June 2018. She is National Director of Systems Leadership at the Leadership Centre, a charity working to strengthen leadership across public services. Debbie has experience of working in the NHS and in social care. Debbie leads for the Board on care and safeguarding, chairs the Care Services Committee and is a member of the Audit & Risk Committee.

Patsy Wilkinson CB

Patsy was appointed to the Board in December 2021, following a senior government career in national security. She is also a Non-Executive Director and adviser, and an Honorary Fellow at Murray Edwards College, Cambridge. Patsy chairs the Governance & Nominations Committee, is Vice Chair of the Membership Council and a Trustee of the National Memorial Arboretum.

Lieutenant General (Retd) James Bashall CB CBE

James retired from the Regular Army in 2018, following 34 years' service, including tours in Germany, Afghanistan, Iraq, Libya and South Armagh. He later held the posts of Chief of Staff at Permanent Joint Headquarters, Director of Personnel at Army Headquarters and Commander Home Command. His term as National President ended in May 2023.

Rodney Bedford

Rod served for 19 years in the Grenadier Guards and then for 18 years in the Kent Police. Rod was previously elected to the Membership Council, on which he served two terms of three years. He was elected to the Board of Trustees in May 2017 and his term of office ended in May 2023.

Tony Goodwin BEM

Tony was elected to the Board of Trustees in 2020. He served in the Royal Air Force for almost 40 years. Tony was previously elected to and served for three years on the Membership Council. Tony stepped down from the Board in February 2023.

Garry Mills

Garry was elected to the Board in April 2022. He served in the Ulster Defence Regiment, the Corps of Royal Military Police and the Royal Ulster Constabulary GC. Following a career in management consultancy, Garry moved to the third sector, specialising in welfare rights, benefits and money advice. Garry's term of office ended in May 2023.

Philip Moore TD

Philip was appointed as a Trustee in 2014 and re-appointed in 2017 and 2020. He was a Finance Director for nearly 20 years, as well as a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Connells Ltd, and a Governor of North Hertfordshire College. Philip's term of office ended in May 2023.

Heather Spence

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. Heather was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times. Heather served on the Board of Trustees as Chair of the Women's Section until January 2024.

Board of Trustees

Co-opted Members

The Trustees would like to recognise the support given by the following co-opted members, who bring their special expertise to the boards and committees on which they sit:

Vanessa Donegan
Antony Macaulay
Jenny Rowe
Dr Jonathan Wittmann
Naim Moukarzel

National President
Sir Clive Johnstone KBE CB (from May 2023)
Lieutenant General James Bashall CB CBE (until May 2023)

National Chair
Jason Coward

National Vice Chair
Lynda Atkins

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee
Elizabeth Butler (Chair)
Paul Harris
James Lambert
Debbie Sorkin

Finance Committee
Paul Astruc (Chair) (from May 2023)
Philip Moore (Chair) (until May 2023)
Elizabeth Butler
Phil Davies
Steven Lee
Vanessa Donegan
Dr Jonathan Wittmann

Investments Sub-Committee (formed January 2024)
Paul Astruc (Chair)
Phil Davies
Vanessa Donegan
Dr Jonathan Wittmann

Governance & Nominations Committee
Patsy Wilkinson (Chair) (from January 2024)
Jason Coward (Chair) (until December 2023)
Paul Harris
Monica Risam

Conference Committee
Anny Reid (Chair)
John Gilmore
Andrew Huggins
Grant Parrott
Kenneth Terry

Branch Property Trusts Trustee Committee
Jenny Rowe (Chair)
Phil Davies
Steven Lee
Antony Macaulay

Care Services Committee
Debbie Sorkin (Chair)
Jan Buxton
James Lambert
Anny Reid

Membership Council
Lynda Atkins (Chair) (from January 2024)
John Boisson (Chair) (until January 2024)
Patsy Wilkinson (Vice Chair)
Hugh Ashton-Moore
Gordon Barker
Albert Bell
Michael Challinor
Bob Chambers
Emma Cox
Dilys Hooper
Bob Howard
Steve Lewis
Gerry Nunn
Marc Reynolds
Kelly Slark
Kenneth Terry
Philip Walden
Adrian Wright

Executive Board

Director General
Mark Atkinson (from January 2024)
Charles Byrne (until November 2023)

Chief Financial Officer
Christopher Tingle (from December 2023)

Chief Operating Officer
Daniel Oppenheimer (until October 2023)

Executive Director: Corporate Services
Zein Virani (from December 2023)

Executive Director: Services
Antony Baines

Executive Director: Marketing, Fundraising and Remembrance
Gary Ryan

Executive Director: People and Organisational Development
Karen Gill

Executive Director: Membership
Janet Talman

Consultants and Advisors

Bankers
Lloyds Bank
Charities
4th Floor
25 Gresham Street
London
EC2V 7HN

Independent Auditors
Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Investment Managers
Cazenove Capital Management Limited
12 Moorgate
London
EC2R 6DA

Legal Advisors
Withers
20 Old Bailey
London
EC4M 7AN

Women's Section

Chair
Jan Buxton (from January 2024)
Heather Spence (until January 2024)

Vice Chair
Laura Hayworth (from January 2024)
Jan Buxton (until January 2024)

Chair of Finance
Sandra Fishlock

Central Committee
Diane Boisson
Pat Holden
Roz Kane
Sandra Saban
Kay Scase
Heather Spence
Alyson Wilson

Life Vice Presidents
Dame Mary Bridges DBE
Doris Ingham OBE
Maureen Lodder OBE
Patricia Valler OBE
Wendy Bromwich JP
Marilyn Humphry
Pat Chrimes OBE

Vice Presidents and Patronesses
Joanne Andrew-Steer MBE
Auriol, Marchioness of Linlithgow
The Right Honourable the Countess Bathhurst
The Lady Grey of Codnor
Diana Hill
Sara Jones CBE OStJ DL JP
Janie Martin DL

Charity Registration number: 219279

Principal Office:
The Royal British Legion
Haig House
199 Borough High Street
London
SE1 1AA

Financial review

In 2023, our total income reduced by £6.4 million (4%) to £147.1 million (2022: £153.5 million) as donations were impacted by the weak economic outlook and high inflation. At £180.6 million, total expenditure increased by £28.7 million (19%) as we used some of our surplus reserves to expand our welfare services.

We spent an additional £10 million on grants to individuals, following the launch of the Cost of Living Grants programme to help those in our community struggling to cope with the rising cost of food and fuel. Through this programme, we provided grants of £5.1 million to 7,000 households and reached many new beneficiaries who had not contacted us before. This led to an increase in other types of grant expenditure as our caseworkers worked with these individuals to identify and address broader areas of need. We also invested in our Admiral Nurse Service, Caseworking and Specialist teams, and doubled our expenditure on Recovery, taking the lead role in supporting Invictus Team UK for the first time. Overall, our charitable expenditure increased by £24.6 million (22%) to £133.7 million (2022: £109.1 million), and we spent 74p in every pound on our charitable activities (2022: 72p in every pound), with the remainder spent on raising the funds needed to deliver the RBL's mission.

The cost of delivering quality care in our care homes increased by 18% to £42.7 million (2022: £36.3 million), primarily driven by increases in staffing costs as we sought to attract and retain high-quality care staff in an increasingly competitive environment. Inflationary pressures also played a part, reflected in the increased cost of food, energy and consumables. The additional cost of running our homes was partly offset by a £4.4 million increase in fee income, resulting from increases in both fee rates and occupancy levels. Before allocated support costs of £8.4 million, our six care homes required a subsidy from our free reserves of £12.8 million (2022: £11.4 million subsidy). In view of the rising cost of care and the wider challenges facing the care sector, we have launched an internal review to identify options for reducing the care homes deficit in the future.

2023 was a challenging year for fundraising across the charity sector, and the Royal British Legion was no exception. The November 2022 Poppy Appeal raised £39.3 million in public donations and £3.2 million from the sale of wreaths (included within Income from Commercial Activities), a small increase on the previous year's total of £42.2 million. However, income from other sources of fundraising declined as the cost-of-living crisis impacted charitable giving. Total fundraising income (including donations and legacies, income from fundraising events, lotteries and trading) fell by 9% to £108.2 million (2022: £118.7 million). At the same time, the cost of generating funds increased, driven by high inflation. The overall return from our fundraising activities (before allocated support costs) reduced by £15.6 million to £66.0 million (2022: £81.6 million). As set out in the fundraising section of this report, we are addressing this through our 'Three Giants' fundraising strategy, focusing our efforts on those areas with the highest return and growth potential, streamlining how we work to improve the experience of our supporters and promoting collaboration across the different areas of fundraising in order to maximise income.

Overall, the RBL generated a deficit before gains and losses of £33.6 million (2022: £1.7 million surplus). After net gains on our financial and property investments of £6.6 million (2022: £5.4 million loss) and a £0.6 million reduction in the value of our pension funds (2022: £2.0 million increase), group funds reduced by £27.6 million (2022: £1.7 million reduction).

The value of restricted funds reduced by £4.0 million to £164.9 million (2022: £169.0 million) and the value of unrestricted funds reduced by £23.5 million to £185.6 million (2022: 209.1 million). During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £3.1 million (2022: £3.3 million) from restricted Branch Property Trust funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as an important source of funding for welfare services in the area where the branch property was originally located. These services include our Admiral Nurses, who support those caring for loved ones with dementia; casework; advice; and grants.

As well as ensuring that we make the best use of our available reserves, we are rebalancing our budgets and reducing our expenditure, to ensure that our finances are sustainable for the long term. This will become increasingly important as we spend our remaining surplus reserves, which stood at £28.5 million at 30th September, 2023 (2022: £49 million).

Financial investments

At the year end, the total value of the group's investment portfolio was £172.9 million (2022: £172.3 million). The portfolio is managed through three main investment managers: Cazenove Capital manages the charity's main investment portfolio (£151.9 million), Sarasin & Partners manages Poppyscotland's investments (£3.3 million) and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£7.0 million), including those held in legacy and property trusts. The remaining investments are held overseas. Although 2023 was a volatile year in the investment markets, the RBL's financial investment portfolio ended the year at a similar level to 2022.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. All investments must comply with the RBL's Responsible Investment Policy, which aligns the charity's investment strategy with its aims, which are to safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces.

The RBL restricts investment in areas that may directly conflict with its aims, including alcohol, gambling, tobacco and high-interest-rate lending. Accordingly, it will not invest directly in companies that generate more than 10% of revenues from these areas. As it is more difficult to apply these restrictions to pooled funds, indirect exposure to these areas is closely monitored and a review triggered if this exceeds 1% of the total investment portfolio or 10% of an individual fund holding.

The RBL recognises that companies do not operate in a vacuum, and that non-financial issues such as human rights and corruption can have very real financial implications over the medium to long term. As such, the investment strategy integrates environmental, social and governance (ESG) factors, meaning that each investment's impact on the environment and society is considered as part of the investment decision. The RBL expects its investment managers to be active owners of its capital and engage with the companies and managers in which it invests to improve its ESG attributes.

The RBL also recognises that it needs to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. The RBL monitors the carbon emissions of its equity investment portfolio and seeks to reduce these emissions over time through investment selection and through the engagement of its appointed investment managers with companies in order to drive positive change.

The RBL's main investment manager, Cazenove Capital, has been practising sustainable investing since 2002. As part of the Schroders Group, it has been awarded the highest possible rating of A+ by the UN Principles for Responsible Investment (UNPRI) for its approach to responsible investment. It is a special adviser to the Carbon Disclosure Project; a founding member of the Institutional Investors Group on Climate Change; a member of the UK Sustainable Investment and Finance Association; and a member of the European Sustainable Investment Forum. It has also been included in ShareAction's top 10 Global Asset Managers for Responsible Investment; and is ranked in the top five of the AODP Global Climate Index for Asset Managers. Cazenove Capital's objective is that all discretionary assets under management will be net zero-aligned by 2050.

Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio delivered returns of 3% for the year ended 30th September, 2023, falling short of its target. The current period of high inflation is impacting the benchmark, and the Trustees expect the portfolio to achieve its target over the medium term once inflation has been brought back under control. The value of the portfolio increased to £151.9 million (2022: £147.5 million) over the year and generated £3.1 million (2022: £2.7 million) of investment income.

Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September, 2023, the Poppyscotland portfolio reduced its value from £6.3 million to £3.3 million and generated £0.2 million (2022: £0.3 million) of investment income. The Poppyscotland portfolio is being drawn down to finance Poppyscotland's deficits over the medium term, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.

Branch investments

Branch and county investments of £7.0 million (2022: £6.9 million) are primarily managed by CCLA and held in a mix of listed investments and unit trusts.

Pension

The group pension deficit in these accounts now relates solely to the Earl Haig Fund (Poppyscotland). The deficit on the Poppyscotland pension fund increased from £1.1 million to £1.4 million, primarily due to a reduction in the value of the pension-fund assets, which are held in an investment portfolio. We do not expect the deficit to materially affect the group's ability to meet its charitable objectives in the future.

The RBL pension fund was in surplus by £4.4 million (2022: £4.4 million) as at 30th September, 2023. Under the pension-scheme rules, the employers are unable to utilise this surplus, as once contributions are paid into the scheme, they cannot be withdrawn. Accordingly, the surplus on the RBL scheme is not recognised in these accounts.

Funds

The RBL's total funds of £350.5 million (2022: £378.1 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £164.9 million (2022: £169.0 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £185.6 million (2022: £209.1 million) are designated funds representing the value of the RBL's functional fixed assets (£58.3 million, 2022: £58.0 million); funds held by RBL branches, counties and districts (£30.3 million, 2022: £32.0 million); the value of programme-related investments (£4.9 million, 2022: £5.5 million); and the General Fund (£3.3 million, 2022: £4.5 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

Reserves

In addition to the funds described above, at 30th September, 2023, the RBL was holding £88.5 million (2022: £109.1 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the RBL holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable it to carry out its work. Our biggest risk is that our income suddenly drops because of unforeseen factors beyond our control. In these circumstances, reserves may need to fund operating expenditure while the organisation is put back onto a stable footing.

Our care homes represent an area of financial risk due to the heavily regulated nature of the industry and the ongoing challenges related to staff recruitment and retention. Our reserves may be needed to mitigate against reduced fee income due to lower occupancy and unexpected and unavoidable increases in expenditure.

Our reserves also mitigate against fluctuations in the value of our investments; in particular, the risk that a significant reduction in income coincides with a drop in investment values. Having reserves means that we would not need to sell our investments when it is not advantageous to do so. Finally, high inflation represents a further financial risk due to our reliance on contracts with key suppliers to deliver our charitable activities.

Taking all these risks into consideration, the Trustees have resolved that the RBL should hold minimum free reserves of £60 million. As noted above, at 30th September, 2023, the RBL was holding free reserves of £88.5 million (2022: £109.1 million), which is above the minimum target we have set. During the year, we started to use our surplus reserves to expand our welfare provision, providing emergency support for those in our community who have been hit hardest by the cost-of-living crisis, and expanding our Admiral Nurse and Recovery Services. We plan to spend our remaining surplus reserves over the next two to three years, while ensuring that our financial commitments are closely managed to make sure the RBL's finances are sustainable in the long term.

Investment properties

Investment properties primarily comprise 259 properties (2022: 275) held by the RBL as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease.

The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ended 30th September, 2023, 66 properties were revalued (2022: 57) and a revaluation gain of £4.3 million (2022: £2.7 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and no valuation gains or losses were recorded (2022: £0). During the year, the RBL disposed of 6 (2022: 12) investment properties, realising gains on disposal of £0.8 million (2022: £2.8 million).

Branch Property Trusts

A Branch Property Trust is a property or the proceeds of its sale that is held in a separate charitable trust in connection with an RBL branch. Its charitable purposes are usually restricted to a specific geographical area.

At 30th September, 2023, the RBL held £65.6 million (2022: £62.4 million) (see note 29) in the restricted investment property reserve, representing the market value of 259 (2022: 278) properties, predominantly held under Branch Property Trusts. In addition, £40.8 million (2022: £42.1 million) was held in restricted Branch Property and Area Trust funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were made on 12 Branch Property Trusts (2022: 10), resulting in £3.1 million (2022: £3.3 million) being moved into less restricted and designated Area Trust funds. These funds can now be used to provide welfare support to people in a wider geographical area.

Programme-related investments

Programme-related investments mainly consist of property-repair loans that are interest-free secured loans to beneficiaries living in their own home to provide housing improvements, together with a loan to Royal British Legion Industries Limited (RBLI) to help finance the construction of facilities for beneficiaries at the charity's site in Aylesford, Kent. Programme-related investments totalled £4.9 million at the year-end (2022: £5.5 million).

Grant making

Included in our welfare-service expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. The RBL also awards grants to households whose case is managed by partner agencies, including the Soldiers, Sailors, Airmen and Families Association (SSAFA) or the Royal Air Forces Association.

In 2023, the RBL spent £20.9 million on individual grants (2022: £10.9 million), and more than 29,000 grants were issued (2022: more than 13,000). The significant increase on the previous year resulted from the launch of our Cost of Living Grants programme, which represented a quarter of annual individual grant expenditure. Other high-value grant categories included mobility-related grants (such as riser-recliner chairs and mobility scooters), household furniture, food and clothing.

Grants are also made to organisations, where a third party has skills, facilities or expertise that are unavailable within the RBL's own resources. The RBL invites organisations to submit formal applications, which are then evaluated by the Grants Department, local welfare teams and any subject-matter experts relevant to the application. This information is then reviewed by a Grants Panel, which issues awards to those organisations best able to show that their project will address an unmet need for RBL beneficiaries.

In 2023, grants were awarded to 21 organisations, totalling £4.2 million (2022: 22 organisations, £5.7 million).

Going concern

The Trustees have considered the ability of the group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. We have forecast our income, expenditure, cash and reserves for the financial years ending 30th September, 2024 and 2025. These forecasts show a planned reduction in our free reserves. However, we will continue to hold sufficient reserves, cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

The Trustees have therefore concluded that it remains appropriate to prepare these accounts on a going concern basis.

Risk management and internal control

The Board of Trustees has responsibility for the oversight of risk management. There has been no change to the risk

Risks	Mitigations
Governance Inability to deliver our strategic objectives due to ineffective leadership and governance	Regular, independent review of governance arrangements and implementing the findings of that review to include: • Regular training for Trustees • Performance monitoring of Trustees and Executive Board • Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees • Regular reviews of the Royal Charter • General Counsel supported by a qualified team to ensure governance arrangements function and are fit for purpose • Trustees are appointed to fill specific skills gaps
Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	• Annual budget process • Financial forecasting for short and medium term • Prudent reserves policy • Fundraising strategy • Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget • Sound basis for grant-funding decision-making
Safeguarding A beneficiary, care home resident, volunteer or employee suffers harm, abuse or neglect	• Trustee-chaired Safeguarding Committee meets regularly through the year to receive and act on management information • Appointment of a designated safeguarding lead • Multi-level, mandatory training programme • Regular reporting of safeguarding data and risk exposures
External Economic Environment The risk of beneficiary need being higher than expected, the risk of energy and other costs rising faster than budgeted, leading to cost overruns	• Regular review by Executive Board • Beneficiary needs are closely monitored and appropriate tactical solutions deployed in response • Regular forecasts of income, expenditure, cashflow and capital commitments
Cyber Attack A malicious attack on our IT infrastructure causes material business interruption and/or financial loss, or a significant data breach	A range of defensive controls, including but not limited to: • Appropriate IT security policy, procedures and accreditations • User awareness and education • Support contracts with external experts • Threat monitoring, detection and response

model operated by the RBL this year. The risk framework includes a risk-management policy and requires that risks are identified and managed appropriately. This is achieved as follows:

- Risks are owned by a senior executive, usually an Executive Director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are present and effective;
- Risk exposures are known and understood by risk owners and are reported formally to the Executive Board and the Audit and Risk Committee each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

The Head of Risk Management oversees and coordinates the risk framework. Regular reports are made to the Executive Board, the Audit & Risk Committee and the Board of Trustees. The Audit & Risk Committee is chaired by a Trustee. The Audit & Risk Committee receives copies of all audit reports. Group entities, such as the National Memorial Arboretum and Poppyscotland, are included in the above risk framework and a consistent risk model is used.

At their last review, the Trustees were satisfied that appropriate and effective controls were in place to mitigate risk exposures. The most significant inherent risks are set out in the table on page 49, together with selected controls from our risk register.

Public benefit

The Trustees have given due regard to the public-benefit guidance published by the Charity Commission. They believe that the extensive welfare support provided to our beneficiaries, along with the other charitable activities undertaken, satisfies the public-benefit requirements of the Charities Act 2011.

Safeguarding

The RBL delivers regulated activities through our care homes and a wide range of non-regulated welfare, fundraising and membership activities that involve interaction with vulnerable adults at risk and can often involve children. Our staff, volunteers and members have a moral and legal responsibility to ensure the safety of the people we work with. Recognising our commitment to ensure that those engaged with the RBL can live free from harm, abuse or neglect, the charity implements a range of policies and procedures, including a Safeguarding Policy, Code of Conduct, Welfare Practice Guide and robust recruitment procedures for staff and volunteers.

The RBL deploys a network of trained designated safeguarding leads, who are responsible for reporting safeguarding concerns to statutory agencies and recording all safeguarding incidents on our Legion Assure reporting system. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level.

The Board of Trustees and Executive Board receive appropriate safeguarding training in compliance with the expectations of the UK Charity Regulators.

Modern Slavery Act 2015

The RBL is committed to ensuring that slavery and human trafficking do not occur in our operations or supply chain. We continue to work with new and existing suppliers to minimise the risk of modern slavery and human trafficking and to ensure compliance with the Modern Slavery Act 2015. Our anti-slavery and human trafficking statement is published on our website.

Streamlined Energy and Carbon Reporting (SECR)

The RBL monitors its greenhouse gas emissions and reports in line with the Streamlined Energy and Carbon Reporting regulations (SECR). The scope of this report includes emissions from Scope 1 and 2 Electricity, Gas and Transport and Scope 3 emissions from staff, Trustee and volunteer business travel for the RBL group. Please see table on page 51 for statistics.

This information has been compiled in line with March 2019 HM Government 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting for the relevant years.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by the RBL's energy broker.

Transport data has been taken from RBL internal claimed mileage and expenses tracking. This includes Scope 1 emissions from Company fleet and Scope 3 emissions from Grey fleet, rail and air travel. Gas Oil data has been taken from invoices for delivery of fuel onto our sites throughout the year.

In the year ended 30th September, 2023, the RBL continued to monitor and manage its energy usage and delivered a number of energy-efficiency projects, including:

- Commissioning and installing solar panels on the roof of the National Memorial Arboretum, which are expected to provide approximately 10% of the site's electrical demand across the year;
- Appointing an Energy Manager to lead on energy management and carbon reporting;
- Installing two new, energy-efficient poppy-making machines at our factory in Aylesford;
- Retrofitting energy-efficient boilers at two of our care homes; and
- Carrying out various works at our Head Office in Haig House to reduce our carbon footprint and make better use of the available space.

As a result of these efforts, in the year ended 30th September, 2023, our underlying energy use and associated Scope 1 and 2 emissions fell for the second year running. However, at the same time, our Scope 3 emissions associated with Grey fleet and business travel increased by 63%. While this increase is not unexpected as face-to-face activities continue to increase towards pre-pandemic levels, we are actively seeking ways to reduce our carbon footprint and improve our sustainability.

Structure, governance and management

The RBL has a head office in London, where the Director General and the supporting Board of six Executive Directors are based. There are offices in England, Northern Ireland, Scotland and Wales, which provide facilities for beneficiaries, members, volunteers and staff. Care home services are delivered through the RBL's premises around the country. The National Memorial Arboretum, the home of the Armed Forces Memorial, is situated in Alrewas, Staffordshire, and the RBL's Contact Centre is based in Cardiff. The headquarters for Poppyscotland are located in Edinburgh. The charity's branches are located throughout England, Wales, Northern Ireland, the Republic of Ireland, the Channel Islands, the Isle of Man and overseas.

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The Board of Trustees has the responsibility for its implementation and review, but charter amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The King in council.

Directors' roles are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. There is an independent Governance & Nominations Committee, comprised of Trustees, which reviews the annual pay award and agrees the remuneration for the Director General.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the RBL. All substantive decisions are made by the Board of Trustees within the bounds of the Royal Charter and the RBL's vision, mission and charitable objectives. The Board of Trustees provides overall strategic direction, while administration of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

The Board of Trustees meets eight times per year and comprises 16 Trustees:

- the National Chair and National Vice Chair are elected by voting branches;
- seven Trustees are elected by voting branches;
- six Trustees are appointed by the Board of Trustees. Invitation is by open advertisement and selection takes place through the Governance & Nominations Committee; and
- the Chair of the Women's Section is elected by the members of the Women's Section at the Women's Section National Conference.

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chair and Vice Chair may only serve one term of three years; however, the Vice Chair may also serve one term of three years as National Chair if so elected by voting branches. Newly elected Trustees are given induction training on their duties and responsibilities as members of the Board of Trustees. Training needs are reviewed on an annual basis and specific training is given to Trustees as required.

Trustees receive no remuneration but are reimbursed for the cost of attending

SECR statistics

Scope	Description	2023		2022	
		(KwH)	tCO_2e	(KwH)	tCO_2e
Scope 1	**Combustion of fuel on site & transportation**				
	Natural Gas	9,367	1,714	9,954	1,817
	Gas Oil	42	11	45	12
	Fleet Travel	247	62	228	58
Total		**9,656**	**1,787**	**10,227**	**1,887**
Scope 2	**Purchased Energy**				
	Electricity	4,805	995	5,224	1,103
Total		**4,805**	**995**	**5,224**	**1,103**
Scope 3	**Business Travel**				
	Grey Fleet	1,786	433	1,093	207
	Train Travel	-	63	-	40
	Air Travel	-	192	-	141
	Electricity T&D Losses	-	86	-	91
Total		**1,786**	**774**	**1,093**	**542**
	Grand Total	**16,247**	**3,556**	**16,544**	**3,532**
	Intensity Ratio / £1m Turnover		**24.2**		**22.9**
	Turnover (£1m)		**147**		**154**

Notes

The 2022 figures have been updated to include electricity transmission and distribution losses.

meetings and other official functions. Trustees may be invited to attend and officiate at Remembrance events and the costs involved in that duty, where relevant, are included in the declared figure for Trustee expenses (Note 15).

Committees of the Board

The Board of Trustees has seven committees that report to it, all of which have written terms of reference.

Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of membership issues; and
- Conference Committee – oversees the organisation of the Annual Conference.

Five committees form an integral part of the governance of the charity and oversee the charity's resources:

- Governance & Nominations Committee – makes recommendations on Trustee appointments and staffing arrangements, including pay; and monitors the effectiveness of RBL governance, overseeing improvements where required;
- Audit & Risk Committee – reviews the significant judgements made in the accounts before Board approval. It provides assurance to the Board of Trustees on the effectiveness of internal controls and risk-management procedures. It also oversees the work of external and internal audit;
- Care Services Committee – oversees the delivery of the RBL's care services, including our Admiral Nurse Service and six care homes;
- Finance Committee and its Investments Sub-committee – reviews, recommends and monitors compliance with the reserves and investment policies and provides oversight of corporate property and IT. It reviews the annual budget, oversees and monitors the investment portfolio and addresses any other financial matters referred to it by the Board of Trustees; and
- Branch Property Trusts Trustee Committee – recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts, and approves property disposals.

The day-to-day management of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

Corporate structure

The RBL has an extensive corporate structure, comprising:

- the charity;
- 11 wholly owned subsidiaries, five of which are active and six of which are dormant; and
- the Irish ex-Service Trust, for which it acts on behalf of His Majesty's Government as the distributary agent.

On 30th September, 2023, the activities, assets and liabilities of Lady Haig Poppy Factory Limited were transferred to the Earl Haig Fund Scotland (Poppyscotland), its parent charity, in order to further streamline the RBL group structure.

On 13th March, 2024, the directors of the dormant subsidiary Remembrance Travel voted to submit a voluntary action to strike off the company with Companies House.

Further details of the activities and performance of subsidiaries are given in Note 14 to the accounts.

In addition, there are four active organisations that share part of our name:

- Royal British Legion Industries Limited (RBLI), which provides employment, training and support for people, including those with disabilities, plus care and support for ex-serving personnel and families;
- Royal British Legion Poppy Factory Limited in Richmond (the Poppy Factory), which creates paid meaningful employment opportunities for wounded, injured and sick ex-serving personnel;
- The Royal British Legion Attendants Company Trust, which promotes the rehabilitation and resettlement of men and women of His Majesty's Armed Forces who are in need of assistance in civilian life; and
- Royal British Legion Scotland, which helps Scottish ex-serving personnel of all ages to adapt to civilian life.

These four companies are separate charitable trusts with no common shareholding and no other form of control by the RBL. The results of these companies are therefore not included in the consolidated accounts of the RBL.

Connections to a non-charity

The Trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connections. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Role of the membership and volunteers

The RBL is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 195,000 members are organised through approximately 2,260 branches operating across England, Wales, Northern Ireland and the Isle of Man, with a further 81 branches overseas and nine national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;
- undertake fundraising, with central support, for the Poppy Appeal;
- ensure that Remembrance is undertaken locally;
- recruit and retain members; and
- act as RBL representatives in their local community.

Branches report into 52 Section, County and District committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Directorate, including the Membership Engagement Team, which is located across England, Wales and Northern Ireland.

The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 374 clubs (2022: 376) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 209 clubs (2022: 208) that occupy premises owned by the RBL and leased to the club.
The RBL depends on the dedication and commitment of thousands of volunteers who give their time and energy in supporting our charitable objectives. Volunteers add value to almost every area of RBL activities, from casework and fundraising to improving the quality of life of our care home residents. The RBL has in excess of 55,000 volunteers, with more than half of our volunteers undertaking more than one volunteer role in the RBL.

Guidance and advice on volunteer management and support is provided by the centrally based Volunteering Support and Development team. The team focuses on creating a flexible framework to develop volunteer opportunities and on improving the experience of our volunteers. Through our volunteering strategy, we are looking to build a two-way relationship with our volunteers, where how we support them is just as important as how they support us.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 41) was approved by the Board of Trustees and signed on their behalf.

Jason Coward, National Chair
18th April, 2024

Independent Auditor's Report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Royal British Legion (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September, 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

- the consolidated and parent charity statements of financial activities;
- the consolidated and parent charity balance sheets;
- the consolidated and parent charity cash flow statements; and
- the related notes 1 to 33.

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 group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with the Act 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act, Charities (Accounts and Reports) Regulations 2008, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Charity Commission for England and Wales (Charity Commission) regulations, The Care Quality Commission (CQC) regulations, Gambling Commission regulations and Fundraising regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- revenue recognition, which is related to the accuracy and completeness of legacy income, as this can often include significant judgement over whether conditions have been met for recognition and the amount to recognise: we performed detailed substantive tests on legacy income including on information from third-party legacy notifications, on a sample basis, to verify that they are accurate and complete; and
- branch cash, which is related to the completeness and accuracy of branch cash, as this includes branch data, which can be incomplete and inaccurate: we performed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house/external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008, we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
22nd April 2024

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Royal British Legion
Consolidated Statement of Financial Activities for the year ended 30 September 2023

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from					
Donations and legacies	4	76,715	6,503	**83,218**	96,076
Charitable activities	5	25,977	5,588	**31,565**	27,519
Other trading activities	6	20,936	2,989	**23,925**	21,779
Investments	7	4,356	3,407	**7,763**	6,361
Other		586	4	**590**	1,792
Total income		**128,570**	**18,491**	**147,061**	153,527
Expenditure on					
Raising funds	8	**38,817**	**8,083**	**46,900**	42,738
Charitable activities					
Care	9	42,102	628	**42,730**	36,368
Recovery	9	4,608	246	**4,854**	2,354
Community Welfare	9	39,874	13,403	**53,277**	42,507
Membership	9	9,518	1,171	**10,689**	8,032
Comradeship	9	350	-	**350**	399
Communications and campaigning	9	13,990	-	**13,990**	12,484
Remembrance and ceremonial	9	2,953	4,885	**7,838**	6,972
Total charitable activities	9	**113,395**	**20,333**	**133,728**	109,116
Total expenditure		**152,212**	**28,416**	**180,628**	151,854
Net (expenditure)/income before investment gains		**(23,642)**	**(9,925)**	**(33,567)**	1,673
Net (losses)/gains on disposal of investments		(3,939)	4,468	**529**	2,813
Unrealised gains/(losses) on revaluation of investments		5,761	330	**6,091**	(8,228)
Net expenditure before tax		**(21,820)**	**(5,127)**	**(26,947)**	(3,742)
Taxation charge	11	-	-	-	-
Net expenditure for the year		**(21,820)**	**(5,127)**	**(26,947)**	(3,742)
Transfers between funds	30	(1,277)	1,277	-	-
Other recognised (losses)/gains					
Actuarial (losses)/gains on defined benefit pension scheme	16a	(442)	(204)	**(646)**	2,053
Net movement in funds		**(23,539)**	**(4,054)**	**(27,593)**	(1,689)
Fund balances brought forward at 1 October		209,117	168,990	**378,107**	379,796
Fund balances carried forward at 30 September		**185,578**	**164,936**	**350,514**	378,107

The notes on pages 60 to 93 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion
Charity Statement of Financial Activities for the year ended 30 September 2023

	Note	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from					
Donations and legacies	4	78,799	1,467	**80,266**	94,409
Charitable activities	5	25,977	3,886	**29,863**	25,902
Other trading activities	6	10,985	18	**11,003**	10,924
Investments	7	4,322	3,039	**7,361**	6,023
Other		586	4	**590**	1,708
Total income		**120,669**	**8,414**	**129,083**	138,966
Expenditure on					
Raising funds	8	**32,233**	**129**	**32,362**	29,789
Charitable activities					
Care	9	42,102	628	**42,730**	36,368
Recovery	9	4,608	246	**4,854**	2,354
Community Welfare	9	42,900	9,661	**52,561**	42,229
Membership	9	9,518	1,144	**10,662**	7,999
Comradeship	9	350	-	**350**	399
Communications and campaigning	9	13,990	-	**13,990**	12,484
Remembrance and ceremonial	9	2,953	629	**3,582**	3,374
Total charitable activities	9	**116,421**	**12,308**	**128,729**	105,207
Total expenditure		**148,654**	**12,437**	**161,091**	134,996
Net (expenditure)/income before investment gains		**(27,985)**	**(4,023)**	**(32,008)**	3,970
Net (losses)/gains on disposal of investments		(3,939)	5,079	**1,140**	2,979
Unrealised gains/(losses) on revaluation of investments		5,761	(469)	**5,292**	(6,466)
Net expenditure for the year		**(26,163)**	**587**	**(25,576)**	483
Transfers between funds	30	1,749	(1,749)	**-**	-
Other recognised (losses)/gains					
Actuarial (losses)/gains on defined benefit pension scheme	16a	(442)	-	(442)	1,466
Net movement in funds		**(24,856)**	**(1,162)**	**(26,018)**	1,949
Fund balances brought forward at 1 October		207,053	132,182	339,235	337,286
Fund balances carried forward at 30 September		**182,197**	**131,020**	**313,217**	339,235

The notes on pages 60 to 93 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion
Consolidated and Charity Balance Sheets as at 30 September 2023

	Note	**Group 2023 £'000**	Group 2022 £'000	**Charity 2023 £'000**	Charity 2022 £'000
Fixed assets					
Intangible assets	17	**679**	1,202	**622**	1,120
Tangible assets	18	**82,914**	81,573	**57,677**	56,848
Investments	19	**172,944**	172,317	**167,313**	164,143
Investment properties	20	**65,556**	62,421	**65,556**	62,421
Programme-related investments	21	**4,928**	5,529	**4,928**	5,529
Total fixed assets		**327,021**	323,042	**296,096**	290,061
Current assets					
Stocks		**2,366**	2,489	**-**	-
Debtors	22	**9,404**	10,908	**8,081**	10,082
Cash at hand and in bank	23	**43,775**	72,413	**38,611**	66,473
Total current assets		**55,545**	85,810	**46,692**	76,555
Current liabilities					
Creditors: Amounts falling due within one year	24	**(24,549)**	(21,616)	**(24,017)**	(19,927)
Net current assets		**30,996**	64,194	**22,675**	56,628
Total assets less current liabilities		**358,017**	387,236	**318,771**	346,689
Creditors: Amounts falling due after more than one year	24	**(4,276)**	(5,891)	**(4,276)**	(5,876)
Provisions for liabilities	26	**(1,866)**	(2,166)	**(1,278)**	(1,578)
Net assets excluding pension liability		**351,875**	379,179	**313,217**	339,235
Defined benefit pension liability	16b	**(1,361)**	(1,072)	**-**	-
Net assets		**350,514**	378,107	**313,217**	339,235
Funds					
Total unrestricted funds	28	**185,578**	209,117	**182,197**	207,053
Total restricted funds	29	**164,936**	168,990	**131,020**	132,182
Total funds		**350,514**	378,107	**313,217**	339,235

The notes on pages 60 to 93 form part of the financial statements.

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 18th April, 2024.

These were signed on its behalf by:

Jason Coward
National Chairman

Royal British Legion
Consolidated and Charity Cash Flow Statement for the year ended 30 September 2023

	Note	**Group 2023 £'000**	Group 2022 £'000	**Charity 2023 £'000**	Charity 2022 £'000
Net cash flow from operating activities	A	**(34,716)**	(3,817)	**(31,498)**	(2,739)
Cash flows from investing activities					
Dividends, interest and rents from investments		**7,763**	6,361	**7,361**	6,023
Purchase of tangible fixed assets		**(4,707)**	(3,659)	**(3,466)**	(2,378)
Proceeds from sale of investment properties		**1,944**	8,630	**1,944**	8,630
Sale/(Purchase) of investments		**1,078**	(1,086)	**(2,203)**	(2,313)
Net cash provided by investing activities		**6,078**	10,246	**3,636**	9,962
Change in cash and cash equivalents in the year		**(28,638)**	6,428	**(27,862)**	7,222
Cash and cash equivalents at the beginning of the year		**72,413**	65,985	**66,473**	59,251
Cash and cash equivalents at the end of the year	23	**43,775**	72,413	**38,611**	66,473

A. Reconciliation of net income to net cash flow from operating activities	**2023 Group £'000**	2022 Group £'000	**2023 Charity £'000**	2022 Charity £'000
Net (Expenditure)/income for the year (as per the Statement of Financial Activities)	**(26,947)**	(3,742)	**(25,576)**	483
Adjustments for:				
Depreciation, amortisation and impairment charges	**3,889**	4,071	**3,135**	3,322
(Losses)/gains on investments	**(6,784)**	5,465	**(6,046)**	3,613
Dividends, interest and rents from investments	**(7,763)**	(6,361)	**(7,361)**	(6,023)
Loss on disposal of tangible and intangible fixed assets	**-**	119	**-**	-
Decrease in stock	**123**	212	**-**	-
Decrease/(increase) in programme-related investments	**601**	(1,520)	**601**	(1,520)
Decrease in debtors	**1,504**	861	**2,001**	322
Increase/(decrease) in creditors	**1,318**	(2,851)	**2,490**	(2,305)
(Decrease)/increase in provisions	**(300)**	367	**(300)**	(177)
Adjustment in respect of pension funding	**(357)**	(438)	**(442)**	(454)
Net cash flow from operating activities	**(34,716)**	(3,817)	**(31,498)**	(2,739)

1 Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2023 with prior year comparatives (2022) for the year to 30 June 2022.

The group meets the definition of a public benefit entity under FRS 102 and the financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

Group financial statements

These financial statements comprise the central General and Benevolent funds vested in the Board of Trustees in accordance with the Royal British Legion's ("the RBL") Royal Charter. As agreed with the Charity Commission and in accordance with FRS 102, they include the results, assets and liabilities of the RBL's counties, districts, branches and Women's Section. The RBL's policy is to consolidate results of all branches, counties and districts based upon receipt of individual returns. Where returns are not received, assets are included at the previously reported value adjusted for known transactions. The subsidiaries and organisations listed in note 14 have been consolidated on a line-by-line basis.

Four organisations that carry the RBL's name but are not controlled by the RBL have not been included in these financial statements; namely, Royal British Legion Industries, The Royal British Legion Poppy Factory Limited, The Royal British Legion Attendants Company Trust and Royal British Legion Scotland. The accounts do not include the results of affiliated social clubs, which are not controlled by the charity but are separately registered organisations licensed to use the RBL's name.

Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund unless otherwise stated. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the balance sheet. The funds of The National Memorial Arboretum Company Limited and its subsidiary (NMA (Enterprises) Limited), the Earl Haig Fund Scotland and the Lady Haig Poppy Factory (Poppyscotland Group), and the Royal British Legion Republic of Ireland are held within restricted funds since their objects are narrower than those of the Royal British Legion group.

Income

Income is recognised in the year in which the RBL is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy:

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received. Investment income includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2023.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

The economic value of time given by volunteers is not included in these financial statements as it cannot be reasonably and accurately calculated.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2023

Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates. Expenditure comprises:

- *Cost of raising funds* includes expenditure on poppies and other fundraising items, staff and related expenditure of the Poppy Appeal, costs of the central fundraising department, commercial (trading) activities and investment management fees.
- *Charitable activities* includes expenditure directly related to the delivery of the services (including staff costs) provided by the charity to eligible beneficiaries, and includes the cost of residential care, recovery services, community welfare services, and Remembrance and comradeship. It also includes the cost of supporting and maintaining the RBL's extensive membership and the costs of campaigning on behalf of beneficiaries. The cost of evaluating, supporting and managing charitable programmes is also included and further analysed in the notes to the accounts.
- *Certain campaign costs* are allocated between *Cost of raising funds* and *Charitable activities* on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively.
- *Support costs* include the central functions such as general management, financial administration, information technology, human resources, governance and facilities management.

Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation.

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury Gilts over the period of the grant.

Allocation of costs

Where possible, the RBL's operating costs, which include staff costs, are allocated directly to the various categories of charitable expenditure or cost of raising funds. Where costs are not directly attributable to any category, they have been apportioned on an appropriate basis to reflect, in each case, an estimate of the efforts and resources devoted to each category of activity – see note 13. Activities that are predominantly outsourced bear no allocation of support costs.

Stocks, poppies and wreaths

The majority of stock relates to Poppy Shop products held for resale by Royal British Legion Trading Ltd. Stock also includes poppies and wreaths produced at the Lady Haig Poppy Factory, which are manufactured for external resale. Stocks are valued at the lower of cost and net realisable value and include direct costs of labour and materials plus allocation of general overheads. Poppies and wreaths produced for distribution during the Poppy Appeal are expensed immediately.

Staff pension schemes

There are three staff pension schemes, which are accounted for in accordance with FRS 102 section 28. There are two defined benefit schemes closed to future accrual: the Royal British Legion Staff Pension Fund and the Earl Haig Defined Benefit Scheme. The remaining one is a current, defined contribution scheme: the Group Flexible Retirement Plan. Further details are included in note 16 to the accounts.

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet when in deficit; however, share of the scheme assets when in surplus is not recognised in accordance with scheme rules as employer contributions cannot be withdrawn once they are paid into the scheme.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year.

Investments and bank deposits

Fixed asset investments are stated at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publicly available price. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Properties not used for charitable purposes are classified as investment properties and are included in investments at market value. Investment properties are revalued on a rolling five-year basis, with 20% of properties being revalued each year internally by qualified surveyors in our Estates team. The remaining 80% of properties are reviewed for material changes.

Programme-related investments are held at the amount invested less any impairment. These are reviewed on an annual basis and any impairment is immediately recognised in the Statement of Financial Activities.

Tangible and intangible fixed assets

Purchases of individual tangible and intangible fixed assets costing more than £50,000, or purchases related to capital projects costing more than £50,000 in total, are capitalised.

Functional properties (freehold and leasehold) used by the charity are included at cost, where known, or valuation at date of acquisition. Branch properties acquired or gifted before 1 October 1995 where the original cost cannot be established are included at a nominal value of £1 each. Depreciation on functional properties is provided on the cost of buildings on a straight line basis over 50 years or the term of the lease if less. Leasehold improvements are depreciated over the term of the lease. The head office building, Haig House, is depreciated over its expected useful life of 33 years.

Plant, machinery and equipment where capitalised is included at cost. Depreciation is calculated over 3–12 years from the month of first use.

*Software, databases and licence*s where capitalised are included at cost, which includes the cost of internal development where applicable. Amortisation is provided over 5 years from the month of first use where no distinct life of the asset can be identified at the point of capitalisation; where the life is known – for example, licences – amortisation is provided over the life of the asset.

Tangible and intangible fixed assets that are under construction are classified as Assets Under Construction and are transferred into the appropriate category on project completion, when depreciation then commences.

The useful economic lives and residual lives of fixed assets are reviewed at the end of each accounting year to consider whether there has been an impairment. Impairments are charged to the Statement of Financial Activities.

Heritage assets

The Armed Forces Memorial (AFM) is included as a heritage asset in the accounts of The National Memorial Arboretum Company Limited at a nominal value of £1. The Trustees consider that the cost of ascertaining a definite value through a surveyor's valuation significantly outweighs the benefit gained from such a valuation.

Other heritage assets (being trees at the National Memorial Arboretum) are included within plant and machinery in tangible fixed assets and are not depreciated (as they are deemed to have indeterminable lives).

Finance and Operating Leases

Instalments payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Any lease incentives (such as rent-free periods) are spread over the life of the lease. The group does not have any material finance leases.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2023

Taxation

The activities of the RBL and its charitable subsidiaries are exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 to the extent that they are applied to the organisation's charitable objects. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay their taxable profits as Gift Aid to the RBL.

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts converted to Sterling at the exchange rate as at 30 September 2022.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting judgements and key sources of estimation uncertainty

2.1 Critical accounting judgements

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources, and to disclose material judgements here. The Trustees consider that no material judgements have been made during the production of the financial statements.

2.2 Key sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Investment property valuation

The fair value of investment properties is measured using valuation techniques (e.g. completed sales values from transactions that concluded after the valuation date, details of offers produced as the outcome of marketing programmes, Charities Act compliant valuation reports and marketing agent's commentary).

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible, judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in assumptions used could affect the fair value of the Group's assets.

Significant unobservable inputs used in the fair value measurement include management assumptions; for example, regarding the potential to redevelop.

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties.

Retirement benefit liabilities

As disclosed in note 16, the Group has defined benefit schemes. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation and expectations on future salary growth and asset returns.

These assumptions are made by the Group in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000
Income and endowments from			
Donations and legacies	89,337	6,739	96,076
Charitable activities	24,369	3,150	27,519
Other trading activities	18,644	3,135	21,779
Investments	2,915	3,446	6,361
Other	348	1,444	1,792
Total income	135,613	17,914	153,527
Expenditure on			
Raising funds	35,348	7,390	42,738
Charitable activities			
Care	35,624	744	36,368
Personnel Recovery Centres	2,327	27	2,354
Community Welfare	31,939	10,568	42,507
Membership	7,556	476	8,032
Comradeship	399	-	399
Communications and campaigning	12,458	26	12,484
Remembrance and ceremonial	2,942	4,030	6,972
Total charitable activities	93,245	15,871	109,116
Total expenditure	128,593	23,261	151,854
Net income/(expenditure) before investment gains	7,020	(5,347)	1,673
Net (losses)/gains on disposal of investments	(2,539)	5,352	2,813
Unrealised losses on revaluation of investments	(5,393)	(2,835)	(8,228)
Net expenditure before tax	(912)	(2,830)	(3,742)
Taxation charge	-	-	-
Net expenditure for the year	(912)	(2,830)	(3,742)
Transfers between funds	373	(373)	-
Other recognised (losses)/gains			
Actuarial gains on defined benefit pension scheme	1,466	587	2,053
Net movement in funds	927	(2,616)	(1,689)
Fund balances brought forward at 1 October	208,190	171,606	379,796
Fund balances carried forward at 30 September	209,117	168,990	378,107

3a Charity Comparative Statement of Financial Activities

	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000
Income and endowments from			
Donations and legacies	93,133	1,276	94,409
Charitable activities	24,369	1,533	25,902
Other trading activities	10,910	14	10,924
Investments	2,915	3,108	6,023
Other	348	1,360	1,708
Total income	131,675	7,291	138,966
Expenditure on			
Raising funds	29,696	93	29,789
Charitable activities			
Care	35,624	744	36,368
Personnel Recovery Centres	2,327	27	2,354
Community Welfare	34,899	7,330	42,229
Membership	7,556	443	7,999
Comradeship	399	-	399
Communications and campaigning	12,458	26	12,484
Remembrance and ceremonial	2,942	432	3,374
Total charitable activities	96,205	9,002	105,207
Total expenditure	125,901	9,095	134,996
Net income/(expenditure) before investment gains	5,774	(1,804)	3,970
Net (losses)/gains on disposal of investments	(2,539)	5,518	2,979
Unrealised losses on revaluation of investments	(5,393)	(1,073)	(6,466)
Net (expenditure)/income for the year	(2,158)	2,641	483
Transfers between funds	3,333	(3,333)	-
Other recognised gains			
Actuarial gains on defined benefit pension scheme	1,466	-	1,466
Net movement in funds	2,641	(692)	1,949
Fund balances brought forward at 1 October	204,412	132,874	337,286
Fund balances carried forward at 30 September	207,053	132,182	339,235

4 Donations and legacies

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Voluntary income				
Donations	**20,561**	25,723	**20,573**	26,812
Legacies	**23,344**	28,108	**22,475**	27,536
The Poppy Appeal	**39,313**	42,245	**37,218**	40,061
Total donations and legacies	**83,218**	96,076	**80,266**	94,409

The total of the Poppy Appeal launched in October 2022 in England, Wales and Northern Ireland was £39.313 million (2021: £42.245 million). This includes donations collected of £39.133 million (2022: £41.504 million) and legacies of £180,000 (2022: £741,000).

At 30 September 2023, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £1.870 million (2022: £3.412 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £157,000 (2022: £141,000) where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £24.438 million (2022: £21.865 million). These are a mixture of residuary legacies that are not recognised in these accounts as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in donations above is pro bono legal support of £146,000 (2022: £204,000) from J A Kemp, Mayer Brown LLP and Withers LLP. Also included are other benefits-in-kind valued at £595,000 (2022: £200,000).

5 Charitable activities

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Grants for Welfare Services and Remembrance				
Ex-service charities and other organisations (almonisation)	**3,246**	2,950	**3,183**	2,835
Contributions for Remembrance activities	**320**	554	**-**	-
Other grants and contributions	**1,356**	1,788	**745**	1,543
Total grants for Welfare Services and Remembrance	**4,922**	5,292	**3,928**	4,378
Fees from residential care homes	**21,558**	17,143	**21,558**	17,143
Membership fees	**4,017**	4,179	**4,014**	4,177
Income from charitable services	**1,068**	905	**363**	204
Total other income from charitable activities	**26,643**	22,227	**25,935**	21,524
Total income from charitable activities	**31,565**	27,519	**29,863**	25,902

Almonisation income is the contribution from other charities towards grants paid by the RBL to individuals when the recipient of assistance is also a beneficiary of these other charities.

Income from other grants and contributions includes non-performance-related grants of which £nil are government grants (2022: £0.5 million). In 2022, this related to income from the Infection Control Grant. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in either year.

6 Other trading activities

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fundraising events income	**2,681**	2,355	**2,680**	2,354
Fundraising lotteries	**7,945**	8,371	**7,945**	8,371
Income from commercial activities	**12,926**	10,887	**5**	33
Licence fees and royalties	**96**	53	**96**	53
Advertising in the Legion magazine	**277**	113	**277**	113
Total income from other trading activities	**23,925**	21,779	**11,003**	10,924

7 Investment income

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Dividends and interest on listed investments	**3,398**	3,085	**3,121**	2,764
Investment income on funds held by branches	**409**	514	**409**	514
Rentals from investment properties	**2,633**	2,725	**2,633**	2,725
Bank deposit interest	**1,323**	37	**1,198**	20
Total investment income	**7,763**	6,361	**7,361**	6,023

Rentals from investment properties with a market value of £65.556 million (note 20) at 30 September 2023 (2022: £62.421 million) are in most cases received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Donations costs	**9,933**	8,595	**8,290**	6,750
Legacies costs	**2,330**	2,089	**1,799**	1,695
Poppy Appeal costs	**15,859**	15,443	**14,233**	13,681
Cost of raising voluntary income	**28,122**	26,127	**24,322**	22,126
Fundraising events costs	**3,661**	3,829	**3,661**	3,829
Fundraising lotteries costs	**3,909**	3,356	**3,909**	3,356
Commercial activities (trading)	**10,761**	8,941	**33**	4
Cost of activities to raise funds	**18,331**	16,126	**7,603**	7,189
Investment management	**447**	485	**437**	474
Total cost of raising funds	**46,900**	42,738	**32,362**	29,789

The total cost of raising funds for the group of £46.900 million (2022: £42.738 million) includes direct costs of £40.805 million (2022: £36.078 million) and allocated support costs of £6.095 million (2022: £6.660 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £15.030 million (2022: £13.279 million), of which £11.507 million (2022: £10.227 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.523 million (2022: £3.052 million) has been reallocated into charitable activities representing the raising awareness element.

9 Analysis of charitable activities

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Residential care homes		**42,730**	36,018	**42,730**	36,018
Welfare break centres		**-**	350	**-**	350
Total care		**42,730**	36,368	**42,730**	36,368
Recovery		**4,854**	2,354	**4,854**	2,354
Welfare grants to individuals		**20,856**	10,850	**19,777**	9,963
Grants to other organisations	10	**4,236**	5,711	**6,180**	7,820
Information, advice and support		**23,583**	20,351	**22,002**	18,851
Welfare cost in branches, counties and districts		**4,602**	5,595	**4,602**	5,595
Total community welfare		**53,277**	42,507	**52,561**	42,229
Central membership support		**5,314**	3,971	**5,287**	3,938
Recruitment, development, training		**370**	538	**370**	538
Support to branches with clubs		**249**	239	**249**	239
The Legion magazine		**715**	681	**715**	681
Membership costs in branches, counties and districts		**4,041**	2,603	**4,041**	2,603
Total membership		**10,689**	8,032	**10,662**	7,999
Comradeship		**350**	399	**350**	399
Direct cost of communication and campaigning		**10,467**	9,432	**10,467**	9,432
Allocated cost of communication and campaigning		**3,523**	3,052	**3,523**	3,052
Total communication and campaigning		**13,990**	12,484	**13,990**	12,484
Festival of Remembrance		**1,064**	1,120	**1,064**	1,120
Ceremonial and commemorative events		**2,633**	2,325	**2,518**	2,254
National Memorial Arboretum operating costs		**4,141**	3,527	**-**	-
Total Remembrance and ceremonial		**7,838**	6,972	**3,582**	3,374
Total cost of charitable activities		**133,728**	109,116	**128,729**	105,207

The total cost of charitable activities for the group of £133.728 million (2022: £109.11 million) includes direct costs of £111.475 million (2022: £89.772 million) and allocated support costs of £22.253 million (2022: £19.344 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.523 million (2022: £3.052 million) relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2023 £'000	Group 2022 £'000	**Charity 2023 £'000**	Charity 2022 £'000
Grants awarded by the Charity				
Army Families Federation	**-**	8	**-**	8
Combat Stress	**2,053**	2,300	**2,053**	2,300
The Matthew Project	**6**	11	**6**	11
National Memorial Arboretum	**-**	-	**2,500**	2,300
Never Such Innocence	**4**	-	**4**	-
Poppyscotland	**-**	-	**526**	660
RFEA The Forces Employment Charity	**20**	2,108	**20**	2,108
Royal Commonwealth Ex-Services League	**55**	14	**55**	14
Shelter	**-**	14	**-**	14
Voices of Armed Forces Children	**-**	300	**-**	300
X-Forces	**191**	2	**191**	2
Cancellation of grant commitment – nil (2022: nil)	**(20)**	-	**(20)**	-
Grants to 7 other charities and voluntary organisations (2022: 7)	**845**	103	**845**	103
Grants awarded by Poppyscotland				
Citizens Advice Scotland	**487**	393	**-**	-
NHS Highland	**325**	164	**-**	-
Grants to 6 other charities and voluntary organisations (2022: 5)	**270**	294	**-**	-
Total grants to other organisations	**4,236**	5,711	**6,180**	7,820

Grants awarded may relate to commitments for multiple future years. For more information on grant commitments, see note 25.

11 Taxation

	Group 2023 £'000	Group 2022 £'000
Current tax credit:		
UK corporation tax (see below)	**-**	-
Adjustment to deferred tax	**-**	-
Total tax charge/(credit) on income	**-**	-

The taxation credits and charges above arise in the trading subsidiary operations.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations are as follows:

	Group 2023 £'000	Group 2022 £'000
Surplus on ordinary activities before tax	**3,468**	2,501
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2022: 19%)	**659**	476
Unutilised losses	**-**	-
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 33)	**(659)**	(476)
Tax credit not recognised due to uncertainty over future profits	**-**	-
UK corporation tax charge/(credit) for the year	**-**	-

12 Net incoming resources for the year is stated after charging:

	Group 2023 £'000	Group 2022 £'000	**Charity 2023 £'000**	Charity 2022 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**274**	178	**274**	178
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	**172**	139	**-**	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	**3**	1	**3**	1
Tax advisory services	**11**	10	**5**	3
Branch, county and district audit and examination fees	**37**	26	**37**	26
Depreciation, amortisation and impairment charges	**3,889**	4,071	**3,135**	3,322
Rentals under operating leases	**1,505**	1,590	**1,482**	1,491

13 Support costs

	Head Office Central 2023 £'000	Facilities Management 2023 £'000	Human Resources 2023 £'000	Finance and IT 2023 £'000	Governance 2023 £'000	Total Charity 2023 £'000	Subsidiaries 2023 £'000	Total Group 2023 £'000
Donations costs	139	175	203	718	32	**1,267**	**397**	**1,664**
Legacies costs	33	42	49	172	8	**304**	**143**	**447**
Poppy Appeal costs	-	419	485	1,716	76	**2,696**	**482**	**3,178**
Fundraising events costs	49	62	72	255	11	**449**	**1**	**450**
Fundraising lotteries costs	39	49	57	202	9	**356**	**-**	**356**
Cost of raising funds	**260**	**747**	**866**	**3,063**	**136**	**5,072**	**1,023**	**6,095**
Care homes	**-**	**2,348**	**2,721**	**2,880**	**426**	**8,375**	**-**	**8,375**
Personnel Recovery Centres	**-**	**28**	**32**	**34**	**5**	**99**	**-**	**99**
Information, advice and support	761	958	1,112	3,930	174	**6,936**	**829**	**7,765**
Welfare cost in branches, counties and districts	28	35	41	144	6	**254**	**-**	**254**
Community welfare	**789**	**993**	**1,153**	**4,074**	**180**	**7,190**	**829**	**8,019**
Central membership support	150	190	220	777	34	**1,371**	**27**	**1,398**
Recruitment, development, training	11	14	16	57	3	**101**	**-**	**101**
Support to branches with clubs	9	11	13	45	2	**80**	**-**	**80**
Membership costs in branches, counties and districts	-	-	-	-	-	**-**	**-**	**-**
Membership	**170**	**215**	**249**	**879**	**39**	**1,552**	**27**	**1,579**
Comradeship	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Direct cost of communications and campaigning	199	251	291	1,028	45	**1,814**	**-**	**1,814**
Communications and campaigning	**199**	**251**	**291**	**1,028**	**45**	**1,814**	**-**	**1,814**
Ceremonial and commemorative events	20	25	29	104	5	**183**	**109**	**292**
Remembrance tours	-	-	-	-	-	**-**	**-**	**-**
National Memorial Arboretum operating costs	-	-	-	-	-	**-**	**2,075**	**2,075**
Remembrance and ceremonial	**20**	**25**	**29**	**104**	**5**	**183**	**2,184**	**2,367**
Charitable activities	**1,178**	**3,860**	**4,476**	**8,999**	**700**	**19,213**	**3,040**	**22,253**
Total support costs	**1,438**	**4,607**	**5,342**	**12,062**	**836**	**24,285**	**4,063**	**28,348**

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

13 Support costs continued

	Head Office Central 2022 £'000	Facilities Management 2022 £'000	Human Resources 2022 £'000	Finance and IT 2022 £'000	Governance 2022 £'000	Total Charity 2022 £'000	Subsidiaries 2022 £'000	Total Group 2022 £'000
Donations costs	116	200	185	610	63	1,174	394	1,568
Legacies costs	30	51	48	157	16	302	94	396
Poppy Appeal costs	-	482	448	1,472	152	2,554	465	3,019
Fundraising events costs	139	239	222	730	76	1,406	-	1,406
Fundraising lotteries costs	27	46	43	140	15	271	-	271
Cost of raising funds	312	1,018	946	3,109	322	5,707	953	6,660
Residential care homes	-	2,377	2,206	2,146	751	7,480	-	7,480
Welfare break centres	-	-	-	-	-	-	-	-
Care	-	2,377	2,206	2,146	751	7,480	-	7,480
Personnel Recovery Centres	-	11	10	10	3	34	-	34
Information, advice and support	586	1,008	936	3,077	319	5,926	709	6,635
Welfare cost in branches, counties and districts	29	49	46	150	16	290	-	290
Community welfare	615	1,057	982	3,227	335	6,216	709	6,925
Central membership support	104	180	167	548	57	1,056	33	1,089
Recruitment, development, training	11	20	18	60	6	115	-	115
Support to branches with clubs	7	13	12	39	4	75	-	75
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	122	213	197	647	67	1,246	33	1,279
Comradeship	3	5	5	16	2	31	-	31
Direct cost of communications and campaigning	151	260	242	795	82	1,530	-	1,530
Communications and campaigning	151	260	242	795	82	1,530	-	1,530
Ceremonial and commemorative events	18	32	29	97	10	186	49	235
Remembrance tours	-	-	-	-	-	-	-	-
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,830	1,830
Remembrance and ceremonial	18	32	29	97	10	186	1,879	2,065
Charitable activities	909	3,955	3,671	6,938	1,250	16,723	2,621	19,344
Total support costs	1,221	4,973	4,617	10,047	1,572	22,430	3,574	26,004

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

14 Activities of consolidated subsidiaries and organisations

The RBL has 11 wholly owned subsidiaries, nine of which are consolidated into these accounts as described below. There are a further two subsidiaries, which are dormant with no assets so have no figures to consolidate.

The results of the subsidiary entities are shown in the table below. All subsidiaries have 30 September year ends and are registered in the UK, with the exception of Royal British Legion Republic of Ireland (registered in the Republic of Ireland).

	The National Memorial Arboretum Company 2023 £'000	NMA (Enterprises) 2023 £'000	Poppyscotland Group 2023 £'000	Royal British Legion Republic of Ireland 2023 £'000	Royal British Legion Trading 2023 £'000	Royal British Legion Poppy Lottery 2023 £'000	Royal British Legion Developments 2023 £'000	Remembrance Travel 2023 £'000
Turnover/incoming resources	5,071	2,927	5,105	250	9,985	-	-	-
(Expenditure) (including gains/(losses))	(4,928)	(3,111)	(8,163)	(43)	(8,668)	-	-	-
Net incoming/(outgoing) resources	**143**	**(184)**	**(3,058)**	**207**	**1,317**	**-**	**-**	**-**
Assets	24,528	687	8,954	2,655	4,126	-	7	47
Liabilities	(457)	(667)	(1,749)	(35)	(725)	-	(34)	(40)
Net assets/(liabilities)	**24,071**	**20**	**7,205**	**2,620**	**3,401**	**-**	**(27)**	**7**

	The National Memorial Arboretum Company 2022 £'000	NMA (Enterprises) 2022 £'000	Poppyscotland Group 2022 £'000	Royal British Legion Republic of Ireland 2022 £'000	Royal British Legion Trading 2022 £'000	Royal British Legion Poppy Lottery 2022 £'000	Royal British Legion Developments 2022 £'000	Remembrance Travel 2022 £'000
Turnover/incoming resources	5,151	3,046	5,745	259	7,734	-	-	-
Expenditure	(4,191)	(2,717)	(8,127)	(562)	(9,446)	-	(2)	-
Net incoming/(outgoing) resources	960	329	(2,382)	(303)	(1,712)	-	(2)	-
Assets	24,618	1,176	12,717	2,448	2,825	-	7	47
Liabilities	(690)	(972)	(2,454)	(35)	(741)	-	(34)	(40)
Net assets/(liabilities)	23,928	204	10,263	2,413	2,084	-	(27)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited (Company number: 09297443, Charity number: 1043992) – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited (Company number: 04259701) – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to NMA visitors. Its expenditure includes prior year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £250,000 (2022: £90,000).

Poppyscotland (Earl Haig Fund Scotland) (Company number: SC194893, Charity number SC014096) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group. Lady Haig Poppy Factory Limited's trade and assets transferred to its parent Poppyscotland on 30 September 2023 and became dormant at that time.

Royal British Legion Republic of Ireland (Company number: 585272, Charity number: CHY 7564) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited (Company number: 04783730) – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior year profits paid under the Gift Aid scheme to the RBL of £2.084 million (2022: £3.796 million).

Royal British Legion Poppy Lottery Limited (Company number: 02522956, Charity number: 1145007) – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020 and is now dormant.

Royal British Legion Developments Limited (Company number: 02906738) – a trading company that develops or improves properties, principally those owned by the RBL and is currently inactive. There were no profits to pay to the RBL in 2023 or 2022.

Remembrance Travel Limited (Company number: 04272358) – a subsidary that previously operated as a travel company delivering pilgrimages and associated travel activity until 1 October 2018 and is now dormant. On 13 March 2024, the directors of the dormant subsidiary Remembrance Travel voted to submit a voluntary action to strike off the company with Companies House.

The Royal British Legion Family and Support Lottery Limited (Company number: 07758114) and Poppy Travel Limited (Company number: 07937118) – dormant subsidiaries with no assets.

15 Information regarding employees and Trustees

	Total 2023	Total 2022
Average number of employees (full-time equivalent) during the year	**No.**	No.
Raising funds	**203**	238
Charitable activities		
Care services and Personnel Recovery Centres	**644**	558
Community welfare services	**270**	247
Membership services	**58**	50
Comradeship	**-**	1
Communication and campaigning	**68**	61
Remembrance and ceremonial	**7**	7
Total charitable activities	**1,047**	924
Support and governance	**191**	177
Total charity full-time equivalent staff	**1,441**	1,369
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	**88**	98
National Memorial Arboretum Group	**103**	91
Royal British Legion Trading	**17**	16
Total group full-time equivalent staff	**1,649**	1,544

The group incurred costs of £5.1 million (2022: £3.56 million) on agency staff, which are not included in the staff costs below.

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Staff costs comprise:				
Wages and salaries	**54,507**	47,268	**49,123**	42,566
National Insurance contributions	**5,454**	4,765	**4,981**	4,362
Pension costs	**6,162**	5,358	**5,489**	4,747
Total staff costs	**66,123**	57,391	**59,593**	51,675

The number of staff paid more than £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
£60,000 - £69,999	**32**	26	**30**	25
£70,000 - £79,999	**11**	15	**11**	13
£80,000 - £89,999	**11**	7	**10**	6
£90,000 - £99,999	**2**	4	**2**	4
£100,000 - £109,999	**1**	2	**1**	2
£110,000 - £119,999	**2**	-	**2**	-
£120,000 - £129,999	**2**	1	**2**	1
£130,000 - £139,999	**1**	1	**1**	1
£140,000 - £149,999	**-**	-	**-**	-
£150,000 - £159,999	**1**	1	**1**	1

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £1.01 million (2022: £0.938 million).

The RBL operates a transparent Pay Policy, which is communicated to all staff. Salary levels are regularly benchmarked against other comparable organisations across the private, public and third sectors. The compensation of RBL Directors is subject to annual review by a Governance Committee comprising five Trustees including the Chair and Vice Chair.

During the year, redundancy payments of £145,000 (2022: £451,000) and termination payments of £209,000 (2022: £83,000) were made across the group to 32 (2022: 49) individuals, which are included in the staff costs figures above.

During the year, the total expenses paid in respect of 20 (2022: 15) Board of Trustee members amounted to £66,000 (2022: £21,400). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds

The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:

1. Group Flexible Retirement Plan (GFRP)

2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)

3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)

4. The Royal British Legion Staff Pension Fund (DB Fund)

5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (including Poppyscotland from 1 October 2022) that is provided by Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £6.163 million (2022: £5.221 million) for the year, of which £548,081 (2022: £457,000) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002, and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2023 and showed the fund to be in surplus by £3.0 million. The results of the last valuation were updated to 30 September 2023 by a qualified actuary, and showed a surplus of £4.4 million. This surplus has not been recognised in these accounts as under the pension fund rules, there is no mechanism to refund employer contributions once they are paid in. In the year ended 30 September 2023, deficit contributions of £768,000 were paid into the fund, together with contributions of £222,000 related to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members.The last full actuarial valuation of the EH Fund was carried out as at 31 March 2022. As a result of the 2022 triennial valuation, the employer agreed to pay monthly installments of an annual deficit contribution of £124,000 per year from 1 October 2023 until 31 July 2035, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000
Current service cost	**-**	**-**	**-**	-	-	-
Administration expenses	**(163)**	**(560)**	**(723)**	(119)	(504)	(623)
Net interest	**(59)**	**12**	**(47)**	(31)	(32)	(63)
Amount charged to net incoming resources	**(222)**	**(548)**	**(770)**	(150)	(536)	(686)
Actuarial gains/(losses)	**54**	**4,548**	**4,602**	1,864	20,450	22,314
Return on assets excluding amount included in net interest	**(258)**	**(5,256)**	**(5,514)**	(1,277)	(14,590)	(15,867)
Limit on recognition of assets less interest	**-**	**266**	**266**	-	(4,394)	(4,394)
Amount recognised in other comprehensive income	**(204)**	**(442)**	**(646)**	587	1,466	2,053
Total (decrease)/increase in net funds	**(426)**	**(990)**	**(1,416)**	437	930	1,367

16b Reconciliation to the Balance Sheet

	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000
Market value of assets	**2,944**	**50,017**	**52,961**	3,380	55,155	58,535
Present value of defined benefit obligation	**(4,305)**	**(45,652)**	**(49,957)**	(4,452)	(50,761)	(55,213)
Irrecoverable surplus	**-**	**(4,365)**	**(4,365)**	-	(4,394)	(4,394)
Pension liability recognised in the Balance Sheet	**(1,361)**	**-**	**(1,361)**	(1,072)	-	(1,072)

16c Analysis of changes in the value of the fund liabilities over the year

	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000
Value of liabilities at start of year	**(4,452)**	**(50,761)**	**(55,213)**	(6,520)	(73,006)	(79,526)
Interest cost	**(232)**	**(2,655)**	**(2,887)**	(121)	(1,357)	(1,478)
Benefits paid	**325**	**3,216**	**3,541**	325	3,152	3,477
Actuarial gains/(losses)	**54**	**4,548**	**4,602**	1,864	20,450	22,314
Value of liabilities at end of year	**(4,305)**	**(45,652)**	**(49,957)**	(4,452)	(50,761)	(55,213)

16d Analysis of changes in the value of the fund assets over the year

	EH Fund 2023 £'000	DB Fund 2023 £'000	Total 2023 £'000	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000
Market value of assets at start of year	**3,380**	**55,155**	**58,535**	4,877	71,086	75,963
Return on assets excluding amount included in net interest	**(258)**	**(5,256)**	**(5,514)**	(1,277)	(14,590)	(15,867)
Administration expenses	**(163)**	**(560)**	**(723)**	(119)	(504)	(623)
Employer contributions	**137**	**990**	**1,127**	134	990	1,124
Interest income	**173**	**2,904**	**3,077**	90	1,325	1,415
Benefits paid	**(325)**	**(3,216)**	**(3,541)**	(325)	(3,152)	(3,477)
Market value of assets at end of year	**2,944**	**50,017**	**52,961**	3,380	55,155	58,535

16e Asset classes

	DB Fund 2023 Market Value £'000	DB Fund 2023 % of total fund assets	DB Fund 2022 Market Value £'000	DB Fund 2022 % of total fund assets
Equities	**4,744**	**9%**	15,959	29%
Bonds	**14,422**	**29%**	7,475	14%
LDI	**15,161**	**30%**	10,126	18%
Cash	**775**	**2%**	658	1%
Annuities	**991**	**2%**	1,561	3%
Other assets	**13,924**	**28%**	19,376	34%
Total fund assets	**50,017**		55,155	
The actual return on assets over the year was	**(2,352)**		(12,818)	

	EH Fund 2023 Market Value £'000	EH Fund 2023 % of total fund assets	EH Fund 2022 Market Value £'000	EH Fund 2022 % of total fund assets
Equities	**614**	**21%**	1,570	46%
Cash	**139**	**5%**	174	5%
Annuities	**216**	**7%**	266	8%
Other assets	**1,975**	**67%**	1,370	41%
Total fund assets	**2,944**		3,380	
The actual return on assets over the year was	**(85)**		(1,187)	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation.

The assets are invested in a diversified portfolio.

During 2024, contributions of £174,004 are expected to be paid into the EH Fund, inclusive of deficit reduction payments. Given the surplus position on the DB Fund, no further payments into the fund will be required at this time.

16f Actuarial assumptions

	2023 % p.a.		2022 % p.a.	
Financial assumptions	**EH Fund**	**DB Fund**	**EH Fund**	**DB Fund**
Discount rate	**5.5**	**5.5**	5.4	5.4
Retail price index inflation	**3.55**	**3.55**	3.7	3.7
Consumer price index inflation	**3.2**	**2.9**	3.3	3.0
Salary increases	**-**	**3.9**	4.0	4.0
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	**-**	**3.4**	-	3.6
Capped at 5% or CPI if less	**3.6**	**-**	3.6	3.6
Capped at 3% or CPI if less	**2.4**	**2.4**	2.6	2.4
Capped at 2.5% or CPI if less	**2.1**	**-**	2.3	2.3
Rate of increase for deferred pensioners	**2.5**	**2.9**	2.5	3.0

Mortality assumptions – EH Fund

	2023		2022	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**24.4 years**	**27.2 years**	24.9 years	27.7 years
Future pensioner now aged 40	**25.9 years**	**28.7 years**	26.4 years	29.2 years

Mortality assumptions – DB Fund

	2023		2022	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**25.3 years**	**28.1 years**	25.9 years	28.6 years
Future pensioner now aged 40	**26.8 years**	**29.6 years**	27.4 years	30.1 years

17 Group intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Group £'000
At cost or valuation			
At 1 October 2022	5,493	-	**5,493**
At 30 September 2023	**5,493**	**-**	**5,493**
Accumulated amortisation			
At 1 October 2022	(4,291)	-	**(4,291)**
Charge for the year	(523)	-	**(523)**
At 30 September 2023	**(4,814)**	**-**	**(4,814)**
Net book value at 30 September 2023	**679**	**-**	**679**
Net book value at 30 September 2022	**1,202**	**-**	**1,202**

17a Charity intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation			
At 1 October 2022	5,367	-	**5,367**
At 30 September 2023	5,367		**5,367**
Accumulated amortisation			
At 1 October 2022	(4,247)	-	**(4,247)**
Charge for the year	(498)	-	**(498)**
At 30 September 2023	**(4,745)**	-	**(4,745)**
			-
Net book value at 30 September 2023	**622**	**-**	**622**
Net book value at 30 September 2022	1,120	-	1,120

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2022	45,172	34,483	30,749	8,695	2,442	**121,541**
Additions	-	-	213	707	3,787	**4,707**
Transfers	967	-	228	4,314	(5,509)	**-**
Disposals	-	-	(13)	(1,399)	-	**(1,412)**
At 30 September 2023	**46,139**	**34,483**	**31,177**	**12,317**	**720**	**124,836**
Accumulated depreciation						
At 1 October 2022	(14,236)	(8,492)	(10,624)	(6,616)	-	**(39,968)**
Charge for the year	(823)	(748)	(770)	(1,025)	-	**(3,366)**
Disposals	-	-	13	1,399	-	**1,412**
At 30 September 2023	**(15,059)**	**(9,240)**	**(11,381)**	**(6,242)**	**-**	**(41,922)**
Net book value at 30 September 2023	**31,080**	**25,243**	**19,796**	**6,075**	**720**	**82,914**
Net book value at 30 September 2022	30,936	25,991	20,125	2,079	2,442	81,573

18a Charity tangible fixed assets including functional property

	Freehold homes	Other freehold	Leasehold property and leasehold improvements	Plant, machinery and equipment	Assets under construction	Total Charity
	£'000	£'000	£'000	£'000	£'000	£'000
At cost or valuation						
At 1 October 2022	45,172	29,622	6,485	7,776	2,106	**91,161**
Additions	-	-	-	-	3,466	**3,466**
Transfers	967	-	-	4,314	(5,281)	**-**
Disposals	-	-	-	(1,399)	-	**(1,399)**
At 30 September 2023	**46,139**	**29,622**	**6,485**	**10.691**	**291**	**93,228**
Accumulated depreciation						
At 1 October 2022	(14,236)	(7,917)	(6,044)	(6,116)	-	**(34,313)**
Charge for the year	(823)	(655)	(241)	(918)	-	**(2,637)**
Disposals	-	-	-	1,399	-	**1,399**
At 30 September 2023	**(15,059)**	**(8,572)**	**(6,285)**	**(5,635)**	**-**	**(35,551)**
Net book value at 30 September 2023	**31,080**	**21,050**	**200**	**5,056**	**291**	**57,677**
Net book value at 30 September 2022	30,936	21,705	441	1,660	2,106	56,848

19 Investments

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Market value at 1 October	**172,317**	182,213	**164,143**	170,960
Net (disposals)/additions	**(1,078)**	1,086	**2,203**	2,313
Investment gain/(loss) on revaluation	**1,705**	(10,982)	**967**	(9,131)
Market value at 30 September	**172,944**	172,317	**167,313**	164,143

The asset distribution of the investment portfolio at 30 September is presented below.

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Equities:				
UK	**7,637**	14,468	**6,877**	13,461
Overseas	**85,763**	72,575	**84,071**	70,719
Total equities	**93,400**	87,043	**90,948**	84,180
Bonds:				
UK	**16,776**	14,302	**14,553**	10,906
Overseas	**5,624**	5,683	**5,331**	5,327
Total bonds	**22,400**	19,985	**19,884**	16,233
Cash:				
UK	**1,924**	3,483	**1,689**	3,035
Overseas	**-**	-	**-**	-
Total cash	**1,924**	3,483	**1,689**	3,035
Hedge funds – UK	**2,329**	2,522	**2,329**	2,383
Property	**10,113**	12,443	**10,041**	12,352
Private equity	**10,412**	7,153	**10,412**	7,153
Commodities	**9,532**	9,970	**9,432**	9,781
Portfolio funds:				
UK	**7,465**	11,707	**7,291**	11,707
Overseas	**-**	-	**-**	-
Total portfolio funds	**7,465**	11,707	**7,291**	11,707
Other:				
UK	**8,173**	8,959	**8,155**	8,789
Overseas	**7,196**	9,052	**7,132**	8,530
Total other	**15,369**	18,011	**15,287**	17,319
Total investments	**172,944**	172,317	**167,313**	164,143

£151.877 million of the investments are managed by Cazenove Capital Management Limited (2022: £147.525 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost impairment. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publically available price.

Other investments includes investments held by branches, and balances relating to the Arthur Atock Memorial Trust and Devon Community Trust.

20 Group & Charity investment properties

	Group 2023 £'000	Group 2022 £'000
Market value at 1 October	**62,421**	65,533
Disposal proceeds	**(1,944)**	(8,630)
Net gain on disposal from opening market value	**754**	2,816
Net gain on revaluation of investment properties	**4,325**	2,702
Market value at 30 September	**65,556**	62,421

Investment properties primarily comprise 259 properties (2022: 275 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2023, 66 properties were revalued (2022: 57 properties) and a revaluation gain of £4.3 million (2022: £2.70 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £nil (2022: £nil) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2023, none of these properties (2022: nil) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2022: £nil) has been recognised in respect of these properties.

21 Programme-related investments

	Group & Charity 2023 £'000	Group & Charity 2022 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	**101**	245
RBL Industries Limited	**1,840**	2,022
Other schemes unrestricted		
Loans for property repairs (PRL)	**2,987**	3,262
Total programme-related investments	**4,928**	5,529

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	RBL Industries Limited £'000	PRL loans £'000	Total Group & Charity £'000
Opening balance at 1 October	245	2,022	3,262	**5,529**
Interest	7	88	-	**95**
Repayments and security deposits	(151)	(270)	(275)	**(696)**
Closing balance at 30 September	**101**	**1,840**	**2,987**	**4,928**

The RBL has provided a number of loans in furtherance of its charitable objectives as follows:

Sir Oswald Stoll Foundation – secured loan repayable over 10 years issued towards the development costs of a veterans' housing centre. An interest rate of 4% is applied to the principal issued on the anniversary of the loan agreement (17 September 2013).

RBL Industries Limited – a secured loan repayable over 10 years issued towards the development of Phase 2B of the RBLI Centenary Village. An interest rate of 0.5% above the Bank of England base rate is applied on the daily outstanding balance.

Property Repair Loans – interest-free secured loans to beneficiaries living in their own homes to provide housing improvements. The majority are lifetime loans as they are repayable on the sale of property. The minimum amount for a loan is £2,000 and the maximum allowed is £25,000. The RBL ceased issuing new loans in 2013.

22 Debtors

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade debtors	**1,717**	2,084	**1,460**	1,911
Amounts due from consolidated entities	**-**	-	**89**	783
Other debtors	**1,733**	2,202	**1,486**	1,250
Prepayments and accrued income	**5,954**	6,622	**5,046**	6,138
Total debtors	**9,404**	10,908	**8,081**	10,082

23 Cash at hand and in bank and short-term deposits

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Cash held centrally				
Short-term deposits	**20,241**	7,261	**18,474**	5,976
Cash at hand and in bank	**14,080**	54,847	**10,683**	50,192
	34,321	62,108	**29,157**	56,168
Cash held by branches	**9,454**	10,305	**9,454**	10,305
Total cash	**43,775**	72,413	**38,611**	66,473

24 Creditors

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Creditors falling due within one year				
Trade creditors	**3,182**	2,363	**2,682**	1,809
Amounts due to consolidated entities	**-**	-	**1,300**	68
Grant commitments (see note 25)	**8,650**	6,040	**8,650**	6,040
Accruals	**7,800**	8,369	**7,166**	7,596
Deferred income (see note 24a)	**2,379**	2,698	**2,164**	2,499
Other creditors	**2,523**	2,125	**2,055**	1,915
Hire Purchase commitments due within one year	**15**	21	**-**	-
Total creditors falling due within one year	**24,549**	21,616	**24,017**	19,927

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Creditors falling due after more than one year				
External grant commitments (see note 25):				
Due within two to five years	**4,276**	5,876	**4,276**	5,876
Hire Purchase commitments				
Due within two to five years	**-**	15	**-**	-
Total creditors falling due after more than one year	**4,276**	5,891	**4,276**	5,876

24a Deferred income movement during the year

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Opening balance at 1 October	**2,698**	3,288	**2,499**	3,021
Deferred income released in the year	**(2,698)**	(3,288)	**(2,499)**	(3,021)
Income deferred in the year	**2,379**	2,698	**2,164**	2,499
Closing balance at 30 September	**2,379**	2,698	**2,164**	2,499

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2023, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group & Charity grant commitments

	Personnel Recovery Centres 2023 £'000	Combat Stress 2023 £'000	Other 2023 £'000	Group & Charity Total 2023 £'000
Opening balance at 1 October 2022	963	6,151	4,802	**11,916**
Grants awarded	-	2,000	2,904	**4,904**
Unwinding of discount	-	53	35	**88**
Payments during the year	-	(2,000)	(1,982)	**(3,982)**
Closing balance at 30 September 2023	**963**	**6,204**	**5,759**	**12,926**

26 Provisions for liabilities

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Opening balance at 1 October	**2,166**	1,799	**1,578**	1,755
Provisions made in the year	**50**	740	**50**	152
Provisions released in the year	**(350)**	(373)	**(350)**	(329)
Closing balance at 30 September	**1,866**	2,166	**1,278**	1,578

Charity provisions for liabilities includes estimated future costs of dilapidations obligations arising from land and building operating lease contracts where the RBL is the lessee and the contract requires the RBL to pay such costs at the end of the lease period. Current lease obligations expire no later than 2025.

Group provisions for liabilities also includes a provision for VAT payable to HMRC of £588,000 to cover any potential liability relating to the VAT status of the refurbishment of the Lady Haig Poppy Factory that was funded by Earl Haig Fund Scotland. Further details are provided in the 2021 Earl Haig Fund Scotland statutory annual accounts.

27 Group operating lease commitments

	Land and buildings 2023 £'000	Vehicles and equipment 2023 £'000	Land and buildings 2022 £'000	Vehicles and equipment 2022 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	**697**	**-**	1,132	121
Within one to five years	**593**	**-**	1,322	53
Over five years	**756**	**-**	1,333	-
Total	**2,046**	**-**	3,787	174

27a Charity operating lease commitments

	Land and buildings 2023 £'000	Vehicles and equipment 2023 £'000	Land and buildings 2022 £'000	Vehicles and equipment 2022 £'000
At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	**677**	**-**	1,132	96
Within one to five years	**523**	**-**	1,322	45
Over five years	**756**	**-**	1,333	-
Total	**1,956**	**-**	3,787	141

28 Group unrestricted funds

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Central benevolent fund	90,932	109,521	(120,993)	1,747	(2,482)	**78,725**
Area trust funds	16,110	-	(11,482)	-	1,810	**6,438**
Pension reserve	-	-	(548)	(442)	990	**-**
Subsidiaries' funds	2,064	9,985	(6,584)	-	(2,084)	**3,381**
Available reserves	**109,106**	**119,506**	**(139, 607)**	**1,305**	**(1,766)**	**88,544**
General fund	4,483	4,149	(5,296)	-	-	**3,336**
Branch, county, district and Women's Section funds	32,031	4,820	(4,043)	75	(2,531)	**30,352**
WS Invictus Games	-	-	(131)	-	250	**119**
Functional fixed asset reserve	57,968	-	(3,135)	-	3,466	**58,299**
Programme-related investment reserve	5,529	95	-	-	(696)	**4,928**
Total group unrestricted funds	**209,117**	**128,570**	**(152,212)**	**1,380**	**(1,277)**	**185,578**

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	116,806	(104,026)	(7,695)	380	90,932
Area trust funds	20,085	-	(5,297)	-	1,322	16,110
Pension reserve	(1,920)	-	(536)	1,466	990	-
Subsidiaries' funds	3,778	7,734	(5,652)	-	(3,796)	2,064
Available reserves	107,410	124,540	(115,511)	(6,229)	(1,104)	109,106
General fund	4,841	4,077	(4,435)	-	-	4,483
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	32,031
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	57,968
Programme-related investment reserve	4,009	35	-	-	1,485	5,529
Total group unrestricted funds	208,190	135,613	(128,593)	(6,466)	373	209,117

The Central benevolent fund incorporates the core activities of the RBL, such as operating residential care homes, giving grants, providing resettlement training, giving pension claims advice, and acting as the custodian of Remembrance. The proceeds from the annual Poppy Appeal collection are allocated to this fund.

The Area trust funds are benevolent funds that have been designated for use in a particular geographical area.

The Pension reserve is a specific allocation of unrestricted funds in relation to the Royal British Legion Staff Pension Fund.

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

Taken together, the above four lines represent the total unrestricted reserves of the RBL, which are available for immediate use at the discretion of the Trustees.

The General fund is used to support the central administration of the membership of the RBL.

Branch, county, district and Women's Section funds represent those funds held by, or on behalf of, the various RBL membership formations.

The Functional fixed asset reserve represents the value of the RBL's functional fixed asset portfolio (such as residential care homes), used by the charity in the delivery of its charitable objectives.

The Programme-related investment reserve represents the value of the programme-related investments used by the charity in the delivery of its charitable objectives.

28a Charity unrestricted funds

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains / (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Central benevolent fund	90,932	111,605	(124,019)	1,747	(1,540)	**78,725**
Area trust funds	16,110	-	(11,482)	-	1,810	**6,438**
Pension reserve	-	-	(548)	(442)	990	**-**
Available reserves	**107,042**	**111,605**	**(136,049)**	**1,305**	**1,260**	**85,163**
General fund	4,483	4,149	(5,296)	-	-	**3,336**
Branch, county, district and Women's Section funds	32,031	4,820	(4,043)	75	(2,531)	**30,352**
WS Invictus Games	-	-	(131)	-	250	**119**
Functional fixed asset reserve	57,968	-	(3,135)	-	3,466	**58,299**
Programme-related investment reserve	5,529	95	-	-	(696)	**4,928**
Total charity unrestricted funds	**207,053**	**120,669**	**(148,654)**	**1,380**	**1,749**	**182,197**

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	120,602	(106,986)	(7,695)	(456)	90,932
Area trust funds	20,085	-	(5,297)	-	1,322	16,110
Pension reserve	(1,920)	-	(536)	1,466	990	-
Available reserves	103,632	120,602	(112,819)	(6,229)	1,856	107,042
General fund	4,841	4,077	(4,435)	-	-	4,483
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	32,031
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	57,968
Programme-related investment reserve	4,009	35	-	-	1,485	5,529
Total charity unrestricted funds	204,412	131,675	(125,901)	(6,466)	3,333	207,053

29 Group restricted funds

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Investment property reserve	62,421	-	-	5,079	(1,944)	**65,556**
Income and sales proceeds from property held in corporate trusteeship	42,078	2,578	(4,863)	73	958	**40,824**
Grants for specific purposes	2,642	3,702	(4,517)	-	(530)	**1,297**
Donor-restricted legacies and donations	11,305	1,316	(1,015)	22	(214)	**11,414**
Branch and county funds	6,713	449	(1,290)	(757)	-	**5,115**
Charity Commission schemes	2,361	50	-	22	-	**2,433**
Homes' residents' amenity funds	1,814	261	(628)	-	(19)	**1,428**
The Arthur Atock Memorial Trust	1,480	47	(124)	149	-	**1,552**
British Korean Veterans (1981) Relief Fund	132	2	-	1	-	**135**
Samsung British Korean Veterans Scholarship Fund	303	8	-	(82)	-	**229**
Permanent endowments	933	1	-	103	-	**1,037**
Total charity restricted funds	**132,182**	**8.414**	**(12,437)**	**4,610**	**(1,749)**	**131,020**
Poppyscotland Group	11,335	4,579	(7,734)	(3)	389	**8,566**
Poppyscotland pension provision	(1,072)	-	(222)	(204)	137	**(1,361)**
National Memorial Arboretum Group	24,132	5,248	(7,789)	-	2,500	**24,091**
Royal British Legion Republic of Ireland	2,413	250	(234)	191	-	**2,620**
Total group restricted funds	**168,990**	**18,491**	**(28,416)**	**4,594**	**1,277**	**164,936**

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	62,421
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	42,078
Grants for specific purposes	2,610	1,332	(1,300)	-	-	2,642
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	11,305
Branch and county funds	5,999	1,831	(451)	(666)	-	6,713
Charity Commission schemes	2,421	49	-	(109)	-	2,361
Homes' residents' amenity funds	1,925	201	(409)	-	97	1,814
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	1,480
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	132
Samsung British Korean Veterans Scholarship Fund	339	7	-	(43)	-	303
Permanent endowments	975	-	-	(42)	-	933
Total charity restricted funds	132,874	7,291	(9,095)	4,445	(3,333)	132,182
Poppyscotland Group	14,288	5,085	(6,985)	(1,579)	526	11,335
Poppyscotland pension provision	(1,643)	-	(150)	587	134	(1,072)
National Memorial Arboretum Group	23,371	5,279	(6,818)	-	2,300	24,132
Royal British Legion Republic of Ireland	2,716	259	(213)	(349)	-	2,413
Total group restricted funds	171,606	17,914	(23,261)	3,104	(373)	168,990

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund. Restricted funds include permanent endowment funds that are not material and are not therefore shown separately on the face of the Balance Sheet.

The investment property reserve represents the estimated market value of £65.556 million (2022: £62.421 million), representing a portfolio of 259 properties (2022: 275 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2023 was £41.226 million (2022: £42.078 million), which includes both investment income and sales proceeds.

29a Charity restricted funds

	Opening Balance 1 Oct 2022 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2023 £'000
Investment property reserve	62,421	-	-	5,079	(1,944)	**65,556**
Income and sales proceeds from property held in corporate trusteeship	42,078	2,578	(4,863)	73	958	**40,824**
Grants for specific purposes	2,642	3,702	(4,517)	-	(530)	**1,297**
Donor-restricted legacies and donations	11,305	1,316	(1,015)	22	(214)	**11,414**
Branch and county funds	6,713	449	(1,290)	(757)	-	**5,115**
Charity Commission schemes	2,361	50	-	22	-	**2,433**
Homes' residents' amenity funds	1,814	261	(628)	-	(19)	**1,428**
The Arthur Atock Memorial Trust	1,480	47	(124)	149	-	**1,552**
British Korean Veterans (1981) Relief Fund	132	2	-	1	-	**135**
Samsung British Korean Veterans Scholarship Fund	303	8	-	(82)	-	**229**
Permanent endowments	933	1	-	103	-	**1,037**
Total charity restricted funds	**132,182**	**8,414**	**(12,437)**	**4,610**	**(1,749)**	**131,020**

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	62,421
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	42,078
Grants for specific purposes	2,610	1,332	(1,300)	-	-	2,642
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	11,305
Branch and county funds	5,999	1,831	(451)	(666)	-	6,713
Charity Commission schemes	2,421	49	-	(109)	-	2,361
Homes' residents' amenity funds	1,925	201	(409)	-	97	1,814
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	1,480
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	132
Samsung British Korean Veterans Scholarship Fund	399	7	-	(43)	-	303
Permanent endowments	975	-	-	(42)	-	933
Total charity restricted funds	132,874	7,291	(9,095)	4,445	(3,333)	132,182

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £1.277 million from unrestricted to restricted reserves (2022: £0.333 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 8 trusts (2022: 6 trusts), resulting in the release of £1.8 million (2022: £1.322 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £2.5 million (2022: £2.3 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £526,000 (2022: £660,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2023 £'000	**Restricted 2023 £'000**	**Total 2023 £'000**	Unrestricted 2022 £'000	Restricted 2022 £'000	Total 2022 £'000
Fund balances are represented by:						
Intangible and tangible assets	**58,299**	**25,294**	**83,593**	57,968	24,807	82,775
Investments	**115,945**	**127,483**	**243,428**	115,886	124,381	240,267
Current assets	**40,115**	**15,430**	**55,545**	62,449	23,361	85,810
Current and non-current liabilities	**(28,781)**	**(1,910)**	**(30,691)**	(27,186)	(2,487)	(29,673)
Defined benefit pension liability	**-**	**(1,361)**	**(1,361)**	-	(1,072)	(1,072)
Total funds	**185,578**	**164,936**	**350,514**	209,117	168,990	378,107

32 Events after the reporting period

On 4 January 2024, Gift Aid totalling £3.402 million relating to the 2023 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2023.

On 20 December 2023, Gift Aid totalling £20,000 relating to the 2023 profits of NMA (Enterprises) was paid to the National Memorial Arboretum Company; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2023.

On 13 March 2024, the directors of the dormant subsidiary Remembrance Travel voted to submit a voluntary action to strike off the company with Companies House. Prior to doing so, Shareholder Resolutions were passed by the RBL on 14 December 2023 and 6 February 2024, to redesignate the Redeemable Preference shares to Ordinary share capital and undertake a Capital Reduction of Ordinary share capital respectively. This was followed by Remembrance Travel declaring a dividend to the RBL on 21 February 2024 in order to reduce the assets held in Remembrance Travel at application to strike off to £1 share capital only.

33 Related party transactions

During the year ended 30 September 2023, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £2.5 million was provided by the charity to The National Memorial Arboretum Company (2022: £2.3 million).
- The charity received donations of profits from Royal British Legion Trading of £2.084 million (2022: £3.796 million). Royal British Legion Developments and Remembrance Travel had no profits to pay to the charity in 2023 (2022: nil).
- Grant funding of £526,000 was provided by the charity to the Poppyscotland Group (2022: £660,000).
- The charity purchased goods and services valued at £248,000 from NMA (Enterprises) (2022: £362,000).
- NMA (Enterprises) purchased goods and services valued at £72,000 from Royal British Legion Trading (2022: £235,000).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2023:

	Charity 2023 £'000	Charity 2022 £'000
Amounts receivable from consolidated entities		
The National Memorial Arboretum Company	**2**	12
Royal British Legion Developments	**32**	32
Royal British Legion Trading	**24**	332
Royal British Legion Republic of Ireland	**8**	-
Poppyscotland Group	**23**	407
Total amounts receivable from consolidated entities	**89**	783

	Charity 2023 £'000	Charity 2022 £'000
Amounts payable to consolidated entities		
Royal British Legion Trading	**1,237**	-
NMA (Enterprises)	**63**	68
Total amounts payable to consolidated entities	**1,300**	68

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). One of the RBL's Trustees holds a position within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £48,000 during the year (2022: £46,000). The RCEL does not make payments to the RBL for these services.

A grant of £480,000 for a two-year period was awarded on 24 September 2021 as an extension of a prior five-year grant. The charity recognised a discount credit to grant expenditure of £7,000 during 2023 (2022: £14,000) and holds a grant creditor of £240,000 owed to RCEL at 30 September 2023 (2022: £473,000) in respect of this funding.

Organisation	**Related party**	**Position at the RBL**	**Position at related party organisation**
Royal Commonwealth Ex-Services League	Jason Coward	National Chair	Trustee

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C013204

Registered address: Royal British Legion, Haig House, 199 Borough High Street, London SE1 1AA
Registered Charity Number: 219279

THE ROYAL BRITISH LEGION

England & Wales - Charity number 219279

Accounts

2022

Annual Report and Accounts

Year ended 30 September

ROYAL BRITISH LEGION

Able Seaman Johnson, Royal Navy; Sergeant Tamber, Royal Air Force; and Corporal Ford, British Army, in London

Cover: Portrait of our former Patron, Queen Elizabeth II, 1926–2022, by Darren Baker

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Foreword

Jason Coward
National Chair

Charles Byrne
Director General

The past year has seen significant change and challenge for all of us. The death of Her Majesty Queen Elizabeth II had a huge impact across the organisation.

We were incredibly honoured to be involved in the funeral. More than 70 of our Standard Bearers formed up on either side of the Cenotaph in Whitehall, lowering their Standards in respect as the funeral procession went past. It was symbolic of the role Her late Majesty played for the Armed Forces community. Her loss was felt so personally by so many people across the Royal British Legion, as if she were a member of the family.

Our work has been distinguished by two important parallel tracks. The first is our continued focus on delivering our core charitable activities to provide support and services for the Armed Forces community – the people we are here to serve.

Alongside this has been our transition and transformation. Change is not new to us – in our 100-year history, the RBL has always adapted and developed to best look after the people we serve. We need to continue to do so to stay relevant for the next 100 years. Despite the suggestion of a post-pandemic 'normal', COVID-19 drove home how important it is to continue to look at the fundamentals.

"Our ongoing evolution requires us to pick up the good work that has been done and continue to transform and shape our organisation to leave it in a better state for those who come afterwards"

This ongoing evolution requires us to pick up the good work that has been done by people who have gone before us and continue to transform and shape our organisation to leave it in a better state for those who come afterwards.

This has meant holding ourselves to account as a leadership – with a clear-eyed focus on the objectives of our One Legion strategy to ensure that our governance, our membership and the relationship between the various parts of the RBL are all ready for a second century of service.

In the past year, we have been working hard to better support our membership. We know that we need to attract a wider range of people to join the RBL as members. To help us invite more people in, we have been asking: what are our membership's strengths?

Members contribute to everything from Remembrance to fundraising, but what is unique is that members are better placed than anyone to provide comradeship and friendship to those who have served and their families.During the year, the hundreds of things our members did in lockdown have been fed back to us – from delivering food and calling those on their own, to running social events and helping people get online. These members are often at the heart of our communities.

A huge part of our charitable work and purpose is welfare, and we have been redesigning our services, thinking about how these work for the people we serve, how they look from their perspective and mapping out beneficiary journeys to improve them. This was one of the year's most important pieces of work – and the benefits of that will start to land in the next year.

Like any big organisation that has evolved over time, we have different databases and processes, which means we do not always recognise when the same individual is coming to us with different issues. We therefore started working on our Understanding our Customers programme. This will give us a more cohesive approach to understanding and working with people who come to us for support.

We also reorganised our senior team and the functions underneath it, bringing together fundraising and marketing to combine some of our key outward-facing functions with regards to how we communicate, which is another example of us shaping ourselves to provide the best service for our beneficiaries.

We want to do more of the things that really work and not be scared to say that some things are not delivering what they used to. To that end, we refocused our fundraising to concentrate on the key areas: the Poppy Appeal, Individual Giving and Legacies.

Reflecting our changing nation has also been an important part of our work. The RBL has a unique and important place in the nation's culture and calendar, so it is essential that we continue to engage new audiences – different demographics, different faiths, different age groups, urban and rural. It is core to our mission that the RBL reflects the diversity of our nation and is inclusive, ensuring that Remembrance is adopted across the nations and carried into future generations.
As well as making ourselves better at

what we do, the greatest impact we can have for the community we serve is by recognising that we are part of a wider national network of military and other charities, and that there are ways we can support and things we can do because of our scale and expertise.

One example of this was our success in adding a question to the Census for England and Wales, which now, for the first time, records the number of Armed Forces veterans. It means that national government, local government and all the charities that are providing services for the Armed Forces community will have a clearer picture of that community and they will be able to spend their money more effectively. We achieved this huge win because of our unique campaigning and depth of knowledge. We look forward to the data that will come in the months ahead.

As part of our work to improve welfare, we listened to the changing needs of our Armed Forces community, and in January 2022, we started to build a grants programme to address the rising cost of living. We developed an online portal and tested it over the summer so we were ready and able to respond immediately as the cost-of-living crisis really began to hit.

One of the challenges the RBL faces, along with many other military charities, is that quite often, the Armed Forces can be out of sight and out of mind. In February 2022, when Russia invaded Ukraine, it brought back how our military make a commitment to step up and defend the nation. Although we are not directly involved, anyone who has been in the Armed Forces knows how close the relationship is with Ukraine through years of training.

Falklands 40 at the National Memorial Arboretum was probably our biggest single event this year. Talking to any one of the people there about the impact the conflict had on their own life, or the effect on their life of what happened to their comrades, was a stark reminder of why we do what we do and how it matters. It shows the legacy and cost of war. It was incredibly moving to see the emotion.

The Armed Forces have also continued to step up in difficult civil times by driving fuel tankers, supporting efforts against COVID-19 and helping during natural disasters. Those things underline their importance and why our country cares about them so much.

Like our country, the RBL is made up of many parts. That means it is easy to drift into separate sections and different camps – and that means we have to make a positive, conscious effort to bring things together. We can best serve the Armed Forces community by constantly reminding ourselves of that commitment to unity.

We have driven through some big changes, and the level of commitment, the tenacity and the goodwill of our people have been extraordinary. We would like to thank you all.

"The RBL is made up of many parts and we have to make a conscious effort to bring things together. We can best serve the Armed Forces community by constantly reminding ourselves of that commitment to unity"

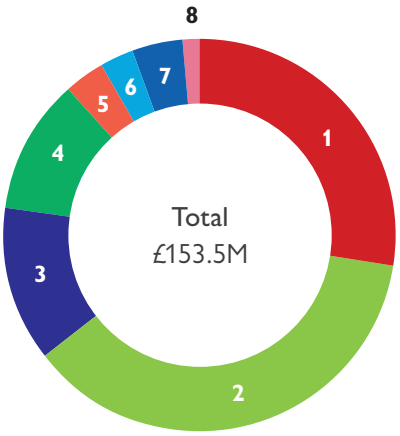
Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2022. Details of the group structure can be found in the financial review on page 52 and in note 14 to the accounts.

Financial overview

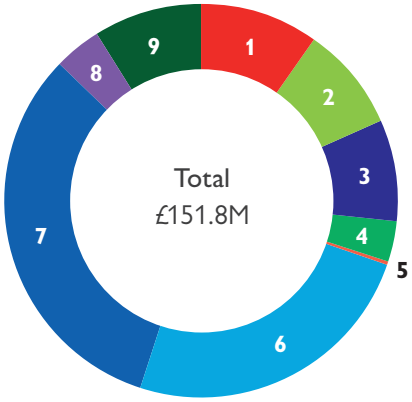
Where the money comes from

		£ Million	%
1	The Poppy Appeal	42.2	27.5
2	Donations, legacies and events	57.1	37.2
3	Lotteries and trading	19.4	12.6
4	Fees charged to care home residents	17.1	11.1
5	Grants for welfare services and Remembrance	5.3	3.5
6	Membership subscriptions	4.2	2.7
7	Investment income	6.4	4.2
8	Other	1.8	1.2
	TOTAL INCOME	**153.5**	**100.0**



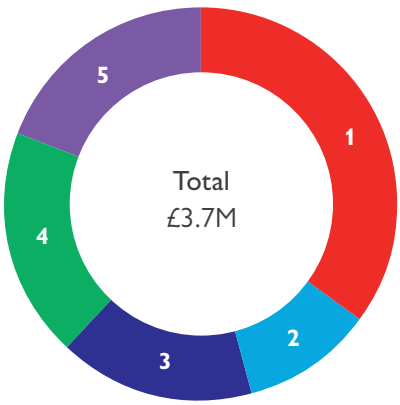
Where the money goes
Operational costs

		£ Million	%
1	The Poppy Appeal	15.4	9.9
2	Donations, legacies and events	14.5	8.7
3	Lotteries and trading	12.3	8.1
4	Remembrance	7.0	3.5
5	Comradeship	0.4	0.3
6	Care homes	39.2	24.7
7	Welfare services	42.6	32.1
8	Membership	8.0	4.0
9	Communication and campaigns	12.5	8.7
	TOTAL OPERATIONAL COSTS	**151.9**	**100.0**



Where the money goes
Capital costs

		£ Million	%
1	Care homes	1.3	35.1
2	Improving IT infrastructure	0.4	10.8
3	Lady Haig Poppy Factory renovation	0.6	16.3
4	Poppy machines	0.7	18.9
5	National Memorial Arboretum development	0.7	18.9
	TOTAL CAPITAL COSTS	**3.7**	**100.0**



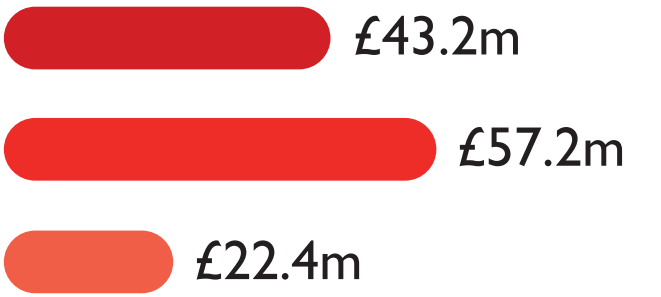
Funds and Reserves

The total funds of the RBL group are broken down into three categories: Not available to spend, Membership and Restricted Funds, and Available Unrestricted Funds. Our Reserves policy can be found on page 48. Full details of each type of fund can be found on pages 88-91.

Not available to spend

Subtotal of funds not available to spend: £146.2m

Membership and Restricted Funds



Subtotal of Membership and Restricted Funds: £122.8m

Available Unrestricted Funds

Subtotal of Available Unrestricted Funds: £109.1m

Total Funds held by the RBL group

£378.1m

Services and support

Jo-Anne Wilson, Manager of Galanos House

The Armed Forces community is constantly evolving in terms of those who serve, what they do and the challenges they face. We need to put the people we serve at the heart of what we do. It is only by working in this way that we can understand and adapt to their changing and often complex needs. With our One Legion strategy, we want to build a more inclusive RBL that is truly flexible so that, as people's needs change, we can respond in the best way.

Care services

Our six care homes continue to provide 24-hour residential, nursing, respite and day care for hundreds of elderly and very frail veterans and their dependants, and also support individuals with specialist dementia care. We provide a unique environment that recognises and celebrates our residents' service to the country.

Despite the ongoing challenges of COVID-19 and the well-reported staffing and funding issues faced by the social-care sector in the UK, we continued to provide high-quality care for our residents in our homes and for their families. We have made good progress in improving occupancy levels and we have also started a programme of refurbishment and improvement works.

Our Admiral Nurses continue to provide much-needed expert advice, information and support for carers of loved ones with dementia in the Armed Forces community.

Adapting to meet the needs of the Armed Forces community

In response to the withdrawal of HM Armed Forces from Afghanistan (May-August 2021), the RBL set up a telephone-counselling service in September 2021 to support the people who served or who were affected by a loved one's service in Afghanistan.

The RBL became the key Armed Forces-linked charity supporting Operation New Hope – the cross-government support programme helping Afghan nationals settle in the UK. The RBL's support for this community during the year included grants to the Forces Employment Charity (formerly RFEA) to pay for retraining and licensing for Afghans seeking employment, £22,500 to the charity Azadi to provide on-the-ground assistance to families awaiting relocation in Islamabad, and more than £50,000 to

Alan Sillett, British Army veteran and resident of Galanos House, and Amy Tuck, former care home staff member

individual households to help make their new lives in the UK more comfortable.

In April 2022, to tie in with the large increase in the energy price cap, we launched the Cost of Living Grant Programme via our caseworking and specialist advice teams, helping 678 individuals with grants towards their home fuel bills. During summer 2022, we developed an online application in readiness for the further increase in the cap, planned for 1st October, 2022, anticipating high levels of demand for this support. This is a good example of how we are responding to the changing needs of the Armed Forces community and how using data is essential to knowing how, when and what to help with. Ensuring that our decisions are informed by reliable evidence is one of the guiding principles of our One Legion strategy.

We awarded 2,841 crisis grants during the year, totalling £521,971, providing fast-response support from our caseworking and specialist advice services to individuals across the UK and overseas.

Bethan Roberts, RBL helpline staff member

Regional casework and specialist advice

Casework is central to the welfare services we offer – providing expert, multi-need, multi-solution support on a case-by-case basis to meet individual needs. During 2021/22, we supported 22,136 people in need of help in the UK and 39 countries across the world. We also awarded 13,399 grants to individuals, providing practical solutions for mobility, housing, household items and debt.

Our outreach service supported 765 people who have complex and often multiple needs, working in partnership with specialist and/or statutory support, which can be challenging, confusing and overwhelming for people to navigate without our expert help. We supported those dealing with homelessness, mental-health problems, addiction and dependency, domestic abuse and child-protection issues, as well as those engaged with the criminal justice system.

The RBL's independent-living advice service provided advice, support and advocacy to enable 921 people to live independently, safely and well in their homes. We gave personal and individual advice on care-needs assessments and care planning, as well as on Disabled Facilities Grants for adaptations such as level-access showers, stairlifts and the widening of doorways for wheelchair access. We also provided expert advice on care costs; financial assessments and disability-related expenditure; continuing healthcare and NHS-funded nursing care; hospital discharge; rehabilitation and aftercare; and practical and emotional support to carers, including carers' assessments.

Customer satisfaction

We increased the number of our satisfaction surveys during the year to better understand how well we are meeting the needs of the people that turn to us for support. These showed that 83% think we have fully met their welfare needs, and 87% are satisfied or very satisfied with our support.

Progress against aims set out in the 2021 report

Last year, we aimed to improve the way we provide welfare by introducing simpler and easier ways to obtain our help. This is part of our One Legion priority to ensure that our customers, whoever they are, have the best possible experience of the RBL and get the support they need. By working with those we help and our staff and analysing our data through

"Our satisfaction surveys showed that 83% of beneficiaries think we have met their welfare needs, and 87% are satisfied or very satisfied with our support"

Below: Admiral Nurse Nicky Addison with beneficiary Jack Jones

Opposite: Wheelchair basketball at the 2022 Invictus Games

* *Independence Star™ – Triangle's Outcome Star Impact Assessment Tool*

our Improving Beneficiary Journeys programme, we have completed a detailed review. We now understand areas we need to improve and we are developing a future-state, high-level customer journey. This work provides us with solid foundations to build improved pathways for people seeking our support, and this will be implemented during 2023.

We wanted to improve our understanding of our community's complex needs and how we measure our impact, and we aimed for an increase in our impact star rating of 7.5%. Using our impact-assessment tool*, we can show that, through our casework, we improved the quality of life of the people we support by an average of 16%. Our rating was even higher for the priority areas of need: finances (23%), housing (21%) and mental wellbeing (20%).

We also wanted to continue to improve our care homes, moving from paper-based to digital systems to support our residents and staff. After some early setbacks in this large, transformative programme, work is progressing well, with the first phase concentrating on electronic care records, medication management and Nurse Call across all six care homes. We also started a significant building upgrade and refurbishment programme, including fitting out ensuite wet rooms, further enhancing the physical environment in our homes.

To strengthen our services for people facing dementia, we expanded our Admiral Nurse Service, which included restructuring the teams and recruiting additional staff. The second phase, which will see a further increase in nurses, is under way and will be completed during 2023.

We also aimed to implement the expansion plans for our recovery services, extending our capacity beyond serving personnel to veterans and their families, and therefore increasing support from around 1,000 participants to 6,000, once in place.

In 2021/22, we saw the expansion of this work supporting wounded, injured and sick serving personnel and veterans as we took on a significantly larger role in helping Team UK for the Invictus Games. Previously, we supported friends and families of the athletes; now, working in partnership with the Ministry of Defence, we have begun assisting participants with their coaching, training and recovery needs on the road to the 2023 Invictus Games in Düsseldorf, Germany in September, and in Vancouver and Whistler in Canada in 2025.

Detailed business and operational-planning work is also well under way to progress our plans to expand our Battle Back centre facilities and capacity.

2,200

guests were invited to the Service of Thanksgiving at Westminster Abbey to mark the centenary of the RBL

The service was attended by Her late Majesty Queen Elizabeth II and HRH The Princess Royal

Guests included supporters, members, staff, partners and volunteers

2022 in numbers

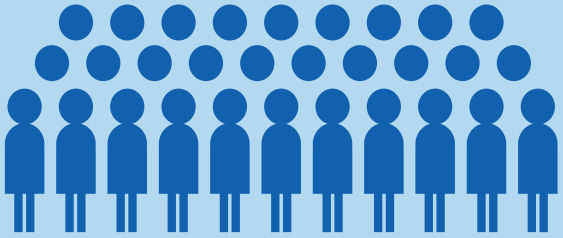
310,555

visitors were welcomed at the National Memorial Arboretum

This is the first time the number has exceeded 300,000 since the pandemic

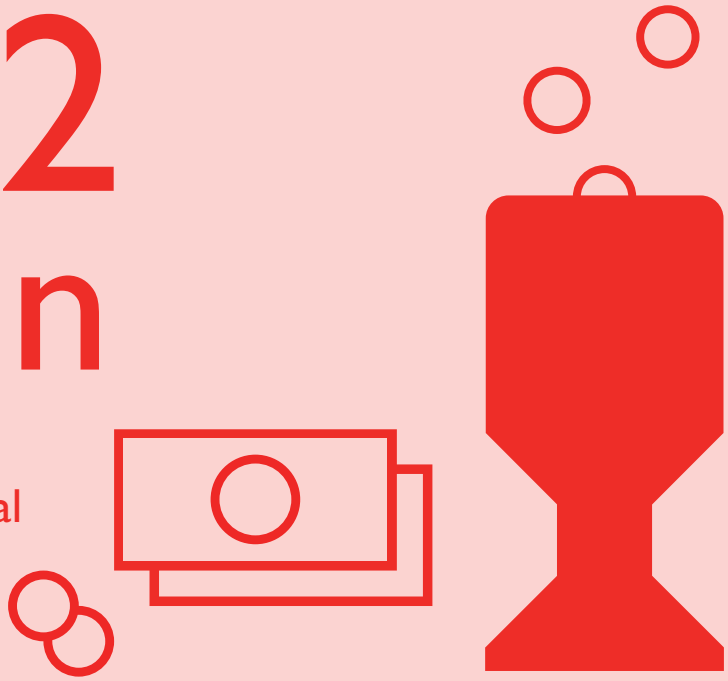
16,500

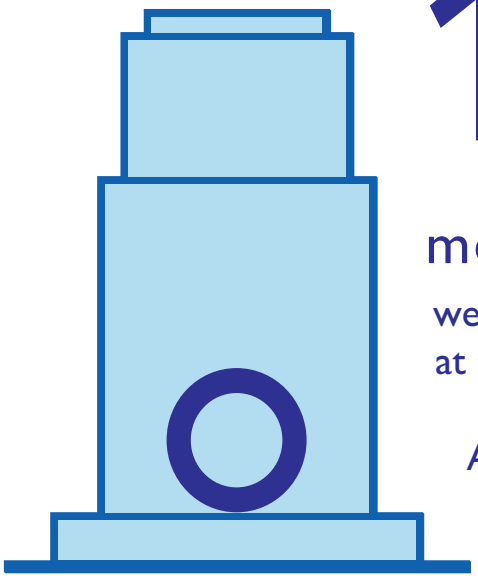
attended RBL and National Memorial Arboretum Remembrance learning activities over the year



£42.2 million

was raised through the 2021 Poppy Appeal

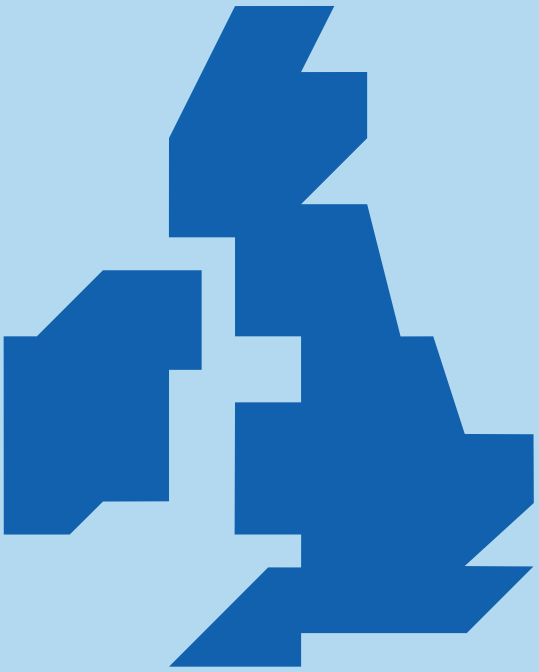




10

new memorials

were dedicated at the National Memorial Arboretum



11,000 individuals took part in **25** fundraising events

22,136

people who were in need of help in the UK or one of 39 other countries across the world received assistance from the RBL

We wrote to
2,300
local councillors

We contacted new local councillors in May 2022 to help them understand their role in upholding the principles of the Armed Forces Covenant

28,214
calls were made as part of Branch Community Support

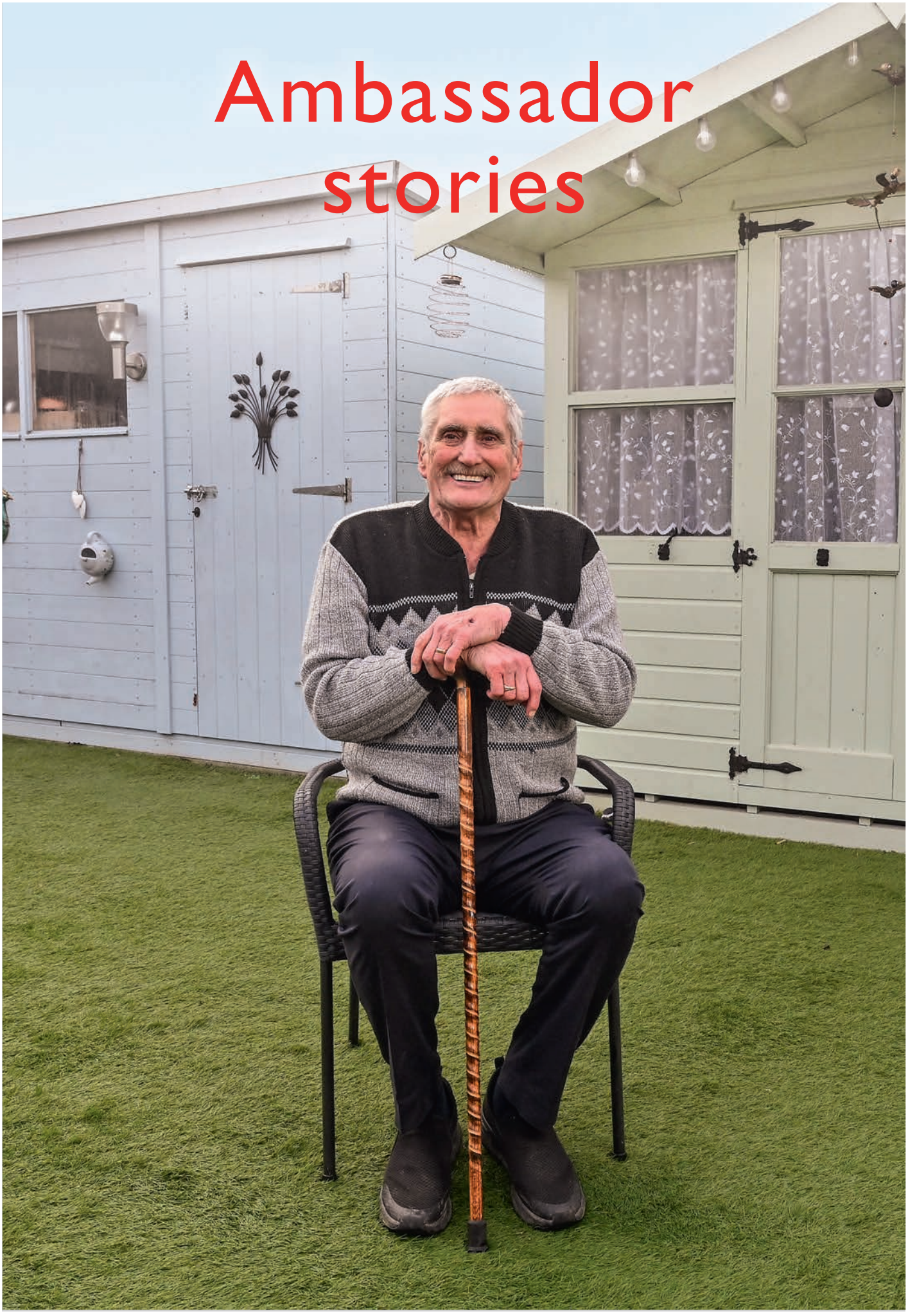
£6,645,585
in backdated benefits, benefits appeals and debt write-offs was negotiated by the RBL for members of the Armed Forces community in need

13,399
grants were awarded, totalling
£10.9 million

Through our caseworking, we awarded grants to provide practical solutions that help individuals with mobility, housing, household items and debt. This support included crisis and energy grants

£124.5 million
in total was raised through all fundraising activities

Ambassador stories



Patrick McQuiston

(pictured on page 17)

Pat joined the Army as a cadet in 1969 when he was just 15. He trained in Germany and did four tours of Northern Ireland. Then his parents became unwell, so in 1975, he left the Army to look after them.

"It broke my heart when I left," he says. "We had hard times, such as in Northern Ireland, but the Army was fantastic."

Pat's parents died soon after, within six months of each other. He tried to get back into the Army but although he had already done his basic training, things had changed – and at just 21 years old, he was told he was too old.

Pat went on to do numerous jobs, including working as a taxi driver, coach driver and security guard. He is now retired but keeps himself busy as Chairman of his residents' group and by working on the county council.

Unfortunately, he developed terminal emphysema and in 2005, a large proportion of his lungs was removed to slow down his condition. After surgery, Pat suffered an infection, which severely impacted his mobility. It was at this point he turned to the RBL for the first time. In 2006, the charity provided him with a mobility scooter, which lasted ten years. When it broke down in 2016, the RBL replaced it.

A few years later, Pat and his wife enjoyed their first-ever holiday as a couple when the RBL paid for them to have a week in Weston-super-Mare.

Pat is a huge supporter of the RBL and says: "I've been helped out already – let's help other people out if we can. A lot of soldiers forget that they do have the support behind them if they need it. They just have to ask.

"Everyone needs a guardian angel and mine is the Royal British Legion."

Keith Beaumont

(pictured below)

Keith joined the RAF to follow in the footsteps of his grandfather. He served with 11 Squadron at RAF Leeming and was posted to the Gulf to protect the no-fly zones before and after 9/11 as part of Operation Southern Watch.

After serving his country for four years, Keith left the RAF in 2003 with a raft of exemplary reports, joining the family business to work alongside his dad as a plumber. He settled down with a new partner and baby son Bradley.

However, Keith's life took a turn for the worse as the relationship broke down and he turned to drink and drugs.

He says: "I was neglecting bills, so my finances went into meltdown. I pawned my General Service Medal for 20 quid and sold all my tools, which left me in a ridiculous situation where I was taking calls for jobs I could no longer do."

Keith accumulated so much debt that he could not afford to feed himself. He owed more than £10,000 in council tax, and a serious accident in 2017 exacerbated his depression, leaving him unable to work for months.

He says: "I was down to my last bag of rice, so I rang the RBL. They sent me £250 in food vouchers straightaway."

The RBL's Benefits, Debt and Money Advice team looked at Keith's case and realised the debts were so serious that bankruptcy was the most suitable route. The team also supported Keith with a benefits appeal, which landed him £9,000 in a Universal Credit back payment.

Keith, now in his 40s, says: "I've spent £2,000 buying back my tools and a further £1,000 on a college course so I can fit renewable-energy boilers. The next thing I will buy is a van."

He also managed to pay the money to get his Iraq medal back.

"I don't need the food banks and I even paid my council tax in one go," he says. "I have money left over at the end of the month now. I can't thank the RBL enough. Their help made me so humble.

"I would urge any struggling ex-serving personnel to do the same as me. I went down a dark tunnel, but there is light at the end of it as long as you're willing to reach out, and there is no shame in asking for help. One phone call can change your life."

Lee Edwards
(pictured above)
Lee worked as a chef in the Army for five years from 1999 to 2004, in the Signal Unit and Royal Artillery. Although he was not involved in any conflicts, he served in Belfast twice.

In 2008, having left the Army, Lee was having housing difficulties in London when he met a military specialist at a homeless shelter, who put him in touch with the RBL. He was supported with a deposit for housing and after securing this, he completed a degree in graphic design.

"That was all off the back of the RBL helping me get housed – you can't do a degree without a home," he says.

Lee later went travelling and emigrated to Australia. He then discovered he had delayed whiplash from a crash he had been in back in 2001, which meant that he needed major surgery on his neck and spine in 2014. This was a success, but he was put on nerve pain medication, which he then became dependent on.

Lee lost his house, job and car, and was also diagnosed with bipolar disorder. Everything took its toll, and his relationship with his girlfriend came to an end.

It took nine attempts to find him the right combination of drugs for both his mental and physical ailments.

At the end of 2019, Lee's mother died and he travelled to Wales to attend her funeral, but due to the pandemic he could not return to Australia. He was stuck in the UK without the medication he needed for a longer trip than planned. He suffered severe withdrawal symptoms and became suicidal.

Lee contacted the RBL, who quickly got him a doctor's appointment. "Even that small assistance from the RBL was a massive help," he says. "It felt like they were on my side."

After a year, Lee was eventually able to get back on the medication he was used to in Australia. He still has twinges of anxiety but feels like he is "getting there" now.

Lee remained in the UK, and the RBL has supported him by paying for some of his white and brown goods for a property he is beginning to furnish.

"Just knowing that there was that support for me meant the world," says Lee. "I have nothing but praise for the Royal British Legion for helping me in all sorts of ways."

"Just knowing that there was that support for me meant the world. I have nothing but praise for the Royal British Legion for helping me in all sorts of ways"

Remembrance

Service of Thanksgiving at Westminster Abbey, London, to mark the RBL's centenary in October 2021

The easing of COVID-19 restrictions gave us the opportunity to bring people together in person again to remember, reinforcing the uniting nature of Remembrance for people across our nation. We came together to mark long and dedicated service, to celebrate lives lived and to commemorate lives lost across the past 12 months.

The year saw the formation of a new single Remembrance team, ensuring that we are working as One Legion to develop a more focused strategy for Remembrance.

Anniversaries

Our aim is to ensure that Remembrance is a source of inspiration, pride and belonging among the population, that it is universally understood and observed, and that it is passed on to the next generation.

Reflecting the diversity of our nation and being inclusive are core to our One Legion mission. We unite across faiths, cultures and backgrounds to honour and remember the service and sacrifice of all British and Commonwealth Armed Forces, and other foreign forces under British command. The financial year began with the Service of Thanksgiving at Westminster Abbey on 12th October, 2021, to mark the centenary of the RBL. Led by the Dean of Westminster, it was attended by Her late Majesty Queen Elizabeth II and HRH The Princess Royal, who gave a reading. The RBL's National President Lieutenant General James Bashall led the Act of Rededication, reaffirming our commitment to our work and service.

Readings were also given by members of the Armed Forces community, including Colour Sergeant Johnson Beharry VC, one of only three living British recipients of the Victoria Cross. Some 2,200 guests attended, including supporters and those who contribute to the work of the RBL, as well as members, volunteers, staff and partners who were successfully nominated in the Centenary Reward and Recognition Scheme.

The Festival of Remembrance at the Royal Albert Hall in November 2021 was attended by the then Prince of Wales and Duchess of Cornwall. It highlighted the theme of 100 years of the Royal British Legion, Remembrance and the poppy. It focused on how the RBL has supported the Armed Forces community for the past century as we have constantly evolved to meet changing needs – offering assistance, campaigning for improvements, providing companionship and keeping faith with Remembrance, from 1921 to the present day.

The Festival reflected on the demands placed on the Armed Forces during a transformed global landscape over the past 30 years, from service in the Gulf War to the evacuation of Kabul, Afghanistan between May and August 2021. It also paid tribute to the many members of Commonwealth forces whose sacrifice went unmarked during earlier conflicts.

One hundred members, staff and volunteers took to the stage to represent the hundreds of thousands of people at the heart of the RBL, and to symbolise all that is done for the Armed Forces community and our evolution over 100 years. The event was broadcast on BBC One and viewer numbers peaked on the night at 4.7 million, with an average of 4.3 million, representing one-third of the TV audience.

On Remembrance Sunday (14th November, 2021), the RBL organised the annual Parade Dispersal of veterans past the Cenotaph, following the National Service of

The RBL invited 7,000 members of the Armed Forces community to watch the Trooping of the Colour as part of Her late Majesty Queen Elizabeth II's Platinum Jubilee in June 2022

Remembrance on Whitehall. This was the first full-scale parade since the lifting of wider COVID-19 restrictions, and 8,057 members of the veteran community marched. This year, the BBC broadcast viewing figures peaked at 5 million.

In November 2021, a special episode of BBC's *Countryfile* marking the centenary of the RBL and filmed at the National Memorial Arboretum was broadcast. The programme explored the Field of Remembrance at the Arboretum, which contained 18,000 tributes, and how the Poppy Appeal provides invaluable support to members of the Armed Forces community.

In 2022, the RBL supported Her late Majesty Queen Elizabeth II's Platinum Jubilee celebrations by arranging for 7,000 members of the Armed Forces community to be part of the audience outside Buckingham Palace for Trooping the Colour in June. The audience comprised veterans, Tickets for Troops participants and bereaved military families.

"The 2021 Festival of Remembrance focused on how the RBL has supported the Armed Forces community for the past century"

For the 78th anniversary of D-Day (6th June), the RBL returned to Normandy, France, for a programme of commemorative events. A service at Bayeux Cathedral was held on the previous day, while the anniversary itself saw an Act of Remembrance at the British Normandy Memorial at Ver-sur-Mer. This was followed by a service at Bayeux Commonwealth War Graves Commission (CWGC) cemetery, attended by more than 300 guests and members of the public, including around 35 D-Day veterans.

One of our stated aims for 2022 was to commemorate the 40th anniversary of the Falklands campaign, and on 14th June, 2022 – the anniversary of the end of the conflict – the RBL hosted the national Falklands 40 commemorative event at the National Memorial Arboretum, which included a live link-up with commemorations in Port Stanley, Falkland Islands, a Two Minute Silence and a helicopter fly-past. The event was hosted by Sir Max Hastings and featured an address by then Prime Minister Boris Johnson.

As part of the event, the RBL hosted an exhibition for veterans, families and civilians, showcasing the work of the wider Armed Forces community and RBL welfare services. It included exhibitors from 15 military museums, the CWGC and the Falkland Islands government, as well as the RBL. Almost 3,000 people attended or participated in the event. The Arboretum also held a free exhibition of war artist Linda Kitson's images from the conflict.

The year ended with the deeply sad loss on 8th September, 2022 of Her Majesty Queen Elizabeth II, Patron of the RBL throughout her long reign. On 19th September, 72 RBL Standard Bearers and eight Standard Bearers from ex-service associations dipped their Standards as our late monarch made her final journey past the Cenotaph, before being laid to rest in St George's Chapel at Windsor Castle.

The next generation

In July 2022, almost 1,000 school students engaged in RBL-led learning activities at the National Memorial Arboretum over a two-day period. The activities explored the contribution of the Commonwealth through our theme of service. Children learnt about the role sport plays in active service and how it supports recovery in veterans. They heard from an Invictus Games athlete and from a serving member of the Armed Forces from the Commonwealth, before taking part in practical activities including an escape room-style challenge, to build collaboration, communication and teamworking skills.

Over the year, the resources on our Teaching Remembrance web pages had 124,470 unique views and almost 14,000 downloads. While this is a reduction on the previous year (during lockdown), it represents a return to teachers and youth leaders downloading materials for classes, rather than individual home use, to engage children in Remembrance through schools and organised activities.

We now have more than 100 materials for use by children aged four to 16. They range from bitesize activities to whole-school projects and can be used in assemblies, book clubs, lessons or at home. All materials are created in conjunction with education partners, including the National Literacy Trust, and are curriculum relevant. In our centenary year, new resources focused on 100 years of Remembrance and explored who, how and why we remember.

Our partnerships with Scouts and Girlguiding raised vital awareness for the RBL, as well as funds. The three-year partnership with Girlguiding has been especially successful, with £206,978 raised for each charity (the RBL and Girlguiding). In 2021/22, 97% of Girlguiding units were again meeting in person and the unit leaders

The Festival of Remembrance at the Royal Albert Hall in November 2021

The Falklands 40 commemorative event at the National Memorial Arboretum in June 2022

were downloading the activities for group work, with 3,000 downloads of Girlguiding Remembrance resources from their site.

Diverse communities

We continued our work with organisations to raise awareness of the shared Remembrance heritage among the diverse communities found in modern Britain, ensuring their history of service and sacrifice is never forgotten.

In October 2021, we partnered with Black History Month for the first time. Our centenary was featured in the official Black History Month magazine (circulation: 50,000) and new content was added to its website under the heading Service and Sacrifice. This comprised 100 stories with photographs of service personnel from the First World War to the present day – all people of African or Caribbean heritage. Through our social media, we reached 121,000 people with this content.

In August 2022, we partnered with South Asian Heritage Month for the second year and created a page on the South Asian Heritage Trust's official website, to showcase the exceptional contribution and inspirational stories of people of South Asian descent to the British Armed Forces. Key figures included Mohinder Singh Pujji, who was awarded the Distinguished Flying Cross in the Second World War. We also highlighted the present-day contribution of this community to the Armed Forces and the emergency services – 10% of our doctors, nurses, paramedics and firefighters are of South Asian descent.

"This year, visitors to the National Memorial Arboretum exceeded 300,000 for the first time since the COVID-19 pandemic"

National Memorial Arboretum

The National Memorial Arboretum is an inspirational, world-class setting, freely open to all. This year, visitor numbers exceeded 300,000 for the first time since the COVID-19 pandemic, reaching 310,555. This was 9% below its peak year of 2019 – it was required to restrict capacity at times throughout the year, including for some major events such as Remembrance Sunday, Ride to the Wall, Armed Forces Day and peak days in the summer.

In October 2021, the Arboretum was awarded its first Green Flag Award, an international quality mark for parks and green spaces. The following month, it was named Best UK Attraction in the Group Leisure & Travel Awards, as well as being presented with a Gold Visitor Attraction Accolade by VisitEngland.

The year saw strong growth in engagement activities across the site. The Illuminated Arboretum trail was a sell-out, with 11,600 tickets sold, and it sold 213 specialist Tailor Made Tours delivered by 25 volunteers. Group packages and corporate hire remained strong throughout the year.

The Arboretum was pleased to see ten new memorials dedicated in 2021/22, including the HMS Sheffield Memorial, Desert Rats Memorial and the RAF Mountain Rescue Memorial. In May 2022, Prince William, the then Duke of Cambridge, Commodore-in-Chief Submarines, unveiled the Submariner Memorial – the first dedicated place for families and shipmates to remember submariners who lost their lives in service. The Prince met veterans and the families of submariners, including 100-year-old Diana Mayes, who was widowed in 1943. Sculptor Paul Day created the memorial and the Prince described it as "a truly fitting memorial to those lost and, sadly, to those who may give their lives in years to come".

In June 2022, the Tree of Cherished Memories, a bronze sculpture by artist Jill Berelowitz, was unveiled, allowing supporters to remember a loved one by commissioning a bronze sculpted leaf or figure dedication to adorn the sculpture.

In July, the Birmingham 2022 Queen's Baton Relay visited the Arboretum and heralded its summer of Sports, Service and the Commonwealth. The programme of activity aligned with the Commonwealth Games and saw the launch of onsite activities to accompany the Sports in Service exhibition, which explored the important role sport plays in supporting Armed Forces personnel and veterans.

By the end of 2021/22, the Arboretum had facilitated formal learning activities on site for more than 16,500 students (including those attending the RBL-facilitated days in July).

Campaigns, policy and research

"We delivered an extensive research project examining the ten-year impact of the Armed Forces Covenant"

Opposite:
Nige Thorpe, Royal Air Force veteran

We are proud of our strong campaigning history and work hard year-round to keep the Armed Forces community's needs high on the political agenda, locally and nationally.

Parliamentary and government engagement

To celebrate our centenary year, the Campaigns, Policy and Research team held events at the 2021 political-party conferences. We highlighted the RBL's campaigning work on behalf of the Armed Forces community and built relationships with key parliamentary and local-authority stakeholders. We were particularly pleased to secure a private meeting with then Prime Minister Boris Johnson during the Conservative Party Conference to discuss the importance of his government's support for the Armed Forces community.

In November 2021, working with our Remembrance team and the Speaker of the House of Commons, Sir Lindsay Hoyle, we established the first Constituency Garden of Remembrance within the Palace of Westminster, enabling hundreds of MPs to plant a cross in memory of their constituents.

We also teamed up again with the Industry and Parliament Trust to hold the Poppy Ride challenge in Parliament, which was supported by 79 MPs.

We responded to 27 wide-ranging policy consultations across government departments, public bodies, local authorities and Select Committees, recommending improvements to policies to better meet needs and mitigate the challenges faced by those we support. One impact of this was the Armed Forces community being identified and offered tailored support when accessing statutory services.

The Armed Forces Covenant

One of our aims was to monitor the implementation of the new Covenant Duty and feed into any review of the Armed Forces Act undertaken by the government.

The Armed Forces Covenant remains a touchstone for our campaigns and influencing work. It is a promise by the nation that the Armed Forces community should be treated fairly and face no disadvantage when accessing public and commercial services, with special provision made in appropriate cases for those who have sacrificed most.

Our One Legion vision is to bring together our nations, communities and individuals to create better futures for our Armed Forces community and their families – government policy plays a crucial role in helping us deliver on this vision.

November 2021 marked ten years since the introduction of the Armed Forces Covenant in UK legislation and a decade since the RBL's successful Honour the Covenant campaign. To mark this anniversary, we delivered an extensive research project examining the ten-year impact of the Covenant on the wellbeing and understanding of the Armed Forces community.

This comprehensive report celebrates progress in understanding, funding and services, and highlights areas for improvement to ensure the Covenant is fit for the next decade. It calls for renewed attention on the Covenant's key principle (supporting 'special consideration' of the Armed Forces community in certain circumstances), reinvigorated governance arrangements and enhanced efforts to improve public and military understanding of the Covenant.

The Armed Forces Act 2021 received Royal Assent on 15th December, 2021, with a new Armed Forces Covenant Duty coming into effect in November 2022. The RBL made strong representations to government to ensure meaningful guidance for councils and other public bodies to support the new Duty.

We also wrote to all 2,300 local councillors newly elected in England in May 2022, helping them to understand their role in upholding the principles of the Covenant.

While the new Duty puts the promise of the Covenant on a legal footing for the first time, UK government departments are exempted. The RBL continues to argue the law should be extended to include them, which, as a survey for our 2021 review of the Covenant showed, is a belief supported by the majority of the public. We will monitor the impact of the Duty closely through 2023 and beyond.

ONS Census

The year 2022 saw the long-awaited successful outcome of our Count Them In campaign, with the Census for England and Wales in 2021 recording the number of Armed Forces veterans for the first time. Thanks to this campaign, supported by RBL members and supporters across the UK, we now know there are 1.8 million veterans in the UK – almost 1 in 25 (3.8%) of the population.

The Office for National Statistics will publish further valuable Census information in 2023, enabling us to build a comprehensive picture of the demographics, employment, housing and financial situation of the veteran population in England and Wales. This will also help us to ensure statutory and voluntary service providers deliver the best care and support for our Armed Forces community.

Stop the Service Charge

Another of our aims for 2022 was to conclude our Stop the Service Charge campaign, which we began in 2019.

This campaign, which saw us working with Bath and England rugby star Joe Cokanasiga and other Commonwealth veterans, called for the removal of visa fees for those who have served in HM Forces.

In February 2022, the government agreed that Commonwealth veterans who served for at least six years, or who have been medically discharged, will no longer have to pay visa fees to remain in the UK.

Previously, to remain in the UK after leaving service, Commonwealth personnel and Gurkhas who had served in the UK Armed Forces and their families were required to apply for Indefinite Leave to Remain (ILR), costing £2,404 per person. This caused severe financial hardship, with veterans and families unable to access housing, employment or health services and at risk of deportation.

While we welcome this very important step, we continue to ask government to go further and scrap these charges for the immediate family members of Commonwealth veterans.

Benefits

In September 2020, we published our Making the Benefits System Fit for Service report, which revealed structural disadvantage within the benefits system for the Armed Forces community. In 2021/22, we planned to launch a campaign to advance the recommendations in this report.

While some benefits rightly disregard military compensation as income, others, such as Pension Credit, do not, meaning some veterans must give up compensation in order to access essential financial support. We believe veterans should receive the same support as their civilian counterparts.

We maintained engagement with the Department for Work and Pensions (DWP) and benefits-assessment providers, advocating for the Armed Forces community and supporting Armed Forces Champions across the DWP network to identify and respond to the community's specific needs and challenges.

Between April and August 2022, we issued Freedom of Information requests to every local authority across England, Wales and Scotland to determine how means tests for locally administered benefits treat military compensation. We also engaged local councillors at the Local Government Association Annual Conference to discuss how councils treat military compensation when assessing for locally administered benefits (Council Tax support, Disabled Facilities Grants and discretionary housing payments). We will use this information to campaign for means-tested benefits never to treat Armed Forces compensation as income.

The Armed Forces community faces difficulties created by the rising cost of living that is affecting the wider UK community. We engaged with parliamentarians and councillors to highlight these challenges and organised an event with 60 MPs to promote our Cost of Living Grants to their constituents. We hosted this event on 18th October, 2022. In January and July 2022, we also delivered new caseworker training to support MPs' staff to understand local services available to the Armed Forces community.

Veterans' Strategy Action Plan

The RBL also engaged with the Office for Veterans' Affairs (OVA) to feed into the implementation of the government's Veterans' Strategy Action Plan and ensure it meets the needs of the Armed Forces community.

We continue to work closely with the OVA as it implements the Plan, working collaboratively to shape its research and data strategy, promoting its Veterans' Survey and sharing insight developed from the Census data.

LGBT review

One of our diversity and inclusion commitments is to enable everyone to reach their potential and receive the service or recognition they deserve. We have also committed to showcasing diverse role models and celebrating our differences, working with key stakeholders and partners to share best practice.

We strongly welcomed the LGBT Veterans Independent Review into the experience of Lesbian, Gay, Bisexual and Trans veterans who served between 1967 and 2000, during the ban on LGBT service personnel – a crucial opportunity for government and charities to improve services and address past decisions that failed to meet the needs of LGBT veterans in the UK. We have worked with veterans affected by the ban and made a submission to the Review. We also promoted the Review to our members, beneficiaries and charity partners. The Review will report and make recommendations in May 2023.

Manifesto development

In May 2022, we launched our Manifesto 2024 project at our Annual Conference, beginning a process of significant stakeholder engagement to inform our policy proposals for the next general election. This builds on our previous manifestos for elections at all levels of government, highlighting key issues and opportunities related to the Armed Forces community.

Support for carers

This year, we engaged MPs, All-Party Parliamentary Groups and councillors on the key findings of our 2021 carers report, Unpaid Carers in the Armed Forces Community, working to ensure carers in the Armed Forces community are identified when accessing local services and appropriate services are developed to meet their needs.

"We launched our Manifesto 2024 project, beginning a process of significant stakeholder engagement to inform our policy proposals for the next general election"

Darren Fuller was among the veterans painted to highlight the RBL's Count Them In campaign

Membership

George Jarvis,
RBL member

"Membership exists so our Armed Forces family has friends and allies standing by them in every community"

We delivered our membership engagement survey in February 2022. This helped to ensure we are making informed decisions based on data and insight, which is one of the guiding principles of our One Legion strategy. The survey showed:

- 78% of current members are satisfied with their membership
- 90% are likely to renew next time
- 85% agreed that membership was easy to renew
- Those who joined in the past five years are the most satisfied
- 81% of members felt their overall connection to the RBL is important to them
- 71% said membership presented good value for money

We closed the year with 202,000 members, which was a 0.5% increase on the previous year. While this is good news, we believe the COVID-19 pandemic skewed our figures: early lockdown saw a greater rate of decline in membership, which was followed by a greater number of members returning, hence the small increase in 2021/22 compared to the previous year.

Membership numbers are in long-term decline and the average age is increasing, with a branch model that is struggling to engage and attract younger and more diverse members. Succession planning is becoming increasingly difficult for our branches, and there is inconsistency in the member experience delivered at that level.

Membership needs a unique offer that sets it apart from other RBL activities such as fundraising, volunteering and donating. We need one single-minded, powerful value proposition to attract and retain members.

Future-proofing membership

To ensure we have a sustainable membership model, we started to set out our thinking about the future. From the outset, there has been engagement with members in this process, and this continued at all stages and at all levels across the year. This ensured steady progress while also providing members with the opportunity to give input and support as the thinking develops.

Interviews were conducted with key stakeholders, branches and clubs, and there were regular meetings involving the Board of Trustees, Membership Council and the Comradeship working group. The 2022 engagement piece also extended to County Conferences, Annual Conference and County Chairs Seminars.

Membership purpose and value

We have now clarified the purpose of membership and the value members bring to the RBL, which was approved by the Board of Trustees in May 2022. This is important, as it sets out a clear direction for membership and forms the basis of the membership proposition and offer.

The purpose was clarified as follows: "Membership exists so our Armed Forces family has friends and allies standing by them in every community."

This is designed to be personal, inclusive and welcoming, and it gives a sense of belonging through comradeship and friendship, where community could be local, national or overseas.

We are a charity, here to serve our beneficiaries – members, along with staff and other volunteers, have an important role to play in this. The value members bring to the RBL is defined as: "extending across Remembrance, fundraising, kindness, knowledge, camaraderie and campaigning".

We have also made good progress on the membership offer as we continued to answer some difficult questions and address complex issues. Across the year, we explored individual membership, where it is optional to join a branch, club or special-interest group. This includes opening a new digital channel as a route into membership, which would complement our branches and their traditional recruitment activities through 'member get member'.

This hybrid approach would create a pipeline of younger and more diverse members who, through personalised messaging and communications, would be encouraged to join our branch and club network.

Supporting our members in building diverse and inclusive communities is one of the commitments of our One Legion strategy.

Branch Community Support

Through Branch Community Support (BCS), members of local branches can help us reach out to beneficiaries, so this year, we aimed to increase the number of branches participating.

Alongside the membership offer, we wanted to develop the BCS offer so it is clear where this sits. We have defined it as: "providing valuable support and kindness to our beneficiaries".

Left: Karen Annette Hutchings, Secretary of Okehampton Branch, and Darren Kelly, British Army veteran and Chairman of Okehampton Branch, at a membership meet-up

"A review was conducted to ensure counties and branches were properly supported, with a focus on relationship building and member retention and engagement"

The Membership Engagement team also has an important role to play in increasing the take-up of BCS by branches, and throughout the year, we reviewed roles and responsibilities to ensure Membership Support Officers (MSOs) provide consistent and effective support in this area.

Through the BCS working group, we delivered an improved training package to ensure we have a better-trained and skilled cohort of BCS supporters, and we have improved our data so we have a clearer picture of our branches involved in BCS.

Noting that we had a huge surge in numbers of BCS supporters during the pandemic and we are now returning to a more 'business as usual' position, we currently have 848 branches registered for BCS that are active.

Membership engagement

As part of our One Legion approach, to help us work better together, on 1st March, 2022, the Membership Support Officers (MSOs) were successfully transferred into the membership directorate from Services and Support under a new Head of Membership Engagement, with an accompanying temporary management structure.

Over the following months, a review was conducted to ensure counties and branches were properly supported, with a focus on relationship building and member retention and engagement.

By 1st December 2022, we will have a regional team in place, including Membership Engagement Managers (MEMs), Membership Engagement Officers (MEOs) and Membership Engagement Administrators (MEAs).

We also delivered our first in-person and virtual Annual Conference in May 2022 at the Queen Elizabeth II Centre in London, and we continued other events across the year, including membership meet-ups and County Chairs Seminars.

Volunteers and staff

Sultan Sulmy and his son, of the Ahmadiyya Muslim Youth Association, volunteer Poppy Collectors

Amy Cotterell, Wellbeing Assistant at Galanos House, an RBL care home

Reflecting the diversity of our nation and being inclusive is core to our One Legion mission. We want everyone involved with the RBL to feel proud to contribute to or be part of a diverse and inclusive organisation.

In line with this strategy, this year we published our first Diversity & Inclusion (D&I) Action Plan, promoting this to members and staff and highlighting our commitment to D&I externally on our website.

All members of our Board of Trustees took part in an inclusive leadership workshop to engage and inform about their roles and responsibilities in D&I. We also introduced specific learning and development for staff on D&I, including implicit-bias training.

We established five staff networks to connect and empower staff: Women, BAME, LGBTQ+, Disability and Carers.

We had a strong RBL presence at several Pride events during summer 2022, including Brighton, Birmingham and Manchester, celebrating our LGBTQ+ community.

We also streamlined and improved our processes for disabled staff accessing reasonable adjustments.

Opportunities for volunteers

Our volunteers continued to provide essential support to the RBL throughout 2022.

One of our 2022 aims was to develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.

We were pleased to have reintroduced many of our volunteers to their roles following the pandemic. In particular, volunteers returned to the National Memorial Arboretum, and a number of our care homes began welcoming volunteers back.

Volunteers came out in their thousands to ensure the 2021 Poppy Appeal in November was a great success. To build on this, we revamped our attraction and expression-of-interest process on the RBL website, allowing people a more streamlined route to apply for Poppy Appeal volunteering.

We also worked to ensure our volunteers are safer from online fraud – during their volunteering as well as in their everyday life – through our Cyber Security Awareness training. This has been integrated into our volunteer-learning programme for annual refresher training.

To ensure that volunteers can continue to provide a more secure service to our beneficiaries, we enhanced volunteer

access to RBL email accounts, providing training and a learning portal to give our volunteers the skills to work online more securely and effectively.

We also improved corporate communications with our volunteers through new digital channels, distributing a regular Volunteer Voice newsletter so our volunteers can learn more about all the work the RBL does to support the Armed Forces community and understand how volunteering makes a positive impact on our work.

Retaining talent

We aimed to develop our processes and associated salary and benefits to meet the needs of a challenging recruitment market and to retain talent.

In a year when many industries have seen increases in turnover and an increasingly difficult recruitment market, we have sought to remain relevant to our sectors.

In April 2022, the RBL introduced a new approach to pay across all our staff groups. This was designed around the ambition of paying a fair wage for work and includes a pay-grading system, with pay progression within each grade.

The pay framework was benchmarked against both the charity and not-for-profit sector to ensure we positioned ourselves competitively.

The new approach provides transparency and consistency across our pay framework for all staff and for candidates interested in working for the RBL.

Within our care homes, we introduced several further initiatives to help with attraction and retention. These included an attraction bonus for new starters; the reintroduction of the refer-a-friend scheme for care-home staff; a loyalty payment in May 2022 for existing staff, following their hard work during the pandemic; and an interim pay increase in January 2022 of 3% across all care-home staff.

The increases (including the interim 3% award in January) resulted in an overall average increase of around 7.0%, varying from 5.9% to 7.6% by grade.

In addition, in light of the economic crisis, a cost-of-living payment of £750 was paid to staff below a certain pay level. This applied to more than 70% of our staff in October.

Attracting new staff

We undertook a root-and-branch review of our resourcing strategy and identified some ways to improve.

We started coaching hiring managers in how to recruit in a candidate-driven market – encouraging the managers and their teams to share jobs in their social networks to increase awareness.

We established the practice of shortlisting and interviewing during the advertising period, reserving the right to close ads early to help reduce candidate drop-out. In addition, we challenged hiring managers to consider the real minimum requirements of a role and focus on how they could address gaps through rapid training on commencement.

We improved the format of adverts to drive search-engine optimisation and increase attractiveness of ads to a wider range of prospective candidates. We implemented a job-board system, which helped to reduce the workload associated with posting jobs on multiple advertising sites and increased the number of advertising platforms. This included specialist platforms aimed at underrepresented groups, therefore expanding the potential candidate pool.

We expanded (and reshaped) the Resourcing team to provide better advisory support and started continuous improvement work on processes and capability.

Focusing on people

Ensuring that we are using the right people with the right expertise and skills across the charity is one of the guiding principles of our One Legion strategy.

To deliver our People Strategy, the People Directorate (formerly HR) conducted a full review of its operating model, structure, roles, customer climate, data focus and process efficiency.

The model has been brought to life through revised Director roles, accountabilities and behaviours that drive a customer-centric service, which is key to our One Legion strategy.

We have developed and implemented a Shared Service Centre that provides consistency of administration; employee relations; and designated subject-matter experts in equality, diversity and inclusion, learning and development, organisational development, culture, pay and benefits, and resourcing.

We have introduced a Business Partner model of service delivery, with each directorate now having a dedicated resource in one role to work closely with senior management to understand the directorate's strategic needs and how to support it with high-quality people solutions.

An integrated volunteer programme was also introduced, which provides a blended approach to resourcing and creates new opportunities to engage with a wider community of stakeholders who wish to be part of the RBL.

Bringing together good processes, systems and skills will help ensure our customers experience one professional, high-quality organisation that is clear about what it stands for.

"Ensuring that we are using the right people with the right expertise and skills across the charity is one of the guiding principles of our One Legion strategy"

Fundraising

Opposite: Poppy Appeal Organiser Jill Merrett

We have been dependent on the goodwill and support of the public since 1921, to ensure we can provide the essential welfare services needed by our beneficiaries. It is thanks to the time given by our fundraisers and volunteers and the donations of our supporters that the vital work of the RBL can continue.

A return to the streets

Raising income to deliver integrated, sustainable and cost-effective services is one of the key ways we work to deliver our One Legion strategy.

Our focus for the 2021 Poppy Appeal was to try to minimise the ongoing impact of COVID-19 while ensuring that communities across the country could donate and take part safely in Remembrance activities during the Appeal.

Despite disruption because of regional and national lockdown, and significantly lower footfall in towns and cities, we raised £42.2 million, including £4 million via contactless terminals. None of this would have been possible without the amazing support and help of our volunteers, partners, members and community groups, who once again helped ensure that the British public could show their support for our Armed Forces community.

Overall, we are very pleased to report that through the efforts of all our fundraising activities, including the Poppy Appeal, we raised £124.5 million in the financial year ending September 2022. This exceeded our aim of reaching £100 million, as set out in last year's Annual Review.

"It is thanks to the time given by our fundraisers and volunteers and the donations of our supporters that the vital work of the RBL can continue"

Our Gift in Wills and Legacies programme continued to show growth last year, delivering £28.1 million – £5.4 million more than was anticipated. This helped us mitigate downturns in many of our other income-generation channels, including events, philanthropy and our regular supporter programmes, which, alongside those of other charities, were affected by the economic impact of last year. Our investment in providing more than 5,000 contactless donation terminals for the 2021 Poppy Appeal saw more than £3.6 million raised via this growing way to give.

Despite the external challenges and as a result of savings we made in our fundraising-delivery operations, we delivered an £89 million net contribution to the RBL, which was £3 million more than originally forecast. This result was only possible thanks to the commitment of our staff and volunteers in working together in the spirit of One Legion to provide the funds to support the range of services we need to offer our many beneficiaries today.

A new strategy

This year, we have designed, developed and established a new fundraising strategy that will meet our aim, as described in last year's review, to provide longer-term sustainable fundraising. The new approach focuses on the three core areas of our income-raising activity: the Poppy Appeal, our Individual Giving (regular supporter) programme and our growing Gift in Wills and Legacy work.

The new Three Giants (Poppy Appeal, Individual Giving and Legacies) Fundraising Strategy was approved by the Executive Board, Finance Committee and Board of Trustees in April 2022, and since then, we have been implementing the changes to move our fundraising to be more focused on this central and clear strategic need.

We are restructuring our fundraising teams to better help deliver the new strategy while also keeping a careful eye on maintaining our current income-generation work. Using our existing staff, we are establishing a refined set of teams to help protect and strengthen these Three Giants.

Economic impact

The foundation of our new fundraising approach is a move to be more led by what our supporters tell us. This crucial shift from good to great audience-led fundraising was one of our key aims for this year. We have more than 503,000 engaged fundraising supporters, but this is declining (526,000 last year) due to economic events, and we are improving our communications, permissions approach and offerings to help recruit and retain more supporters.

This year, we have seen volatile supporter and company responses to the impact of the cost-of-living crisis and also the Ukraine war emergency appeals. We are not alone. Charity donations have declined 15-20% this year across the top 30 charities, so we must adapt to stand still, let alone grow. We have coped well in these challenging circumstances and delivered a higher return in fundraised income, but we must remain front of mind for both our current loyal supporters and those we will need to recruit and ask to donate in the years ahead.

Anniversaries and then a respectful pause

In the summer of 2022, we recognised the 40th anniversary of the Falklands conflict and provided a range of merchandise for

Left: Poppy Collectors Alicja Komar and Claire Lane

Opposite: An installation at the National Memorial Arboretum made up of handwritten messages from supporters

sale on our Poppy Shop website. For a special-edition fundraising-supporter mail campaign, we also commissioned a piece of artwork by Linda Kitson, a renowned artist who was present during the conflict in 1982. Supporters kindly sent in handwritten message cards as part of the artwork collage, which was displayed at both the National Memorial Arboretum and in the Falkland Islands themselves. This creative approach was shortlisted for a charity award later in the year.

We marked the Platinum Jubilee of Her late Majesty Queen Elizabeth II in June 2022, and produced a limited-edition pin badge and a selected range of retail merchandise.

As news broke of Her Majesty's sad passing on 8th September, we respectfully paused virtually all fundraising activity, only resuming after the period of national mourning and the state funeral.

Positive change

As the financial year drew to a close, we saw some positive movement in both individual and corporate engagement to support the RBL.

While there remained clear signs that companies were limiting their charitable-giving programmes and cause-related product sales were down 17.5%, our supermarket partners, including Sainsbury's, Tesco and Morrisons, emerged from the pandemic lockdowns with a refreshed energy to support us ahead of the 2022 Poppy Appeal.

Having raised £20 million over 15 years, our long-running partnership with Coventry Building Society ends this year with a final campaign offering a £5 donation for every new account opened, which is set to raise £100,000. Strategic corporate partnerships such as this are extraordinary, and we are incredibly grateful to the staff and customers of Coventry Building Society for supporting the RBL and helping us to provide essential help for individuals leaving the Armed Forces and embarking on new careers.

Our events programme was understandably hit by COVID-19 restrictions at the end of 2021, but by diversifying our offering and moving to an online DIY event opportunity via Facebook Challenges, we raised more than £100,000. Our fundraising events bounced back into public life after March 2022, and we conducted more than 25 live events, with more than 11,000 individuals taking part.

None of this fundraising happens without our loyal supporters and donors, dedicated volunteers and committed staff. We are proud of the place the Royal British Legion holds in society, enabling us to reach the people we need so that, in turn, we can provide the support our beneficiaries need.

To all who donate, give time and support in many other ways, thank you.

Aims set out in the 2021 report

We said we would develop and deliver a longer-term fundraising strategy that helps us move from 'good to great audience-led fundraising' and raise more than £100 million in the financial year 2021/22.

We now have a new strategy that meets this aim and we raised £124.5 million.

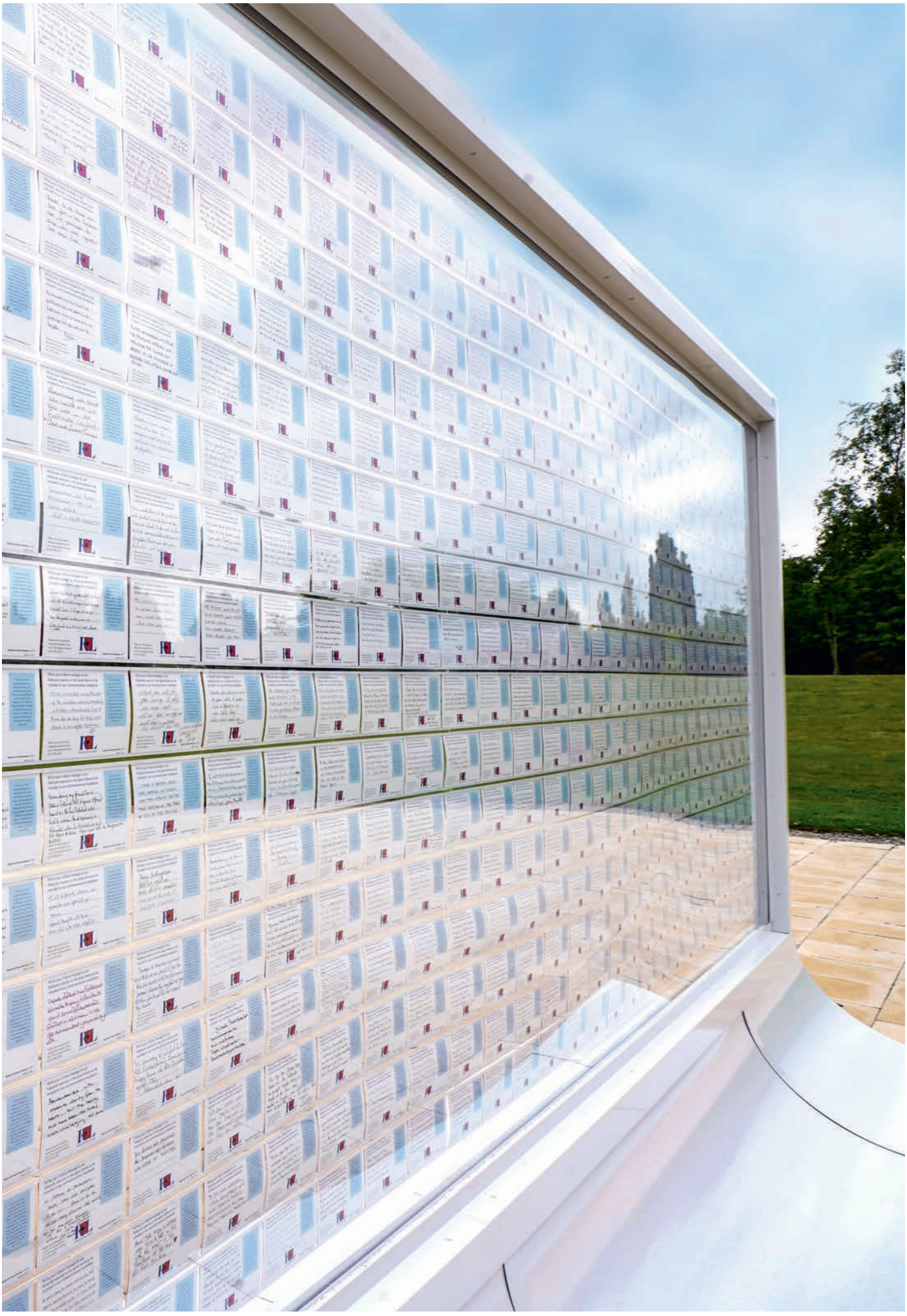
We said we would return to our volunteer and community-led Poppy Appeal activities post-pandemic and grow our Poppy Appeal Organisers network.

The 2021 Poppy Appeal raised £42.2 million only because our thousands of volunteer Poppy Collectors and valued Poppy Appeal Organiser cohort returned to the public environments that allow the biggest appeal collection in the country to take place. In 2021/22, we had 3,765 Poppy Appeal Organisers, Deputy Poppy Appeal Organisers and Joint Poppy Appeal Organisers (3,885 in 2020/21).

There are, however, continuing challenges in recruiting new Poppy Appeal Organisers post-pandemic, and work is underway to provide more support and alternative solutions to ensure the Poppy Appeal can remain highly present through advances in contactless technology and online-giving options. Our volunteers have always been and will remain the crucial element of the Poppy Appeal.

We said we would develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.

We have not enhanced our fundraising volunteer opportunities beyond the Poppy Appeal activity mentioned previously, partly due to pandemic restrictions, but also due to the need to firstly adopt our new fundraising strategy. We are particularly excited about the potential for volunteer Business Ambassadors to help us engage companies and corporate partners. This will continue into the key aims for next year.



Responsible fundraising

The Royal British Legion's approach to fundraising is driven by three key fundraising principles:

- **Accountability** Our own and third-party fundraisers are required to ensure that their fundraising is delivered to the Fundraising Regulator's standards. We will only work with third parties who share this commitment.
- **Fairness** We set out to treat all members of the public fairly. We try to explain clearly how donations can be made, how regular donations can be stopped and how supporters can change their communication preferences.
- **Respect** We respect our supporters' privacy and we continue to make use of the Mailing Preference Service and the Fundraising Preference Service.

The RBL is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We always aim to comply with the Fundraising Code of Practice and we make appropriate use of the Fundraising Regulator logo on our fundraising materials. Our Fundraising Promise is published on our website and we continue to utilise our 'Fundraising Compliance' e-learning module as part of our inductions for new fundraising staff. This year, the RBL has been fundraising in accordance with all of the relevant schemes and standards and as such has not reported any breaches of the Fundraising Code of Conduct.

We also set out to comply with UK data-protection legislation. During 2022, we ran further data-protection exercises and refreshed all fundraising staff through online data-protection training. The RBL is committed to ensuring that our supporters' rights under the GDPR are protected and that they are given genuine choice in how they hear about our work. In 2022, we refreshed the marketing preference statement on the donation page of our website. We worked with focus groups to ensure that our supporters could clearly understand their options with regards to future marketing from the RBL. In 2023, we plan on introducing a process whereby this statement will be annually reviewed and improved, with a view to continually improving the levels of transparency and comprehension when we are collecting marketing preferences.

Our approach to complaints is that they are an opportunity to better understand our supporters, which is why currently any expression of dissatisfaction by a supporter is recorded as a complaint and features in our annual complaints returns to the Fundraising Regulator and Gambling Commission. In 2021/22, the number of complaints relating to fundraising activity was 670. This number has increased from 2020/21, in which 641 were recorded. The largest category of complaints derives from 'Addressed Postal Mail', representing 45.8% of the total. We are continually looking to improve the way that we record complaints to ensure that feedback is shared and reported on frequently and effectively for the benefit of our fundraising teams and supporters. Work is set to continue in this field in 2023.

We recognise that we have an obligation to protect those who may be in vulnerable circumstances. We do this in a way which strikes a balance; setting out to protect potential donors while also being respectful of any desire they express to support us. During 2022, we required all staff to complete refresher e-learning courses on both Safeguarding Adults and Children.

The RBL is committed to protecting children and vulnerable adults from being harmed by gambling, and therefore, our 'Supporters in a Vulnerable Circumstance' policy was reviewed and updated to reflect changes in legislation/best practice and we continued to advertise Gambling Support resources on all our Lottery and Raffle marketing materials.

Some of our fundraising activity is carried out by our own staff, some by volunteers, and a small proportion is delivered by professional fundraising agencies. All commercial third-party fundraisers are contractually obligated to be registered with the Fundraising Regulator. The RBL conducts its own Mystery Shopping exercises for all face-to-face agencies that partner with us. The RBL listens to a proportion of all the fundraising calls made on our behalf by third-party fundraising agencies, monthly. We work in partnership with the professional fundraising agencies that we employ. We visit their premises regularly to provide training on our standards as well as 'train the trainer' to ensure our standards can be made clear to new fundraisers and refreshed with existing fundraisers who are representing us. The level of monitoring and training is proportionate to the respective agency's performance. This is determined during weekly status calls and quarterly review meetings.

Registered with FUNDRAISING REGULATOR

"We are so grateful for all donations that we have received over the past year from companies, trusts and individuals"

Thank you to our major supporters

We are so grateful for all donations that we have received over the past year from those companies, trusts and individuals who have so generously supported us.

Your support for the Armed Forces community helps us to fight for them, campaign for them and remember their unique contribution. Our life-changing work would not be possible without our supporters' commitment and generosity.

In particular, we would like to thank the following, who have donated £20,000 or more in financial contributions or through in-kind support during 2022:

288 Group Ltd – Westminster Collection

AmazonSmile

Anpora UK

Britvic PLC

Cash4Coins

City Veterans CIC

Coventry Building Society

Dartmouth Brands

Fairfax & Favour

Girlguiding

Golden Charter

Greenwich Hospital

Insignia16 Ltd (Poppies4Kits)

Marks & Spencer

PayPal Giving UK

Pets at Home

QVC

Revolut

Sainsbury's Group and its Subsidiaries

Sky Group

Sophos Ltd

The Premier League and its member clubs

Every year, our branches and clubs undertake their own fundraising in support of the Royal British Legion, and we are grateful for their generosity, passion and commitment. **Thank you.**

Aims for 2023

Membership

- Continue to explore individual membership and focus on comradeship and friendship.
- Create a growing pipeline of younger and more diverse members who can be encouraged to join branches, clubs and special-interest groups.
- Present a modern and progressive membership offer that delivers a much-improved and personalised member experience.
- Build and support the active and successful branches with a focus on Branch Community Support (BCS) and other activities and events that reach out into the local community.
- Support, develop and encourage traditional branch recruitment activities through 'member get member'.
- Improve branch compliance using the strengthened membership engagement team, as well as wider support from the RBL.

Welfare

- Increase capacity in our caseworking and specialist teams, aiming to support 10% more people.
- Provide financial help for the hardest-hit members of the UK Armed Forces impacted by the cost-of-living crisis in the UK, with support becoming available online and via our casework.
- Implement our plans to make things easier for people reaching out for support with our programme 'Improving Beneficiary Journeys', making changes to make the experience better and easier.
- Our Invictus Team UK recovery programme will successfully deliver a team of UK Armed Forces wounded, injured and sick competitors and a Friends and Family programme to the Düsseldorf Games in September 2023.
- Introduce electronic care planning, medication management and nurse call systems to all our care homes and continue our building-upgrade works.

Remembrance

- Develop our first unified Remembrance strategy between the RBL and National Memorial Arboretum.

Fundraising

- Complete the implementation of the new 'Three Giants' Fundraising Strategy and team structure to provide a longer-term view of sustainable income to meet the needs of the RBL.
- Improve our ability to contact more of our new supporters by establishing clearer communication permissions, to help grow our overall fundraising supporters to more than 607,000.
- Raise £50 million in the 2022 Poppy Appeal and £50 million from the broader fundraising activity in year.
- Promote the value of our Gift in Wills and Legacy donations across the RBL and establish more fundraising volunteering engagement opportunities, to include Business Ambassadors.

People, organisational development and volunteering

- Continue the progress of our cultural-evolution programme, to enable closer working across teams and communities, and create stronger networks.
- Continue our agenda of commitment to diversity, inclusion and equality; attainment of the Disability Confident award; awareness raising for our staff, leaders and Board members, with strong threads into our planning and operational delivery.

Campaigns, policy and research

- Build on the data emerging from the Census to deliver an annual review of the size, needs and profile of the Armed Forces community.
- Build the evidence and produce a general election manifesto that powerfully makes the case for a better deal for our Armed Forces community.
- Scrutinise the impact of the local Covenant Duty and influence the implementation of the Veterans Strategy Action Plan to ensure it delivers meaningful improvement to serving personnel and veterans.

Board of Trustees

Lieutenant General (Retd) James Bashall CB CBE
National President

James retired from the Regular Army in 2018 following 34 years' service, including tours in Germany, Afghanistan, Iraq, Libya and South Armagh. He later held the posts of Chief of Staff at Permanent Joint Headquarters, Director of Personnel at Army Headquarters and Commander Home Command, overseeing the support elements from training to welfare.

Jason Coward
National Chair

Jason was elected National Chair in May 2022, but has been on the RBL Board of Trustees since May 2014. He has a commercial background in marketing and communications. His RBL experience includes three years as Chair of the Membership Council and Chair of Poppyscotland, and he now chairs the Governance & Nomination Committee.

Lynda Atkins DL
National Vice Chair

Lynda was elected National Vice Chair in May 2022, having previously served as a Trustee between May 2019 and March 2022. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She served as an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda is a member of the Governance & Nomination Committee.

Rodney Bedford

Rod served for 19 years in the Grenadier Guards and then for 18 years in the Kent Police. Rod was previously elected to the Membership Council, on which he served two terms of three years. He was elected to the Board of Trustees in May 2017, and is a member of the Finance Committee and Trustee of the National Memorial Arboretum. Rod is the Royal British Legion member of the Board of Liberation Route Europe and currently runs his own company in France.

Heather Spence

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. She was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times before retiring from competitions in 2014. Heather serves on the Board of Trustees as Chair of the Women's Section and is a member of the Care Services Committee.

Garry Mills

Garry was elected to the Board of Trustees in April 2022. He has served in the Ulster Defence Regiment, the Corps of Royal Military Police and the Royal Ulster Constabulary GC. Following a successful career in international management consultancy, Garry moved to the third sector, specialising in welfare rights, welfare benefits and money advice. He is currently an advocate in employment legislation. Garry is a member of the Audit & Risk Committee and the Branch Property Trusts Trustee Committee.

Paul Harris QGM

Paul was co-opted as a Trustee in February 2018, elected in May 2019 and re-elected in May 2022. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He is a member of the Audit & Risk Committee and Governance & Nomination Committee; a Trustee of Poppyscotland; and Chairman of the Board of Trustees for Royal British Legion Republic of Ireland.

John Boisson

John was elected on to the Board of Trustees in May 2022, after serving three years on the Membership Council. As a civil servant, he commands Lincolnshire Air Weapons Ranges RAF Holbeach and RAF Donna Nook. John also serves in the Army and has so far completed 36 years' service in the Guards Division – 34 years full time, and the past two years as a reservist. John chairs the Membership Council.

Philip Moore TD

Philip was appointed as a Trustee in 2014 and re-appointed in 2017 and 2020. He was a Finance Director for nearly 20 years. He is now a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Connells Ltd, and a Governor of North Hertfordshire College. Philip chairs the Finance Committee.

Anny Reid OBE

Anny was elected as a Trustee in May 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the past four as Chair of its trust. Anny chairs the Conference Committee, is Chair of the Board of Trustees for the National Memorial Arboretum and is a member of the Care Services Committee.

Debbie Sorkin

Debbie was appointed to the Board in June 2018. She is National Director of Systems Leadership at the Leadership Centre, a charity working to strengthen leadership across public services. Debbie has extensive experience in the NHS and social care. She leads for the Board on care and safeguarding, chairs the Care Services Committee and is a member of the Audit & Risk Committee.

Elizabeth Butler FCA

Liz was appointed to the Board in June 2018. In addition to being a chartered accountant, Liz has a portfolio of non-executive roles, including Board member and Chair of the Audit & Risk Committees of the Regulator of Social Housing and Kent & Medway Integrated Care Board. Liz chairs the Audit & Risk Committee and is a member of the Finance Committee.

Helen Owen

Helen was elected to the Board in May 2020. She is Evaluation and Monitoring Director at the charity GambleAware and has held non-executive roles, including Governor, at the University of Westminster. Helen is Chair of the Board of Trustees of Poppyscotland.

Monica Risam

Monica was appointed to the Board in October 2020. She is Group General Counsel of the Lombard International Group, a non-executive member of the Elton John AIDS Foundation's Finance and Investment Committee and a Governor of The Legal Education Foundation. Monica is a member of the Governance & Nomination Committee.

Tony Goodwin BEM

Tony was elected to the Board of Trustees in 2020. He served in the Royal Air Force for almost 40 years. Tony was previously elected to and served for three years on the Membership Council. He is currently a member of the Care Services Committee and the Branch Property Trusts Trustees Committee. Tony resigned from the Board in February 2023.

Patsy Wilkinson CB

Patsy was appointed to the Board in December 2021, after a senior government career in national security. She is also a non-executive director and adviser. Patsy is a member of the Governance & Nomination Committee, Vice Chair of the Membership Council and a Trustee of the National Memorial Arboretum.

Major (Retd) Una Cleminson BEM TD

Una retired as a registered General Nurse in 2012 and was a Major in the Territorial Army. Una has been a member of the RBL since 1971 and was previously a Trustee between 2010 and 2012. Una resigned from the Board in May 2022.

Lieutenant Colonel (Retd) Joe Falzon OSJ BEM

Joe served in the Royal Regiment of Artillery for 37 years before joining the RBL as Head of Policy and Administration in 2001. He took early retirement in 2010, and was then elected as a Trustee in 2014 and re-elected in 2017. Joe was appointed the National Vice Chair in 2019. Joe resigned from the Board in May 2022.

Lieutenant Colonel (Retd) David Whimpenny

David was elected as a Trustee in 2013 and was re-elected in 2016 and for his final term in 2019. He was commissioned from the Royal Military Academy Sandhurst in 1985 and retired from the Army in 2017. David resigned from the Board in May 2022.

Board of Trustees

Co-opted Members

The Trustees would like to recognise the support given by the following co-opted members, who bring their special expertise to the boards and committees on which they sit:

Vanessa Donegan
Anthony Macaulay
Jenny Rowe
Dr Jonathan Wittmann
Naim Moukarzel

National President
Lieutenant General James Bashall CB CBE

National Chair
Jason Coward

National Vice Chair
Lynda Atkins

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee
Elizabeth Butler (Chair)
Paul Harris
Garry Mills
Debbie Sorkin

Finance Committee
Philip Moore (Chair)
Elizabeth Butler
Rodney Bedford
Vanessa Donegan
Dr Jonathan Wittmann

Governance & Nomination Committee
Jason Coward (Chair)
Lynda Atkins
Paul Harris
Monica Risam
Patsy Wilkinson

Conference Committee
Anny Reid (Chair)
Gordon Barker
Philip Davies
John Gilmore
Grant Parrott

Branch Property Trusts Trustee Committee
Jenny Rowe (Chair)
Tony Goodwin (to February 2023)
Anthony Macaulay
Garry Mills

Care Services Committee
Debbie Sorkin (Chair)
Tony Goodwin (to February 2023)
Anny Reid
Heather Spence

Membership Council
John Boisson (Chair)
Patsy Wilkinson (Vice Chair)
Hugh Ashton-Moore
Gordon Barker
Albert Bell
Michael Challinor
Bob Chambers
Emma Cox
Philip Davies
Dilys Hooper
Bob Howard
Steve Lewis
Gerry Nunn
Kelly Slark
David Street
David Swann
Ken Terry
Philip Walden

Executive Board

Director General
Charles Byrne

Chief Operating Officer
Daniel Oppenheimer

Executive Director: Services
Antony Baines

Executive Director: Marketing, Fundraising and Remembrance
Gary Ryan

Executive Director: People & Organisational Development
Karen Gill

Executive Director: Membership
Janet Talman

Consultants and Advisors

Bankers
Lloyds Bank
Charities
4th Floor
25 Gresham Street
London EC2V 7HN

Independent Auditors
Deloitte LLP
1 New Street Square
London EC4A 3HQ

Investment Managers
Cazenove Capital
Management Limited
12 Moorgate
London EC2R 6DA

Legal Advisors
Withers
16 Old Bailey
London EC4M 7EG

Women's Section

Chairman
Heather Spence

Vice Chairman
Jan Buxton

Chair of Finance
Sandra Fishlock

Central Committee
Laura Heyworth
Pat Holden
Very Rogers
Sandra Saban
Kay Scase
Alyson Wilson

Life Vice Presidents
Dame Mary Bridges DBE
Doris Ingham OBE
Maureen Lodder OBE
Patricia Valler OBE
Wendy Bromwich JP
Marilyn Humphry
Pat Chrimes OBE

Vice Presidents and Patronesses
Joanne Andrew-Steer MBE
Auriol, Marchioness of Linlithgow
Elizabeth, The Dowager Countess of Scarborough LVO
The Right Honourable the Countess Bathurst
The Lady Grey of Codnor
Baroness Grey-Thompson DBE
Diana Hill
Sara Jones CBE, OStJ, DL, JP
Janie Martin DL
Jane Lewin Smith JP DL

Charity Registration number: 219279

Principal office:
The Royal British Legion
Haig House
199 Borough High Street
London SE1 1AA

Financial review

After two years of disruption due to COVID-19, 2022 saw a return to more normal levels of income and expenditure. Total income for the year to 30th September, 2022 was £153.5 million compared with £137.4 million the previous year, an increase of 12%. Of this, fundraising income was £121.8 million, compared with £101.3 million the previous year. The November 2021 Poppy Appeal raised £42.2 million, only £4.3 million less than the 2019 Appeal (£40.1 million raised in Poppy Appeal 2020), despite some disruption caused by local and regional lockdowns and lower footfall in our towns and cities. Legacy income also experienced strong growth, increasing from £23.8 million in 2021 to £28.1 million in 2022.

Income from general donations was broadly flat year on year, with other sources of fundraising income, including events, lotteries and the sale of Poppy Shop products, experiencing a small decline. While this is partly due to a rebalancing and refocusing of the fundraising portfolio post-pandemic, we also started to see the impact of the emerging cost-of-living crisis towards the end of the year, resulting in higher levels of donor attrition and lower returns from some of our fundraising campaigns.

Total expenditure was £151.9 million, a 7% increase on the previous year's total of £141.8 million. Our charitable expenditure in 2021 was £103.7 million, and has increased by £5.4 million to £109.1 million, driven by increases in the cost of providing care in our care homes, together with higher membership and ceremonial costs. As occupancy levels in our care homes started to improve, the cost of caring for our vulnerable and frail residents also increased. As well as continuing to provide high levels of infection control to protect against COVID-19, influenza and other viruses, we took the decision to improve pay and benefits for those staff working in our homes to ensure that we can continue to provide high-quality care for our residents in the face of the well-documented recruitment and retention challenges in the care sector. In order to maintain fees at an affordable level for our beneficiaries, our care homes operated at a planned deficit of £19.4 million (2021: £15.4 million deficit). 2022 saw a welcome return to face-to-face ceremonial and membership activities. We were able to mark our centenary in a Service of Thanksgiving at Westminster Abbey in October 2021, the Festival of Remembrance and Remembrance Sunday events reverted to their pre-pandemic formats, and many of our branches started to meet in person again and resumed their ceremonial and fundraising activities in their local communities.

Conversely, our expenditure on Community Welfare reduced from £45.7 million in 2021 to £42.5 million in 2022, mainly due to changes in the way we deliver information, advice and support. The decision to close our Area Offices and move towards online and telephone support, supplemented by a home visit for those who need it, has allowed us to provide our services in a more cost-effective manner while maintaining high levels of impact and satisfaction for our beneficiaries. We also provided more individual welfare grants in 2022, spending £10.9 million on welfare grants compared with £8.9 million the previous year.

Included in Community Welfare are several large grants to partner charities that support our beneficiaries and deliver specialist services that complement the services the RBL provides. During 2022, we extended our commitment to fund Combat Stress for a further year and provided £2.1 million of funding to the Forces Employment Charity (previously RFEA) to provide specialist employment-related advice and support. Overall, 72p in every pound was spent on our charitable activities (2021: 73p in every pound), with the remainder spent on raising the funds needed to deliver the RBL's mission.

Overall, the RBL generated a small surplus before gains and losses of £1.7 million (2021: £4.5 million deficit). Our financial investment portfolio suffered net losses of £11.0 million (2021: £19.3 million gain) due to a combination of global economic factors and the 'mini-budget' announcement of 23rd September, 2022. These losses were partially offset by net gains from our investment property portfolio of £5.5 million (2021: £5.4 million). The actuarial valuation of the charity's defined benefit pension scheme resulted in a technical surplus of £4.8 million at 30th September, 2022 (2021: £1.9 million deficit). This improvement is mainly due to an increase in the discount rate used to value future pension liabilities. As this surplus cannot be realised by the RBL, it has not been reflected in these accounts. The deficit on the Poppyscotland defined benefit pension scheme reduced from £1.7 million to £1.1 million.

The value of restricted funds reduced by £2.6 million to £169.0 million (2021: £171.6 million) and the value of unrestricted funds remained essentially unchanged at £209.1 million (2021: £208.2 million). During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £3.3 million (2021: £4.7 million) from restricted Branch Property Trust funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as an important source of funding for welfare services in the area where the branch property was originally located. These services include our Admiral Nurses, who support those caring for loved ones with dementia; casework and advice services; and external grants. The composition of the RBL's funds is explained below and on page 8 of this report.

Financial investments

The market value of the RBL's financial investment portfolio reduced by £9.9 million during the year, reflecting the global economic downturn exacerbated by spiralling energy costs due to the war in Ukraine. The UK markets were further impacted by the 'mini-budget' announcement shortly before the end of our financial year. At the year-end, the total value of the group's investments was £172.3 million (2021: £182.2 million). The portfolio is managed through three main investment managers: Cazenove Capital manages the charity's main investment portfolio (£147.5 million); Sarasin &

Partners manages Poppyscotland's investments (£6.3 million); and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£6.9 million), including those held in legacy and property trusts. The remaining investments are held overseas.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. All investments must comply with the RBL's Responsible Investment Policy, which aligns the charity's investment strategy with its aims, which are to safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces.

The RBL restricts investment in areas that may directly conflict with its aims, including alcohol, gambling, tobacco and high-interest-rate lending. Accordingly, it will not invest directly in companies that generate more than 10% of revenues from these areas. As it is more difficult to apply these restrictions to pooled funds, indirect exposure to these areas is closely monitored and a review triggered if this exceeds 1% of the total investment portfolio or 10% of an individual fund holding.

The investment strategy integrates Environmental, Social and Governance factors; meaning that each investment's impact on the environment and society is considered as part of the investment decision. The investment managers are mandated to fulfil the requirements of the UK stewardship code, actively engaging with the companies in which they invest to promote best-practice corporate behaviour and sustainable business practices. Where consistent with the financial objectives, the RBL seeks to invest in areas with a positive environmental and/or social impact.

The RBL recognises that it needs to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. The RBL monitors the carbon emissions of the equity investment portfolio and seeks to reduce these emissions over time through investment selection and through the engagement of its appointed manager with companies in order to drive positive change.

Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio delivered negative absolute returns of 3.5% for the year ended 30th September, 2022, and fell short of its target over five years, delivering a return of 3.9% per annum against the inflation benchmark of 6.6% per annum. The current period of high inflation is impacting the benchmark and the Trustees expect the portfolio to achieve its target over the medium term once inflation has been brought back under control. The value of the portfolio reduced to £147.5 million (2021: £153.2 million) over the year and generated £2.7 million (2021: £2.4 million) of investment income.

Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September, 2022, the Poppyscotland portfolio reduced its value from £8.8 million to £6.3 million and generated £0.3 million (2021: £0.3 million) of investment income. The Poppyscotland portfolio is being drawn on to finance Poppyscotland's deficits over the medium term, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.

Branch investments

Branch, County and other investments of £6.9 million (2021: £9.0 million) are primarily managed by CCLA and held in a mix of listed investments and unit trusts.

Pension

The group pension deficit in these accounts now relates solely to the Earl Haig Fund (Poppyscotland). The deficit on the Poppyscotland pension fund decreased from £1.7 million to £1.1 million due to an increase in the discount rate used to calculate the present value of future pension liabilities. We do not expect the deficit to materially affect the RBL's ability to meet its charitable objectives in the future.

Funds

The RBL's total funds of £378.1 million (2021: £379.8 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £169.0 million (2021: £171.6 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £209.1 million (2021: £208.2 million) are designated funds representing the value of the RBL's functional fixed assets (£58.0 million, 2021: £59.6 million), funds held by RBL branches, counties and districts (£32.0 million, 2021: £32.3 million), the value of programme-related investments (£5.5 million, 2021: £4.0 million) and the General Fund (£4.5 million, 2021: £4.8 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

Reserves

In addition to the funds described above, at 30th September, 2022, the RBL was holding £109.1 million (2021: £107.4 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the Royal British Legion holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable it to carry out its work. Our biggest risk is that our income suddenly drops (financial stability) because of unforeseen factors beyond our control. In these circumstances, reserves may need to fund operating expenditure while the organisation is put back onto a stable footing. Our care homes represent an area of financial risk due to the heavily regulated nature of the industry and the ongoing challenges related to staff recruitment and retention. Our reserves may be needed to mitigate against reduced fee income and unexpected and unavoidable increases in expenditure.

Our reserves also mitigate against fluctuations in the value of our investments; in particular, the risk that a significant reduction in income coincides with a drop in investment values. Having reserves means that we would not need to sell our investments when it is not advantageous to do so. Our defined benefit pension obligations represent a long-term financial risk, while short-term fluctuations in valuations can impact the amount of free reserves at our disposal. Finally, cybersecurity represents a further area of risk, as an attack could significantly disrupt our activities, at least in the short term.

Taking all these risks into consideration, the Trustees have resolved that the RBL should hold minimum free reserves of £60 million. As noted above, at 30th September, 2022, the RBL was holding free reserves of £109.1 million (2021: £107.4 million) which is above the minimum target we have set. We are using these surplus reserves to help deliver our mission more widely. We have already put in place emergency support for those in our community who have been hit hardest by the cost-of-living crisis and expect to spend at least £10 million in 2023. This has enabled us to reach more people who need the holistic support we provide to bring long-term solutions to the challenges they face. We are continuing to invest in our care homes and expanding our support for those caring for loved ones with dementia through our Admiral Nurse service. We also have plans to expand our provision of recovery services alongside our partnership with Combat Stress, to help improve mental wellbeing in our beneficiary community.

Investment properties

Investment properties primarily comprise 275 properties (2021: 287) held by the Royal British Legion as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease. The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ending 30th September, 2022, 57 properties were revalued (2021: 62) and a revaluation gain of £2.7 million (2021: £4.1 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and revaluation losses of £0 (2021: £60,000) were recorded. During the year, the RBL disposed of 12 (2021: 12) investment properties, realising proceeds of £2.8 million (2021: £1.3 million)

Branch Property Trusts

A Branch Property Trust is a property or the proceeds of its sale that is held in a separate charitable trust in connection with an RBL branch. Its charitable purposes are usually restricted to a specific geographical area.

	2022	2021
Restricted Investment Property Reserve	£62.4m	£65.5m
Restricted Branch Property and Area Trust Funds	£42.1m	£39.7m
Number of properties	278	287

At 30th September, 2022, the RBL held £62.4 million (2021: £65.5 million) (see note 29) in the restricted investment property reserve, representing the market value of 278 (2021: 290) properties predominantly held under Branch Property Trusts. In addition, £42.1 million (2021: £39.7 million) was held in restricted Branch Property and Area Trust funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were

made on ten (2021: 14) Branch Property Trusts, resulting in £3.3 million (2021: £4.7 million) being moved into less restricted funds. These funds can now be used to provide welfare support to people in a wider geographical area.

Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans made to help support beneficiaries living in their own home to provide housing improvements, together with a loan to Royal British Legion Industries Limited (RBLI) to help finance the construction of facilities for beneficiaries at the charity's site in Aylesford, Kent. Programme-related investments totalled £5.5 million at the year-end (2021: £4.0 million).

Grant making

Included in our welfare service expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. The RBL also awards grants to households whose case is managed by a partner agency, such as the Soldiers', Sailors' & Airmen's Families Association (SSAFA) or the Royal Air Forces Association.

In 2022, the Royal British Legion spent £10.9 million on individual grants (2021: £8.9 million). The highest volume of grants given in the year were crisis grants to those in urgent need, whereas mobility-related grants, such as riser-recliner chairs and powered scooters, were the highest in terms of value. In April 2022, we launched the Cost-of-Living Grant Programme via our caseworking and specialist advice teams, helping 678 individuals with grants towards their home fuel bills. During summer 2022, we developed an online portal to enable us to respond to the huge demand for this service.

Grants are also made to organisations, where a third party has skills, facilities or expertise that are unavailable within the RBL's own resources. The RBL invites organisations to submit formal applications, which are then evaluated by the Grants Department, local welfare teams and any subject-matter experts relevant to the application. This information is then reviewed by a Grants Panel, which issues awards to those organisations best able to show that their project will address an unmet need for RBL beneficiaries.

In 2022, grants were awarded to 22 organisations, totalling £5.7 million (2021: 27 organisations, £5.5 million).

Going concern

The Trustees have considered the ability of the group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. A large proportion of the UK population is now protected from severe disease due to COVID-19. While COVID-19, influenza and other viruses continue to place a strain on the NHS, we do not expect a further lockdown that would restrict our face-to-face fundraising activities and have demonstrated our ability to adapt and fundraise in other ways.

We have forecast our income, expenditure, cash and reserves for the financial years ending 30th September, 2023 and 2024, using our latest estimates for 2023 and prudent assumptions for income and expenditure in 2024. Key assumptions include that the Poppy Appeal income will not be significantly impacted by cost-of-living rises and geopolitical uncertainties, and income will be maintained at 2022 levels. These forecasts show a planned reduction in our free reserves. However, reserves will still be above the minimum level set by the Board of Trustees and we will continue to hold sufficient reserves, cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

The Trustees have therefore concluded that it remains appropriate to prepare these accounts on a going concern basis.

Risk management and internal control

The Board of Trustees has responsibility for the oversight of risk management. There has been no change to the risk model operated by the RBL this year. The risk framework includes a risk-management policy and defines the processes to be followed to ensure that risk is managed appropriately. This is achieved as follows:

- Risks are owned by a senior executive, usually an executive director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are

Risks	Mitigations
Governance Inability to deliver our strategic objectives due to ineffective leadership and governance	Regular, independent review of governance arrangements and implementing the findings of that review to include: • Regular training for Trustees • Performance monitoring of Trustees and Executive Board • Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees • Royal Charter review • Head of Governance with specific responsibility for ensuring governance arrangements are fit for purpose • Trustees are appointed to fill specific skills gaps
Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	• Annual budget process • Financial forecasting for short and medium term • Prudent reserves policy • Fundraising strategy • Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget • Sound basis for grant-funding decision-making
Safeguarding A beneficiary, care home resident, volunteer or employee suffers harm, abuse or neglect	• Independently chaired Safeguarding Committee meets regularly through the year to receive and act on management information • Appointment of a designated safeguarding lead • Multi-level, mandatory training programme • Regular reporting of safeguarding data and risk exposures • Independent review to challenge and inform management thinking in this area
Recruitment & Retention Inability to deliver our mission and look after those we support. This risk manifests itself most acutely in our care homes, where the RBL is not alone in facing recruitment and staff-retention challenges	• Tactical improvements to pay and conditions in the care homes • Longer-term strategic review of pay and benefits across the charity • Ability to mobilise our extensive network of volunteers • Agile recruitment arrangements, enabling quick and effective decision-making
UK Economic Situation The risk of significant increased demand for RBL services and the risk of significant inflation in energy and other costs	• Annual review of reserves policy • Regular forecasts of income, expenditure, cash flow and capital commitments • Experienced and effective procurement function • Flexibility in our approach to meeting beneficiary needs
Cyberattack	A range of defensive controls, including but not limited to: • Appropriate IT security policy and procedures • User awareness and education • Support contracts with external experts • Threat monitoring, detection and response

present and effective;
- Risk exposures are known and understood by risk owners and are reported formally each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

The Head of Risk Management oversees and coordinates the risk framework. Regular reports are made to the Executive Board, the Audit & Risk Committee and the Board of Trustees. The Audit & Risk Committee is chaired by a Trustee. The Audit & Risk Committee receives copies of all audit reports. Group entities such as the National Memorial Arboretum and Poppyscotland are included in the above risk framework and a consistent risk model is used.

At their last review, the Trustees were satisfied that appropriate and effective controls are in place to mitigate risk exposures. The most significant risks are set out on the left, together with selected controls from our risk register.

Public benefit

The Trustees have given due regard to the public-benefit guidance published by the Charity Commission. They believe that the extensive welfare support provided to our beneficiaries, along with the other charitable activities undertaken, satisfies the public-benefit requirements of the Charities Act 2011.

Safeguarding

The Royal British Legion delivers regulated activities through our care homes and a wide range of non-regulated welfare, fundraising and membership activities that involve interaction with vulnerable adults at risk and can often involve children. Our staff, volunteers and members have a moral and legal responsibility to ensure the safety of the people we work with. Recognising our commitment to ensure that those engaged with the RBL can live free from harm, abuse or neglect, the charity implements a range of policies and procedures including a Safeguarding Policy, Code of Conduct, Welfare Practice Guide and robust recruitment procedures for staff and volunteers.

The RBL deploys a network of trained designated safeguarding leads, who are responsible for reporting safeguarding

concerns to statutory agencies and recording all safeguarding incidents on our Legion Assure reporting system. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level.

The Board of Trustees and Executive Board receive appropriate safeguarding training in compliance with the expectations of the UK Charity Regulators.

Modern Slavery Act 2015

The Royal British Legion is committed to ensuring that slavery and human trafficking do not occur in our operations or supply chain. We continue to work with new and existing suppliers to minimise the risk of modern slavery and human trafficking and to ensure compliance with the Modern Slavery Act 2015. Our anti-slavery and human trafficking statement is published on our website.

Ethics and sustainability

The RBL's Ethics and Sustainability Committee draws its membership from across the RBL. Its purpose is to support the organisation's understanding of its impact on the community and environment and to ensure that our ethical values are reflected across all our policies and procedures. A key area of focus to date has been our Poppy Appeal products, where we are seeking to reduce our environmental impact through the reduction of single-use plastic, together with the ethical investments policy described above.

During the year, we completed a number of efficiency and carbon-reduction projects, including scoping and feasibility studies for solar panels on the roof of the National Memorial Arboretum, which have the potential to generate up to 40% of the site's electricity; replacing fossil-fuel-powered gardening equipment at Maurice House care home with electric alternatives; and the creation of a new Energy Manager role to lead on the RBL's energy management and carbon reporting.

Streamlined Energy and Carbon Reporting (SECR)

The RBL monitors its greenhouse gas emissions and reports in line with the Streamlined Energy and Carbon Reporting regulations (SECR). The scope of this report includes emissions from Scope 1 and 2 Electricity, Gas and Transport and Scope 3 emissions from staff, Trustee and volunteer business travel for the RBL group.

This information has been compiled in line with March 2019 HM Government 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting guidance'. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting, Version 1.0, 2022 factors.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by the RBL's energy broker. The reported figures for Scope 2 Electricity (Delivered) also include Transmission and Distribution emissions, which would technically fall under Scope 3.

Transport data has been taken from RBL internal claimed mileage and expenses tracking. This includes Scope 1 emissions from Company fleet and Scope 3 emissions from Grey fleet, rail and air travel. Gas Oil data has been taken from invoices for delivery of fuel onto our sites throughout the year.

Scope	Description	FY 21/22		FY 20/21	
		KwH	tCO2e	KwH	tCO2e
Scope 1	**Combustion of fuel on site & transportation**				
	Natural Gas	9,953,570	1,817	10,957,068	2,055
	Gas Oil	44,942	12	44,720	12
	Fleet Travel	228,183	58	110,104	28
Total		**10,226,695**	**1,887**	**11,111,892**	**2,095**
Scope 2	**Purchased Energy**				
	Electricity (Delivered)	5,224,347	1,103	5,272,564	1,335
Total		**5,224,347**	**1,103**	**5,272,534**	**1,335**
Scope 3	**Business Travel**				
	Grey Fleet (Employee/Volunteer/Trustee Claimed Mileage)	1,093,390	270	400,450	99
	Train Travel	0	40	0	7
	Air Travel	0	141	0	44
Total		**1,093,390**	**451**	**400,450**	**150**
	Total Consumption/Emissions	**16,544,432**	**3,441**	**16,784,906**	**3,580**
	Intensity Ratio				
	Tonnes CO2e / £1m Turnover		**22.8**		**25.8**
	Turnover (£1m)		**151**		**137**

Between 2021 and 2022, the Scope 1 emissions associated with our owned fleet increased by 107% and Scope 3 emissions associated with our Grey fleet and business travel increased by 201%. This reflects the easing of COVID-19 restrictions, allowing our face-to-face fundraising and events to resume. During the same period, emissions associated with our natural-gas use reduced by 10%, largely due to the closure of our Break Centres.

Structure, governance and management

The Royal British Legion has a head office in London, where the Director General and the supporting Board of five Executive Directors are based. There are regional offices in England, Northern Ireland, Scotland and Wales, which provide facilities for beneficiaries, members, volunteers and staff. Care-home services are delivered through the RBL's premises around the country. The National Memorial Arboretum, the home of the Armed Forces Memorial, is situated in Alrewas, Staffordshire, and the Legion's Contact Centre is based in Cardiff. The headquarters for Poppyscotland are located in Edinburgh. The charity's branches are located throughout England, Wales, Northern Ireland, the Republic of Ireland, the Channel Islands, the Isle of Man and overseas.

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The purpose of the charity as set out in the Royal Charter can be summarised as helping members of the Royal Navy, British Army, Royal Air Force, veterans and their families. The Board of Trustees has the responsibility for its implementation and review, but charter amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The King in council.

Directors' roles are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. There is an independent Governance & Nominations Committee, comprised of Trustees, which approves the annual pay award and agrees the remuneration for the Director General and Chief Operating Officer.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the Royal British Legion. All substantive decisions are made by the Board of Trustees within the bounds of the Royal Charter and the RBL's vision, mission and charitable objectives. The Board of Trustees provides overall strategic direction, while administration of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

The Board of Trustees meets eight times per year and comprises 16 Trustees:

- the National Chair and National Vice Chair are elected by voting branches;
- seven Trustees are elected by voting branches;
- six Trustees are appointed by the Board of Trustees. Invitation is by open advertisement and selection takes place through the Governance & Nominations Committee; and
- the Chair of the Women's Section is elected by the members of the Women's Section at the Women's Section National Conference.

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chair and Vice Chair may only serve one term of three years; however, the Vice Chair may also serve one term of three years as National Chair if so elected by voting branches. Newly elected Trustees are given induction training on their duties and responsibilities as members of the Board of Trustees. Training needs are reviewed on a periodic basis and specific training is given to Trustees as required.

Trustees receive no remuneration but are reimbursed for the cost of attending meetings and other official functions.

Trustees may be invited to attend and officiate at Remembrance events and the costs involved in that duty, where relevant, are included in the declared figure for Trustee expenses (Note 15).

Committees of the Board

The Board of Trustees has seven committees that report to it, all of which have written terms of reference.

Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of all membership issues; and
- Conference Committee – oversees the organisation of the Annual Conference.

Five committees form an integral part of the governance of the charity and oversee the charity's resources:

- Governance & Nominations Committee – makes recommendations on Trustee appointments and overall staffing arrangements, including pay, and monitors governance best practice;
- Audit & Risk Committee – reviews the significant judgements made in the accounts before Board approval. It provides assurance to the Board on the effectiveness of internal controls and risk-management procedures. It also oversees the work of external and internal audit;
- Care Services Committee – oversees the delivery of the RBL's care services, including our six care homes;
- Finance Committee – reviews, recommends and monitors compliance with the reserves and investment policies and provides oversight of corporate property and IT. It reviews the annual budget, oversees and monitors the investment portfolio and addresses any other financial matters referred to it by the Board of Trustees; and
- Branch Property Trusts Trustee Committee – recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts, and approves property disposals.

As part of our work to streamline our governance structures, the Property Committee and International Committee were disbanded during the year and their responsibilities reallocated to other committees.

The day-to-day management of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

Corporate structure

The Royal British Legion has an extensive corporate structure, comprising:

- the charity;
- 11 wholly owned subsidiaries, six of which are active and five of which are dormant; and
- the Irish ex-Service Trust, for which it acts on behalf of His Majesty's Government as the distributary agent.

Further details of the activities and performance of subsidiaries are given in Note 14 to the accounts.

In addition, there are four active organisations that share part of our name.

- Royal British Legion Industries Limited (RBLI), which provides employment, training and support for people, including those with disabilities, plus care and support for ex-serving personnel and families;
- Royal British Legion Poppy Factory Limited in Richmond (the Poppy Factory), which creates paid meaningful employment opportunities for wounded, injured and sick ex-serving personnel;
- The Royal British Legion Attendants Company Trust, which promotes the rehabilitation and resettlement of men and women of His Majesty's Armed Forces who are in need of assistance in civilian life; and
- Royal British Legion Scotland, which helps Scottish ex-serving personnel of all ages to adapt to civilian life.

These four companies are separate charitable trusts with no common shareholding and no other form of control by the Royal British Legion. The results of these companies are therefore not included in the consolidated accounts of the RBL.

Connections to a non-charity

The Trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connections. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Role of the membership and volunteers

The Royal British Legion is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 202,000 members (2021: 204,000) are organised through approximately 2,300 branches (2021: 2,300) operating across England, Wales, Northern Ireland and the Isle of Man, with a further 89 branches (2021: 89) overseas and ten (2021: ten) national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;
- undertake their own fundraising, with central support, for the Poppy Appeal;
- recruit and retain members;
- ensure that Remembrance is undertaken locally; and
- act as RBL representatives in their local community.

Branches report into 52 Section, County and District committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Directorate, including the Membership Engagement Team, which is located across England, Wales and Northern Ireland. The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 376 clubs (2021: 389) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 208 clubs (2021: 218) that occupy premises owned by the RBL and leased to the club.

The RBL depends on the dedication and commitment of thousands of volunteers who give their time and energy in supporting our charitable objectives. Volunteers add value to almost every area of RBL activities, from casework and fundraising to improving the quality of life of our care home residents. The RBL has in excess of 55,000 volunteers, with more than half of our volunteers undertaking more than one volunteer role in the RBL.

Guidance and advice on volunteer management and support is provided by the centrally based Volunteer Support Unit (VSU). The VSU focuses on creating a flexible framework to develop volunteer opportunities and on professionalising the experience of our volunteers. Through our volunteering strategy, we are looking to build a two-way relationship with our volunteers, where how we support and manage them is just as important as how they support us.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 41) was approved by the Board of Trustees and signed on their behalf.

Jason Coward, National Chair
20 April 2023

Independent Auditor's Report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Royal British Legion (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September, 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

- the consolidated and parent charity statements of financial activities;
- the consolidated and parent charity balance sheets;
- the consolidated and parent charity cash flow statements; and
- the related notes 1 to 33.

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 group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with the Act 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting

Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Trustees about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act, Charities (Accounts and Reports) Regulations 2008, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Charity Commission for England and Wales (Charity Commission) regulations, The Care Quality Commission (CQC) regulations, Gambling Commission regulations and Fundraising regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- revenue recognition, which is related to the accuracy and completeness of legacy income: we obtained an understanding of the key processes and relevant controls around the accuracy and completeness of legacy income; and performed detailed substantive tests on legacy income including on information from third-party legacy notifications, on a sample basis, to verify that they are accurate and complete; and
- branch cash, which is related to the completeness and accuracy of branch cash: we obtained an understanding of the key processes and relevant controls around the completeness and accuracy of branch cash; and performed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008, we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
27 April 2023

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Royal British Legion

Consolidated Statement of Financial Activities for the year ended 30 September 2022

	Note	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from					
Donations and legacies	4	89,337	6,739	**96,076**	77,480
Charitable activities	5	24,369	3,150	**27,519**	29,133
Other trading activities	6	18,644	3,135	**21,779**	24,162
Investments	7	2,915	3,446	**6,361**	5,359
Other		348	1,444	**1,792**	1,225
Total income		**135,613**	**17,914**	**153,527**	137,359
Expenditure on					
Raising funds	8	**35,348**	**7,390**	**42,738**	38,095
Charitable activities					
Care	9	35,624	744	**36,368**	32,888
Personnel Recovery Centres	9	2,327	27	**2,354**	1,720
Community Welfare	9	31,939	10,568	**42,507**	45,677
Membership	9	7,556	476	**8,032**	5,731
Comradeship	9	399	-	**399**	400
Communications and campaigning	9	12,458	26	**12,484**	12,292
Remembrance and ceremonial	9	2,942	4,030	**6,972**	5,026
Total charitable activities	9	**93,245**	**15,871**	**109,116**	103,734
Total expenditure		**128,593**	**23,261**	**151,854**	141,829
Net income/(expenditure) before investment gains		**7,020**	**(5,347)**	**1,673**	(4,470)
Net (losses)/gains on disposal of investments		(2,539)	5,352	**2,813**	3,595
Unrealised (losses)/gains on revaluation of investments		(5,393)	(2,835)	**(8,228)**	22,307
Net (expenditure)/income before tax		**(912)**	**(2,830)**	**(3,742)**	21,432
Taxation charge	11	-	-	-	-
Net (expenditure)/income for the year		**(912)**	**(2,830)**	**(3,742)**	21,432
Transfers between funds	30	373	(373)	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension scheme	16a	1,466	587	**2,053**	7,788
Net movement in funds		**927**	**(2,616)**	**(1,689)**	29,220
Fund balances brought forward at 1 October		208,190	171,606	**379,796**	350,576
Fund balances carried forward at 30 September		**209,117**	**168,990**	**378,107**	379,796

The notes on pages 60 to 93 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Charity Statement of Financial Activities for the year ended 30 September 2022

	Note	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from					
Donations and legacies	4	93,133	1,276	**94,409**	75,084
Charitable activities	5	24,369	1,533	**25,902**	26,450
Other trading activities	6	10,910	14	**10,924**	12,798
Investments	7	2,915	3,108	**6,023**	4,992
Other		348	1,360	**1,708**	1,531
Total income		**131,675**	**7,291**	**138,966**	120,855
Expenditure on					
Raising funds	8	**29,696**	**93**	**29,789**	27,243
Charitable activities					
Care	9	35,624	744	**36,368**	32,888
Personnel Recovery Centres	9	2,327	27	**2,354**	1,720
Community Welfare	9	34,899	7,330	**42,229**	44,100
Membership	9	7,556	443	**7,999**	5,582
Comradeship	9	399	-	**399**	400
Communications and campaigning	9	12,458	26	**12,484**	12,292
Remembrance and ceremonial	9	2,942	432	**3,374**	1,782
Total charitable activities	9	**96,205**	**9,002**	**105,207**	98,764
Total expenditure		**125,901**	**9,095**	**134,996**	126,007
Net income/(expenditure) before investment gains		**5,774**	**(1,804)**	**3,970**	(5,152)
Net (losses)/gains on disposal of investments		(2,539)	5,518	**2,979**	3,209
Unrealised (losses)/gains on revaluation of investments		(5,393)	(1,073)	**(6,466)**	22,157
Net (expenditure)/income for the year		**(2,158)**	**2,641**	**483**	20,214
Transfers between funds	30	3,333	(3,333)	**-**	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension scheme	16a	1,466	-	1,466	7,485
Net movement in funds		**2,641**	**(692)**	**1,949**	27,699
Fund balances brought forward at 1 October		204,412	132,874	337,286	309,587
Fund balances carried forward at 30 September		**207,053**	**132,182**	**339,235**	337,286

The notes on pages 60 to 93 form part of the financial statements.

All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Consolidated and Charity Balance Sheets as at 30 September 2022

	Note	**Group 2022 £'000**	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Fixed assets					
Intangible assets	17	**1,202**	1,744	**1,120**	1,637
Tangible assets	18	**81,573**	81,562	**56,848**	57,275
Investments	19	**172,317**	182,213	**164,143**	170,960
Investment properties	20	**62,421**	65,533	**62,421**	65,533
Programme-related investments	21	**5,529**	4,009	**5,529**	4,009
Total fixed assets		**323,042**	335,061	**290,061**	299,414
Current assets					
Stocks		**2,489**	2,701	**-**	-
Debtors	22	**10,908**	11,769	**10,082**	10,404
Cash at hand and in bank	23	**72,413**	65,985	**66,473**	59,251
Total current assets		**85,810**	80,455	**76,555**	69,655
Current liabilities					
Creditors: Amounts falling due within one year	24	**(21,616)**	(23,543)	**(19,927)**	(21,329)
Net current assets		**64,194**	56,912	**56,628**	48,326
Total assets less current liabilities		**387,236**	391,973	**346,689**	347,740
Creditors: Amounts falling due after more than one year	24	**(5,891)**	(6,815)	**(5,876)**	(6,779)
Provisions for liabilities	26	**(2,166)**	(1,799)	**(1,578)**	(1,755)
Net assets excluding pension liability		**379,179**	383,359	**339,235**	339,206
Defined benefit pension liability	16b	**(1,072)**	(3,563)	**-**	(1,920)
Net assets		**378,107**	379,796	**339,235**	337,286
Funds					
Total unrestricted funds	28	**209,117**	208,190	**207,053**	204,412
Total restricted funds	29	**168,990**	171,606	**132,182**	132,874
Total funds		**378,107**	379,796	**339,235**	337,286

The notes on pages 60 to 93 form part of the financial statements.

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 20 April 2023.

These were signed on its behalf by:

Jason Coward
National Chairman

Royal British Legion

Cash Flow Statement for the year ended 30 September 2022

	Note	**Group 2022 £'000**	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Net cash flow from operating activities	A	**(3,817)**	4,156	**(2,739)**	3,935
Cash flows from investing activities					
Dividends, interest and rents from investments		**6,361**	5,359	**6,023**	4,992
Purchase of tangible fixed assets		**(3,659)**	(3,175)	**(2,378)**	(827)
Purchase of intangible fixed assets		**-**	(330)	**-**	(255)
Proceeds from sale of investment properties		**8,630**	6,587	**8,630**	6,022
(Purchase)/Sale of investments		**(1,086)**	1,740	**(2,313)**	(778)
Net cash provided by investing activities		**10,246**	10,181	**9,962**	9,154
Change in cash and cash equivalents in the year		**6,428**	14,337	**7,222**	13,089
Cash and cash equivalents at the beginning of the year		**65,985**	51,648	**59,251**	46,162
Cash and cash equivalents at the end of the year	23	**72,413**	65,985	**66,473**	59,251

A. Reconciliation of net income to net cash flow from operating activities	**2022 Group £'000**	2021 Group £'000	**2022 Charity £'000**	2021 Charity £'000
(Expenditure)/income for the year (as per the Statement of Financial Activities)	**(3,742)**	21,432	**483**	20,214
Adjustments for:				
Depreciation, amortisation and impairment charges	**4,071**	5,881	**3,322**	5,207
(Losses)/Gains on investments	**5,465**	(24,720)	**3,613**	(24,294)
Dividends, interest and rents from investments	**(6,361)**	(5,359)	**(6,023)**	(4,992)
Loss on disposal of tangible and intangible fixed assets	**119**	352	**-**	352
Decrease/(increase) in stock	**212**	(819)	**-**	-
(Increase)/decrease in programme-related investments	**(1,520)**	501	**(1,520)**	501
Decrease/(increase) in debtors	**861**	4,973	**322**	5,957
(Decrease)/increase in creditors	**(2,851)**	1,247	**(2,305)**	559
Increase/(decrease) in provisions	**367**	349	**(177)**	305
Adjustment in respect of pension funding	**(438)**	319	**(454)**	126
Net cash flow from operating activities	**(3,817)**	4,156	**(2,739)**	3,935

1 Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2022 with prior year comparatives (2021) for the year to 30 June 2021.

The group meets the definition of a public benefit entity under FRS 102 and the financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

Group financial statements

These financial statements comprise the central General and Benevolent funds vested in the Board of Trustees in accordance with the Royal British Legion's ("the RBL") Royal Charter. As agreed with the Charity Commission and in accordance with FRS 102, they include the results, assets and liabilities of the RBL's counties, districts, branches and Women's Section. The RBL's policy is to consolidate results of all branches, counties and districts based upon receipt of individual returns. Where returns are not received, assets are included at the previously reported value adjusted for known transactions. The subsidiaries and organisations listed in note 14 have been consolidated on a line-by-line basis.

Four organisations that carry the RBL's name but are not controlled by the RBL have not been included in these financial statements; namely, Royal British Legion Industries, The Royal British Legion Poppy Factory Limited, The Royal British Legion Attendants Company Trust and Royal British Legion Scotland. The accounts do not include the results of affiliated social clubs, which are not controlled by the charity but are separately registered organisations licensed to use the RBL's name.

Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and must be used for that purpose. All restricted funds are held within the Benevolent fund, a fund established for the charitable purposes defined in the RBL's objects, unless otherwise stated. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the balance sheet. The funds of The National Memorial Arboretum Company Limited and its subsidiary (NMA (Enterprises) Limited), the Earl Haig Fund Scotland and the Lady Haig Poppy Factory (Poppyscotland Group), and the Royal British Legion Republic of Ireland, are held within restricted funds since their objects are narrower than those of the Royal British Legion group.

Income

Income is recognised in the year in which the RBL is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy:

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received.
- *Investment income* includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2022.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

The economic value of time given by volunteers is not included in these financial statements as it cannot be reasonably and accurately calculated.

Royal British Legion

Notes to the Accounts for the year ended 30 September 2022

Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates. Expenditure comprises:

- *Cost of raising funds* includes expenditure on poppies and other fundraising items, staff and related expenditure of the Poppy Appeal, costs of the central fundraising department, commercial (trading) activities and investment management fees.

- *Charitable activities* includes expenditure directly related to the delivery of the services (including staff costs) provided by the charity to eligible beneficiaries, and includes the cost of residential care, welfare break centres, community welfare services, and Remembrance and comradeship. It also includes the cost of supporting and maintaining the RBL's extensive membership and the costs of campaigning on behalf of beneficiaries. The cost of evaluating, supporting and managing charitable programmes is also included and further analysed in the notes to the accounts.

- *Certain campaign costs* are allocated between *Cost of raising funds* and *Charitable activities* on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively.

- *Support costs* include the central functions such as general management, financial administration, information technology, human resources, governance and facilities management.

Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation.

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury Gilts over the period of the grant.

Allocation of costs

Where possible, the RBL's operating costs, which include staff costs, are allocated directly to the various categories of charitable expenditure or cost of raising funds. Where costs are not directly attributable to any category, they have been apportioned on an appropriate basis to reflect, in each case, an estimate of the efforts and resources devoted to each category of activity – see note 13. Activities that are predominantly outsourced bear no allocation of support costs.

Stocks, poppies and wreaths

The majority of stock relates to Poppy Shop products held for resale by Royal British Legion Trading Ltd. Stock also includes poppies and wreaths produced at the Lady Haig Poppy Factory, which are manufactured for external resale. Stocks are valued at the lower of cost and net realisable value and include direct costs of labour and materials plus allocation of general overheads. Poppies and wreaths produced for distribution during the Poppy Appeal are expensed immediately.

Staff pension schemes

There are five staff pension schemes, which are accounted for in accordance with FRS 102 section 28. There are two defined benefit schemes closed to future accrual; the Royal British Legion Staff Pension Fund and the Earl Haig Defined Benefit Scheme. The remaining three are current, defined contribution schemes; the Group Flexible Retirement Plan, The Earl Haig Fund Scotland Stakeholder Scheme and the Lady Haig Poppy Factory Stakeholder Scheme. Further details are included in note 16 to the accounts.

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Royal British Legion Staff Pension fund and Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet; any surplus is not recognised on the balance sheet.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year.

Investments and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Properties not used for charitable purposes are classified as investment properties and are included in investments at market value. Investment properties are revalued on a rolling five-year basis, with 20% of properties being revalued each year internally by qualified surveyors in our Estates team. The remaining 80% of properties are reviewed for material changes.

Programme-related investments are held at the amount invested less any impairment. These are reviewed on an annual basis and any impairment is immediately recognised in the Statement of Financial Activities.

Tangible and intangible fixed assets

Purchases of individual tangible and intangible fixed assets costing more than £50,000, or purchases related to capital projects costing more than £50,000 in total, are capitalised.

Functional properties (freehold and leasehold) used by the charity are included at cost, where known, or valuation at date of acquisition. Branch properties acquired or gifted before 1 October 1995 where the original cost cannot be established are included at a nominal value of £1 each. Depreciation on functional properties is provided on the cost of buildings on a straight line basis over 50 years or the term of the lease if less. Leasehold improvements are depreciated over the term of the lease. The head office building, Haig House, is depreciated over its expected useful life of 33 years.

Plant, machinery and equipment where capitalised is included at cost. Depreciation is calculated over 3–5 years from the month of first use.

Software, databases and licences where capitalised are included at cost, which includes the cost of internal development where applicable. Amortisation is provided over 5 years from the month of first use where no distinct life of the asset can be identified at the point of capitalisation; where the life is known – for example, licences – amortisation is provided over the life of the asset.

Tangible and intangible fixed assets that are under construction are classified as *Assets Under Construction* and are transferred into the appropriate category on project completion, when depreciation then commences.

The useful economic lives and residual lives of fixed assets are reviewed at the end of each accounting year to consider whether there has been an impairment. Impairments are charged to the Statement of Financial Activities.

Heritage assets

The Armed Forces Memorial (AFM) is included as a heritage asset in the accounts of The National Memorial Arboretum Company Limited at a nominal value of £1. The Trustees consider that the cost of ascertaining a definite value through a surveyor's valuation significantly outweighs the benefit gained from such a valuation.

Finance and Operating Leases

Instalments payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Any lease incentives (such as rent-free periods) are spread over the life of the lease. The group does not have any material finance leases.

Royal British Legion

Notes to the Accounts for the year ended 30 September 2022

Taxation

The activities of the RBL and its charitable subsidiaries are exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 to the extent that they are applied to the organisation's charitable objects. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay their taxable profits as Gift Aid to the RBL.

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts converted to Sterling at the exchange rate as at 30 September 2022.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Cash comprises cash at hand and in bank and short-term deposits. Short-term deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

2 Critical accounting judgements and key sources of estimation uncertainty

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The Trustees do not consider there are any critical judgements or key sources of estimation uncertainty requiring disclosure that are not already described within note 1 above and summarised below.

Investment properties – the fair value of investment properties is measured using valuation techniques (e.g. completed sales values from transactions that concluded after the valuation date, details of offers produced as the outcome of marketing programmes, Charities Act compliant valuation reports and marketing agent's commentary).

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible, judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in assumptions used could affect the fair value of the group's assets.

Significant unobservable inputs used in the fair value measurement include management assumptions; for example, regarding the potential to redevelop.

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties.

Retirement benefit liabilities – as disclosed in note 16, the group has defined benefit schemes. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation and expectations on future salary growth and asset returns. These assumptions are made by the group in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

Legacy income valuation – as disclosed in note 4, the group has income from legacies. The valuation and recognition of legacies require a number of significant assumptions and judgements to be made around the valuation and entitlement to the income. In the case of residuary legacies in particular, there is inherent uncertainty in the probate valuation of estates due to the nature of the underlying liabilities and assets, and the fact that in the time between probate and closure additional costs may arise and the value of assets may reduce significantly. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including receipt of final estate accounts and sufficiency of assets.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000
Income and endowments from			
Donations and legacies	70,667	6,813	77,480
Charitable activities	21,062	8,071	29,133
Other trading activities	21,845	2,317	24,162
Investments	2,407	2,952	5,359
Other	1,225	-	1,225
Total income	117,206	20,153	137,359
Expenditure on			
Raising funds	31,807	6,288	38,095
Charitable activities			
Care	31,242	1,646	32,888
Personnel Recovery Centres	1,557	163	1,720
Community Welfare	31,576	14,101	45,677
Membership	5,256	475	5,731
Comradeship	400	-	400
Communications and campaigning	12,219	73	12,292
Remembrance and ceremonial	2,054	2,972	5,026
Total charitable activities	84,304	19,430	103,734
Total expenditure	116,111	25,718	141,829
Net income/(expenditure) before investment gains	1,095	(5,565)	(4,470)
Net (losses)/gains on disposal of investments	(3,358)	6,953	3,595
Unrealised gains/(losses) on revaluation of investments	21,254	1,053	22,307
Net expenditure before tax	18,991	2,441	21,432
Taxation charge	-	-	-
Net expenditure for the year	18,991	2,441	21,432
Transfers between funds	1,340	(1,340)	-
Other recognised (losses)/gains			
Actuarial gains on defined benefit pension scheme	7,485	303	7,788
Net movement in funds	27,816	1,404	29,220
Fund balances brought forward at 1 October	180,374	170,202	350,576
Fund balances carried forward at 30 September	208,190	171,606	379,796

3a Charity Comparative Statement of Financial Activities	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000
Income and endowments from			
Donations and legacies	73,135	1,949	75,084
Charitable activities	21,062	5,388	26,450
Other trading activities	12,798	0	12,798
Investments	2,407	2,585	4,992
Other	1,531	0	1,531
Total income	110,933	9,922	120,855
Expenditure on			
Raising funds	26,853	390	27,243
Charitable activities			
Care	31,242	1,646	32,888
Personnel Recovery Centres	1,557	163	1,720
Community Welfare	33,354	10,746	44,100
Membership	5,256	326	5,582
Comradeship	400	-	400
Communications and campaigning	12,219	73	12,292
Remembrance and ceremonial	2,054	(272)	1,782
Total charitable activities	86,082	12,682	98,764
Total expenditure	112,935	13,072	126,007
Net expenditure before investment gains	(2,002)	(3,150)	(5,152)
Net (losses)/gains on disposal of investments	(3,358)	6,567	3,209
Unrealised gains on revaluation of investments	21,254	903	22,157
Net expenditure for the year	15,894	4,320	20,214
Transfers between funds	3,111	(3,111)	-
Other recognised losses			
Actuarial gains on defined benefit pension scheme	7,485	-	7,485
Net movement in funds	26,490	1,209	27,699
Fund balances brought forward at 1 October	177,922	131,665	309,587
Fund balances carried forward at 30 September	204,412	132,874	337,286

4 Donations and legacies

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Voluntary income				
Donations	**25,723**	25,795	**26,812**	26,231
Legacies	**28,108**	23,766	**27,536**	23,149
The Poppy Appeal	**42,245**	27,919	**40,061**	25,704
Total donations and legacies	**96,076**	77,480	**94,409**	75,084

The total of the Poppy Appeal launched in October 2021 in England, Wales, Scotland and Northern Ireland was £42.245 million (2020: £27.919 million). This includes cash collected of £36.632 million (2020: £25.213 million), legacies of £741,481 (2021: £413,000) and other donations of £301,600 (2021: £78,000).

At 30 September 2022, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £3.412 million (2021: £1.482 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £141,000 (2021: £136,000) where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £21.865 million (2021: £22.710 million). These are a mixture of residuary legacies that are not recognised in these accounts as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in donations above is pro bono legal support of £204,000 (2021: £95,000) from J A Kemp, Mayer Brown LLP, Withers LLP and Marsh Bursaries. Also included are other benefits-in-kind valued at £200,000 (2021: £187,000).

5 Charitable activities

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Grants for Welfare Services and Remembrance				
Aged Veterans' Healthy Living Programme and Veterans Medical Fund	**-**	154	**-**	154
Ex-service charities and other organisations (almonisation)	**2,950**	2,692	**2,835**	2,582
Contributions for Remembrance activities	**554**	4,495	**-**	1,000
Other grants and contributions	**1,788**	241	**1,543**	1,782
Total grants for Welfare Services and Remembrance	**5,292**	7,582	**4,378**	5,518
Fees from residential care homes	**17,143**	16,773	**17,143**	16,773
Membership fees	**4,179**	3,986	**4,177**	3,984
Income from charitable services	**905**	792	**204**	175
Total other income from charitable activities	**22,227**	21,551	**21,524**	20,932
Total income from charitable activities	**27,519**	29,133	**25,902**	26,450

Almonisation income is the contribution from other charities towards grants paid by the RBL to individuals when the recipient of assistance is also a beneficiary of these other charities.

Income from other grants and contributions includes non-performance-related grants, of which £0.5m are government grants (2021: £1.1m). This relates to income from the Infection Control Grant. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

6 Other trading activities

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Fundraising events income	**2,355**	3,219	**2,354**	3,219
Fundraising lotteries	**8,371**	9,226	**8,371**	9,226
Income from commercial activities	**10,887**	11,364	**33**	-
Licence fees and royalties	**53**	109	**53**	109
Advertising in the Legion magazine	**113**	244	**113**	244
Total income from other trading activities	**21,779**	24,162	**10,924**	12,798

7 Investment income

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Dividends and interest on listed investments	**3,085**	2,806	**2,764**	2,461
Investment income on funds held by branches	**514**	382	**514**	382
Rentals from investment properties	**2,725**	2,067	**2,725**	2,067
Bank deposit interest	**37**	104	**20**	82
Total investment income	**6,361**	5,359	**6,023**	4,992

Rentals from investment properties with a market value of £62.421 million (note 20) at 30 September 2022 (2021: £65.533 million) are in most cases received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Donations costs	**8,595**	8,288	**6,750**	6,775
Legacies costs	**2,089**	2,056	**1,695**	1,623
Poppy Appeal costs	**15,443**	13,961	**13,681**	12,299
Cost of raising voluntary income	**26,127**	24,305	**22,126**	20,697
Fundraising events costs	**3,829**	2,116	**3,829**	2,116
Fundraising lotteries costs	**3,356**	3,959	**3,356**	3,959
Commercial activities (trading)	**8,941**	7,267	**4**	32
Cost of activities to raise funds	**16,126**	13,342	**7,189**	6,107
Investment management	**485**	448	**474**	439
Total cost of raising funds	**42,738**	38,095	**29,789**	27,243

The total cost of raising funds for the group of £42.738 million (2021: £38.095 million) includes direct costs of £36.078 million (2021: £32.287 million) and allocated support costs of £6.660 million (2021: £5.808 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £13.279 million (2021: £10.589 million), of which £10.227 million (2021: £6.992 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.052 million (2021: £3.597 million) has been reallocated into charitable activities representing the raising awareness element.

9 Analysis of charitable activities

	Note	**Group 2022 £'000**	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Residential care homes		**36,018**	32,167	**36,018**	32,167
Welfare break centres		**350**	721	**350**	721
Total care		**36,368**	32,888	**36,368**	32,888
Recovery		**2,354**	1,720	**2,354**	1,720
Welfare grants to individuals		**10,850**	8,953	**9,963**	8,143
Grants to other organisations	10	**5,711**	5,452	**7,820**	6,125
Information, advice and support		**20,351**	27,901	**18,851**	26,461
Welfare cost in branches, counties and districts		**5,595**	3,371	**5,595**	3,371
Total community welfare		**42,507**	45,677	**42,229**	44,100
Central membership support		**3,971**	3,142	**3,938**	3,120
Recruitment, development, training		**538**	427	**538**	427
Support to branches with clubs		**239**	213	**239**	213
The Legion magazine		**681**	533	**681**	533
Membership costs in branches, counties and districts		**2,603**	1,416	**2,603**	1,289
Total membership		**8,032**	5,731	**7,999**	5,582
Comradeship		**399**	400	**399**	400
Direct cost of communication and campaigning		**9,432**	8,695	**9,432**	8,695
Allocated cost of communication and campaigning		**3,052**	3,597	**3,052**	3,597
Total communication and campaigning		**12,484**	12,292	**12,484**	12,292
Festival of Remembrance		**1,120**	928	**1,120**	928
Ceremonial and commemorative events		**2,325**	836	**2,254**	791
Remembrance tours		**-**	63	**-**	63
National Memorial Arboretum operating costs		**3,527**	3,199	**-**	-
Total Remembrance and ceremonial		**6,972**	5,026	**3,374**	1,782
Total cost of charitable activities		**109,116**	103,734	**105,207**	98,764

The total cost of charitable activities for the group of £109.11 million (2021: £103.734 million) includes direct costs of £89.772 million (2021: £85.899 million) and allocated support costs of £19.344 million (2021: £17.835 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.052 million (2021: £3.597 million) relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Grants awarded by the Charity				
Army Families Federation	**8**	467	**8**	467
Combat Stress	**2,300**	5,886	**2,300**	5,886
The Matthew Project	**11**	621	**11**	621
National Memorial Arboretum	**-**	-	**2,300**	1,475
Never Such Innocence	**-**	123	**-**	123
Personnel Recovery Centres – termination of original commitment	**-**	(5,223)	**-**	(5,223)
Personnel Recovery Centres – new Edinburgh grant	**-**	953	**-**	953
Poppyscotland	**-**	-	**660**	303
RFEA The Forces Employment Charity	**2,108**	-	**2,108**	-
Royal Commonwealth Ex-Services League	**14**	514	**14**	514
Shelter	**14**	847	**14**	847
Voices of Armed Forces Children	**300**	-	**300**	-
X-Forces	**2**	160	**2**	160
Cancellation of grant commitment – nil (2021:11)	**-**	(130)	**-**	(130)
Grants to 7 other charities and voluntary organisations (2021:12)	**103**	129	**103**	129
Grants awarded by Poppyscotland				
Citizens Advice Scotland	**393**	538	**-**	-
NHS Highland	**164**	230	**-**	-
Grants to 5 other charities and voluntary organisations (2021: 5)	**294**	337	**-**	-
Total grants to other organisations	**5,711**	5,452	**7,820**	6,125

Grants awarded may relate to commitments for multiple future years. For more information on grant commitments, see note 25.

11 Taxation

	Group 2022 £'000	Group 2021 £'000
Current tax credit:		
UK corporation tax (see below)	-	-
Adjustment to deferred tax	-	-
Total tax charge/(credit) on income	-	-

The taxation credits and charges above arise in the trading subsidiary operations.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations is as follows:

	Group 2022 £'000	Group 2021 £'000
Surplus on ordinary activities before tax	2,501	4,332
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2021: 19%)	476	823
Unutilised losses	-	-
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 33)	(476)	(823)
Tax credit not recognised due to uncertainty over future profits	-	-
UK corporation tax charge/(credit) for the year	-	-

12 Net incoming resources for the year is stated after charging:

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	178	185	178	185
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	139	108	-	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	1	1	1	1
Tax advisory services	10	6	3	2
Other advisory services	-	-	-	-
Branch, county and district audit and examination fees	26	31	26	31
Depreciation, amortisation and impairment charges	4,071	5,881	3,322	5,207
Rentals under operating leases	1,590	4,931	1,491	4,847

13 Support costs

	Head Office Central 2022 £'000	Facilities Management 2022 £'000	Human Resources 2022 £'000	Finance and IT 2022 £'000	Governance 2022 £'000	Total Charity 2022 £'000	Subsidiaries 2022 £'000	Total Group 2022 £'000
Donations costs	116	200	185	610	63	**1,174**	**394**	**1,568**
Legacies costs	30	51	48	157	16	**302**	**94**	**396**
Poppy Appeal costs	-	482	448	1,472	152	**2,554**	**465**	**3,019**
Fundraising events costs	139	239	222	730	76	**1,406**	**-**	**1,406**
Fundraising lotteries costs	27	46	43	140	15	**271**	**-**	**271**
Cost of raising funds	**312**	**1,018**	**946**	**3,109**	**322**	**5,707**	**953**	**6,660**
Residential care homes	-	2,377	2,206	2,146	751	**7,480**	**-**	**7,480**
Welfare break centres	-	-	-	-	-	**-**	**-**	**-**
Care	**-**	**2,377**	**2,206**	**2,146**	**751**	**7,480**	**-**	**7,480**
Personnel Recovery Centres	**-**	**11**	**10**	**10**	**3**	**34**	**-**	**34**
Information, advice and support	586	1,008	936	3,077	319	**5,926**	**709**	**6,635**
Welfare cost in branches, counties and districts	29	49	46	150	16	**290**	**-**	**290**
Community welfare	**615**	**1,057**	**982**	**3,227**	**335**	**6,216**	**709**	**6,925**
Central membership support	104	180	167	548	57	**1,056**	**33**	**1,089**
Recruitment, development, training	11	20	18	60	6	**115**	**-**	**115**
Support to branches with clubs	7	13	12	39	4	**75**	**-**	**75**
Membership	**122**	**213**	**197**	**647**	**67**	**1,246**	**33**	**1,279**
Comradeship	**3**	**5**	**5**	**16**	**2**	**31**	**-**	**31**
Direct cost of communications and campaigning	151	260	242	795	82	**1,530**	**-**	**1,530**
Communications and campaigning	**151**	**260**	**242**	**795**	**82**	**1,530**	**-**	**1,530**
Ceremonial and commemorative events	18	32	29	97	10	**186**	**49**	**235**
Remembrance tours	-	-	-	-	-	**-**	**-**	**-**
National Memorial Arboretum operating costs	-	-	-	-	-	**-**	**1,830**	**1,830**
Remembrance and ceremonial	**18**	**32**	**29**	**97**	**10**	**186**	**1,879**	**2,065**
Charitable activities	**909**	**3,955**	**3,671**	**6,938**	**1,250**	**16,723**	**2,621**	**19,344**
Total support costs	**1,221**	**4,973**	**4,617**	**10,047**	**1,572**	**22,430**	**3,574**	**26,004**

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

13 Support costs continued

	Head Office Central 2021 £'000	Facilities Management 2021 £'000	Human Resources 2021 £'000	Finance and IT 2021 £'000	Governance 2021 £'000	Total Charity 2021 £'000	Subsidiaries 2021 £'000	Total Group 2021 £'000
Donations costs	138	186	160	756	71	1,311	360	1,671
Legacies costs	38	51	44	209	20	362	111	473
Poppy Appeal costs	-	389	336	1,586	149	2,460	466	2,926
Fundraising events costs	44	59	51	242	23	419	-	419
Fundraising lotteries costs	34	45	39	184	17	319	-	319
Cost of raising funds	254	730	630	2,977	280	4,871	937	5,808
Residential care homes	-	1,859	1,606	2,330	711	6,506	-	6,506
Welfare break centres	-	3	3	4	1	11	-	11
Care	-	1,862	1,609	2,334	712	6,517	-	6,517
Personnel Recovery Centres	-	-	-	-	-	-	-	-
Information, advice and support	647	866	749	3,532	332	6,126	764	6,890
Welfare cost in branches, counties and districts	24	32	28	130	12	226	-	226
Community welfare	671	898	777	3,662	344	6,352	764	7,116
Central membership support	90	121	105	493	46	855	22	877
Recruitment, development, training	13	17	15	69	6	120	-	120
Support to branches with clubs	7	10	8	39	4	68	-	68
Membership	110	148	128	601	56	1,043	22	1,065
Comradeship	6	8	7	34	3	58	-	58
Direct cost of communications and campaigning	130	175	151	712	67	1,235	-	1,235
Communications and campaigning	130	175	151	712	67	1,235	-	1,235
Ceremonial and commemorative events	24	32	28	130	12	226	44	270
Remembrance tours	1	2	1	7	1	12	-	12
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,562	1,562
Remembrance and ceremonial	25	34	29	137	13	238	1,606	1,844
Charitable activities	942	3,125	2,701	7,480	1,195	15,443	2,392	17,835
Total support costs	1,196	3,855	3,331	10,457	1,475	20,314	3,329	23,643

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

14 Activities of consolidated subsidiaries and organisations

The RBL has 11 wholly owned subsidiaries, eight of which are consolidated into these accounts as described below. There are a further three subsidiaries, which are dormant with no assets so have no figures to consolidate.

The results of the subsidiary entities are shown in the table below. All subsidiaries have 30 September year ends and are incorporated in the UK, with the exception of Royal British Legion Republic of Ireland (registered in the Republic of Ireland).

	The National Memorial Arboretum Company 2022 £'000	NMA (Enterprises) 2022 £'000	Poppyscotland Group 2022 £'000	Royal British Legion Republic of Ireland 2022 £'000	Royal British Legion Trading 2022 £'000	Royal British Legion Developments 2022 £'000	Remembrance Travel 2022 £'000
Turnover/incoming resources	5,151	3,046	5,745	259	7,734	-	-
(Expenditure) (including gains/(losses))	(4,191)	(2,717)	(8,127)	(562)	(9,446)	(2)	-
Net incoming/(outgoing) resources	**960**	**329**	**(2,382)**	**(303)**	**(1,712)**	**(2)**	**-**
Assets	24,618	1,176	12,717	2,448	2,825	7	47
Liabilities	(690)	(972)	(2,454)	(35)	(741)	(34)	(40)
Net assets/(liabilities)	**23,928**	**204**	**10,263**	**2,413**	**2,084**	**(27)**	**7**

	The National Memorial Arboretum Company 2021 £'000	NMA (Enterprises) 2021 £'000	Poppyscotland Group 2021 £'000	Royal British Legion Republic of Ireland 2021 £'000	Royal British Legion Trading 2021 £'000	Royal British Legion Developments 2021 £'000	Remembrance Travel 2021 £'000
Turnover/incoming resources	3,978	2,323	6,122	91	9,047	-	-
Expenditure	(3,661)	(1,845)	(6,961)	131	(7,737)	(2)	-
Net incoming/(outgoing) resources	317	478	(839)	222	1,310	(2)	-
Assets	23,407	1,000	15,001	2,752	4,665	11	49
Liabilities	(439)	(597)	(2,356)	(36)	(869)	(36)	(42)
Net assets/(liabilities)	22,968	403	12,645	2,716	3,796	(25)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited (Company number: 09297443, Charity number: 1043992) – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited (Company number: 04259701) – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to NMA visitors. Its expenditure includes prior year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £681,000 (2021: £90,000).

Poppyscotland (Earl Haig Fund Scotland) (Company number: SC194893, Charity number: SC014096) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group.

Royal British Legion Republic of Ireland (Charity number: 219279) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited (Company number: 04783730) – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior year profits paid under the Gift Aid scheme to the RBL of £3.796 million (2021: £2.486 million).

Royal British Legion Poppy Lottery Limited (Company number: 02522956, Charity number: 1145007) – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020 and is now dormant.

Royal British Legion Developments Limited (Company number: 02906738) – a trading company that develops or improves properties, principally those owned by the RBL, and is currently inactive. There were no profits to pay to the RBL in 2022 or 2021.

Remembrance Travel Limited (Company number: 0472358) – a subsidary that previously operated as a travel company delivering pilgrimages and associated travel activity until 1 October 2018 and is now dormant.

The Royal British Legion Family and Support Lottery Limited (Company number: 07758114) and Poppy Travel Limited (Company number: 07937118) – dormant subsidiaries with no assets.

15 Information regarding employees and Trustees

	Total 2022	Total 2021
Average number of employees (full-time equivalent) during the year	**No.**	No.
Raising funds	**238**	229
Charitable activities		
Care services and Personnel Recovery Centres	**558**	581
Community welfare services	**247**	281
Membership services	**50**	46
Comradeship	**1**	3
Communication and campaigning	**61**	55
Remembrance and ceremonial	**7**	11
Total charitable activities	**924**	977
Support and governance	**177**	163
Total charity full-time equivalent staff	**1,339**	1,369
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	**98**	100
National Memorial Arboretum Group	**91**	86
Royal British Legion Trading	**16**	12
Total group full-time equivalent staff	**1,544**	1,567

The group incurred costs of £3.56 million (2021: £2.26 million) on agency staff, which are not included in the staff costs below.

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Staff costs comprise:				
Wages and salaries	**47,268**	46,742	**42,566**	42,347
National Insurance contributions	**4,765**	4,364	**4,362**	4,103
Pension costs	**5,358**	5,170	**4,747**	4,574
Total staff costs	**57,391**	56,276	**51,675**	51,024

The number of staff paid more than £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
£60,000 - £69,999	**26**	23	**25**	22
£70,000 - £79,999	**15**	16	**13**	16
£80,000 - £89,999	**7**	5	**6**	5
£90,000 - £99,999	**4**	2	**4**	-
£100,000 - £109,999	**2**	3	**2**	3
£110,000 - £119,999	**-**	-	**-**	-
£120,000 - £129,999	**1**	2	**1**	2
£130,000 - £139,999	**1**	-	**1**	-
£140,000 - £149,999	**-**	2	**-**	2
£150,000 - £159,999	**1**	-	**1**	-

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £0.938 million (2021: £1.040 million).

The RBL operates a transparent Pay Policy, which is communicated to all staff. Salary levels are regularly benchmarked against other comparable organisations across the private, public and third sectors. The compensation of RBL Directors is subject to annual review by a Governance Committee comprising five Trustees including the Chair and Vice Chairman.

During the year, redundancy payments of £451,000 (2021: £437,000) and termination payments of £83,000 (2021: £29,000) were made across the group, which are included in the staff costs figures above.

During the year, the total expenses paid in respect of 15 (2021: 13) Board of Trustee members amounted to £21,400 (2021: £13,900). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds

The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:

1. Group Flexible Retirement Plan (GFRP)

2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)

3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)

4. The Royal British Legion Staff Pension Fund (DB Fund)

5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (including Poppyscotland from 1 October 2021) that was provided by Standard Life until 1 April 2021, when it was transferred to Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £5.221 million (2021: £5.048 million) for the year, of which £457,000 (2021: £405,000) remained payable at the year end.

EH Scheme: This was a scheme available to employees of the Poppyscotland Group and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The liability of the employer is limited to the contributions it makes, which amounted to £180,000 (2021: £165,000) for the year, of which £nil (2021: £nil) remained payable at the year end.

LHPF Scheme: This was a scheme available to employees of the Lady Haig Poppy Factory and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The liability of the employer is limited to the contributions it makes, which amounted to £65,000 (2021: £73,000) for the year, of which £nil (2021: £nil) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002 and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2020. The results of the last valuation have been updated to 30 September 2022 by a qualified actuary. In accordance with the current Schedule of Contributions, the RBL is not required to pay any ongoing deficit contributions into the Fund. Contributions are made in relation to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members.The last full actuarial valuation of the EH Fund was carried out as at 31 March 2019. The 31 March 2022 valuation is in progress. As a result of the 2016 triennial valuation, the employer agreed to pay a one-off deficit contribution of £100,000, followed by annual deficit contributions of £75,000 per year from 1 July 2017 for eight years, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. Any surplus in the scheme cannot be realised by the RBL, so it would not be recognised in the accounts. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Current service cost	-	-	-	-	-	-
Administration expenses	(119)	(504)	(623)	(299)	(540)	(839)
Net interest	(31)	(32)	(63)	(26)	(130)	(156)
Amount charged to net incoming resources	(150)	(536)	(686)	(325)	(670)	(995)
Actuarial gains	1,864	20,450	22,314	276	2,213	2,489
Return on assets excluding amount included in net interest	(1,277)	(14,590)	(15,867)	27	5,272	5,299
Limit on recognition of assets less interest	-	(4,394)	(4,394)	-	-	-
Amount recognised in other comprehensive income	587	1,466	2,053	303	7,485	7,788
Total increase/(decrease) in net funds	437	930	1,367	(22)	6,815	6,793

16b Reconciliation to the Balance Sheet

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Market value of assets	3,380	55,155	58,535	4,877	71,086	75,963
Present value of defined benefit obligation	(4,452)	(50,761)	(55,213)	(6,520)	(73,006)	(79,526)
Irrecoverable surplus	-	(4,394)	(4,394)			
Pension liability recognised in the Balance Sheet	(1,072)	-	(1,072)	(1,643)	(1,920)	(3,563)

16c Analysis of changes in the value of the fund liabilities over the year

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Value of liabilities at start of year	(6,520)	(73,006)	(79,526)	(7,019)	(77,310)	(84,329)
Interest cost	(121)	(1,357)	(1,478)	(96)	(1,060)	(1,156)
Benefits paid	325	3,152	3,477	319	3,151	3,470
Actuarial gains	1,864	20,450	22,314	276	2,213	2,489
Value of liabilities at end of year	(4,452)	(50,761)	(55,213)	(6,520)	(73,006)	(79,526)

16d Analysis of changes in the value of the fund assets over the year

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Market value of assets at start of year	4,877	71,086	75,963	5,266	68,031	73,297
Return on assets excluding amount included in net interest	(1,277)	(14,590)	(15,867)	27	5,272	5,299
Administration expenses	(119)	(504)	(623)	(299)	(540)	(839)
Employer contributions	134	990	1,124	132	544	676
Interest income	90	1,325	1,415	70	930	1,000
Benefits paid	(325)	(3,152)	(3,477)	(319)	(3,151)	(3,470)
Market value of assets at end of year	3,380	55,155	58,535	4,877	71,086	75,963

16e Asset classes

	DB Fund 2022		DB Fund 2021	
	Market Value £'000	**% of total fund assets**	Market Value £'000	% of total fund assets
Equities	**15,959**	**29%**	24,558	35%
Bonds	**7,475**	**13%**	9,891	14%
LDI	**10,126**	**18%**	9,027	13%
Cash	**658**	**1%**	892	1%
Annuities	**1,561**	**3%**	2,026	3%
Other assets	**19,376**	**35%**	24,692	35%
Total fund assets	**55,155**		71,086	
The actual return on assets over the year was	**(12,818)**		6,202	

	EH Fund 2022		EH Fund 2021	
	Market Value £'000	**% of total fund assets**	Market Value £'000	% of total fund assets
Equities	**1,570**	**46%**	1,966	40%
Cash	**174**	**5%**	385	8%
Annuities	**266**	**8%**	354	7%
Other assets	**1,370**	**41%**	2,172	45%
Total fund assets	**3,380**		4,877	
The actual return on assets over the year was	**(1,187)**		97	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation. The RBL is not entitled to any surplus generated in the fund assets and as such is not shown within the accounts.

The assets are invested in a diversified portfolio.

During 2023, contributions of £990,000 and £131,959 are expected to be paid into the DB Fund and EH Fund respectively, inclusive of deficit reduction payments.

16f Actuarial assumptions

	2022 % p.a.		2021 % p.a.	
Financial assumptions				
	EH Fund	**DB Fund**	**EH Fund**	**DB Fund**
Discount rate	**5.4**	**5.4**	1.9	1.9
Retail price index inflation	**3.7**	**3.7**	3.5	3.5
Consumer price index inflation	**3.3**	**3.0**	3	2.7
Salary increases	**4.0**	**4.0**	3.7	3.7
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	**-**	**3.6**	-	3.4
Capped at 5% or CPI if less	**3.6**	**3.6**	3.5	3.5
Capped at 3% or CPI if less	**2.6**	**2.4**	2.5	2.3
Capped at 2.5% or CPI if less	**2.3**	**2.3**	2.2	2.2
Rate of increase for deferred pensioners	**2.5**	**3**	2.5	2.7

Mortality assumptions – EH Fund

	2022		2021	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**24.9 years**	**27.7 years**	24.9 years	27.6 years
Future pensioner now aged 40	**26.4 years**	**29.2 years**	26.4 years	29.1 years

Mortality assumptions – DB Fund

	2022		2021	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**25.9 years**	**28.6 years**	25.8 years	28.5 years
Future pensioner now aged 40	**27.4 years**	**30.1 years**	27.4 years	30.1 years

17 Group intangible fixed assets

	Software, Databases and Licences £'000	**Total Group £'000**
At cost or valuation		
At 1 October 2021	5,493	**5,493**
At 30 September 2022	**5,493**	**5,493**
Accumulated amortisation		
At 1 October 2021	(3,749)	**(3,749)**
Charge for the year	(542)	**(542)**
At 30 September 2022	**(4,291)**	**(4,291)**
Net book value at 30 September 2022	**1,202**	**1,202**
Net book value at 30 September 2021	**1,744**	**1,744**

17a Charity Intangible fixed assets

	Software, Databases and Licences £'000	Total Charity £'000
At cost or valuation		
At 1 October 2021	5,367	**5,367**
At 30 September 2022	5,367	**5,367**
Accumulated amortisation		
At 1 October 2021	(3,730)	**(3,730)**
Charge for the year	(517)	**(517)**
At 30 September 2022	**(4,247)**	**(4,247)**
Net book value at 30 September 2022	**1,120**	**1,120**
Net book value at 30 September 2021	1,637	1,637

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2021	45,172	30,488	30,686	7,757	4,097	**118,200**
Additions	-	-	381	368	2,910	**3,659**
Transfers	-	3,995	-	570	(4,565)	**-**
Disposals	-	-	(318)	-	-	**(318)**
At 30 September 2022	**45,172**	**34,483**	**30,749**	**8,695**	**2,442**	**121,541**
Accumulated depreciation						
At 1 October 2021	(13,419)	(7,763)	(10,052)	(5,404)	-	**(36,638)**
Charge for the year	(817)	(669)	(771)	(1,212)	-	**(3,469)**
Impairment	-	(60)	-	-	-	**(60)**
Disposals	-	-	199	-	-	**199**
At 30 September 2022	**(14,236)**	**(8,492)**	**(10,624)**	**(6,616)**	**-**	**(39,968)**
Net book value at 30 September 2022	**30,936**	**25,991**	**20,125**	**2,079**	**2,442**	**81,573**
Net book value at 30 September 2021	31,753	22,725	20,634	2,353	4,097	81,562

18a Charity tangible fixed assets including functional property

	Freehold homes	Other freehold	Leasehold property and leasehold improvements	Plant, machinery and equipment	Assets under construction	Total Charity
	£'000	£'000	£'000	£'000	£'000	£'000
At cost or valuation						
At 1 October 2021	45,172	29,622	6,485	6,838	666	**88,783**
Additions	-	-	-	368	2,010	**2,378**
Transfers	-	-	-	570	(570)	**-**
Disposals	-	-	-	-	-	**-**
At 30 September 2022	**45,172**	**29,622**	**6,485**	**7,776**	**2,106**	**91,161**
Accumulated depreciation						
At 1 October 2021	(13,419)	(7,262)	(5,803)	(5,024)	-	**(31,508)**
Charge for the year	(817)	(655)	(241)	(1,092)	-	**(2,805)**
Impairment	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	**-**
At 30 September 2022	**(14,236)**	**(7,917)**	**(6,044)**	**(6,116)**	**-**	**(34,313)**
Net book value at 30 September 2022	**30,936**	**21,705**	**441**	**1,660**	**2,106**	**56,848**
Net book value at 30 September 2021	31,753	22,360	682	1,814	666	57,275

19 Investments

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Market value at 1 October	**182,213**	164,647	**170,960**	151,319
Net additions/(disposals)	**1,086**	(1,740)	**2,313**	778
Investment (loss)/gain on revaluation	**(10,982)**	19,306	**(9,131)**	18,863
Market value at 30 September	**172,317**	182,213	**164,143**	170,960

The asset distribution of the investment portfolio at 30 September is presented below.

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Equities:				
UK	**14,468**	17,128	**13,461**	15,782
Overseas	**72,575**	84,153	**70,719**	81,323
Total equities	**87,043**	101,281	**84,180**	97,105
Bonds:				
UK	**14,302**	12,246	**10,906**	7,159
Overseas	**5,683**	10,685	**5,327**	10,022
Total bonds	**19,985**	22,931	**16,233**	17,181
Cash:				
UK	**3,483**	6,377	**3,035**	6,241
Overseas	**-**	96	**-**	-
Total cash	**3,483**	6,473	**3,035**	6,241
Hedge funds – UK	**2,522**	2,381	**2,383**	2,268
Property	**12,443**	10,747	**12,352**	10,611
Private equity	**7,153**	-	**7,153**	-
Commodities	**9,970**	6,628	**9,781**	6,228
Portfolio funds:				
UK	**11,707**	13,785	**11,707**	13,785
Overseas	**-**	-	**-**	-
Total portfolio funds	**11,707**	13,785	**11,707**	13,785
Other:				
UK	**8,959**	9,849	**8,789**	9,746
Overseas	**9,052**	8,138	**8,530**	7,795
Total other	**18,011**	17,987	**17,319**	17,541
Total investments	**172,317**	182,213	**164,143**	170,960

£141.844 million of the investments are managed by Cazenove Capital Management Limited (2021: £153.198 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publically available price.

Other investments includes investments held by branches, and balances relating to the Arthur Atock Memorial Trust and Devon Community Trust.

20 Group investment properties

	Group 2022 £'000	Group 2021 £'000
Market value at 1 October	**65,533**	66,706
Disposal proceeds	**(8,630)**	(6,587)
Net gain on disposal from opening market value	**2,816**	1,271
Net gain on revaluation of investment properties	**2,702**	4,143
Market value at 30 September	**62,421**	65,533

20a Charity investment properties

	Charity 2022 £'000	Charity 2021 £'000
Market value at 1 October	**65,533**	66,124
Disposal proceeds	**(8,630)**	(6,022)
Net gain on disposal from opening market value	**2,816**	1,271
Net gain on revaluation of investment properties	**2,702**	4,160
Market value at 30 September	**62,421**	65,533

Investment properties primarily comprise 275 properties (2021: 287 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2022, 57 properties were revalued (2021: 62 properties) and a revaluation gain of £2.70 million (2021: £4.16 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £nil (2021: losses of £60,000) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2022, none of these properties (2021: 0) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2021: £nil) has been recognised in respect of these properties.

21 Programme-related investments

	Group & Charity 2022 £'000	Group & Charity 2021 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	**245**	375
RBL Industries Limited	**2,022**	-
Other schemes unrestricted		
Loans for property repairs (PRL)	**3,262**	3,634
Total programme-related investments	**5,529**	4,009

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	RBL Industries Limited £'000	PRL loans £'000	Total Group & Charity £'000
Opening balance at 1 October	375	-	3,634	**4,009**
Principal withdrawn	-	2,000	-	**2,000**
Interest	13	22	-	**35**
Repayments and security deposits	(143)	-	(372)	**(515)**
Closing balance at 30 September	**245**	**2,022**	**3,262**	**5,529**

The RBL has provided a number of loans in furtherance of its charitable objectives as follows:

Sir Oswald Stoll Foundation – a secured loan repayable over 10 years issued towards the development costs of a veterans' housing centre. An interest rate of 4% is applied to the principal issued on the anniversary of the loan agreement (17 September 2013).

RBL Industries Limited – a secured loan repayable over 10 years issued towards the development of Phase 2B of the RBLI Centenary Village. An interest rate of 0.5% above the Bank of England base rate is applied on the daily outstanding balance.

Property Repair Loans – interest-free secured loans to beneficiaries living in their own homes to provide housing improvements. The majority are lifetime loans as they are repayable on the sale of property. The minimum amount for a loan is £2,000 and the maximum allowed is £25,000. The RBL ceased issuing new loans in 2013.

22 Debtors

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Fixed assets held for sale	**-**	725	**-**	725
Trade debtors	**2,084**	1,387	**1,911**	1,133
Amounts due from consolidated entities	**-**	-	**783**	177
Other debtors	**2,202**	3,485	**1,250**	3,358
Prepayments and accrued income	**6,622**	6,172	**6,138**	5,011
Total debtors	**10,908**	11,769	**10,082**	10,404

23 Cash at hand and in bank and short-term deposits

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Cash held centrally				
Short-term deposits	**7,261**	5,982	**5,976**	4,721
Cash at hand and in bank	**54,847**	49,478	**50,192**	44,005
	62,108	55,460	**56,168**	48,726
Cash held by branches	**10,305**	10,525	**10,305**	10,525
Total cash	**72,413**	65,985	**66,473**	59,251

24 Creditors

Creditors falling due within one year	**Group 2022 £'000**	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Trade creditors	**2,363**	2,534	**1,809**	1,812
Amounts due to consolidated entities	**-**	-	**68**	-
Grant commitments (see note 25)	**6,040**	6,102	**6,040**	6,102
Accruals	**8,369**	9,607	**7,596**	8,540
Deferred income (see note 24a)	**2,698**	3,288	**2,499**	3,021
Other creditors	**2,125**	1,991	**1,915**	1,854
Hire Purchase commitments due within one year	**21**	21	**-**	-
Total creditors falling due within one year	**21,616**	23,543	**19,927**	21,329

Creditors falling due after more than one year	**Group 2022 £'000**	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
External grant commitments (see note 25):				
Due within two to five years	**5,876**	6,779	**5,876**	6,779
Hire Purchase commitments				
Due within two to five years	**15**	36	**-**	-
Total creditors falling due after more than one year	**5,891**	6,815	**5,876**	6,779

24a Deferred income movement during the year

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Opening balance at 1 October	**3,288**	3,164	**3,021**	3,058
Deferred income released in the year	**(3,288)**	(3,164)	**(3,021)**	(3,058)
Income deferred in the year	**2,698**	3,288	**2,499**	3,021
Closing balance at 30 September	**2,698**	3,288	**2,499**	3,021

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2022, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group & Charity grant commitments

	Personnel Recovery Centres 2022 £'000	**Combat Stress 2022 £'000**	**Other 2022 £'000**	**Group & Charity Total 2022 £'000**
Opening balance at 1 October 2021	954	6,850	5,077	**12,881**
Grants awarded	-	2,327	2,573	**4,900**
Unwinding of discount	9	(26)	41	**24**
Payments during the year	-	(3,000)	(2,889)	**(5,889)**
Closing balance at 30 September 2022	**963**	**6,151**	**4,802**	**11,916**

26 Provisions for liabilities

	Group 2022 £'000	Group 2021 £'000	**Charity 2022 £'000**	Charity 2021 £'000
Opening balance at 1 October	**1,799**	1,450	**1,755**	1,450
Provisions made in the year	**740**	349	**152**	305
Provisions released/used in the year	**(373)**	-	**(329)**	-
Closing balance at 30 September	**2,166**	1,799	**1,578**	1,755

Charity provisions for liabilities includes estimated future costs of dilapidations obligations arising from land and building operating lease contracts where the RBL is the lessee and the contract requires the RBL to pay such costs at the end of the lease period. Current lease obligations expire no later than 2025.

Group provisions for liabilities also includes a provision for VAT payable to HMRC of £588,000 to cover any potential liability relating to the VAT status of the refurbishment of the Lady Haig Poppy Factory that was funded by Earl Haig Fund Scotland. Further details are provided in the 2021 Earl Haig Fund Scotland statutory annual accounts.

27 Group operating lease commitments

	Land and buildings 2022 £'000	**Vehicles and equipment 2022 £'000**	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,132**	**121**	1,315	244
Within one to five years	**1,322**	**53**	2,459	163
Over five years	**1,333**	**-**	1,448	-
Total	**3,787**	**174**	5,222	407

27a Charity operating lease commitments

	Land and buildings 2022 £'000	**Vehicles and equipment 2022 £'000**	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000
At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,132**	**96**	1,266	220
Within one to five years	**1,322**	**45**	2,453	150
Over five years	**1,333**	**-**	1,448	-
Total	**3,787**	**141**	5,167	370

28 Group unrestricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	116,806	(104,026)	(7,695)	380	**90,932**
Area trust funds	20,085	-	(5,297)	-	1,322	**16,110**
Pension reserve	(1,920)	-	(536)	1,466	990	**-**
Subsidiaries' funds	3,778	7,734	(5,652)	-	(3,796)	**2,064**
Available reserves	**107,410**	**124,540**	**(115,511)**	**(6,229)**	**(1,104)**	**109,106**
General fund	4,841	4,077	(4,435)	-	-	**4,483**
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	**32,031**
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	**57,968**
Programme-related investment reserve	4,009	35	-	-	1,485	**5,529**
Total group unrestricted funds	**208,190**	**135,613**	**(128,593)**	**(6,466)**	**373**	**209,117**

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,149	102,482	(88,310)	16,980	6,166	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
Subsidiaries' funds	2,470	9,047	(4,954)	-	(2,785)	3,778
Available reserves	70,830	111,529	(106,169)	24,465	6,755	107,410
General fund	4,736	3,946	(3,841)	-	-	4,841
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	32,293
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	59,637
Programme-related investment reserve	4,510	17	-	-	(518)	4,009
Total group unrestricted funds	180,374	117,206	(116,111)	25,381	1,340	208,190

The Central benevolent fund incorporates the core activities of the RBL, such as operating residential care homes, giving grants, providing resettlement training, giving pension claims advice and acting as the custodian of Remembrance. The proceeds from the annual Poppy Appeal collection are allocated to this fund.

The Area trust funds are benevolent funds that have been designated for use in a particular geographical area.

The Pension reserve is a specific allocation of unrestricted funds in relation to the Royal British Legion Staff Pension Fund.

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

Taken together, the above four lines represent the total unrestricted reserves of the RBL, which are available for immediate use at the discretion of the Trustees.

The General fund is used to support the central administration of the membership of the RBL.

Branch, county, district and Women's Section funds represent those funds held by, or on behalf of, the various RBL membership formations.

The Functional fixed asset reserve represents the value of the RBL's functional fixed asset portfolio (such as residential care homes and Welfare Break Centres), used by the charity in the delivery of its charitable objectives.

The Programme-related investment reserve represents the value of the programme-related investments used by the charity in the delivery of its charitable objectives.

28a Charity unrestricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	120,602	(106,986)	(7,695)	(456)	**90,932**
Area trust funds	20,085	-	(5,297)	-	1,322	**16,110**
Pension reserve	(1,920)	-	(536)	1,466	990	**-**
Available reserves	**103,632**	**120,602**	**(112,819)**	**(6,229)**	**1,856**	**107,042**
General fund	4,841	4,077	(4,435)			**4,483**
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	**32,031**
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	**57,968**
Programme-related investment reserve	4,009	35	-	-	1,485	**5,529**
Total charity unrestricted funds	**204,412**	**131,675**	**(125,901)**	**(6,466)**	**3,333**	**207,053**

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,167	105,256	(90,088)	16,980	5,152	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
Available reserves	68,378	105,256	(102,993)	24,465	8,526	103,632
General fund	4,736	3,946	(3,841)	-	-	4,841
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	32,293
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	59,637
Programme-related investment reserve	4,510	17	-	-	(518)	4,009
Total charity unrestricted funds	177,922	110,933	(112,935)	25,381	3,111	204,412

29 Group restricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	**62,421**
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	**42,078**
Grants for specific purposes	2,610	1,332	(1,300)	-	-	**2,642**
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	**11,305**
Branch and county funds	5,999	1,831	(451)	(666)	-	**6,713**
Charity Commission schemes	2,421	49	-	(109)	-	**2,361**
Homes' residents' amenity funds	1,925	201	(409)	-	97	**1,814**
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	**1,480**
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	**132**
Samsung British Korean Veterans Scholarship Fund	339	7	-	(43)	-	**303**
Permanent endowments	975	-	-	(42)	-	**933**
Total charity restricted funds	**132,874**	**7,291**	**(9,095)**	**4,445**	**(3,333)**	**132,182**
Poppyscotland Group	14,288	5,085	(6,985)	(1,579)	526	**11,335**
Poppyscotland pension provision	(1,643)	-	(150)	587	134	**(1,072)**
National Memorial Arboretum Group	23,371	5,279	(6,818)	-	2,300	**24,132**
Royal British Legion Republic of Ireland	2,716	259	(213)	(349)	-	**2,413**
Total group restricted funds	**171,606**	**17,914**	**(23,261)**	**3,104**	**(373)**	**168,990**

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	65,533
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	35,553
Area Trust Funds	5,811	-	(3,995)	-	2,310	4,126
Grants for specific purposes	1,563	5,238	(4,191)	-	-	2,610
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	11,728
Branch and county funds	5,634	380	(602)	587	-	5,999
Charity Commission schemes	2,166	48	-	207	-	2,421
Homes' residents' amenity funds	1,928	300	(382)	-	79	1,925
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	1,523
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	142
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	339
Permanent endowments	841	-	18	116	-	975
Total charity restricted funds	131,665	9,922	(13,072)	7,470	(3,111)	132,874
Poppyscotland Group	15,237	5,404	(6,636)	112	171	14,288
Poppyscotland pension provision	(1,753)	-	(325)	303	132	(1,643)
National Memorial Arboretum Group	22,559	4,736	(5,392)	-	1,468	23,371
Royal British Legion Republic of Ireland	2,494	91	(293)	424	-	2,716
Total group restricted funds	170,202	20,153	(25,718)	8,309	(1,340)	171,606

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the Balance Sheet.

The investment property reserve represents the estimated market value of £62.420 million (2021: £65.533 million), representing a portfolio of 278 properties (2021: 287 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2022 was £42.078 million (2021: £39.680 million), which includes both investment income and sales proceeds.

29a Charity restricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	**62,421**
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	**42,078**
Grants for specific purposes	2,610	1,332	(1,300)	-	-	**2,642**
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	**11,305**
Branch and county funds	5,999	1,831	(451)	(666)	-	**6,713**
Charity Commission schemes	2,421	49	-	(109)	-	**2,361**
Homes' residents' amenity funds	1,925	201	(409)	-	97	**1,814**
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	**1,480**
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	**132**
Samsung British Korean Veterans Scholarship Fund	339	7	-	(43)	-	**303**
Permanent endowments	975	-	-	(42)	-	**933**
Total charity restricted funds	**132,874**	**7,291**	**(9,095)**	**4,445**	**(3,333)**	**132,182**

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	65,533
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	35,553
Area Trust Funds	5,811	-	(3,995)	-	2,310	4,126
Grants for specific purposes	1,563	5,238	(4,191)	-	-	2,610
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	11,728
Branch and county funds	5,634	380	(602)	587	-	5,999
Charity Commission schemes	2,166	48	-	207	-	2,421
Homes' residents' amenity funds	1,928	300	(382)	-	79	1,925
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	1,523
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	142
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	339
Permanent endowments	841	-	18	116	-	975
Total charity restricted funds	131,665	9,922	(13,072)	7,470	(3,111)	132,874

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £0.333 million from restricted to unrestricted reserves (2021: £1.340 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 6 trusts (2021: 27 trusts), resulting in the release of £1.322 million (2021: £2.831 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £2.300 million (2021: £1.475 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £660,000 (2021: £303,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2022 £'000	Restricted 2022 £'000	Total 2022 £'000	Unrestricted 2021 £'000	Restricted 2021 £'000	Total 2021 £'000
Fund balances are represented by:						
Intangible and tangible assets	**57,968**	**24,807**	**82,775**	58,912	24,394	83,306
Investments	**115, 886**	**124,381**	**240,267**	121,148	130,607	251,755
Current assets	**62,449**	**23,361**	**85,810**	60,262	20,193	80,455
Current and non-current liabilities	**(27,186)**	**(2,487)**	**(29,673)**	(30,212)	(1,945)	(32,157)
Defined benefit pension liability	**-**	**(1,072)**	**(1,072)**	(1,920)	(1,643)	(3,563)
Total funds	**209,117**	**168,990**	**378,107**	208,190	171,606	379,796

32 Events after the reporting period

On 11 January 2023, Gift Aid totalling £2.084 million relating to the 2022 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2022.

On 22 December 2022, Gift Aid totalling £204,000 relating to the 2022 profits of NMA (Enterprises) was paid to the National Memorial Arboretum Company; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2022.

33 Related party transactions

During the year ended 30 September 2022, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £2.3 million was provided by the charity to The National Memorial Arboretum Company (2021: £1.475 million).
- The charity received donations of profits from Royal British Legion Trading of £3.796 million (2021: £2.486 million). Royal British Legion Developments and Remembrance Travel had no profits to pay to the charity in 2022 (2021: nil).
- Grant funding of £660,000 was provided by the charity to the Poppyscotland Group (2021: £303,000).
- The charity purchased goods and services valued at £362,000 from NMA (Enterprises) (2021: £65,000).
- NMA (Enterprises) purchased goods and services valued at £235,000 from Royal British Legion Trading (2021: £35,000).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2022:

	Charity 2022 £'000	Charity 2021 £'000
Amounts receivable from consolidated entities		
The National Memorial Arboretum Company	**12**	12
Royal British Legion Developments	**32**	32
Royal British Legion Trading	**332**	112
Poppyscotland Group	**407**	12
Royal British Legion Republic of Ireland	**-**	9
Toal amounts receivable from consolidated entities	**783**	177

	Charity 2022 £'000	Charity 2021 £'000
Amounts payable to consolidated entities		
NMA (Enterprises)	**68**	-
Total amounts payable to consolidated entities	**68**	-

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). One of the RBL's Trustees holds a position within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £46,000 during the year (2021: £45,000). The RCEL does not make payments to the RBL for these services.

In addition, on 7 September 2017, the Trustees approved a grant to the RCEL of £1.2 million to be paid over a period of five years commencing in 2018. In line with its policy of recognising future grant commitments at their net present value using an appropriate discount rate (see note 1), the charity recognised grant expenditure of £nil in relation to the RCEL during 2022 (2021: £8,000), and held a grant creditor of £nil owed to RCEL at 30 September 2022 (2021: £240,000).

A further 2-year extension to this original grant of £480,000 was awarded on 24 September 2021. The charity recognised a discount credit to grant expenditure of £14,000 during 2022 (2021: £21,000) and holds a grant creditor of £473,000 owed to RCEL at 30 September 2022 (2021: £459,000) in respect of this extension funding.

Organisation	**Related party**	**Position at the RBL**	**Position at related party organisation**
Royal Commonwealth Ex-Services League	Jason Coward	National Chair	Trustee

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C013204

Registered address: Royal British Legion, Haig House, 199 Borough High Street, London SE1 1AA
Registered Charity Number: 219279

THE ROYAL BRITISH LEGION

England & Wales - Charity number 219279

Accounts

100 years of supporting the Armed Forces community

2021

Annual Report and Accounts

Year ended 30 September

ROYAL BRITISH LEGION

Mya Sanneh, Care Assistant at our Lister House care home

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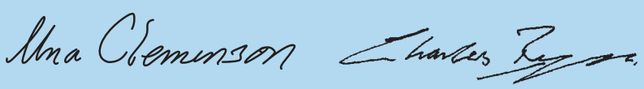
Annual Report 2021

Foreword

Una Cleminson, National Chairman, and
Charles Byrne, Director General



"This year was our centenary, and after lockdown restrictions were lifted, we made sure we celebrated 100 years of service. These gatherings brought welcome face-to-face contact for our members, volunteers and staff"

As always, our priority over the past year has been to serve the needs of the Armed Forces community. The pandemic often exacerbated those needs and threw up obstacles to meeting them. Despite these pressures, we stepped up to the challenge, adapted well and found ways to provide the services that are vital to the people we support.

The pandemic did not completely dominate the year. It was also our centenary, and after lockdown restrictions were lifted, we made sure we celebrated those 100 years of service. These gatherings brought welcome face-to-face contact for our members, volunteers and staff, many of whom had spent considerable periods of time alone while continuing to support us.

A centenary presents a good opportunity to reflect and take stock of an organisation's purpose and role. Our first Honorary Treasurer (later to be known as 'Director General'), Major Sir Benn Jack Brunel Cohen KBE, served in the King's Regiment (Liverpool), the same regiment as Charles's grandfather, and both fought on the Western Front. Many in our organisation, and across society, have similar connections with the generation that formed the RBL. This is not ancient history: those founders still feel close. Our current members, volunteers and staff are the most recent link in a human chain of all the many people who have supported the RBL over those hundred years. The RBL continues to enjoy the support of the nation, and we are confident that human chain will extend long into the future.

In a leadership role at the RBL, you are constantly approached by people who want to tell you about the difference the organisation has made to their lives. They frequently also mention its importance in the life of the nation. "The Royal British Legion is a national treasure" is a phrase that's often used, and it's appropriate given the role we have in the national story. The work of the RBL not only strengthens and supports the Armed Forces community, it is also a powerful force for good in this country.

To maintain that role, the RBL has to bring together many different people in pursuit of a common goal. This is one of our great strengths. Here, again, the RBL's history is revealing. It was created by four charities that realised they would be more effective if they joined together as one. So they put aside their political affiliations and made it work. They were inclusive, serving anyone in the Armed Forces community and their family, regardless of which service you had been in, your creed, your social standing, your race or your geographical location. Unity remains central to the RBL's mission and practice. The Union Flag in the top corner of our ceremonial Standard is symbolic of that unity and loyalty to community, Crown and nation. Bringing people together is an essential part of Remembrance and is core to what we do. It has never been better demonstrated – or needed – than during this year.

As an organisation, the RBL has had to adapt over the years to meet changing needs. That adaptation continues. We made further progress in bringing together the many different services we provide to those in need in the Armed Forces community so they are easier to find and access. We continued to improve the way we coordinate with the many other specialist services provided by Armed Forces charities in the UK. We made it easier for beneficiaries to become aware of these and access them. Bringing disparate providers' services together is difficult but it is worth all the effort. The result is a far more effective organisation that is far better able to meet the needs of the Armed Forces community we serve.

Meeting those needs through the year while the pandemic exerted its influence presented a challenge. The way members, volunteers and staff have stepped up to serve their communities demonstrated the spirit of tenacity and goodwill that has sustained the RBL for its first 100 years. The hard work has been impressive, as have been the sacrifices. In order to protect the people in their care from infection, some of our care home staff chose to stay in their place of work even though that meant they spent days – and even weeks – away from their families. Many others have had to work from home in challenging conditions. It is also the little things people did for others that impress. One of our care home staff took his young boy into work to stand outside the residents' windows and sing some songs, because those residents couldn't see their grandchildren. That day, that boy eased their sense of isolation and lifted their spirits.

The pandemic showed, once again, the RBL can't deliver its charitable work without acting together and being available to all members of the Armed Forces community. We represent the nation, and we must reflect the nation.

We talk about the loyalty to community, Crown and nation when the new Standard Bearer receives the Standard each year. That represents the bringing together of peoples. We imagine how Brunel Cohen would have approached the task of improving diversity and inclusion. He and others didn't bring four major Armed Forces charities together to form the British Legion in order to leave some people out. Inclusivity and recognising diversity must be at the centre of who we are and what we do.

The RBL has constantly had to change to stay relevant. The leadership shown by our Trustees is just one example. Their decision to start a thorough review of the governance of the organisation demonstrates a strong sense of stewardship, responsibility and commitment to our work. They invited advice from external experts and they have given, and are giving, our governance full and proper consideration. We are now building a programme to define how we improve our governance and decision-making to ensure the RBL can continue to provide whatever support is needed for generations to come.

Another big change this year was the introduction of hybrid working for office-based staff. We have been investing in our technology for some years, which helped with the transition, but the pandemic forced us to accelerate, both in technical investment and user adoption. It has been quite a steep learning curve. At times it has been frustrating, and we haven't yet established what an optimal hybrid-working model for us will look like. But generally, people have made it work extremely well.

What we saw yet again during the pandemic is that when things get really difficult, this nation turns to the Armed Forces. That could be helping build Nightingale hospitals, carrying out COVID-19 tests, distributing and administering vaccines or driving fuel tankers. In times of trouble, the Armed Forces get the call, and they step up. That builds huge trust and confidence among members of the public, and huge levels of support. This underpins the support for the RBL, as we saw this year in the public donations during periods of Remembrance and the Poppy Appeal, which remained high despite street and workplace collections being curtailed by lockdown. The public responded to calls to donate online with immense generosity. They are, we believe, saying thank you to the Armed Forces for being there for us when things get tough.

Looking ahead to the next year, we want to continue the work of bringing together the many services we provide, along with those offered by other Armed Forces charities, so they are more easily accessible to those we support. We also want the general public to be clear about who we are, the vast range of what we do and the impact we have. We do so much, and that range can be hard to simplify and explain. Over the next couple of years, we will aim to be better understood, as well as provide even better support and services for the Armed Forces community.

Having come through this period of struggle with the pandemic, and seen how magnificently our people – members, volunteers, staff and supporters – responded, gives us great confidence in the future. Along with the rest of the nation, we have weathered a heavy storm. We have seen how it brought out the best in our people. We have come together. We have much still to do to improve, but we have the legacy of goodwill from our 100-year history, and we have the unity, support and inspiration of that human chain. There is every reason to be optimistic.

"In times of trouble, the Armed Forces get the call, and they step up. That builds huge trust and confidence among members of the public, and huge levels of support. This underpins the support for the RBL"

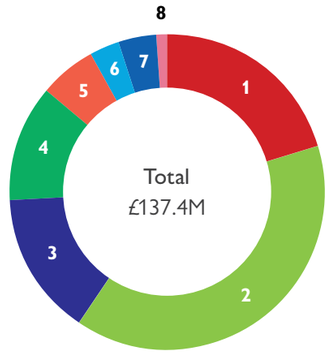
Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2021. Details of the group structure can be found in the financial review on page 52 and in note 14 to the accounts.

Financial overview

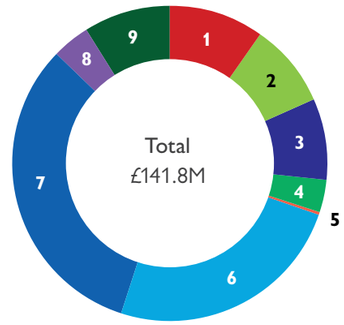
Where the money comes from

		£ Million	%
1	The Poppy Appeal	27.9	20.3
2	Donations, legacies and events	53.6	39.1
3	Lotteries and trading	20.9	15.2
4	Fees charged to care home residents	16.8	12.2
5	Grants for welfare services and Remembrance	7.6	5.5
6	Membership subscriptions	4.0	2.9
7	Investment income	5.4	3.9
8	Other	1.2	0.9
	TOTAL INCOME	**137.4**	**100.0**



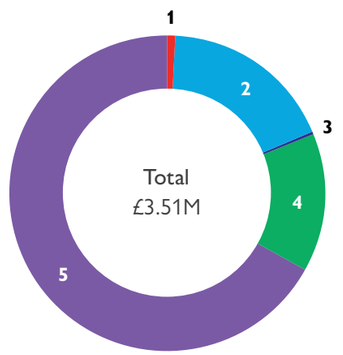
Where the money goes
Operational costs

		£ Million	%
1	The Poppy Appeal	14.0	9.9
2	Donations, legacies and events	12.5	8.8
3	Lotteries and trading	11.2	7.9
4	Remembrance	5.0	3.5
5	Comradeship	0.4	0.3
6	Care homes	35.1	24.8
7	Welfare services	45.6	32.1
8	Membership	5.7	4.0
9	Communication and campaigns	12.3	8.7
	TOTAL OPERATIONAL COSTS	**141.8**	**100.0**



Where the money goes
Capital costs

		£ Million	%
1	Care homes	0.04	1.1
2	Poppy Machines	0.62	17.7
3	The National Memorial Arboretum development	0.01	0.3
4	Improving IT infrastructure	0.50	14.2
5	Lady Haig Poppy Factory renovation	2.34	66.7
	TOTAL CAPITAL COSTS	**3.51**	**100.0**



Funds and Reserves

The total funds of the RBL group are broken down into three categories: Not available to spend, Membership and Restricted Funds, and Available Unrestricted Funds. Our Reserves policy can be found on page 48. Full details of each type of fund can be found on pages 88-91.

Not available to spend

Buildings such as care homes	£79.8m
Branch properties occupied by RBL clubs	£65.5m
Interest-free loans to beneficiaries	£4.0m

Subtotal of funds not available to spend: £149.3m

Membership and Restricted Funds

Membership funds, including money held by branches	£43.1m
Money that can only be used in a specific geographical area	£56.6m
Money given to us for a specific purpose	£23.4m

Subtotal of Membership and Restricted Funds: £123.1m

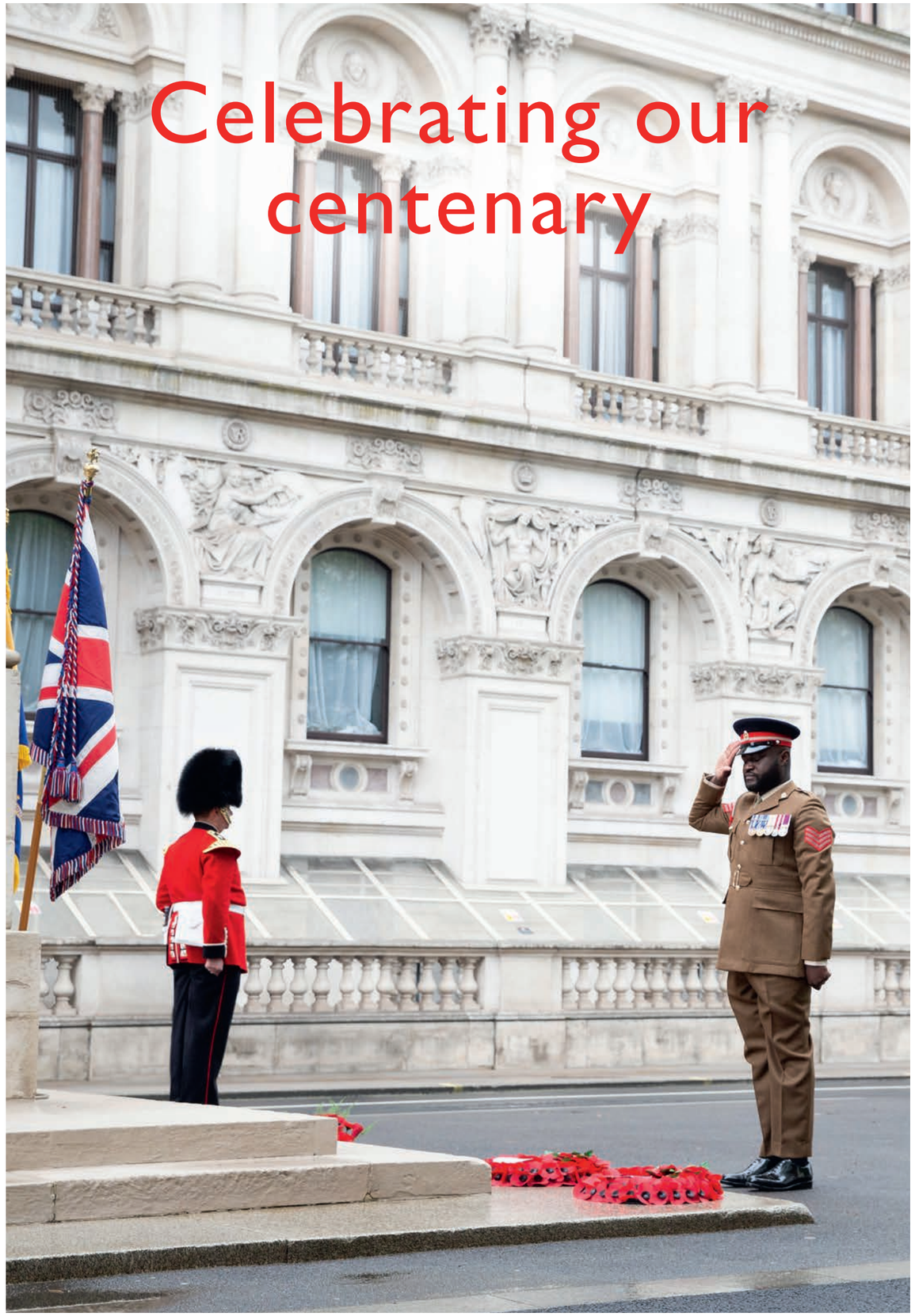
Available Unrestricted Funds

Money set aside for emergencies	£60.0m
Money we have available to spend	**£47.4m**

Subtotal of Available Unrestricted Funds: £107.4m

Total Funds held by the RBL group

£379.8m



Previous page: Sergeant Ben Poku, Queen Alexandra's Royal Army Nursing Corps, was one of the Armed Forces representatives who laid wreaths at the Cenotaph on 15th May, 2021, to replicate the founding moment of the British Legion 100 years ago

This page, far left: An ex-serviceman at the Field of Remembrance, 1938

This page, left: A silk poppy from 1942–1944

The Royal British Legion centenary publication *We Are The Legion* tells the story of the 100 years that the organisation has been in existence

In 2021, the Royal British Legion marked its 100th anniversary with events that reflected upon its proud past and highlighted its preparedness for a second century of service. While we looked back at the work the charity has achieved since 1921, the focus of our centenary was on the future. Our challenges and contributions are not behind us – they are yet to come.

The British Legion was born out of the First World War when four organisations came together to fight injustices faced by those returning home after their service. The Legion was founded as a campaigning organisation, fighting for fair treatment of those who had given so much for their country, and it provided much-needed welfare and comradeship to millions. At the same time, it committed itself to Remembrance of the selfless service of the Armed Forces community and the commemoration of its fallen.

Today, the RBL is committed to the same mission, to ensure the Armed Forces community suffer no disadvantage for their service, to provide access to welfare when they face hardships, to recognise their achievements and to remember their sacrifices. A century of experience has built the solid foundations of an organisation fit for the next 100 years, and one committed to becoming more efficient, more focused and of even greater value to the community it serves. Our modern-day services meet many needs, from small interventions to life-changing, and sometimes lifesaving, support.

But we cannot do this alone. The RBL's strength is its network of members, volunteers, partner organisations and supporters. In our centenary year, our events and activities provided key opportunities to recognise and thank the many charity partners, community associations, elected officials, and government agencies and services at all levels whose valuable support makes it possible for the RBL to do its work. Our centenary events held nationally, regionally and locally enabled us to tell our story and recognise our people, past and present.

In 2021, we demonstrated our commitment to the future of the organisation with a renewed strategic direction, placing those who need and support us at the heart of all we do. We also introduced a new visual identity, helping our organisation be better recognised and understood.

At 9am on 15th May, 1921, the four ex-Service charities who founded the British Legion came together at the Cenotaph on Whitehall to lay wreaths and mark the new organisation's formation. One hundred years later, on 15th May, 2021, a ceremony was held at the Cenotaph to replicate the moment of the RBL's creation. The RBL National President, Lieutenant General James Bashall CB CBE, laid a wreath at the Cenotaph, alongside representatives of the Royal Navy, Army, Royal Air Force, Merchant Navy and The War Widows' Association.

The anniversary was met with "heartfelt congratulations" from our Patron, HM The Queen. "Since 1921," she wrote, "the Legion has worked with alacrity, intelligence and commitment, pursuing a mission of bringing together nations, communities and people to provide better futures for our Armed Forces, veterans and their families."

> "A century of experience has built the solid foundations of an organisation fit for the next 100 years"

HRH The Prince of Wales gave the opening address at our virtual Annual Conference in May in the form of a video message. Praising the RBL's work of the past 100 years, and recognising its commitment to future generations of the Armed Forces community, he said: "There are few organisations which hold a place at the heart of society in the way the Royal British Legion does. For 100 years, the RBL has been a constant, through the annual Poppy Appeal, leading the nation in Remembrance and providing a lifelong commitment to every veteran and their families. Therefore I wanted, above all, to offer my sincere and heartfelt gratitude to all those who have helped build this wonderful organisation we know today, and to all those who will be part of its future."

We marked this milestone with the publication of a hardcover book, *We Are The Legion*. It tells our story vividly and vibrantly, with the largest collection of colourful RBL images ever published in one place.

Another project, Telling Our Story, allowed RBL members and branches to share memories of the RBL at the community level. More than 5,000 items are now catalogued in the Branch Library, and a selection is displayed on our website. Nominations submitted by staff, members, volunteers and supporters recognised 400 individuals as Centenary Stars, who have made a difference to the RBL.

Across the year, an active marketing campaign highlighted that the RBL was looking to the future, responding to needs, celebrating our people and building on our legacy of service.

In October, our Patron HM The Queen and HRH The Princess Royal, President of the Women's Section, were invited to a special service of celebration at Westminster Abbey.

Services and support

Opposite: Janet Dowling, one of our care home residents

Members of the UK's Armed Forces give the nation their total commitment. It's the Royal British Legion's job to be there for them at their time of need. We've got their backs. Despite the challenges of the lockdown and subsequent ongoing restrictions, we have maintained our welfare commitments, and some of our services have even expanded.

Running a care home in challenging times

Our six care homes provide 24-hour residential, nursing and respite care for hundreds of older veterans and their dependants. They also support individuals needing specialist dementia care. We provide a unique environment that recognises and celebrates our residents' service to the country.

Despite the challenges of the ongoing pandemic and the well-reported staffing and funding issues faced by the social-care sector in the UK, we continued to provide high-quality care for residents, both in our homes and in their families' homes.

All the homes continued to offer a range of meaningful activities, despite the restrictions in place. As much as possible, we aim to link these to the local communities or to residents' specific interests. All homes ensure residents and their loved ones are able to observe, commemorate or celebrate events in the Armed Forces calendar, along with other national events. VJ Day was celebrated with summer barbecues, services of Remembrance and concerts from The Not Forgotten and 'Lest We Forget' Associations. We enriched care through online activities, which included residents taking part in an international cycling challenge, forming community choirs, and celebrations of Chocolate Week and National Women's Day. We also facilitated visits from family members, ensuring these happened in a safe way. Together, these activities provide enrichment and purpose to our residents' daily lives.

RBL homes continue to make effective use of a range of technology and tools to ensure our residents remain connected with their loved ones. We offered a wider choice of visiting options, including booked visits with residents in their own rooms, but we were still unable to have visitors in communal areas.

When COVID-19 restrictions eased, we were able to welcome some volunteers back to our homes. Volunteers have always played a large and valued part in activities and events within RBL homes. They can help to ensure that quieter residents are not left out of group activities, as well as assisting with the organisation and implementation of larger events. As additional 'eyes and ears', they can alert staff when any resident is appearing unwell or unhappy.

> "Thank you so much for the loving care you gave to our father and us. We are so grateful we got to celebrate his 102nd birthday. He was so happy with you, and nothing was too much trouble for anyone"

Highlights from some of our care homes

- As part of the RBL centenary events, Dunkirk Memorial House was chosen by the ITV programme *Love Your Garden* to have a garden makeover.
- Galanos House was inspected against the Gold Standards Framework for end-of-life care and scored an amazing 56 out of a potential 57 points to retain its platinum status.
- Mais House has continued to have video calls every two weeks with students

Opposite: Ian Shaw, one of our care home residents

Below: Helen Buckley, Admiral Nurse, Regional Lead, South Wales

from the Royal Navy in Birmingham. There was a talk from a serving officer about what life is like in the Royal Navy today, and our residents shared their experiences, passing on stories and knowledge to the next generation.

RBL Admiral Nurses provide face-to-face and online support

Carers of people facing the challenges of dementia while continuing to live in their own homes need expert and clinical advice. Our Admiral Nurses service provides it, along with much-needed support.

The service adapted well to the changing circumstances presented by the pandemic. It provided face-to-face and online assistance and advice in the established six geographic operational areas it covers, as well as offering online support to those in need everywhere else in the UK and worldwide.

Our staff were key to providing safe and good-quality care throughout the year. The pandemic and subsequent lockdowns have increased workloads and pressures on every member of the RBL's care teams. To ensure we look after these front-line teams, we invested in specialist support for their wellbeing.

Regional casework and specialist advice needs increase

We continue to provide essential caseworking and specialist advice services. Following the successful adoption of remote-working technology for our home-visiting services, we delivered much of this support through telephone and video calls, although we resumed some face-to-face provision for the most vulnerable of those we support.

In all, we provided assistance to just under 30,000 people in need of help, either in the UK or one of 31 countries across the world where we operate. We have continued to see an increase in people turning to the RBL with complex, multiple needs, seeking practical help when life becomes most difficult. When service users needed practical solutions for mobility, housing, household items and debt, we were there for them, providing grants when required. We awarded more than 11,000 grants to individuals during the year.

This year, our War Pension and Armed Forces Compensation service received 1,170 new requests for assistance with appeals against compensation awards.

Above: Mikhail Wazir, a veteran participant at the Battle Back centre, taking part in archery

We responded, helping them secure more than £2 million. More than 2,000 people used our specialist debt and money advice service, which secured access to benefits and grants and negotiated debt relief worth a total of £10 million. This was an increase of 15% on last year.

Improving our impact

We use the 'Impact Star' model to assess an individual's situation across six areas of welfare need. These assessments, co-created by the individual themselves, are carried out prior to an individual's engagement with the RBL's support services and then again afterwards. The data provides us with essential insight into the impact of our services. During the year, beneficiaries reported a 25% improvement in their household finances, a 22% improvement in their housing situation and a 20% improvement in their mental health.

Recovery programmes adapt to pandemic restrictions

The RBL has a number of services to help speed the recovery of serving personnel and veterans who are wounded, injured or sick. Our Battle Back centre provides multi-activity courses. Bravo 22 Company offers arts and media courses, while Team UK for the Invictus Games has a competitors' friends and family programme, which provides support. Multi-activity courses at the Battle Back centre had to stop until mid-March, when an adapted programme, with reduced numbers and COVID-19-safe arrangements, was put in place. Bravo 22 Company and Team UK for the Invictus Games continued to run online support, which was well attended.

Progress against aims set out in the 2020 report

We detailed several aims for 2021 in last year's report. We aimed to implement plans to strengthen and improve the way we provide welfare support, ensuring that people can easily access the services they need, when they need them. We have introduced successful pilots to fast-track those who are most vulnerable and require most urgent support. These trialled new ways of providing a better experience and reducing waiting times. We increased funds allocated to our individual needs grant programmes and introduced new categories of support, including digital-inclusion grants for data and smart devices. We will continue this development work throughout 2022.

We wanted to improve the way we run our care homes by introducing better staffing and electronic care systems. We have begun implementing these. We said that we would work with our partners to streamline the War Pension and Armed Forces Compensation appeals process. This work has been very successful, with people seeking support from the RBL in appealing their compensation award now experiencing a more refined and better-organised service.

Our last strategic goal was to develop the RBL's future plans for our recovery services, supporting people who are wounded, injured or sick, and their families. Detailed plans have been developed and approved, which will see a significant investment and increase in scale to the RBL's support in this area.

Platinum status

56/57 points

Galanos House was awarded Platinum status in the Gold Standards Framework for end-of-life care

5.3 million

people watched the Festival of Remembrance on BBC One

2021 in numbers

4,675

home visits were made to 2,084 people as part of the Branch Community Support programme

140,000

Teaching Remembrance resources were downloaded by schools and organisations

40

Poppy Ride cyclists

took part in the first UK charity event to take place after the winter lockdown

The 2020 Poppy Appeal raised

£28 million

despite COVID-19 restrictions

1,170

people contacted our War Pension and Armed Forces Compensation service for support. We helped secure funding of more than £2 million

59,560

Telephone Buddy calls were made to 17,990 members of the Armed Forces community as part of the Branch Community Support programme

23,000

individual event fundraisers raised more than

£1.2 million

through new virtual events in 2021

30,000

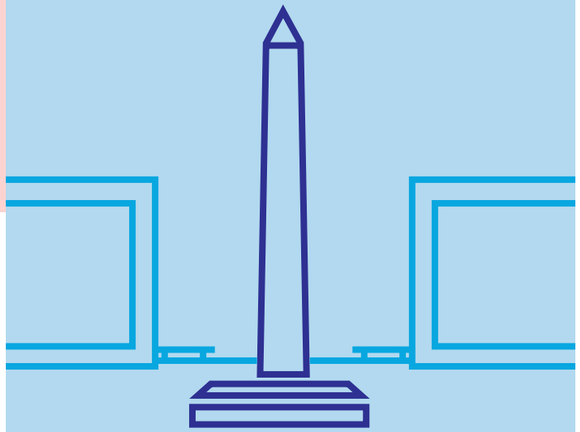
people who were in need of help in the UK or one of 31 countries across the world received assistance from the RBL

400

staff, members, volunteers and supporters were recognised as part of our Centenary Stars programme, nominated for making a real difference to the work of the RBL

222,000

visitors were welcomed to the National Memorial Arboretum



The Arboretum was awarded:

- iNews Tourist Attraction and Inclusive Venue of the Year
- Green Flag Award
- VisitEngland Gold Award

We secured debt relief worth a total of

£10 million

for more than 2,000 people who used our specialist debt and money advice service. This was an increase of 15% on last year

Ambassador stories

"The RBL supported me through mental-health issues in the military, during the transition to civvy street and then after my accident, helping me through physically challenging periods – they have been incredible"

Naomi Hall

RAF veteran Naomi Hall, 36, had a 16-year career in the military as a Senior Aircraftwoman, but her experiences in Afghanistan, coupled with a life-threatening car crash, saw her turn to the Royal British Legion for help and support as she adjusted to civilian life.

"I loved it out there in Afghanistan, but immediately after I returned home, a colleague was shot in the face and killed while doing his job, and that affected me deeply," she says. "He had a nine-week-old daughter and, as a young mother myself, it shook me. I was left feeling guilty about coming home in one piece."

Naomi's depression worsened, and she was medically discharged in October 2015. During her rehabilitation, Naomi did two courses at the RBL's Battle Back centre in Lilleshall. She was also provided with two trips in order to take her daughter on holiday for the first time.

"The trips with my daughter Natasha were amazing," she says. "I'd fallen into the trap of thinking that military life superseded everything, so to be able to have those two holidays with my daughter was so special."

Everything was going well until a horrific motorway accident in January 2017, which left Naomi in an induced coma for a fortnight. When she came round, she couldn't remember who she was. After ten weeks in hospital, she returned home in a wheelchair and fought back, learning how to walk and talk again.

She moved to a new job as a Project Manager in the automotive industry and says her life is in a great place now. She still has to undergo gruelling sessions with a personal trainer for three hours a week as she recovers from her injuries, but with the support of the RBL, she is looking forward to a very positive future.

Alison Bunn, former Area Manager for the RBL in Greater Manchester, says: "Naomi is an inspirational figure, and the RBL has been privileged to help her through her various setbacks. Despite everything, she has defied the odds and now has a successful career."

Dorothy & Angus Weir

Dorothy Weir, 75, looks after her husband of 49 years, Angus, 76, who served in the Army for around ten years, with postings in Germany, France, Norway and Libya. Sadly, Angus suffers from several health problems and Dorothy has taken on the role of his sole carer.

Angus has bipolar disorder, vascular dementia and Alzheimer's. Physically, he has severe spinal problems, meaning he can't stand or walk for very long. On top of this, he has suffered two strokes and is awaiting a diagnosis of COPD. Angus has also been diagnosed recently with PTSD, which the family believe stems from a tragic incident while serving in Libya.

Dorothy has been Angus's carer for about six years. "Caring for Angus impacts my life massively," she says. "His long-term memory is brilliant – he can talk about his time in the Army until the cows come home! But he can't tell you what happened yesterday."

Dorothy also has to help Angus with his physical needs, such as putting on his socks and shoes. Although they have had a wonderful life and marriage together, there are still days when Dorothy finds herself retreating to the garden to catch a break.

"Even though I know he can't help it," she says, "I'm human too and sometimes I could just walk away. You live with it on a day-to-day basis. You get up in the morning and don't know what that day is going to bring. It's relentless."

Over the past year, Dorothy has benefited from the Royal British Legion's Admiral Nurse service, which provides specialist support for carers of people living with dementia, and she is full of praise.

Helen, her RBL Admiral Nurse, offers specialist emotional support and practical advice. "My Admiral Nurse talks to me about dementia and how it works, and has given me a lot of information I didn't know," says Dorothy. "That helps me cope because I can understand what Angus is doing."

Not only does Dorothy care for Angus, but she also has to look after their finances. When the couple's landlord gave them notice, they needed help with removal costs, and the RBL stepped in with a grant.

"The help I've been given is just amazing," says Dorothy.

"When you become a carer for someone, that's what identifies you. You lose some of who you are. The mental-health team treated me as a carer, not as a wife, but Helen focuses on me as me, as my own person"

Lilian and Eric Smith

Lilian and Eric Smith, who are aged 95 and 94 respectively, entered the Royal British Legion's Galanos House care home in 2020 when Eric's Alzheimer's grew too advanced for Lilian to manage. They have been married for 76 years, having met while working at WHSmith during the Blitz.

Eric had served in the Royal Navy for three years, missing out on active service during the Second World War owing to his age when war broke out. Nevertheless, he was to play his part in the closing stages and aftermath, joining the Royal Navy as soon as he was eligible. He became Leading Stores Accountant on HMS *Victorious*, where he ensured the ship always had enough supplies for 1,800 people.

Lilian describes his being away serving as "grim". "We used to write every day; he'd write to me and I'd write back," she recalls.

They found out about Galanos House through their daughter. She was in hospital and got chatting to a lady there who said she was looking forward to getting back to her care home, which turned out to be Galanos House. This was some years ago, but their daughter kept a note to go and look round when the time was right.

Lilian receives 'everyday support', including help getting dressed and help with her medicines. A doctor also visits regularly. "Having the doctor come in is a massive help. He's very thorough and it's so difficult to get a doctor's appointment on the outside," she says.

Galanos House is one of the RBL's homes that has specialist dementia care, which Eric receives. "If you've got a problem, it's sorted very quickly," says Lilian. "Each person has two carers, and the care you receive is just great. It's one big friendly family, and it's different from being on your own at home with just the two of you. Everybody cares."

Of Eric and Lilian's eight grandchildren, two went on to become professional soldiers and sailors, one rising to Captain in the Army and the other, James, becoming a Principal Warfare Officer onboard one of the Royal Navy's nuclear submarines, HMS *Vigilant*. He supports and fundraises for the Royal British Legion and also laid a wreath at the official ceremony to mark the centenary of the RBL on 15th May, 2021.

> "We're very well cared for; we can't fault it. I couldn't cope anymore at home on my own, caring for Eric too"

Remembrance

The Armed Forces Memorial at the National Memorial Arboretum, sculpture by Ian Rank-Broadley

Our ambition is to ensure that Remembrance is understood and available to everyone and passed on to the next generation. We are proud to honour and remember the service and sacrifice of all British and Commonwealth Armed Forces, and other foreign forces under British command, since the First World War. Remembrance is what the RBL is best known for. It is part of our charitable remit. But it is more than that: it is our duty. For as long as the Royal British Legion exists, we will remember them.

The financial year began with the Festival of Remembrance at the Royal Albert Hall in November 2020, in the absence of spectators for the first time in its history and under strict social distancing due to COVID-19 restrictions.

"The pandemic may have changed this year's Festival," *The Daily Telegraph* said in its review of the production. "But its essential message was as intense and moving as ever."

In his public comments at the Festival, HRH The Prince of Wales said: "We have experienced anxiety and grief never known before in peacetime." The freedom for which war heroes fought was "more precious than we knew," he said, adding, "Heroes and heroines are all around us."

Meanwhile, HRH The Duchess of Cornwall praised the Armed Forces for erecting the Nightingale hospitals, caring for critically ill patients and assisting the civilian responders to the pandemic. Captain Sir Tom Moore, who was interviewed by Huw Edwards as part of the programme, added his words of gratitude.

The Festival honoured veterans of the Battle of Britain, the Korean War and the war in Iraq. Mica Paris, Freya Ridings, Marisha Wallace, Laura Main, Ramin Karimloo and Sophie Ellis-Bextor performed and were joined off site by Michael Ball and Alfie Boe, who paid tribute to the Chelsea Pensioners at the Royal Hospital Chelsea.

The event received widespread media coverage and was broadcast on BBC One. Its broadcast peaked on the night at 5.2 million viewers, with an average of 5.05 million, representing 29.5% of the television audience. Including iPlayer viewers over the next seven days, the consolidated figure was 5.3 million viewers.

The audience liked what they saw, with the Festival broadcast gaining an Audience Appreciation Index of 89. This score measures the audience appreciation of enjoyment and quality; scores of 85 or higher are rare and considered excellent.

On Remembrance Sunday, the RBL organised the Parade Dispersal of veterans past the Cenotaph, following the National Service of Remembrance on Whitehall. This, too, was restricted by COVID-19.

The usual capacity of 10,000 marching veterans was reduced to 25 representatives of the Armed Forces community, although the moment bore its usual poignancy and meaning.

The RBL National President, supported by the National Chairman, led the military associations in wreath laying and was joined for the first time by ABF The Soldiers' Charity. The inclusion of ABF remedied the historical absence of a specific representative organisation for the Army to lay a wreath alongside the Royal Naval Association and the Royal Air Forces Association.

Focus on youth and communities

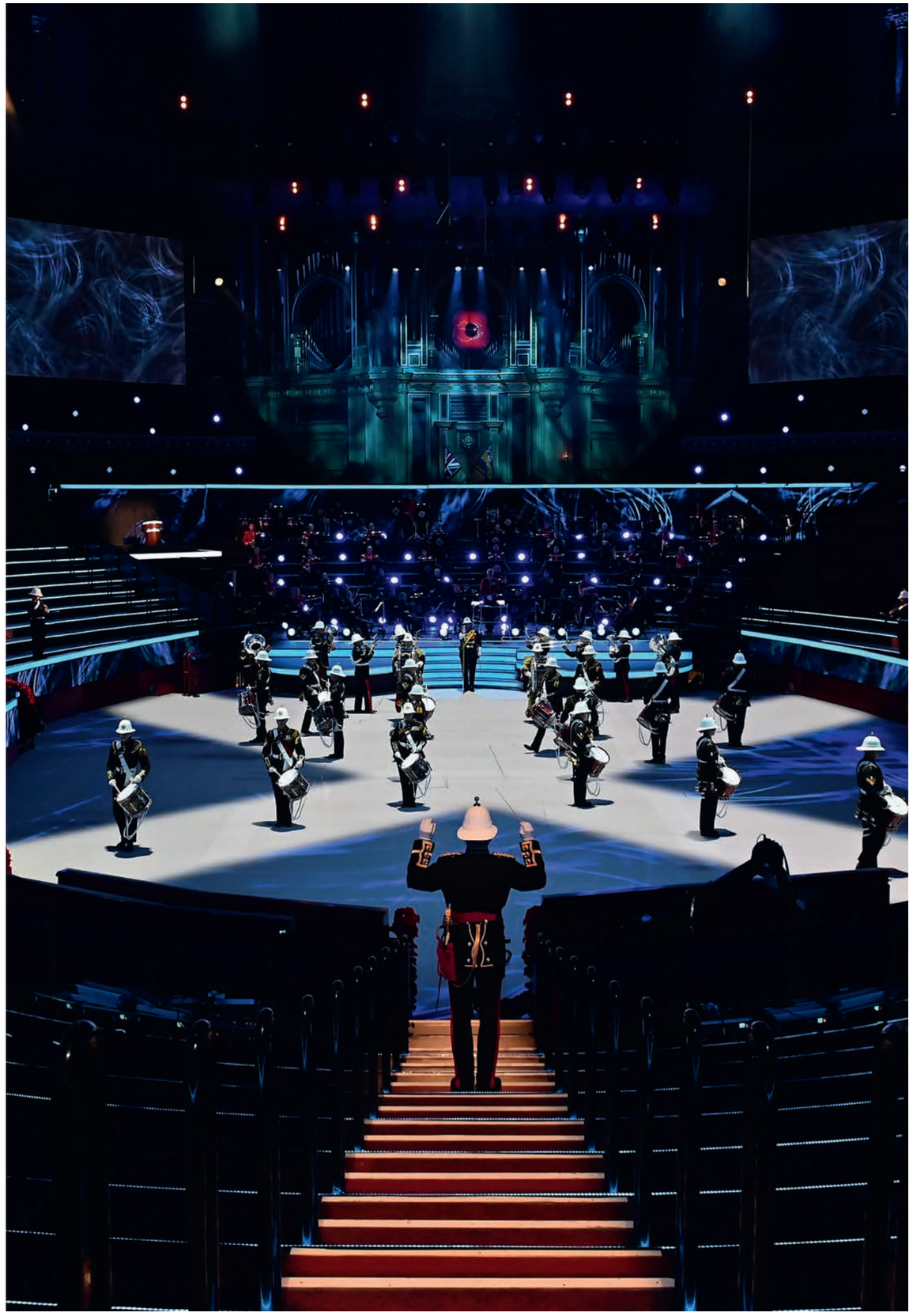
Our ever-popular Teaching Remembrance resources had 280,000 unique views and more than 140,000 downloads, engaging over 1.8 million children in Remembrance through schools and organised activities.

We now have 60 materials for use by four to 16-year-olds at school or at home, including bite-size and whole-school activities, lesson plans and assemblies – also available in Welsh.

Topics range from the lasting legacies of the First World War generation to collaboration in 1944 and parallels between the Second World War generation and today's COVID-19 generation. We offer creative writing, art and book clubs, the latter themed to *Now or Never* by Bali Rai, an exploration of the British Indian Army at Dunkirk. All materials are created in conjunction with education partners, including the National Literacy Trust, and are curriculum relevant.

Left: Captain Sir Tom Moore at the Royal Albert Hall for the Festival of Remembrance

Opposite: The Festival of Remembrance



Girlguiding was particularly pleased to reach 39,000 downloads of our co-created resources, while Scouts accessed the resources more than 30,000 times and 1,300 Cadet troops obtained materials through our Teaching Remembrance Hub.

Guides were offered different unit activities, from exploration of the poppy fields of the First World War to women working in the Resistance during the Second World War. Crafts accompanied each, from poppy pinwheels to stones of Remembrance.

Scouts were also offered activities, including a Pebble to Remember – a Scouts tradition – as well as delving into the meaning behind the Unknown Warrior. Meanwhile, Cadets explored the theme of service and sacrifice from the Second World War to the COVID-19 pandemic.

We partnered with publisher Hachette on *We Will Remember Them*, a beautifully illustrated book. It explains to children why it's important to remember the service and sacrifice of so many men and women from every background, who ensured our freedoms and way of life.

We continue to highlight the Remembrance message among the diverse communities found within modern Britain, ensuring their history of service and sacrifice is never forgotten.

In July, we created a page on the South Asian Heritage Month website to showcase the exceptional contribution of 20 men and women of South Asian descent from the First World War to the present day. It was the fifth most-viewed page on the website.

One such story concerned Lance Corporal Gurkha Rambahadur Limbu of 10th Princess Mary's Own Gurkha Rifles, who displayed exceptional gallantry during the Indonesian Confrontation in November 1965. He is now one of only five living recipients of the Victoria Cross.

The National Memorial Arboretum

On 16th May, 2021, one day after the RBL marked its 100th birthday, the National Memorial Arboretum in Staffordshire celebrated its 20th anniversary from its home in the heart of England. On its 20th birthday, it affirmed its vision to be the nation's year-round place to remember and an inspirational, world-class setting, freely open to all.

The Arboretum was delighted to dedicate ten memorials during this financial year, including the UK Police Memorial and the Remembrance Glade. The latter was opened by the RBL National Chairman, Major Una Cleminson BEM TD.
In July 2021, the stunning UK Police Memorial was unveiled. A 12-metre tall, thin tower of brass, perforated by leaf shapes, it represents the Celtic notions of transition from one world to another. The memorial is the first of its kind to bring together physical and digital elements that tell the stories of all police officers and staff who have died on duty.

"Our expressions of appreciation will always be hopelessly inadequate and, unfortunately, make the anguish no easier to bear," said HRH The Prince of Wales during the memorial's dedication.

"I do pray that this memorial will not only provide a hallowed place for us all to pay tribute to each of them, but also the reassurance that those who have given their lives so selflessly will leave a lasting legacy and will never be forgotten."

The Remembrance Glade was opened in September 2021 as a tranquil space, open throughout the year for people to reflect upon what Remembrance means to them. Surrounded by trees and plants of symbolic meaning, it offers a peaceful oasis, designed to give visitors respite from daily cares and a calm and peaceful place for contemplation.

Jacqui Thompson, the widow of Senior Aircraftman Garry Thompson, who was killed in Afghanistan in 2008, says the Glade is a sanctuary. She visits "each time I feel like I need to go somewhere to get collected again, process and steady my emotions".

The Arboretum remained safely open to the public throughout numerous periods of restrictions in 2021 and welcomed more than 222,000 visitors against a forecast of 174,000.

It delivered a range of activities for visitors, including an augmented-reality experience, an outdoor escape challenge, exhibitions, family trails, tours, guided walks and talks. Activities enabled participants to learn about the services commemorated by memorials on site, particularly those dedicated to emergency responders and voluntary organisations.

The Arboretum received numerous awards, including iNews's Tourist Attraction/Inclusive Venue of the Year, *School Travel Organiser*'s Best Venue for History Learning, Group Leisure & Travel's Best UK Attraction, a Green Flag Award and a VisitEngland Gold Award.

"We continue to highlight the Remembrance message among the diverse communities found within modern Britain, ensuring their history of service and sacrifice is never forgotten"

The UK Police Memorial at the National Memorial Arboretum

Despite COVID-19 restrictions, the Arboretum was able to deliver Remembrance Sunday and Armistice Day services in 2020, which were streamed on Facebook and YouTube. Streams had an international reach of more than 88,000 for Remembrance Sunday and nearly 132,000 for Armistice Day. A physical audience of 200 attended Remembrance Sunday, while the Illuminated Arboretum festive lights display in December 2020 received more than 11,000 visitors.

Our ambition to commemorate recent conflicts was curtailed by nationwide lockdowns, and we were unable to collaborate with the National Gulf Veterans and Families Association to hold a service marking the 30th anniversary of the end of Operation Granby. However, in line with national restrictions, people local to the Arboretum were able to lay wreathes at the Gulf War 1990–1991 Memorial. Later in the year, the Royal Air Forces Association held a service on the Armed Forces Memorial, which was accompanied by a flypast.

Approximately 70 D-Day veterans and their families attended the Arboretum in May to witness the dedication of the British Normandy Memorial in France, which was streamed for their viewing on a large screen. The French Ambassador honoured Normandy veterans who had not yet received the Légion d'Honneur with their medal.

For Armed Forces Day in June, the Arboretum and the Ministry of Defence hosted 100 Armed Forces personnel and their families. The private event was attended by HRH The Princess Royal and senior members of the Armed Forces.

At the end of the financial year, the Arboretum enjoyed high visitor numbers and continued to address the changing COVID-19 restrictions. Mitigation plans are in place, and the Arboretum continues to develop a programme of activity inspired by the Birmingham 2022 Commonwealth Games.

Campaigns, policy and research

Opposite:
Anita Buckley,
British Army veteran

"The Armed Forces Covenant Report is overwhelmingly a celebration of the advancements in outcomes for serving personnel, veterans and their families"

We are proud of our strong history of campaigning to support the Armed Forces community. Over time, this work has made a big difference to the lives of serving and ex-serving personnel and their families.

Despite the continuing challenges of the COVID-19 pandemic, we are pleased to report another successful year championing the interests, welfare and contribution of the Armed Forces community in line with the principles of the Armed Forces Covenant.

Armed Forces Covenant Report

To mark the tenth anniversary of the Armed Forces Covenant being put in legislation following an RBL campaign, the Campaigns, Policy and Research team spent much of 2021 reviewing the Covenant's impact on the wellbeing of the Armed Forces community, the services and support available to them, and levels of awareness and understanding among service providers and the public. Our research involved thematic analysis of existing literature, official records, newly commissioned surveys and more than 100 focus groups and interviews with leading stakeholders. Overwhelmingly a celebration of the advancements in outcomes for serving personnel, veterans and their families, the report identifies where the Covenant can still go further and outlines a series of recommendations to ensure the Covenant continues to remain relevant and successful into the next decade.

Armed Forces Bill

Throughout 2021, we have engaged extensively with UK government officials and politicians, their devolved counterparts, local-authority representatives, Veterans Commissioners, Ombudsmen and other military charities on Clause 8 of the Armed Forces Bill. The Armed Forces Bill includes provisions for a new legal duty to give due regard to the Armed Forces Covenant in certain aspects of housing and healthcare delivered by specified public bodies, particularly local authorities. The Bill therefore puts the principles of the Armed Forces Covenant on a legal footing for the first time.

While the RBL supports efforts to strengthen the Covenant, provisions in the Bill are insufficient and fail to capitalise on this golden opportunity to enhance Covenant delivery for the Armed Forces community. In particular, national governments are noticeably excluded from the new Covenant duty being proposed, despite being responsible for many of the services and policies serving personnel, veterans and their families rely on. The RBL believes the scope of the Bill should be expanded to include all public bodies in the exercise of all their policy functions. Our arguments have attracted broad support from other military charities and politicians from across the political spectrum, as well as representatives from devolved and local government, who gave evidence alongside us to the Armed Forces Bill Committee.

With the Bill reaching its final stages in Parliament, we continue to press for improvements to be made in the House of Lords so that the Covenant in its entirety can benefit from enhanced legal protections. While RBL pressure has resulted in the inclusion of the Covenant's special-consideration principle, and a commitment by the UK government to review the impact of the new duty once implemented, there are still gaps that need addressing. The team will persist with efforts to refine the accompanying statutory guidance so that it is a clear and useful resource for those public bodies expected to implement the duty next year.

Overseas Operations Bill

From its introduction in 2020, through the early part of 2021, we engaged with politicians, ministers and officials on the Overseas Operations (Service Personnel and Veterans) Bill, which sought to address claims and prosecutions relating to historical events that occurred in armed conflict overseas. The RBL welcomed the intent of the Bill but maintained that certain provisions within Part 2 contravened the Armed Forces Covenant. We sought to remove the proposed six-year time limit for any claimant, including bereaved families and injured personnel, to bring civil claims for personal injury or death against the Ministry of Defence (MOD) in connection with overseas operations. We argued that such a time limit does not exist for civilians pursuing civil claims against their employer, meaning members of the Armed Forces community would be less able to access justice than their civilian contemporaries. Although we secured the support of many politicians and human-rights groups, as well as press coverage of our position, the Bill passed unamended in April 2021. We will monitor the implementation of the Overseas Operations Act and raise cases where members of the Armed Forces community are prevented from pursuing claims against the MOD with policymakers.

Left: Maurillia Simpson, British Army veteran

Opposite: Timothy Sindall, Royal Air Force veteran

Carers

In September 2021, we published our report, Unpaid Carers in the Armed Forces Community, which aims to improve knowledge of the profile, needs and experiences of members of the UK Armed Forces community who provide care. The publication was launched online, with high attendance from individuals and organisations operating in the carers space at a launch event hosted by the Chair of the All-Party Parliamentary Group on the Armed Forces Covenant, James Sunderland MP.

The report was informed by a variety of sources, including a survey that saw 358 members of the Armed Forces community share their experience of caring. Our report, which is the first of its kind to consider the unique needs of unpaid carers across the Armed Forces community, makes 22 recommendations aimed at different public bodies, including the MOD, the NHS and the Office for Veterans' Affairs (OVA). Our key suggestions include UK government departments working in partnership to improve access to statutory-funded respite provision, a tri-Service carers policy providing information and support for serving carers, and investment in dedicated mental-health and relationship support for carers of veterans with PTSD.

Work has already started on pursuing our recommendations, with meetings held with local council representatives and officials, Carers UK, the MOD's Families team, in-service carers advocates and the Medical Advisory Committee. We will continue to engage on these issues throughout 2022.

Stop the Service Charge

Our campaign to scrap the costs of visa fees for Commonwealth members of the UK Armed Forces continued in 2021. Following repeated calls from the RBL to address this issue, in July 2021, the UK government published a consultation on the matter. However, these proposals would only waive visa fees when a Commonwealth service person has served 12 years in the Armed Forces and excluded provision for spouses and children. Unsatisfied with these proposals, we responded to the consultation, reinforcing our view that visa fees should be abolished after four years' service and extend to the immediate family of the serving person. We encouraged others to respond to the consultation by informing supporters about the proposals and making it as easy as possible for them to submit their own views and experiences.

We have maintained pressure on the government to provide a response to the consultation; however, it is yet to respond. We eagerly await the outcome and will continue to monitor the issue and raise the campaign wherever possible.

Caseworker training

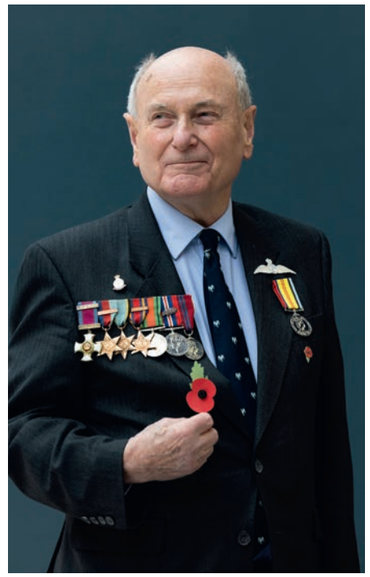
In 2021, we developed a toolkit aimed at MP caseworkers. Members of Parliament often employ caseworkers to support constituents who get in touch with problems or issues.

Our new resource includes a digital guide containing a wealth of information about the Armed Forces community and the support available to them, including RBL services. We have worked with the Speaker of the House of Commons to ensure every MP in England has received a copy, along with an invitation to join online training sessions with us throughout 2022. Scottish and Welsh MPs will receive tailored versions of the toolkit, along with online training invitations, in 2022.

Our toolkit is intended to raise awareness of the Armed Forces community, who can otherwise be hidden if there is no large military base in the constituency, and shine a light on the extensive support and resources that the RBL offers. Furthermore, we hope that by educating MPs' caseworkers on the specific needs of the Armed Forces community and the support available, they will in turn be able to better support their constituents to overcome any challenges.

Local and devolved manifestos

Local and devolved elections that were postponed because of the pandemic finally took place in May 2021, including for the Mayors of London and the West Midlands. We prepared manifestos for both elections, highlighting local concerns for the Armed Forces community, such as housing in London or employment support after service in the West Midlands. We were pleased to have received support from many of the candidates in each election and have progressed several of our local recommendations. The Mayor of London has appointed an Armed Forces Champion; the West Midlands Combined Authority has started to advertise jobs on the Forces Families Jobs website; and in Wales, our Assembly manifesto requests have featured in the Welsh Government's Armed Forces Covenant annual report.



In addition to our manifestos, we continued to help councils across the country make improvements to the services they provide to the Armed Forces community. For example, in London, we supported Ealing council on its journey to re-sign the Armed Forces Covenant. Meanwhile, in Torbay, we have helped the council create a new Covenant Board, appoint a new lead officer and set internal goals to demonstrate its commitment to the Covenant.

Benefits

Since we launched our Making the Benefits System Fit for Service report in November 2020, it has been used to better inform key policymakers about the experiences of injured veterans in receipt of military compensation who rely on the UK benefits system for financial support. Over the past year, we have successfully taken forward several key recommendations. These include the addition of a veteran identifier on Universal Credit forms and updating Department for Work & Pensions (DWP) guidance to consistently recognise Service Invaliding Pensions (SIPs) and Service Attributable Pensions (SAPs) as military compensation. In 2022, we will push for the interaction between compensation and the benefits system to be improved further to reduce the barriers injured veterans face in accessing welfare support.

Membership

At the heart of membership is making and developing positive connections and experiences through a shared spirit of comradeship. For 100 years, members have stood by the Armed Forces community, actively contributing to our wider charitable objectives, including Remembrance, fundraising, local welfare and campaigns. We have around 200,000 members, a network of around 2,500 branches and just under 400 clubs reaching out into their local communities and those we support – serving and ex-serving personnel and their families.

The pandemic brought some challenges, with face-to-face meetings curtailed and the temporary closure of RBL-licensed clubs, as well as members often having to deal with their own difficult personal situations, including social isolation, looking after family and friends, and taking care of their own mental and physical health. To ensure we didn't lose touch with our members, our team adapted, moving the delivery of our meetings and events from face to face to online. That enabled all our membership activities, including the Centenary Annual Conference, Membership Town Halls, Membership Overseas Day and County Chairs Seminars, to reach a wider audience.

Membership has been in decline in recent years, with the average age of members now 66. While retention rates among our long-standing members remains high, the challenge is in attracting and retaining our younger and newer members. During the pandemic and because of these new ways of working, membership retention rates remained at similar levels to previous years. It was, however, the recruitment of new members that became more difficult, resulting in a greater overall loss in 2020/21. As restrictions eased, new subscriptions slowly returned to pre-pandemic levels.

The number of attendees at our Annual Conference rose from 500 in 2020 to 700 in 2021. Our Membership Town Halls typically attracted between 90 and 220 members. We welcomed more than 50 delegates to our Membership Overseas Day. We had around 45 attendees at our County Chairs Seminar in March and around 70 at September's seminar.

Our Membership Centenary Awards were just one of the ways we celebrated our 100th anniversary. The new awards system enabled members to recognise the great work of fellow members. It complemented our centenary celebrations, where branches highlighted all the work they do supporting their local communities.

Branch Community Support (BCS) is one of the ways through which branches fulfil the RBL's charitable objectives. Members help beneficiaries and contribute to their local communities in many ways, including making home and school visits; running coffee mornings and breakfast clubs; providing bereavement support and a telephone buddy service; staging Remembrance events; and working alongside other charities, performing RBL ambassador roles. Between 1st October, 2020 and 30th September, 2021, there were 59,568 telephone buddy calls made to 17,990 members of the Armed Forces community, and 4,675 home visits made to 2,084 people.

There are now 835 active branches taking part in Branch Community Support, and we encourage those branches to tell us about their activities so we can celebrate and share their successes more widely. We now have a BCS Working Group comprised of members from county and branch level, and we have adapted how we operate in response to their feedback. The BCS management system is easier to access and the BCS Handbook and Supporter Guide is now easier to understand. Training has been developed and delivered online. We have created promotional content to support the County Community Support Committees (CCSCs) and County Training Officers (CTOs), and encouraged branches to get involved.

As we look to develop the BCS offer, we have issued two surveys to secure members' thoughts and feedback, and continue to host virtual cafes with CCSCs and Membership Support Officers (MSOs).

With the launch of our new brand identity, the membership team have been busy providing members with usage guidelines and access to a dedicated brand portal, where members can find information and new branded items that can be used to support their activities and events.

We launched our new Learning Management System (LMS) this year, giving members the opportunity, at a time that suits them, to access training online. The new system was used to deliver our new Branch Treasurer courses, which more than 220 members have completed to date, and an Independent Examiner refresher, which 18 people have attended. We continue to work closely with the County Training Officers as they deliver face-to-face training at a more local level. To give clear guidance to our branches, we modernised and republished our membership youth policy and complaints procedure, as well as updating the Membership Handbook. To meet our legal, regulatory and RBL policy commitments, we continue to effectively manage and improve branch financial compliance. Mandatory training content also continues to be developed. The current programme includes a module on data protection, which is now available to all members on LMS as a pre-recorded webinar.

As we look to the next 100 years, we have begun work on developing a sustainable membership model where comradeship remains central to our purpose. We plan to develop an offer that attracts younger and more diverse members, utilises our digital assets and complements our established branches and clubs.

"Our Membership Centenary Awards complemented our centenary celebrations, where branches highlighted all the work they do supporting their local communities"

Opposite:
Norman Espie BEM, RBL Assistant National Parade Marshal

Volunteers and staff

Volunteers

We are grateful for the support of more than 55,000 dedicated volunteers, without whom the Royal British Legion's work would not be possible.

Our volunteers continued to provide essential support to the RBL throughout 2021. They played a key role in reducing social isolation through our Community Support Scheme, and although due to COVID-19 many volunteers were required to shield during the 2020 Poppy Appeal, thousands of volunteers found safer ways to carry on supporting us and ensuring vital funds were raised.

Our volunteering aims for 2021 were to commit to reducing the digital divide for our volunteers, improve the recruitment journey and build on our volunteer wellbeing programme. We also wanted to enhance the quality of our volunteer data and how we use it.

Our Reducing the Digital Divide initiative resulted in two collaborative projects with graduates from the Ministry of Defence. The first produced a toolkit to advise and direct volunteers to local digital support networks. The second created a framework for the development of a training programme for a new Computer Buddy Volunteer role. This will allow volunteers with strong IT skills to coach other volunteers needing support and development with the use of digital media.

To enhance the recruitment journey of volunteers, we redeveloped the RBL website recruitment pages, making it easier to apply for roles. We also collaborated with websites such as ForcesNet to advertise volunteer vacancies to those leaving the Armed Forces, as well as their families.

To improve the management of volunteer data across the RBL, we implemented a significant programme, migrating volunteer records onto a new corporate database that allows secure storage of data and will provide a more efficient and professional experience for volunteers. In 2022, we plan to enhance the functionality of this database to develop a two-way engagement with our volunteers and maximise their contribution to our charitable objectives.

Our commitment to supporting the wellbeing of volunteers resulted in the creation of a Volunteer Wellbeing Hub on our intranet. This provides a suite of tools, such as the Wellbeing Action Plan, and signposts volunteers to relevant support organisations. The hub also provides a guide for volunteers on how to nurture their wellbeing and a guide for staff supervisors to enhance the help volunteers receive.

Our staff

The continuing health crisis made this another challenging year for everyone across the RBL group. Our care home staff spent the whole time working under the intense pressure that COVID-19 created in care settings. Meanwhile, remote working became the norm for many of our other teams, allowing them to make good progress in many of our strategic priority areas.

We appointed a new Head of Diversity & Inclusion, with a remit to support the development of an inclusion strategy to encompass staff, volunteers and members. That strategy is now defined and we plan a full launch in 2022.

Having completed a full review of the structure and portfolio across the Executive Director cohort, we are now well placed to deliver the One Legion strategy. The review was extended to the next level of senior management positions, and we now have the template for the senior roles that will be built into our structure, as well as a profile of success to support the leadership development of our senior teams.

At the end of the year, we were nearing the conclusion of the pay and benefits review. It has resulted in a new pay grading structure and the introduction of a pay-progression model to be introduced in 2022. Alongside this, we have benchmarked our pay and benefits and brought these in line with other large charities. Achieving this parity is particularly important in the current employment market, where the recruitment and retention of talent is challenging. The care sector has been especially affected by staff shortages, so we prioritised support for care home management teams to help ease the recruitment issues they are experiencing.

The pandemic has brought about rapid change in the expectations for working arrangements from our staff, as well as the working population more broadly. While most of our people have mainly been working virtually, throughout most of the year, our regional hubs remained open for staff requiring an office facility. Work is underway to establish a 'new normal' going forward that, in line with many other organisations, will offer hybrid working where appropriate. We recognise that this will require changes to traditional working arrangements, support, training and ongoing evaluation to ensure staff welfare is maintained. We have been building this capability through the latter part of 2021, in readiness for the point when we can move into a hybrid future once the pandemic is resolved.

As part of the RBL's centenary celebrations, we ran a reward and recognition scheme to recognise the valuable contribution of staff, volunteers, members and partners, who all make the charity what it is today. This was a chance for staff and managers to nominate many of the unsung heroes who carry out vital work in support of the Armed Forces community, whether they are on the front line or performing a role in our supporting corporate teams. The scheme culminated in a special online event to highlight some of the stories of those being recognised, and all nominees were invited to the centenary Thanksgiving Service at Westminster Abbey.

Opposite: Fundraising volunteer Asma Bibi

Fundraising

Opposite: Two cyclists who rode to the Arc de Triomphe as part of the RBL's Pedal to Paris event

"The centenary reminded us of the pride we have in our thousands of volunteers and supporters, and how much we both need and value them"

Our 100-year fundraising legacy

Our centenary year has provided an excellent opportunity to sincerely thank our fundraisers, volunteers and supporters, who have, over the past 100 years, through their time and donations, ensured that the vital work of the Royal British Legion can continue.

We are a charity and have been dependent on the goodwill and support of the public since 1921, to ensure we can provide the essential welfare services needed to our beneficiaries. Today, thanks to that incredible dedication and generosity, we are proud to be the largest Armed Forces community support charity in the United Kingdom.

In this special year, we've seen great demand in our online Poppy Shop for special-edition commemorative badges and merchandise, including the RBL centenary cookbook, *Cooking With Heroes*. Our refreshed brand has also helped to reflect the legacy and importance of the poppy within our charity's DNA and how it remains central to our fundraising purpose in our 100th year.

Although the year will go down as one of the most challenging in Poppy Appeal history due to the pandemic, the centenary reminded us of the pride we have in our thousands of volunteers and supporters, past, present and future, and how much we both need and value them.

The lockdown impact

As we prepared to launch the 2020 Poppy Appeal in November, the second COVID-19 pandemic lockdown was announced. As our core and essential public collection opportunities were stopped, our fundraising activity quickly refocused to online donation routes, virtual Poppy Shop options, Poppies in the Post and downloadable poppy posters to demonstrate support from home. Despite the widespread disruption, the lockdown Poppy Appeal in 2020 raised £28 million (2020: £47 million) of core donations (as shown in note 4 to the accounts).

We must thank Sainsbury's, Tesco and Morrisons, our supermarket banking partners, as they allowed customers to donate at till points and online during the lockdown Appeal. *The Sun* newspaper and other media providers also provided help by rallying readers to support the virtual Poppy Appeal.

We also benefited from many legacies this year, as a growing number of our supporters and members left generous gifts to us in their wills. These highly important and moving final donations are key in helping meet the growing needs of the Armed Forces community.

Poppy Shop website sales this year were £7.5 million (recognised by RBL Trading Limited, in addition to the £28 million raised under the main Poppy Appeal), which was £2.1 million more than 2020. This strong performance reflects our development of online propositions to support the 2020 Poppy Appeal in response to the pandemic. Pleasingly, online donation levels for the year rose to an all-time high at £600,000 from the previous year's £50,000.

By developing new virtual events in time for the 2020 Poppy Appeal, we attracted more than 23,000 individual event fundraisers, who raised more than £1.2 million of event income (included within event income in note 6 to the accounts). Our Poppy Ride, attended by more than 400 cyclists in May 2021, was the first UK charity event to take place after the winter lockdown. This was followed in September by Pedal to Paris, the first overseas charity bike ride to take place as COVID-19 restrictions lifted, which saw 150 supporters ride to the Arc de Triomphe.

Many individuals chose to support the RBL in ways that are not part of the traditional Poppy Appeal. These included donating by Direct Debit, Payroll Giving, playing the Poppy Lottery and the Poppy Raffle, and responding to our cash appeal campaigns, as well as making online donations. We are extremely fortunate to have such loyal and generous regular givers who continue to support us year after year, especially as so many public fundraising opportunities had to be curtailed again this year. These ongoing and regular gifts allow us to maintain the funds and work needed to keep helping people in the Armed Forces community who need our support. We learned so much from this lockdown experience, with our online donations, Poppy Shop and virtual fundraising events programme delivering some exceptional results.

Overall, our fundraising capacity across all our income-raising activity was clearly impacted by the pandemic and lockdown, but thanks to the generosity of our supporters, we were still able to raise £101.3 million in the financial year. To help ensure the RBL could still meet the support-cost needs of the Armed Forces community, we took additional action to

Above: A Pedal to Paris participant

Opposite: Flyle Hussain, from East Sussex, has been involved with his local Poppy Appeal for more than 15 years. He organised poppies for local businesses and schools from home due to the pandemic

make savings in our fundraising activity costs that had been impacted by the pandemic, which meant that we delivered £63.2 million net, only £2.3 million less than was originally predicted to be provided pre-pandemic.

Aims set out in the 2020 report

Last year, we set out to develop new and safe ways for people to support the Poppy Appeal during the pandemic and beyond, working alongside our wonderful Poppy Appeal Organisers.

As November 2020 arrived, so did a national lockdown, which immediately curtailed our live public collection opportunities for the Poppy Appeal. Our more than 4,000 Poppy Appeal Organisers continued to provide valuable insights into the planning of the Appeal, and these learnings were taken forward into 2021 as we looked to return to public collections with fresh impetus.

One key area of investment was the decision to significantly enhance our ability to receive contactless donations from the public. In 2021, more than 5,000 contactless terminals were prepared for deployment across the national network of Poppy Appeal Organisers to help us more effectively receive donations, as cash use continued to decline in society, escalated by the pandemic.

Another 2020 aim was to transform how we raise money by becoming more audience focused. This work continues as we test and learn how our supporters like to engage with the RBL via both traditional support materials and digital donation routes. We continue to develop our growing Poppy Supporter regular-giving donation opportunity, which is focused on allowing our supporter audience to donate all year round, not just during the Poppy Appeal. More than 6,000 new Poppy Supporters have been welcomed in the past year.

Concentrating on raising the income needed by the charity to deliver integrated, sustainable and cost-effective services, our fundraising teams have developed our audience-focused approach this year.

In supporting this One Legion charity vision, we continue to drive the changes needed to be much better at giving our customers, supporters, volunteers and donors what they want – an improved experience. The year ahead will be pivotal to that essential change.

We have taken the centenary opportunity to launch ten new corporate fundraising partnerships and we've grown our major donor and trusts income, partly due to some COVID-19 impact-funding opportunities.

Our individual-giving supporter programmes have grown this year, resulting in more than £26 million being raised, with the centenary Ask to Support in March being our best-ever supporter campaign of this type. Funds left to the RBL in wills also grew this year, with £23.15 million being gratefully and respectfully received. This remains one of the most gracious ways to support our vital work and is, in its truest sense, a real legacy to allow the RBL to live its values and provide help where it is needed most.

As we concluded the 2021 financial year, our fundraising volunteers and staff were ramping up, ready to return after a year away from the streets, shops, supermarkets, businesses, stations and other supporting places, with renewed energy and enthusiasm to make the very most of the centenary-year Poppy Appeal. Every volunteer, every supporter and every poppy counts.

The Poppy Ride involves cycling through picturesque countryside to raise funds for the RBL

Thank you to our major supporters

We are so grateful for all donations that we have received over the past year from those companies, trusts and individuals who have so generously supported us.

Your support for the Armed Forces community helps us to fight for them, campaign for them and remember their unique contribution. Our life-changing work would not be possible without our supporters' commitment and generosity.

In particular, we would like to thank the following, who have donated £20,000 or more in financial contributions or through in-kind support during 2021:

288 Group Ltd – Westminster Collection
Ahmadiyya Muslim Elders Association
Ahmadiyya Muslim Youth Association
Alford Congregational Church Trustees
AmazonSmile
Armed Forces Covenant Fund Trust
ATCO Lawnmowers
Barclays Foundation
Coventry Building Society
Mr Jeremy Darroch
Derbyshire Distillery
Emma Bridgewater
Girlguiding UK
Golden Charter
JA Kemp
Network Rail
Headley Court Charity
Major Raymond Leslie Percy Colman Charitable Trust
Marks & Spencer
Mayer Brow
Mr Donald Porteous
PayPal Giving Fund UK
Pets at Home Ltd
Poppies4Kits
QVC
Revolut
Sir Howard and Lady Stringer
Sainsbury's Group and its Subsidiaries
St James's House
The Captain Tom Foundation
The Michael Uren Foundation
The Swire Charitable Trusts
The Oak Foundation
The Oakmoor Trust
The Premier League and its member clubs
Transport for London
UK Rail Delivery Group
The Werth Foundation
Withers LLP
And two anonymous funders

Every year, our branches and clubs undertake their own fundraising in support of the Royal British Legion, and we are grateful for their generosity, passion and commitment. Thank you.

Aims for 2022

- Improve the way we provide welfare, by using data and feedback from service users and staff to design simpler journeys and processes, making it easier and a better experience for those seeking RBL support.
- Improve our understanding of our community's complex needs and how we measure our impact, and aim for an increase in our impact star rating of 7.5%.
- Continue to improve our care homes, moving from paper-based to digital systems to support our residents and staff.
- Strengthen our services for people facing dementia, enhancing our Admiral Nurse Service.
- Implement the expansion plans for our recovery services, extending our capacity beyond serving personnel to veterans and their families, and therefore increasing support from around 1,000 participants to 6,000 each year once in place.
- Continue work to increase our engagement with diverse communities, ensuring that Remembrance is accessible to all.
- Commemorate the 40th anniversary of the Falklands Campaign.
- Publish RBL analysis of the forthcoming ONS census data, building a comprehensive picture of the size, needs and profile of the veteran community in England and Wales.
- Monitor the implementation of the new Covenant duty and feed into any review of the Armed Forces Act undertaken by the government.
- Conclude our Stop the Service Charge campaign, encouraging the timely publication of the government's consultation response and improvements to the existing insufficient proposal.
- Launch a campaign to advance recommendations contained within our Making the Benefits System Fit for Service report.
- Engage with the Office for Veterans Affairs to feed into the implementation of the government's Veterans Strategy Action Plan and ensure it meets the needs of the Armed Forces community.
- Redefine the purpose and role of the members to improve the membership offer and attract younger and more diverse members to the RBL.
- Improve membership engagement and retention, starting with the transfer of the Membership Support Officers (MSOs) into the membership team, led by a new Head of Membership Engagement.
- Develop the Branch Community Support offer to increase the number of branches participating, with growing levels of activity across the local community.
- Continue to build our agenda for inclusion across our stakeholders, creating stronger forums for staff and mainstreaming inclusion across all of our work, both front line with beneficiaries and across our support functions.
- Develop our processes and associated salary and benefits to meet the needs of a challenging recruitment market and to retain talent.
- Ensure we place the 'customer' first so that our HR service, processes and procedures are efficient, effective and easily accessible.
- Develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.
- Return to our volunteer and community-led Poppy Appeal activities post-pandemic and grow our Poppy Appeal Organisers network.
- Develop and deliver a longer-term fundraising strategy that helps us move from good to great audience-led fundraising, and raise more than £100 million in 2022.

Board of Trustees

Lieutenant General (Retd) James Bashall CB CBE
National President

James retired from the Regular Army in 2018 following 34 years' service, including tours in Germany, Afghanistan, Iraq, Libya and South Armagh. He later held the posts of Chief of Staff at Permanent Joint Headquarters, Director of Personnel at Army Headquarters and Commander Home Command, overseeing the support elements from training to welfare.

Major (Retd) Una Cleminson BEM TD
National Chairman

Una retired as a registered General Nurse in 2012 and was a Major in the Territorial Army. Una has been a member of the RBL since 1971 and was previously a Trustee between 2010 and 2012.

Lieutenant Colonel (Retd) Joe Falzon OSJ BEM
National Vice Chairman

Joe served in the Royal Regiment of Artillery for 37 years before joining the RBL as Head of Policy and Administration in 2001. He took early retirement in 2010, and was then elected as a Trustee in 2014 and re-elected in 2017. Joe was appointed as National Vice Chairman in 2019. He chairs the International Committee and is a member of the Governance Committee and of the Board of Trustees of Poppyscotland.

Rodney Bedford

Rod served for 19 years in the Grenadier Guards and then for 18 years in the Kent Police. Rod was previously elected to the Membership Council, on which he served two terms of three years. He was elected to the Board of Trustees in May 2017 and is Chairman of the Property Committee and a member of the Branch Property Trusts Trustee Committee and the Audit & Risk Committee. Rod is the Royal British Legion member of the Board of Liberation Route Europe and currently runs his own company in France.

Heather Spence (from February 2021)

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. Heather was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times before retiring from competitions in 2014. Heather serves on the Board of Trustees as Chairman of the Women's Section.

Pat Chrimes (to February 2021)

Pat served on the Board of Trustees as Chairman of the Women's Section between April 2017 and January 2020, and again from September 2020 to February 2021.

Jason Coward

Jason has been an Appointed Trustee since 2014. He has been Chairman of the Membership Council since May 2019. He is also Chairman of the Board of Trustees of Poppyscotland, a member of the Governance Committee and a Trustee and Non-Executive Director at the National Memorial Arboretum. Outside the RBL, Jason runs his own marketing agency in Bristol.

Paul Harris QGM

Paul was co-opted as a Trustee in February 2018 and elected in May 2019. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He was a Director of an international company, then owned a management consultancy from which he has retired. He is a member of the Audit & Risk and Property committees. He has been Mayor of Gillingham, Dorset, since May 2021.

Major General (Retd) David Jolliffe CB FRCP (to November 2021)

David was appointed as a Trustee in 2012 and reappointed in 2015 and in 2018. He was commissioned into the Royal Army Medical Corps in 1967 and retired in 2003. David resigned from the Board of Trustees in November 2021.

Philip Moore TD

Philip was appointed as a Trustee in 2014 and reappointed in 2017 and 2020. He was a Finance Director for nearly 20 years. He is now a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Codan Forsikring A/S. Philip chairs the Finance Committee.

Anny Reid OBE

Anny was elected as a Trustee in 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the last four as Chairman of its trust. She chairs the Conference Committee and is a member of the Branch Property Trusts Trustee Committee, the Audit & Risk Committee and the Care Services Committee.

Lieutenant Colonel (Retd) David Whimpenny

David was elected as a Trustee in 2013 and was re-elected in 2016 and for his final term in 2019. He was commissioned from the Royal Military Academy Sandhurst in 1985 and retired from the Army in 2017. David serves on the Governance Committee and is Chairman of the Board of Trustees at the National Memorial Arboretum.

Debbie Sorkin

Debbie was appointed to the Board in June 2018. She is National Director of Systems Leadership at the Leadership Centre, a charity working to strengthen leadership across public services. She has much experience of working in the NHS and in social care. She leads for the Board on care and safeguarding, chairs the Care Services Committee and is a member of the Audit & Risk Committee.

Elizabeth Butler FCA

Liz was appointed to the Board in May 2018. In addition to being a chartered accountant, Liz has a portfolio of non-executive roles, including Board member and Chair of the Audit & Risk Committees of the Regulator of Social Housing and Kent & Medway Integrated Care Board. Liz chairs the Audit & Risk Committee.

Lynda Atkins DL (to March 2022)

Lynda was co-opted onto the Board in May 2019. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She was an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda resigned from the Board in March 2022.

Helen Owen

Helen was elected to the Board in May 2020. She is the Evaluation and Monitoring Lead at the charity GambleAware, and a Governor at the University of Westminster. Helen chairs the Governance Committee.

Monica Risam (from October 2020)

Monica was appointed to the Board in October 2020. She is a dual-qualified US and UK lawyer and is the Group General Counsel of the Lombard International Group. She is also a Non-Executive member of The Elton John AIDS Foundation's Finance and Investment Committee. Monica is a member of the Finance Committee and the Diversity & Inclusion Trustee Advisory Group.

Tony Goodwin BEM

Tony was elected as a Trustee in May 2020. He served in the Royal Air Force for almost 40 years. Tony is a member of the Care Services Committee, the Branch Property Trusts Trustee Committee and the Property Committee.

Patsy Wilkinson CB (from December 2021)

Patsy was appointed to the Board of Trustees in December 2021, following a senior government career in national security. She is also a Non-Executive Director and adviser, and an Honorary Fellow at Murray Edwards College, Cambridge.

Board of Trustees

Co-opted Members

The Trustees would like to recognise the support given by the following co-opted members, who bring their special expertise to the boards and committees on which they sit:

Vanessa Donegan
Antony Macaulay
Jenny Rowe
Dr Jonathan Wittmann

National President
Lieutenant General
James Bashall CB CBE

National Chairman
Una Cleminson

National Vice Chairman
Joe Falzon

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee
Elizabeth Butler (Chair)
Rodney Bedford
Paul Harris
Anny Reid
Debbie Sorkin

Finance Committee
Philip Moore (Chair)
Elizabeth Butler
Vanessa Donegan
Monica Risam
Dr Jonathan Wittmann

Governance Committee
Helen Owen (Chair)
Una Cleminson
Joe Falzon
Jason Coward
David Whimpenny

Property Committee
Rodney Bedford (Chair)
Tony Goodwin
Paul Harris

Conference Committee
Anny Reid (Chair)
Hugh Ashton-Moore
Philip Davies
John Gilmore
John Morrison
Grant Parrott

Branch Property Trusts Trustee Committee
Jenny Rowe (Chair)
Rodney Bedford
Tony Goodwin
Antony Macaulay
Anny Reid

International Committee
Joe Falzon (Chair)
Rodney Bedford
Bob Chambers

Care Services Committee
Debbie Sorkin (Chair)
Tony Goodwin
Anny Reid
Heather Spence

Membership Council
Jason Coward (Chair)
Gordon Barker
Mike Barry
John Boisson
Bob Chambers
Emma Cox
Philip Davies
Dilys Hooper
Bob Howard
Steve Lewis
Garry Mills
John Morrison
Gerry Nunn
Kelly Slark
David Street
Ken Terry
Philip Walden

Executive Board

Director General
Charles Byrne

Director of Finance & Commercial
Daniel Oppenheimer

Director of Operations
Antony Baines

Director of Remembrance, Marketing and Fundraising
Gary Ryan

Director of Human Resources and Organisational Development
Karen Gill

Director of Membership
Janet Talman

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London EC4A 3BZ

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Management Limited
12 Moorgate
London EC2R 6DA

Legal Advisors
Withers
16 Old Bailey
London EC4M 7EG

Women's Section

President
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Charity Registration number
219279

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Financial review

2021 was another challenging year for fundraising, as some activities continued to be affected by the restrictions put in place to curb the spread of COVID-19. A second national lockdown was announced just as we were preparing to launch the 2020 Poppy Appeal in November. This led to the main street collection being cancelled at relatively short notice. We had contingency plans in place and quickly refocused our Poppy Appeal activity online and through the post, encouraging our supporters to donate in other ways.

As a result, while income from the Poppy Appeal fell by 40%, from £46.526 million in November 2019 to £27.919 million in November 2020, income from virtual fundraising events and challenges, the sale of Poppy Shop products, and lotteries and raffles all increased. Legacies also performed well, generating income of £23.8 million compared with £19.7 million the previous year. In total, our net income from fundraising fell by £4.3 million (6%), from £67.5 million in 2020 to £62.3 million in 2021. This was a good result given the significant disruption to the November 2020 Poppy Appeal.

Our care homes also continued to be affected by COVID-19, both operationally and financially. Fee income for 2021 was £0.1 million lower than 2020 due to lower occupancy in the homes, while new admissions were paused. At the same time, the cost of running the homes increased by £0.8 million due to the cost of additional infection-control measures and the staffing challenges faced across the care sector, which meant a heavier reliance on agency staff in some homes.

Total expenditure for the year was £141.8 million, compared with £161.0 million in 2020, a reduction of £19.2 million (12%). This was driven by three significant factors: the closure of our Welfare Break Centres in early 2020, leading to a £12.7 million reduction in expenditure; a £2.3 million reduction in expenditure on Remembrance and commemorative activity due to the cancellation or curtailment of events; and the fact that our legal commitment to fund the Personnel Recovery Centres came to an end, which led to the release of a £5.2 million creditor from our balance sheet. Discounting these one-off items, our expenditure was broadly consistent with the previous year. 73p in every pound was spent on our charitable activities (2020: 76p in every pound).

Included in expenditure are several large grant awards to partner charities that support our beneficiaries and deliver services on our behalf, including Combat Stress (£5.9 million), Shelter (£0.8 million), The Matthew Project (£0.6 million), the Royal Commonwealth Ex-Services League (£0.5 million), the Army Families Federation (£0.5 million) and Citizens' Advice Scotland (£0.5 million). The grant to Citizens' Advice Scotland was awarded by Poppyscotland. We also signed a new £1.0 million agreement with the Ministry of Defence to fund the Personnel Recovery Centre in Edinburgh for a further year.

Overall, the RBL generated a planned deficit before gains and losses of £4.5 million (2020: £17.9 million). This deficit was more than offset by net gains on the disposal of investments of £3.2 million (2020: £0.5 million) and unrealised gains on the revaluation of investments of £22.7 million (2020: £0.4 million). These exceptional gains mostly relate to the increase in the value of the main investment portfolio, driven by a resurgence in global equity markets in the latter part of the year.

The deficit on the group defined benefit pension schemes reduced by £7.4 million to £3.6 million (2020: £11.0 million). After these adjustments, the total value of the RBL's funds increased by £29.3 million (2020: £21.2 million decrease).

The value of restricted funds increased by £1.4 million to £171.6 million (2020: £170.2 million), and the value of unrestricted funds increased by £27.9 million to £208.2 million (2020: £180.4 million). During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £4.7 million (2020: £4.3 million) from restricted Branch Property Trust funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as a vital source of funding to deliver welfare services in the area where the branch property was originally located. These services include Admiral Nurses, war pensions and compensation advice and grants. The composition of the RBL's funds is explained below and on page 8 of this report.

Financial investments

The market value of the RBL's investment portfolio increased by £17.6 million during the year, reflecting the rebound in global markets after the volatility and economic slowdown created by the pandemic. At the year end, the total value of the group's investments was £182.2 million (2020: £164.6 million). The portfolio is managed through three investment managers: Cazenove Capital manages the charity's main investment portfolio (£153.2 million), Sarasin & Partners manages Poppyscotland's investments (£8.8 million) and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£9.0 million), including those held in legacy and property trusts.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. All investments must comply with the RBL's Responsible Investment Policy, which aligns the charity's investment strategy with its aims, which are to safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces.

The RBL restricts investment in areas that may directly conflict with its aims, including alcohol, gambling, tobacco and high-interest-rate lending. Accordingly, it will not invest directly in companies that generate more than 10% of revenues from these areas. As it is more difficult to apply these restrictions to pooled funds, indirect exposure to these areas is closely monitored and a review triggered if this exceeds 1% of the total investment portfolio or 10% of an individual fund holding.

The investment strategy integrates Environmental, Social and Governance factors, meaning that each investment's impact on the environment and society is considered as part of the investment decision. The investment managers are mandated to fulfil the requirements of the UK stewardship code, actively engaging with the companies in which they invest to promote best-practice corporate behaviour and sustainable business practices. Where consistent with the financial objectives, the RBL seeks to invest in areas with a positive environmental and/or social impact.

The RBL recognises that it needs to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. The RBL monitors the carbon emissions of the equity investment portfolio and seeks to reduce these emissions over time through investment selection and through the engagement of its appointed manager with companies in order to drive positive change.

Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio exceeded its target for the year ended 30th September 2021, delivering a return of 13.8% against the inflation benchmark of 6.2%. The portfolio also exceeded its target over five years, delivering a return of 5.6% against the inflation benchmark of 5.1%. The value of the portfolio increased to £153.2 million (2020: £133.2 million) over the year and generated £2.4 million (2020: £3.1 million) of investment income.

Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September 2021, the Poppyscotland portfolio reduced its value from £11.2 million to £8.8 million and generated £0.3 million (2020: £0.4 million) of investment income. The Poppyscotland portfolio is being drawn on to finance Poppyscotland's deficits over the next five years, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.

Branch investments

Branch, county and other investments of £9.0 million (2020: £13.4 million) are managed by CCLA and held in a mix of listed investments and unit trusts.

Pension

The group pension deficit decreased from £11.0 million to £3.6 million due to strong investment returns and a small (0.5%) increase in the discount rate used to calculate the present value of future pension liabilities, driven by an increase in corporate bond yields over the year. The substantial reduction in the deficit follows a large increase in 2020, demonstrating the susceptibility of these calculations to small changes in the underlying assumptions. The RBL and the pension fund Trustees have agreed a plan for removing the pension deficit over an appropriate period of time, and we do not expect the deficit to materially affect the RBL's ability to meet its charitable objectives in the future.

Funds

The RBL's total funds of £379.8 million (2020: £350.6 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £171.6 million (2020: £170.2 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £208.2 million (2020: £180.4 million) are designated funds representing the value of the RBL's functional fixed assets (£59.6 million, 2020: £68.6 million); funds held by RBL branches, counties and districts (£32.3 million, 2020: £31.7 million); the value of programme-related investments (predominantly outstanding property repair loans) (£4.0 million, 2020: £4.5 million); and the General Fund (£4.8 million, 2020: £4.7 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

Reserves

In addition to the funds described above, at 30th September 2021, the RBL was holding £107.4 million (2020: £70.8 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the Royal British Legion holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable it to carry out its work. Our biggest risk is that our income suddenly drops because of unforeseen factors beyond our control. In these circumstances, reserves may need to fund operating expenditure while the organisation is put back onto a stable footing.

Our care homes represent a further area of financial risk, due to the heavily regulated nature of the industry. The COVID-19 pandemic has added to these regulations and reduced occupancy levels (and therefore income) as new admissions were paused. Our reserves may be needed to mitigate against reduced fee income and unexpected and unavoidable increases in expenditure.

Our reserves also mitigate against fluctuations in the value of our investments; in particular, the risk that a significant reduction in income coincides with a drop in investment values. Having reserves means that we would not need to sell our investments when it is not advantageous to do so. Finally, our defined benefit pension obligations represent a long-term financial risk, while short-term fluctuations in valuations can impact the amount of free reserves at our disposal.

After the year end, the Trustees took the decision to invest part of the Cazenove portfolio in private equity funds, thereby reducing the overall liquidity of the portfolio but increasing the expected return. In light of this decision, the Trustees resolved that the RBL's minimum reserves level should increase from £55 million to £60 million to reflect the increased investment risk.

As noted above, at 30th September 2021, the RBL was holding reserves of £107.4 million (2020: £70.8 million), which is above the minimum target we have set due to a combination of exceptional investment returns and a reduction in the pension deficit. We will be using these reserves to help deliver our mission more widely. We will be expanding our provision of recovery services substantially to help improve mental wellbeing in our beneficiary community, as independent evaluation has shown that our recovery programmes can be very effective in supporting people with these issues. We will also be making recovery services available to more people beyond those recently leaving the Armed Forces. We know that the cost-of-living crisis will hit some in our community hard and we will be putting in place emergency support and funding for them, while continuing to provide holistic support to bring long-term solutions to the challenges they face.

We plan to expand support for those caring for loved ones with dementia, and we are also looking to expand our support for those with substance and other dependencies. In doing so, we need to ensure that the provision we put in place is financially sustainable as well as good value for money, which will take time.

Investment properties

Investment properties primarily comprise 287 properties (2020: 302) held by the Royal British Legion as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease.

The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ending 30th September 2021, 62 properties were revalued (2020: 62) and a revaluation gain of £4.1 million (2020: £3.0 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and revaluation losses of £60,000 (2020: £13,800) were recorded. During the year, the RBL disposed of 12 (2020: 8) investment properties, realising proceeds of £3.9 million (2020: £1.5 million).

Branch Property Trusts

A Branch Property Trust is a property or the proceeds of its sale that is held in a separate charitable trust in connection with an RBL branch. Its charitable purposes are usually restricted to a specific geographical area.

	2021	2020
Restricted Investment Property Reserve	£65.5m	£66.1m
Restricted Branch Property and Area Trust Funds	£39.7m	£39.8m
Number of properties	287	302

At 30th September 2021, the RBL held £65.5 million (2020: £66.1 million) (see note 29) in the restricted investment property reserve, representing the market value of 287 (2020: 302) properties predominantly held under Branch Property Trusts. In addition, £39.7 million (2020: £39.8 million) was held in restricted Branch Property and Area Trust Funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose, so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were made on 14 Branch Property Trusts, resulting in £4.7 million (2020: £4.3 million) being moved into less restricted funds. These funds can now be used to provide welfare support to people in a wider geographical area.

Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans to beneficiaries living in their own home, to provide housing improvements. Programme-related investments totalled £4.0 million at the year end (2020: £4.5 million).

Grant making

Included in our welfare service expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. The RBL also awards grants to households whose case is managed by a partner agency, such as the Soldiers, Sailors, Airmen & Families Association (SSAFA) or the Royal Air Forces Association.

In 2021, the Royal British Legion spent £8.9 million on individual grants (2020: £11.7 million). The highest volume of grants given in the year were crisis grants to those in urgent need, whereas mobility-related grants, such as riser-recliner chairs and powered scooters, were the highest in terms of value. During the year, we increased the caps on grants to cover funeral costs, home furniture and kitchen and laundry appliances to reflect the increased cost of living. We also introduced Digital Access Grants to support eligible households to access the internet and online services, based on evidence that a lack of access to the internet can cause significant difficulties to those seeking to claim benefits, study, work and socialise, adversely impacting their quality of life. Finally, we allocated £250,000 to support beneficiaries with visa and immigration costs, in recognition of our strategic campaign against the service charge.

Grants are also made to organisations, where a third party has skills, facilities or expertise that are unavailable within the RBL's own resources. The RBL invites organisations to submit formal applications, which are then evaluated by the Grants Department, local welfare teams and any subject-matter experts relevant to the application. This information is then reviewed by a Grants Panel, which issues awards to those organisations best able to show that their project will address an unmet need for RBL beneficiaries.

In 2021, grants were awarded to 27 organisations, totalling £5.5 million (2020: 39 organisations, £5.3 million).

Going concern

The Trustees have considered the potential future impact of the COVID-19 pandemic on the ability of the group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. A large proportion of the UK population is now protected from severe disease due to a combination of vaccines and previous infections. Economic uncertainty due to COVID-19 has reduced compared to earlier phases of the pandemic. Nevertheless, there remains a risk that new variants could result in restrictions being reimposed, at least temporarily. If this were to happen during the Poppy Appeal, it would certainly impact income. However, the experience of November 2020 showed that even when the Poppy Appeal coincided with a national lockdown, we were able to mitigate the impact by raising funds in other ways.

We have forecast our income, expenditure, cash and reserves for the financial years ending 30th September 2022 and 2023, using our latest estimates for 2022 and prudent assumptions for income and expenditure in 2023. These forecasts show that our free reserves will be above the minimum level set by the Board of Trustees and we will continue to hold sufficient cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

The Trustees have therefore concluded that it remains appropriate to prepare these accounts on a going concern basis.

Risk management and internal control

The Board of Trustees has responsibility for the oversight of risk management. There has been no change to the risk model operated by the RBL this year. The risk framework includes a risk-management policy and defines the processes to be followed to ensure that risk is managed appropriately. This is achieved as follows:

- Risks are owned by a senior executive, usually an executive director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are present and effective;
- Risk exposures are known and understood by risk owners and are reported formally each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

Risks	Mitigations

Governance
Inability to deliver our strategic objectives due to ineffective leadership and governance
	• Independent review of governance arrangements and implementing the findings of that review to include:
	  • Regular training for Trustees
	  • Performance monitoring of Trustees and Executive Board
	  • Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees
	  • Royal Charter review
	  • Head of Governance with specific responsibility for ensuring governance arrangements are fit for purpose
	• Trustees are appointed to fill specific skills gaps

Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	• Annual budget process • Financial forecasting for short and medium term • Prudent reserves policy • Fundraising strategy • Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget • Sound basis for grant-funding decision-making
Safeguarding A beneficiary, volunteer or employee suffers harm, abuse or neglect	• Independently chaired Safeguarding Committee meets regularly through the year to receive and act on management information • Appointment of a designated safeguarding lead • Multi-level, mandatory training programme • Regular reporting of safeguarding data and risk exposures • Independent review to challenge and inform management thinking in this area
Recruitment & Retention Inability to deliver our mission and look after those we support. This risk manifests itself most acutely in our care homes, where RBL is not alone in facing recruitment and staff retention challenges	• Tactical improvements to pay and conditions in the care homes • Longer-term strategic review of pay and benefits across the charity • Ability to mobilise our extensive network of volunteers • Agile recruitment arrangements, enabling quick and effective decision-making
Overseas reach The risk of being unable to effectively and safely reach those we wish to support in overseas locations due to declining membership numbers, while ensuring appropriate standards of care and supervision are in place	• Dedicated team focused on overseas branches, membership and beneficiaries • Independent review to support and challenge strategic planning
Cyber Attack A malicious attack on our IT infrastructure causes material business interruption and/or financial loss, or a significant data breach	A range of defensive controls, including but not limited to: • Appropriate IT security policy and procedures • User awareness and education • Support contracts with external experts • Threat monitoring, detection and response

The Head of Risk Management oversees and coordinates the risk framework. Regular reports are made to the Executive Board, the Audit & Risk Committee and the Board of Trustees. The Audit & Risk Committee is chaired by a Trustee. The Audit & Risk Committee receives copies of all audit reports. Group entities such as the National Memorial Arboretum and Poppyscotland are included in the above risk framework and a consistent risk model is used.

At their last review, the Trustees were satisfied that appropriate and effective controls are in place to mitigate risk exposures. The most significant risks are set out in the table, left, together with selected controls from our risk register.

Public benefit

The Trustees have given due regard to the public benefit guidance published by the Charity Commission. They believe that the extensive welfare support provided to our beneficiaries, along with the other charitable activities undertaken, satisfies the public benefit requirements of the Charities Act 2011.

Safeguarding

The Royal British Legion delivers regulated activities through our care homes and a wide range of non-regulated welfare, fundraising and membership activities that involve interaction with vulnerable adults at risk and can often involve children. Our staff, volunteers and members have a moral and legal responsibility to ensure the safety of the people we work with. Recognising our commitment to ensure that those engaged with the RBL can live free from harm, abuse or neglect, the charity implements a range of policies and procedures including a Safeguarding Policy, Code of Conduct, Welfare Practice Guide and robust recruitment procedures for staff and volunteers.

The RBL deploys a network of trained designated safeguarding leads who are responsible for reporting safeguarding concerns to statutory agencies and recording all safeguarding incidents on our Legion Assure reporting system. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level.

The Board of Trustees and Executive Board receive appropriate safeguarding training in compliance with the expectations of the UK Charity Regulators.

Modern Slavery Act 2015

The Royal British Legion is committed to ensuring that slavery and human trafficking do not occur in our operations or supply chain. We continue to work with new and existing suppliers to minimise the risk of modern slavery and human trafficking and to ensure compliance with the Modern Slavery Act 2015. Our anti-slavery and human-trafficking statement is published on our website.

Ethics and sustainability

The Ethics and Sustainability Committee draws its membership from across the RBL. Its purpose is to support the organisation's understanding of its impact on the community and environment, and to ensure that our ethical values are reflected across all our policies and procedures. A key area of focus to date has been our Poppy Appeal products, where we are seeking to reduce our environmental impact through the reduction of single-use plastic.

During 2021, the RBL established a governance structure to monitor and manage energy usage and carbon reporting. This involved establishing an Energy Management and Carbon Reporting Working Group, which reports to the Executive Board via the Ethics and Sustainability Committee.

During the year, we started to replace our diesel and petrol-driven equipment and grounds-maintenance fleet with electric equipment where it was suitable and practical to do so. In Poppyscotland, as part of the refurbishment of the Lady Haig Poppy Factory, we replaced the roof and associated insulation and installed double glazing, LED lighting and new low-energy gas boilers and associated heating system.

In 2022, we will continue to monitor energy usage, complete an energy audit of our care home estate and start to implement the resulting recommendations.

Streamlined Energy and Carbon Reporting (SECR)

The RBL monitors its greenhouse-gas emissions and reports in line with the Streamlined Energy and Carbon Reporting regulations (SECR). The scope of this report includes emissions from Scope 1 and 2 Electricity, Gas and Transport, and Scope 3 emissions from staff, Trustee and volunteer business travel for the RBL group. This data is being included in the Annual Report for the first time this year on a voluntary basis, hence no comparative data is shown in the tables below.

This information has been compiled in line with March 2019 HM Government 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting guidance'. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting, Version 1.0, 2020 factors.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by RBL's energy broker. The reported figures for Scope 2 Electricity (Delivered) also include Transmission and Distribution

Scope	Description	FY 20/21	
		KwH	tCO2e
Scope 1	**Combustion of fuel on site & transportation**		
	Natural Gas	10,957,068	2,015
	Gas Oil	44,720	12
	Fleet Travel	110,104	28
Total		**11,111,892**	**2,055**
Scope 2	**Purchased Energy**		
	Electricity (Delivered)	5,272,564	1,335
Total		**5,272,564**	**1,335**
Scope 3	**Business Travel**		
	Grey Fleet (Claimed Mileage)		99
	Train Travel		7
	Air Travel		44
Total			**150**
	Total Emissions		**3,540**
	Intensity Ratio		
	Tonnes CO2e / £1m Turnover		**25.8**
	Turnover (£1m)		**137**

emissions, which would technically fall under Scope 3.

Transport data has been taken from RBL internal claimed mileage and expenses tracking. This includes Scope 1 emissions from Company Fleet and Scope 3 emissions from Grey Fleet, rail and air travel. Gas Oil data has been taken from invoices for delivery of fuel onto our sites throughout the year.

Structure, governance and management

The Royal British Legion has a head office in London, where the Director General and the supporting Board of five Executive Directors are based. There are regional offices in England, Northern Ireland, Scotland and Wales, which provide facilities for beneficiaries, members, volunteers and staff. Care home services are delivered through the RBL's premises around the country. The National Memorial Arboretum, the home of the Armed Forces Memorial, is situated in Alrewas, Staffordshire, and the RBL's Contact Centre is based in Cardiff. Headquarters for Poppyscotland are located in Edinburgh. The charity's branches are located throughout England, Wales, Northern Ireland, the Republic of Ireland, the Channel Islands, the Isle of Man and overseas.

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The Board of Trustees has the responsibility for its implementation and review, but charter amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The Queen in council.

Directors' roles are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. There is an independent Governance Committee comprised of Trustees, which approves the annual pay award and agrees the remuneration for the Director General and Director of Finance and Commercial.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the Royal British Legion. All substantive decisions are made by the Board of Trustees within the bounds of the Royal Charter and the RBL's vision, mission and charitable objectives. The Board of Trustees provides overall strategic direction, while administration of the charity is delegated to the Director General, and through him, to the Board of Executive Directors.

The Board of Trustees meets eight times per year and comprises 16 Trustees:

- the National Chairman and National Vice Chairman are elected by voting branches;
- seven Trustees are elected by voting branches;
- six Trustees are appointed by the Board of Trustees. Invitation is by open advertisement and selection takes place through the Governance Committee; and
- the Chairman of the Women's Section is elected by the members of the Women's Section at the Women's Section National Conference.

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chairman and Vice Chairman may only serve one term of three years; however, the Vice Chairman may also serve one term of three years as National Chairman if so elected by voting branches. As part of its work on Board effectiveness, the RBL will be rolling out a new programme of induction and ongoing training for Trustees, to support them in fulfilling their duties and responsibilities as members of the Board. Training needs are reviewed on an annual basis and specific training is given to Trustees as required.

Trustees receive no remuneration but are reimbursed for the cost of attending meetings and other official functions.

Trustees may be invited to lead and officiate on Remembrance tours, and the costs involved in that duty, where relevant, are included in the declared figure for Trustee expenses (Note 15).

Committees of the Board

The Board of Trustees has eight committees that report to it, all of which have written terms of reference. Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of all membership issues; and
- Conference Committee – oversees the organisation of the Annual Conference.

Three committees form an integral part of the governance of the charity:

- Governance Committee – makes recommendations on Trustee appointments and overall staffing arrangements, and monitors governance best practice;
- Audit & Risk Committee – reviews the significant judgements made in the accounts before Board approval. It provides assurance to the Board on the effectiveness of internal controls and risk-management procedures. It also oversees the work of external and internal audit; and
- Care Services Committee – oversees the delivery of the RBL's care services, including our six care homes.

Three committees oversee the resources of the charity:

- Finance Committee – reviews, recommends and monitors compliance with the reserves and investment policies, and provides oversight of IT. It reviews the annual budget, oversees and monitors the investment portfolio and addresses any other financial matters referred to it by the Board of Trustees;
- Property Committee – recommends strategy and monitors performance in relation to functional property developments, oversees significant acquisitions or disposals and ensures these properties are appropriately maintained; and
- Branch Property Trusts Trustee Committee – recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts, and approves property disposals.

Finally, the International Committee represents the RBL as part of the World Veterans' Federation and advises the Board of Trustees on matters related to the RBL's international relationships and activities.

The day-to-day management of the charity is delegated to the Director General and, through him, to the Board of Executive Directors.

Corporate structure

The Royal British Legion has an extensive corporate structure, comprising:

- the charity;
- 11 wholly owned subsidiaries, six of which are active and five of which are dormant; and
- the Irish ex-Service Trust, for which it acts on behalf of Her Majesty's Government as the distributary agent.

Further details of the activities and performance of subsidiaries are given in Note 14 to the accounts.

In addition, there are four active organisations that share part of our name:

- Royal British Legion Industries Limited (RBLI), which provides employment, training and support for people, including those with disabilities, plus care and support for ex-serving personnel and families;
- Royal British Legion Poppy Factory Limited in Richmond (the Poppy Factory), which creates paid meaningful employment opportunities for wounded, injured and sick ex-serving personnel;
- The Royal British Legion Attendants Company Trust, which promotes the rehabilitation and resettlement of men and women of Her Majesty's Armed Forces who are in need of assistance in civilian life; and
- Royal British Legion Scotland, which helps Scottish ex-serving personnel of all ages to adapt to civilian life.

These four companies are separate charitable trusts with no common shareholding and no other form of control by the Royal British Legion. The results of these companies are therefore not included in the consolidated accounts of the RBL.

Connections to a non-charity

The Trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connections. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Role of the membership and volunteers

The Royal British Legion is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 204,000 members are organised through approximately 2,300 branches operating across England, Wales, Northern Ireland and the Isle of Man, with a further 89 branches overseas and ten national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;
- undertake their own fundraising, with central support, for the Poppy Appeal;
- recruit and retain members;
- ensure that Remembrance is undertaken locally; and
- act as RBL representatives in their local community.

Branches report into 52 section, county and district committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Department and a network of Membership Support Officers located across England, Wales and Northern Ireland.

The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 389 clubs (2020: 399) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 218 clubs (2020: 226) that occupy premises owned by the RBL and leased to the club.

The RBL depends on the dedication and commitment of thousands of volunteers who give their time and energy in supporting our charitable objectives. Volunteers add value to almost every area of RBL activities, from casework and fundraising to improving the quality of life of our care home residents. The RBL has in excess of 55,000 volunteers, with more than half of our volunteers undertaking more than one volunteer role in the RBL.

Guidance and advice on volunteer management and support is provided by the centrally based Volunteer Support Unit (VSU). The VSU focuses on creating a flexible framework to develop volunteer opportunities and on professionalising the experience of our volunteers. Through our volunteering strategy, we are looking to build a two-way relationship with our volunteers, where how we support and manage them is just as important as how they support us.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity, of the incoming resources, and of the application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 53) was approved by the Board of Trustees and signed on their behalf:

Una Cleminson

Una Cleminson, National Chairman
20th April 2022

Independent auditor's report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Royal British Legion (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

- the consolidated and parent charity statements of financial activities;
- the consolidated and parent charity balance sheets;
- the consolidated and parent charity cash flow statements; and
- the related notes 1 to 33.

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 group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity 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 151 of the Charities Act 2011 and report in accordance with the Act 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act, Charities (Accounts and Reports) Regulations 2008, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Charity Commission for England and Wales (Charity Commission) regulations, The Care Quality Commission (CQC) regulations, Gambling Commission regulations and Fundraising regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- Revenue recognition, which is related to the valuation and completeness of grant income: we obtained an understanding of the key processes and relevant controls around the valuation and completeness of grant income; and performed detailed substantive tests on grant income, on a sample basis, to verify that it is correctly valued and complete.
- Branch cash, which is related to the completeness and accuracy of branch cash: we obtained an understanding of the key processes and relevant controls around the completeness and accuracy of branch cash; and performed detailed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business. In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- reading minutes of meetings of those charged with governance, and reviewing internal audit reports.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008, we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
28th April 2022

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Royal British Legion
Consolidated Statement of Financial Activities for the year ended 30 September 2021

	Note	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from					
Donations and legacies	4	70,667	6,813	**77,480**	87,117
Charitable activities	5	21,062	8,071	**29,133**	31,562
Other trading activities	6	21,845	2,317	**24,162**	18,853
Investments	7	2,407	2,952	**5,359**	5,513
Other		1,225	-	**1,225**	69
Total income		**117,206**	**20,153**	**137,359**	143,114
Expenditure on					
Raising funds	8	**31,807**	**6,288**	**38,095**	38,195
Charitable activities					
Care	9	31,242	1,646	**32,888**	44,745
Personnel Recovery Centres	9	1,557	163	**1,720**	1,527
Community Welfare	9	31,576	14,101	**45,677**	48,518
Membership	9	5,256	475	**5,731**	7,989
Comradeship	9	400	-	**400**	510
Communications and campaigning	9	12,219	73	**12,292**	12,185
Remembrance and ceremonial	9	2,054	2,972	**5,026**	7,301
Total charitable activities	9	**84,304**	**19,430**	**103,734**	122,775
Total expenditure		**116,111**	**25,718**	**141,829**	160,970
Net income/(expenditure) before investment gains		**1,095**	**(5,565)**	**(4,470)**	(17,856)
Net (losses)/gains on disposal of investments		(3,358)	6,953	**3,595**	462
Unrealised gains on revaluation of investments		21,254	1,053	**22,307**	391
Net income/(expenditure) before tax		**18,991**	**2,441**	**21,432**	(17,003)
Taxation charge	11	-	-	**-**	(3)
Net income/(expenditure) for the year		**18,991**	**2,441**	**21,432**	(17,006)
Transfers between funds	30	1,340	(1,340)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	7,485	303	**7,788**	(4,226)
Net movement in funds		**27,816**	**1,404**	**29,220**	(21,232)
Fund balances brought forward at 1 October		180,374	170,202	350,576	371,808
Fund balances carried forward at 30 September		**208,190**	**171,606**	**379,796**	350,576

The notes on pages 60 to 93 form part of the financial statements.
All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion
Charity Statement of Financial Activities for the year ended 30 September 2021

	Note	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from					
Donations and legacies	4	73,135	1,949	**75,084**	85,701
Charitable activities	5	21,062	5,388	**26,450**	30,850
Other trading activities	6	12,798	-	**12,798**	6,691
Investments	7	2,407	2,585	**4,992**	5,072
Other		1,531	-	**1,531**	61
Total income		**110,933**	**9,922**	**120,855**	128,375
Expenditure on					
Raising funds	8	**26,853**	**390**	**27,243**	26,697
Charitable activities					
Care	9	31,242	1,646	**32,888**	44,745
Personnel Recovery Centres	9	1,557	163	**1,720**	1,527
Community Welfare	9	33,354	10,746	**44,100**	46,428
Membership	9	5,256	326	**5,582**	7,970
Comradeship	9	400	-	**400**	510
Communications and campaigning	9	12,219	73	**12,292**	12,185
Remembrance and ceremonial	9	2,054	(272)	**1,782**	4,102
Total charitable activities	9	**86,082**	**12,682**	**98,764**	117,467
Total expenditure		**112,935**	**13,072**	**126,007**	144,164
Net expenditure before investment gains		**(2,002)**	**(3,150)**	**(5,152)**	(15,789)
Net (losses)/gains on disposal of investments		(3,358)	6,567	**3,209**	462
Unrealised gains on revaluation of investments		21,254	903	**22,157**	293
Net income/(expenditure) for the year		**15,894**	**4,320**	**20,214**	(15,034)
Transfers between funds	30	3,111	(3,111)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	7,485	-	**7,485**	(4,288)
Net movement in funds		**26,490**	**1,209**	**27,699**	(19,322)
Fund balances brought forward at 1 October		177,922	131,665	**309,587**	328,909
Fund balances carried forward at 30 September		**204,412**	**132,874**	**337,286**	309,587

The notes on pages 60 to 93 form part of the financial statements.
All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion
Consolidated and Charity Balance Sheets as at 30 September 2021

	Note	**Group 2021 £'000**	Group 2020 £'000	**Charity 2021 £'000**	Charity 2020 £'000
Fixed assets					
Intangible assets	17	**1,744**	2,946	**1,637**	2,895
Tangible assets	18	**81,562**	83,088	**57,275**	60,494
Investments	19	**182,213**	164,647	**170,960**	151,319
Investment properties	20	**65,533**	66,706	**65,533**	66,124
Programme-related investments	21	**4,009**	4,510	**4,009**	4,510
Total fixed assets		**335,061**	321,897	**299,414**	285,342
Current assets					
Stocks		**2,701**	1,882	**-**	-
Debtors	22	**11,769**	16,742	**10,404**	16,361
Cash at hand and in bank	23	**65,985**	51,648	**59,251**	46,162
Total current assets		**80,455**	70,272	**69,655**	62,523
Current liabilities					
Creditors: Amounts falling due within one year	24	**(23,543)**	(26,209)	**(21,329)**	(24,704)
Net current assets		**56,912**	44,063	**48,326**	37,819
Total assets less current liabilities		**391,973**	365,960	**347,740**	323,161
Creditors: Amounts falling due after more than one year	24	**(6,815)**	(2,902)	**(6,779)**	(2,845)
Provisions for liabilities	26	**(1,799)**	(1,450)	**(1,755)**	(1,450)
Net assets excluding pension liability		**383,359**	361,608	**339,206**	318,866
Defined benefit pension liability	16b	**(3,563)**	(11,032)	**(1,920)**	(9,279)
Net assets		**379,796**	350,576	**337,286**	309,587
Funds					
Total unrestricted funds	28	**208,190**	180,374	**204,412**	177,922
Total restricted funds	29	**171,606**	170,202	**132,874**	131,665
Total funds		**379,796**	350,576	**337,286**	309,587

The notes on pages 60 to 93 form part of the financial statements.

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 20 April 2022.

These were signed on its behalf by:

Una Cleminson
National Chairman

Royal British Legion
Cash Flow Statement for the year ended 30 September 2021

	Note	**Group 2021 £'000**	Group 2020 £'000	**Charity 2021 £'000**	Charity 2020 £'000
Net cash flow from operating activities	**A**	**4,156**	(9,762)	**3,935**	(4,796)
Cash flows from investing activities					
Dividends, interest and rents from investments		**5,359**	5,513	**4,992**	5,072
Purchase of tangible fixed assets		**(3,175)**	(3,088)	**(827)**	(1,898)
Purchase of intangible fixed assets		**(330)**	(1,393)	**(255)**	(1,342)
Proceeds from investment properties		**6,587**	2,093	**6,022**	2,093
Sale/(Purchase) of investments		**1,740**	(946)	**(778)**	(981)
Net cash provided by investing activities		**10,181**	2,179	**9,154**	2,944
Change in cash and cash equivalents in the year		**14,337**	(7,583)	**13,089**	(1,852)
Cash and cash equivalents at the beginning of the year		**51,648**	59,231	**46,162**	48,014
Cash and cash equivalents at the end of the year	**23**	**65,985**	51,648	**59,251**	46,162

A. Reconciliation of net income to net cash flow from operating activities	**Group 2021 £'000**	Group 2020 £'000	**Charity 2021 £'000**	Charity 2020 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	**21,432**	(17,006)	**20,214**	(15,034)
Adjustments for:				
Depreciation, amortisation and impairment charges	**5,881**	13,232	**5,207**	12,413
Gains on investments	**(24,720)**	(1,340)	**(24,294)**	(1,298)
Dividends, interest and rents from investments	**(5,359)**	(5,513)	**(4,992)**	(5,072)
Gift of investment property	**-**	(582)	**-**	-
Loss on sale of tangible and intangible fixed assets	**352**	2,756	**352**	2,751
(Increase)/decrease in stock	**(819)**	511	**-**	-
Decrease in programme-related investments	**501**	498	**501**	498
Decrease/(increase) in debtors	**4,973**	(13)	**5,957**	1,680
Increase/(decrease) in creditors	**1,247**	(8,609)	**559**	(7,034)
Increase in provisions	**349**	956	**305**	956
Reclassification of fixed assets to current assets	**-**	5,175	**-**	5,175
Adjustment in respect of pension funding	**319**	173	**126**	169
Net cash flow from operating activities	**4,156**	(9,762)	**3,935**	(4,796)

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

1 Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2021, with prior year comparatives (2020) for the year to 30 June 2020.

The group meets the definition of a public benefit entity under FRS 102 and the financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

Group financial statements

These financial statements comprise the central General and Benevolent funds vested in the Board of Trustees in accordance with the Royal British Legion's ("the RBL") Royal Charter. As agreed with the Charity Commission and in accordance with FRS 102, they include the results, assets and liabilities of the RBL's counties, districts, branches and Women's Section. The RBL's policy is to consolidate results of all branches, counties and districts based upon receipt of individual returns. Where returns are not received, assets are included at the previously reported value adjusted for known transactions. The subsidiaries and organisations listed in note 14 have been consolidated on a line-by-line basis.

Four organisations that carry the RBL's name but are not controlled by the RBL have not been included in these financial statements; namely, Royal British Legion Industries, The Royal British Legion Poppy Factory Limited, The Royal British Legion Attendants Company Trust and Royal British Legion Scotland. The accounts do not include the results of affiliated social clubs, which are not controlled by the charity but are separately registered organisations licensed to use the RBL's name.

Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and must be used for that purpose. All restricted funds are held within the Benevolent fund unless otherwise stated. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the balance sheet. The funds of The National Memorial Arboretum Company Limited and its subsidiary (NMA (Enterprises) Limited), the Earl Haig Fund Scotland and the Lady Haig Poppy Factory (Poppyscotland Group), and the Royal British Legion Republic of Ireland are held within restricted funds since their objects are narrower than those of the Royal British Legion group.

Income

Income is recognised in the year in which the RBL is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy:

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received. Investment income includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2021.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

The economic value of time given by volunteers is not included in these financial statements as it cannot be reasonably and accurately calculated.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates. Expenditure comprises:

- *Cost of raising funds* includes expenditure on poppies and other fundraising items, staff and related expenditure of the Poppy Appeal, costs of the central fundraising department, commercial (trading) activities and investment management fees.
- *Charitable activities* includes expenditure directly related to the delivery of the services (including staff costs) provided by the charity to eligible beneficiaries, and includes the cost of residential care, Welfare Break Centres, community welfare services, and Remembrance and comradeship. It also includes the cost of supporting and maintaining the RBL's extensive membership and the costs of campaigning on behalf of beneficiaries. The cost of evaluating, supporting and managing charitable programmes is also included and further analysed in the notes to the accounts.
- *Certain campaign costs* are allocated between Cost of raising funds and Charitable activities on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively.
- *Support costs* include the central functions such as general management, financial administration, information technology, human resources, governance and facilities management.

Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation.

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury Gilts over the period of the grant.

Allocation of costs

Where possible, the RBL's operating costs, which include staff costs, are allocated directly to the various categories of charitable expenditure or cost of raising funds. Where costs are not directly attributable to any category, they have been apportioned on an appropriate basis to reflect, in each case, an estimate of the efforts and resources devoted to each category of activity – see note 13. Activities that are predominantly outsourced bear no allocation of support costs.

Stocks, poppies and wreaths

The majority of stock relates to Poppy Shop products held for resale by Royal British Legion Trading Ltd. Stock also includes poppies and wreaths produced at the Lady Haig Poppy Factory, which are manufactured for external resale. Stocks are valued at the lower of cost and net realisable value and include direct costs of labour and materials, plus allocation of general overheads. Poppies and wreaths produced for distribution during the Poppy Appeal are expensed immediately.

Staff pension schemes

There are five staff pension schemes, which are accounted for in accordance with FRS 102 section 28. There are two defined benefit schemes closed to future accrual; the Royal British Legion Staff Pension Fund and the Earl Haig Defined Benefit Scheme. The remaining three are current, defined contribution schemes; the Group Flexible Retirement Plan, The Earl Haig Fund Scotland Stakeholder Scheme and the Lady Haig Poppy Factory Stakeholder Scheme. Further details are included in note 16 to the accounts.

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year.

Investments and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Properties not used for charitable purposes are classified as investment properties and are included in investments at market value. Investment properties are revalued on a rolling five-year basis, with 20% of properties being revalued each year internally by qualified surveyors in our Estates team. The remaining 80% of properties are reviewed for material changes.

Programme-related investments are held at the amount invested less any impairment. These are reviewed on an annual basis and any impairment is immediately recognised in the Statement of Financial Activities.

Tangible and intangible fixed assets

Purchases of individual tangible and intangible fixed assets costing more than £50,000, or purchases related to capital projects costing more than £50,000 in total, are capitalised.

Functional properties (freehold and leasehold) used by the charity are included at cost, where known, or valuation at date of acquisition. Branch properties acquired or gifted before 1 October 1995, where the original cost cannot be established, are included at a nominal value of £1 each. Depreciation on functional properties is provided on the cost of buildings on a straight line basis over 50 years, or the term of the lease if less. Leasehold improvements are depreciated over the term of the lease. The head office building, Haig House, is depreciated over its expected useful life of 33 years.

Plant, machinery and equipment, where capitalised, are included at cost. Depreciation is provided over 5 years from the month of first use.

Software, databases and licences, where capitalised, are included at cost, which includes the cost of internal development where applicable. Amortisation is provided over 5 years from the month of first use where no distinct life of the asset can be identified at the point of capitalisation; where the life is known, for example licences, amortisation is provided over the life of the asset.

Tangible and intangible fixed assets that are under construction are classified as Assets Under Construction and are transferred into the appropriate category on project completion, when depreciation then commences.

The useful economic lives and residual lives of fixed assets are reviewed at the end of each accounting year to consider whether there has been an impairment. Impairments are charged to the Statement of Financial Activities.

Heritage assets

The Armed Forces Memorial (AFM) is included as a heritage asset in the accounts of The National Memorial Arboretum Company Limited at a nominal value of £1. The Trustees consider that the cost of ascertaining a definite value through a surveyor's valuation significantly outweighs the benefit gained from such a valuation.

Finance and operating leases

Instalments payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Any lease incentives (such as rent-free periods) are spread over the life of the lease. The group does not have any material finance leases.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

Taxation

The activities of the RBL and its charitable subsidiaries are exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010, to the extent that they are applied to the organisation's charitable objects. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay their taxable profits as Gift Aid to the RBL.

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts, converted to sterling at the exchange rate as at 30 September 2021.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting judgements and key sources of estimation uncertainty

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The Trustees do not consider there are any critical judgements or key sources of estimation uncertainty requiring disclosure that are not already described within note 1 above and summarised below.

Investment properties – the fair value of investment properties is measured using valuation techniques (e.g. completed sales values from transactions that concluded after the valuation date, details of offers produced as the outcome of marketing programmes, Charities Act compliant valuation reports and marketing agent's commentary).

Where possible, the inputs to these valuation techniques are based on observable data, but where this is not possible, judgement is required in establishing fair values. These judgements typically include considerations such as uncertainty and risk. However, changes in assumptions used could affect the fair value of the Group's assets.

Significant unobservable inputs used in the fair value measurement include management assumptions; for example, regarding the potential to redevelop.

Significant changes in any of the unobservable inputs would result in a significantly lower or higher fair value measurement for the investment properties.

Retirement benefit liabilities – as disclosed in note 16, the Group has defined benefit schemes. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation, and expectations on future salary growth and asset returns. These assumptions are made by the Group in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000
Income and endowments from			
Donations and legacies	80,036	7,081	87,117
Charitable activities	21,742	9,820	31,562
Other trading activities	17,648	1,205	18,853
Investments	1,981	3,532	5,513
Other	24	45	69
Total income	121,431	21,683	143,114
Expenditure on			
Raising funds	32,764	5,431	38,195
Charitable activities			
Care	41,585	3,160	44,745
Personnel Recovery Centres	1,075	452	1,527
Community Welfare	29,562	18,956	48,518
Membership	6,885	1,104	7,989
Comradeship	510	-	510
Communications and campaigning	11,964	221	12,185
Remembrance and ceremonial	1,855	5,446	7,301
Total charitable activities	93,436	29,339	122,775
Total expenditure	126,200	34,770	160,970
Net expenditure before investment gains	(4,769)	(13,087)	(17,856)
Net (losses)/gains on disposal of investments	(2,474)	2,936	462
Unrealised gains/(losses) on revaluation of investments	1,962	(1,571)	391
Net expenditure before tax	(5,281)	(11,722)	(17,003)
Taxation charge	(3)	-	(3)
Net expenditure for the year	(5,284)	(11,722)	(17,006)
Transfers between funds	1,112	(1,112)	-
Other recognised (losses)/gains			
Actuarial (losses)/gains on defined benefit pension scheme	(4,288)	62	(4,226)
Net movement in funds	(8,460)	(12,772)	(21,232)
Fund balances brought forward at 1 October	188,834	182,974	371,808
Fund balances carried forward at 30 September	180,374	170,202	350,576

3a Charity Comparative Statement of Financial Activities

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000
Income and endowments from			
Donations and legacies	83,743	1,958	85,701
Charitable activities	24,043	6,807	30,850
Other trading activities	6,653	38	6,691
Investments	1,981	3,091	5,072
Other	24	37	61
Total income	116,444	11,931	128,375
Expenditure on			
Raising funds	26,520	177	26,697
Charitable activities			
Care	41,585	3,160	44,745
Personnel Recovery Centres	1,075	452	1,527
Community Welfare	32,218	14,210	46,428
Membership	6,885	1,085	7,970
Comradeship	510	-	510
Communications and campaigning	11,964	221	12,185
Remembrance and ceremonial	1,855	2,247	4,102
Total charitable activities	96,092	21,375	117,467
Total expenditure	122,612	21,552	144,164
Net expenditure before investment gains	(6,168)	(9,621)	(15,789)
Net (losses)/gains on disposal of investments	(2,474)	2,936	462
Unrealised gains/(losses) on revaluation of investments	1,962	(1,669)	293
Net expenditure for the year	(6,680)	(8,354)	(15,034)
Transfers between funds	3,786	(3,786)	-
Other recognised losses			
Actuarial losses on defined benefit pension scheme	(4,288)	-	(4,288)
Net movement in funds	(7,182)	(12,140)	(19,322)
Fund balances brought forward at 1 October	185,104	143,805	328,909
Fund balances carried forward at 30 September	177,922	131,665	309,587

4 Donations and legacies

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Voluntary income				
Donations	**25,795**	20,927	**26,231**	22,346
Legacies	**23,766**	19,664	**23,149**	19,175
The Poppy Appeal	**27,919**	46,526	**25,704**	44,180
Total donations and legacies	**77,480**	87,117	**75,084**	85,701

The total of the Poppy Appeal launched in October 2020 in England, Wales and Northern Ireland was £25.704 million (2020: £44.180 million). This includes cash collected of £25.213 million (2020: £43.040 million), legacies of £413,000 (2020: £190,000) and other donations of £78,000 (2020: £950,000). The Poppy Appeal in Scotland raised £2.180 million (2020: £2.279 million), and a further £35,000 (2020: £67,000) was raised by the Royal British Legion Republic of Ireland.

At 30 September 2021, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £1.482 million (2020: £1.675 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £136,000 (2020: £978,000), where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £22.71 million (2020: £18.16 million). These are a mixture of residuary legacies that are not recognised in these accounts, as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in Donations above is pro bono legal support of £95,000 (2020: £82,500) from J A Kemp, Mayer Brown LLP, Withers LLP and Marsh Bursaries. Also included are other benefits-in-kind valued at £187,000 (2020: £185,000).

5 Charitable activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Grants for welfare services and Remembrance				
Aged Veterans' Healthy Living Programme and Veterans Medical Fund	**154**	446	**154**	446
Grant from Poppy Lottery	**-**	-	**-**	2,301
Ex-service charities and other organisations (almonisation)	**2,692**	2,807	**2,582**	2,631
Contributions for Remembrance activities	**4,495**	3,056	**1,000**	1,817
Other grants and contributions	**241**	3,480	**1,782**	2,305
Total grants for welfare services and Remembrance	**7,582**	9,789	**5,518**	9,500
Fees from residential care homes	**16,773**	16,874	**16,773**	16,874
Membership fees	**3,986**	4,083	**3,984**	4,079
Income from charitable services	**792**	816	**175**	397
Total other income from charitable activities	**21,551**	21,773	**20,932**	21,350
Total income from charitable activities	**29,133**	31,562	**26,450**	30,850

Almonisation income is the contribution from other charities towards grants paid by the RBL to individuals when the recipient of assistance is also a beneficiary of these other charities.

Income from other grants and contributions includes non-performance-related grants, of which £1.1 million are government grants (2020: £1.4 million). This relates to income from the Coronavirus Job Retention Scheme. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

6 Other trading activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fundraising events income	**3,219**	1,398	**3,219**	1,397
Fundraising lotteries	**9,226**	8,528	**9,226**	5,050
Income from commercial activities	**11,364**	8,693	**-**	10
Licence fees and royalties	**109**	21	**109**	21
Advertising in the Legion magazine	**244**	213	**244**	213
Total income from other trading activities	**24,162**	18,853	**12,798**	6,691

Following the transfer of activities from the subsidiary Royal British Legion Poppy Lottery Limited to the parent charity Royal British Legion on 1 April 2020, all income from lotteries and raffles is now recognised in the parent charity.

7 Investment income

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Dividends and interest on listed investments	**2,806**	3,092	**2,461**	2,669
Investment income on funds held by branches	**382**	311	**382**	311
Rentals from investment properties	**2,067**	1,854	**2,067**	1,854
Bank deposit interest	**104**	256	**82**	238
Total investment income	**5,359**	5,513	**4,992**	5,072

Rentals from investment properties with a market value of £65.533 million (note 20) at 30 September 2021 (2020: £66.706 million) are, in most cases, received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Donations costs	**8,226**	8,112	**6,775**	6,481
Legacies costs	**2,056**	1,978	**1,623**	1,785
Poppy Appeal costs	**13,961**	14,187	**12,299**	12,947
Cost of raising voluntary income	**24,305**	24,277	**20,697**	21,213
Fundraising events costs	**2,116**	2,360	**2,116**	2,360
Fundraising lotteries costs	**3,959**	3,963	**3,959**	2,758
Commercial activities (trading)	**7,267**	7,191	**32**	(29)
Cost of activities to raise funds	**13,342**	13,514	**6,107**	5,089
Investment management	**448**	404	**439**	395
Total cost of raising funds	**38,095**	38,195	**27,243**	26,697

The total cost of raising funds for the group of £38.095 million (2020: £38.195 million) includes direct costs of £32.287 million (2020: £32.838 million) and allocated support costs of £5.808 million (2020: £5.357 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £10.589 million (2020: £9.139 million), of which £6.992 million (2020: £5.848 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.597 million (2020: £3.291 million) has been reallocated into charitable activities representing the raising-awareness element.

9 Analysis of charitable activities

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Residential care homes		**32,167**	31,343	**32,167**	31,343
Welfare Break Centres		**721**	13,402	**721**	13,402
Total care		**32,888**	44,745	**32,888**	44,745
Personnel Recovery Centres		**1,720**	1,527	**1,720**	1,527
Welfare grants to individuals		**8,953**	11,673	**8,143**	10,897
Grants to other organisations	10	**5,452**	5,326	**6,125**	5,955
Information, advice and support		**27,901**	28,335	**26,461**	26,392
Welfare cost in branches, counties and districts		**3,371**	3,184	**3,371**	3,184
Total community welfare		**45,677**	48,518	**44,100**	46,428
Central membership support		**3,142**	4,239	**3,120**	4,220
Recruitment, development, training		**427**	441	**427**	441
Support to branches with clubs		**213**	228	**213**	228
The Legion magazine		**533**	694	**533**	694
Membership costs in branches, counties and districts		**1,416**	2,387	**1,289**	2,387
Total membership		**5,731**	7,989	**5,582**	7,970
Comradeship		**400**	510	**400**	510
Direct cost of communication and campaigning		**8,695**	8,894	**8,695**	8,894
Allocated cost of communication and campaigning		**3,597**	3,291	**3,597**	3,291
Total communication and campaigning		**12,292**	12,185	**12,292**	12,185
Festival of Remembrance		**928**	884	**928**	884
Ceremonial and commemorative events		**836**	2,924	**791**	2,890
Remembrance tours		**63**	328	**63**	328
National Memorial Arboretum operating costs		**3,199**	3,165	**-**	-
Total Remembrance and ceremonial		**5,026**	7,301	**1,782**	4,102
Total cost of charitable activities		**103,734**	122,775	**98,764**	117,467

The total cost of charitable activities for the group of £103.734 million (2020: £122.775 million) includes direct costs of £85.899 million (2020: £102.649 million) and allocated support costs of £17.835 million (2020: £20.126 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.597 million (2020: £3.291 million) relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2021 £'000	Group 2020 £'000	**Charity 2021 £'000**	Charity 2020 £'000
Grants awarded by the Charity				
Personnel Recovery Centres – termination of original commitment	**(5,223)**	-	**(5,223)**	-
Personnel Recovery Centres – new Edinburgh grant	**953**	-	**953**	-
Combat Stress	**5,886**	2,951	**5,886**	2,951
Shelter	**847**	-	**847**	-
The Matthew Project	**621**	-	**621**	-
Royal Commonwealth Ex-Services League	**514**	-	**514**	109
Army Families Federation	**467**	-	**467**	-
X-Forces	**160**	-	**160**	-
Never Such Innocence	**123**	-	**123**	-
National Memorial Arboretum	**-**	-	**1,475**	2,300
Poppyscotland	**-**	-	**303**	356
Cancellation of 11 grant commitments	**(130)**	-	**(130)**	-
Grants to 12 other charities and voluntary organisations (2020: 19)	**129**	348	**129**	239
Grants awarded by Poppyscotland				
Unforgotten Forces	**-**	521	**-**	-
Citizens Advice Scotland	**538**	522	**-**	-
NHS Highland	**230**	-	**-**	-
Grants to 5 other charities and voluntary organisations (2020: 15)	**337**	984	**-**	-
Grants awarded by Royal British Legion Republic of Ireland				
Grants to charities and voluntary organisations awarded – nil (2020: nil)	**-**	-	**-**	-
Total grants to other organisations	**5,452**	5,326	**6,125**	5,955

Grants awarded may relate to commitments for multiple future years. For more information on grant commitments, see note 25.

11 Taxation

	Group 2021 £'000	Group 2020 £'000
Current tax credit:		
UK corporation tax (see below)	**-**	-
Adjustment to deferred tax	**-**	3
Total tax charge/(credit) on income	**-**	3

The taxation credits and charges above arise in the trading subsidiary operations.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations is as follows:

	Group 2021 £'000	Group 2020 £'000
Surplus on ordinary activities before tax	**4,332**	2,388
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2020: 19%)	**823**	453
Unutilised losses	**-**	19
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 33)	**(823)**	(472)
Tax credit not recognised due to uncertainty over future profits	**-**	-
UK corporation tax charge/(credit) for the year	**-**	-

12 Net incoming resources for the year is stated after charging:

	Group 2021 £'000	Group 2020 £'000	**Charity 2021 £'000**	Charity 2020 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**185**	177	**185**	177
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	**108**	99	**-**	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	**1**	2	**1**	1
Tax advisory services	**6**	11	**2**	2
Other advisory services	**-**	-	**-**	-
Branch, county and district audit and examination fees	**31**	32	**31**	32
Depreciation, amortisation and impairment charges	**5,881**	13,232	**5,207**	12,413
Rentals under operating leases	**4,931**	2,998	**4,847**	2,916

Rentals under operating leases includes an accrual for future rent and service-charge costs arising under lease contracts relating to area and secondary offices that have now been permanently closed.

13 Support costs

	Head Office Central 2021 £'000	Facilities Management 2021 £'000	Human Resources 2021 £'000	Finance and IT 2021 £'000	Governance 2021 £'000	Total Charity 2021 £'000	Subsidiaries 2021 £'000	Total Group 2021 £'000
Donations costs	138	186	160	756	71	**1,311**	**360**	**1,671**
Legacies costs	38	51	44	209	20	**362**	**111**	**473**
Poppy Appeal costs	-	389	336	1,586	149	**2,460**	**466**	**2,926**
Fundraising events costs	44	59	51	242	23	**419**	**-**	**419**
Fundraising lotteries costs	34	45	39	184	17	**319**	**-**	**319**
Cost of raising funds	**254**	**730**	**630**	**2,977**	**280**	**4,871**	**937**	**5,808**
Residential care homes	-	1,859	1,606	2,330	711	**6,506**	**-**	**6,506**
Welfare Break Centres	-	3	3	4	1	**11**	**-**	**11**
Care	**-**	**1,862**	**1,609**	**2,334**	**712**	**6,517**	**-**	**6,517**
Personnel Recovery Centres	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Information, advice and support	647	866	749	3,532	332	**6,126**	**764**	**6,890**
Welfare cost in branches, counties and districts	24	32	28	130	12	**226**	**-**	**226**
Community welfare	**671**	**898**	**777**	**3,662**	**344**	**6,352**	**764**	**7,116**
Central membership support	90	121	105	493	46	**855**	**22**	**877**
Recruitment, development, training	13	17	15	69	6	**120**	**-**	**120**
Support to branches with clubs	7	10	8	39	4	**68**	**-**	**68**
Membership costs in branches, counties and districts	-	-	-	-	-	**-**	**-**	**-**
Membership	**110**	**148**	**128**	**601**	**56**	**1,043**	**22**	**1,065**
Comradeship	**6**	**8**	**7**	**34**	**3**	**58**	**-**	**58**
Direct cost of communications and campaigning	130	175	151	712	67	**1,235**	**-**	**1,235**
Communications and campaigning	**130**	**175**	**151**	**712**	**67**	**1,235**	**-**	**1,235**
Ceremonial and commemorative events	24	32	28	130	12	**226**	**44**	**270**
Remembrance tours	1	2	1	7	1	**12**	**-**	**12**
National Memorial Arboretum operating costs	-	-	-	-	-	**-**	**1,562**	**1,562**
Remembrance and ceremonial	**25**	**34**	**29**	**137**	**13**	**238**	**1,606**	**1,844**
Charitable activities	**942**	**3,125**	**2,701**	**7,480**	**1,195**	**15,443**	**2,392**	**17,835**
Total support costs	**1,196**	**3,855**	**3,331**	**10,457**	**1,475**	**20,314**	**3,329**	**23,643**

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

13 Support costs continued

	Head Office Central 2020 £'000	Facilities Management 2020 £'000	Human Resources 2020 £'000	Finance and IT 2020 £'000	Governance 2020 £'000	Total Charity 2020 £'000	Subsidiaries 2020 £'000	Total Group 2020 £'000
Donations costs	141	161	112	639	62	1,115	381	1,496
Legacies costs	44	51	35	201	20	351	59	410
Poppy Appeal costs	-	383	265	1,516	148	2,312	404	2,716
Fundraising events costs	58	66	46	262	26	458	-	458
Fundraising lotteries costs	35	40	28	159	15	277	-	277
Cost of raising funds	278	701	486	2,777	271	4,513	844	5,357
Residential care homes	-	1,975	1,369	2,393	764	6,501	-	6,501
Welfare Break Centres	-	176	122	213	68	579	-	579
Care	-	2,151	1,491	2,606	832	7,080	-	7,080
Personnel Recovery Centres	-	14	9	16	5	44	-	44
Information, advice and support	868	997	691	3,951	385	6,892	1,370	8,262
Welfare cost in branches, counties and districts	29	34	23	134	13	233	-	233
Community welfare	897	1,031	714	4,085	398	7,125	1,370	8,495
Central membership support	145	166	115	659	64	1,149	19	1,168
Recruitment, development, training	17	20	14	78	8	137	-	137
Support to branches with clubs	9	10	7	39	4	69	-	69
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	171	196	136	776	76	1,355	19	1,374
Comradeship	11	12	9	49	5	86	-	86
Direct cost of communications and campaigning	149	171	119	678	66	1,183	-	1,183
Communications and campaigning	149	171	119	678	66	1,183	-	1,183
Ceremonial and commemorative events	30	35	24	138	14	241	29	270
Remembrance tours	4	5	3	20	2	34	-	34
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,560	1,560
Remembrance and ceremonial	34	40	27	158	16	275	1,589	1,864
Charitable activities	1,262	3,615	2,505	8,368	1,398	17,148	2,978	20,126
Total support costs	1,540	4,316	2,991	11,145	1,669	21,661	3,822	25,483

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

14 Activities of consolidated subsidiaries and organisations

The RBL has 11 wholly owned subsidiaries, nine of which are consolidated into these accounts, as described below. There are a further two subsidiaries, which are dormant with no assets so have no figures to consolidate.

The results of the subsidiary entities are shown in the table below. All subsidiaries have 30 September year ends and are registered in the UK, with the exception of Royal British Legion Republic of Ireland (registered in the Republic of Ireland).

	The National Memorial Arboretum Company 2021 £'000	NMA (Enterprises) 2021 £'000	Poppyscotland Group 2021 £'000	Royal British Legion Republic of Ireland 2021 £'000	Royal British Legion Trading 2021 £'000	Royal British Legion Poppy Lottery 2021 £'000	Royal British Legion Developments 2021 £'000	Remembrance Travel 2021 £'000
Turnover/incoming resources	3,978	2,323	6,122	91	9,047	-	-	-
(Expenditure) (including gains/(losses))	(3,661)	(1,845)	(6,961)	131	(7,737)	-	(2)	-
Net incoming/(outgoing) resources	**317**	**478**	**(839)**	**222**	**1,310**	**-**	**(2)**	**-**
Assets	23,407	1,000	15,001	2,752	4,665	-	11	49
Liabilities	(439)	(597)	(2,356)	(36)	(869)	-	(36)	(42)
Net assets/(liabilities)	**22,968**	**403**	**12,645**	**2,716**	**3,796**	**-**	**(25)**	**7**

	The National Memorial Arboretum Company 2020 £'000	NMA (Enterprises) 2020 £'000	Poppyscotland Group 2020 £'000	Royal British Legion Republic of Ireland 2020 £'000	Royal British Legion Trading 2020 £'000	Royal British Legion Poppy Lottery 2020 £'000	Royal British Legion Developments 2020 £'000	Remembrance Travel 2020 £'000
Turnover/incoming resources	3,873	1,347	7,460	141	7,517	3,506	-	-
Expenditure	(3,782)	(1,546)	(7,862)	(281)	(8,766)	(3,506)	(8)	-
Net incoming/(outgoing) resources	91	(199)	(402)	(140)	(1,249)	-	(8)	-
Assets	23,185	501	15,995	2,576	3,658	-	17	49
Liabilities	(534)	(593)	(2,511)	(82)	(1,172)	-	(40)	(42)
Net assets/(liabilities)	22,651	(92)	13,484	2,494	2,486	-	(23)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to National Memorial Arboretum visitors. Its expenditure includes prior-year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £90,000 (2020: £107,000).

Poppyscotland (Earl Haig Fund Scotland) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group.

Royal British Legion Republic of Ireland – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior-year profits paid under the Gift Aid scheme to the RBL of £2.486 million (2020: £3.735 million).

Royal British Legion Poppy Lottery Limited – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020, and is now dormant.

Royal British Legion Developments Limited – a trading company that develops or improves properties, principally those owned by the RBL, and is currently inactive. There were no profits to pay to the RBL in 2021 or 2020.

Remembrance Travel Limited – a subsidiary that previously operated as a travel company delivering pilgrimages and associated travel activity until 1 October 2018, and is now dormant.

The Royal British Legion Family and Support Lottery Limited and Poppy Travel Limited – dormant subsidiaries with no assets.

15 Information regarding employees and Trustees

	Total 2021	Total 2020
Average number of employees (full-time equivalent) during the year	**No.**	No.
Raising funds	**229**	213
Charitable activities		
Care services and Personnel Recovery Centres	**581**	657
Community welfare services	**281**	313
Membership services	**46**	59
Comradeship	**3**	4
Communication and campaigning	**55**	52
Remembrance and ceremonial	**11**	12
Total charitable activities	**977**	1,097
Support and governance	**163**	166
Total charity full-time equivalent staff	**1,369**	1,476
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	**100**	100
National Memorial Arboretum Group	**86**	87
Royal British Legion Trading	**12**	12
Total group full-time equivalent staff	**1,567**	1,675

The group incurred costs of £2.26 million (2020: £3.76 million) on agency staff which are not included in the staff costs below.

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Staff costs comprise:				
Wages and salaries	**46,742**	48,149	**42,347**	43,777
National Insurance contributions	**4,364**	4,605	**4,103**	4,245
Pension costs	**5,170**	5,096	**4,574**	4,591
Total staff costs	**56,276**	57,850	**51,024**	52,613

The number of staff paid more than £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	Group 2021 No	Group 2020 No	Charity 2021 No	Charity 2020 No
£60,000 - £69,999	**23**	20	**22**	19
£70,000 - £79,999	**16**	13	**16**	13
£80,000 - £89,999	**5**	7	**5**	7
£90,000 - £99,999	**2**	2	**-**	1
£100,000 - £109,999	**3**	2	**3**	2
£110,000 - £119,999	**-**	1	**-**	1
£120,000 - £129,999	**2**	2	**2**	2
£130,000 - £139,999	**-**	1	**-**	-
£140,000 - £149,999	**2**	-	**2**	-
£150,000 - £159,999	**-**	1	**-**	1

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £1.040 million (2020: £981,000).

The RBL operates a transparent Pay Policy, which is communicated to all staff. Salary levels are regularly benchmarked against other comparable organisations across the private, public and third sectors. The compensation of RBL Directors is subject to annual review by a Governance Committee comprising five Trustees including the Chairman and Vice Chairman.

During the year, redundancy payments of £437,000 (2020: £452,000) and termination payments of £29,000 (2020: £58,000) were made across the group, which are included in the staff costs figures on the previous page.

During the year, the total expenses paid in respect of 13 (2020: 13) Board of Trustee members amounted to £13,900 (2020: £41,000). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds

The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:-

1. Group Flexible Retirement Plan (GFRP)

2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)

3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)

4. The Royal British Legion Staff Pension Fund (DB Fund)

5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (excluding Poppyscotland until 1 October 2021) and was provided by Standard Life until 1 April 2021, when it was transferred to Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £5.048 million (2020: £4.834 million) for the year, of which £405,000 (2020: £395,000) remained payable at the year end.

EH Scheme: This was a scheme available to employees of the Poppyscotland Group and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The EH Scheme was introduced in July 2002 and was a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £165,000 (2020: £187,000) for the year, of which £nil (2020: £27,000) remained payable at the year end.

LHPF Scheme: This was a scheme available to employees of the Lady Haig Poppy Factory and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The LHPF Scheme was a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £73,000 (2020: £88,000) for the year, of which £nil (2020: £nil) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002 and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2020. The results of the last valuation have been updated to 30 September 2021 by a qualified actuary. In accordance with the current Schedule of Contributions, the RBL is not required to pay any ongoing deficit contributions into the Fund. Contributions are made in relation to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members.The last full actuarial valuation of the EH Fund was carried out as at 31 March 2019. As a result of the 2016 triennial valuation, the employer agreed to pay a one-off deficit contribution of £100,000, followed by annual deficit contributions of £75,000 per year from 1 July 2017 for eight years, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2021 £'000	**DB Fund 2021 £'000**	**Total 2021 £'000**	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Current service cost	**-**	**-**	**-**	-	-	-
Administration expenses	**(299)**	**(540)**	**(839)**	(104)	(312)	(416)
Net interest	**(26)**	**(130)**	**(156)**	(30)	(83)	(113)
Amount charged to net incoming resources	**(325)**	**(670)**	**(995)**	(134)	(395)	(529)
Actuarial gains/(losses)	**276**	**2,213**	**2,489**	197	(3,514)	(3,317)
Return on assets excluding amount included in net interest	**27**	**5,272**	**5,299**	(135)	(774)	(909)
Amount recognised in other comprehensive income	**303**	**7,485**	**7,788**	62	(4,288)	(4,226)
Total (decrease)/increase in net funds	**(22)**	**6,815**	**6,793**	(72)	(4,683)	(4,755)

16b Reconciliation to the Balance Sheet

	EH Fund 2021 £'000	**DB Fund 2021 £'000**	**Total 2021 £'000**	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Market value of assets	**4,877**	**71,086**	**75,963**	5,266	68,031	73,297
Present value of defined benefit obligation	**(6,520)**	**(73,006)**	**(79,526)**	(7,019)	(77,310)	(84,329)
Pension liability recognised in the Balance Sheet	**(1,643)**	**(1,920)**	**(3,563)**	(1,753)	(9,279)	(11,032)

16c Analysis of changes in the value of the fund liabilities over the year

	EH Fund 2021 £'000	**DB Fund 2021 £'000**	**Total 2021 £'000**	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Value of liabilities at start of year	**(7,019)**	**(77,310)**	**(84,329)**	(7,414)	(75,872)	(83,286)
Interest cost	**(96)**	**(1,060)**	**(1,156)**	(123)	(1,262)	(1,385)
Benefits paid	**319**	**3,151**	**3,470**	321	3,338	3,659
Actuarial gains/(losses)	**276**	**2,213**	**2,489**	197	(3,514)	(3,317)
Value of liabilities at end of year	**(6,520)**	**(73,006)**	**(79,526)**	(7,019)	(77,310)	(84,329)

16d Analysis of changes in the value of the fund assets over the year

	EH Fund 2021 £'000	**DB Fund 2021 £'000**	**Total 2021 £'000**	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Market value of assets at start of year	**5,266**	**68,031**	**73,297**	5,603	71,050	76,653
Return on assets excluding amount included in net interest	**27**	**5,272**	**5,299**	(135)	(774)	(909)
Administration expenses	**(299)**	**(540)**	**(839)**	(104)	(312)	(416)
Employer contributions	**132**	**544**	**676**	130	226	356
Interest income	**70**	**930**	**1,000**	93	1,179	1,272
Benefits paid	**(319)**	**(3,151)**	**(3,470)**	(321)	(3,338)	(3,659)
Market value of assets at end of year	**4,877**	**71,086**	**75,963**	5,266	68,031	73,297

16e Asset classes

	DB Fund 2021		DB Fund 2020	
	Market Value £'000	**% of total fund assets**	Market Value £'000	% of total fund assets
Equities	**24,558**	**35%**	20,041	29%
Bonds	**9,891**	**14%**	10,266	15%
LDI	**9,027**	**13%**	11,229	17%
Cash	**892**	**1%**	709	1%
Annuities	**2,026**	**3%**	2,285	3%
Other assets	**24,692**	**34%**	23,501	35%
Total fund assets	**71,086**		68,031	
The actual return on assets over the year was	**6,202**		405	

	EH Fund 2021		EH Fund 2020	
	Market Value £'000	**% of total fund assets**	Market Value £'000	% of total fund assets
Equities	**1,966**	**40%**	2,355	45%
Cash	**385**	**8%**	72	1%
Annuities	**354**	**7%**	418	8%
Other assets	**2,172**	**45%**	2,421	46%
Total fund assets	**4,877**		5,266	
The actual return on assets over the year was	**97**		(42)	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation.

The assets are invested in a diversified portfolio.

During 2022, contributions of £990,000 and £135,051 are expected to be paid into the DB Fund and EH Fund respectively, inclusive of deficit reduction payments.

16f Actuarial assumptions

Financial assumptions	2021 % p.a.		2020 % p.a.	
	EH Fund	**DB Fund**	**EH Fund**	**DB Fund**
Discount rate	**1.9**	**1.9**	1.4	1.4
Retail price index inflation	**3.5**	**3.5**	2.9	2.9
Consumer price index inflation	**3.0**	**2.7**	2.2	2.0
Salary increases	**3.7**	**3.7**	3.0	3.0
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	**-**	**3.4**	-	2.9
Capped at 5% or CPI if less	**3.5**	**3.5**	3.2	3.2
Capped at 3% or CPI if less	**2.5**	**2.3**	2.0	1.9
Capped at 2.5% or CPI if less	**2.2**	**2.2**	1.9	1.9
Rate of increase for deferred pensioners	**2.5**	**2.7**	2.2	2.0

Mortality assumptions – EH Fund

Life expectancies at age 60	2021 Males	2021 Females	2020 Males	2020 Females
Current pensioner now aged 60	**24.9 years**	**27.6 years**	24.9 years	27.5 years
Future pensioner now aged 40	**26.4 years**	**29.1 years**	26.4 years	29.1 years

Mortality assumptions – DB Fund

Life expectancies at age 60	2021 Males	2021 Females	2020 Males	2020 Females
Current pensioner now aged 60	**25.8 years**	**28.5 years**	25.8 years	28.5 years
Future pensioner now aged 40	**27.4 years**	**30.1 years**	27.4 years	30.0 years

17 Group intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Group £'000
At cost or valuation			
At 1 October 2020	4,843	793	**5,636**
Additions	75	255	**330**
Transfers	575	(710)	**(135)**
Disposals	-	(338)	**(338)**
At 30 September 2021	**5,493**	**-**	**5,493**
Accumulated amortisation			
At 1 October 2020	(2,690)	-	**(2,690)**
Charge for the year	(1,059)	-	**(1,059)**
Eliminated on disposals	-	-	**-**
At 30 September 2021	**(3,749)**	**-**	**(3,749)**
Net book value at 30 September 2021	**1,744**	**-**	**1,744**
Net book value at 30 September 2020	2,153	793	**2,946**

17a Charity intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation			
At 1 October 2020	4,843	742	**5,585**
Additions	-	255	**255**
Transfers	524	(659)	**(135)**
Disposals	-	(338)	**(338)**
At 30 September 2021	5,367	-	**5,367**
Accumulated amortisation			
At 1 October 2020	(2,690)	-	**(2,690)**
Charge for the year	(1,040)	-	**(1,040)**
Eliminated on disposals	-	-	**-**
At 30 September 2021	**(3,730)**	-	**(3,730)**
Net book value at 30 September 2021	**1,637**	**-**	**1,637**
Net book value at 30 September 2020	2,153	742	2,895

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2020	41,876	30,492	30,684	7,696	4,543	**115,291**
Additions	-	-	2	-	3,173	**3,175**
Transfers	3,296	-	-	457	(3,618)	**135**
Disposals	-	(4)	-	(396)	(1)	**(401)**
At 30 September 2021	**45,172**	**30,488**	**30,686**	**7,757**	**4,097**	**118,200**
Accumulated depreciation						
At 1 October 2020	(12,602)	(7,018)	(7,561)	(5,022)	-	**(32,203)**
Charge for the year	(817)	(673)	(1,161)	(768)	-	**(3,419)**
Impairment	-	(73)	(1,330)	-	-	**(1,403)**
Transfers	-	-	-	-	-	**-**
Disposals	-	1	-	386	-	**387**
At 30 September 2021	**(13,419)**	**(7,763)**	**(10,052)**	**(5,404)**	**-**	**(36,638)**
Net book value at 30 September 2021	**31,753**	**22,725**	**20,634**	**2,353**	**4,097**	**81,562**
Net book value at 30 September 2020	29,274	23,474	23,123	2,674	4,543	83,088

18a Charity tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation						
At 1 October 2020	41,876	29,626	6,485	6,777	3,458	**88,222**
Additions	-	-	-	-	827	**827**
Transfers	3,296	-	-	457	(3,618)	**135**
Disposals	-	(4)	-	(396)	(1)	**(401)**
At 30 September 2021	**45,172**	**29,622**	**6,485**	**6,838**	**666**	**88,783**
Accumulated depreciation						
At 1 October 2020	(12,602)	(6,531)	(3,833)	(4,762)	-	**(27,728)**
Charge for the year	(817)	(659)	(640)	(648)	-	**(2,764)**
Impairment	-	(73)	(1,330)	-	-	**(1,403)**
Transfers	-	-	-	-	-	**-**
Disposals	-	1	-	386	-	**387**
At 30 September 2021	**(13,419)**	**(7,262)**	**(5,803)**	**(5,024)**	**-**	**(31,508)**
Net book value at 30 September 2021	**31,753**	**22,360**	**682**	**1,814**	**666**	**57,275**
Net book value at 30 September 2020	29,274	23,095	2,652	2,015	3,458	60,494

19 Investments

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Market value at 1 October	**164,647**	165,895	**151,319**	152,574
Net additions	**(1,740)**	946	**778**	981
Investment gain/(loss) on revaluation	**19,306**	(2,194)	**18,863**	(2,236)
Market value at 30 September	**182,213**	164,647	**170,960**	151,319

The asset distribution of the investment portfolio at 30 September is presented below.

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Equities:				
UK	**17,128**	16,793	**15,782**	15,121
Overseas	**84,153**	71,570	**81,323**	67,168
Total equities	**101,281**	88,363	**97,105**	82,289
Bonds:				
UK	**12,246**	15,862	**7,159**	14,507
Overseas	**10,685**	6,887	**10,022**	3,086
Total bonds	**22,931**	22,749	**17,181**	17,593
Cash:				
UK	**6,377**	6,565	**6,241**	5,952
Overseas	**96**	127	**-**	-
Total cash	**6,473**	6,692	**6,241**	5,952
Hedge funds – UK	**2,381**	155	**2,268**	-
Property	**10,747**	6,344	**10,611**	6,166
Commodities	**6,628**	7,647	**6,228**	7,068
Portfolio funds:				
UK	**13,785**	16,619	**13,785**	16,619
Overseas	**-**	-	**-**	-
Total portfolio funds	**13,785**	16,619	**13,785**	16,619
Other:				
UK	**9,849**	8,527	**9,746**	8,489
Overseas	**8,138**	7,551	**7,795**	7,143
Total other	**17,987**	16,078	**17,541**	15,632
Total investments	**182,213**	164,647	**170,960**	151,319

£153.198 million of the investments are managed by Cazenove Capital Management Limited (2020: £133.183 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publically available price.

Other investments includes investments held by branches, and balances relating to the Arthur Atock Memorial Trust and Devon Community Trust.

20 Group investment properties

	Group 2021 £'000	Group 2020 £'000
Market value at 1 October	**66,706**	65,019
Additions	**-**	582
Transfers to tangible fixed assets	**-**	(336)
Disposal proceeds	**(6,587)**	(2,093)
Net gain on disposal from opening market value	**1,271**	598
Net gain on revaluation of investment properties	**4,143**	2,936
Market value at 30 September	**65,533**	66,706

20a Charity investment properties

	Charity 2021 £'000	Charity 2020 £'000
Market value at 1 October	**66,124**	65,019
Transfers to tangible fixed assets	**-**	(336)
Disposal proceeds	**(6,022)**	(2,093)
Net gain on disposal from opening market value	**1,271**	598
Net gain on revaluation of investment properties	**4,160**	2,936
Market value at 30 September	**65,533**	66,124

Investment properties primarily comprise 287 properties (2020: 302 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2021, 62 properties were revalued (2020: 62 properties) and a revaluation gain of £4.22 million (2020: £3.00 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £60,000 (2020: losses of £13,800) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2021, none of these properties (2020: 0) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2020: £nil) has been recognised in respect of these properties.

21 Programme-related investments

	Group & Charity 2021 £'000	Group & Charity 2020 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	**375**	523
Other schemes unrestricted		
Loans for property repairs (PRL)	**3,634**	3,987
Total programme-related investments	**4,009**	4,510

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	PRL loans £'000	Total Group & Charity £'000
Opening balance at 1 October	523	3,987	**4,510**
Interest	17	-	**17**
Repayments and security deposits	(165)	(353)	**(518)**
Closing balance at 30 September	**375**	**3,634**	**4,009**

The RBL has provided a number of loans in furtherance of its charitable objectives as follows:

Sir Oswald Stoll Foundation – a secured loan repayable over 10 years issued towards the development costs of a veterans' housing centre. An interest rate of 4% is applied to the principal issued on the anniversary of the loan agreement (17 September 2013).

Property Repair Loans – interest-free secured loans to beneficiaries living in their own homes to provide housing improvements. The majority are lifetime loans as they are repayable on the sale of property. The minimum amount for a loan is £2,000 and the maximum allowed is £25,000. The RBL ceased issuing new loans in 2013.

22 Debtors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets held for sale	**725**	5,175	**725**	5,175
Trade debtors	**1,387**	4,536	**1,133**	4,097
Amounts due from consolidated entities	**-**	-	**177**	809
Other debtors	**3,485**	3,185	**3,358**	3,137
Prepayments and accrued income	**6,172**	3,846	**5,011**	3,143
Total debtors	**11,769**	16,742	**10,404**	16,361

23 Cash at hand and in bank and short-term deposits

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Cash held centrally				
Short-term deposits	**5,982**	13,114	**4,721**	12,609
Cash at hand and in bank	**49,478**	26,900	**44,005**	21,919
	55,460	40,014	**48,726**	34,528
Cash held by branches	**10,525**	11,634	**10,525**	11,634
Total cash	**65,985**	51,648	**59,251**	46,162

24 Creditors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Creditors falling due within one year				
Trade creditors	**2,534**	2,209	**1,812**	1,730
Amounts due to consolidated entities	**-**	-	**-**	288
Grant commitments (see note 25)	**6,102**	11,162	**6,102**	11,162
Accruals	**9,607**	7,349	**8,540**	6,371
Deferred income (see note 24a)	**3,288**	3,164	**3,021**	3,058
Other creditors	**1,991**	2,305	**1,854**	2,095
Hire Purchase commitments due within one year	**21**	20	**-**	-
Total creditors falling due within one year	**23,543**	26,209	**21,329**	24,704

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Creditors falling due after more than one year				
External grant commitments (see note 25):				
Due within two to five years	**6,779**	2,845	**6,779**	2,845
Hire Purchase commitments				
Due within two to five years	**36**	57	**-**	-
Total creditors falling due after more than one year	**6,815**	**2,902**	**6,779**	2,845

24a Deferred income movement during the year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Opening balance at 1 October	**3,164**	3,050	**3,058**	2,256
Deferred income released in the year	**(3,164)**	(3,050)	**(3,058)**	(2,256)
Income deferred in the year	**3,288**	3,164	**3,021**	3,058
Closing balance at 30 September	**3,288**	**3,164**	**3,021**	**3,058**

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2021, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group & Charity grant commitments

	Personnel Recovery Centres 2021 £'000	Centre for Blast Injury Studies 2021 £'000	Other 2021 £'000	Group & Charity Total 2021 £'000
Opening balance at 1 October 2020	6,582	1,157	6,268	**14,007**
Grants awarded	954	-	9,100	**10,054**
Unwinding of discount	-	-	(173)	**(173)**
Payments during the year	(1,359)	(1,157)	(3,268)	**(5,784)**
Commitments cancelled during the year	(5,223)	-	-	**(5,223)**
Closing balance at 30 September 2021	**954**	**-**	**11,927**	**12,881**

26 Provisions for liabilities

	Group 2021 £,000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Opening balance at 1 October	**1,450**	494	**1,450**	494
Provisions made in year	**349**	956	**305**	956
Closing balance at 30 September	**1,799**	1,450	**1,755**	1,450

Provisions for liabilities includes estimated future costs of dilapidations obligations arising from land and building operating lease contracts where the RBL is the lessee and the contract requires the RBL to pay such costs at the end of the lease period. Current lease obligations expire no later than 2025.

27 Group operating lease commitments

	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,315**	**244**	1,351	527
Within two to five years	**2,459**	**163**	3,790	372
Over five years	**1,448**	**-**	2,417	-
Total	**5,222**	**407**	7,558	899

27a Charity operating lease commitments

	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000
At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,266**	**220**	1,294	511
Within two to five years	**2,453**	**150**	3,629	361
Over five years	**1,448**	**-**	2,360	-
Total	**5,167**	**370**	7,283	872

28 Group unrestricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,149	102,482	(88,310)	16,980	6,166	**85,467**
Area trust funds	29,490	-	(12,235)	-	2,830	**20,085**
Pension reserve	(9,279)	-	(670)	7,485	544	**(1,920)**
Subsidiaries' funds	2,470	9,047	(4,954)	-	(2,785)	**3,778**
Available reserves	**70,830**	**111,529**	**(106,169)**	**24,465**	**6,755**	**107,410**
General fund	4,736	3,946	(3,841)	-	-	**4,841**
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	**32,293**
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	**59,637**
Programme-related investment reserve	4,510	17	-	-	(518)	**4,009**
Total group unrestricted funds	**180,374**	**117,206**	**(116,111)**	**25,381**	**1,340**	**208,190**

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	102,974	(87,762)	(476)	4,928	48,149
Area trust funds	39,294	-	(11,830)	-	2,026	29,490
Pension reserve	(4,822)	-	(395)	(4,288)	226	(9,279)
Subsidiaries' funds	3,730	11,023	(6,247)	-	(6,036)	2,470
Available reserves	66,687	113,997	(106,234)	(4,764)	1,144	70,830
General fund	5,187	4,149	(4,600)	-	-	4,736
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	31,734
Functional fixed asset reserve	80,152	-	(12,413)	-	825	68,564
Programme-related investment reserve	4,914	23	-	-	(427)	4,510
Total group unrestricted funds	188,834	121,431	(126,203)	(4,800)	1,112	180,374

The Central benevolent fund incorporates the core activities of the RBL, such as operating residential care homes and Welfare Break Centres, giving grants, providing resettlement training, giving pension claims advice, and acting as the custodian of Remembrance. The proceeds from the annual Poppy Appeal collection are allocated to this fund.

The Area trust funds are benevolent funds that have been designated for use in a particular geographical area.

The Pension reserve is a specific allocation of unrestricted funds in relation to the Royal British Legion Staff Pension Fund.

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

Taken together, the above four lines represent the total unrestricted reserves of the RBL, which are available for immediate use at the discretion of the Trustees.

The General fund is used to support the central administration of the membership of the RBL.

Branch, county, district and Women's Section funds represent those funds held by, or on behalf of, the various RBL membership formations.

The Functional fixed asset reserve represents the value of the RBL's functional fixed asset portfolio (such as residential care homes and Welfare Break Centres), used by the charity in the delivery of its charitable objectives.

The Programme-related investment reserve represents the value of the programme-related investments used by the charity in the delivery of its charitable objectives.

28a Charity unrestricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,167	105,256	(90,088)	16,980	5,152	**85,467**
Area trust funds	29,490	-	(12,235)	-	2,830	**20,085**
Pension reserve	(9,279)	-	(670)	7,485	544	**(1,920)**
Available reserves	**68,378**	**105,256**	**(102,993)**	**24,465**	**8,526**	**103,632**
General fund	4,736	3,946	(3,841)	-	-	**4,841**
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	**32,293**
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	**59,637**
Programme-related investment reserve	4,510	17	-	-	(518)	**4,009**
Total charity unrestricted funds	**177,922**	**110,933**	**(112,935)**	**25,381**	**3,111**	**204,412**

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	109,010	(90,418)	(476)	1,566	48,167
Area trust funds	39,294	-	(11,830)	-	2,026	29,490
Pension reserve	(4,822)	-	(395)	(4,288)	226	(9,279)
Available reserves	62,957	109,010	(102,643)	(4,764)	3,818	68,378
General fund	5,187	4,149	(4,600)	-	-	4,736
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	31,734
Functional fixed asset reserve	80,152	-	(12,413)	-	825	68,564
Programme-related investment reserve	4,914	23	-	-	(427)	4,510
Total charity unrestricted funds	185,104	116,444	(122,612)	(4,800)	3,786	177,922

29 Group restricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	**65,533**
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	**35,553**
Area Trust Funds	5,811	-	(3,995)	-	2,310	**4,126**
Grants for specific purposes	1,563	5,238	(4,191)	-	-	**2,610**
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	**11,728**
Branch and county funds	5,634	380	(602)	587	-	**5,999**
Charity Commission schemes	2,166	48	-	207	-	**2,421**
Homes' residents' amenity funds	1,928	300	(382)	-	79	**1,925**
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	**1,523**
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	**142**
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	**339**
Permanent endowments	841	-	18	116	-	**975**
Total charity restricted funds	131,665	9,922	(13,072)	7,470	(3,111)	**132,874**
Poppyscotland Group	15,237	5,404	(6,636)	112	171	**14,288**
Poppyscotland pension provision	(1,753)	-	(325)	303	132	**(1,643)**
National Memorial Arboretum Group	22,559	4,736	(5,392)	-	1,468	**23,371**
Royal British Legion Republic of Ireland	2,494	91	(293)	424	-	**2,716**
Total group restricted funds	**170,202**	**20,153**	**(25,718)**	**8,309**	**(1,340)**	**171,606**

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	66,124
Income and sales proceeds from property held in corporate trusteeship	35,831	2,512	(1,932)	242	2,642	34,011
Area Trust Funds	11,020	-	(8,006)	-	2,797	5,811
Grants for specific purposes	4,515	6,673	(9,643)	-	18	1,563
Programme-related investment reserve	3	-	-	-	(3)	-
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	11,846
Branch and county funds	7,725	445	(614)	(1,922)	-	5,634
Charity Commission schemes	2,113	47	-	16	(10)	2,166
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	1,928
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	1,268
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	129
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	344
Permanent endowments	830	25	(46)	32	-	841
Total charity restricted funds	**143,805**	**11,931**	**(21,552)**	**1,267**	**(3,786)**	**131,665**
Poppyscotland Group	15,680	6,798	(7,728)	244	243	15,237
Poppyscotland pension provision	(1,788)	-	(134)	62	107	(1,753)
National Memorial Arboretum Group	22,643	2,813	(5,221)	-	2,324	22,559
Royal British Legion Republic of Ireland	2,634	141	(135)	(146)	-	2,494
Total group restricted funds	**182,974**	**21,683**	**(34,770)**	**1,427**	**(1,112)**	**170,202**

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund. Restricted funds include permanent endowment funds that are not material and are not therefore shown separately on the face of the Balance Sheet.

The investment property reserve represents the estimated market value of £65.533 million (2020: £66.124 million), representing a portfolio of 287 properties (2020: 302 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2021 was £39.680 million (2020: £39.822 million), which includes both investment income and sales proceeds.

29a Charity restricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	**65,533**
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	**35,553**
Area Trust Funds	5,811	-	(3,995)	-	2,310	**4,126**
Grants for specific purposes	1,563	5,238	(4,191)	-	-	**2,610**
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	**11,728**
Branch and county funds	5,634	380	(602)	587	-	**5,999**
Charity Commission schemes	2,166	48	-	207	-	**2,421**
Homes' residents' amenity funds	1,928	300	(382)	-	79	**1,925**
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	**1,523**
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	**142**
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	**339**
Permanent endowments	841	-	18	116	-	**975**
Total charity restricted funds	**131,665**	**9,922**	**(13,072)**	**7,470**	**(3,111)**	**132,874**

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	66,124
Income and sales proceeds from property held in corporate trusteeship	35,831	2,512	(1,932)	242	(2,642)	34,011
Area Trust Funds	11,020	-	(8,006)	-	2,797	5,811
Grants for specific purposes	4,515	6,673	(9,643)	-	18	1,563
Programme-related investment reserve	3	-	-	-	(3)	-
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	11,846
Branch and county funds	7,725	445	(614)	(1,922)	-	5,634
Charity Commission schemes	2,113	47	-	16	(10)	2,166
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	1,928
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	1,268
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	129
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	344
Permanent endowments	830	25	(46)	32	-	841
Total charity restricted funds	**143,805**	**11,931**	**(21,552)**	**1,267**	**(3,786)**	**131,665**

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £1.340 million from restricted to unrestricted reserves (2020: £1.112 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 27 trusts (2020: 24 trusts) resulting in the release of £2.831 million (2020: £1.909 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £1.475 million (2020: £2.30 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £303,000 (2020: £355,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2021 £'000	**Restricted 2021 £'000**	**Total 2021 £'000**	Unrestricted 2020 £'000	Restricted 2020 £'000	Total 2020 £'000
Fund balances are represented by:						
Intangible and tangible assets	**58,912**	**24,394**	**83,306**	63,389	22,645	86,034
Investments	**121,148**	**130,607**	**251,755**	103,530	132,333	235,863
Current assets	**60,262**	**20,193**	**80,455**	51,277	18,995	70,272
Current and non current liabilities	**(30,212)**	**(1,945)**	**(32,157)**	(28,543)	(2,018)	(30,561)
Defined benefit pension liability	**(1,920)**	**(1,643)**	**(3,563)**	(9,279)	(1,753)	(11,032)
Total funds	**208,190**	**171,606**	**379,796**	180,374	170,202	350,576

32 Events after the reporting period

On 6 January 2022, Gift Aid totalling £3.796 million relating to the 2021 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2021.

33 Related party transactions

During the year ended 30 September 2021, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £1.475 million was provided by the charity to The National Memorial Arboretum Company (2020: £2.3 million).
- The charity received donations of profits from Royal British Legion Trading of £2.486 million (2020: £3.735 million). Royal British Legion Developments and Remembrance Travel had no profits to pay to the charity in 2021 (2020: nil).
- The charity received a grant of £nil from Royal British Legion Poppy Lottery (2020: £2.301 million).
- Grant funding of £303,000 was provided by the charity to the Poppyscotland Group (2020: £355,000).
- The charity purchased goods and services valued at £nil from Royal British Legion Trading (2020: £144,000).
- The charity purchased goods and services valued at £65,000 from NMA (Enterprises) (2020: £23,000).
- NMA (Enterprises) purchased goods and services valued at £35,000 from Royal British Legion Trading (2020: £nil).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2021:

	Charity 2021 £'000	Charity 2020 £'000
Amounts receivable from consolidated entities		
The National Memorial Arboretum Company	**12**	159
Royal British Legion Developments	**32**	36
Royal British Legion Trading	**112**	569
Poppyscotland Group	**12**	-
Royal British Legion Republic of Ireland	**9**	45
Toal amounts receivable from consolidated entities	**177**	809

	Charity 2021 £'000	Charity 2020 £'000
Amounts payable to consolidated entities		
Poppyscotland Group	**-**	286
NMA (Enterprises)	**-**	2
Total amounts payable to consolidated entities	**-**	288

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). Three of the RBL's Trustees hold positions within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £45,000 during the year (2020: £43,000). The RCEL does not make payments to the RBL for these services.

In addition, on 7 September 2017, the Trustees approved a grant to the RCEL of £1.2 million to be paid over a period of five years commencing in 2018. In line with its policy of recognising future grant commitments at their net present value using an appropriate discount rate (see note 1), the charity recognised £8,000 of grant expenditure in relation to the RCEL during 2021 (2020: £66,000), and held a grant creditor of £240,000 owed to RCEL at 30 September 2021 (2020: £471,000).

A further two-year extension to this original grant of £480,000 was awarded on 24 September 2021. The charity recognised a discount credit to grant expenditure of £21,000 during 2021 and holds a grant creditor of £459,000 owed to RCEL at 30 September 2021 in respect of this extension funding.

Organisation	**Related party**	**Position at the RBL**	**Position at related party organisation**
Royal Commonwealth Ex-Services League	Una Cleminson	Trustee	Trustee
	Major General David Jolliffe	Trustee (to November 2021)	Honorary Medical Adviser
	Lieutenant Colonel Joe Falzon	Trustee	Council Member for Malta

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Registered Charity Number: 219279

THE ROYAL BRITISH LEGION

England & Wales - Charity number 219279

Accounts

2020

Annual Report and Accounts

Year ended 30 September

ROYAL BRITISH LEGION

Cover: Leading Naval Nurse Nicole Brown, who is based at HMS Forward in Birmingham

Below: Poppy Railton, age 11, a collector in Cambridgeshire for the Poppy Appeal

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Annual Report 2020

Foreword

Una Cleminson, National Chairman, and
Charles Byrne, Director General

"Despite being worried about Covid-19 infection and the security of their jobs, so many of our members, volunteers and staff stepped up to help others, bringing the human contact and support that the RBL does so well"

2020 was, by any measure, a challenging year: probably the toughest in recent memory. Overall, we are pleased to report that the Royal British Legion responded very well. Our investment in IT infrastructure and the work we have been doing to improve how we operate all paid dividends, as the best way to respond to the pandemic has been to rely upon IT and good teamwork.

Being able to move swiftly to online working allowed us to maintain most of our services. Indeed, these new ways of working allowed us to increase capacity in some areas. Admiral Nurses, which helps families with loved ones diagnosed with dementia, was rolled out nationally, and we reduced waiting times from 17 days to four as the reduced requirement for travel freed up capacity.

The RBL is a community made up of members, volunteers and staff across the four nations of the UK and with branches around the world. The challenges of the pandemic revealed how strong that community is and how close its bonds are with the rest of society. You will find plenty of evidence of this in the report on our Community Response Awards. There are stories of sourcing and distributing PPE for local community nurses, care homes and hospitals. There is help for those in need. There is fundraising. We even had a farmer who used his tractor and trailer to run a green-waste collection when council services were suspended. RBL members, volunteers and staff see a need and respond. Those who had been furloughed used their free time to help others. Despite being worried about Covid-19 infection and the security of their jobs, so many of our members, volunteers and staff stepped up to help others, bringing the human contact and support that the RBL does so well. They were resourceful and generous with their time and talents, and we are very proud of what they achieved. On behalf of the Trustees, we would like to thank them.

Fundraising was always going to be affected by the pandemic, so as soon as the threat materialised early in the year, we put in place a prudent cost-management programme. Although gross income did fall by £33 million this year, our net deficit was £21 million.

For the members of the Armed Services community we help in their times of need, Covid-19 made life even harder. Although requests for support are declining as the Second World War generation passes away, we saw an increase in the most complex cases this year.

Perhaps the hardest hit of all by the pandemic were our care homes, and we want to express our appreciation for how well they managed, given such a difficult situation.

Our first priority was our residents and to keep them safe. We needed to ensure our staff had the equipment they needed for that. We tasked our procurement team to source sufficient PPE supplies to last six months and arranged for timely distribution through our central supply depot at Aylesford. It meant none of our people had to worry about running out of PPE.

Again, previous years' investment in IT – in particular, a rolling project to improve wi-fi provision – made a huge difference. Faster, more reliable broadband is the difference between isolation and the ability to keep in touch with families through video calls. It has made a major contribution to our residents' quality of life.

Care-home staff made big sacrifices this year, often having to spend time away from their families and having to deal with new care needs and procedures complicated by Covid-19. We kept in touch, phoning to check on their situation and offering help where it was required. We showed the gratitude of all colleagues at the RBL by giving every care-home team member a thank-you package of treats and items from our Poppy Shop.

The pandemic brought constantly changing regulations and guidance, and we had to continuously adapt our plans for commemorative events. We are therefore proud to report that, due to extraordinary work by all involved, we managed to hold major events for both VE Day (Victory in Europe) and VJ Day (Victory over Japan) during the summer. Both revealed a real national desire to collectively celebrate the success and sacrifice of a previous generation. We were delighted with the public's engagement and contribution.

VJ Day is often left somewhat in the shadow of the European commemoration. Not this year. Delivered from the National Memorial Arboretum in Staffordshire, the event attracted better-than-ever attendance from the national press. The service was incredibly moving and the extent of the coverage was impressive.

That commemorative service was a reminder of the broad contribution to the Far East Second World War conflict. Less than 20% of the army, which was the largest the world has ever seen, was recruited from the UK. These men and women, many from Commonwealth nations, came together to fight for common values. Their success is a testament to the power of that diversity.

Towards the end of the calendar year, we completed our audit of diversity, equality and inclusion. We had commissioned independent experts to conduct the audit and develop a strategy that will ensure we reflect the diversity both within the Armed Forces and nationally. Our aim is for the RBL to continue to improve on its levels of diversity, equality and inclusion.

Inclusion is just one strand of our strategy, which has at its centre our goal of making the greatest difference to those we serve and addressing the pressing and fundamental challenges people are facing. To ensure we are focused on the things that will best enable us to do that, we have reviewed both what we do and how we do it. As a result of this strategic review, we made some difficult resourcing decisions and closed our four Break Centres. We also ceased our Handy Van service, replacing it with grants to be spent with local services. The savings helped allow us to give a £3 million grant to Combat Stress, despite a year of financial pressures due to lower fundraising receipts. Our grant to Combat Stress will enable it to continue to help veterans with the most pressing mental-health needs.

Campaigning continued throughout the year and we engaged with national, devolved and local Government on issues that affect the Armed Forces community. We achieved significant progress in our Count Them In campaign and on housing policy, pursued our Stop the Service Charge campaign, and highlighted our concerns on the Government's Overseas Operations Bill. Our sustained engagement with the Government and Parliaments in Westminster and Edinburgh secured inclusion of questions about the Armed Services membership in the national census, although unfortunately not in Northern Ireland. However, it is a significant achievement and important. It has been said that, 'If you want to count, you need to be counted'. The census will now generate data and insight that will inform decisions of national and local Government, and military charities, enabling better help for those we support.

The pandemic did force us to postpone our Annual Conference from May to September, when we held it virtually. We would like to thank all those who took part. Conference is a chance to share both opportunities and challenges. That dialogue continues throughout the year with County Chair and town hall events. We welcome the views of everyone in our community and encourage you all to attend and participate next year.

As we write, early in 2021, there is a national lockdown and Covid-19 is still frustrating normal life. However, based on the resourcefulness of our members, our staff and our volunteers this last year, we are confident that in the coming 12 months, we will continue to find ways to provide services to those in need of our support, we will continue to raise funds, to conduct Remembrance services and to campaign for the Armed Services community's interests. What we do supports that community. The pandemic has disrupted us but it will not stop us.

Covid-19 restrictions forced the closure of the National Memorial Arboretum on 22nd March, 2020. On 8th June, 2020, through the dedication and resourcefulness of our staff and volunteers, it was one of the first UK visitor attractions to reopen. The Arboretum has proved to be a flexible venue for functions this year and enabled us to hold many Covid-secure meetings. It has also offered everyone a marvellous outdoor space. We look forward to a time when people will be free again to visit it all year round and enjoy its beauty and its calm.

"What we do supports the Armed Forces community. The pandemic disrupted us but it will not stop us"

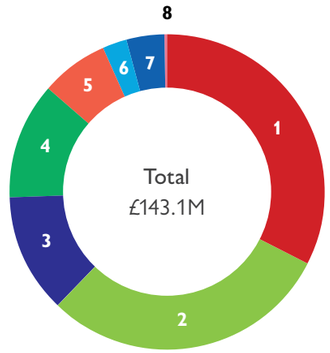
Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements for the year ended 30th September, 2020

Financial overview

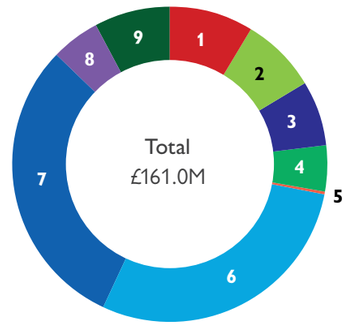
Where the money comes from

		£ Million	%
1	The Poppy Appeal	46.5	32.5
2	Donations, legacies and events	42.8	29.9
3	Lotteries and trading	17.4	12.2
4	Fees charged to care home residents	16.9	11.8
5	Grants for welfare services and Remembrance	9.8	6.8
6	Membership subscriptions	4.1	2.9
7	Investment income	5.5	3.8
8	Other	0.1	0.1
	TOTAL INCOME	**143.1**	**100.0**



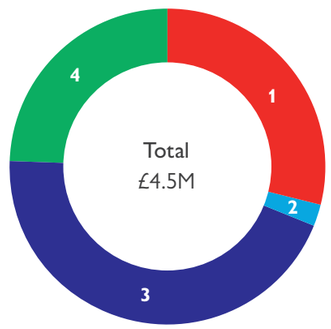
Where the money goes
Operational costs

		£ Million	%
1	The Poppy Appeal	14.2	8.8
2	Donations, legacies and events	12.4	7.7
3	Lotteries and trading	11.2	7.0
4	Remembrance	7.3	4.5
5	Comradeship	0.5	0.3
6	Care homes and Break Centres	46.7	29.0
7	Welfare services	48.5	30.1
8	Membership	8.0	5.0
9	Communication and campaigns	12.2	7.6
	TOTAL OPERATIONAL COSTS	**161.0**	**100.0**



Where the money goes
Capital costs

		£ Million	%
1	Care homes and Break Centres	1.3	28.9
2	The National Memorial Arboretum development	0.1	2.2
3	Improving IT infrastructure	2.0	44.5
4	Lady Haig Poppy Factory renovation	1.1	24.4
	TOTAL CAPITAL COSTS	**4.5**	**100.0**



Funds and Reserves

The total funds of the RBL group are broken down into three categories: Not available to spend, Membership Funds and Restricted Spend, and Available Unrestricted Funds. Our Reserves policy can be found on page 47.

Not available to spend

Buildings such as Care Homes and Break Centres	£89.2m
Branch properties occupied by Legion clubs	£66.1m
Interest-free loans to beneficiaries	£4.5m

Subtotal of funds not available to spend: £159.8m

Membership Funds and Restricted spend

Membership funds, including money held by Branches	£42.1m
Money that can only be used in a specific geographical area	£57.1m
Money given to us for a specific purpose	£20.7m

Subtotal of Membership Funds and Restricted spend: £119.9m

Available Unrestricted Funds

Money set aside for emergencies	£55m
Money we have available to spend	**£15.9m**

Subtotal of Available Unrestricted Funds: £70.9m

Total Funds held by the Legion Group

£350.6m

Our strategy

Flight Lieutenant Samantha Rawlinson, Royal Air Force, works on the Defence Medical Rehabilitation Centre Covid-19 Recovery Service at DMRC Stanford Hall, in Nottinghamshire.

The Royal British Legion is in a unique position. Not only do we provide support for serving and ex-serving personnel and their families, but we also have an enduring responsibility for Remembrance, as well as offering broader support for the Armed Forces, campaigning for their interests. Add in the RBL's network of branches, members and supporters across the country and you have an organisation like no other. Our vision is to bring together our nations, our communities and our people to create better futures for our Armed Forces community and their families. As we approach our centenary in 2021, the RBL needs to ensure that it is fit for purpose for the next 100 years, meeting the needs of the Armed Forces community.

Those needs are changing. The number of people we serve is decreasing, with fewer serving personnel and a declining older veteran population from the Second World War. While the number of calls we get is declining, we are experiencing a more diverse demand for support as people's needs become increasingly complex, ranging from employment, finance and housing to mental health and care. Often, people have multiple, interrelated needs. For example, someone may require support with housing and finances, both of which can also affect their mental health.

We want to be sure that we are making the greatest difference we can to the community we serve. We also have a responsibility to use the public's generous donations efficiently. To assess how well our current service portfolio is meeting these changing needs, we conducted a detailed review across the charity, assessing all of our activities. In addition to looking at how well we are meeting the most pressing needs, we also considered how easy it was for people to find us and to find the support and service they need from us.

The review identified that our greatest opportunity to support the community we serve and to deliver on our vision is by acting as a first port of call for anyone looking to get or to give support to our Armed Forces community. Of course, no one organisation can provide all the support needed and there will always be many ways to find help and many organisations and people ready to provide it. Many charities are facing a very challenging time, especially those that rely on public donations. The Armed Forces charities are no exception. We face financial pressures whilst seeking to meet the increasing complexity of needs of those who turn to us. We are having to meet these challenges when the peacetime profile of our Armed Forces can mean their ongoing work and sacrifice is less front of mind for the public. Across our sector there is a strong commitment to collaborate and coordinate our work. We even share a common system to support our shared caseworking. The RBL will continue to work with others as part of a wider national network. The size and geographical reach of the RBL make us well placed to play our part as a first port of call.

That broad reach and expert knowledge also allows us to act as one of the primary caseworking organisations, connecting people to the services they need, whether those services are delivered by the RBL or through one of our partners. With the expertise we have built over time, we will continue to provide a range of general and specialist welfare support services, including those offered through our care homes.

The RBL has always been a campaigning organisation. Based upon sound research, careful thought and robust and open engagement with Government, we can help deliver profound and far-reaching benefits for the people we serve through changes in policy and practice, such as our successful campaign to include questions on service in the next national census.

We will continue to act as national champions for Remembrance – we will increase community participation and engagement in Remembrance activities.

These are our priority areas and we will focus on them in the future. Refocusing our resources on these areas has meant we had to cease offering some other services. We took the difficult decision to close our four Break Centres and have also changed the way we provide household maintenance support, closing our Handy Van service and instead using local tradesmen funded by small grants. Whilst we understand that these services were valued by many, we are now able to do more good for the community we serve, putting our resources and efforts where needs are greatest and focusing on where we can make the most difference, both in our own work and by supporting partners such as Combat Stress through grant funding.

As well as looking at what we do, the review also considered how we work.

"As we approach our centenary in 2021, the RBL needs to ensure that it is fit for purpose for the next 100 years"

Opposite:
William Olando,
Veteran, Rifleman,
Battalion
(4 Rifles Regiment)

We identified that we do not always work as effectively as we could. We need to be better at explaining who we are and what we do. We also want to improve the experience people have when they come to the RBL as, currently, 99-year history has left a modern-day organisation that, while effective in what it does, has a rather disparate nature. Departments and services have developed in isolation, reacting and undertaking work in response to issues and ideas that have arisen, over time, at local levels. We are a large and complex national organisation with a local footprint. Adding to the complexity is the fact that we have the dual purpose of delivering Remembrance and welfare support and at the same time we are also a membership organisation.

As a result of our diverse structure and activities, those who have contact with us – from the people who approach us for support to our donors, our members, our volunteers and our partners – can receive different experiences. We need to bring consistency across all our activities.

The One Legion initiative brings everyone together to work towards the same ambition and puts the people who come to us at the heart of all that we do.

To make One Legion a reality and achieve our vision of creating better futures for our Armed Forces community, we need to:

- Grow and nurture public support through awareness, education and participation;
- Understand and adapt to the needs of the Armed Forces community;
- Raise income to deliver integrated, sustainable and cost-effective services;
- Collaborate with our network of partners, members, volunteers, staff, fundraisers and supporters; and
- Live our values to attract and develop great people.

This will require a new mindset and a new way of working. We have a huge opportunity to transform our organisation and change how we work for the benefit of those we support, both now and in the future.

Services and support

Opposite: Lawrence Philips served in the Royal Armoured Corps for seven years and was medically discharged. He and his fiancée Danielle have been supported by the RBL during the Covid-19 pandemic

Members of the UK's Armed Services give the nation their total commitment. It's the Royal British Legion's job to be there for them at their time of need. We've got their backs.

Despite the challenges of the lockdown and subsequent ongoing restrictions, we have continued to provide nearly all of our support services throughout the year.

Care services

Our six care homes provide 24-hour residential, nursing, respite and day care for hundreds of elderly and very frail people, supporting individuals with specialist dementia care. We provide a unique environment that recognises and celebrates our residents' service to the country.

"Despite the challenges of the lockdown and subsequent ongoing restrictions, we have continued to provide nearly all of our support services throughout this year"

Our care homes 'locked down' in March 2020, restricting visitors and stopping all admissions between mid-March and July 2020 to protect our residents, staff and their families. Throughout this period, extensive and changing government guidance was issued to the care sector. We responded by quickly establishing a 'live' Pandemic Plan that distilled and interpreted the guidance.

Throughout the pandemic, keeping our residents, their families and our staff well informed was a priority. We increased the frequency of communications with our residents and family members, and offered regular updates and advice.

The provision of PPE was a major challenge, which we managed well. We now have secure supply routes and backup arrangements in place. In all the RBL's care homes, we have continued to provide high-quality care for our residents, looking to enrich or enhance our care through hosting virtual royal engagements, online activities, community choirs of residents, visits from local nursery school children and facilitating visits from family members in a safe way.

Our Admiral Nurse service continues to support the carers of people facing the challenges of dementia in their homes. Admiral Nurses provide much-needed expert and clinical advice and support at what is a very difficult time in the carer's life.

The Admiral Nurse service transitioned quickly, rapidly adapting to online support and expanding the service beyond the established six geographic service areas to all areas and nations in the UK, and worldwide.

Opposite: Veteran Ken Judd has been a resident at Galanos House, an RBL care home, for 13 years

Below: Iva Davies, Area Administrator, East Anglia & Essex

Our staff have been central to our success in providing safe and good-quality care throughout the year. The challenges brought about by the pandemic and subsequent lockdowns have increased workloads and pressures on every member of the RBL care teams. To ensure we protect and support our front-line teams, we have invested in specialist support for their wellbeing.

Regional casework and specialist teams

To maintain our caseworking and specialist advice services, we successfully switched all our home-visiting services to telephone or video calls, ensuring the right support was available at the right time.

We received 37,341 direct requests from people in need. They were either based in the UK or one of 31 countries across the world where we operate. We have continued to see an increase in people turning to the RBL with complex, multiple needs, seeking practical help at a most difficult and often chaotic time. Through our caseworking, we provided practical support by awarding grants to 7,668 individuals, with mobility, housing and debt being the three most prevalent issues.

Our War Pension and Armed Forces Compensation service received 4,242 requests for support with appeals against compensation awards. The Courts and Tribunals Services closed due to Covid-19, ceasing all appeals for three months. It resumed in July 2020, operating virtual hearings, enabling appeals to be heard. We supported 1,001 individuals to secure funds of £770,000 in the year.

1,780 people sought our specialist debt and money advice during the year, an increase of 21% on last year. We secured £12.6 million for these people – either helping them to access benefits and grants or negotiating debt relief – a 52% uplift on the previous year.

Above: Susan Coleman, Overseas Case Officer: "I support veterans and their families who no longer live in the UK. Knowing the RBL is on their side gives them hope"

As part of our commitment to continuously improve and adapt to meet the needs of the UK Armed Forces community, we introduced a system to capture the impact of our work with individuals. Our 'Impact Star' assesses an individual's situation across six areas of welfare need – finance, health, housing, social life, wellbeing and activity. These assessments, co-created by the individual themselves, are carried out prior to an individual's engagement with the RBL's support services and then afterwards, providing us with essential data and information on the impact of our services. On average, the individuals we supported reported a 27% improvement across all six areas of welfare need, whilst those who accessed our specialist debt and money advice service reported a 56% improvement in their financial situation.

Recovery

All our support services for serving personnel and veterans who have been wounded, injured or sick – and their families – were affected by the pandemic. We provide support through the Battle Back Centre, the arts recovery programme Bravo 22 and our involvement in the Invictus Team UK Friends and Family programme. Our multi-activity courses at the Battle Back Centre had to stop until September, when adapted courses with reduced numbers and Covid-19-safe arrangements were put in place. Bravo 22 quickly moved from face-to-face workshops and productions to a very successful and well-attended online programme of support.

Aims set out in the 2019 report

We detailed several aims for 2020 in last year's report.

We wanted to improve the experience of using our services by partnering in the development of a new Casework Management System (CMS) to be used by more than 90 Armed Forces-linked charities. We have worked hard on this large-scale, sector-wide development project, which has made good progress, linking support for people seamlessly behind the scenes. The new system went live in early 2021.

We set out to make further changes to how we manage cases based on previous review findings and our learnings from delivering support during the Covid-19 pandemic. We have simplified some of our processes and maximised the opportunity that working remotely presents, reducing waiting times for the most vulnerable and improving the quality of support. This allows us to better manage the increasing number of multiple-needs cases, another aim set last year.

We stated that we would help Team UK competitors and their families continue in their preparations for the next international Invictus Games in May 2021. We have done that, keeping the competitors and their families well informed and supported using online services and support.

Our last goal was to make progress in the development of a future Recovery Strategy, supporting and responding to the Ministry of Defence's Defence Recovery Capability Review for helping wounded, injured and sick personnel get back to normal serving life, or adjust to living successful and fulfilled civilian lives. The review findings, and our own evaluation and impact information, are now being used to develop an RBL strategic plan for our recovery services.

2020 in numbers

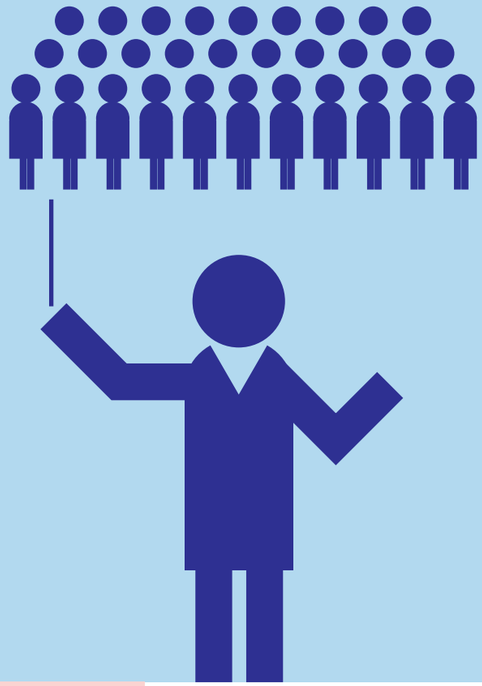
250
VJ veterans and descendants attended our VJ Day 75 commemorative event

5.7 million
people (31.2% audience share) watched the Festival of Remembrance on BBC One

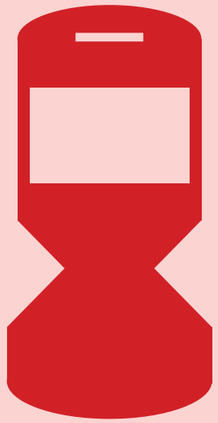
283,000
people viewed our VE Day 75 livestream

20,000
Remembrance activity packs were downloaded, reaching 600,000 Girl Guides

10 million



people watched *VE Day: A Musical Celebration* on BBC One, part-funded by the RBL



The 2019 Poppy Appeal raised

£46.5 million

and was supported by 3,728 volunteer Poppy Appeal Organisers

4,242

people contacted our War Pensions and Armed Forces Compensation service for support. We helped 1,001 people secure funding of £770,000

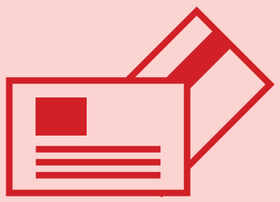
We received

37,341

requests for support and improved the welfare needs of those people by 27% on average

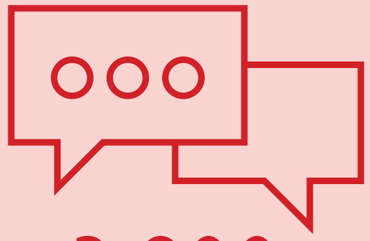
7,668

grants were made to individuals, totalling £11.7 million



56%

Those who accessed our specialist debt and money advice service reported a 56% improvement in their financial situation on average



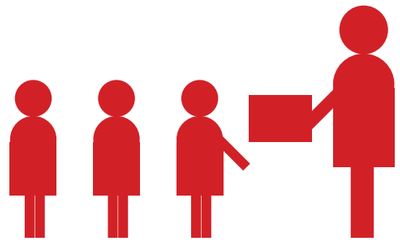
3,800

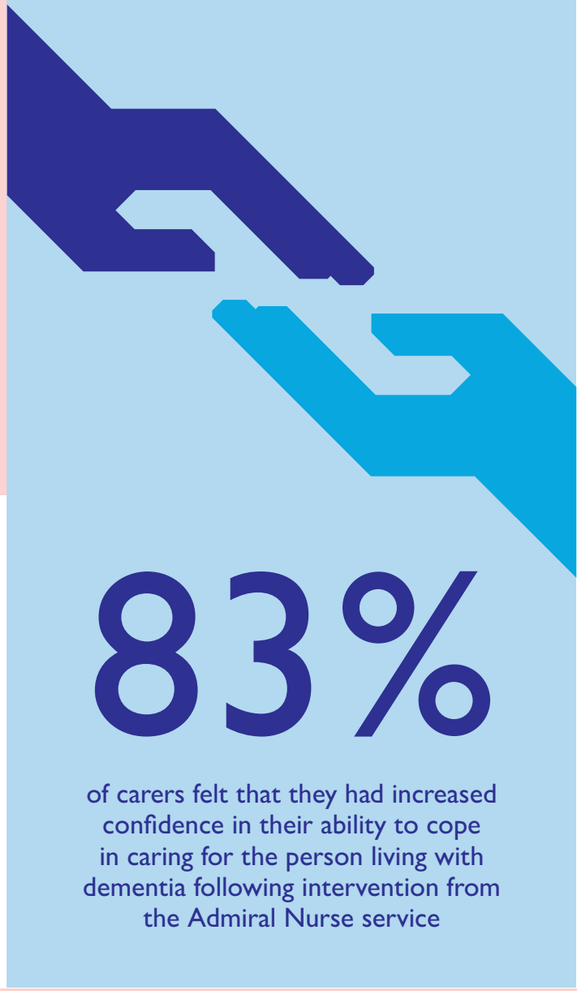
people were supported by our Branch Community Support service and more than 40,000 telephone calls were made

We distributed

31 million

poppies, 7 million pin badges and 16,000 school packs



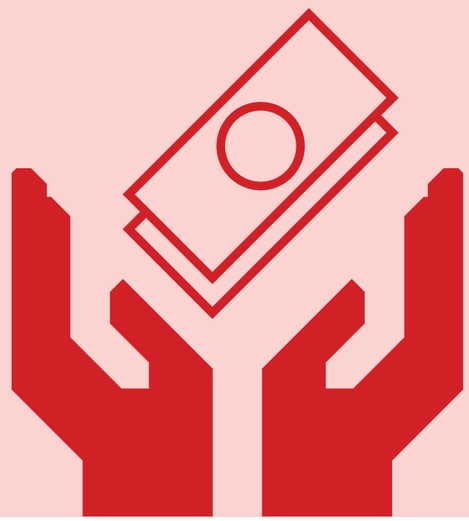


83%

of carers felt that they had increased confidence in their ability to cope in caring for the person living with dementia following intervention from the Admiral Nurse service

The Royal British Legion provided people with financial support that equalled

£12.6 million



Ambassador stories

Jamie Wells

Armed Forces charities team up to provide disabled boy with purpose-built trike

Six-year-old Jamie has faced major health setbacks throughout his short life. Born with Down's syndrome, at eight months old he developed a devastating form of epilepsy: infantile spasms, which left him confined to hospital for long periods and unable to swallow. Even today, he is fed through a tube and is not yet able to talk or walk.

His parents, Graham and Leanne Wells from New Brighton, Wirral, had already raised funds to adapt his room. Now they wanted to raise almost £12,000 for a trike and a specialist bed to allow Jamie to go on holiday and spend time with his grandparents.

Army veteran Graham served for almost a decade with the Royal Signals and now works as an electrician. Leanne studies occupational therapy at Liverpool University. "We were keen to give Jamie a better quality of life," says Leanne, "and had been looking at ways we could raise the money."

Leanne spoke to Royal British Legion Case Officer Colette Hitchmough, who then reached out to other military charities including ABF The Soldiers' Charity, The Kyte Charitable Trust and the Royal Signals Charity. Together, the four organisations were able to provide the funds required.

"We've previously raised money on our own," says Leanne, "but the Legion has taken it to another level. I speak to Colette regularly now and to see Jamie out on his trike with his nine-year-old brother Leo is just incredible."

"The Legion is delighted to have been able to coordinate this effort to provide the funds needed to improve Jamie's quality of life," says Colette.

"The support from the other military charities has been brilliant and has allowed us to put this support in place. Jamie has demonstrated incredible bravery and resilience and it's the least he deserves.

"This is a tangible example of how your donations at the Poppy Appeal every November are used to support our Armed Forces community throughout the rest of the year."

Terry Barnett

Seventeen years out of the Army, this telecoms engineer's life fell apart through alcohol dependence. The RBL helped him on the path to recovery.

Terry, 49, from Solihull in the West Midlands, served in the Army within the Royal Corps of Signals for almost five years. After leaving service in 1992, he worked in telecommunications for 17 years.

> "The Legion lifted the pressures and worries I had off my shoulders"

"In the background, alcohol was a presence," admits Terry. "It had always been part of the culture in the military, a way to unwind, and I took that through to civvy life and soon became more and more dependent on it."

In 2019, Terry was in desperate need of help – he had lost his job and his family, and was falling into debt. He finally decided to acknowledge his addiction and reach out. He called the Royal British Legion contact centre.

"I was scared to initially pick up the phone to admit I needed help," he says. "It took a lot of time for me to build up the courage to make that call."

The RBL provided Terry with a supported payment towards a fridge for his home, shopping vouchers and payment of a Debt Relief Order. The RBL's Employment and Financial Support Advisor recommended applying for limited capability benefits, which was successful. Along with regular phone calls to check in, the RBL team also referred Terry to counselling sessions and advised on a local support addiction service, setting him on a path to sobriety. His council tax was paid, allowing him to remain in his home as the threat of bailiffs had been removed.

"All the little things the Legion have supported me with have made a big difference," says Terry. "They lifted the pressures and worries I had off my shoulders and this allowed me to begin to address my addiction and seek the help I needed without having to worry about keeping a roof over my head or seeking work.

"The case officer and advisors I spoke with at the Legion were understanding. They never gave up on me and it was that contact on a regular basis that really kept me going over the past year to stay sober and get on the right path."

John Devlin

Army veteran cheated death in Iraq and PTSD back home to become a pro golfer

John signed up for the British Army at the age of 16 to escape the gang culture in Liverpool. By the time he was 18, he was serving in the 2 Lancs (King's) Regiment on tour in Iraq.

He was seriously injured when he was in a search team looking for Improvised Explosive Devices (IEDs) as part of a Quick Reaction Force. "We were sent to recover a broken-down vehicle when a sniper hit me, leaving me with a six-inch scar across my shoulder," he recalls. "An inch to the left or a few inches lower would have been fatal."

After service, John admits his life was chaotic. He went through a string of different jobs, lost his mum to pancreatic cancer and was unable to settle. Then he called the Royal British Legion.

"I spoke to a lady called Michelle, who was great. She came out to see me, took me shopping; she helped me get my flat and some much-needed mental-health support. I'll always remember her. She was the first person to help me. I was in such a bad place; looking back now, it was massive for me." The depression and anxiety caused by things John witnessed on tour had followed him back to civvy street. "I went back to the Legion for an assessment," says John, "and they sent me to a doctor who diagnosed me in less than an hour: severe PTSD. I started getting help then."

But while the RBL may have saved his life, the combination of a strong family bond and a love of golf has kept John on the road to recovery. Through a golf charity called the On Course Foundation, John found himself playing – and winning – for Great Britain in a series of military veterans' tournaments against the USA.

Gillian McKinnon, Area Manager for the Royal British Legion in Cheshire and Merseyside, says, "John is one of the Legion's real success stories; we are so proud of everything he has achieved.

"Our Armed Forces community make so many contributions and sacrifices that the public often don't see. Life in the Armed Forces comes with unique challenges for those serving and their families, both during and after service. The Legion is there every step of the way, throughout their lives, whenever they need us."

"Michelle from the Legion came out to see me; she helped me get my flat and some much-needed mental-health support. I was in such a bad place; it was massive for me"

Remembrance

D-Day veteran Seymour 'Bill' Taylor was shielding at home in Colchester, Essex, during the Covid-19 pandemic, but was able to take part in the 75th anniversaries of VE and VJ Day via video calls

Our ambition is to ensure that Remembrance is understood and available to everyone and passed on to the next generation. We are proud to honour and remember the service and sacrifice of all British and Commonwealth Armed Forces, and other foreign forces under British command, since the First World War. Remembrance is what the RBL is best known for. It is part of our charitable remit. But it is more than that: it is our duty. For as long as the Royal British Legion exists, we will remember them.

Aims set out in the 2019 report

Our Remembrance aims, as set out in last year's annual report, were to continue to play a central role in the planning and delivery of commemorations. This year, that would include the moments that marked the end of the Second World War: VE Day 75, the 75th anniversary of Victory in Europe, and VJ Day 75, the 75th anniversary of Victory over Japan. We would ensure the representation of veterans and the Second World War generation across the May bank-holiday weekend to mark VE Day 75. We would also deliver a programme of activities for VJ Day 75 that accurately reflected the contribution and sacrifice of British, Commonwealth and Allied Forces, and the civilian experience during the final campaign of the Second World War. We planned to provide an accompanying programme of exhibitions and activities for physical and virtual visitors to the National Memorial Arboretum to pass on the stories of those who lived through the Far East campaign and remember those who sadly never returned. Finally, we planned to deliver an educational programme and materials for young people, highlighting the relevance of the Second World War generation's experience in the context of the challenges faced by the nation as a result of the Covid-19 pandemic.

2019 Remembrance activities

Veterans were on parade once again for the 2019 Festival of Remembrance, marking the 75th anniversary of the major military operations of 1944: Monte Cassino in Italy, Kohima/Imphal in India and the D-Day landings in Normandy. We invited 44 veterans of those campaigns to the Royal Albert Hall and the audience gave them a tumultuous reception. The BBC One broadcast reached an audience of 5.7 million (31.2% audience share) and gained one of the highest approval ratings of the year.

Other RBL events in the 2019 Remembrance season included the Garden of Remembrance ceremony at St. Paul's Cathedral. On Remembrance Sunday 2019, the RBL met its enduring commitment to the organisation of The Cenotaph Dispersal on Whitehall with the participation of up to 10,000 veterans in a March Past the Cenotaph. Veterans from 218 ex-Service Associations and 36 associated civilian organisations participated in the televised ceremony.

Impact of Covid-19 on our plans

The Covid-19 pandemic disrupted or forced the cancellation of most large-scale events, so we had to comprehensively revise our commemorative plans. Although these were all changed dramatically, every planned activity happened in some form, and we were able to deliver meaningful events at the heart of the national commemorations.

Throughout the pandemic, we have paid tribute to today's serving personnel as they assist with the Covid-19 response in their roles of medical staff, engineers, hospital builders and suppliers of tests and protective equipment.

75th anniversaries of VE and VJ days

2020 saw the 75th anniversary of VE Day, the end of the conflict in Europe, and of VJ Day, the end of conflict in Japan, and, with it, the end of the Second World War. We were determined to meet the challenge set by HM The Queen on VE Day, that the veterans of the South East Asia campaign were not to be forgotten come VJ Day.

For VE Day in May, the RBL played a significant role in securing the 'at home' participation of veterans and community groups to mark the 11am moment as HRH The Prince of Wales and HRH The Duchess of Cornwall laid a wreath and floral tributes at their local war monument on the Balmoral Estate.

We provided an online livestream of the diverse programme. A Zoom performance by an orchestra comprising serving members of the Armed Forces and emergency services was followed by shared VE Day memories and a virtual VE Day singalong. We hosted 185 web pages of VE Day thank-you messages and even published a VE Day fritters recipe from chef and social influencer Melissa Hemsley. The livestream was viewed by 283,000 people.

In the prime evening viewing slot, the RBL part-funded the BBC One production *VE Day: A Musical Celebration*. The programme combined veteran testimony

Left: The 2019 Festival of Remembrance in the Royal Albert Hall

Opposite: The RBL's new Remembrance Glade, created in partnership with the National Memorial Arboretum

with musical performances from the Buckingham Palace quadrangle. The broadcast, which featured some of our care home residents, concluded with an address by HM The Queen. It drew an audience of more than 10 million and achieved an audience appreciation index of 91, which is exceptionally rare. The RBL helped to arrange for a Second World War WREN named Edna to have her wartime medals returned during a surprise video call with Joanna Lumley. The resulting video was hugely popular on social media channels.

70th anniversary of the start of the war in Korea

The year also marked the 70th anniversary of the start of the third-deadliest conflict of the 20th Century – the Korean War. On 25th June, 2020, the RBL hosted a small and symbolic socially distanced commemoration at the National Memorial Arboretum to mark the occasion. The Ambassador of the Republic of South Korea, Her Excellency Enna Park, spoke warmly of her country's gratitude to the UK Armed Forces that defended her country's freedom, which ultimately led to its current democratic and economic success. She added: "The Korean Government and people will continue, as it has done for many years in collaboration with the Royal British Legion, to support the activities of UK veterans of the Korean campaign."

The National Memorial Arboretum

The National Memorial Arboretum was opened by HRH The Duchess of Kent in 2001. Its hundreds of memorials are set in a calm, reflective landscape of 150 acres, and its 26,000 trees are now growing to maturity, like the Arboretum itself. At its centre is the Armed Forces Memorial, dedicated by HM The Queen in 2007 to honour all those in military service killed on active duty since 1945.

In line with many others in the heritage and tourism industry, the National Memorial Arboretum closed to the public on Sunday 22nd March. While staff understood the part they must play in fighting the pandemic, closing for an indefinite period was hard for a team that thrives on welcoming visitors and sharing the stories that our memorials hold.

The Arboretum was one of the first UK visitor attractions to reopen to prebooked visitors on 8th June. Since this date, the staff and volunteers have continually adapted how they work in line with changing Covid-19 restrictions, aiming to provide a safe, welcoming environment for people to remember lives lost and to celebrate lives lived.

In August 2020, the National Memorial Arboretum was chosen as host venue for the RBL's commemorations for VJ Day 75 and the end of the Second World War. On the day, BBC One featured a live, two-hour broadcast attended by 250 VJ veterans and descendants, plus dignitaries including HRH The Prince of Wales, HRH The Duchess of Cornwall and the Prime Minister. Veterans and guests were seated on benches right across the Zone with beautifully decorated memorials and trees. The scene provided a fitting backdrop for celebrating the wealth of cultures that served and sacrificed together in the Far East. The event included the testimony of veterans from across the Commonwealth and civilian internees, as well as a diverse musical programme. The service introduced a new form of commemoration and showed how something better could be created by thinking differently. It was well received, giving the team the confidence to continue to innovate.

Visitor surveys reveal the Arboretum continually benchmarks higher than the industry average among the UK's top attractions taking part. The National Memorial Arboretum is living up to its ambition to be the nation's place to remember, a world-class setting, freely open to all despite the uncertain times we have faced.

Passing the torch to the next generation

Learning resources and activities are an important part of our engagement with youth. The National Memorial Arboretum worked with several organisations to produce a range of online resources and activity packs – featuring puzzles, craft activities and recipes – to engage young people and adults in remembrance of VJ Day and the diverse communities who served in the Far East. The packs were distributed across the nation by housing providers, the Department for Digital, Culture, Media and Sport, Youth Unite and the National Activity Providers Association, as well as being available on our website. The National Memorial Arboretum also commissioned an online exhibition exploring VJ Day through the eyes of today's young people, while a graphic artist created a striking series of images that explored how the country we know today was shaped by the events of 75 years ago.

Opposite: The Central Band of the RAF play at the Festival of Remembrance 2019, which marked the 75th anniversaries of the great battles of 1945

"The National Memorial Arboretum is living up to its ambition to be the nation's place to remember, a world-class setting, freely open to all despite the uncertain times we have faced"

We worked in association with the National Literacy Trust to develop materials that included bitesize activities, lesson and assembly plans, and whole-school activities for children 4 to 16 years old. These resources conveyed one of two themes: Working Together (collaboration in the Second World War) and Then and Now (exploring parallels between the Second World War and Covid-19 generations).

We also provided informal learning resources, such as creative writing and art exercises, and we launched a book club. Its first selection was *Now or Never* by Bali Rai, a novel set among the British Indian Army at Dunkirk.

Working with Girl Guides on a Remembrance activity pack proved extremely popular, with 20,000 downloads against an average download of 600 for the Adventures at Home activity packs. This gave us a Remembrance reach to 600,000 Guides, from Rainbows to Rangers. We also established a relationship with the Youth United Federation to help extend our reach to Scouts, Cadets and other youth organisations.

Diversity and Remembrance

We continued to grow our relationships with BAME (Black, Asian and Minority Ethnic) groups and Commonwealth-descendant communities, ensuring that our Remembrance content and events reflected the huge contribution of the Commonwealth during two World Wars.

We worked with Lord Karan Bilimoria, Chairman of the Memorial Gates Council, to become partners in the annual Commonwealth Day ceremonies at the Gates. Opened by HM The Queen in 2002, the Gates are located next to Buckingham Palace on Constitution Hill and are dedicated to Asian, African and Caribbean contributions to Britain's defence in two World Wars.

The agreement, which comes into effect in 2021, will provide the RBL with an enduring and established platform for sharing Remembrance with the Commonwealth-descendant community in the UK, while providing the Memorial Gates Council with enhanced educational, promotional and eventing opportunities.

Campaigning

Opposite: Veteran Nick Fleming, 42 Commando, Royal Marines

"Wherever policy is unfair to the Armed Forces community, we will campaign for it to be changed, lobbying Governments and seeking manifesto commitments from political parties"

The Royal British Legion is a powerful voice that champions the interests, welfare and contribution of the Armed Forces community in line with the principles of the Armed Forces Covenant. That Covenant commits the nation to offering the Armed Forces a fair deal: the same access to both Government and commercial services as that enjoyed by civilians. Our role is to hold the nation to that commitment.

The range of our campaigning is therefore broad. It could concern education and family wellbeing, housing, starting a career or accessing healthcare and financial assistance. Wherever policy is unfair to the Armed Forces community, we will campaign for it to be changed, lobbying Governments and seeking manifesto commitments from political parties. Over time, this work has made a big difference to the lives of serving and ex-serving personnel and their families. Sadly, though, there is always more to be done and this year was no different.

Aims set out in the 2019 report

In last year's report we set out a number of aims. We would research and publish a new report on the interaction between state benefits and Armed Forces compensation. We would oversee the successful completion of our Count Them In campaign, with Parliament formally agreeing to the inclusion of an Armed Forces question in the 2021 census. We would pursue our Stop the Service Charge campaign, to ensure Indefinite Leave to Remain fees are waived for Commonwealth personnel and their dependants when personnel have served four years or more.

We wanted to ensure a future for the Veteran Medical Funds, which the RBL administers on behalf of the Government. We planned to establish a new Veterans Scotland Policy Group for the sharing of best practice across the military charity sector in Scotland and greater collaboration in advancing issues with the Scottish Government. We wanted to pursue changes to the Pupil Level Annual School Census (PLASC) in Wales to ensure that measures aimed at supporting service children are properly targeted and evidenced. Our last aim was to prepare regional manifestos in London and the West Midlands ahead of the next mayoral elections.

Benefits report

Every year, the RBL works with many veterans who receive compensation for injuries. These veterans must navigate the complex benefits system, which doesn't always accommodate military compensation effectively or recognise injured veterans' unique circumstances. We have undertaken research to explore this interaction between military compensation and welfare benefits more closely. In November 2020, we published the results of this research in the form of a report, which – to our knowledge – is the first focused study on the relationship between military compensation and the benefits system. It contains a series of recommendations to improve the benefits journey for injured veterans.

Count Them In

We are delighted to report that earlier this year, the Governments and Parliaments in both Westminster and Edinburgh finally approved the inclusion of an Armed Forces question in the 2021 census. This means that, for the first time, members of the Armed Forces community who reside in Great Britain will be captured in the national census, helping national and local Government, service providers and charities to gain a better understanding of the Armed Forces community and target their resources more effectively where areas of need are identified.

Whilst there will unfortunately be no new census question in Northern Ireland, we understand more work will be undertaken by the Northern Ireland Statistics and Research Agency and the Ministry of Defence to link the Service Leavers database to the 2021 census, achieving better estimates of the Armed Forces community resident there.

It is exceedingly rare for any new questions to be added to the census, especially those arising from an external recommendation, so this is a very significant achievement that should be of benefit to the Armed Forces community for years to come.

Stop the Service Charge

We continue efforts to highlight the financial pressures Commonwealth personnel face when trying to apply for Indefinite Leave to Remain in the UK, despite their years of service in Her Majesty's Armed Forces. We have repeatedly called on the Government to abolish visa fees for Commonwealth personnel and their families who have served four years or more.

Using the VJ Day 75 commemorations to shine a spotlight on the issue, the campaign continued to attract national media coverage. Whilst progress remains slow,

both the Ministry of Defence and the Home Office are actively looking into the question and the Scottish Government has confirmed its support for our campaign.

Housing

In June, new guidance was published that will ensure divorced or separated spouses and partners of service personnel living in England can access housing support on the same terms as other Armed Forces families.

The guidance meets the RBL's 2017 General Election Manifesto request by recognising that the sacrifices and commitment of Armed Forces families should not be forgotten in the unfortunate case of divorce or separation.

We now look to the devolved administrations to provide similar support for divorced or separated spouses and partners of service personnel on housing waiting lists.

Regional policy

In Scotland, we helped establish a Policy Group within Veterans Scotland, which brings together 80 organisations supporting the Armed Forces community in Scotland. The group shares policy best practice and fosters greater collaboration in advancing issues with the Scottish Government.

In Wales, following a successful campaign led by the RBL, the First Minister announced an extra £275,000 in June to continue the Armed Forces Liaison Officer (AFLO) posts. AFLOs work with Welsh local authorities, health boards and the third sector to ensure the Armed Forces Covenant is upheld across Wales.

A month later in July, following pressure from the RBL to build on the assistance secured for the last academic year, the Welsh Education Minister announced £250,000 for service children in schools across Wales during 2020/21, to be provided through the Supporting Service Children in Education (SSCE) Cymru project.

In Northern Ireland, we have welcomed the introduction of a new Veterans Commissioner and continued to advance our Insult to Injury campaign, calling for parity of treatment for injured veterans living in Northern Ireland with their peers elsewhere in the UK when accessing social care. With the establishment of the new Veterans Commissioner's office, we intend to raise this issue with them and push for a successful conclusion.

Manifestos

The political calendar was not immune to Covid-19 disruption: the English mayoral elections, which were due to have taken place in May 2020, were postponed to May 2021. We have therefore had to amend our planned election activity.

Our London Manifesto was reworked into a Plan for London, which was published in spring 2020 and led to several policy discussions with local politicians. Our West Midlands manifesto and Best Practice Guide for Greater Manchester, meanwhile, have been put on hold and will now be launched in early 2021 to reflect the new election scheduling.

Over the past year, we have also been researching, consulting and drafting manifestos for the Welsh and Scottish Parliamentary elections, with the latter being led by our sister charity, Poppyscotland. Both documents are on track to be published in early 2021 and highlight the specific needs of the Armed Forces communities in Wales and Scotland.

Tackling loneliness and social isolation

The RBL's 2018 research, Loneliness and Social Isolation in the Armed Forces Community, highlighted that some elements of an Armed Forces lifestyle – such as a culture of self-reliance, increased volume of transitions and long periods of separation from family – may increase vulnerability to loneliness and social isolation.

This research supported eight clear recommendations to local and national Government. As the restrictions of Covid-19 once more brought this vital policy area to the fore, over the summer of 2020 we took stock of the progress we had made on our campaign to see councils improve the measures they take to address loneliness and social isolation in their local Armed Forces communities.

Accordingly, we contacted all the chairmen of local authority health and wellbeing boards in England in September to highlight this important issue. Initial responses and interest from councils has been very positive and we will continue to engage with key local public health representatives.

Legislation

In March, the Government introduced the Overseas Operations (Service Personnel and Veterans) Bill, which makes provision about legal proceedings in connection with overseas Armed Forces operations.

The RBL welcomed the intent of the Bill, but expressed concerns with Part 2 of it, which proposed to introduce a time limit for civil claims from veterans, serving personnel and their families where one did not currently exist.

In so doing, the RBL argued that Part 2 of the Bill risked breaching the Armed Forces Covenant, given that no such time limit would exist for civilians in relation to claims against their employer. We briefed MPs on our concerns in advance of the Bill's second reading and we continued to engage with Parliamentarians as the Bill progressed through Parliament.

Opposite: Darren Fuller was among the veterans painted to highlight our Count Them In campaign, which sought to include questions about service in the census

Left: Veteran Grant Scott, Bombadier, 16 Regiment, and 29 Commando, Royal Artillery

Membership

Our community of more than 230,000 members sits at the heart of the Royal British Legion, playing a vital role in everything we do. Many of our members are actively involved in one of the RBL's 2,500 branches, carrying out local welfare, fundraising and championing Remembrance in their local communities.

Aims set out in the 2019 report

We planned to implement the key findings from our Membership survey carried out last year. We aimed to review our Membership governance arrangements and ensure that they are aligned to those of the wider RBL. We would implement the findings from our review of Membership training and launch a new training prospectus. We planned to streamline the Membership renewals process and reduce card distribution times. Lastly, we said we would introduce a Membership welcome pack for new joiners and improve how we use social media to promote Membership.

Our review of Membership governance arrangements highlighted some key areas for improvement, including financial compliance and Membership engagement, and we have started a programme of work to address these. We have redesigned our training courses; our new courses use both traditional and digital tools, and we are implementing a new Learning Management System. We have reduced Membership-card distribution times; cards are now produced and dispatched on the same day. Finally, we have launched our new welcome pack, which has proved to be very popular among both new and existing members.

Helping communities cope with Covid-19

When, early in the year, it became clear that the impact of Covid-19 was becoming a significant challenge for much of the population, we shifted our focus towards helping our Membership provide support in their local communities, assisting those in need. To keep the spirit of comradeship alive during the lockdown, we introduced virtual branch meetings via video link.

The RBL's vision is to 'bring together our nations, communities and individuals to create better futures for our Armed Forces community and their families'. We saw a renewed sense of purpose in many of our branches and members as they were able to realise this vision in response to the challenges generated by the pandemic. Our branches and members quickly responded to the needs of our community, mobilising their efforts to increase the telephone support service, providing the most vulnerable and isolated people, alone at home, with much-needed reassurance from the outside world – a friendly voice and regular contact. Our Branch Community Support service contacted more than 16,800 people, compared with 3,800 the previous year, and calls more than quadrupled, exceeding 40,000.

Covid-19 Community Response Awards

In recognition of the remarkable community spirit displayed by many members and branches, we created the RBL Covid-19 Community Response Awards in late summer. There were more than 90 nominations in all, each featuring extraordinary stories. The winners demonstrate the courage, creativity and passion that members and branches bring to the communities they serve.

Creative Fundraising Category

Cdr Stafford Seward used his tractor and trailer to do the green-waste collection service for local residents when it was suspended by the council during the lockdown. The tractor and trailer were decorated with the RBL logo and bunting, and Stafford raised more than £2,000 in donations for the Poppy Appeal.

Internal Team Collaboration Category

Paul and Mo Wallace led a team of eight volunteers to provide help to those who needed it most during the pandemic. Working with the Area Team, local businesses and community groups, they were a lifeline for the vulnerable and isolated.

Community Collaboration Category

Fivemiletown Branch made up 75% of the local Coronavirus Response Group, which established a foodbank and planned daily deliveries of supplies from local shops and the chemist. In addition, they sourced and distributed PPE equipment for local community nurses, care homes and the acute hospital, as well as helping to raise donations from local businesses, community groups and the public.

Individual Impact Category

Mark Brennan (Hadleigh Branch) never gave up on his plans for VE Day, despite the pandemic. He completed a memorial garden, painting a large mural commemorating the landings at Juno beach, one of the five beaches of the Allied invasion of German-occupied France in the Normandy landings during the Second World War. Then he filled the town with 40s music and songs played from a touring flatbed truck.

Digital Response Category

Steve Bishop supported the Mass Events team to deliver the Poppy Ride Virtual event in May through the Facebook Cycling Group. He answered questions and queries from other cyclists, supporting those who were struggling to keep their training up during lockdown. He also organised and hosted virtual rides and training for the RBL cycling community.

Commemoration

The pandemic challenged our ability to mark both VE Day and VJ Day in our traditional manner. One of our members, Steven Carr (Huntingdon Branch), began a campaign enabling branches globally to take part in saluting VE Day remotely. As a Standard Bearer, Steven originally planned to take part in an Act of Remembrance in his back garden. He posted his idea on social media and soon had 350 branches holding a virtual parade to mark this important event.

Annual Conference

Our Annual Conference this year was postponed from May to September and moved online due to Covid-19 restrictions. The RBL made history with its first-ever livestream of its conference. The worldwide audience cast virtual votes and asked questions through an online submission box.

Opposite: Timothy Swinburn, member of the Royal British Legion Riders Branch

Volunteers and staff

Volunteering

We are grateful for the support of more than 55,000 dedicated volunteers, without whom the Royal British Legion's work would not be possible.

Aims set out in the 2019 report

Our Volunteering aims for 2020 were to extend the reach of our volunteer supervisor training and improve our Excellence in Volunteer Management Programme. We also committed to reviewing our volunteers' wellbeing, ensuring that we are addressing both their physical and mental health. We planned to introduce a suite of reward and recognition tools to enable supervisors to thank their volunteers in a meaningful way, and to improve how we manage volunteer data, so that we are able to maximise the experience of our volunteers.

Looking after volunteers during the pandemic

Nurturing the physical and mental wellbeing of our volunteers has been even more important during the pandemic, as we have all faced new challenges. As well as covering this topic in more detail in our training webinars and drop-in sessions, we introduced a fortnightly Wellbeing Resource Pack for our staff and volunteers. The pack gives updates on RBL activities and explains how volunteers can get involved. It also directs staff and volunteers to organisations and websites that can provide support with a wide range of issues that can impact our physical and mental health. To help supervisors reward and thank their volunteers virtually during National Volunteers Week in June, we created a toolkit of resources and ideas.

Unfortunately, we were unable to progress our work on volunteer data this year. This will be addressed as part of the One Legion strategy, which seeks to improve the quality of our data and how we use it.

Keeping going through Covid-19

Our volunteers continued to play a vital role in our organisation in 2020, despite the challenges presented by the pandemic. They ensured that the most vulnerable were still able to access the support they needed and that our fundraising activities could continue. The number of volunteer 'telephone buddies' organised through our branch network increased from 3,500 to more than 19,000 as the impact of Covid-19 grew. While volunteer visits to our care homes had to be suspended, our fundraising volunteers found different, innovative ways to raise funds in a Covid-19-secure way. This helped us prepare for what was a very different Poppy Appeal in November 2020.

Our staff

We are particularly grateful to our 1,675 staff this year. Their dedication has ensured that the RBL's activities continued in the extremely challenging circumstances that prevailed as a result of the pandemic.

Outside of our care settings and the National Memorial Arboretum, most of our teams switched to being based at home. Staff in our support services showed exceptional dedication to ensure we had the IT capability to continue working effectively and that our buildings were Covid-19 secure for those who still needed to use them. Our HR and Learning and Development Teams quickly developed resources to support staff remotely, helping them cope with uncertainty and encouraging the maintenance of as healthy a lifestyle as possible. We are grateful to the many staff who agreed to be furloughed, enabling us to retain many jobs.

New strategy, new projects

We were able to progress a number of people-related projects during the year. Work started on a new Inclusion Strategy that recognises the clear advantages that stem from having an inclusive culture that celebrates diversity across all our people. Following a full audit in 2020, we will have a number of recommendations to work through, alongside a new Inclusion Strategy for implementation in 2021. 2020 was also the first year of our Leadership Development Programme. This is an Institute of Leadership & Management-accredited programme for middle and senior managers across the RBL, designed to enhance core leadership skills.

Improving our employer proposition

The RBL is keen to develop its brand as a large charity employer and establish a message for candidates that reflects the strong ethos and culture that we are developing. Our new Employee Value Proposition (EVP) sets out who we are, what we can offer to prospective candidates and why people should consider a role at the RBL as part of their career. In parallel, we have made significant progress on our Pay and Benefits review, resulting in improved core benefits for staff, including pension provision, annual leave and sick pay, as well as maternity/paternity and adoption leave. A new grading structure, together with a voluntary benefits platform, will be introduced in 2021. This work aims to enhance our candidate pool and increase our appeal within the competitive charity employment sector.

"The number of volunteer 'telephone buddies' organised through our branch network increased from 3,500 to more than 19,000 as the impact of Covid-19 grew"

Opposite: Matthew Lynch, Service Desk Manager, part of the EVP project

Fundraising

Opposite: Barry and Tricia Oldham, from Clun in Shropshire, have been Poppy Collectors for 10 years

Though we are best known for our national Poppy Appeal, our range of fundraising activities is as diverse as the individuals and organisations that support us. This year, when the pandemic curtailed so much of our traditional face-to-face event fundraising, we were particularly grateful to our loyal supporters. They adapted their activities and achieved impressive results.

Aims set out in the 2019 report

The aims for 2020 we set out in last year's report were to complete the review of our fundraising strategy and implement its recommendations. We planned to commemorate the 75th anniversaries of VE Day and VJ Day, working in collaboration with the rest of the organisation to execute a UK-wide approach to fundraising around these significant anniversaries. To better monitor the efficacy of our fundraising, we wanted to improve our data. We would review our product and media portfolios, ensuring that each of our products generates sustainable, cost-effective income for the RBL. To drive repeat participation, we would enhance the supporter experience and improve how we communicate with our supporters so that we become more audience-focused. We wanted to develop our corporate partnerships outside of the Poppy Appeal. Lastly, we aimed to complete the review of the Poppy Appeal and Community Fundraising with a view to developing a plan to implement the recommendations.

The impact of Covid-19

From early 2020, it was obvious that Covid-19 would have a significant impact on how we traditionally raise funds: we would need an alternative method of delivering our biggest fundraising activity, the Poppy Appeal, in November 2020. Two things were in our favour. Firstly, we have a highly committed group of supporters. Secondly, there are many ways for people to support us, from buying poppy products through our Poppy Shop website to remembering us in their will. That said, 2020 was still a tough year for fundraising.

Corporate giving was impacted as our partners battled with the economic crisis, whilst community fundraising suffered as a result of the national lockdown and our entire events programme being cancelled. Delays in house sales and in probate being processed led to income from legacies being less than budgeted. In response to these strong headwinds, we concentrated on making efficiencies within fundraising, cutting our costs where possible and adapting our campaigns to improve the return on investment.

On a more positive note, individual donations remained strong and income from trusts and philanthropy also exceeded its target.

Rethinking the Poppy Appeal

As we entered lockdown in March, we instigated our Poppy Appeal contingency programme, finding new and Covid-19-friendly ways of allowing the public to show their support for the Armed Forces community and take part in Remembrance. We encouraged people to donate online and download a poppy, which could be printed at home and displayed in their window. We also enabled people to order paper poppies online or by telephone and distributed a new fundraising pack full of fun ways for our supporters to raise money, including a virtual Poppy Run.

Enormous thanks must go out to our wonderfully committed Poppy Appeal Organisers. We have nearly 4,000 and, in the run-up to the 2020 Poppy Appeal, we spoke with every one of them several times. We wanted to reassure them that their commitment to us was not in question and, if they felt unsure about collecting because of the pandemic, that was fine. Many were keen to continue collecting where possible within local guidelines and where it was safe to do so. Although the November 2020 Poppy Appeal was severely impacted by the national lockdown, we are hopeful that the Poppy Appeal in November 2021 will see the safe return of all our Poppy Appeal Organisers and collectors to our streets.

Corporate fundraising

Alongside our own fundraising activities, our corporate partners really did step up and support us during Poppy Appeal 2020. Sainsbury's and Morrisons supermarkets enabled their customers to add a poppy to their weekly shop for the first time, and all other supermarkets continued to allow our collectors in store. We were fortunate to have many new corporate supporters offering their help for the Poppy Appeal, and we recognise them in the Thank You page of this report.

Funds raised

As a result of the November 2019 Poppy Appeal being unaffected by the pandemic, together with the measures we put in place to counter the impact of Covid-19 in 2020, total fundraising income to the Group was £105.7 million in 2020 (2019

> "This year, when the pandemic curtailed so much of our traditional face-to-face event fundraising, we were particularly grateful to our loyal supporters"

Opposite: Erin Bushell, Events Co-ordinator, Fundraising, making crafts to support the Poppy Appeal

– £123.7 million), which is only a 15% decrease on the previous year. Given the disruption of the pandemic through the latter half of our financial year, this net income figure is a massive achievement. It is a testament to the dedication of our supporters and the continued generosity of the nation.

Responsible fundraising

The RBL's approach to fundraising is driven by three principles:

- Accountability: Our own and third-party fundraisers must ensure that their fundraising is delivered to the Fundraising Regulator's standards.
- Fairness: We set out to treat all members of the public fairly. We try to explain clearly how donations can be made, how regular donations can be stopped and how supporters can change their communication preferences.
- Respect: We respect our supporters' privacy and continue to make use of the Mailing Preference Service and the Fundraising Preference Service.

The RBL is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We always aim to comply with the Fundraising Code of Practice and we make appropriate use of the Fundraising Regulator logo on our fundraising materials. Our Fundraising Promise is published on our website. This year, the RBL has raised funds in accordance with the relevant schemes and standards and we have not reported any breaches of the Fundraising Code of Conduct.

We also set out to comply with UK data-protection legislation. During 2020, we delivered online data-protection refresher training for all fundraising staff. We see complaints as an opportunity to better understand our supporters. In 2020, we received 911 complaints relating to fundraising activity, an increase on 2019. This year, we changed how we report complaints to include 'any notification of dissatisfaction'. We actively encourage supporters to give us feedback and have implemented new processes to analyse trends and improve our interactions with our supporters. By far the largest category of complaints was 'Addressed Postal Mail', representing 46.3% of the total. We have invested in several projects to reduce the number of complaints we receive in relation to our Direct Mail campaigns. This year, we piloted a new strategy for planning supporter communication around Remembrance, driven by insight from our supporter database. The aim is to deliver a better supporter experience by approaching supporters with propositions more aligned to their interests.

We recognise that we have an obligation to protect those who may be vulnerable. We do this in a way that strikes a balance, setting out to protect potential donors while also being respectful of any desire they express to support us. In 2020, we further strengthened our safeguarding arrangements by appointing a Designated Safeguarding lead for Fundraising, updating our 'Supporters in a Vulnerable Circumstance' policy and updating our gambling self-exclusion process to make it easier for supporters to self-exclude.

Some of our fundraising activity is carried out by our own staff, some by volunteers, and a small proportion is delivered by professional fundraising agencies. All commercial third parties are contractually obligated to be registered with the Fundraising Regulator. We work in partnership with the fundraising agencies we employ; we listen to a proportion of all fundraising calls made by third-party fundraising agencies on our behalf and we visit their premises regularly to provide training on our standards. The level of monitoring and training is proportionate to the respective agency's performance. This is determined during weekly status calls and quarterly review meetings.

Thank you to our major supporters

We are so grateful for all donations that we have received over the past year from those companies, trusts and individuals who have so generously supported us.

Your support for the Armed Forces community helps us to fight for them, campaign for them and remember their unique contribution. Our life-changing work would not be possible without our supporters' commitment and generosity.

In particular, we would like to thank the following, who have contributed £20,000 or more in financial contributions or through in-kind support during 2020:

288 Group Ltd – Westminster Collection
Ahmadiyya Muslim Elders Association
Ahmadiyya Muslim Youth Association
AmazonSmile
Armed Forces Covenant Fund Trust acting on behalf of the Ministry of Defence and the Cabinet Office
Armed Forces Covenant Fund Trust

Coventry Building Society
Doccombe Global Logistics Ltd
The English Football League (the EFL) and its member clubs
Ernest Hecht Charitable Foundation
Fondation Charitable Barthélémy
Girlguiding UK
Golden Charter
HomeServe
J A Kemp
Marks & Spencer
Mayer Brown
The Michael Uren Foundation
The National Lottery Community Fund
Network Rail
Oak Foundation
PayPal Giving Fund UK
Pets at Home Ltd
Poppies4Kits
The Poppy Ball Committee, under the Chairmanship of Rula Al-Adasani and Princess Marina Lobanov Rostovsky
Mr Donald Porteous
The Premier League and its member clubs
Procter & Gamble
QVC
Rothschild & Co
Sainsbury's Group and its subsidiaries
The Scouts and Scout Shops Ltd
Patricia Spooner
Daniel Stewart
Sir Howard and Lady Stringer
Transport for London
UK Rail Delivery Group
WCA – Wayne Collins
Weightmans
Withers LLP
And eight anonymous funders

Every year, our branches and clubs undertake their own fundraising in support of the RBL, and we are grateful for their generosity, passion and commitment.

This year, we received 814 legacies totalling almost £20 million. A gift in a will is a thoughtful and generous way of helping those that we support, and we are extremely grateful to each and every person who chose to support us in this way.

Opposite: Kate Field, Events Manager, cycling outdoors in aid of the Poppy Appeal

Aims for 2021

2021 is an exciting year for the RBL as we celebrate our centenary and embark on our One Legion strategy. Our key strategic aims for 2021 are:

- Implement plans to strengthen and improve the way we provide welfare support, ensuring that people can easily access the support they need, when they need it
- Continue to improve the way we run our care homes by introducing improved staffing and electronic care systems
- Work with our partners to streamline the War Pension and Armed Forces Compensation appeals process
- Working alongside our wonderful Poppy Appeal Organisers, develop new, safe ways for people to support the Poppy Appeal during the pandemic and beyond
- Develop the RBL's future plans for our recovery services, supporting people who are wounded, injured or sick and their families
- Continue to implement the recommendations from the Fundraising Review, transforming how we raise money by becoming more audience focused
- Begin the journey of improving how we use data and insight to better connect with our supporters, customers, volunteers and members and to inform our decision making
- Create an accessible and user-friendly knowledge base, ensuring that everyone who accesses our services, as well as our supporters, volunteers, members and staff, receives consistent and up-to-date information
- Launch our new brand identity, making it easier for people to recognise us and understand what we do, whether they need access to our services or want to support our work
- Celebrate our centenary, taking the opportunity to demonstrate our relevance, our impact and why the support of the public is as important now as ever
- Commemorate the anniversary of recent conflicts, such as Gulf War 30, and increase our engagement with diverse communities, ensuring that Remembrance is accessible to all
- Continue to campaign on behalf of the Armed Forces community, engaging with the Government on upcoming legislation, including the Overseas Operations (Service Personnel and Veterans) Bill and legislation to further incorporate the Armed Forces Covenant into law
- Develop our culture to align with our One Legion strategy, embedding a strong commitment and proactive approach to inclusion that celebrates difference and diversity
- Complete an independent Board Effectiveness Review, which will look at all aspects of our governance arrangements to ensure they are fit for purpose for the future

Board of Trustees

Lieutenant General James Bashall CB CBE
National President

James retired from the Regular Army in 2018 following 34 years' service, including tours in Germany, Afghanistan, Iraq, Libya and South Armagh. He later held the posts of Chief of Staff at Permanent Joint Headquarters, Director of Personnel at Army Headquarters and Commander Home Command, overseeing the support elements from training to welfare.

Una Cleminson BEM TD
National Chairman

Una retired as a registered General Nurse in 2012 and was a Major in the Territorial Army. She has been a member of the RBL since 1971 and was previously a Trustee between 2010 and 2012.

Lieutenant Colonel Joe Falzon OSJ BEM (Retd)
National Vice Chairman

Joe served in the Royal Regiment of Artillery for 37 years before joining the RBL as Head of Policy and Administration in 2001. He took early retirement in 2010, and was then elected as a Trustee in 2014 and re-elected in 2017. Joe was appointed as National Vice Chairman in 2019. He chairs the International Committee and is a member of the Governance Committee and of the Board of Trustees of Poppyscotland.

Rodney Bedford

Rod served for 19 years in the Grenadier Guards, and then for 18 years in the Kent Police. He was previously elected to the Membership Council, on which he served two terms of three years. He was elected to the Board of Trustees in May 2017 and is Chairman of the Property Committee and a member of the Branch Property Trusts Trustee Committee and the Audit & Risk Committee. Rod is the Royal British Legion member of the Board of Liberation Route Europe and currently runs his own company in France.

Heather Spence (from February 2021)

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. Heather was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times before retiring from competitions in 2014. Heather serves on the Board of Trustees as Chairman of the Women's Section.

Pat Chrimes OBE (to January 2020 and from September 2020 to February 2021)

Pat served on the Board of Trustees as Chairman of the Women's Section between April 2017 and January 2020 and again from September 2020 to February 2021.

Elizabeth Harrison (January 2020 to September 2020)

Liz served on the Board of Trustees as Chairman of the Women's Section between January 2020 and September 2020.

Jason Coward

Jason has been an Appointed Trustee since 2014. He has been Chairman of the Membership Council since May 2019. He is also Chairman of the Board of Trustees of Poppyscotland, a member of the Governance Committee and a Trustee and Non-Executive Director at the National Memorial Arboretum (NMA). Outside the RBL, Jason runs his own marketing agency in Bristol.

Denise Edgar (to May 2020)

Denise joined the Board of Trustees in 2010 and was re-elected in 2014 and 2017. Denise completed her final term of office as a Trustee in May 2020.

Paul Harris QGM

Paul was co-opted as a Trustee in February 2018 and elected in May 2019. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He was a director of an international company, then owned a management consultancy from which he has retired. He has been Deputy Mayor of Gillingham since May 2019.

Major General David Jolliffe CB FRCP

David was appointed as a Trustee in 2012 and reappointed in 2015 and in 2018. He was commissioned into the Royal Army Medical Corps in 1967 and retired in 2003. David is Chairman of the Royal British Legion Republic of Ireland and is a member of the Audit & Risk Committee.

Anthony Macaulay (to August 2020)

Anthony was appointed as a Trustee in 2011 and reappointed in 2014 and again in 2017. He is a retired lawyer with extensive business and commercial experience. Anthony completed his final term of office as a Trustee in August 2020.

Philip Moore TD

Philip was appointed as a Trustee in 2014 and reappointed in 2017 and 2020. He was a Finance Director for nearly 20 years. He is now a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Codan Forsikring A/S and a Governor of North Hertfordshire College. Philip chairs the Finance Committee.

Anny Reid OBE

Anny was elected as a Trustee in May 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the last four as Chairman of its trust. Anny chairs the Conference Committee and is a member of the Branch Property Trusts Trustee Committee, the Audit & Risk Committee and the Care Services Committee.

Lieutenant Colonel David Whimpenny (Retd)

David was elected as a Trustee in 2013 and re-elected in 2016 and again in 2019; he is now in his final term as a Trustee. He was commissioned from the Royal Military Academy Sandhurst in 1985 and retired from the Army in 2017. He now works for Crown Commercial Service. David serves on the Governance Committee and is Chairman of the Board of Trustees at the NMA.

Debbie Sorkin

Debbie was appointed to the Board in June 2018. She is National Director of Systems Leadership at the Leadership Centre, a charity working to strengthen leadership across public services. Debbie has extensive experience of working in the NHS and in social care. She leads for the Board on care and safeguarding and chairs the Care Services Committee.

Elizabeth Butler FCA

Liz was appointed to the Board in May 2018. In addition to being a chartered accountant, Liz has a portfolio of non-executive roles, including Board member and Chair of the Audit Committee of the Regulator of Social Housing and Chair of the Audit & Risk Committee of the Royal College of Veterinary Surgeons. Liz chairs the Audit & Risk Committee.

Lynda Atkins DL

Lynda was co-opted on to the Board in 2019. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She served as an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda is Vice Chairman of the Membership Council, a member of the Finance and Property Committees and a Trustee of the NMA.

Helen Owen (from May 2020)

Helen was elected to the Board in May 2020. She is the Evaluation Lead at the charity GambleAware and a Governor at the University of Westminster. Helen chairs the Governance Committee and is a member of the Property Committee.

Monica Risam (from October 2020)

Monica was appointed to the Board in October 2020. She is the Group General Counsel of Lombard International. Monica is a non-executive member of The Elton John AIDS Foundation's Finance and Investment Committee and a Governor of The Legal Education Foundation.

Tony Goodwin BEM (from May 2020)

Tony was elected as a Trustee in May 2020. He served in the Royal Air Force for almost 40 years. Tony is a member of the Care Services Committee, the Branch Property Trusts Trustee Committee and the Property Committee.

Board of Trustees

Co-opted Members

The Trustees would like to recognise the support given by the following co-opted members, who bring their special expertise to the boards and committees on which they sit:

David Bennett Rees FIA
Dr Jonathan Wittmann
Jenny Rowe
Vanessa Donegan
Anthony Macaulay

National President
Lieutenant General
James Bashall CB CBE

National Chairman
Una Cleminson

National Vice Chairman
Joe Falzon

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee
Elizabeth Butler (Chairman)
David Jolliffe
Rodney Bedford
Anny Reid

Finance Committee
Philip Moore (Chairman)
Elizabeth Butler
Lynda Atkins
Vanessa Donegan
Dr Jonathan Wittmann

Governance Committee
Helen Owen (Chairman)
Una Cleminson
Jason Coward
Joe Falzon
Helen Owen
David Whimpenny

Property Committee
Rodney Bedford (Chairman)
Gerry Nunn
Helen Owen
Lynda Atkins

Conference Committee
Anny Reid (Chairman)
Grant Parrott
Hugh Ashton-Moore
Philip Davies
John Morrison
John Gilmore

Branch Property Trusts Trustee Committee
Jenny Rowe (Chairman)
Anthony Macaulay
Rodney Bedford
Tony Goodwin
Anny Reid

International Committee
Joe Falzon (Chairman)
Rodney Bedford
Bob Chambers

Care Services Committee
Debbie Sorkin (Chairman)
Anny Reid
Tony Goodwin

Membership Council
Jason Coward (Chairman)
Lynda Atkins (Vice Chairman)
Gordon Barker
Mike Barry
John Boisson
Bob Chambers
John Clark
Emma Cox
Philip Davies
Dilys Hooper
Bob Howard
Steve Lewis
Garry Mills
John Morrison
Gerry Nunn
Phil Skawski
Kelly Slark
Ken Terry

Executive Board

Director General
Charles Byrne

Director of Finance & Commercial
Daniel Oppenheimer

Director of Fundraising
Claire Rowcliffe

Director of Operations
Antony Baines

Director of Remembrance and Marketing
Gary Ryan

Director of Human Resources and Organisational Development
Karen Gill

Director of Membership
Janet Talman (from March 2021)

Consultants and Advisors

Bankers
Lloyds Bank
Charities
4th Floor
25 Gresham Street
London EC2V 7HN

Independent Auditors
Deloitte LLP
2 New Street Square
London EC4A 3BZ

Investment Managers
Cazenove Capital
Management Limited
12 Moorgate
London EC2R 6DA

Legal Advisors
Withers
16 Old Bailey
London EC4M 7EG

Women's Section

President
HRH The Princess Royal

Chairman
Heather Spence

Vice Chairman
Jan Buxton

Chair of Finance
Sandra Fishlock

Central Committee
Pat Ayres MBE
Jan Buxton
Margaret Cook
Sandra Fishlock
Sandra Saban
Pat Holden
Tracey Gilliland

National Life Vice Presidents
Dame Mary Bridges DBE
Mrs M Humphry
Doris Ingham OBE
Maureen Lodder OBE
Patricia Valler OBE
Wendy Bromwich JP

National Vice Presidents and Patronesses
Auriol, Marchioness of Linlithgow
Elizabeth, The Dowager Countess of Scarborough LVO
The Right Honourable the Countess Bathurst
The Lady Grey of Codnor
Baroness Grey-Thompson DBE
Joanne Andrew-Steer MBE
Sara Jones CBE OStJ DL JP
Janie Martin DL
Joan Murray MBE
Diana Hill
Jane Lewin Smith JP DL

Charity Registration number
219279

Principal office
The Royal British Legion
Haig House
199 Borough High Street
London SE1 1AA

Financial review

For many charities, 2020 was a challenging year as the Covid-19 pandemic impacted both fundraising and service delivery. In this context, total income for the year to 30th September, 2020, was £143.1 million compared with £175.9 million in 2019, a 19% reduction. Whilst the November 2019 Poppy Appeal was not affected by the pandemic, the lockdown in March 2020 and subsequent restrictions led to a number of fundraising events and activities being cancelled. The reduction in income was also partly due to the fact that the November 2018 Poppy Appeal was exceptional, reaching nearly £55 million for the first time in the RBL's history, due to the commemorations to mark the centenary of the end of the First World War.

Total expenditure was £161.0 million, compared to £181.7 million in 2019, a reduction of £20.7 million (11%). This was driven by a significant curtailment of Remembrance and ceremonial activity due to Covid-19 restrictions, reductions in staff travel and property-related costs as many of our services moved online or were delivered by telephone and video calls, and the temporary closure of the National Memorial Arboretum and Battle Back Centre, which led to a number of staff being furloughed. In order to protect our services, we also took the decision to pause some discretionary expenditure in areas such as fundraising, marketing and grants to other organisations until the impact of the pandemic on the RBL's finances became clearer.

Overall, the RBL generated a deficit before gains and losses of £17.9 million (2019: £5.8 million). The deficit on the Group defined benefit pension schemes increased by £4.2 million (2019: £1.5 million) due to lower than expected investment returns and a small reduction in the discount rate used to value future pension liabilities. After accounting for net gains on the revaluation of properties and investments of £0.9 million (2019: £13.5 million), the total value of the RBL's funds reduced by £21.2 million (2019: £6.2 million increase).

The value of restricted funds reduced by £12.8 million to £170.2 million (2019: £183.0 million) and the value of unrestricted funds reduced by £8.4 million to £180.4 million (2019: £188.8 million). During the year, we continued the work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £4.3 million (2019: £2.1 million) from restricted Branch Property Trust funds into restricted and designated Area Trust Funds. Area Trust Funds are now being used to fund services delivered in the area where the branch property was originally located, which would otherwise need to be funded from unrestricted funds. These services include Admiral Nurses, war pensions and compensation advice and grants. The composition of the RBL's funds is explained below and on page 8 of this report.

Financial investments

The market value of the RBL's investment portfolio reduced by £1.2 million during the year. This was a positive result given the market turbulence and severe economic slowdown caused by the pandemic. At the year end, the total value of the Group's investments was £164.6 million (2019: £165.9 million). The portfolio is managed through three investment managers; Cazenove Capital manages the charity's main investment portfolio, Sarasin & Partners manages Poppyscotland's investments and CCLA manages branch-related investments, including those held in legacy and property trusts.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. The investment managers have total discretion within these parameters. All investments must comply with the RBL's ethical policy, which is one of 'Responsible Investment'. Investment managers are expected to engage with companies on social, environmental and business-ethics issues and to exercise the RBL's voting rights, following the policy.

Cazenove Capital

The mandate agreed with Cazenove Capital for the year ended 30th September, 2020, was to achieve a rate of return in excess of CPI+3% over the medium term. Whilst the portfolio exceeded its target for the five years to 30th September, 2020, generating a return of 5.1% against the inflation benchmark of 4.7%, it did not meet the target for the year to 30th September, 2020, due to the turmoil in global markets caused by the Covid-19 pandemic. The value of the portfolio reduced to £133.2 million (2019: £136.1 million) over the year and generated £3.1 million (2019: £2.7 million) of investment income.

Sarasin & Partners

During the year to 30th September, 2020, the Poppyscotland portfolio increased its value from £11.1 million to £11.2 million and generated £0.4 million (2019: £0.4 million) of investment income. The Poppyscotland portfolio will be drawn on to finance Poppyscotland's deficits over the next five years, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.

CCLA

Branch, County and other investments of £13.4 million (2019: £9.8 million) are held in a mix of listed investments and unit trusts.

Pension

The pension deficit increased from £6.6 million to £11.0 million due to lower than expected investment returns and a small (0.3%) reduction in the discount rate used to calculate the present value of future pension liabilities. The Royal British Legion and the pension fund trustees have agreed a plan for removing the pension deficit over an appropriate period of time, and we do not expect the deficit to materially affect the RBL's ability to meet its charitable objectives in the future.

Funds

The RBL's total funds of £350.6 million (2019: £371.8 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £170.2 million (2019: £183.0 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £180.4 million (2019: £188.8 million) are funds representing the value of the RBL's functional fixed assets (£68.6 million, 2019: £80.2 million), funds held by RBL branches, counties and districts (£31.7 million, 2019: £31.9 million), the value of programme-related investments (predominantly outstanding property repair loans) (£4.5 million, 2019: £4.9 million) and the General Fund (£4.7 million, 2019: £5.2 million), which is used to support the central administration of the membership of the RBL.

Reserves

In addition to the funds described above, at 30th September, 2020, the RBL was holding £70.8 million (2019: £66.7 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the Royal British Legion holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable it to carry out its work. Our biggest risk is that our income suddenly drops because of unforeseen factors beyond our control. In these circumstances, reserves would need to fund operating expenditure while the organisation was put back onto a stable footing.

Our care homes represent a further area of financial risk due to the heavily regulated nature of the industry. The Covid-19 pandemic has added to these regulations and reduced occupancy levels (and therefore income) as new admissions were paused. Our reserves also mitigate against fluctuations in the value of our investments, in particular the risk that a significant reduction in income coincides with a drop in investment values. Finally, our defined benefit pension obligations represent a long-term financial risk, whilst short-term fluctuations in valuations can impact the amount of free reserves at our disposal.

The Trustees have reviewed the RBL reserves policy and agreed that the RBL should continue to seek to hold minimum reserves of approximately £55 million to cover these risks. As noted above, at 30th September, 2020, the RBL was holding reserves of £70.8 million (2019: £66.7 million). As the Covid-19 pandemic continues to affect our daily lives, we will use our reserves to ensure that we support those in greatest need by, for example, providing increased funding through our individual grants programme and ensuring that our care homes continue to have the facilities and equipment they need.

Investment properties

Investment properties primarily comprise 302 properties (2019: 310) held by the Royal British Legion as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease.

The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ending 30th September, 2020, 62 properties were revalued (2019: 82) and a revaluation gain of £3.0 million (2019: £2.4 million) was recorded in the accounts. The remaining 80% of

investment properties were reviewed and revaluation losses of £13,800 (2019: £8,000) were recorded. During the year, the RBL disposed of 8 (2019: 23) investment properties, realising proceeds of £1.5 million (2019: £7.5 million).

Branch property trusts

A Branch Property Trust is a property or the proceeds of its sale that is held in a separate charitable trust in connection with an RBL branch. Its charitable purposes are usually restricted to a specific geographical area.

	2020	2019
Restricted Investment Property Reserve	£66.1m	£65.0m
Restricted Branch Property Trust Fund	£39.8m	£46.9m
Number of properties	302	310

At 30th September, 2020, the RBL held £66.1 million (2019: £65.0 million) (see note 29) in the restricted investment property reserve, representing the market value of 302 (2019: 310) properties predominantly held under Branch Property Trusts. In addition, £39.8 million (2019: £46.9 million) was held in restricted Branch Property Trust funds, comprising sale proceeds, interest and other income, from the properties previously held in trust.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose, so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were made on 15 Branch Property Trusts, resulting in £4.3 million (2019: £2.1 million) being moved into unrestricted funds. These funds, together with restricted Area Trust Funds that derive from Branch Property Trusts, can now be used to support people in a wider geographical area and for specific projects and activities forming part of the RBL's strategy.

Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans to beneficiaries living in their own home to provide housing improvements. Programme-related investments totalled £4.5 million at the year end (2019: £5.0 million).

Grant making

Included in our welfare service expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. In 2020, the Royal British Legion spent £11.7 million on individual grants (2019: £15.9 million). In both volume and value, 'mobility'-related grants, such as riser-recliner chairs and powered scooters, were most common. The RBL also awards grants to households whose case is managed by a partner agency, such as SSAFA or the Royal Air Forces Association.

Grants are made to organisations where a third party has skills or facilities that are unavailable within the RBL's own resources. The RBL invites organisations to submit formal applications, which are then evaluated by the Grants Department, the local Area Office and any subject-matter experts relevant to the application. This information is then reviewed by a Grants Panel, which issues awards to those organisations best able to show that their project will address an unmet need for RBL beneficiaries.

In 2020, grants were awarded to 39 organisations, totalling £5.3 million (2019: 53 organisations, £12.7 million). The reduction in the year reflects the decision to temporarily pause the external grants programme due to uncertainty about the impact of Covid-19 on the RBL's finances.

Covid-19 and going concern

The Trustees have considered the potential impact of the Covid-19 pandemic on the ability of the Group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. The level of economic uncertainty has reduced over the past 12 months due to the development and roll-out of vaccines. Nevertheless, some key risks remain, including:

- Fundraising – in particular, the impact of government restrictions on fundraising events and the November 2021 Poppy Appeal;
- Investments – continuing volatility in equity markets impacting the value of the RBL's investment portfolio; and
- Pensions – the potential for further increases in pension deficits due to lower than expected investment returns.

We have forecast our cash and reserves for the financial years ending 30th September, 2021 and 2022, using a 'worst case' scenario, which assumes that fundraising in 2022 is as equally impacted as 2021, when Covid-19 restrictions and the subsequent national lockdown severely impacted the Poppy Appeal. Even in this pessimistic scenario, the RBL would have free reserves of £49 million and total cash and investments of £170 million, and would therefore be able to meet its liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and could reduce expenditure relatively quickly if the impact on our fundraising income is worse than expected.

The Trustees have therefore concluded that it remains appropriate to prepare these accounts on a going concern basis.

Risk management and internal control

The Board of Trustees has responsibility for the oversight of risk management. The Board requires risks to be identified, assessed, managed, monitored and reported, with appropriate records maintained to evidence the process.

The RBL's risk framework includes a risk-management policy and defines the processes to be followed to ensure that risk is managed appropriately. This is achieved as follows:

- Risks are owned by a senior executive, usually an executive director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are present and effective;
- Risk exposures are known and understood by risk owners and are reported formally each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls. The Audit & Risk Committee receives copies of all audit reports.

The Head of Risk Management oversees and coordinates the risk framework. Regular reports are made to the Executive Board, the Audit & Risk Committee and the Board of Trustees. The Audit & Risk Committee is chaired by a Trustee.

The National Memorial Arboretum and Poppyscotland are included in the risk framework and a consistent risk model is used.

At their last review, the Trustees were satisfied that appropriate and effective controls are in place to mitigate risk exposures. The most significant risks are set out on the next page, together with selected controls from our risk register.

Public benefit

The Trustees have given due regard to the public benefit guidance published by the Charity Commission. They believe that the extensive welfare support provided to our beneficiaries, along with the other charitable activities undertaken, satisfies the public benefit requirements of the Charities Act 2011.

Safeguarding

The Royal British Legion is engaged in a wide range of beneficiary, membership and community-facing activities, including direct welfare support, fundraising and comradeship. Specifically, the RBL provides regulated and non-regulated activities that involve interaction with vulnerable adults and can often involve children. Our staff, volunteers and members have a moral and legal responsibility to ensure the safety of the people we work with. Recognising our commitment to ensure that those engaged with the RBL can live free from harm, abuse or neglect, the charity has implemented a range of policies and procedures including a Safeguarding Policy, Code of Conduct and robust recruitment procedures for staff and volunteers.

The RBL has a network of trained designated safeguarding leads, who are responsible for reporting safeguarding concerns to statutory agencies and recording all safeguarding incidents on our Legion Assure reporting system. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level. The Board of Trustees also receives appropriate safeguarding training.

Modern Slavery Act 2015

The Royal British Legion is committed to ensuring that slavery and human trafficking do not occur in our operations or supply chain. We continue to work with new and existing suppliers to minimise the risk of modern slavery and human trafficking and to ensure compliance with the Modern Slavery Act 2015. Our anti-slavery and human trafficking statement is published on our website.

Ethics and sustainability

Alongside the development of our One Legion strategy, we have begun work on an Ethics and Sustainability strategy. During the year, we established an Ethics and Sustainability Committee, which draws its membership from across the RBL. The purpose of the Committee is to support the organisation's understanding of its impact on the community and environment and to ensure that our ethical values are reflected across all our policies and procedures. A current area of focus is our Poppy Appeal products, where we are seeking to reduce our environmental impact through the reduction of single-use plastic.

Structure, governance and management

The Royal British Legion has a head office in London, where the Director General and the supporting Board of six Executive Directors are based. There is a network of offices in England, Northern Ireland, Scotland and Wales, which provides facilities for beneficiaries, members, volunteers and staff. Care-home services are delivered through the RBL's premises around the country. The National Memorial Arboretum, the home of the Armed Forces Memorial, is situated in Alrewas, Staffordshire, and the Legion's Contact Centre is based in Cardiff. Headquarters for Poppyscotland are located in Edinburgh. The charity's branches are located throughout England, Wales, Northern Ireland, the Republic of Ireland, the Channel Islands, the Isle of Man and overseas.

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The Board of Trustees has the responsibility for its implementation and review, but charter

Risk	Mitigation
Covid-19 Pandemic Inability to deliver our mission and look after those we support due to the Covid-19 pandemic	• A serious incident response framework that prioritises the safety of all our people – beneficiaries, staff and volunteers • High standards of infection prevention control in care homes • Robust IT infrastructure, enabling us to continue to support people remotely where possible • Ability to mobilise our extensive network of volunteers • A flexible approach to fulfilling our remit as the nation's guardian of Remembrance • Prudent reserves policy and flexible approach to fundraising with the implementation of contingency arrangements for the annual Poppy Appeal • Agile governance arrangements, enabling quick and effective decision-making
Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	• Annual budget process • Financial forecasting for short and medium term • Prudent reserves policy • Fundraising strategy • Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget • Sound basis for grant-funding decision-making
Safeguarding A beneficiary, volunteer or employee suffers harm, abuse or neglect	• Independently chaired Safeguarding Committee meets regularly through the year to receive and act on management information • Appointment of a designated safeguarding lead • A Safeguarding Working Group is charged with ensuring safeguarding and related policies are embedded into processes • Separate safeguarding risk monitoring for key areas, such as care homes, staff and volunteers • Multi-level, mandatory training programme • Regular reporting of safeguarding data and risk exposures
Governance Inability to deliver our strategic objectives due to ineffective leadership and governance	• Regular training for Trustees • Performance monitoring of Trustees and Executive Board • Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees • Royal Charter review • Head of Governance with specific responsibility for ensuring governance arrangements are fit for purpose • Independent review of governance arrangements • Trustees are appointed to fill specific skills gaps
Sector Relationships Our ability to deliver our strategic aim to be the 'heart of a national network' fails because of a lack of trust and collaboration with the rest of the sector	• Executive Board oversight of critical relationships • Robust management of Veterans' Gateway • Strategic alliances properly managed and recorded

amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The Queen in council.

Directors' roles are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. There is an independent Governance Committee comprised of Trustees, which approves the annual pay award and agrees the remuneration for the Director General and Director of Finance and Commercial.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the Royal British Legion. All substantive decisions are made by the Board of Trustees within the bounds of the Royal Charter and the RBL's vision, mission and charitable objectives. The Board of Trustees provides overall strategic direction, while administration of the charity is delegated to the Director General and through him to the Board of Executive Directors.

The Board of Trustees meets eight times per year and comprises 16 Trustees:

- the National Chairman and National Vice Chairman are elected by voting branches;
- seven Trustees are elected by voting branches;
- six Trustees are appointed by the Board of Trustees. Invitation is by open advertisement and selection takes place through the Governance Committee; and
- the Chairman of the Women's Section is elected by the members of the Women's Section at the Women's Section National Conference.

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chairman and Vice Chairman may only serve one term of three years; however, the Vice Chairman may also serve one term of three years as National Chairman if so elected by voting branches. Newly elected Trustees are given induction training on their duties and responsibilities as members of the Board of Trustees. Training needs are reviewed on an annual basis and specific training is given to Trustees as required.

Trustees receive no remuneration but are reimbursed for the cost of attending meetings and other official functions. Trustees are invited to lead and officiate on Remembrance tours and the costs involved in that duty are included in the declared figure for Trustee expenses (Note 15).

Committees of the board

The Board of Trustees has eight committees that report to it, all of which have written terms of reference. Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of all membership issues; and
- Conference Committee – oversees the organisation of the Annual Conference.

Three committees form an integral part of the governance of the charity:

- Governance Committee makes recommendations on Trustee appointments, overall staffing arrangements and monitors governance best practice;
- Audit & Risk Committee reviews the significant judgements made in the accounts before board approval. It provides for regular communication between the Trustees and the external and internal auditors, monitors risk-management procedures and approves the internal audit programme; and
- Care Services Committee oversees the delivery of the RBL's care services, including our six care homes.

Three committees oversee the resources of the charity:

- Finance Committee reviews, recommends and monitors compliance with the reserves and investment policies and provides oversight of IT. It reviews the annual budget, oversees and monitors the investment portfolio and addresses any other financial matters referred to it by the Board of Trustees;
- Property Committee recommends strategy and monitors performance in relation to functional property developments, oversees significant acquisitions or disposals and ensures these properties are appropriately maintained; and
- Branch Property Trusts (BPT) Trustee Committee recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts and approves property disposals.

Finally, the International Committee represents the RBL as part of the World Veterans' Federation and advises the Board of Trustees on matters related to the RBL's international relationships and activities.

The day-to-day management of the charity is delegated to the Director General and through him to the Board of Executive Directors.

Corporate structure

The Royal British Legion has an extensive corporate structure comprising:

- the charity;
- Thirteen wholly owned subsidiaries, nine of which are included in the consolidated accounts and four of which are dormant; and
- the Irish ex-Service Trust, for which it acts on behalf of Her Majesty's Government as the distributory agent.

Further details of the activities and performance of subsidiaries are given in Note 14 to the accounts.

In addition, there are four active organisations that share part of our name.

- Royal British Legion Industries Limited (RBLI), which provides employment, training and support for people, including those with disabilities, plus care and support for ex-serving personnel and families;
- Royal British Legion Poppy Factory Limited in Richmond (the Poppy Factory), which creates paid meaningful employment opportunities for wounded, injured and sick ex-serving personnel;
- The Royal British Legion Attendants Company Trust, which promotes the rehabilitation and resettlement of men and women of Her Majesty's Armed Forces who are in need of assistance in civilian life; and
- Royal British Legion Scotland, which helps Scottish ex-serving personnel of all ages to adapt to civilian life.

These four companies are separate charitable trusts with no common shareholding and no other form of control by the Royal British Legion. The results of these companies are therefore not included in the consolidated accounts of the RBL.

Connections to a non-charity

The Trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connections. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Role of the membership and volunteers

The Royal British Legion is a membership organisation overseen by a Board of Trustees through the Membership Council. Around 230,000 members are organised through approximately 2,500 branches operating across England, Wales, Northern Ireland and the Isle of Man, with a further 95 branches overseas and eight national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;
- undertake their own fundraising, with central support for the Poppy Appeal;
- recruit and retain members;
- ensure that Remembrance is undertaken locally; and
- act as RBL representatives in their local community.

Branches report into 52 Section, County and District committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Department and a network of Membership Support Officers located across England, Wales and Northern Ireland.

The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 399 clubs (2019: 405) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 226 clubs (2019: 227) that occupy premises owned by the RBL and leased to the club.

The RBL depends on the dedication and commitment of thousands of volunteers who give their time and energy in supporting our charitable objectives. Volunteers add value to almost every area of RBL activities, from casework and fundraising to improving the quality of life of our care home residents. The RBL has in excess of 55,000 volunteers, with more than half of our volunteers undertaking more than one volunteer role in the RBL.

Guidance and advice on volunteer management and support is provided by the centrally based Volunteer Support Unit (VSU). The VSU focuses on creating a flexible framework to develop volunteer opportunities and on professionalising the experience of our volunteers. Through our volunteering strategy, we are looking to build a two-way relationship with our volunteers, where how we support and manage them is just as important as how they support us.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity, of the incoming resources, and of the application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 53), for and on behalf of the Trustees

Una Cleminson, National Chairman
15th April, 2021

Independent Auditor's Report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of the Royal British Legion (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September, 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

- the consolidated and parent charity statements of financial activities;
- the consolidated and parent charity balance sheets;
- the consolidated and parent charity cash flow statements; and
- the related notes 1 to 33.

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 group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

Emphasis of matter – material uncertainty related to investment property valuation

We draw attention to note 20a, which describes the effects of the uncertainties created by the coronavirus (Covid-19) pandemic on the valuation of the charity's investment property portfolio. As noted by the charity's valuer, the pandemic has caused extensive disruptions to businesses and economic activities and the uncertainties created have increased the estimation uncertainty over the fair value of the investment property portfolio at the balance sheet date. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Trustees' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

We have nothing to report in respect of these matters.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity, 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 151 of the Charities Act 2011 and report in accordance with the Act 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008, we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP

Deloitte LLP
Statutory Auditor
Newcastle upon Tyne, United Kingdom
23rd April, 2021

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Royal British Legion
Consolidated Statement of Financial Activities for the year ended 30 September 2020

	Note	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from					
Donations and legacies	4	80,036	7,081	**87,117**	101,317
Charitable activities	5	21,742	9,820	**31,562**	44,615
Other trading activities	6	17,648	1,205	**18,853**	22,939
Investments	7	1,981	3,532	**5,513**	6,621
Other		24	45	**69**	391
Total income		**121,431**	**21,683**	**143,114**	175,883
Expenditure on					
Raising funds	8	**32,764**	**5,431**	**38,195**	43,491
Charitable activities					
Care	9	41,585	3,160	**44,745**	34,751
Personnel Recovery Centres	9	1,075	452	**1,527**	2,496
Community Welfare	9	29,562	18,956	**48,518**	63,724
Membership	9	6,885	1,104	**7,989**	9,018
Comradeship	9	510	-	**510**	595
Communications and campaigning	9	11,964	221	**12,185**	12,806
Remembrance and ceremonial	9	1,855	5,446	**7,301**	14,802
Total charitable activities	9	**93,436**	**29,339**	**122,775**	138,192
Total expenditure		**126,200**	**34,770**	**160,970**	181,683
Net expenditure before investment gains		**(4,769)**	**(13,087)**	**(17,856)**	(5,800)
Net (losses)/gains on disposal of investments		(2,474)	2,936	**462**	3,885
Unrealised gains/(losses) on revaluation of investments		1,962	(1,571)	**391**	9,568
Net (expenditure)/income before tax		**(5,281)**	**(11,722)**	**(17,003)**	7,653
Taxation (charge)/credit	11	(3)	-	**(3)**	2
Net (expenditure)/income for the year		**(5,284)**	**(11,722)**	**(17,006)**	7,655
Transfers between funds	30	1,112	(1,112)	-	-
Other recognised (losses)/gains					
Actuarial (losses)/gains on defined benefit pension scheme	16a	(4,288)	62	**(4,226)**	(1,487)
Net movement in funds		**(8,460)**	**(12,772)**	**(21,232)**	6,168
Fund balances brought forward at 1 October		188,834	182,974	**371,808**	365,640
Fund balances carried forward at 30 September		**180,374**	**170,202**	**350,576**	371,808

Royal British Legion
Charity Statement of Financial Activities for the year ended 30 September 2020

	Note	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from					
Donations and legacies	4	83,743	1,958	**85,701**	98,722
Charitable activities	5	24,043	6,807	**30,850**	43,622
Other trading activities	6	6,653	38	**6,691**	5,284
Investments	7	1,981	3,091	**5,072**	6,151
Other		24	37	**61**	356
Total income		**116,444**	**11,931**	**128,375**	154,135
Expenditure on					
Raising funds	8	**26,520**	**177**	**26,697**	28,138
Charitable activities					
Care	9	41,585	3,160	**44,745**	34,751
Personnel Recovery Centres	9	1,075	452	**1,527**	2,496
Community Welfare	9	32,218	14,210	**46,428**	60,982
Membership	9	6,885	1,085	**7,970**	8,954
Comradeship	9	510	-	**510**	595
Communications and campaigning	9	11,964	221	**12,185**	12,806
Remembrance and ceremonial	9	1,855	2,247	**4,102**	11,137
Total charitable activities	9	**96,092**	**21,375**	**117,467**	**131,721**
Total expenditure		**122,612**	**21,552**	**144,164**	**159,859**
Net expenditure before investment gains		**(6,168)**	**(9,621)**	**(15,789)**	(5,724)
Net (losses)/gains on disposal of investments		(2,474)	2,936	**462**	3,885
Unrealised gains/(losses) on revaluation of investments		1,962	(1,669)	**293**	9,083
Net (expenditure)/income for the year		**(6,680)**	**(8,354)**	**(15,034)**	7,244
Transfers between funds	30	3,786	(3,786)	-	-
Other recognised (losses)/gains					
Actuarial losses on defined benefit pension scheme	16a	(4,288)	-	**(4,288)**	(1,446)
Net movement in funds		**(7,182)**	**(12,140)**	**(19,322)**	5,798
Fund balances brought forward at 1 October		185,104	143,805	**328,909**	323,111
Fund balances carried forward at 30 September		**177,922**	**131,665**	**309,587**	328,909

The notes on pages 60 to 93 form part of the financial statements.
All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Consolidated and Charity Balance Sheets as at 30 September 2020

	Note	**Group 2020 £'000**	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Fixed assets					
Intangible assets	17	**2,946**	4,192	**2,895**	4,192
Tangible assets	18	**83,088**	98,188	**60,494**	75,960
Investments	19	**164,647**	165,895	**151,319**	152,574
Investment properties	20	**66,706**	65,019	**66,124**	65,019
Programme-related investments	21	**4,510**	5,008	**4,510**	5,008
Total fixed assets		**321,897**	338,302	**285,342**	302,753
Current assets					
Stocks		**1,882**	2,393	**-**	-
Debtors	22	**16,742**	16,729	**16,361**	18,041
Cash at hand and in bank	23	**51,648**	59,231	**46,162**	48,014
Total current assets		**70,272**	78,353	**62,523**	66,055
Current liabilities					
Creditors: Amounts falling due within one year	24	**(26,209)**	(32,519)	**(24,704)**	(29,382)
Net current assets		**44,063**	45,834	**37,819**	36,673
Total assets less current liabilities		**365,960**	384,136	**323,161**	339,426
Creditors: Amounts falling due after more than one year	24	**(2,902)**	(5,201)	**(2,845)**	(5,201)
Provisions for liabilities	26	**(1,450)**	(494)	**(1,450)**	(494)
Net assets excluding pension liability		**361,608**	378,441	**318,866**	333,731
Defined benefit pension liability	16b	**(11,032)**	(6,633)	**(9,279)**	(4,822)
Net assets		**350,576**	371,808	**309,587**	328,909
Funds					
Total unrestricted funds	28	**180,374**	188,834	**177,922**	185,104
Total restricted funds	29	**170,202**	182,974	**131,665**	143,805
Total funds		**350,576**	371,808	**309,587**	328,909

The notes on pages 60 to 93 form part of the financial statements.

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 15 April 2021.

These were signed on its behalf by:

Una Cleminson
National Chairman

Royal British Legion

Cash Flow Statement for the year ended 30 September 2020

	Note	**Group 2020 £'000**	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Net cash absorbed by operating activities	**A**	**(9,164)**	(12,719)	**(4,198)**	(11,283)
Cash flows from investing activities					
Dividends, interest and rents from investments		**5,513**	6,621	**5,072**	6,151
Purchase of tangible fixed assets		**(3,088)**	(6,650)	**(1,898)**	(5,534)
Purchase of intangible fixed assets		**(1,393)**	(1,222)	**(1,342)**	(1,222)
Proceeds from sale of investments		**1,495**	7,548	**1,495**	7,548
Purchase of investments		**(946)**	(2,100)	**(981)**	(1,259)
Net cash provided by investing activities		**1,581**	4,197	**2,346**	5,684
Change in cash and cash equivalents in the year		**(7,583)**	(8,522)	**(1,852)**	(5,599)
Cash and cash equivalents at the beginning of the year		**59,231**	67,753	**48,014**	53,613
Cash and cash equivalents at the end of the year	**23**	**51,648**	59,231	**46,162**	48,014

A. Reconciliation of net income to net cash flow from operating activities	**2020 Group £'000**	2019 Group £'000	**2020 Charity £'000**	2019 Charity £'000
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	**(17,006)**	7,655	**(15,034)**	7,244
Adjustments for:				
Depreciation, amortisation and impairment charges	**13,232**	3,888	**12,413**	3,294
Gains on investments	**(742)**	(13,453)	**(700)**	(12,968)
Dividends, interest and rents from investments	**(5,513)**	(6,621)	**(5,072)**	(6,151)
Gift of investment property	**(582)**	-	**-**	-
Loss on sale of tangible and intangible fixed assets	**2,756**	29	**2,751**	6
Decrease/(increase) in stock	**511**	(690)	**-**	-
Decrease in programme-related investments	**498**	580	**498**	603
(Increase)/decrease in debtors	**(13)**	(1,613)	**1,680**	(251)
Decrease in creditors	**(8,609)**	(3,579)	**(7,034)**	(4,122)
Increase in provisions	**956**	7	**956**	7
Reclassification of fixed assets to current assets	**5,175**	-	**5,175**	-
Adjustment in respect of pension funding	**173**	1,078	**169**	1,055
Net cash absorbed by operating activities	**(9,164)**	(12,719)	**(4,198)**	(11,283)

Royal British Legion – Notes to the Accounts for the year ended 30 September 2020

Notes to the Accounts for the year ended 30 September 2020

1 Principal Accounting Policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including 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)' (SORP 2019), and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2020, with prior year comparatives (2019) for the year to 30 June 2019.

The group meets the definition of a public benefit entity under FRS 102 and the financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

Group financial statements

These financial statements comprise the central General and Benevolent funds vested in the Board of Trustees in accordance with the Royal British Legion's ("the RBL") Royal Charter. As agreed with the Charity Commission and in accordance with FRS 102, they include the results, assets and liabilities of the RBL's counties, districts, branches and Women's Section. The RBL's policy is to consolidate results of all branches, counties and districts based upon receipt of individual returns. Where returns are not received, assets are included at the previously reported value adjusted for known transactions. The subsidiaries and organisations listed in note 14 have been consolidated on a line-by-line basis.

Four organisations that carry the RBL's name but are not controlled by the RBL have not been included in these financial statements, namely, Royal British Legion Industries, The Royal British Legion Poppy Factory Limited, The Royal British Legion Attendants Company Trust and Royal British Legion Scotland. The accounts do not include the results of affiliated social clubs, which are not controlled by the charity but are separately registered organisations licensed to use the RBL's name.

Fund accounting

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds represent grants, donations, legacies and property which are given by the donor for specific purposes and which must be used for that purpose. All restricted funds are held within the Benevolent fund unless otherwise stated. Restricted funds include permanent endowment funds, which are not material and are not therefore shown separately on the face of the balance sheet. The funds of The National Memorial Arboretum Company Limited and its subsidiary (NMA (Enterprises) Limited), the Earl Haig Fund Scotland and the Lady Haig Poppy Factory (Poppyscotland Group), and the Royal British Legion Republic of Ireland, are held within restricted funds since their objects are narrower than those of The Royal British Legion group.

Income

Income is recognised in the year in which the RBL is entitled to receipt of that income and when the amount can be measured with reasonable accuracy. In accordance with this policy:

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received. Investment income includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2020.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

The economic value of time given by volunteers is not included in these financial statements as it cannot be reasonably and accurately calculated.

Royal British Legion – Notes to the Accounts for the year ended 30 September 2020

Notes to the Accounts for the year ended 30 September 2020

Expenditure

Expenditure is accounted for on an accruals basis. Irrecoverable VAT is included with the expense items to which it relates. Expenditure comprises:

- *Cost of raising funds* includes expenditure on poppies and other fundraising items, staff and related expenditure of the Poppy Appeal, costs of the central fundraising department, commercial (trading) activities and investment-management fees.
- *Charitable activities* includes expenditure directly related to the delivery of the services (including staff costs) provided by the charity to eligible beneficiaries, and includes the cost of residential care, welfare Break Centres, community welfare services, and Remembrance and comradeship. It also includes the cost of supporting and maintaining the RBL's extensive membership and the costs of campaigning on behalf of beneficiaries. The cost of evaluating, supporting and managing charitable programmes is also included and further analysed in the notes to the accounts.
- *Certain campaign costs* are allocated between Cost of raising funds and Charitable activities on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively.
- *Support costs* include the central functions such as general management, financial administration, information technology, human resources, governance and facilities management.

Grants payable are recognised in the Statement of Financial Activities when awarded and the recipient has a valid expectation of receipt, thus creating a constructive or legal obligation.

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury Gilts over the period of the grant.

Allocation of costs

Where possible, the RBL's operating costs, which include staff costs, are allocated directly to the various categories of charitable expenditure or cost of raising funds. Where costs are not directly attributable to any category, they have been apportioned on an appropriate basis to reflect, in each case, an estimate of the efforts and resources devoted to each category of activity – see note 13. Activities which are predominantly outsourced bear no allocation of support costs.

Stocks, poppies and wreaths

The majority of stock relates to Poppy Shop products held for resale by Royal British Legion Trading Ltd. Stock also includes poppies and wreaths produced at the Lady Haig Poppy Factory, which are manufactured for external resale. Stocks are valued at the lower of cost and net realisable value and include direct costs of labour and materials, plus allocation of general overheads. Poppies and wreaths produced for distribution during the Poppy Appeal are expensed immediately.

Staff pension schemes

There are five staff pension schemes, which are accounted for in accordance with FRS 102 section 28. There are two defined benefit schemes closed to future accrual; the Royal British Legion Staff Pension Fund and the Earl Haig Defined Benefit Scheme. The remaining three are current, defined contribution schemes; the Group Flexible Retirement Plan, The Earl Haig Fund Scotland Stakeholder Scheme and the Lady Haig Poppy Factory Stakeholder Scheme. Further details are included in note 16 to the accounts.

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet.

For the defined contribution schemes, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year.

Investments and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

Properties not used for charitable purposes are classified as investment properties and are included in investments at market value. Investment properties are revalued on a rolling five-year basis, with 20% of properties being revalued each year internally by qualified surveyors in our Estates team. The remaining 80% of properties are reviewed for material changes.

Programme-related investments are held at the amount invested less any impairment. These are reviewed on an annual basis and any impairment is immediately recognised in the Statement of Financial Activities.

Tangible and intangible fixed assets

Purchases of individual tangible and intangible fixed assets costing more than £50,000, or purchases related to capital projects costing more than £50,000 in total, are capitalised.

Functional properties (freehold and leasehold) used by the charity are included at cost, where known, or valuation at date of acquisition. Branch properties acquired or gifted before 1 October 1995, where the original cost cannot be established, are included at a nominal value of £1 each. Depreciation on functional properties is provided on the cost of buildings on a straight line basis over 50 years or the term of the lease if less. Leasehold improvements are depreciated over the term of the lease. The head office building, Haig House, is depreciated over its expected useful life of 33 years.

Plant, machinery and equipment where capitalised is included at cost. Depreciation is provided over 5 years from the month of first use.

Software, databases and licences, where capitalised, are included at cost, which includes the cost of internal development where applicable. Amortisation is provided over 5 years from the month of first use where no distinct life of the asset can be identified at the point of capitalisation; where the life is known, for example licences, amortisation is provided over the life of the asset.

Tangible and intangible fixed assets that are under construction are classified as Assets Under Construction and are transferred into the appropriate category on project completion, when depreciation then commences.

The useful economic lives and residual lives of fixed assets are reviewed at the end of each accounting year to consider whether there has been an impairment. Impairments are charged to the Statement of Financial Activities.

Heritage assets

The Armed Forces Memorial (AFM) is included as a heritage asset in the accounts of The National Memorial Arboretum Company Limited at a nominal value of £1. The Trustees consider that the cost of ascertaining a definite value through a surveyor's valuation significantly outweighs the benefit gained from such a valuation.

Financial and operating leases

Instalments payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Any lease incentives (such as rent-free periods) are spread over the life of the lease. The group does not have any material finance leases.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2020

Taxation

The activities of the RBL and its charitable subsidiaries are exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010, to the extent that they are applied to the organisation's charitable objects. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay their taxable profits as Gift Aid to the RBL.

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts, converted to sterling at the exchange rate as at 30 September 2020.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price (including transaction costs) and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting judgements and key sources of estimation uncertainty

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

A material valuation uncertainty was disclosed in the charity's investment property valuation report for the year ended 30 September 2020. The market value of the properties valued in the year was £15.1 million, and the market value of the investment portfolio as at the year end was £66.1 million. The unprecedented set of circumstances caused by Covid-19 led to an absence of relevant/sufficient market evidence on which to base judgements, which increased the estimated uncertainty over the valuation at the balance sheet date. However, this does not mean that the valuation cannot be relied upon. Rather the note in the valuation report was included to ensure transparency and to provide insight as to the market context under which the valuation opinion was prepared.

The Trustees do not consider there are any further critical judgements or key sources of estimation uncertainty requiring disclosure that are not already described within note 1 above.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2019 £'000	Restricted funds 2019 £'000	Total 2019 £'000
Income and endowments from			
Donations and legacies	93,801	7,516	101,317
Charitable activities	21,809	22,806	44,615
Other trading activities	20,183	2,756	22,939
Investments	2,719	3,902	6,621
Other	-	391	391
Total income	138,512	37,371	175,883
Expenditure on			
Raising funds	36,867	6,624	43,491
Charitable activities			
Care	34,061	690	34,751
Personnel Recovery Centres	2,394	102	2,496
Community Welfare	46,727	16,997	63,724
Membership	7,900	1,118	9,018
Comradeship	595	-	595
Communications and campaigning	12,806	-	12,806
Remembrance and ceremonial	2,258	12,544	14,802
Total charitable activities	106,741	31,451	138,192
Total expenditure	143,608	38,075	181,683
Net expenditure before investment gains	(5,096)	(704)	(5,800)
Net gains on disposal of investments	1,094	2,791	3,885
Unrealised gains on revaluation of investments	4,669	4,899	9,568
Net income before tax	667	6,986	7,653
Taxation credit	2	-	2
Net income for the year	669	6,986	7,655
Transfers between funds	5,963	(5,963)	-
Other recognised (losses)/gains			
Actuarial gains on defined benefit pension scheme	(1,446)	(41)	(1,487)
Net movement in funds	5,186	982	6,168
Fund balances brought forward at 1 October	183,648	181,992	365,640
Fund balances carried forward at 30 September	188,834	182,974	371,808

3a Charity Comparative Statement of Financial Activities

	Unrestricted funds 2019 £'000	Restricted funds 2019 £'000	Total 2019 £'000
Income and endowments from			
Donations and legacies	96,883	1,839	98,722
Charitable activities	24,185	19,437	43,622
Other trading activities	5,273	11	5,284
Investments	2,719	3,432	6,151
Other	-	356	356
Total income	129,060	25,075	154,135
Expenditure on			
Raising funds	28,121	17	28,138
Charitable activities			
Care	34,061	690	34,751
Personnel Recovery Centres	2,394	102	2,496
Community Welfare	48,938	12,044	60,982
Membership	7,900	1,054	8,954
Comradeship	595	-	595
Communications and campaigning	12,806	-	12,806
Remembrance and ceremonial	2,258	8,879	11,137
Total charitable activities	108,952	22,769	131,721
Total expenditure	137,073	22,786	159,859
Net (expenditure)/income before investment gains	(8,013)	2,289	(5,724)
Net gains on disposal of investments	1,094	2,791	3,885
Unrealised gains on revaluation of investments	4,669	4,414	9,083
Net (expenditure)/income for the year	(2,250)	9,494	7,244
Transfers between funds	8,270	(8,270)	-
Other recognised losses			
Actuarial losses on defined benefit pension scheme	(1,446)	-	(1,446)
Net movement in funds	4,574	1,224	5,798
Fund balances brought forward at 1 October	180,530	142,581	323,111
Fund balances carried forward at 30 September	185,104	143,805	328,909

4 Donations and legacies

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Voluntary income				
Donations	**20,927**	24,570	**22,346**	25,547
Legacies	**19,664**	21,794	**19,175**	21,274
The Poppy Appeal	**46,526**	54,953	**44,180**	51,901
Total donations and legacies	**87,117**	101,317	**85,701**	98,722

The total of the Poppy Appeal launched in October 2019 in England, Wales and Northern Ireland was £44.180 million (2019: £51.901 million). This includes cash collected of £43.040 million (2019: £48.231 million), legacies of £190,000 (2019: £366,000) and other donations of £950,000 (2019: £3.304 million). The Poppy Appeal in Scotland raised £2.279 million (2019: £2.948 million), and a further £67,000 (2019: £104,000) was raised by the Royal British Legion Republic of Ireland.

At 30 September 2020, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £1.675 million (2019: £1.05 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £978,000 (2019: £783,000) where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £18.16 million (2019: £13.52 million). These are a mixture of residuary legacies that are not recognised in these accounts as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in Donations above is pro bono legal support of £82,500 (2019: £107,500) from J A Kemp, Mayer Brown LLP, Withers LLP and RSA. Also included are other benefits-in-kind valued at £185,000 (2019: £90,000).

5 Charitable activities

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Grants for welfare services and Remembrance				
Aged Veterans' Healthy Living Programme and Veterans Medical Fund	**446**	7,200	**446**	7,200
Grant from Poppy Lottery	**-**	-	**2,301**	2,376
Ex-service charities and other organisations (almonisation)	**2,807**	2,790	**2,631**	2,625
Contributions for Remembrance activities	**3,056**	10,575	**1,817**	9,095
Grants towards capital projects	**-**	20	**-**	-
Other grants and contributions	**3,480**	1,492	**2,305**	416
Total grants for welfare services and Remembrance	**9,789**	22,077	**9,500**	21,712
Fees from residential care homes	**16,874**	17,147	**16,874**	17,147
Membership fees	**4,083**	4,402	**4,079**	4,401
Income from charitable services	**816**	989	**397**	362
Total other income from charitable activities	**21,773**	22,538	**21,350**	21,910
Total income from charitable activities	**31,562**	44,615	**30,850**	43,622

Almonisation income is the contribution from other charities towards grants paid by the RBL to individuals when the recipient of assistance is also a beneficiary of these other charities.

Income from other grants and contributions includes non-performance related grants of which £1.4 million are government grants (2019: £nil). This relates to income from the Coronavirus Job Retention Scheme. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

6 Other trading activities

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fundraising events income	**1,398**	2,526	**1,397**	2,519
Fundraising lotteries	**8,528**	8,351	**5,050**	2,215
Income from commercial activities	**8,693**	11,526	**10**	14
Licence fees and royalties	**21**	94	**21**	94
Advertising in the Legion magazine	**213**	442	**213**	442
Total income from other trading activities	**18,853**	22,939	**6,691**	5,284

7 Investment income

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Dividends and interest on listed investments	**3,092**	2,998	**2,669**	2,540
Investment income on funds held by branches	**311**	696	**311**	696
Rentals from investment properties	**1,854**	2,472	**1,854**	2,471
Bank deposit interest	**256**	455	**238**	444
Total investment income	**5,513**	6,621	**5,072**	6,151

Rentals from investment properties with a market value of £66.706 million (note 20) at 30 September 2020 (2019: £65.019 million) are in most cases received in relation to the rental of properties by RBL clubs. The clubs are independent entities, which use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds

	Group 2020 £'000	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Donations costs	**8,112**	9,380	**6,481**	6,944
Legacies costs	**1,978**	1,835	**1,785**	1,795
Poppy Appeal costs	**14,187**	14,225	**12,947**	13,469
Cost of raising voluntary income	**24,277**	25,440	**21,213**	22,208
Fundraising events costs	**2,360**	3,340	**2,360**	3,308
Fundraising lotteries costs	**3,963**	5,929	**2,758**	2,130
Commercial activities (trading)	**7,191**	8,333	**(29)**	43
Cost of activities to raise funds	**13,514**	17,602	**5,089**	5,481
Investment management	**404**	449	**395**	449
Total cost of raising funds	**38,195**	43,491	**26,697**	28,138

The total cost of raising funds for the group of £38.195 million (2019: £43.491 million) includes direct costs of £32.838 million (2019: £38.534 million) and allocated support costs of £5.357 million (2019: £4.957 million). Allocated support costs are described in further detail in note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £9.139 million (2019: £8.052 million), of which £5.848 million (2019: £5.261 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.291 million (2019: £2.791 million) has been reallocated into charitable activities representing the raising-awareness element.

9 Analysis of charitable activities

	Note	**Group 2020 £'000**	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Residential care homes		**31,343**	28,562	**31,343**	28,562
Welfare Break Centres		**13,402**	6,189	**13,402**	6,189
Total care		**44,745**	34,751	**44,745**	34,751
Personnel Recovery Centres		**1,527**	2,496	**1,527**	2,496
Welfare grants to individuals		**11,673**	15,903	**10,897**	14,957
Grants to other organisations	10	**5,326**	12,687	**5,955**	12,213
Information, advice and support		**28,335**	31,661	**26,392**	30,339
Welfare cost in branches, counties and districts		**3,184**	3,473	**3,184**	3,473
Total community welfare		**48,518**	63,724	**46,428**	60,982
Central membership support		**4,239**	4,503	**4,220**	4,504
Recruitment, development, training		**441**	568	**441**	568
Support to branches with clubs		**228**	229	**228**	229
The Legion magazine		**694**	846	**694**	846
Membership costs in branches, counties and districts		**2,387**	2,872	**2,387**	2,807
Total membership		**7,989**	9,018	**7,970**	8,954
Comradeship		**510**	595	**510**	595
Direct cost of communication and campaigning		**8,894**	10,015	**8,894**	10,015
Allocated cost of communication and campaigning		**3,291**	2,791	**3,291**	2,791
Total communication and campaigning		**12,185**	12,806	**12,185**	12,806
Festival of Remembrance		**884**	826	**884**	826
Ceremonial and commemorative events		**2,924**	9,775	**2,890**	9,710
Remembrance tours		**328**	601	**328**	601
National Memorial Arboretum operating costs		**3,165**	3,600	**-**	-
Total Remembrance and ceremonial		**7,301**	14,802	**4,102**	11,137
Total cost of charitable activities		**122,775**	138,192	**117,467**	131,721

The total cost of charitable activities for the group of £122.775 million (2019: £138.192 million) includes direct costs of £102.649 million (2019: £118.629 million) and allocated support costs of £20.126 million (2019: £19.563 million). Allocated support costs are described in further detail in note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.291 million (2019: £2.791 million), relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2020 £'000	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Grants awarded by the Charity				
The Officers' Association	**-**	6,700	**-**	6,700
Personnel Recovery Centres	**-**	204	**-**	204
Combat Stress	**2,951**	1,550	**2,951**	1,550
Help for Heroes	**-**	600	**-**	600
National Memorial Arboretum	**-**	-	**2,300**	1,192
Poppyscotland	**-**	-	**356**	1,019
Grants to 20 other charities and voluntary organisations (2019: 34)	**348**	948	**348**	948
Grants awarded by Poppyscotland				
Unforgotten Forces	**521**	1,384	-	-
Citizens Advice Scotland	**522**	551	-	-
Grants to 15 other charities and voluntary organisations (2019: 11)	**984**	693	-	-
Grants awarded by Royal British Legion Republic of Ireland				
Grants to charities and voluntary organisations awarded – nil (2019: 2)	-	57	-	-
Total grants to other organisations	**5,326**	12,687	**5,955**	12,213

Grants awarded may relate to commitments for multiple future years. For more information on grant commitments, see note 25.

11 Taxation

	Group 2020 £'000	Group 2019 £'000
Current tax (charge)/credit:		
UK corporation tax (see below)	**-**	2
Adjustment to deferred tax	**(3)**	-
Total tax (charge)/credit on income	**(3)**	2

The taxation charges and credits above arise in the trading subsidiary operations.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations is as follows:

	Group 2020 £'000	Group 2019 £'000
Surplus on ordinary activities before tax	**2,388**	4,371
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2019: 19%)	**453**	831
Unutilised Losses	**19**	-
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 32)	**(472)**	(833)
Tax credit not recognised due to uncertainty over future profits	**-**	1
UK corporation tax charge/(credit) for the year	**-**	2

12 Net outgoing/incoming resources for the year is stated after charging:

	Group 2020 £'000	Group 2019 £'000	**Charity 2020 £'000**	Charity 2019 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	**177**	161	**177**	161
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	**99**	97	**-**	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	**2**	2	**1**	1
Tax advisory services	**11**	8	**2**	2
Other advisory services	**-**	-	**-**	-
Branch, county and district audit and examination fees	**32**	41	**32**	41
Depreciation, amortisation and impairment charges	**13,232**	3,888	**12,413**	3,294
Rentals under operating leases	**2,998**	2,982	**2,916**	2,901

13 Support costs

	Head Office Central 2020 £'000	Facilities Management 2020 £'000	Human Resources 2020 £'000	Finance and IT 2020 £'000	Governance 2020 £'000	Total Charity 2020 £'000	Subsidiaries 2020 £'000	Total Group 2020 £'000
Donations costs	141	161	112	639	62	**1,115**	**381**	**1,496**
Legacies costs	44	51	35	201	20	**351**	**59**	**410**
Poppy Appeal costs	-	383	265	1,516	148	**2,312**	**404**	**2,716**
Fundraising events costs	58	66	46	262	26	**458**	**-**	**458**
Fundraising lotteries costs	35	40	28	159	15	**277**	**-**	**277**
Cost of raising funds	**278**	**701**	**486**	**2,777**	**271**	**4,513**	**844**	**5,357**
Residential care homes	-	1,975	1,369	2,393	764	**6,501**	-	**6,501**
Welfare Break Centres	-	176	122	213	68	**579**	-	**579**
Care	**-**	**2,151**	**1,491**	**2,606**	**832**	**7,080**	**-**	**7,080**
Personnel Recovery Centres	**-**	**14**	**9**	**16**	**5**	**44**	**-**	**44**
Information, advice and support	868	997	691	3,951	385	**6,892**	**1,370**	**8,262**
Welfare cost in branches, counties and districts	29	34	23	134	13	**233**	-	**233**
Community welfare	**897**	**1,031**	**714**	**4,085**	**398**	**7,125**	**1,370**	**8,495**
Central membership support	145	166	115	659	64	**1,149**	**19**	**1,168**
Recruitment, development, training	17	20	14	78	8	**137**	-	**137**
Support to branches with clubs	9	10	7	39	4	**69**	-	**69**
Membership costs in branches, counties and districts	-	-	-	-	-	**-**	-	**-**
Membership	**171**	**196**	**136**	**776**	**76**	**1,355**	**19**	**1,374**
Comradeship	**11**	**12**	**9**	**49**	**5**	**86**	**-**	**86**
Direct cost of communications and campaigning	149	171	119	678	66	**1,183**	**-**	**1,183**
Communications and campaigning	**149**	**171**	**119**	**678**	**66**	**1,183**	**-**	**1,183**
Ceremonial and commemorative events	30	35	24	138	14	**241**	**29**	**270**
Remembrance tours	4	5	3	20	2	**34**	**-**	**34**
NMA operating costs	-	-	-	-	-	**-**	**1,560**	**1,560**
Remembrance and ceremonial	**34**	**40**	**27**	**158**	**16**	**275**	**1,589**	**1,864**
Charitable activities	**1,262**	**3,615**	**2,505**	**8,368**	**1,398**	**17,148**	**2,978**	**20,126**
Total support costs	**1,540**	**4,316**	**2,991**	**11,145**	**1,669**	**21,661**	**3,822**	**25,483**

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

13 Support costs continued

	Head Office Central 2019 £'000	Facilities Management 2019 £'000	Human Resources 2019 £'000	Finance and IT 2019 £'000	Governance 2019 £'000	Total Charity 2019 £'000	Subsidiaries 2019 £'000	Total Group 2019 £'000
Donations costs	102	130	115	604	43	994	534	1,528
Legacies costs	35	44	39	204	15	337	10	347
Poppy Appeal costs	-	314	279	1,461	104	2,158	209	2,367
Fundraising events costs	47	60	53	278	20	458	27	485
Fundraising lotteries costs	24	30	27	139	10	230	-	230
Cost of raising funds	208	578	513	2,686	192	4,177	780	4,957
Residential care homes	-	1,615	1,435	2,377	534	5,961	-	5,961
Welfare Break Centres	-	308	274	454	102	1,138	-	1,138
Care	-	1,923	1,709	2,831	636	7,099	-	7,099
Personnel Recovery Centres	-	9	8	13	3	33	-	33
Information, advice and support	752	953	847	4,439	315	7,306	534	7,840
Welfare cost in branches, counties and districts	22	28	25	132	9	216	1	217
Community welfare	774	981	872	4,571	324	7,522	535	8,057
Central membership support	112	143	127	665	47	1,094	-	1,094
Recruitment, development, training	15	18	16	85	6	140	-	140
Support to branches with clubs	7	8	8	39	3	65	-	65
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	134	169	151	789	56	1,299	-	1,299
Comradeship	9	11	10	51	4	85	-	85
Direct cost of communications and campaigning	131	165	147	771	55	1,269	-	1,269
Communications and campaigning	131	165	147	771	55	1,269	-	1,269
Ceremonial and commemorative events	22	28	25	129	9	213	54	267
Remembrance tours	3	4	4	20	1	32	-	32
NMA operating costs	-	-	-	-	-	-	1,422	1,422
Remembrance and ceremonial	25	32	29	149	10	245	1,476	1,721
Charitable activities	1,073	3,290	2,926	9,175	1,088	17,552	2,011	19,563
Total support costs	1,281	3,868	3,439	11,861	1,280	21,729	2,791	24,520

Support costs are allocated on the basis of FTE staff numbers. Support costs associated with the awarding of grants to individuals and organisations are included within information, advice and support above.

14 Activities of consolidated subsidiaries and organisations

The Legion has 13 wholly owned subsidiaries, nine of which are consolidated into these accounts, as described below. There are a further four subsidiaries that are dormant.

The results of the subsidiary entities are shown in the table below. All subsidiaries have 30 September year ends and are registered in the UK, with the exception of Royal British Legion Republic of Ireland (registered in the Republic of Ireland).

	The National Memorial Arboretum Company 2020 £'000	NMA (Enterprises) 2020 £'000	Poppyscotland Group 2020 £'000	Royal British Legion Republic of Ireland 2020 £'000	Royal British Legion Trading 2020 £'000	Royal British Legion Poppy Lottery 2020 £'000	Royal British Legion Developments 2020 £'000	Remembrance Travel 2020 £'000
Turnover/incoming resources	3,873	1,347	7,460	141	7,517	3,506	-	-
Expenditure	(3,782)	(1,546)	(7,862)	(281)	(8,766)	(3,506)	(8)	-
Net incoming/(outgoing) resources	**91**	**(199)**	**(402)**	**(140)**	**(1,249)**	**-**	**(8)**	**-**
Assets	23,185	501	15,995	2,576	3,658	-	17	49
Liabilities	(534)	(593)	(2,511)	(82)	(1,172)	-	(40)	(42)
Net assets	**22,651**	**(92)**	**13,484**	**2,494**	**2,486**	**-**	**(23)**	**7**

	The National Memorial Arboretum Company 2019 £'000	NMA (Enterprises) 2019 £'000	Poppyscotland Group 2019 £'000	Royal British Legion Republic of Ireland 2019 £'000	Royal British Legion Trading 2019 £'000	Royal British Legion Poppy Lottery 2019 £'000	Royal British Legion Developments 2019 £'000	Remembrance Travel 2019 £'000
Turnover/incoming resources	3,375	2,789	8,888	210	8,916	6,176	72	1
Expenditure	(4,142)	(2,806)	(8,304)	(263)	(8,271)	(6,176)	(80)	(33)
Net incoming/(outgoing) resources	(767)	(17)	584	(53)	645	-	(8)	(32)
Assets	23,367	503	16,181	2,673	4,563	3,849	151	55
Liabilities	(807)	(396)	(2,295)	(60)	(828)	(3,849)	(163)	(48)
Net assets	22,560	107	13,886	2,613	3,735	-	(12)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to NMA visitors. Its expenditure includes prior-year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £107,000 (2019: £664,000).

Poppyscotland (Earl Haig Fund Scotland) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group.

Royal British Legion Republic of Ireland – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior-year profits paid under the Gift Aid scheme to the RBL of £3.735 million (2019: £3.09 million).

Royal British Legion Poppy Lottery Limited – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020. Its expenditure includes a grant awarded to the RBL of £2.3 million (2019: £2.4 million). Other lottery activities are carried out by the parent charity. From 1 April 2020, the activities of this subsidiary were also transferred to the parent charity.

Royal British Legion Developments Limited – a trading company that develops or improves properties, principally those owned by the RBL. There were no profits to pay to the RBL in 2020 or 2019.

Remembrance Travel Limited – an inactive subsidiary from 1 October 2018. Previously a travel company delivering pilgrimages and associated travel activity. Its expenditure includes prior-year profits paid under the Gift Aid scheme to the RBL of £nil (2019: £30,000).

The Royal British Legion Family and Support Lottery Limited, Poppy Travel Limited, RBL Services Lottery Ltd and RBL Financial Grants Raffle Ltd – dormant subsidiaries.

15 Information regarding employees and Trustees

	Total 2020	Total 2019
Average number of employees (full-time equivalent) during the year	**No.**	No.
Raising funds	**213**	204
Charitable activities		
Care services and Personnel Recovery Centres	**657**	683
Community welfare services	**313**	347
Membership services	**59**	60
Comradeship	**4**	4
Communication and campaigning	**52**	59
Remembrance and ceremonial	**12**	11
Total charitable activities	**1,097**	1,164
Support and governance	**166**	143
Total charity full-time equivalent staff	**1,476**	1,511
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	**100**	101
National Memorial Arboretum Group	**87**	88
Royal British Legion Trading	**12**	8
Total group full-time equivalent staff	**1,675**	1,708

The group incurred costs of £3.76 million (2019: £5.0 million) on agency staff, which are not included in the staff costs below.

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Staff costs comprise:				
Wages and salaries	**48,149**	47,924	**43,777**	43,632
National Insurance contributions	**4,605**	4,568	**4,245**	4,217
Pension costs	**5,096**	4,559	**4,591**	4,167
Total staff costs	**57,850**	57,051	**52,613**	52,016

The number of staff paid more than £60,000 during the year (salary plus taxable benefits excluding pension contributions) was:

	Group 2020 No.	Group 2019 No.	Charity 2020 No.	Charity 2019 No.
£60,000 - £69,999	**20**	15	**19**	14
£70,000 - £79,999	**13**	14	**13**	14
£80,000 - £89,999	**7**	7	**7**	5
£90,000 - £99,999	**2**	1	**1**	1
£100,000 - £109,999	**2**	1	**2**	1
£110,000 - £119,999	**1**	1	**1**	1
£120,000 - £129,999	**2**	3	**2**	3
£130,000 - £139,999	**1**	-	**-**	-
£140,000 - £149,999	**-**	1	**-**	1
£150,000 - £159,999	**1**	-	**1**	-

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £981,000 (2019: £1.042 million).

During the year, redundancy payments of £452,000 (2019: £47,000) and termination payments of £58,000 (2019: £32,000) were made across the group, which are included in the staff costs figures above.

The RBL operates a transparent Pay Policy, which is communicated to all staff. Salary levels are regularly benchmarked against other comparable organisations across the private, public and third sectors. The compensation of RBL Directors is subject to annual review by a Governance Committee comprising five Trustees, including the Chairman and Vice Chairman.

During the year, the total expenses paid in respect of 13 (2019: 13) Board of Trustee members amounted to £41,000 (2019: £60,000). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds

The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:-

1. Group Flexible Retirement Plan (GFRP)

2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)

3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)

4. The Royal British Legion Staff Pension Fund (DB Fund)

5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP – This is the scheme available to all RBL group employees (excluding Poppyscotland) and is provided by Standard Life. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £4.834 million (2019: £4.249 million), of which £395,000 (2019: £384,000) remained payable at the year end.

EH Scheme: This is a scheme available to employees of the Poppyscotland Group and is provided by Standard Life. The EH Scheme was introduced in July 2002 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £187,000 (2019: £159,000), of which £27,000 (2019: £28,000) remained payable at the year end.

LHPF Scheme: This is the scheme available to employees of the Lady Haig Poppy Factory and is provided by Standard Life. The LHPF Scheme is a defined contribution scheme, and the liability of the employer is limited to the contributions it makes, which amounted to £88,000 (2019: £38,000), of which £nil (2019: £nil) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002 and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2017, with the 1 April 2020 valuation in progress. The results of the last valuation have been updated to 30 September 2020 by a qualified actuary. In accordance with the current Schedule of Contributions, the RBL is not required to pay any ongoing deficit contributions into the Fund. Contributions are made in relation to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members.The last full actuarial valuation of the EH Fund was carried out as at 31 March 2016, with the 31 March 2019 valuation in progress. As a result of the 2016 triennial valuation, the employer agreed to pay a one-off deficit contribution of £100,000, followed by annual deficit contributions of £75,000 per year from 1 July 2017 for eight years, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000	EH Fund 2019 £'000	DB Fund 2019 £'000	Total 2019 £'000
Current service cost	-	-	-	(21)	(549)	(570)
Administration expenses	**(104)**	**(312)**	**(416)**	(82)	(660)	(742)
Net interest	**(30)**	**(83)**	**(113)**	(48)	(71)	(119)
Amount charged to net incoming resources	**(134)**	**(395)**	**(529)**	(151)	(1,280)	(1,431)
Actuarial gains/(losses)	**197**	**(3,514)**	**(3,317)**	(541)	(6,674)	(7,215)
Return on assets excluding amount included in net interest	**(135)**	**(774)**	**(909)**	500	5,228	5,728
Amount recognised in other comprehensive income	**62**	**(4,288)**	**(4,226)**	(41)	(1,446)	(1,487)
Total decrease in net funds	**(72)**	**(4,683)**	**(4,755)**	(192)	(2,726)	(2,918)

16b Reconciliation to the Balance Sheet

	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000	EH Fund 2019 £'000	DB Fund 2019 £'000	Total 2019 £'000
Market value of assets	**5,266**	**68,031**	**73,297**	5,603	71,050	76,653
Present value of defined benefit obligation	**(7,019)**	**(77,310)**	**(84,329)**	(7,414)	(75,872)	(83,286)
Pension liability recognised in the Balance Sheet	**(1,753)**	**(9,279)**	**(11,032)**	(1,811)	(4,822)	(6,633)

16c Analysis of changes in the value of the fund liabilities over the year

	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000	EH Fund 2019 £'000	DB Fund 2019 £'000	Total 2019 £'000
Value of liabilities at start of year	**(7,414)**	**(75,872)**	**(83,286)**	(7,002)	(70,472)	(77,474)
Current service costs	**-**	**-**	**-**	(21)	(549)	(570)
Interest cost	**(123)**	**(1,262)**	**(1,385)**	(191)	(1,921)	(2,112)
Member contributions	**-**	**-**	**-**	-	-	-
Benefits paid	**321**	**3,338**	**3,659**	341	3,744	4,085
Actuarial gains/(losses)	**197**	**(3,514)**	**(3,317)**	(541)	(6,674)	(7,215)
Value of liabilities at end of year	**(7,019)**	**(77,310)**	**(84,329)**	(7,414)	(75,872)	(83,286)

16d Analysis of changes in the value of the fund assets over the year

	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000	EH Fund 2019 £'000	DB Fund 2019 £'000	Total 2019 £'000
Market value of assets at start of year	**5,603**	**71,050**	**76,653**	5,255	68,151	73,406
Return on assets excluding amount included in net interest	**(135)**	**(774)**	**(909)**	500	5,228	5,728
Administration expenses	**(104)**	**(312)**	**(416)**	(82)	(660)	(742)
Employer contributions	**130**	**226**	**356**	128	225	353
Interest income	**93**	**1,179**	**1,272**	143	1,850	1,993
Member contributions	**-**	**-**	**-**	-	-	-
Benefits paid	**(321)**	**(3,338)**	**(3,659)**	(341)	(3,744)	(4,085)
Market value of assets at end of year	**5,266**	**68,031**	**73,297**	5,603	71,050	76,653

16e Asset classes

	DB Fund 2020 Market Value £'000	DB Fund 2020 % of total fund assets	DB Fund 2019 Market Value £'000	DB Fund 2019 % of total fund assets
Equities	**20,041**	**29%**	19,525	28%
Bonds	**10,266**	**15%**	10,235	14%
LDI	**11,229**	**17%**	13,545	19%
Cash	**709**	**1%**	754	1%
Annuities	**2,285**	**3%**	1,901	3%
Other assets	**23,501**	**35%**	25,090	35%
Total fund assets	**68,031**		71,050	
The actual return on assets over the year was	**405**		7,078	

	EH Fund 2020 Market Value £'000	EH Fund 2020 % of total fund assets	EH Fund 2019 Market Value £'000	EH Fund 2019 % of total fund assets
Equities	**2,355**	**45%**	2,441	44%
Cash	**72**	**1%**	15	0%
Annuities	**418**	**8%**	500	9%
Other assets	**2,421**	**46%**	2,647	47%
Total fund assets	**5,266**		5,603	
The actual return on assets over the year was	**(42)**		643	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation.

The assets are invested in a diversified portfolio.

During 2021, contributions of £225,000 and £132,000 are expected to be paid into the DB Fund and EH Fund respectively.

16f Actuarial assumptions

Financial assumptions (both funds)	2020 % p.a.	2019 % p.a.
Discount rate	**1.4**	1.7
Retail price index inflation	**2.9**	3.2
Consumer price index inflation	**2.0**	2.2
Salary increases	**3.0**	3.2
Rate of increases of pensions in payment:		
Capped at 5% or RPI if less	**2.9**	3.1
Capped at 5% or CPI if less	**3.2**	3.2
Capped at 3% or CPI if less	**1.9**	2.0
Capped at 2.5% or CPI if less	**1.9**	1.8
Rate of increase for deferred pensioners	**2.0**	2.2

Mortality assumptions (both funds)

	2020		2019	
Life expectancies at age 60	**Males**	**Females**	Males	Females
Current pensioner now aged 60	**25.8 years**	**28.5 years**	26.4 years	28.9 years
Future pensioner now aged 40	**27.4 years**	**30.0 years**	27.9 years	30.4 years

17 Group intangible fixed assets

	Software, Databases and Licenses £'000	Assets under construction £'000	Total Group £'000
At cost or valuation			
At 1 October 2019	3,795	2,136	**5,931**
Additions	-	1,393	**1,393**
Transfers	1,634	(2,565)	**(931)**
Disposals	(586)	(171)	**(757)**
At 30 September 2020	**4,843**	**793**	**5,636**
Accumulated amortisation			
At 1 October 2019	(1,739)	-	**(1,739)**
Charge for the year	(974)	-	**(974)**
Eliminated on disposals	23	-	**23**
At 30 September 2020	**(2,690)**	**-**	**(2,690)**
Net book value at 30 September 2020	**2,153**	**793**	**2,946**
Net book value at 30 September 2019	2,056	2,136	4,192

17a Charity intangible fixed assets

	Software, Databases and Licenses £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation			
At 1 October 2019	3,795	2,136	**5,931**
Additions	-	1,342	**1,342**
Transfers	1,634	(2,565)	**(931)**
Disposals	(586)	(171)	**(757)**
At 30 September 2020	**4,843**	**742**	**5,585**
Accumulated amortisation			
At 1 October 2019	(1,739)	-	**(1,739)**
Charge for the year	(974)	-	**(974)**
Eliminated on disposals	23	-	**23**
At 30 September 2020	**(2,690)**	-	**(2,690)**
Net book value at 30 September 2020	**2,153**	**742**	**2,895**
Net book value at 30 September 2019	2,056	2,136	4,192

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2019	60,652	30,124	30,969	5,988	4,199	**131,932**
Additions	-	-	105	478	2,505	**3,088**
Transfers	(18,776)	497	113	1,236	(526)	**(17,456)**
Disposals	-	(129)	(503)	(6)	(1,635)	**(2,273)**
At 30 September 2020	**41,876**	**30,492**	**30,684**	**7,696**	**4,543**	**115,291**
Accumulated depreciation						
At 1 October 2019	(16,755)	(6,148)	(6,590)	(4,251)	-	**(33,744)**
Charge for the year	(897)	(692)	(1,210)	(772)	-	**(3,571)**
Impairment	(8,551)	(136)	-	-	-	**(8,687)**
Transfers	13,601	(53)	-	-	-	**13,548**
Disposals	-	11	239	1	-	**251**
At 30 September 2020	**(12,602)**	**(7,018)**	**(7,561)**	**(5,022)**	**-**	**(32,203)**
Net book value at 30 September 2020	**29,274**	**23,474**	**23,123**	**2,674**	**4,543**	**83,088**
Net book value at 30 September 2019	43,897	23,976	24,379	1,737	4,199	98,188

18a Charity tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation						
At 1 October 2019	60,652	29,258	6,875	5,063	4,199	**106,047**
Additions	-	-	-	478	1,420	**1,898**
Transfers	(18,776)	497	113	1,236	(526)	**(17,456)**
Disposals	-	(129)	(503)	-	(1,635)	**(2,267)**
At 30 September 2020	**41,876**	**29,626**	**6,485**	**6,777**	**3,458**	**88,222**
Accumulated depreciation						
At 1 October 2019	(16,755)	(5,813)	(3,406)	(4,113)	-	**(30,087)**
Charge for the year	(897)	(676)	(666)	(649)	-	**(2,888)**
Impairment	(8,551)	-				**(8,551)**
Transfers	13,601	(53)	-	-	-	**13,548**
Disposals	-	11	239	-	-	**250**
At 30 September 2020	**(12,602)**	**(6,531)**	**(3,833)**	**(4,762)**	**-**	**(27,728)**
Net book value at 30 September 2020	**29,274**	**23,095**	**2,652**	**2,015**	**3,458**	**60,494**
Net book value at 30 September 2019	43,897	23,445	3,469	950	4,199	75,960

Net transfers out of tangible fixed assets of £3,908,000 comprises £5,175,000 of properties transferred to Fixed Assets Held for Sale (see note 22), less £931,000 of assets under construction reclassified from intangibles (see note 17a) and £336,000 of branch occupied properties reclassified from investment properties (see note 20).

19 Investments

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Market value at 1 October	**165,895**	156,245	**152,574**	144,232
Net additions	**946**	2,100	**981**	1,259
Investment (loss)/gain on revaluation	**(2,194)**	7,550	**(2,236)**	7,083
Market value at 30 September	**164,647**	165,895	**151,319**	152,574

The asset distribution of the investment portfolio at 30 September is presented below.

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Equities:				
UK	**16,793**	18,711	**15,121**	16,645
Overseas	**71,570**	40,611	**67,168**	36,554
Total equities	**88,363**	59,322	**82,289**	53,199
Bonds:				
UK	**15,862**	38,451	**14,507**	33,122
Overseas	**6,887**	3,729	**3,086**	3,698
Total bonds	**22,749**	42,180	**17,593**	36,820
Cash:				
UK	**6,565**	12,995	**5,952**	12,995
Overseas	**127**	582	**-**	-
Total cash	**6,692**	13,577	**5,952**	12,995
Hedge funds – UK	**155**	5,509	**-**	5,509
Property	**6,344**	-	**6,166**	-
Commodities	**7,647**	1,932	**7,068**	1,932
Portfolio funds:				
UK	**16,619**	23,691	**16,619**	23,691
Overseas	**-**	96	**-**	-
Total portfolio funds	**16,619**	23,787	**16,619**	23,691
Other:				
UK	**8,527**	10,070	**8,489**	8,912
Overseas	**7,551**	9,518	**7,143**	9,516
Total other	**16,078**	19,588	**15,632**	18,428
Total investments	**164,647**	165,895	**151,319**	152,574

£133.183 million of the investments are managed by Cazenove Capital Management Limited (2019: £136.143 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, are valued at the last publicly available price.

Other investments includes investments held by branches, and balances relating to the Arthur Atock Memorial Trust and Devon Community Trust.

20 Group Investment properties

	Group 2020 £'000	Group 2019 £'000
Market value at 1 October	**65,019**	66,682
Additions	**582**	-
Transfers to tangible fixed assets	**(336)**	-
Disposals at market value	**(1,495)**	(7,548)
Net gain on revaluation of investment properties	**2,936**	5,885
Market value at 30 September	**66,706**	65,019

20a Charity investment properties

	Charity 2020 £'000	Charity 2019 £'000
Market value at 1 October	**65,019**	66,682
Transfers to tangible fixed assets	**(336)**	-
Disposals at market value	**(1,495)**	(7,548)
Net gain on revaluation of investment properties	**2,936**	5,885
Market value at 30 September	**66,124**	65,019

Investment properties primarily comprise 302 properties (2019: 310 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2020, 62 properties were revalued (2019: 82 properties) and a revaluation gain of £3.00 million (2019: £2.35 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £13,800 (2019: losses of £8,000) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2020, none of these properties (2019: 9) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2019: £475,000) has been recognised in respect of these properties.

The remainder of the net gain on revaluation relates to gains on disposal or transfer to fixed assets of £599,000 (2019: £3.067 million).

The Charity's valuers use valuation techniques to determine the fair value of investment property. This involves developing estimates and assumptions consistent with how market participants would price the property. The unprecedented set of circumstances caused by Covid-19 led to an absence of relevant/sufficient market evidence on which to base judgements, which increased the estimated uncertainty over the valuation at the balance sheet date. A material valuation uncertainty was therefore disclosed in the investment property valuation report. However, this does not mean that the valuation cannot be relied upon. Rather the note in the valuation report was included to ensure transparency and to provide insight as to the market context under which the valuation opinion was prepared.

21 Programme-related investments

	Group and Charity 2020 £'000	Group and Charity 2019 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	**523**	668
Other schemes unrestricted		
Loans for property repairs (PRL)	**3,987**	4,337
Programme-related investments unrestricted	**4,510**	5,005
Other schemes restricted		
Be The Boss scheme (BTB)	**-**	3
Total programme-related investments	**4,510**	5,008

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	PRL loans £'000	BTB loans £'000	Total Group and Charity £'000
Opening balance at 1 October 2019	668	4,337	3	**5,008**
Interest	23	-	-	**23**
Repayments and security deposits	(172)	(355)	(3)	**(530)**
Write-offs and bad debt provision movements	4	5	-	**9**
Closing balance at 30 September 2020	**523**	**3,987**	**-**	**4,510**

The RBL has provided a number of loans in furtherance of its charitable objectives as follows:

Sir Oswald Stoll Foundation – a secured loan repayable over 10 years issued towards the development costs of a veterans' housing centre. An interest rate of 4% is applied to the principal issued on the anniversary of the loan agreement (17 September 2013).

Property Repair Loans – interest-free secured loans to beneficiaries living in their own homes to provide housing improvements. The majority are lifetime loans as they are repayable on the sale of property. The minimum amount for a loan is £2,000 and the maximum allowed is £25,000. The RBL ceased issuing new loans in 2013.

Be the Boss loans – a scheme (now closed) originally supported by the Ministry of Defence, which provides financial support through loans and grants to recent UK service leavers who are interested in setting up or expanding their own business. The loans are repayable within four years and an annual rate of interest of 9.4% is charged.

22 Debtors

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Fixed assets held for sale	**5,175**	-	**5,175**	-
Trade debtors	**4,536**	7,633	**4,097**	7,319
Amounts due from consolidated entities	**-**	-	**809**	2,914
Other debtors	**3,185**	3,110	**3,137**	2,957
Prepayments and accrued income	**3,846**	5,986	**3,143**	4,851
Total debtors	**16,742**	16,729	**16,361**	18,041

23 Cash at hand and in bank and short-term deposits

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Cash held centrally				
Short-term deposits	**13,114**	10,075	**12,609**	9,592
Cash at hand and in bank	**26,900**	36,946	**21,919**	26,212
	40,014	47,021	**34,528**	35,804
Cash held by branches	**11,634**	12,210	**11,634**	12,210
Total cash	**51,648**	59,231	**46,162**	48,014

24 Creditors

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Creditors falling due within one year				
Trade creditors	**2,209**	5,576	**1,730**	4,792
Amounts due to consolidated entities	**-**	-	**288**	204
Grant commitments (see note 25)	**11,162**	11,288	**11,162**	11,288
Accruals	**7,349**	10,521	**6,371**	9,011
Deferred Income (see note 24a)	**3,164**	3,050	**3,058**	2,256
Other creditors	**2,305**	2,084	**2,095**	1,831
Hire Purchase commitments	**20**	-	**-**	-
Total creditors falling due within one year	**26,209**	32,519	**24,704**	29,382

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Creditors falling due after more than one year				
External grant commitments (see note 25):				
Due within two to five years	**2,845**	5,201	**2,845**	5,201
Hire Purchase commitments:				
Due within two to five years	**57**	-	**-**	-
Total creditors falling due after more than one year	**2,902**	**5,201**	**2,845**	5,201

24a Deferred income movement during the year

	Group 2020 £'000	Group 2019 £'000	Charity 2020 £'000	Charity 2019 £'000
Opening balance at 1 October	**3,050**	3,001	**2,256**	2,304
Deferred income released in year	**(3,050)**	(3,001)	**(2,256)**	(2,304)
Income deferred in the year	**3,164**	3,050	**3,058**	2,256
Closing balance at 30 September	**3,164**	**3,050**	**3,058**	**2,256**

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2020, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group and Charity grant commitments

	Personnel Recovery Centres 2020 £'000	Centre for Blast Injury Studies 2020 £'000	Other 2020 £'000	Group and Charity Total 2020 £'000
Opening balance at 1 October	7,250	1,867	7,372	**16,489**
Grants awarded	-	-	3,037	**3,037**
Unwinding of discount	126	133	29	**288**
Payments during the year	(794)	(1,000)	(4,013)	**(5,807)**
Closing balance at 30 September	**6,582**	**1,000**	**6,425**	**14,007**

26 Provisions for liabilities

	Group and Charity 2020 £'000	Group and Charity 2019 £'000
Opening balance at 1 October	**494**	487
Provisions made in year	**956**	7
Closing balance at 30 September	**1, 450**	494

Provisions for liabilities includes estimated future costs of dilapidations obligations arising from land and building operating lease contracts where RBL is the lessee and the contract requires RBL to pay such costs at the end of the lease period. Current lease obligations expire no later than 2025.

27 Group operating lease commitments

	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000	Land and buildings 2019 £'000	Vehicles and equipment 2019 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,351**	**527**	1,285	608
Within two to five years	**3,790**	**372**	4,575	812
Over five years	**2,417**	**-**	2,750	-
Total	**7,558**	**899**	8,610	1,420

27a Charity operating lease commitments

	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000	Land and buildings 2019 £'000	Vehicles and equipment 2019 £'000
At 30 September the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	**1,294**	**511**	1,230	585
Within two to five years	**3,629**	**361**	4,389	766
Over five years	**2,360**	**-**	2,661	-
Total	**7,283**	**872**	8,280	1,351

28 Group unrestricted funds

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	102,974	(87,762)	(476)	4,928	**48,149**
Area trust funds	39,294	-	(11,830)	-	2,026	**29,490**
Pension reserve	(4,822)	-	(395)	(4,288)	226	**(9,279)**
Subsidiaries' funds	3,730	11,023	(6,247)	-	(6,036)	**2,470**
Available reserves	**66,687**	**113,997**	**(106,234)**	**(4,764)**	**1,144**	**70,830**
General fund	5,187	4,149	(4,600)	-	-	**4,736**
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	**31,734**
Functional fixed asset reserve	80,152	-	(12,413)	-	825	**68,564**
Programme-related investment reserve	4,914	23	-	-	(427)	**4,510**
Total group unrestricted funds	**188,834**	**121,431**	**(126,203)**	**(4,800)**	**1,112**	**180,374**

	Opening Balance 1 Oct 2018 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2019 £'000
Central benevolent fund	29,720	112,120	(121,582)	5,453	2,774	28,485
Area trust funds	37,181	-	-	-	2,113	39,294
Pension reserve	(2,321)	-	(1,280)	(1,446)	225	(4,822)
Available reserves	67,698	127,070	(131,927)	4,007	(161)	66,687
General fund	4,706	4,713	(4,232)	-	-	5,187
Branch, county, district and Women's Section funds	28,977	6,702	(4,158)	311	62	31,894
Functional fixed asset reserve	76,696	-	(3,292)	-	6,748	80,152
Programme-related investment reserve	5,571	29	-	-	(686)	4,914
Total group unrestricted funds	183,648	138,514	(143,609)	4,318	5,963	188,834

The Central benevolent fund incorporates the core activities of the RBL, such as operating residential care homes and welfare Break Centres, giving grants, providing resettlement training, giving pension-claims advice, and acting as the custodian of Remembrance. The proceeds from the annual Poppy Appeal collection are allocated to this fund.

The Area trust funds are benevolent funds that have been designated for use in a particular geographical area.

The Pension reserve is a specific allocation of unrestricted funds in relation to the Royal British Legion Staff Pension Fund.

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

Taken together, the above three lines represent the total unrestricted reserves of the RBL, which are available for immediate use at the discretion of the Trustees.

The General fund is used to support the central administration of the membership of the RBL.

Branch, county, district and Women's Section funds represent those funds held by, or on behalf of, the various RBL membership formations.

The Functional fixed asset reserve represents the value of the RBL's functional fixed asset portfolio (such as residential care homes and welfare Break Centres), used by the charity in the delivery of its charitable objectives.

The Programme-related investment reserve represents the value of the programme-related investments used by the charity in the delivery of its charitable objectives. The unrestricted reserve excludes Be the Boss loans, which are included within restricted funds (see note 29).

28a Charity unrestricted funds

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	109,010	(90,418)	(476)	1,566	**48,167**
Area trust funds	39,294	-	(11,830)	-	2,026	**29,490**
Pension reserve	(4,822)	-	(395)	(4,288)	226	**(9,279)**
Available reserves	**62,957**	**109,010**	**(102,643)**	**(4,764)**	**3,818**	**68,378**
General fund	5,187	4,149	(4,600)	-	-	**4,736**
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	**31,734**
Functional fixed asset reserve	80,152	-	(12,413)	-	825	**68,564**
Programme-related investment reserve	4,914	23	-	-	(427)	**4,510**
Total charity unrestricted funds	**185,104**	**116,444**	**(122,612)**	**(4,800)**	**3,786**	**177,922**

	Opening Balance 1 Oct 2018 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2019 £'000
Central benevolent fund	29,720	117,616	(124,111)	5,452	(192)	28,485
Area trust funds	37,181	-	-	-	2,113	39,294
Pension reserve	(2,321)	-	(1,280)	(1,446)	225	(4,822)
Available reserves	64,580	117,616	(125,391)	4,006	2,146	62,957
General fund	4,706	4,713	(4,232)	-	-	5,187
Branch, county, district and Women's Section funds	28,977	6,702	(4,158)	311	62	31,894
Functional fixed asset reserve	76,696	-	(3,292)	-	6,748	80,152
Programme-related investment reserve	5,571	29	-	-	(686)	4,914
Total charity unrestricted funds	180,530	129,060	(137,073)	4,317	8,270	185,104

29 Group restricted funds

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	**66,124**
Income and sales proceeds from property held in corporate trusteeship	46,851	2,512	(9,938)	242	155	**39,822**
Grants for specific purposes	4,515	6,673	(9,643)	-	18	**1,563**
Programme-related investment reserve	3	-	-	-	(3)	**-**
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	**11,846**
Branch and county funds	7,725	445	(614)	(1,922)	-	**5,634**
Charity Commission schemes	2,113	47	-	16	(10)	**2,166**
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	**1,928**
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	**1,268**
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	**129**
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	**344**
Permanent endowments	830	25	(46)	32	-	**841**
Total charity restricted funds	**143,805**	**11,931**	**(21,552)**	**1,267**	**(3,786)**	**131,665**
Poppyscotland Group	15,680	6,798	(7,728)	244	243	**15,237**
Poppyscotland pension provision	(1,788)	-	(134)	62	107	**(1,753)**
National Memorial Arboretum Group	22,643	2,813	(5,221)	-	2,324	**22,559**
Royal British Legion Republic of Ireland	2,634	141	(135)	(146)	-	**2,494**
Total group restricted funds	**182,974**	**21,683**	**(34,770)**	**1,427**	**(1,112)**	**170,202**

	Opening Balance 1 Oct 2018 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2019 £'000
Investment property reserve	66,682	-	-	5,885	(7,548)	65,019
Income and sales proceeds from property held in corporate trusteeship	45,758	2,749	(3,491)	363	1,472	46,851
Grants for specific purposes	4,829	19,227	(17,565)	-	(1,976)	4,515
Programme-related investment reserve	17	-	-	-	(14)	3
Donor-restricted legacies and donations	13,233	1,156	(378)	116	(204)	13,923
Branch and county funds	6,496	883	(324)	670	-	7,725
Charity Commission schemes	1,933	46	-	134	-	2,113
Homes' residents' amenity funds	1,030	719	(690)	-	-	1,059
The Arthur Atock Memorial Trust	1,201	267	(185)	(4)	-	1,279
British Korean Veterans (1981) Relief Fund	149	3	(3)	3	-	152
Samsung British Korean Veterans Scholarship Fund	429	10	(116)	13	-	336
Permanent endowments	824	15	(34)	25	-	830
Total charity restricted funds	**142,581**	**25,075**	**(22,786)**	**7,205**	**(8,270)**	**143,805**
Poppyscotland Group	15,050	7,871	(8,744)	484	1,019	15,680
Poppyscotland pension provision	(1,747)	-	-	(41)	-	(1,788)
National Memorial Arboretum Group	23,425	4,213	(6,283)	-	1,288	22,643
Royal British Legion Republic of Ireland	2,683	212	(262)	1	-	2,634
Total group restricted funds	**181,992**	**37,371**	**(38,075)**	**7,649**	**(5,963)**	**182,974**

Restricted funds represent grants, donations, legacies and property that are given by the donor for specific purposes and that must be used for that purpose. All restricted funds are held within the Benevolent fund. Restricted funds include permanent endowment funds that are not material and are not therefore shown separately on the face of the Balance Sheet.

The investment property reserve represents the estimated market value of £66.124 million (2019: £65.019 million), representing a portfolio of 302 properties (2019: 310 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2020 was £39.822 million (2019: £46.851 million), which includes both investment income and sales proceeds.

29a Charity restricted funds

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	**66,124**
Income and sales proceeds from property held in corporate trusteeship	46,851	2,512	(9,938)	242	155	**39,822**
Grants for specific purposes	4,515	6,673	(9,643)	-	18	**1,563**
Programme-related investment reserve	3	-	-	-	(3)	**-**
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	**11,846**
Branch and county funds	7,725	445	(614)	(1,922)	-	**5,634**
Charity Commission schemes	2,113	47	-	16	(10)	**2,166**
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	**1,928**
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	**1,268**
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	**129**
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	**344**
Permanent endowments	830	25	(46)	32	-	**841**
Total charity restricted funds	**143,805**	**11,931**	**(21,552)**	**1,267**	**(3,786)**	**131,665**

	Opening Balance 1 Oct 2018 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2019 £'000
Investment property reserve	66,682	-	-	5,885	(7,548)	65,019
Income and sales proceeds from property held in corporate trusteeship	45,758	2,749	(3,491)	363	1,472	46,851
Grants for specific purposes	4,829	19,227	(17,565)	-	(1,976)	4,515
Programme-related investment reserve	17	-	-	-	(14)	3
Donor-restricted legacies and donations	13,233	1,156	(378)	116	(204)	13,923
Branch and county funds	6,496	883	(324)	670	-	7,725
Charity Commission schemes	1,933	46	-	134	-	2,113
Homes' residents' amenity funds	1,030	719	(690)	-	-	1,059
The Arthur Atock Memorial Trust	1,201	267	(185)	(4)	-	1,279
British Korean Veterans (1981) Relief Fund	149	3	(3)	3	-	152
Samsung British Korean Veterans Scholarship Fund	429	10	(116)	13	-	336
Permanent endowments	824	15	(34)	25	-	830
Total charity restricted funds	**142,581**	**25,075**	**(22,786)**	**7,205**	**(8,270)**	**143,805**

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £1.112 million from restricted to unrestricted reserves (2019: £5.963 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 24 trusts (2019: 30 trusts) resulting in the release of £1.909 million (2019: £2.113 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £2.3 million (2019: £1.192 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £355,000 (2019: £1.019 million) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2020 £'000	Restricted 2020 £'000	Total 2020 £'000	Unrestricted 2019 £'000	Restricted 2019 £'000	Total 2019 £'000
Fund balances are represented by:						
Intangible and tangible assets	**63,389**	**22,645**	**86,034**	80,152	22,228	102,380
Investments	**103,530**	**132,333**	**235,863**	97,844	138,078	235,922
Current assets	**51,277**	**18,995**	**70,272**	51,745	26,608	78,353
Current and non current liabilities	**(28,543)**	**(2,018)**	**(30,561)**	(36,085)	(2,129)	(38,214)
Defined benefit pension liability	**(9,279)**	**(1,753)**	**(11,032)**	(4,822)	(1,811)	(6,633)
Total funds	**180,374**	**170,202**	**350,576**	188,834	182,974	371,808

32 Events after the reporting period

On 5 January 2021, Gift Aid totalling £2.486 million relating to the 2020 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2020.

33 Related party transactions

During the year ended 30 September 2020, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £2.3 million was provided by the charity to The National Memorial Arboretum Company (2019: £1.165 million).
- The charity received donations of profits from Royal British Legion Trading and Remembrance Travel of £3.735 million and £nil respectively (2019: £3.090 million and £30,000 respectively). Royal British Legion Developments had no profits to pay to the charity in 2020 (2019: nil).
- The charity received a grant of £2.301 million from Royal British Legion Poppy Lottery (2019: £2.376 million).
- Grant funding of £355,000 was provided by the charity to the Poppyscotland Group (2019: £1.019 million).
- The charity purchased goods and services valued at £144,000 from Royal British Legion Trading (2019: £71,000).
- The charity purchased goods and services valued at £23,000 from NMA (Enterprises) (2019: £122,000).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2020:

	Charity 2020 £'000	Charity 2019 £'000
Amounts receivable from consolidated entities		
Royal British Legion Poppy Lottery	**-**	2,554
The National Memorial Arboretum Company	**159**	142
Royal British Legion Developments	**36**	98
Royal British Legion Trading	**569**	92
NMA (Enterprises)	**-**	11
Remembrance Travel	**-**	2
Royal British Legion Republic of Ireland	**45**	15
Toal amounts receivable from consolidated entities	**809**	2,914

	Charity 2020 £'000	Charity 2019 £'000
Amounts payable to consolidated entities		
Poppyscotland Group	**286**	204
NMA (Enterprises)	**2**	-
Total amounts payable to consolidated entities	**288**	204

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). Three of the RBL's Trustees hold positions within the RCEL, as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £43,000 during the year (2019: £47,000). The RCEL does not make payments to the RBL for these services.

In addition, on 7 September 2017, the Trustees approved a grant to the RCEL of £1.2 million to be paid over a period of five years commencing in 2018. In line with its policy of recognising future grant commitments at their net present value using an appropriate discount rate (see note 1), the charity recognised £66,000 of grant expenditure in relation to the RCEL during 2020 (2019: £25,000), and held a grant creditor of £471,000 owed to RCEL at 30 September 2020 (2019: £646,000).

Organisation	Related party	Position at the RBL	Position at related-party organisation
Royal Commonwealth Ex-Services League	Una Cleminson	Trustee	Trustee
	Major General David Jolliffe	Trustee	Honorary Medical Adviser
	Lieutenant Colonel Joe Falzon	Trustee	Council Member for Malta

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Registered Charity Number: 219279