

ANNUAL REPORT & ACCOUNTS TO 30 SEPTEMBER 2023

THE ROYAL BRITISH LEGION POPPY FACTORY LTD, TRADING AS THE POPPY FACTORY

GLOSSARY OF TERMS

AFCFT	Armed Forces Covenant Fund Trust
DMWS	Defence Medical Welfare Service
NHS	National Health Service
VPPP	Veterans' Places, Pathways and People programme

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INTRODUCTION

As the challenges facing the Armed Forces community change, so The Poppy Factory continues to evolve. Always forward-thinking, we have this year taken significant further steps in meeting the needs of today's veterans and their families.

Bringing abundant new energy, ideas and leadership experience, Amanda Shepard is driving positive progress as our new Chief Executive. The Board of Trustees and I were delighted to confirm Amanda in post in July, following an interim period characterised by strong results across the board for the charity and the communities we serve.

New services are already helping family members to secure employment, and enabling veterans who are not yet ready for the workplace to make positive steps forward. In doing so, we remain true to our founding ambition of all-round support, centred on employment. This is achieved, in part, by forging ever stronger connections with our partners.

Our expanded range of services can only be delivered effectively from a position of financial security. We are grateful for the backing of our military funders, trusts and foundations, and of our corporate partners who increasingly recognise the unique opportunity offered by our Richmond site for meetings and events. Alongside important income from our offices and estate, this diversity of funding ensures that our work continues to have a powerful impact for so many in the Armed Forces community.

The Board and I would like to thank Deirdre Mills for her commitment and service as outgoing Chief Executive.

Alistair Kett,
Chair of The Poppy
Factory, reflects on
a year of progress
and the expansion
of support for the
Armed Forces
community.



Alistair Kett
Chair of The Poppy Factory

Many of the challenges facing society, including poorer mental health, financial difficulty and uncertainty about the future, are felt equally keenly in the Armed Forces community and are often magnified among those we support. Additionally, homelessness and addiction are among the most common barriers facing the veterans and their families we work with today.

Helping people overcome these barriers to move forward with their lives has always been at the core of our work as a charity, and we continue to push boundaries to help those who need it the most.

It is rewarding to note that efforts to extend our reach are paying off. This year more than 500 veterans registered for employment support, a record number, continuing the trend for growing demand since the Covid crisis. Combined with those already registered, we helped more than 900 veterans make positive progress towards employment this year. Around one third started new jobs and nearly two thirds improved their life stability, health and wellbeing.

An undoubted success of the last 12 months has been the launch of new services, greatly expanding our capability. Our Families Employment Service is already helping dozens of family members across England and Wales, while Navigator is helping veterans in Merseyside chart a new path away from the most difficult of circumstances.

The success of our services, and the personal successes of each veteran and family member, could not be achieved without the close collaboration of our many partners. I am grateful to all the charities, agencies and organisations who work with us so effectively. These ever-stronger relationships will continue to be essential as we look to help the Armed Forces community tackle the challenges of the future.

Amanda Shepard,
The Poppy Factory's
Chief Executive,
sets out how we
are helping more
veterans and family
members to change
their lives.



Amanda Shepard
The Poppy Factory's
Chief Executive

OBJECTIVES

Our strategic aim is to support veterans with health conditions and their families into meaningful and sustainable employment. Our objectives are underpinned by data, continually reviewed to ensure the work of our charity is delivered effectively and the objectives are being met. Here are our objectives for the coming year.



SUPPORTING VETERANS AND FAMILIES

- To continue delivering our Veteran and Family Services, maintaining a highly effective, person-centred approach.
- To further develop our Veterans Employment Service, Families Employment Service and Navigator Service, supporting positive mental health and wellbeing, increased independence and improved employment opportunities for family members and veterans.
- To continue leading the Veterans Places, Pathways and People programme in London and to partner with VOS in the South East and DMWS in the Midlands as part of the national programme funded by Armed Forces Covenant Fund Trust.
- To continue supporting veterans with health conditions and dependents through employment at our Richmond factory, making specialist wreaths and Remembrance items.

PARTNERSHIPS

- To strengthen existing networks to improve the range and accessibility of support for all veterans.
- To continue delivering our services alongside primary care and NHS veteran services.
- To continue building referral pathways and relationships within the Veterans Places, Pathways and People programme and the London Armed Forces Network.
- To share the impact of our evidence-based services and encourage continued support and funding of our work.



MONITORING, EVALUATING AND IMPROVING

- To continue developing our monitoring and evaluation programme so that we understand our impact, and identify areas for service development to better meet the needs of veterans and their families.
- To ensure veterans' voices and lived experience are at the heart of our service development and delivery.

INCOME GENERATION

- To further develop a diverse and sustainable income base to support service delivery and veteran support.
- To generate and maximise income from all aspects of our Richmond estate.



THOUGHT LEADERSHIP

- To continue to share our knowledge and insight and to positively influence government, veterans, veterans' organisations, employers and wider funders and partners, with the aim of improving services and opportunities for veterans.

HIGHLIGHTS OF THE YEAR

A difficult economic backdrop did little to deter the veterans and family members who we supported into employment this year. But our help may be needed now more than ever, as indicated by the rapid take-up of new services. With demand growing, our services won praise from independent assessors as we renewed our commitment to the whole of the diverse veteran community.

LIFT-OFF FOR NEW SERVICES

Expanding our support to meet the needs of veterans and their loved ones has been a priority. Two services launched in April with immediate impact. Our new **Families Employment Specialists** are helping Forces family members on their journey into employment, with many already starting jobs or retraining. Our Navigator Service is helping veterans to improve their health and wellbeing through meaningful activities and connections, charting a path to a brighter future.



HEALTHY APPROACH TO EX-FORCES PATIENTS

Our ground-breaking partnership with the NHS, giving regional GPs and mental health teams an opportunity to prescribe employment support for ex-Forces patients, received praise at the start of the year in an independent report by the Institute of Mental Health at the University of Nottingham. This led to a programme of engagement with health services across England and Wales, with a record number of veterans now referred to our services through the NHS.



ROYAL WREATHS FOR A NEW ERA

In keeping with a tradition that we have upheld since the 1920s, we were honoured to work with the Royal Household to design new Remembrance wreaths for Their Majesties King Charles III and Queen Camilla. The wreaths, which include ribbons in Their Majesties' racing colours, are made by hand in Richmond by our specialist Royal wreath makers, who also created new designs for Their Royal Highnesses

The Prince and Princess of Wales. Our showcase was a highlight for the many thousands of guests who discovered our visitor centre this year.



PRIDE IN OUR LGBT+ VETERANS

We were proud to welcome a group of LGBT+ veterans for a get-together at The Poppy Factory, hosted with our partner charity Fighting with Pride ahead of Pride in London 2023. The rainbow flag flew from the roof of our Richmond factory throughout July and our charity made a national commitment to warmly welcome and support members of the LGBT+ community by signing up to the Pride in Veterans Standard.



GOLD STANDARD



A rigorous independent review in February commended the quality of employment support that we offer to the Armed Forces community. The assessor for the matrix Standard – the international quality standard for organisations delivering information, advice and guidance – noted “overwhelmingly positive” comments from veterans who were interviewed. He highlighted the transformative impact that skilled support can have for those who face multiple barriers to employment, renewing our matrix Standard accreditation for three more years. In a separate assessment, we also achieved the new Veterans Mental Health Awareness Standard following a successful three-month pilot.

VETERAN & FAMILY SERVICES



Expanding our services to better meet the needs of the veterans and families we work with has been a priority this year. The veterans we support can face some of the most challenging situations in the ex-Forces community, with complex mental and physical health conditions often compounded by issues such as homelessness and addiction. Family members too may face similar challenges, with caring responsibilities for children and veterans adding further pressure. Our services empower each of these individuals to make positive progress on their own terms.

VETERANS EMPLOYMENT SERVICE

It has been another busy year for our team, with demand for our Veterans Employment Service continuing to grow since the Covid crisis. The number of annual registrations is higher now than before the pandemic.

Although our aim is to help veterans find meaningful employment, the people we support often face complex barriers including some form of health condition or disability. Initially, we focus on removing these barriers, supporting each veteran to improve their stability, health and wellbeing.

Despite this challenging backdrop, we continue to help veterans find meaningful work. This is achieved together by developing a personalised plan. Important practical steps may include committing to training, completing job applications, attending interviews and volunteering to build confidence and skills.

Our Employment Consultants are experienced problems solvers. They understand how to remove barriers and help veterans prepare for work, guiding them through the process, building trust and independence. In some cases, it is necessary to support veterans through several jobs, including voluntary and temporary positions, before they reach their ideal role.

Once in employment, we work with both the individual and their employer to offer help and advice on staying healthy at work. We're there to advocate on behalf of the veteran when needed. Our team work closely with NHS colleagues to ensure that treatment and recovery are considered as part of the veteran's journey back to work, and in two locations, our Employment Consultants work alongside local health teams.

Families
Employment
Specialists
Lara and Sara



Due to the complexity of the challenges faced, we often need to provide intensive support over several months. On average, it takes around 100 days for a veteran to start work after they register with our service, but we will work with someone who is motivated to find employment for as long as it takes. To ensure we can offer this personalised approach, we manage our caseloads to ensure that Employment Consultants have the time and resources to work effectively.

NAVIGATOR SERVICE

Many of the veterans who seek our support can be a long way from being work-ready, with many difficult barriers to overcome. They may not have left their home or local area in a very long time. In recognition of this, we launched the Navigator service in April 2023.

Navigator helps veterans to engage in meaningful activity that enhances their health and wellbeing and in doing so, supports them to become work-ready. The service offers 6 months of focused support initially. The aim is always to achieve a primary goal that is set by the veteran. Once this goal is achieved, if appropriate, they will be referred on to the Veterans Employment Service. Our focus throughout is to empower the individual.

Our Navigator team work closely with colleagues and partners to meet the needs of the veteran they are supporting. The top three issues faced are mental health, homelessness and addiction.

FAMILIES EMPLOYMENT SERVICE

It is not only veterans whose lives are impacted by time in the Armed Forces. Service can affect an entire family. Family members may help care for a veteran who is unwell or whose activity is significantly reduced. For partners of those who have served, this can be an added challenge alongside the regular relocations that are part of military life. There are many factors that may affect a family member's own employment and prospects.

We launched our Families Employment Service in April 2023 in partnership with The Ripple Pond, who offer wraparound support to families of veterans and serving personnel. Our service is available to any adult family member supporting or caring for a member of the Armed Forces community who has, or has recovered from, a health condition. This includes 'chosen family', separated partners and parents of veterans.

The service is suitable for anyone who is unemployed and looking to move into employment, or who has difficulties in their current role as a result of their circumstances and needs help to keep their job or move to a new one. Our Families Employment Specialists have lived experience of military life. They understand the challenges of caring for a veteran and can empathise with those who reach out to us for support. They empower people to overcome obstacles and find work that suits their individual circumstances and personal aspirations.

CARLY, STANDING BY TO SUPPORT FELLOW FEMALE VETERANS



Carly had a successful career in the Army, rising to the rank of Corporal throughout her 13 years of Service in Northern Ireland, Cyprus, Iraq and Afghanistan. Then her mental health began to suffer. After leaving the Forces, Carly was diagnosed with post-traumatic stress disorder and struggled with homelessness. Following employment support, she is now helping other women who have served through the Everton in the Community Women Veterans programme.



TIME IN SERVICE

Carly said: "I knew I wanted to join the Army when I was 12 years old. I was a tomboy and I liked physical fitness and being outside, I didn't much like the academic side of school.

"I joined when I was 16 in 1997, at a time when not many women joined the Services. I really enjoyed the initial training, I met some really like minded people and embraced the camaraderie.

"Two years later I was sent on tour to Northern Ireland and soon after that, Cyprus. Both tours went OK. Then in 2004 I was sent to Iraq, and that was tough. My job involved protecting local women during search operations.

"In 2007 I went to Afghanistan. That was difficult too. It was a hard environment to be in. I remember getting back from a tour and the first thing we did was get drunk. That's how we coped at the time. Looking back, it wasn't a good way to deal with what we'd been through. It wasn't until I left the Army that I realised how my experiences impacted my mental health.

DIFFICULT TIMES

"I left the Army in 2010. It felt like the right time for me. I enjoyed my time in Service and I'm proud of getting to the rank of Corporal. Joining so young made me wonder what else was out there, so I decided to move to Spain and open a bar with my partner. After that, I travelled around for various jobs.

"I've had a hard time in recent years. My nan died during the Covid pandemic and I was caring for my partner, who injured his spinal cord in an accident. I was his full-time carer and I wasn't getting much support. Then my dog died, and I knew I had to reach out and ask for help as things were getting too much. My mind was all over the place and I started getting flashbacks of my time on tour.

"In 2022, I moved back home with my parents in The Wirral and reached out for support. I was diagnosed with PTSD and signposted to Op COURAGE. They referred me to The Poppy Factory and that's where I met my Employment Consultant, Andrew.

"Andrew has supported me enormously. Without his help I wouldn't be where I am today. He's helped me with more than just employment, he's helped me move into a flat of my own and help me believe in myself again. I would sometimes ring Andrew for a chat and explain how I was feeling, and he'd listen and offer me guidance. It's such a comfort to know I've got that support on the end of the phone.

LAUGHING AWAY THE BLUES

"Andrew mentioned the work that Everton in the Community are doing to support veterans. Everton in the Community Veterans Provision is a project that helps people through engagement, support tools and evidenced-based behavioural change methods to improve their lives, so I went along to a Laughing away the Blues event. I was a little apprehensive at first but the people there made me feel so welcome. My confidence started to grow and I started to feel my spark coming back.

"I now believe I'm strong enough to move forward and help fellow female veterans who've been through similar experiences."



Andrew Pickersgill,

Employment Consultant at
The Poppy Factory said:

"Carly's journey is perhaps such a powerful one because every ounce of what's brought her to where she is now, is testament to her own steely determination and resilience; her persistence and never giving up; her fortitude; her reaching out and accepting help, it also helps being able to partner with excellent projects like Everton's Veteran's Provision. I've really enjoyed working with Carly and I'm always at the end of the phone if she needs me."

OUR IMPACT



**VETERANS
EMPLOYMENT
SERVICE**

4 IN 5

Have a mental health condition

1 IN 5

Reports hearing loss

1 IN 3

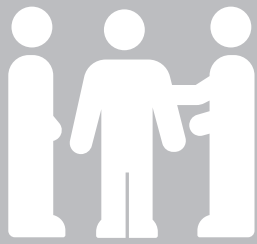
Is over the age of 50

1 IN 2

Has a physical health issue

1 IN 4

Lives with chronic pain



531

**Veterans
registered**

Highest ever number
of registrations, 7%
increase from last year



900
OVER

**Veterans
benefited**

Existing clients
and new referrals /
registrations

DEMAND HAS INCREASED SINCE THE COVID CRISIS

531 → 2022/23
498 → 2021/22
445 → 2020/21



OUTCOMES FOR THE VETERANS WE SUPPORTED

301 Started jobs,
including
5 self-employed

25 Began
volunteering

43 Undertook
work placements
to build experience

148 Completed
work-related
training courses

85 Directed
towards cost of
living support

14 Started
full-time
education



4 IN 5
Veterans
still employed
after 3 months



4.6
Satisfaction
rating:
4.6 out of 5



73%

Report
improved
job search
skills

Based on outcomes star assessment
of 198 veterans every 3-4 months



61%

Report
increased
stability



64%

Report
improved
health and
wellbeing



91%

Recommend
to friends
and family

WHO ARE WE WORKING WITH?



1 IN 3

Referrals
came via
the NHS

1 IN 10

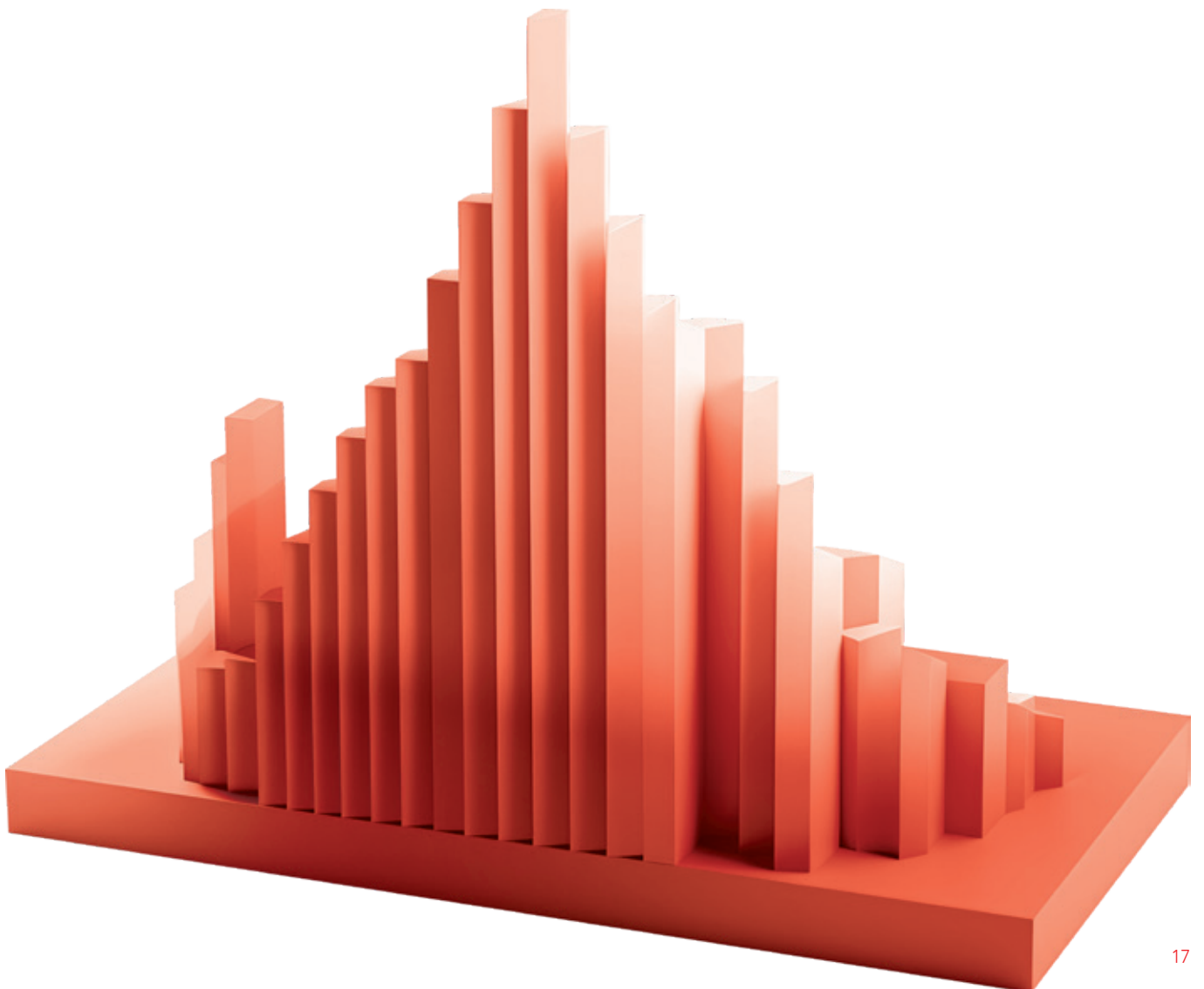
Referrals
came through
Jobcentre Plus

74% Served
in The Army

13% Served in
The Royal Navy or
Royal Marines

9% Served in
The RAF

4% Served
in The Reserves



FAMILIES EMPLOYMENT SERVICE



Launched

1 APRIL

(6 months of operation)



48

Referrals

9

New job starts,
including
2 People supported
into
self-employment

2

Jobs
retained

50%

of referrals from
The Ripple Pond, with
collaborative working

(Service delivery partner)

9

People began
retraining,
including
degree-level
university courses

Stability and job search skills

75%

Improved

NAVIGATOR SERVICE



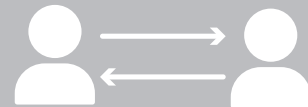
6 month support
programme, launched

1 APRIL

(6 months of operation)

16

Referrals in
merseyside



4

4 veterans achieved their primary goal
4 progressed to employment support

PROGRESSIVE OUTCOMES:

Living skills

(Budgets, benefits,
household management)

Use of time

(Community groups,
gym, sports and activities)

23

Referrals
to external
partners:

5

For Debt
advice /
financial
crisis

9

For mental
health
treatment

9

For housing
support
(Including
Op fortitude)

THE YEAR IN RICHMOND

Two years since launching, our visitor centre goes from strength to strength. Our expanded team of hosts and volunteers ensure a warm welcome for many thousands of visitors annually, and special events throughout the year have brought live music, classic cars, VIP guests and more.

Autumn is naturally the busiest time of year in our visitor centre, with many groups making the journey to Richmond as thoughts turn to Remembrance. Yet this year, we welcomed a truly diverse mix of guests in all seasons.

Towards the end of 2022 we hosted the Minister for Defence People, Andrew Murrison MP. We were also delighted to offer a series of concerts by performers including the celebrated classical soprano Carly Paoli, followed by Blackwater Valley Wind Quintet setting the festive mood in December.

It was an honour to welcome the French Minister for Veterans and Memory, Patricia Miralles, in February, along with international sports star Frank Leboeuf, Bleuet de France's Ambassador to the French Football Federation. Spring also brought an opportunity to bring members of the Armed Forces community together at The Poppy Factory through our Time for Tea event, offered as part of our leadership of London Veterans Partnership.

Events in March showed off the versatility of the visitor centre space. We hosted a coffee morning for Richmond Park MP Sarah Olney,

brought together military leaders from the City for a networking event, welcomed a group of Rolls Royce enthusiasts complete with classic cars, and addressed members and supporters at our own AGM.



The coronation of Their Majesties King Charles III and Queen Camilla brought a perfect excuse to break out the bunting and cupcakes in May, when we offered special Discovery sessions highlighting our longstanding relationship with the Royal Household – including our recent work to design new Royal wreaths.

Over the summer, the rainbow flag flew proudly from the roof of the factory and a group of LGBT+ veterans joined us for a get-together hosted with our London Veterans Partnership friends, Fighting with Pride. Events such as this, combined with our commitment to the Pride

in Veterans Standard, are an important step forward in demonstrating our support for all in the diverse Armed Forces community.

Activity picked up once again in September with increasing numbers of sold-out Discovery sessions, group visits and corporate volunteers, all generating vital funds for our veteran and family services. As interest from community groups, corporate supporters and members of the public continues to rise, we look forward to another busy year ahead in support of the Armed Forces community.



Over
4,000
Visitors



101
Group visits



27
Discovery sessions





PRESIDENT'S OVERVIEW

The Poppy Factory's President, Surgeon Rear Admiral Lionel Jarvis, offers thoughts on our charity's continued role in the Remembrance tradition.

As another year closes amid tumultuous world events, the importance of remembering all those who have given their lives in conflict remains as vital as ever. The Remembrance period brings context to current difficulties and allows time for reflection as we acknowledge the sacrifices made by those who serve, and particularly those that came before us.

In November I was honoured to invite Her Majesty The Queen, our longstanding supporter and Patron, to lay a personal Cross of Remembrance and to conduct a review of the plots at the opening of the 95th Field of Remembrance. Preparations for the event begin much earlier in the year, with valued contributions by our production staff and teams of tireless volunteers. The many thousands of crosses and other tributes planted in the grounds of Westminster Abbey are testament to the personal sense of loss, and pride in the Service and sacrifice of others, still felt by so many today.

With tremendous dedication and commitment, our production team continues to fulfil its role creating Remembrance wreaths by hand from our historic home in Richmond. This includes the new wreaths for Their Majesties King Charles III and Queen Camilla and Their Royal Highnesses The Prince and Princess of Wales, as well as those of the wider Royal Family.

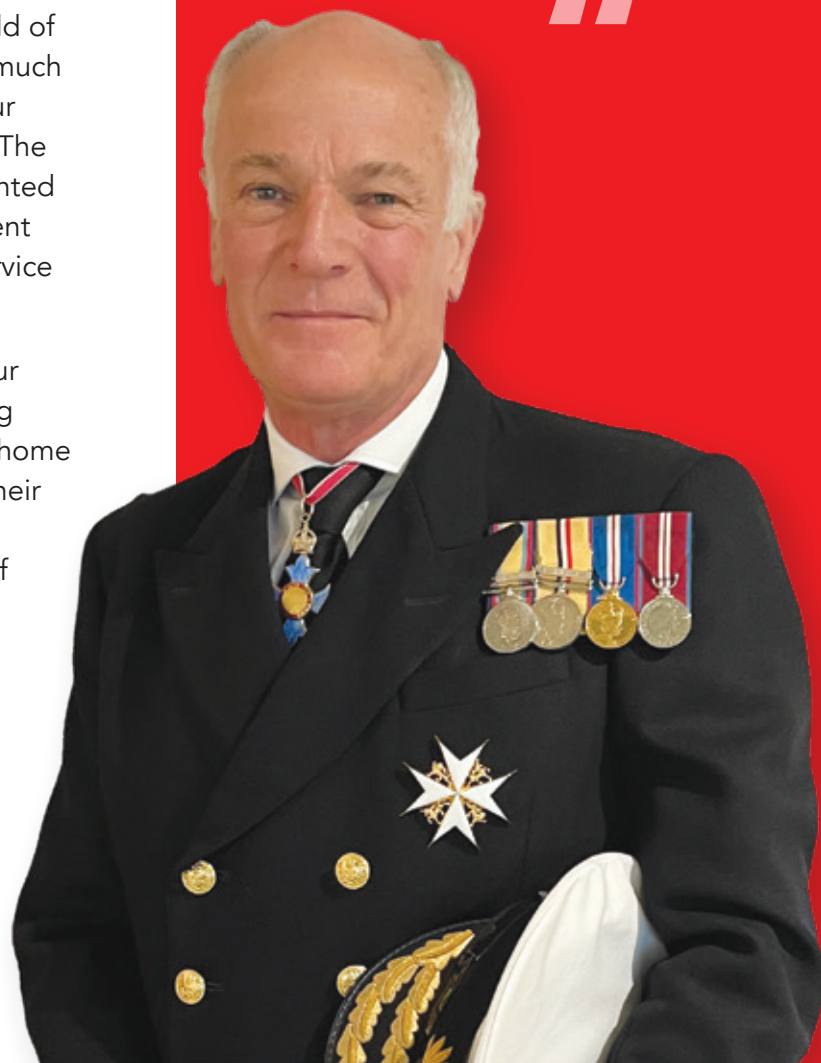
All these wreaths are laid with respect and solemnity in services across England and Wales and far beyond. In the face of continued global uncertainty, long may these traditions bind us.

Lionel Jarvis,
The Poppy Factory's President,
Surgeon Rear Admiral Lionel Jarvis

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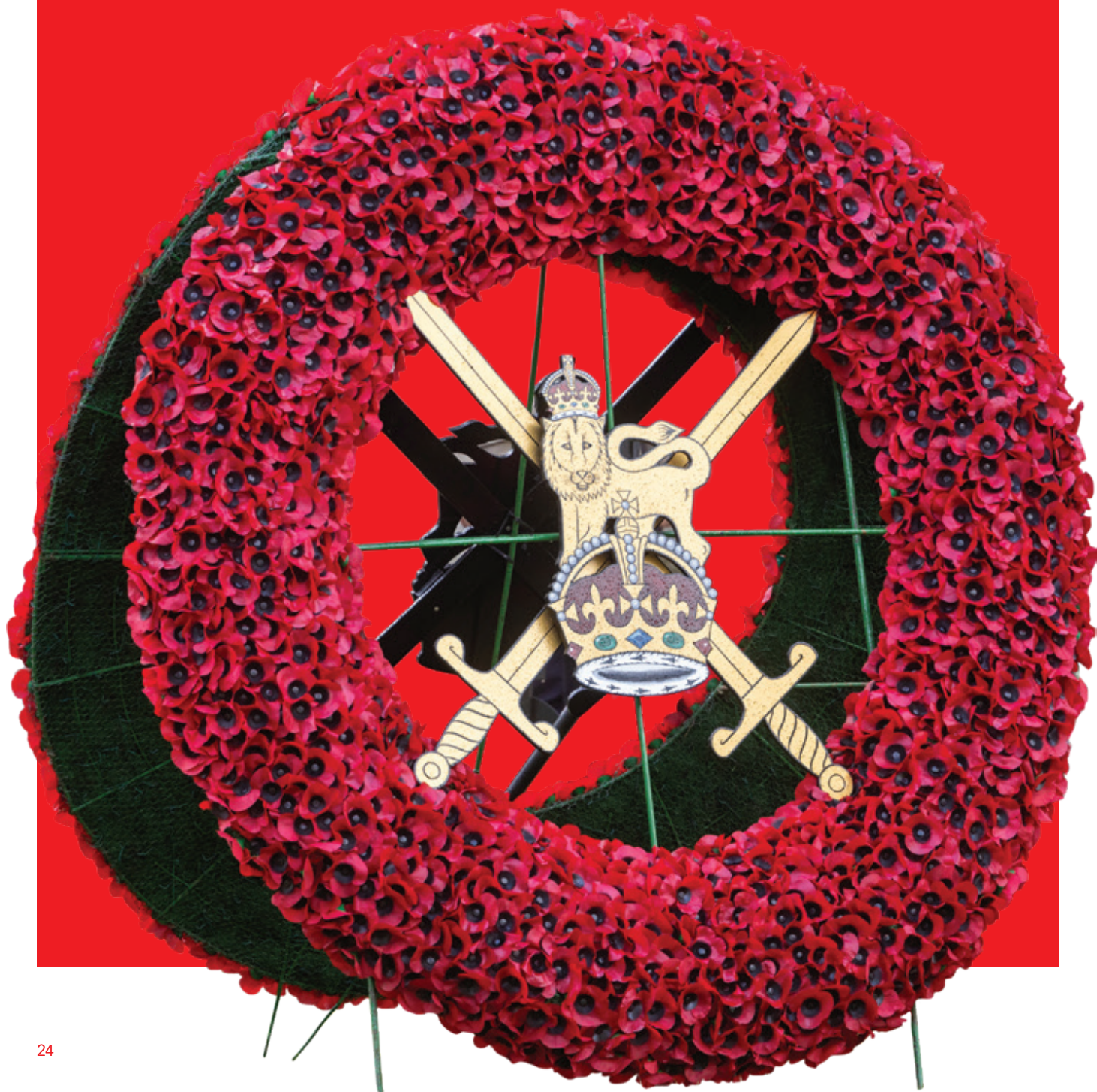
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bind us.

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PRODUCTION 2023



Our production team in Richmond upon Thames once again worked consistently through the year to create Remembrance wreaths and tributes for the Poppy Appeal, their dedication clear in the thousands of hand-made wreaths that are laid in services around the world. We were delighted to welcome almost 1,200 guests for the opening of the Field of Remembrance at Westminster Abbey in 2023.

More than a century since The Poppy Factory first began employing wounded and injured veterans to produce Remembrance products, we are proud to continue playing our part in this longstanding yet still vital tradition.

Each year, all the Remembrance wreaths for England and Wales are made by hand and with a great deal of care by our small production team; in 2023 that figure was over 115,000. These wreaths are then laid in services across the UK and around the world, including by members of the Royal Family. Every wreath holds great significance for those who wish to remember and pay tribute to others who have lost their lives in service.

Although the act of Remembrance is fundamental to our production work, employment support has always been at the heart of what we do, and this is as true for the factory team as it is for the hundreds of veterans we now help in communities elsewhere. In Richmond upon Thames, we strive as

ever to create a comfortable, supportive and inclusive environment for employees with mental and physical health conditions.

Members of the production team have also played a key role in welcoming guests to our visitor centre and our corporate volunteers, demonstrating their wreath-making skills to anyone who wishes to try their hand.



Gary Lock



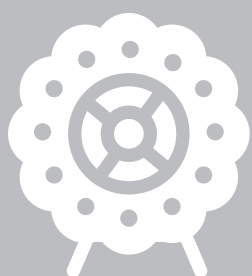
THE FIELD OF REMEMBRANCE

Almost 1,200 guests gathered together on 9 November 2023 for the opening of the Field of Remembrance by Her Majesty The Queen.

This tradition was established by The Poppy Factory in 1928 when our founder, Major George Howson MC, suggested using the grounds of Westminster Abbey as a place where anyone could plant a poppy as a tribute to someone who had given their life in service. In that first year over 30,000 hand-made poppies were planted, to be replaced in later years by crosses and other tributes.

This year, more than 35,000 tributes were once again carefully laid out according to regiments, units and associations. We would like to thank our dedicated team of workers and volunteers for their hard work in ensuring this important tradition is upheld.

PRODUCTION WORK IN NUMBERS



115,000
Wreaths



200 Royal and
special
wreaths



700,000 Crosses and
tributes,
of all faiths
and none

15

Production
workers
including
2 special
wreath
makers
worked on
the order
throughout
the year



Photo: Westminster Abbey an Picture Partnership



Photo: Westminster Abbey an Picture Partnership



Photo: Westminster Abbey an Picture Partnership

Photo:
Westminster Abbey an
Picture Partnership



Photo:
Westminster Abbey an
Picture Partnership



Photo:
Westminster Abbey an
Picture Partnership



FUNDING OUR WORK



With our services expanding to meet the needs of the Armed Forces community, effective partnership working is as important as ever. We work closely with other charities and partner organisations to deliver high quality support for veterans with health conditions and their families, and the vital contributions made by our funding partners are central to this work. We are grateful for all the funding, gifts in kind and other contributions from partner charities, trusts, foundations, companies, groups and supporters in 2022-23.

GRANT FUNDING PARTNERS



MILITARY CHARITIES

We are proud to work closely and effectively with other military charities and are grateful for the vital funding that they provide. Thanks to the contributions of major funding partners like ABF The Soldiers' Charity, the Royal Navy and Royal Marines Charity, RAF Benevolent Fund and Greenwich Hospital, we continue to offer employment support to help veterans overcome any barriers.

TRUSTS & LIVERY COMPANIES

Trusts and foundations provided vital contributions towards our employment support for veterans this year, helping them to overcome barriers to work and thrive in civilian jobs. We were delighted to receive support from both new and existing supporters during the year, both nationally and regionally, including State Street, Julia and Hans Rausing, and Queen Mary's Roehampton Trust.

With thanks to the Armed Forces Covenant Fund Trust's Veterans' Places, Pathways and People Programme, we continued to provide joined-up support to veterans with mental health conditions in London, the South East and the Midlands. Meanwhile, new support through the Reaching and Supporting Armed Forces Communities Programme is ensuring that family members of veterans with a health condition can receive specialist employment support.

TRUST SUPPORTERS

We would like to thank all our supporters, with special thanks to the following:

The Anson Charitable Trust

The Childwick Trust

Dr & Mrs J D Olav Kerr Charitable Trust No. 2

The Drapers' Company

The G C Gibson Charitable Trust

Inman Charity Trustees Limited

Julia and Hans Rausing

Kent Community Foundation

The Lancashire Foundation

The MacRobert Trust

Medlock Charitable Trust

Moondance Foundation

Queen Mary's Roehampton Trust

State Street

The Tallow Chandlers' Company

Waterloo Foundation

The Worshipful Company of Butchers

CORPORATE PARTNERS

Our Richmond headquarters was once again a focus of activity for our corporate partners in 2022-23, with many of our supporters choosing to take part in corporate volunteering sessions or hire our visitor centre and boardroom for off-site meetings and events. We are grateful for their boundless energy and enthusiasm, and for their important contributions towards the funding of our Veteran and Family Services. We would particularly like to thank those partners who contributed substantial funds this year, including Salesforce, Bloomberg and TJC.

We would also like to thank our friends in the Richmond-upon-Thames community, including the Museum of Richmond, Visit Richmond, Richmond Council and Be Richmond.

FUNDRAISING CHAMPIONS

We are hugely grateful for the efforts of all those supporters who chose to raise funds individually, and whose efforts helped veterans to change their lives through employment in 2022-23.

RESPONSIBLE FUNDRAISING

Those who give funds to support veterans with health conditions through The Poppy Factory can be assured that we comply with the regulatory standards for fundraising. Our charity is registered with the Fundraising Regulator and we are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice, which covers the requirements charities must follow as set out in the Charities Act 2016. All direct fundraising is done by our own team - we do not outsource any of our activity to third parties. Several of our in-house fundraising team are members of the Institute of Fundraising. We do not target individuals in the street or through direct marketing. Any public fundraising is limited to voluntary donations, such as through our website or through occasional bucket collections carried out by our own staff and volunteers. We encourage our corporate partners, and other organisations, groups and individuals, to organise their own fundraising events on behalf of The Poppy Factory. Our team provides resources, information and guidance to support these events as appropriate, to ensure that all activity falls within the Code of Fundraising Practice.



MUSA & MARK ADVANCE

FROM THE ROYAL MARINES TO THE RED CARPET

FORMER ROYAL MARINE
MARK PRICE TRAVELLED
AND WORKED AROUND THE
WORLD AFTER LEAVING
SERVICE.

BACK IN THE UK WITH A
FAMILY TO SUPPORT, HE
FOUND IT DIFFICULT TO
BREAK INTO A CHANGING
JOBS MARKET. EMPLOYMENT
SUPPORT HELPED HIM
BUILD HIS CONFIDENCE AND
FIND NEW OPPORTUNITIES,
LEADING TO AN EXCITING
NEW CAREER IN THE FILM
INDUSTRY.

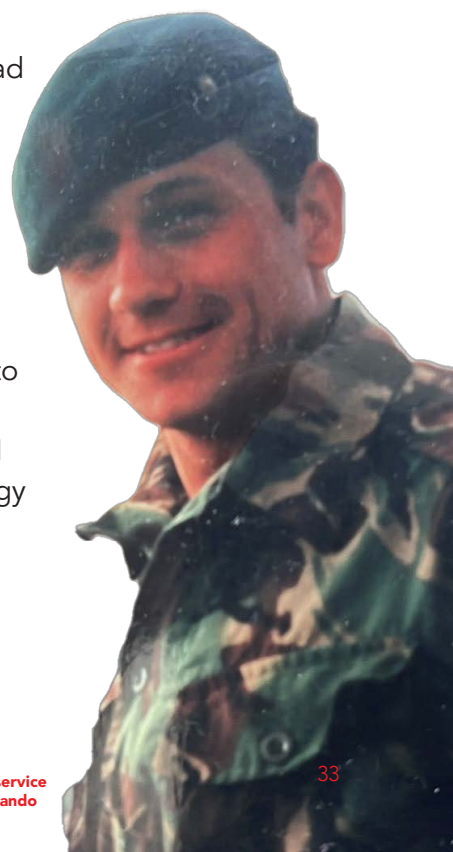
BEYOND THE ROYAL MARINES

Mark said: "I served for two years in the Royal Navy from 1986 to 1988, then transferred to the Royal Marines and stayed there until 2000. I served in Northern Ireland and the Gulf on operational tours. I enjoyed the comradeship and the teamwork. I left because I was injured, feeling a little on the sidelines and not being able to do as much when one hundred percent fit.

"After I left service, I moved to Thailand to work as a dive instructor. Later I moved to Africa and worked for a company that specialised in building resorts. I didn't come back until eight years later. During this time I met my wife and we had kids who lived in Cape Verde for the first few years of their lives.

ADAPTING TO A CHANGING WORLD

"It was when we came back to the UK in 2014 that I needed help. The biggest challenge I felt, was how much technology had moved on and left me behind. We were living in Suffolk and I didn't have a job to support my family. That's when I got in touch with The Poppy Factory.



"I hadn't been in the system for so long, I needed ideas for how I could market myself and soon. As veterans, I don't think we're very good at talking about ourselves, I needed to find that little bit of confidence. I remember during this time feeling shattered and unable to find direction.

"Looking back there were two things about the support I had that got me on the right track. I was able to put a really strong CV together and start registering this CV on different job websites. I was told on a course that if I wanted to get into something, I should start with a volunteering role. That really helped as I started with the Fire Service which I really enjoyed.

NEW SKILLS AND NEW INDUSTRIES

"I got a job working with the prison service, and while I was there, I was funded to do a NEBOSH qualification. I was then able to get a good job in health and safety. Over four years, I completed further qualifications and combined this with a teaching certificate which enabled me to gain further employment.

"When Covid struck, I realised how much I enjoyed working from home and thought about starting to work for myself. Then, by chance, someone I knew asked if I could work on health and safety on a film set, and things took off. I went to Morocco for two months to work on a sci-fi thriller. Suddenly, I was into film work as a health and safety consultant.

HELPING OTHERS FIND A FOOTHOLD

"As well as working for myself, I'm now volunteering for a project that's helping other veterans get into the industry, such as through acting or camera work. I'm excited to be able to help people in that way.

"When you're looking for a job, you've got to keep on going and keep on pushing. If you feel exhausted, you need to rest and then carry on the next day. Once you take your first step, building up your confidence, you're on your way."



STEPPING OUT FROM ISOLATION

FORMER INFANTRYMAN
MUSA JALLOW, 39, WAS
ISOLATED AND STRUGGLING
WITH HIS MENTAL HEALTH.

Musa has made great progress since he first joined BSS in 2020, with close support from The Poppy Factory's employment team to help him overcome social isolation. Musa recently became a Team Leader and in 2023 he took part in a BSS Conference and completed a LEAP Apprenticeship, which helped him hone a range of construction industry skills.

Musa said: "When someone at The Royal British Legion mentioned employment support at The Poppy Factory, I sent an email and my Employment Consultant got in touch. She was lovely and so supportive. When I first met her there were a lot of things I couldn't do for myself and she really helped.

"At that point I felt no-one was ever going to employ me. I thought I'd never work again and I really had no confidence.

"Taking part in the BSS conference transformed me from a soldier to a proud civilian learning new skills that help me and my colleagues.

"The attraction of the apprenticeship was achieving nationally recognised qualifications, constantly learning new skills for professional development."

Hannah Benford, Apprenticeships Communications Lead at Leap Apprenticeships & Early Careers, said: "We are extremely proud of all of our apprentices. Witnessing Musa harness the opportunities apprenticeships bring and building a career within our industry is amazing."

HE THOUGHT HE WOULD NEVER HAVE THE CONFIDENCE TO WORK AGAIN. WITH EMPLOYMENT SUPPORT HE FOUND HIS FEET IN THE WORLD ONCE MORE WITH A REWARDING NEW JOB AT THE BSS NATIONAL TUBE DISTRIBUTION CENTRE, CLOSE TO HIS HOME IN COVENTRY, WHERE HE SUCCESSFULLY COMPLETED AN APPRENTICESHIP.



Musa Jallow

FINANCIAL REVIEW



COMMENTARY ON THE BALANCE SHEET & RESULTS FOR THE PERIOD

Our total incoming resources were £4,544k, an increase of £454k.

- The total income from charitable activities for the year was £2,081k (2022 £1,915k) made up of
 - o Appeal Order income at £1,519k (2022 £1,509k),
 - o London VPPP lead income at £435k (2022 £274k) and
 - o Beneficiary flats at £126k (2022 £132k).

The Appeal Order income was used exclusively to produce wreaths and symbols for The Royal British Legion for their annual remembrance activities. The income from the Appeal Order matches the costs of the production.

- The total income from donations and legacy was £892k (2022 £824k) and includes £129k from the NHS for three pilot programmes. Unless it is otherwise restricted, voluntary income funds the development and provision of the employment service.
- The total income from other trading activities was £114k (2022 £35k) is primarily from Visitor Centre income at £96k (2022 £35k), including admissions income and facilities hire. It also includes £18k (2022 £nil) of creative industries tax relief relating to investments made in the visitor centre.
- The total income from investments was £1,456k (2022 £1,316k) including £515k (2022 £447k) from office income and £928k (2022 £850k) from open market residential income.

Our total outgoing resources were £5,211k, an increase of £493k compared to £4,718k in 2022, this total cost includes £407k of building refurbishment-related depreciation costs in the year. The building refurbishment project was completed in October 2020.

- The total expenditure on charitable activities was £3,813k (2022 £3,694k) and included:
 - o The overall Employment Service expenditure of £1,727k (2022 £1,717k), includes £133k of depreciation charged to the Employment Service, relating to the building refurbishment project.
 - o The total expenditure on other charitable activities was £2,086k (2022 £1,977k) and includes the following:
 - £1,673k (£1,671k) Appeal Order costs, including £154k of depreciation charged to the Appeal Order, relating to the building refurbishment project.
 - £350k (2022 £222k) London VPPP lead disbursements.
 - £62k (2022 £84k) expenditure relating to the beneficiary flats.

In supporting ex-service men and women on their journey, we source training courses, which are funded by partners including ABF The Soldiers Charity and Greenwich Hospital.

- The total expenditure on raising funds was £1,398k (2022 £1,024k) and included:
 - o £164k (2022 £227k) expenditure on raising voluntary income.
 - o £218k (2022 £152k) expenditure on other trading activities in the Visitor Centre, including £120k of depreciation charged to the Visitor Centre, relating to the building refurbishment project.
 - o £1,016k (2022 £645k) expenditure on investments and includes the following:
 - £585k (2022 £167k) of office property costs and includes £322k investment in sustainability upgrades to improve the energy efficiency of the main building.
 - £431k (2022 £478k) of open market property costs.

Net expenditure before other recognised gains and losses in the year was £-667k, which includes a £407k depreciation charge in the year and compares to £-628k net expenditure in 2022. Full details of movements on reserves are disclosed in note 18.

Cash and short-term deposits decreased by £384k to £1,263k at the year-end, compared to £1,647k in 2022. This was impacted by investments in the main building sustainability upgrades.

Creditors were £517k compared to £606k in 2022, a decrease of £89k in creditors at the year-end. Debtors were £229k compared to £203k in 2022, an increase of £27k in debtors at the year-end.

INVESTMENT PROPERTY

The investment property comprises 47 of the 62 residential flats that are let commercially, with rents based on professional advice from the charity's letting agents and in line with market value. The objective is to ensure a sustainable income return on these properties to fund the employment service. The remaining 16 flats are let to beneficiary tenants.

A sample of properties in the investment property portfolio was valued by Nightingale Chancellors, Chartered Surveyors, as at 30 September 2023 which, extrapolated across the whole portfolio, valued the properties at £28.3m. This increases the investment property reserve by £1.5m.

OTHER INVESTMENTS

Funds not required in the short to medium term are invested partly in deposit accounts over a suitable period with an institution with an investment grade 'A' credit rating.

The carrying value of investments is adjusted to market value at year-end.

During the year, other funds were invested with Close Brothers Asset Management. The total funds increased by £82k to £1,447k. The return-on-investment objective is CPI plus 3% over the medium term, which was not achieved in the year to 30 Sept 2023, with a total 6% gain in the year (September 2023 CPI was 6.7%). The investment performance will continue to be monitored.

RESERVES

The Council approved the reserves policy, which is reviewed annually. The General Reserve is to enable The Poppy Factory to continue to deliver its services in the event of an unexpected fall in income. The General Reserve should be maintained to cover: budgeted beneficiary employment and indirect costs for the factory for 9 months following the balance sheet date; a sum to cover building emergencies on the estate, to ensure that it remains

revenue-producing; and 6 months planned costs for employment support, to ensure that commitments can be honoured in the event of a significant reduction in voluntary income. The current reserves target is £2.0m, and the general funds are £2.2m. With planned deficits and investments, the general fund is expected to be brought into line with the reserves target within 1 year.

At 30 September 2023, the total funds of the charity were £35.3m (2022: £34.4m). After taking account of the revaluation of investment properties and investments, the charity had unrestricted funds of £35.0m. Of the £35.0m, £32.8m (2022: £32.2m) is revaluation reserve and designated funds. The revaluation reserve of £28.3m (2022: £26.8m) is related to that part of the residential estate classified as investment property and described above. Designated funds relate to the fixed asset fund and voluntary income used for the employment service.

PRINCIPAL RISKS AND UNCERTAINTIES

The Poppy Factory has a robust risk management process to identify and record risks to the organisation and individuals. All identified risks are considered, and appropriate management responses are applied. Additionally, all reasonable measures are taken to mitigate the potential impacts of risks. The risks identified and the management responses are kept under review at monthly executive meeting and presented at each Council Meeting.

The key risks identified for The Poppy Factory relate to:

Safeguarding
Macroeconomic environment
Data protection
Cyber Security

The Poppy Factory has a number of areas of work where safeguarding is a key consideration:

- employment services for veterans with health conditions and their families, where health conditions

and other circumstances can lead to vulnerabilities.

- employment within our factory for veterans with health conditions who may have specific vulnerabilities.
- beneficiary housing for adults who may have specific vulnerabilities.
- employment of staff working directly and indirectly in the delivery of employment services to veterans.

All risks relating to the safeguarding of the charity's beneficiaries and staff are given priority and are under continual review. We have robust policy and procedures in place to ensure all staff know what actions to take if a safeguarding concern is identified. All direct delivery staff are trained in adult safeguarding, and those working with families are also trained in child safeguarding. Internal and external supervision is in place to support all frontline staff and ensure that any safeguarding situation is identified at the earliest possible time. Reporting protocols are in place to meet health and safety requirements.

Macro-economic environment:

There is a risk that The Poppy Factory will not be able to raise sufficient funds to deliver the full scale of our employment support services; specifically, there is a risk that the fallout of wars in Ukraine and the Middle East, or other global or national events, push the UK economy into recession, or otherwise impacts our ability to raise voluntary income. If higher-than-average levels of inflation are maintained due to macroeconomic influences, this may lead to further financial challenges. There is the associated risk that wars in Ukraine and the Middle East lead to increasing demand for our services.

The Poppy Factory therefore continues to diversify its portfolio, engaging with regular funders, reaching out to new funders, and ensuring that its estate assets are generating income.

Data Protection:

There is a risk that personal data necessarily held by The Poppy Factory is subject to unauthorised access or misuse. The Poppy Factory has a data protection policy, which is regularly reviewed, and all staff receive data protection training. The Poppy Factory has undertaken a data audit to ensure adequate data protection, both physical and electronic, and the appropriate policies are in place. The Poppy Factory is compliant with the Fundraising Regulator's standards.

Cyber Security:

There is a risk that unauthorised access is gained to The Poppy Factory IT systems or that there is an introduction of malware or ransomware, which may result in loss of or restricted access to data. The Poppy Factory continues to invest in cyber security measures and is accredited with Cyber Essentials Plus, and this accreditation is renewed annually.

GUARANTEES

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of its winding up. The total number of members at 30 September 2023 was 40 (2022: 39). The number of members is limited to 60. Council members are members of the charity, but this entitles them to voting rights only.

STATEMENT OF RESPONSIBILITIES OF THE COUNCIL

INTRODUCTION AND STATEMENT OF COMPLIANCE

The Council (whose members are also trustees under charity law and directors under company law) presents its report and the audited financial statements for the year ended 30 September 2023.

Reference and administrative information, set out on the inside back cover, forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Constitution

The Royal British Legion Poppy Factory Limited (The Poppy Factory) is a charitable company limited by guarantee, incorporated on 11 March 1925 and registered as a charity on 11 May 1964.

The company was established under a Memorandum of Association. New Articles of Association were adopted on 13 April 2012 and amended by a special resolution on 23 March 2017.

Governance

The members of the Council during the year are shown on the inside back cover. Council members equate to directors in companies act terms and trustees in charities act terms.

New Council members are appointed as necessary, in order to give a wide breadth of experience to the organisation. They have been recruited through a formal recruitment and selection process which includes a review of their Curriculum Vitae and an interview with the Chief Executive Officer (CEO) and members of the Council.

The Trustees would like to thank Peter Gill and

Krishna Dhanak for their service as Trustees and their contribution to The Poppy Factory.

Induction of Council members is carried out by the CEO prior to the new member's first Council meeting. This encompasses:

- governing documents;
- Council members' responsibilities;
- mission statement;
- health and safety policy;
- operational and committee structures;
- audited and management accounts;
- strategic plan; and
- key projects.

on an as-required basis.

No benefits are received by members of the Council. Council members' expenses are referred to in note 19 to the accounts.

Public Benefit

The Council confirms that it has due regard to the provisions of section 17 of the Charities Act 2011 and has referred to the guidance contained in the Charity Commission's general guidance on public benefit, both when reviewing The Poppy Factory's aims and objectives and also in planning activities.

Objects and Activities

Our Articles of Association set out that we "organise, establish and manage schemes for the purpose of assisting men and women who have been members of the Forces of the Crown and primarily those of them who have been disabled". The Poppy Factory does this by providing an employment service to veterans with health conditions and their families across England and Wales. We also provide paid work at our factory in Richmond, where men and women with health conditions who are connected to the Service have been making Remembrance products for over 100 years.

Remuneration of Key Management Personnel

The Trustees consider that the members of the Council and the Senior Management Team

comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All Council members give their time freely and no director received remuneration in the year. Details of directors' expenses are disclosed in note 20 (no director expenses were incurred in the year) and related party transactions are disclosed in note 20 of the accounts.

The pay of the Senior Management Team and all staff is reviewed annually and normally increased in accordance with average earnings to reflect a cost-of-living adjustment. In view of the nature of the charity, the Council members benchmark against pay levels in other charities. The remuneration benchmark is the mid-range for similar roles in similar sized charities.

Management

The Council meets five times a year or when required. The following committee structure has been approved by the Council committees: The Finance and Estate Committee, Income Generation and Communications Committee, Programmes and People Committee. The committees and various working groups all report to the Council meetings as part of the governance structure.

The Council agrees the strategic aims of the charity, authorises the budget and approves the expenditure. The day-to-day running of the charity is delegated to the CEO, Ms Amanda Shepard, who was appointed by the Council.

The Council is responsible for preparing the Report and the financial statements in accordance with applicable law and regulations. Company law requires the Council to prepare financial statements for each financial year. Under that law, the Council has elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit for that period. In preparing these financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

We are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable it to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the members of the Council is aware at the time the report is approved:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- all steps have been taken by members of the Council to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.
- in approving this report, the Council members are also approving the Strategic Report in their capacity as company directors.

Approved by the Council on and signed on its behalf by:

Alistair Kett

A. Kett
Chairman

AUDITORS REPORT

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 30 September 2023 and
- of its incoming resources and application of resources, including its income and expenditure, for
- the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting

Practice; and

- have been prepared in accordance with the Companies Act 2006.

BASIS FOR OPINION

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

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters where the Companies 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees'

Responsibilities Statement set out on page 40, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

IDENTIFYING AND ASSESSING RISKS RELATED TO IRREGULARITIES

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

AUDIT RESPONSE TO RISKS IDENTIFIED

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business.

We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

USE OF OUR REPORT

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

Claire Wills

Claire Wills

(Senior Statutory Auditor)

for and on behalf of Saffery LLP

Chartered Accountants 71 Queen Victoria Street London EC4V 4BE
Statutory Auditors

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



FINANCIAL STATEMENTS



STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an income and expenditure account)

Year Ended 30 September 2023	Notes	Unrestricted £	Designated Building Fund £	Restricted £	2023 Total £	2022 Total £
INCOME FROM:						
Charitable activities, including Appeal Order	2	1,645,605	-	435,602	2,081,207	1,914,508
Donations and legacies	3	278,565	-	613,737	892,302	823,859
Other trading activities	4	114,438	-	-	114,438	35,410
Investments, including property	5	1,455,747	-	513	1,456,260	1,316,344
Total income		3,494,355	-	1,049,852	4,544,207	4,090,121
TOTAL EXPENDITURE ON:						
Charitable activities	6					
Employment Service		934,897	132,521	659,650	1,727,068	1,717,169
Other, including Appeal Order		1,581,319	154,099	350,451	2,085,869	1,977,311
		2,516,216	286,620	1,010,101	3,812,937	3,694,480
Raising funds	6					
Donations and legacies		164,225	-	-	164,225	226,950
Other trading activities		97,093	120,490	-	217,583	151,904
Investments, including property		1,016,335	-	-	1,016,335	645,087
		1,277,653	120,490	-	1,398,143	1,023,941
Total expenditure		3,793,869	407,110	1,010,101	5,211,080	4,718,421
Net income/(expenditure) before gains and losses on investments		(299,514)	(407,110)	39,751	(666,873)	(628,300)
Other recognised gains/(losses)						
Revaluation of investment property	11	1,495,000	-	-	1,495,000	230,000
Gains/(losses) on investments	12	82,469	-	-	82,469	(139,137)
Net income/(expenditure)		1,277,955	(407,110)	39,751	910,596	(537,437)
Transfers between funds		500,000	(500,000)	-	-	-
Net movement in funds		1,777,955	(907,110)	39,751	910,596	(537,437)
Total funds brought forward	18	28,760,503	5,376,897	230,720	34,368,120	34,905,557
Total funds carried forward		30,538,458	4,469,787	270,471	35,278,716	34,368,120

The notes on pages 50 to 62 form part of these accounts. All the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above. Details of income and expenditure by fund for 2022 is given in note 22.

BALANCE SHEET AT 30 SEPTEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible fixed assets	10		4,469,787		4,876,897
Investment properties	11		28,315,000		26,820,000
Other investments	12		1,446,872		1,364,917
TOTAL FIXED ASSETS			34,231,659		33,061,814
CURRENT ASSETS					
Stock	13	98,044		76,425	
Debtors	14	229,480		202,698	
Short-term deposits		649,785		906,302	
Cash at bank and in hand		586,594		726,766	
TOTAL CURRENT ASSETS		1,563,903		1,912,191	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	(516,846)		(605,885)	
NET CURRENT ASSETS			1,047,057		1,306,306
NET ASSETS	17		35,278,716		34,368,120
FUNDS OF THE CHARITY	18				
Restricted funds			270,471		230,720
Unrestricted funds					
Revaluation reserve			28,315,000		26,820,000
Designated funds			4,469,787		5,376,897
General funds			2,223,458		1,940,503
			35,008,245		34,137,400
TOTAL FUNDS			35,278,716		34,368,120

Approved by the Council of The Royal British Legion Poppy Factory Limited, Company Number 00204405 (England and Wales) and signed on its behalf by:

Alistair Kett

A. Kett

Chairman

Date: January 22, 2024

CASH FLOW STATEMENT

	2023 Total £	2022 Total £
Cash flows from operating activities	(410,629)	(119,305)
Cash flows from investing activities		
Interest income	13,427	19,276
Purchase of investments	(74,586)	(116,386)
Purchase of Fixed Assets	-	(53,408)
Proceeds from sale of investments	87,387	51,707
Net cash provided by/(used in) investing activities	26,228	(98,811)
Change in cash and cash equivalents in the reporting period	(384,401)	(218,116)
Cash and cash equivalents at the beginning of the reporting period	1,647,523	1,865,639
Cash and cash equivalents at the end of the reporting period	1,263,122	1,647,523

ANALYSIS OF CHANGES IN NET DEBT

	1 October 2022 £	Cash Flows £	30 September 2023 £
Cash and cash equivalents			
Cash	1,647,523	(384,401)	1,263,122
Total	1,647,523	(384,401)	1,263,122

NOTES TO THE CASH FLOW STATEMENT

	2023 Total £	2022 Total £
RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
Net (expenditure)/income for the reporting period	(666,872)	(628,300)
Decrease/(increase) in debtors	(26,782)	(54,068)
Decrease/(increase) in stock	(21,620)	36,828
(Decrease)/increase in creditors	(89,038)	135,138
Interest income	(13,427)	(19,276)
Depreciation	407,110	410,373
Net cash provided by/(used in) Operating activities	(410,629)	(119,305)
Analysis of cash and cash equivalents		
Short term deposits	649,785	906,302
Cash at bank and in hand	586,594	726,766
Cash held as part of investment portfolio (note 10)	26,743	14,455
	1,263,122	1,647,523

1. ACCOUNTING POLICIES

General Information

The Charity is a private company, limited by guarantee, registered in England and Wales. The registered office and company details are shown on page 62.

Basis of Preparation

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. There has been a reclassification applied to income and expenditure categorisation in the Statement of Financial Activities (SOFA), to better represent the charity's activities. The reclassification does not affect the net income on the SOFA and does not affect the balance sheet.

Going Concern

Following a review of our financial position, reserve policies and plans, the Council consider that there are no material uncertainties about the charity's ability to continue as a going concern for the foreseeable future.

Public Benefit

The charity meets the definition of a public benefit entity under FRS 102.

Income Recognition

Income from donations and legacies is included in full in the statement of financial activities when receivable. Volunteer time is not included in the financial statements. Unrestricted income for the Appeal Order matches the unrestricted expenditure for that activity.

Grants are included in the statement of financial activities in the year in which they meet the conditions of recognition. Grants for the purchase of fixed assets are credited to restricted income when receivable.

Depreciation of fixed assets purchased with such grants is charged against the restricted fund. Where a fixed asset is donated to the charity for its own use, it is treated in a similar way to a restricted grant.

Expenditure

Expenditure is recognised in the period to which it relates. Expenditure includes attributable VAT which cannot be recovered. Expenditure is allocated to the activity where the cost relates directly to that activity.

Support Costs

Support costs are administrative costs, including the provision of services for the benefit of Appeal Order staff and are charged as incurred based on the specific usage; where an allocation is necessary, an appropriate basis such as staff cost, staff numbers or floor space has been used depending on the nature of the expenditure.

Costs of Raising Funds

Expenditure on raising funds relates to the costs incurred by the charitable company in raising funds for the charitable work. This includes costs associated with investment properties, rented office space, running the visitor centre, and raising voluntary income.

Fixed Assets

Depreciation is provided at rates calculated to write down the cost or revalued amount of tangible fixed assets, other than land, to their estimated residual value evenly over their expected useful lives. The depreciation rates in use are as follows:

	Per annum
Furniture and equipment	15% - 34%
Plant and machinery	20%
Freehold buildings	3% - 10%

Items of equipment are capitalised where the purchase price exceeds £5,000 except in the case of computer equipment which is expensed in the year. Expenditure related to the maintenance of the estate is expensed as incurred. Depreciation costs

are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Operating Leases

Rentals for assets held under operating leases are charged to the Statement of Financial Activities as they become payable.

Fund Accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds allocated by the Council for specific purposes.

Fixed Asset Investments

Investment property is shown at market value on a vacant possession basis. The value of investment property is reviewed every year with any gain/(loss) for the year being taken to the statement of financial activities. The split between open market and beneficiary flats is reviewed annually. Beneficiary flats are valued at historical cost.

Other investments are shown at market value at the balance sheet date, with any gain/(loss) for the year being disclosed in the notes and taken to the statement of financial activities.

Stocks

Stock is stated at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes transport and handling costs. Net realisable value is the price at which stock can be sold in the normal course of business after allowing for the costs of realisation.

Debtors

Short-term debtors are measured at transaction price, less any impairment.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors, are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

The charity makes pension contributions to The Poppy Factory's Personal Pension scheme. The Poppy Factory's contributions to the RBL defined benefit scheme, which is now closed, were accounted for as they became payable in the year, as they are fully recovered under the terms and conditions and continuation of the Appeal Order.

Critical Accounting Judgements and Estimates

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key estimate is the valuation of the investment properties.

More detail is shown in note 11.

2. CHARITABLE INCOME

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Appeal Order	1,519,146	-	1,519,146	1,509,463
London VPPP lead income	-	435,602	435,602	273,515
Beneficiary flats	126,459	-	126,459	131,530
	1,645,605	435,602	2,081,207	1,914,508

The Poppy Factory is the portfolio lead for the Armed Forces Covenant Fund Trust's (AFCFT) London Veterans - Places, Pathways and People programme, for which The Poppy Factory received a total of £435,602 in the year, and against which there were £350,451 of disbursements to partners. (See note 6.) The 2022 Appeal Order income and Beneficiary flats income was unrestricted. The 2022 London VPPP lead income was restricted.

3. VOLUNTARY INCOME

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Other grants and donations	278,565	613,737	892,302	823,859

The following was received as restricted income, all of which was spent within the year:

- £33,540 – AFCFT Veterans' Places Pathways and People Programme, via Veterans Outreach Support, towards the employment service in the South East.
- £32,500 – AFCFT Veterans' Places Pathways and People Programme, via Defence Medical Welfare Service, towards the employment service in the Midlands.
- £25,000 – AFCFT Reaching and Supporting Armed Forces Communities Programme, for the Families Service.
- £13,441 – Forces in Mind Trust Grant.

COMPARATIVE NOTE FOR 2022

	Unrestricted £	Restricted £	2022 Total £
Other grants and donations	297,265	526,594	823,859

4. OTHER INCOME

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Visitor Centre	96,106	-	96,106	35,410
Creative Industries Tax Relief	18,332	-	18,332	-
	114,438	-	114,438	35,410

The 2022 Visitor Centre income was unrestricted.

5. INVESTMENT INCOME, INCLUDING PROPERTY

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Office income	514,732	-	514,732	446,594
Open Market Property	928,101	-	928,101	850,475
Bank Interest	12,914	513	13,427	3,420
Investment portfolio distributions	-	-	-	15,855
Total	1,455,747	513	1,456,260	1,316,344

In the prior year, £29 of Investment Income was restricted.

The total Estate income of £1,569k (2022 £1,429k) was comprised of £928k Open Market (2022 £850k), £515k Commercial Office (2022 £447k) and £126k Beneficiary Flats (2022 £132k).

6. TOTAL EXPENDITURE

	Staff Costs £	Other Costs £	Depreciation £	Support Costs £	2023 Total £
Charitable activities					
Employment Service	1,523,450	(33,172)	132,521	104,269	1,727,068
London VPPP Lead Disbursements	-	350,451	-	-	350,451
Appeal Order	610,186	834,083	154,099	74,877	1,673,245
Beneficiary Flats	2,128	56,005	-	4,040	62,173
	2,135,764	1,207,367	286,620	183,186	3,812,937
Raising funds					
Fundraising Costs	139,287	24,938	-	-	164,225
Visitor Centre	42,268	54,825	120,490	-	217,583
Office Costs	9,004	553,953	-	22,054	585,011
Open Market Property Costs	25,789	394,709	-	10,826	431,324
	216,348	1,028,425	120,490	32,880	1,398,143
	2,352,112	2,235,792	407,110	216,066	5,211,080

The depreciation charge of £407,110 in the year relates to the building refurbishment.
The Poppy Factory is the portfolio lead for AFCTF's London Veterans - Places, Pathways and People programme, for which there was £350,451 of disbursements to partners. (2022 £222,349)
The total Estate expenditure of £1,079k (2022 £729k) was comprised of £431k Open Market (2022 £478k), £585k Commercial Office (2022 £167k) and £62k Beneficiary Flats (2022 £84k).

COMPARATIVE NOTE FOR 2022

	Staff Costs £	Other Costs £	Depreciation £	Support Costs £	2022 Total £
Charitable activities					
Employment Service	1,448,225	13,773	138,898	116,273	1,717,169
London VPPP Lead Disbursements	-	222,349	-	-	222,349
Appeal Order	716,695	717,948	161,515	74,819	1,670,977
Beneficiary flats	3,883	77,262	-	2,840	83,985
	2,168,803	1,031,332	300,413	193,932	3,694,480
Raising funds					
Fundraising costs	219,393	7,557	-	-	226,950
Visitor Centre	-	41,944	109,960	-	151,904
Office rental costs	7,703	139,586	-	19,303	166,592
Open market property costs	22,124	444,853	-	11,518	478,495
	249,220	633,940	109,960	30,821	1,023,941
	2,418,023	1,665,272	410,373	224,753	4,718,421

Support Costs

	2023 Total £	2022 Total £
IT hardware, software and services	69,446	74,832
Legal and professional services	12,982	8,715
HR support and training	21,842	32,726
Other support costs	111,797	108,478
	216,067	224,751

Included above are the support costs, which have been allocated in accordance with the accounting policy (note 1).

7. NET INCOME FOR THE YEAR

	2023 Total £	2022 Total £
This is stated after :		
Depreciation	407,110	410,373
Rentals payable under operating leases	-	1,135
Auditors' remuneration:		
- audit (inc. VAT)	22,119	19,157
- other services (inc. VAT)	4,681	-

8. STAFF COSTS AND NUMBERS

	2023 Total £	2022 Total £
Staff costs were as follows:		
Salaries and wages	1,989,758	2,034,050
Social security costs	185,962	188,786
Pension contributions	176,392	181,522
Redundancy payments	-	13,665
	2,352,112	2,418,023

The number of employees whose emoluments during the year exceeded £60,000 were:

	2023 No.	2022 No.
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1

In connection with the higher paid employees, the total employer contributions in the year to The Poppy Factory's Personal Pension plan was £28,018 (2022: £38,736).

The average number of staff employed was 63 (2022: 69) and the average number of employees (full-time equivalent) during the year was as follows:

	2023 No.	2022 No.
Estate	1.0	1.0
Appeal Order	18.8	23.2
Employment Service	27.6	27.3
Fundraising and Comms	5.0	5.5
CEO and Support	1.4	1.2
Average number of employees FTE	53.8	58.2

Key management personnel are the Senior Management Team listed on page 62, comprised of 5 staff (2022: 6 staff).
The total remuneration of key management personnel for the year to 30 September 2023 was £392,380 (2022: £484,093)

9. TAXATION

As a charity, The Royal British Legion Poppy Factory Limited is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen on the charity.

10. TANGIBLE FIXED ASSETS

	Building Refurbishment £	Freehold land and property £	Plant £	Furniture and Equipment £	Total £
Cost or valuation					
At 1 October 2022	5,185,837	1,601,619	439,684	226,894	7,454,034
Additions	-	-	-	-	-
At 30 September 2023	5,185,837	1,601,619	439,684	226,894	7,454,034
Depreciation					
At 1 October 2022	671,447	1,346,618	439,684	119,388	2,577,137
Charge for the year	361,994	-	-	45,116	407,110
At 30 September 2023	1,033,441	1,346,618	439,684	164,504	2,984,247
Net book value					
At 30 September 2023	4,152,396	255,001	-	62,390	4,469,787
At 30 September 2022	4,514,390	255,001	-	107,506	4,876,897

The net book value of freehold property relates to land value and is not subject to further depreciation.

11. INVESTMENT PROPERTY

	2023 Total £	2022 Total £
Market value at the start of the year	26,820,000	26,590,000
Revaluation	1,495,000	230,000
Market value at end of year	28,315,000	26,820,000

Nightingale Chancellors, Chartered Surveyors, carried out a valuation on 30 September 2023 of 12 representative flats at market value on a vacant possession basis. From this, the Council arrived at an increased valuation including the other 35 flats of £1,495,000. The carrying value of the properties is reviewed every year.

12. OTHER INVESTMENTS

	2023 Total £	2022 Total £
Market value at the start of the year	1,350,461	1,424,920
Additions at historical cost	74,586	116,385
Disposals at carrying value	(87,387)	(36,228)
Gains/(losses) on investments	82,469	(154,615)
	1,420,129	1,350,462
Cash held as part of the portfolio	26,743	14,455
Market value as end of year	1,446,872	1,364,917
Historic cost the end of the year	1,250,347	1,236,110

	2023 £	2022 £
Investments comprise:		
Equities	964,114	878,167
Fixed interest	289,346	261,917
Alternatives	166,669	210,378
	1,420,129	1,350,462
Cash and settlements	26,743	14,455
Market Value at the end of the year	1,446,872	1,364,917

13. STOCK

	2023 Total £	2022 Total £
Raw materials	98,044	76,425

14. DEBTORS

	2023 Total £	2022 Total £
Trade debtors	121,974	13,335
Prepayments and accrued income	107,506	189,363
	229,480	202,698

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 Total £	2022 Total £
Trade creditors	39,937	138,810
Accruals	101,332	69,305
Deferred income	163,633	170,390
Wages and holiday pay accrual	28,544	29,257
Taxation and social security	47,322	48,255
Pension	21,345	22,859
VAT	-	28,740
Amounts due to The Royal British Legion	54,283	68,068
Other	60,450	30,201
	516,846	605,885

DEFERRED INCOME

	2023 £	2022 £
As at 1 October 2022	170,390	173,789
Amounts deferred during the year	1,436,435	1,312,651
Amounts released during the year	(1,443,192)	(1,316,050)
Balances carried forward as at 30 September 2023	163,633	170,390

Deferred income related to prepaid open market and office rents and service charges.

16. OPERATING LEASES

At 30 September 2023 the total commitments under non-cancellable operating leases:

	2023 Total £	2022 Total £
Total commitments under non-cancellable operating leases expiring within:		
One year	-	1,135
Between one and five years	-	846
Total	-	1,981

The Poppy Factory acts as a lessor with its office tenants.

	2023 Total £	2022 Total £
Total income due to The Poppy Factory as a lessor with its office tenants:		
Income due in less than 1 year	518,173	350,511
Income dues for 1 to 5 years	1,240,583	1,171,417
Total	1,758,756	1,521,928

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	Revaluation Reserve £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	4,469,787	-	4,469,787
Investment property	-	28,315,000	-	-	28,315,000
Other investments	-	-	-	1,446,872	1,446,872
Net current assets	270,471	-	-	776,586	1,047,057
Net assets at the end of the year	270,471	28,315,000	4,469,787	2,223,458	35,278,716

COMPARATIVE NOTE FOR 2022

	Restricted funds £	Revaluation Reserve £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	4,876,897	-	4,876,897
Investment property	-	26,820,000	-	-	26,820,000
Other investments	-	-	-	1,364,917	1,364,917
Net current assets	230,720	-	500,000	575,586	1,306,306
Net assets at the end of the year	230,720	26,820,000	5,376,897	1,940,503	34,368,120

18. MOVEMENTS IN FUNDS

	1 October 2022 £	Income £	Expenditure £	Gains/(Losses) and Transfers £	30 September 2023 £
Restricted funds					
Amenities and benevolent fund	78,048	513	-	-	78,561
Employment Service restricted fund	152,672	1,049,339	(1,010,101)	-	191,910
Total restricted funds	230,720	1,049,852	(1,010,101)	-	270,471
Unrestricted funds					
Investment property	26,820,000	-	-	1,495,000	28,315,000
Total revaluation reserve	26,820,000	-	-	1,495,000	28,315,000
Designated funds					
Fixed assets fund	4,876,897	-	(407,110)	-	4,469,787
Planned maintenance fund	500,000	-	-	(500,000)	-
Employment Service fund	-	278,565	(278,565)	-	-
Total designated funds	5,376,897	278,565	(685,675)	(500,000)	4,469,787
General funds	1,940,503	3,215,790	(3,515,304)	582,469	2,223,458
Total unrestricted funds	34,137,400	3,494,355	(4,200,979)	1,577,469	35,008,245
Total funds	34,368,120	4,544,207	(5,211,080)	1,577,469	35,278,716

COMPARATIVE NOTE FOR 2022

	1 October 2021 £	Income £	Expenditure £	Gains/(Losses) and Transfers £	30 September 2022 £
Restricted funds					
Amenities and benevolent fund	78,019	29	-	-	78,048
Employment Service restricted fund	190,535	800,109	(837,972)	-	152,672
Total restricted funds	268,554	800,138	(837,972)	-	230,720
Unrestricted funds					
Investment property	26,590,000	-	-	230,000	26,820,000
Total Revaluation reserve	26,590,000	-	-	230,000	26,820,000
Designated funds					
Fixed assets fund	5,233,862	-	(410,373)	53,408	4,876,897
Planned maintenance Fund	-	-	-	500,000	500,000
Employment Service fund	-	297,265	(297,265)	-	-
Total designated funds	5,233,862	297,265	(707,638)	553,408	5,376,897
General funds	2,813,141	2,992,718	(3,172,811)	(692,545)	1,940,503
Total unrestricted funds	34,637,003	3,289,983	(3,880,449)	90,863	34,137,400
Total funds	34,905,557	4,090,121	(4,718,421)	90,863	34,368,120

Restricted funds

Amenities and benevolent fund	The Amenities and benevolent fund is the net accumulation of the unspent donations received for the benefit of the beneficiaries of the charity.
Employment Service restricted fund	The Employment Service restricted fund is made up of restricted donations received specifically for employment support purposes and used for the employment service.

Unrestricted funds

Revaluation reserve	The property revaluation is the difference between the investment property valuation and its historic cost; and The other investment revaluation is the difference between the market valuation and historical cost.
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Designated funds

Fixed assets fund	The net book value of fixed assets held for charitable and investment purposes purchased through unrestricted funds. Outgoing resources comprise depreciation on these assets.
Planned maintenance fund	£500k that was designated for the upgrade to the current main factory windows has been reversed as the project has been completed.
Employment Service fund	Funds designated by the Council specifically for employment support purposes and used for the Employment Service.

19. STAFF PENSION FUNDS

The charity made contributions of £176,392 (2022: £181,522) to The Poppy Factory's Personal Pension plan.

The assets and liabilities of the TRBL defined benefit pension scheme, which is now closed, rest with The Royal British Legion, a separate charity registered in the UK. Several of The Poppy Factory staff were enrolled in this scheme. The Charity's contributions to this defined benefit scheme were accounted for as they fell due, and all contributions were fully funded from the Appeal Order.

20. RELATED PARTY TRANSACTIONS

The Royal British Legion is the charity's major customer. TRBL funds a contract with the charity against an agreed budget with any surplus/deficit adjusted at the end of the financial year following changes in volume or variance in costs. The total amount of income recognised during the year was £1,519,146 (2022: £1,509,463) in respect of the Appeal Order. At the year-end, £54,283 was payable to TRBL (2022: £68,068 payable by TRBL).

Total donations made by Trustees to The Poppy Factory in the year was £nil (2022: £nil).

Council members do not receive any remuneration, but they are eligible for reimbursement of expenses. No expenses were reimbursed in 2023, or in 2022.

There were no other related party transactions in the year, or in 2022.

21. CAPITAL COMMITMENTS

At 30 September 2023, the charity had no capital commitments. (2022: £nil)

22. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

Year Ended 30 September 2022	Unrestricted £	Designated Building Fund £	Restricted £	2022 Total £
INCOME FROM:				
Charitable activities, including Appeal Order	1,640,993	-	273,515	1,914,508
Donations and legacies	297,265	-	526,594	823,859
Other trading activities	35,410	-	-	35,410
Investments, including property	1,316,315	-	29	1,316,344
Total income	3,289,983	-	800,138	4,090,121
TOTAL EXPENDITURE ON:				
Charitable activities				
Employment Service	962,648	138,898	615,623	1,717,169
Other, including Appeal Order	1,593,447	161,515	222,349	1,977,311
	2,556,095	300,413	837,972	3,694,480
Raising funds				
Donations and legacies	226,950	-	-	226,950
Other trading activities	41,944	109,960	-	151,904
Investments, including property	645,087	-	-	645,087
	913,981	109,960	-	1,023,941
Total expenditure	3,470,076	410,373	837,972	4,718,421
Net income/(expenditure)	(180,093)	(410,373)	(37,834)	(628,300)

ADMINISTRATION

NAME OF CHARITY	The Royal British Legion Poppy Factory Limited
CHARITY NUMBER	225348
COMPANY NUMBER	204405
REGISTERED OFFICE AND OPERATIONAL ADDRESS	20 Petersham Road, Richmond, Surrey, TW10 6UR

PATRON

Her Majesty The Queen

PRESIDENT

Surgeon Rear Admiral Lionel Jarvis CBE KStJ FRCR DL

VICE PATRONS

Dr Geraldine Strathdee CBE MRCPsych
Brigadier Marc A J McH Overton TD DL VR

COUNCIL MEMBERS

Alistair Kett (Chair)	Simon Taylor
Cliff Dare MBE FRICS (Vice Chair)	Rachael Taylor-Jenkins, appointed on 19 January 2024
Linda Costello	Andrew Wishart
Major General Tim Hodgetts CB CBE KHS OStJ DL	Julius P H S Wolff-Ingham OBE
Martin Hodgson, appointed on 15 August 2023	Brian Worrell, appointed on 26 April 2023
Matthew Hubbard	Krishna Dhanak, resigned on 20 January 2023
Dr Sridevi Kalidindi MBBS BSc (Hons) FRCPsych PhD CBE	Peter R Gill, resigned on 23 March 2023

SENIOR MANAGEMENT TEAM

Amanda Shepard, Chief Executive
Debbie Boughtfower, Director of Operations
Mark Louw, Finance Director
Keren Rowlands, Senior HR Business Partner
Jeff Short, Director of Production and The Estate

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