

100 years of supporting the Armed Forces community

2021

Annual Report and Accounts

Year ended 30 September



ROYAL BRITISH LEGION

Mya Sanneh, Care
Assistant at our Lister
House care home



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Annual Report 2021

Foreword



Una Cleminson, National Chairman, and
Charles Byrne, Director General

Una Cleminson Charles Byrne

“This year was our centenary, and after lockdown restrictions were lifted, we made sure we celebrated 100 years of service. These gatherings brought welcome face-to-face contact for our members, volunteers and staff”

As always, our priority over the past year has been to serve the needs of the Armed Forces community. The pandemic often exacerbated those needs and threw up obstacles to meeting them. Despite these pressures, we stepped up to the challenge, adapted well and found ways to provide the services that are vital to the people we support.

The pandemic did not completely dominate the year. It was also our centenary, and after lockdown restrictions were lifted, we made sure we celebrated those 100 years of service. These gatherings brought welcome face-to-face contact for our members, volunteers and staff, many of whom had spent considerable periods of time alone while continuing to support us.

A centenary presents a good opportunity to reflect and take stock of an organisation’s purpose and role. Our first Honorary Treasurer (later to be known as ‘Director General’), Major Sir Benn Jack Brunel Cohen KBE, served in the King’s Regiment (Liverpool), the same regiment as Charles’s grandfather, and both fought on the Western Front. Many in our organisation, and across society, have similar connections with the generation that formed the RBL. This is not ancient history: those founders still feel close. Our current members, volunteers and staff are the most recent link in a human chain of all the many people who have supported the RBL over those hundred years. The RBL continues to enjoy the support of the nation, and we are confident that human chain will extend long into the future.

In a leadership role at the RBL, you are constantly approached by people who want to tell you about the difference the organisation has made to their lives. They frequently also mention its importance in the life of the nation. “The Royal British Legion is a national treasure” is a phrase that’s often used, and it’s appropriate given the role we have in the national story. The work of the RBL not only strengthens and supports the Armed Forces community, it is also a powerful force for good in this country.

To maintain that role, the RBL has to bring together many different people in pursuit of a common goal. This is one of our great strengths. Here, again, the RBL’s history is revealing. It was created by four charities that realised they would be more effective if they joined together as one. So they put aside their political affiliations and made it

work. They were inclusive, serving anyone in the Armed Forces community and their family, regardless of which service you had been in, your creed, your social standing, your race or your geographical location. Unity remains central to the RBL’s mission and practice. The Union Flag in the top corner of our ceremonial Standard is symbolic of that unity and loyalty to community, Crown and nation. Bringing people together is an essential part of Remembrance and is core to what we do. It has never been better demonstrated – or needed – than during this year.

As an organisation, the RBL has had to adapt over the years to meet changing needs. That adaptation continues. We made further progress in bringing together the many different services we provide to those in need in the Armed Forces community so they are easier to find and access. We continued to improve the way we coordinate with the many other specialist services provided by Armed Forces charities in the UK. We made it easier for beneficiaries to become aware of these and access them. Bringing disparate providers’ services together is difficult but it is worth all the effort. The result is a far more effective organisation that is far better able to meet the needs of the Armed Forces community we serve.

Meeting those needs through the year while the pandemic exerted its influence presented a challenge. The way members, volunteers and staff have stepped up to serve their communities demonstrated the spirit of tenacity and goodwill that has sustained the RBL for its first 100 years. The hard work has been impressive, as have been the sacrifices. In order to protect the people in their care from infection, some of our care home staff chose to stay in their place of work even though that meant they spent days – and even weeks – away from their families. Many others have had to work from home in challenging conditions. It is also the little things people did for others that impress. One of our care home staff took his young boy into work to stand outside the residents’ windows and sing some songs, because those residents couldn’t see their grandchildren. That day, that boy eased their sense of isolation and lifted their spirits.

The pandemic showed, once again, the RBL can’t deliver its charitable work without acting together and being available to all members of the Armed Forces community. We represent the nation, and we must reflect the nation.

We talk about the loyalty to community, Crown and nation when the new Standard Bearer receives the Standard each year. That represents the bringing together of peoples. We imagine how Brunel Cohen would have approached the task of improving diversity and inclusion. He and others didn’t bring four major Armed Forces charities together to form the British Legion in order to leave some people out. Inclusivity and recognising diversity must be at the centre of who we are and what we do.

The RBL has constantly had to change to stay relevant. The leadership shown by our Trustees is just one example. Their decision to start a thorough review of the governance of the organisation demonstrates a strong sense of stewardship, responsibility and commitment to our work. They invited advice from external experts and they have given, and are giving, our governance full and proper consideration. We are now building a programme to define how we improve our governance and decision-making to ensure the RBL can continue to provide whatever support is needed for generations to come.

Another big change this year was the introduction of hybrid working for office-based staff. We have been investing in our technology for some years, which helped with the transition, but the pandemic forced us to accelerate, both in technical investment and user adoption. It has been quite a steep learning curve. At times it has been frustrating, and we haven’t yet established what an optimal hybrid-working model for us will look like. But generally, people have made it work extremely well.

What we saw yet again during the pandemic is that when things get really difficult, this nation turns to the Armed Forces. That could be helping build Nightingale hospitals, carrying out COVID-19 tests, distributing and administering vaccines or driving fuel tankers. In times of trouble, the Armed Forces get the call, and they step up. That builds huge trust and confidence among members of the public, and huge levels of support. This underpins the support for the RBL, as we saw this year in the public donations during periods of Remembrance and the Poppy Appeal, which remained high despite street and workplace collections being curtailed by lockdown. The public responded to calls to donate online with immense generosity. They are, we believe, saying

thank you to the Armed Forces for being there for us when things get tough.

Looking ahead to the next year, we want to continue the work of bringing together the many services we provide, along with those offered by other Armed Forces charities, so they are more easily accessible to those we support. We also want the general public to be clear about who we are, the vast range of what we do and the impact we have. We do so much, and that range can be hard to simplify and explain. Over the next couple of years, we will aim to be better understood, as well as provide even better support and services for the Armed Forces community.

Having come through this period of struggle with the pandemic, and seen how magnificently our people – members, volunteers, staff and supporters – responded, gives us great confidence in the future. Along with the rest of the nation, we have weathered a heavy storm. We have seen how it brought out the best in our people. We have come together. We have much still to do to improve, but we have the legacy of goodwill from our 100-year history, and we have the unity, support and inspiration of that human chain. There is every reason to be optimistic.

“In times of trouble, the Armed Forces get the call, and they step up. That builds huge trust and confidence among members of the public, and huge levels of support. This underpins the support for the RBL”

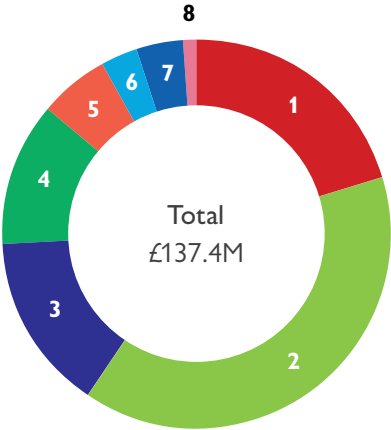
Trustees’ report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2021. Details of the group structure can be found in the financial review on page 52 and in note 14 to the accounts.

Financial overview

Where the money comes from

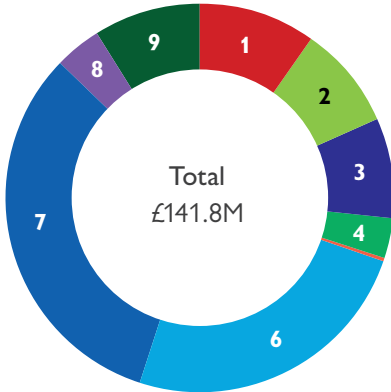
		£ Million	%
1	The Poppy Appeal	27.9	20.3
2	Donations, legacies and events	53.6	39.1
3	Lotteries and trading	20.9	15.2
4	Fees charged to care home residents	16.8	12.2
5	Grants for welfare services and Remembrance	7.6	5.5
6	Membership subscriptions	4.0	2.9
7	Investment income	5.4	3.9
8	Other	1.2	0.9
TOTAL INCOME		137.4	100.0



Where the money goes

Operational costs

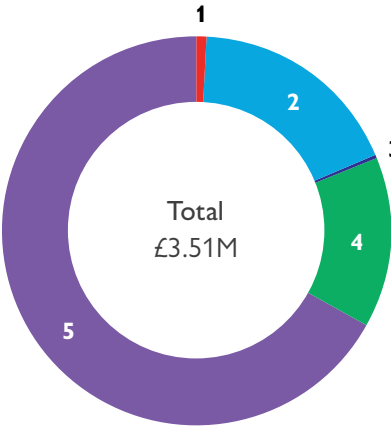
		£ Million	%
1	The Poppy Appeal	14.0	9.9
2	Donations, legacies and events	12.5	8.8
3	Lotteries and trading	11.2	7.9
4	Remembrance	5.0	3.5
5	Comradeship	0.4	0.3
6	Care homes	35.1	24.8
7	Welfare services	45.6	32.1
8	Membership	5.7	4.0
9	Communication and campaigns	12.3	8.7
TOTAL OPERATIONAL COSTS		141.8	100.0



Where the money goes

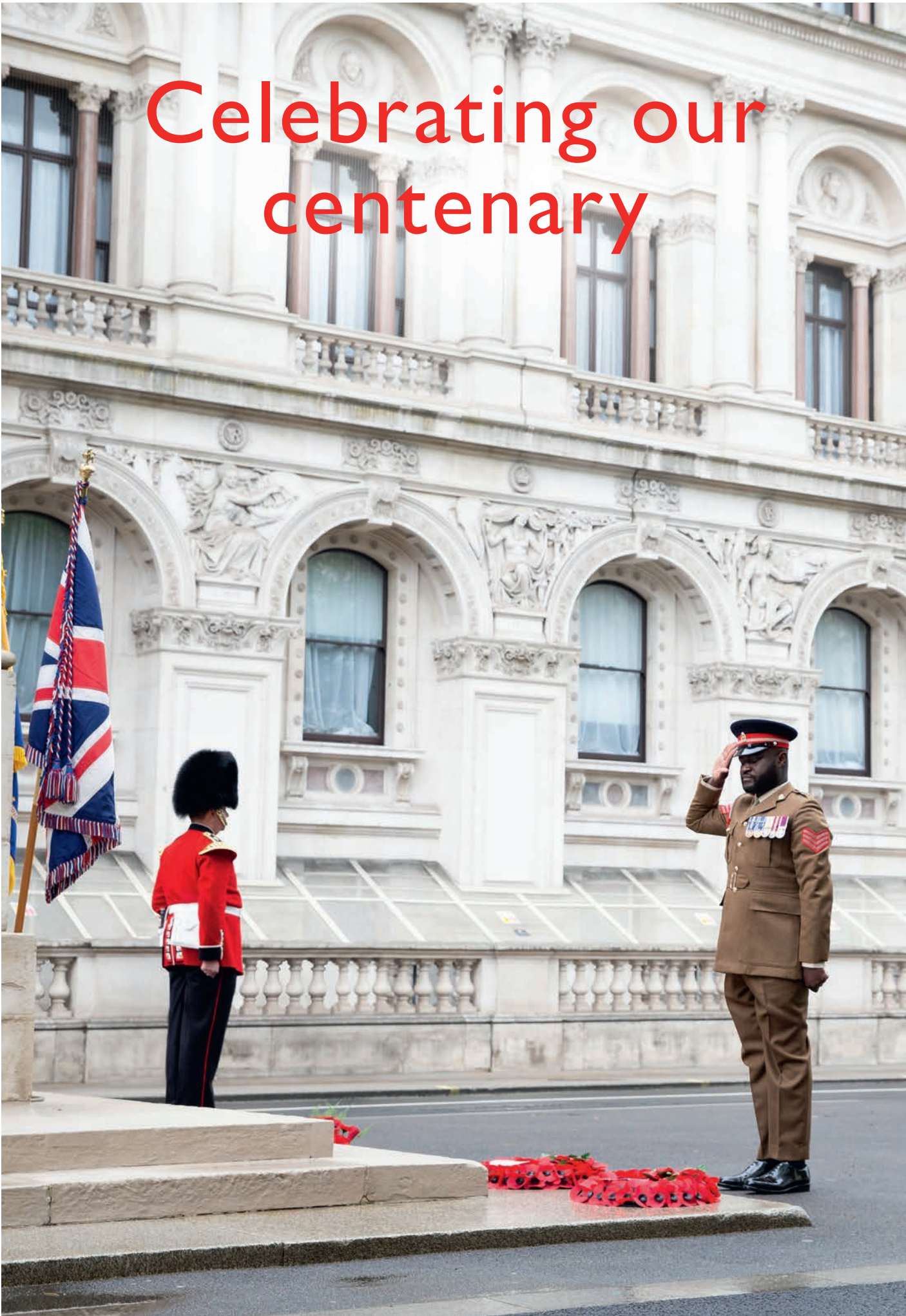
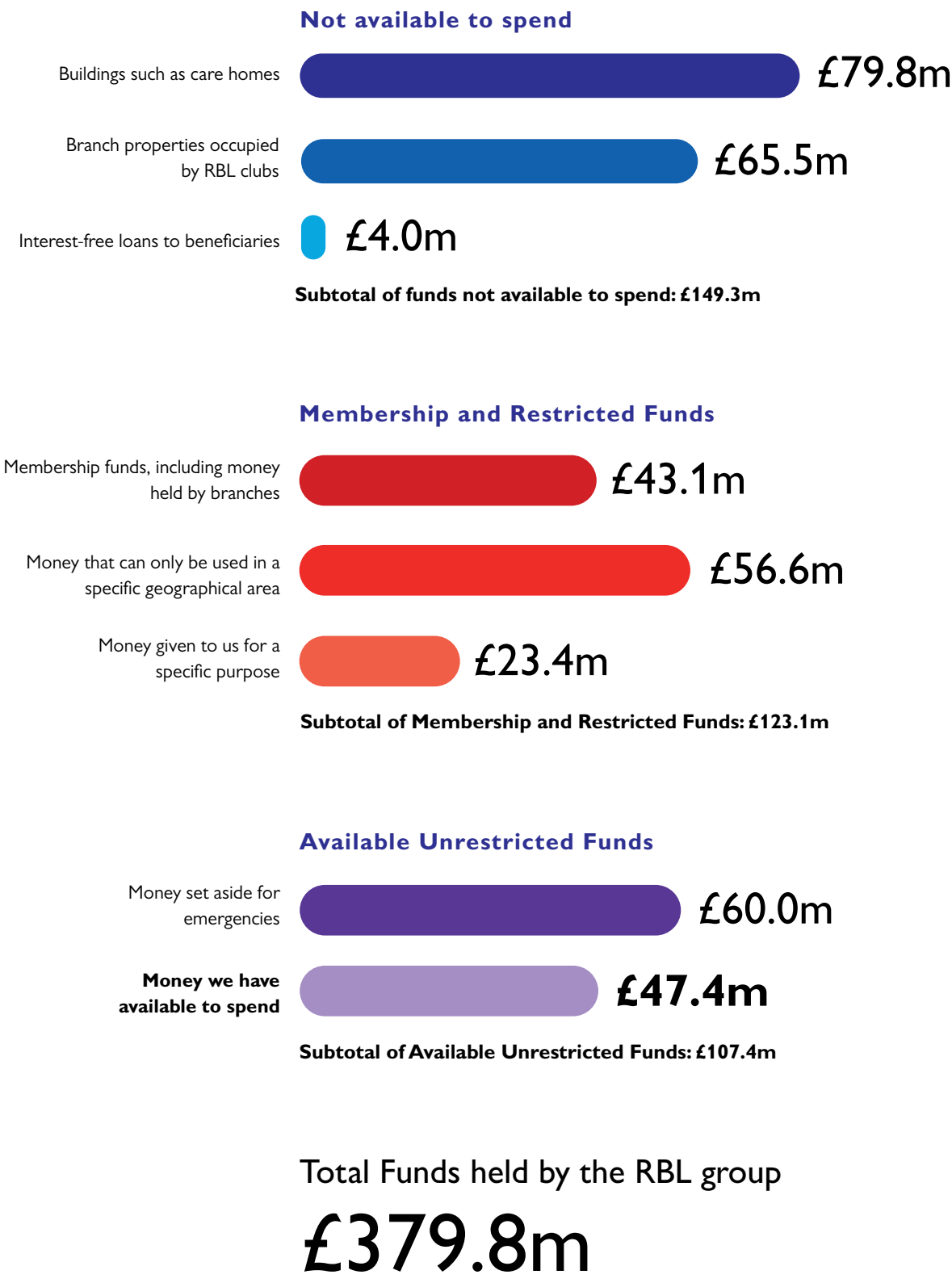
Capital costs

		£ Million	%
1	Care homes	0.04	1.1
2	Poppy Machines	0.62	17.7
3	The National Memorial Arboretum development	0.01	0.3
4	Improving IT infrastructure	0.50	14.2
5	Lady Haig Poppy Factory renovation	2.34	66.7
TOTAL CAPITAL COSTS		3.51	100.0



Funds and Reserves

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



Previous page:
Sergeant Ben Poku,
Queen Alexandra's
Royal Army Nursing
Corps, was one of the
Armed Forces
representatives who
laid wreaths at the
Cenotaph on 15th May,
2021, to replicate the
founding moment
of the British Legion
100 years ago

This page, far left: An
ex-serviceman
at the Field of
Remembrance, 1938

This page, left: A silk
poppy from 1942–1944

In 2021, the Royal British Legion marked its 100th anniversary with events that reflected upon its proud past and highlighted its preparedness for a second century of service. While we looked back at the work the charity has achieved since 1921, the focus of our centenary was on the future. Our challenges and contributions are not behind us – they are yet to come.

The British Legion was born out of the First World War when four organisations came together to fight injustices faced by those returning home after their service. The Legion was founded as a campaigning organisation, fighting for fair treatment of those who had given so much for their country, and it provided much-needed welfare and comradeship to millions. At the same time, it committed itself to Remembrance of the selfless service of the Armed Forces community and the commemoration of its fallen.

Today, the RBL is committed to the same mission, to ensure the Armed Forces community suffer no disadvantage for their service, to provide access to welfare when they face hardships, to recognise their achievements and to remember their sacrifices. A century of experience has built the solid foundations of an organisation fit for the next 100 years, and one committed to becoming more efficient, more focused and of even greater value to the community it serves. Our modern-day services meet many needs, from small interventions to life-changing, and sometimes lifesaving, support.

But we cannot do this alone. The RBL's strength is its network of members, volunteers, partner organisations and supporters. In our centenary year, our events and activities provided key opportunities to recognise and thank the many charity partners, community associations, elected officials, and government agencies and services at all levels whose valuable support makes it possible for the RBL to do its work. Our centenary events held nationally, regionally and locally enabled us to tell our story and recognise our people, past and present.

In 2021, we demonstrated our commitment to the future of the organisation with a renewed strategic direction, placing those who need and support us at the heart of all we do. We also introduced a new visual identity, helping our organisation be better recognised and understood.

At 9am on 15th May, 1921, the four ex-Service charities who founded the British Legion came together at the Cenotaph on Whitehall to lay wreaths and mark the new organisation's formation. One hundred years later, on 15th May, 2021, a ceremony was held at the Cenotaph to replicate the moment of the RBL's creation. The RBL National President, Lieutenant General James Bashall CB CBE, laid a wreath at the Cenotaph, alongside representatives of the Royal Navy, Army, Royal Air Force, Merchant Navy and The War Widows' Association.

The anniversary was met with "heartfelt congratulations" from our Patron, HM

**“A century of
experience has built
the solid foundations
of an organisation
fit for the next
100 years”**



The Queen. “Since 1921,” she wrote, “the Legion has worked with alacrity, intelligence and commitment, pursuing a mission of bringing together nations, communities and people to provide better futures for our Armed Forces, veterans and their families.”

HRH The Prince of Wales gave the opening address at our virtual Annual Conference in May in the form of a video message. Praising the RBL's work of the past 100 years, and recognising its commitment to future generations of the Armed Forces community, he said: “There are few organisations which hold a place at the heart of society in the way the Royal British Legion does. For 100 years, the RBL has been a constant, through the annual Poppy Appeal, leading the nation in Remembrance and providing a lifelong commitment to every veteran and their families. Therefore I wanted, above all, to offer my sincere and heartfelt gratitude to all those who have helped build this wonderful organisation we know today, and to all those who will be part of its future.”

We marked this milestone with the publication of a hardcover book, *We Are The Legion*. It tells our story vividly and vibrantly, with the largest collection of

colourful RBL images ever published in one place.

Another project, *Telling Our Story*, allowed RBL members and branches to share memories of the RBL at the community level. More than 5,000 items are now catalogued in the Branch Library, and a selection is displayed on our website. Nominations submitted by staff, members, volunteers and supporters recognised 400 individuals as Centenary Stars, who have made a difference to the RBL.

Across the year, an active marketing campaign highlighted that the RBL was looking to the future, responding to needs, celebrating our people and building on our legacy of service.

In October, our Patron HM The Queen and HRH The Princess Royal, President of the Women's Section, were invited to a special service of celebration at Westminster Abbey.

The Royal British Legion centenary publication *We Are The Legion* tells the story of the 100 years that the organisation has been in existence

Services and support



Opposite: Janet Dowling, one of our care home residents

Members of the UK's Armed Forces give the nation their total commitment. It's the Royal British Legion's job to be there for them at their time of need. We've got their backs. Despite the challenges of the lockdown and subsequent ongoing restrictions, we have maintained our welfare commitments, and some of our services have even expanded.

Running a care home in challenging times

Our six care homes provide 24-hour residential, nursing and respite care for hundreds of older veterans and their dependants. They also support individuals needing specialist dementia care. We provide a unique environment that recognises and celebrates our residents' service to the country.

Despite the challenges of the ongoing pandemic and the well-reported staffing and funding issues faced by the social-care sector in the UK, we continued to provide high-quality care for residents, both in our homes and in their families' homes.

All the homes continued to offer a range of meaningful activities, despite the restrictions in place. As much as possible, we aim to link these to the local

communities or to residents' specific interests. All homes ensure residents and their loved ones are able to observe, commemorate or celebrate events in the Armed Forces calendar, along with other national events. VJ Day was celebrated with summer barbecues, services of Remembrance and concerts from The Not Forgotten and 'Lest We Forget' Associations. We enriched care through online activities, which included residents taking part in an international cycling challenge, forming community choirs, and celebrations of Chocolate Week and National Women's Day. We also facilitated visits from family members, ensuring these happened in a safe way. Together, these activities provide enrichment and purpose to our residents' daily lives.

RBL homes continue to make effective use of a range of technology and tools to ensure our residents remain connected with their loved ones. We offered a wider choice of visiting options, including booked visits with residents in their own rooms, but we were still unable to have visitors in communal areas.

When COVID-19 restrictions eased, we were able to welcome some volunteers back to our homes. Volunteers have always played a large and valued part in activities and events within RBL homes. They can help to ensure that quieter residents are not left out of group activities, as well as assisting with the organisation and implementation of larger events. As additional 'eyes and ears', they can alert staff when any resident is appearing unwell or unhappy.

Highlights from some of our care homes

- As part of the RBL centenary events, Dunkirk Memorial House was chosen by the ITV programme *Love Your Garden* to have a garden makeover.
- Galanos House was inspected against the Gold Standards Framework for end-of-life care and scored an amazing 56 out of a potential 57 points to retain its platinum status.
- Mais House has continued to have video calls every two weeks with students

“Thank you so much for the loving care you gave to our father and us. We are so grateful we got to celebrate his 102nd birthday. He was so happy with you, and nothing was too much trouble for anyone”



Opposite: Ian Shaw, one of our care home residents

Below: Helen Buckley, Admiral Nurse, Regional Lead, South Wales

from the Royal Navy in Birmingham. There was a talk from a serving officer about what life is like in the Royal Navy today, and our residents shared their experiences, passing on stories and knowledge to the next generation.

RBL Admiral Nurses provide face-to-face and online support

Carers of people facing the challenges of dementia while continuing to live in their own homes need expert and clinical advice. Our Admiral Nurses service provides it, along with much-needed support.

The service adapted well to the changing circumstances presented by the pandemic. It provided face-to-face and online assistance and advice in the established six geographic operational areas it covers, as well as offering online support to those in need everywhere else in the UK and worldwide.

Our staff were key to providing safe and good-quality care throughout the year. The pandemic and subsequent lockdowns have increased workloads and pressures on every member of the RBL's care teams. To ensure we look after these front-line teams, we invested in specialist support for their wellbeing.

Regional casework and specialist advice needs increase

We continue to provide essential caseworking and specialist advice services. Following the successful adoption of remote-working technology for our home-visiting services, we delivered much of this support through telephone and video calls, although we resumed some face-to-face provision for the most vulnerable of those we support.

In all, we provided assistance to just under 30,000 people in need of help, either in the UK or one of 31 countries across the world where we operate. We have continued to see an increase in people turning to the RBL with complex, multiple needs, seeking practical help when life becomes most difficult. When service users needed practical solutions for mobility, housing, household items and debt, we were there for them, providing grants when required. We awarded more than 11,000 grants to individuals during the year.

This year, our War Pension and Armed Forces Compensation service received 1,170 new requests for assistance with appeals against compensation awards.





Above: Mikhail Wazir, a veteran participant at the Battle Back centre, taking part in archery

personnel and veterans who are wounded, injured or sick. Our Battle Back centre provides multi-activity courses. Bravo 22 Company offers arts and media courses, while Team UK for the Invictus Games has a competitors' friends and family programme, which provides support. Multi-activity courses at the Battle Back centre had to stop until mid-March, when an adapted programme, with reduced numbers and COVID-19-safe arrangements, was put in place. Bravo 22 Company and Team UK for the Invictus Games continued to run online support, which was well attended.

Progress against aims set out in the 2020 report

We detailed several aims for 2021 in last year's report. We aimed to implement plans to strengthen and improve the way we provide welfare support, ensuring that people can easily access the services they need, when they need them. We have introduced successful pilots to fast-track those who are most vulnerable and require most urgent support. These trialled new ways of providing a better experience and reducing waiting times. We increased funds allocated to our individual needs grant programmes and introduced new categories of support, including digital-inclusion grants for data and smart devices. We will continue this development work throughout 2022.

We wanted to improve the way we run our care homes by introducing better staffing and electronic care systems. We have begun implementing these. We said that we would work with our partners to streamline the War Pension and Armed Forces Compensation appeals process. This work has been very successful, with people seeking support from the RBL in appealing their compensation award now experiencing a more refined and better-organised service.

Our last strategic goal was to develop the RBL's future plans for our recovery services, supporting people who are wounded, injured or sick, and their families. Detailed plans have been developed and approved, which will see a significant investment and increase in scale to the RBL's support in this area.

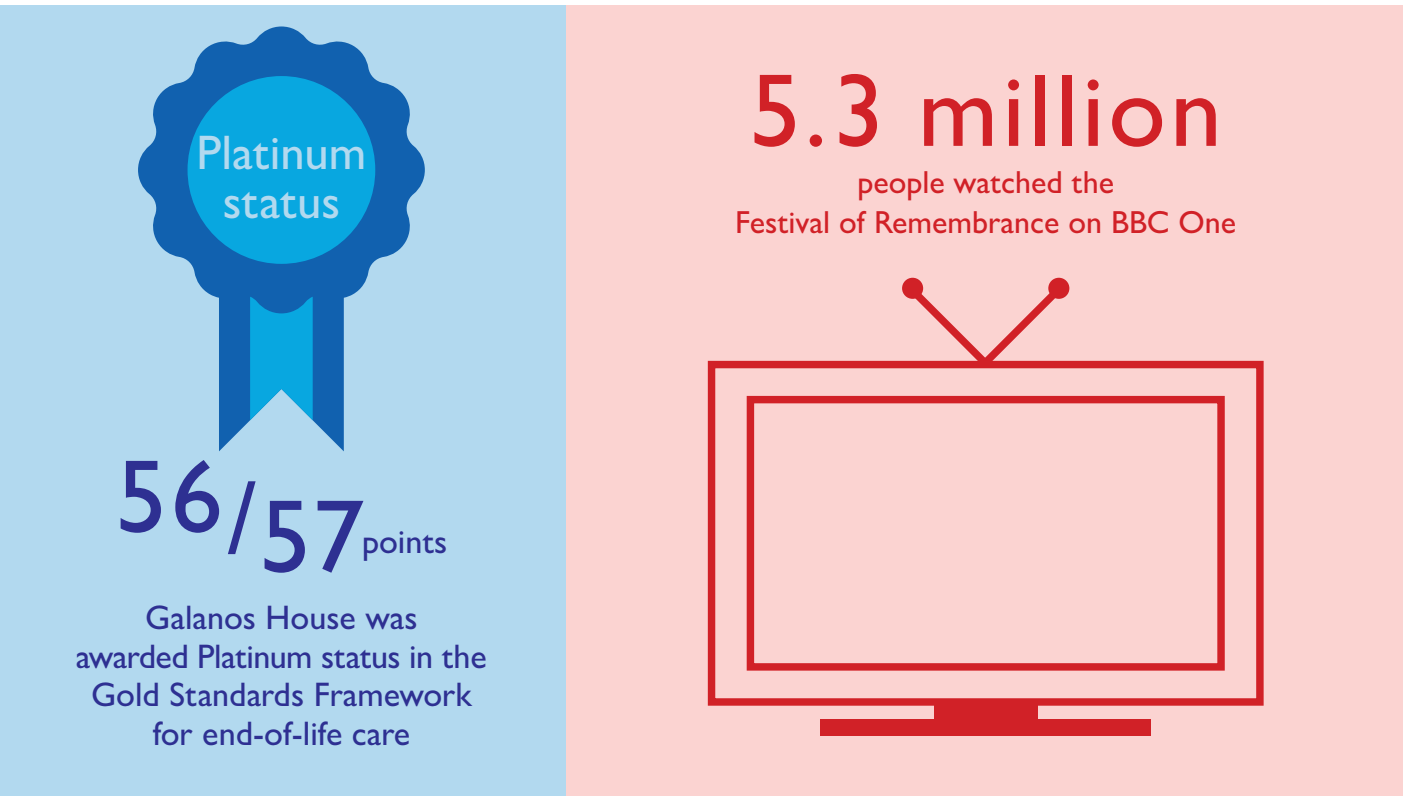
We responded, helping them secure more than £2 million. More than 2,000 people used our specialist debt and money advice service, which secured access to benefits and grants and negotiated debt relief worth a total of £10 million. This was an increase of 15% on last year.

Improving our impact

We use the 'Impact Star' model to assess an individual's situation across six areas of welfare need. These assessments, co-created by the individual themselves, are carried out prior to an individual's engagement with the RBL's support services and then again afterwards. The data provides us with essential insight into the impact of our services. During the year, beneficiaries reported a 25% improvement in their household finances, a 22% improvement in their housing situation and a 20% improvement in their mental health.

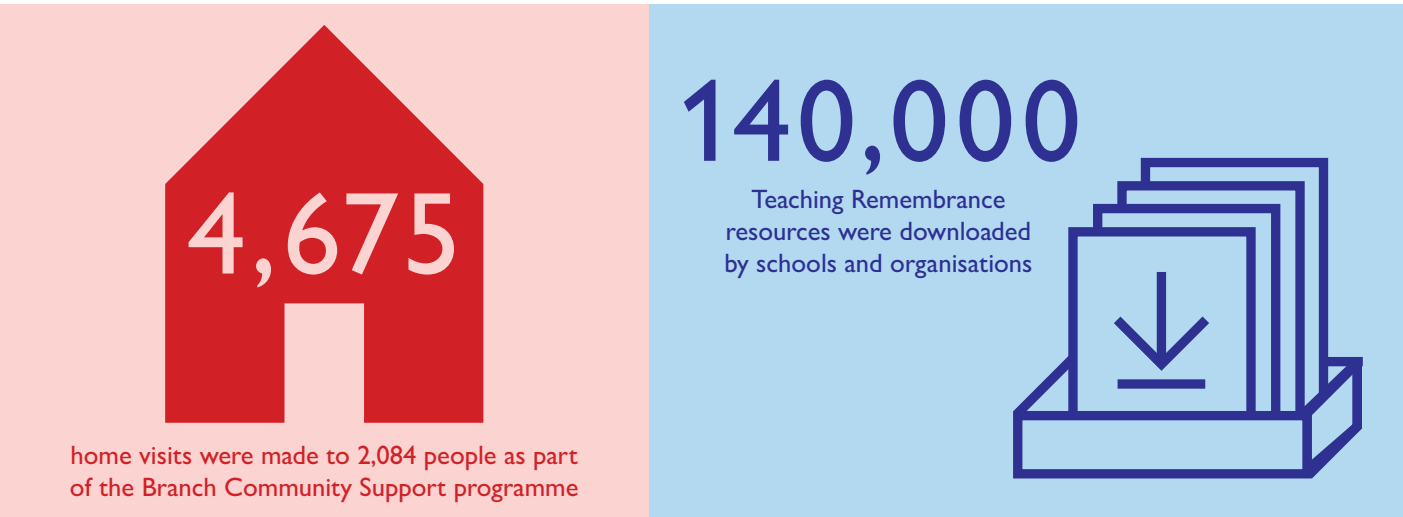
Recovery programmes adapt to pandemic restrictions

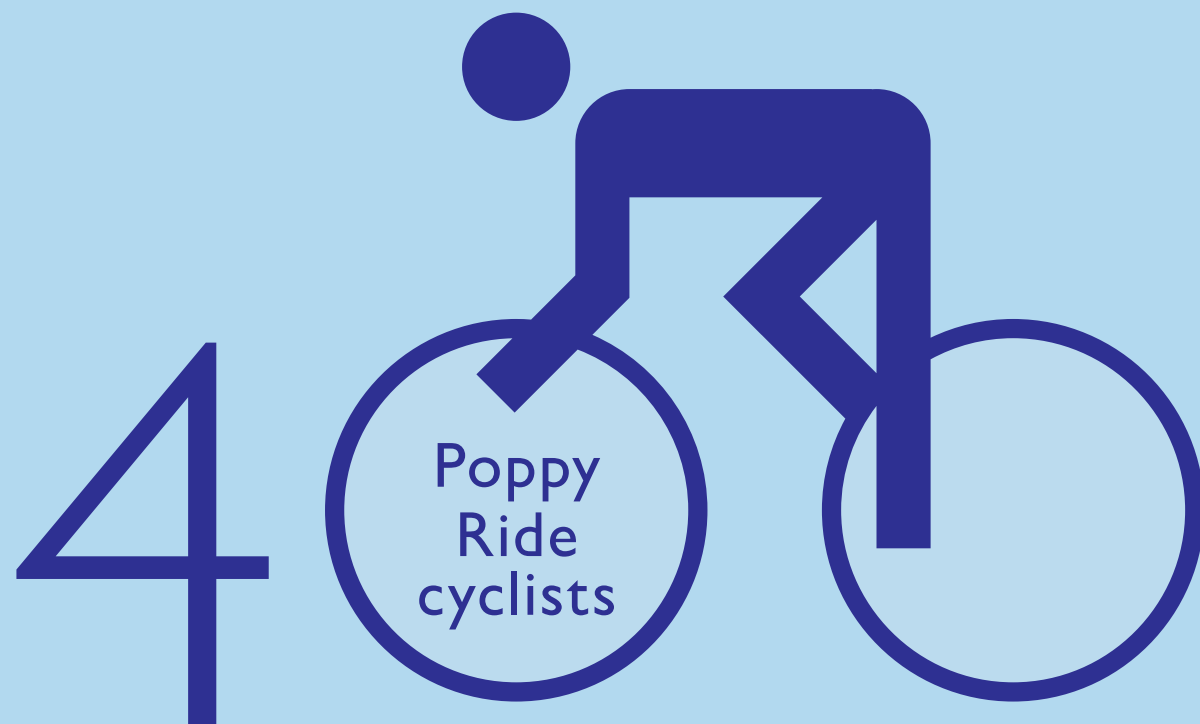
The RBL has a number of services to help speed the recovery of serving



2021

in numbers



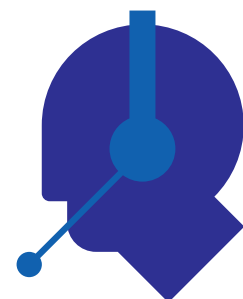


4

took part in the first UK charity event to take place after the winter lockdown



The 2020 Poppy Appeal raised
£28 million
despite COVID-19 restrictions



1,170

people contacted our War Pension and Armed Forces Compensation service for support. We helped secure funding of more than £2 million



59,560

Telephone Buddy calls were made to 17,990 members of the Armed Forces community as part of the Branch Community Support programme

23,000
individual event fundraisers raised more than
£1.2 million

through new virtual events in 2021



30,000

people who were in need of help in the UK or one of 31 countries across the world received assistance from the RBL

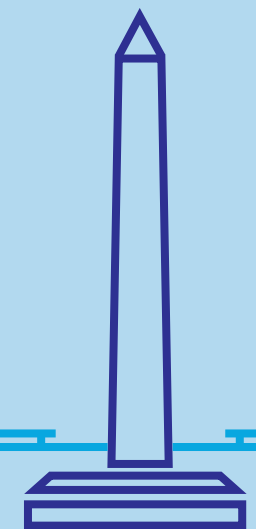
400



staff, members, volunteers and supporters were recognised as part of our Centenary Stars programme, nominated for making a real difference to the work of the RBL

222,000

visitors were welcomed to the National Memorial Arboretum



The Arboretum was awarded:

- iNews Tourist Attraction and Inclusive Venue of the Year
- Green Flag Award
- VisitEngland Gold Award

We secured debt relief worth a total of

£10 million

for more than 2,000 people who used our specialist debt and money advice service. This was an increase of 15% on last year



Ambassador stories



“The RBL supported me through mental-health issues in the military, during the transition to civvy street and then after my accident, helping me through physically challenging periods – they have been incredible”

Naomi Hall

RAF veteran Naomi Hall, 36, had a 16-year career in the military as a Senior Aircraftwoman, but her experiences in Afghanistan, coupled with a life-threatening car crash, saw her turn to the Royal British Legion for help and support as she adjusted to civilian life.

“I loved it out there in Afghanistan, but immediately after I returned home, a colleague was shot in the face and killed while doing his job, and that affected me deeply,” she says. “He had a nine-week-old daughter and, as a young mother myself, it shook me. I was left feeling guilty about coming home in one piece.”

Naomi’s depression worsened, and she was medically discharged in October 2015. During her rehabilitation, Naomi did two courses at the RBL’s Battle Back centre in Lilleshall. She was also provided with two trips in order to take her daughter on holiday for the first time.

“The trips with my daughter Natasha were amazing,” she says. “I’d fallen into the trap of thinking that military life superseded everything, so to be able to have those two holidays with my daughter was so special.”

Everything was going well until a horrific motorway accident in January 2017, which left Naomi in an induced coma for a fortnight. When she came round, she couldn’t remember who she was. After ten weeks in hospital, she returned home in a wheelchair and fought back, learning how to walk and talk again.

She moved to a new job as a Project Manager in the automotive industry and says her life is in a great place now. She still has to undergo gruelling sessions with a personal trainer for three hours a week as she recovers from her injuries, but with the support of the RBL, she is looking forward to a very positive future.

Alison Bunn, former Area Manager for the RBL in Greater Manchester, says: “Naomi is an inspirational figure, and the RBL has been privileged to help her through her various setbacks. Despite everything, she has defied the odds and now has a successful career.”

Dorothy & Angus Weir

Dorothy Weir, 75, looks after her husband of 49 years, Angus, 76, who served in the Army for around ten years, with postings in Germany, France, Norway and Libya. Sadly, Angus suffers from several health problems and Dorothy has taken on the role of his sole carer.

Angus has bipolar disorder, vascular dementia and Alzheimer’s. Physically, he can’t stand or walk for very long. On top of this, he has suffered two strokes and is awaiting a diagnosis of COPD. Angus has also been diagnosed recently with PTSD, which the family believe stems from a tragic incident while serving in Libya.

Dorothy has been Angus’s carer for about six years. “Caring for Angus impacts my life massively,” she says. “His long-term memory is brilliant – he can talk about his time in the Army until the cows come home! But he can’t tell you what happened yesterday.”

Dorothy also has to help Angus with his physical needs, such as putting on his socks and shoes. Although they have had a wonderful life and marriage together, there are still days when Dorothy finds herself retreating to the garden to catch a break.

“Even though I know he can’t help it,” she says, “I’m human too and sometimes I could just walk away. You live with it on a day-to-day basis. You get up in the morning and don’t know what that day is going to bring. It’s relentless.”

Over the past year, Dorothy has benefited from the Royal British Legion’s Admiral Nurse service, which provides specialist support for carers

of people living with dementia, and she is full of praise.

Helen, her RBL Admiral Nurse, offers specialist emotional support and practical advice. “My Admiral Nurse talks to me about dementia and how it works, and has given me a lot of information I didn’t know,” says Dorothy. “That helps me cope because I can understand what Angus is doing.”

Not only does Dorothy care for Angus, but she also has to look after their finances. When the couple’s landlord gave them notice, they needed help with removal costs, and the RBL stepped in with a grant.

“The help I’ve been given is just amazing,” says Dorothy.

“When you become a carer for someone, that’s what identifies you. You lose some of who you are. The mental-health team treated me as a carer, not as a wife, but Helen focuses on me as me, as my own person”





Lilian and Eric Smith

Lilian and Eric Smith, who are aged 95 and 94 respectively, entered the Royal British Legion's Galanos House care home in 2020 when Eric's Alzheimer's grew too advanced for Lilian to manage. They have been married for 76 years, having met while working at WHSmith during the Blitz.

Eric had served in the Royal Navy for three years, missing out on active service during the Second World War owing to his age when war broke out. Nevertheless, he was to play his part in the closing stages and aftermath, joining the Royal Navy as soon as he was eligible. He became Leading Stores Accountant on HMS *Victorious*, where he ensured the ship always had enough supplies for 1,800 people.

Lilian describes his being away serving as "grim". "We used to write every day; he'd write to me and I'd write back," she recalls.

They found out about Galanos House through their daughter. She was in hospital and got chatting to a lady there who said she was looking forward to getting back to her care home, which turned out to be Galanos House. This was some years ago, but their daughter kept a note to go and look round when the time was right.

Lilian receives 'everyday support', including help getting dressed and help with her medicines. A doctor also visits regularly. "Having the doctor come in is a massive help. He's very thorough and it's so difficult to get a doctor's appointment on the outside," she says.

Galanos House is one of the RBL's homes that has specialist dementia care, which Eric receives. "If you've got a problem, it's sorted very quickly," says Lilian. "Each person has two carers, and the care you receive is just great. It's one big friendly family, and it's different from being on your own at home with just the two of you. Everybody cares."

Of Eric and Lilian's eight grandchildren, two went on to become professional soldiers and sailors, one rising to Captain in the Army and the other, James, becoming a Principal Warfare Officer onboard one of the Royal Navy's nuclear submarines, HMS *Vigilant*. He supports and fundraises for the Royal British Legion and also laid a wreath at the official ceremony to mark the centenary of the RBL on 15th May, 2021.

"We're very well cared for; we can't fault it. I couldn't cope anymore at home on my own, caring for Eric too"



The Armed Forces Memorial at the National Memorial Arboretum, sculpture by Ian Rank-Broadley

Our ambition is to ensure that Remembrance is understood and available to everyone and passed on to the next generation. We are proud to honour and remember the service and sacrifice of all British and Commonwealth Armed Forces, and other foreign forces under British command, since the First World War. Remembrance is what the RBL is best known for. It is part of our charitable remit. But it is more than that: it is our duty. For as long as the Royal British Legion exists, we will remember them.

The financial year began with the Festival of Remembrance at the Royal Albert Hall in November 2020, in the absence of spectators for the first time in its history and under strict social distancing due to COVID-19 restrictions.

"The pandemic may have changed this year's Festival," *The Daily Telegraph* said in its review of the production. "But its essential message was as intense and moving as ever."

In his public comments at the Festival, HRH The Prince of Wales said: "We have experienced anxiety and grief never known before in peacetime." The freedom for which war heroes fought was "more precious than we knew," he said, adding, "Heroes and heroines are all around us."

Meanwhile, HRH The Duchess of Cornwall praised the Armed Forces for erecting the Nightingale hospitals, caring for critically ill patients and assisting the civilian

responders to the pandemic. Captain Sir Tom Moore, who was interviewed by Huw Edwards as part of the programme, added his words of gratitude.

The Festival honoured veterans of the Battle of Britain, the Korean War and the war in Iraq. Mica Paris, Freya Ridings, Marisha Wallace, Laura Main, Ramin Karimloo and Sophie Ellis-Bextor performed and were joined off site by Michael Ball and Alfie Boe, who paid tribute to the Chelsea Pensioners at the Royal Hospital Chelsea.

The event received widespread media coverage and was broadcast on BBC One. Its broadcast peaked on the night at 5.2 million viewers, with an average of 5.05 million, representing 29.5% of the television audience. Including iPlayer viewers over the next seven days, the consolidated figure was 5.3 million viewers.

The audience liked what they saw, with the Festival broadcast gaining an Audience Appreciation Index of 89. This score measures the audience appreciation of enjoyment and quality; scores of 85 or higher are rare and considered excellent.

On Remembrance Sunday, the RBL organised the Parade Dispersal of veterans past the Cenotaph, following the National Service of Remembrance on Whitehall. This, too, was restricted by COVID-19.

The usual capacity of 10,000 marching veterans was reduced to 25 representatives of the Armed Forces community, although

the moment bore its usual poignancy and meaning.

The RBL National President, supported by the National Chairman, led the military associations in wreath laying and was joined for the first time by ABF The Soldiers' Charity. The inclusion of ABF remedied the historical absence of a specific representative organisation for the Army to lay a wreath alongside the Royal Naval Association and the Royal Air Forces Association.

Focus on youth and communities
Our ever-popular Teaching Remembrance resources had 280,000 unique views and more than 140,000 downloads, engaging over 1.8 million children in Remembrance through schools and organised activities.

We now have 60 materials for use by four to 16-year-olds at school or at home, including bite-size and whole-school activities, lesson plans and assemblies – also available in Welsh.

Topics range from the lasting legacies of the First World War generation to collaboration in 1944 and parallels between the Second World War generation and today's COVID-19 generation. We offer creative writing, art and book clubs, the latter themed to *Now or Never* by Bali Rai, an exploration of the British Indian Army at Dunkirk. All materials are created in conjunction with education partners, including the National Literacy Trust, and are curriculum relevant.



Left: Captain Sir Tom Moore at the Royal Albert Hall for the Festival of Remembrance

Opposite: The Festival of Remembrance



Girlguiding was particularly pleased to reach 39,000 downloads of our co-created resources, while Scouts accessed the resources more than 30,000 times and 1,300 Cadet troops obtained materials through our Teaching Remembrance Hub.

Guides were offered different unit activities, from exploration of the poppy fields of the First World War to women working in the Resistance during the Second World War. Crafts accompanied each, from poppy pinwheels to stones of Remembrance.

Scouts were also offered activities, including a Pebble to Remember – a Scouts tradition – as well as delving into the meaning behind the Unknown Warrior. Meanwhile, Cadets explored the theme of service and sacrifice from the Second World War to the COVID-19 pandemic.

We partnered with publisher Hachette on *We Will Remember Them*, a beautifully illustrated book. It explains to children why it's important to remember the service and sacrifice of so many men and women from every background, who ensured our freedoms and way of life.

We continue to highlight the Remembrance message among the diverse communities found within modern Britain, ensuring their history of service and sacrifice is never forgotten.

In July, we created a page on the South Asian Heritage Month website to showcase the exceptional contribution of 20 men and women of South Asian descent from the First World War to the present day. It was the fifth most-viewed page on the website.

One such story concerned Lance Corporal Gurkha Rambahadur Limbu of 10th Princess Mary's Own Gurkha Rifles, who displayed exceptional gallantry during the Indonesian Confrontation in November 1965. He is now one of only five living recipients of the Victoria Cross.

The National Memorial Arboretum
On 16th May, 2021, one day after the RBL marked its 100th birthday, the National Memorial Arboretum in Staffordshire celebrated its 20th anniversary from its home in the heart of England. On its 20th birthday, it affirmed its vision to be the nation's year-round place to remember and an inspirational, world-class setting, freely open to all.

The Arboretum was delighted to dedicate ten memorials during this financial year,

including the UK Police Memorial and the Remembrance Glade. The latter was opened by the RBL National Chairman, Major Una Cleminson BEM TD. In July 2021, the stunning UK Police Memorial was unveiled. A 12-metre tall, thin tower of brass, perforated by leaf shapes, it represents the Celtic notions of transition from one world to another. The memorial is the first of its kind to bring together physical and digital elements that tell the stories of all police officers and staff who have died on duty.

“Our expressions of appreciation will always be hopelessly inadequate and, unfortunately, make the anguish no easier to bear,” said HRH The Prince of Wales during the memorial's dedication.

“I do pray that this memorial will not only provide a hallowed place for us all to pay tribute to each of them, but also the reassurance that those who have given their lives so selflessly will leave a lasting legacy and will never be forgotten.”

The Remembrance Glade was opened in September 2021 as a tranquil space, open throughout the year for people to reflect upon what Remembrance means to them. Surrounded by trees and plants of symbolic meaning, it offers a peaceful oasis, designed to give visitors respite from daily cares and a calm and peaceful place for contemplation.

Jacqui Thompson, the widow of Senior Aircraftman Garry Thompson, who was killed in Afghanistan in 2008, says the Glade is a sanctuary. She visits “each time I feel like I need to go somewhere to get collected again, process and steady my emotions”.

The Arboretum remained safely open to the public throughout numerous periods of restrictions in 2021 and welcomed more than 222,000 visitors against a forecast of 174,000.

It delivered a range of activities for visitors, including an augmented-reality experience, an outdoor escape challenge, exhibitions, family trails, tours, guided walks and talks. Activities enabled participants to learn about the services commemorated by memorials on site, particularly those dedicated to emergency responders and voluntary organisations.

The Arboretum received numerous awards, including iNews's Tourist Attraction/Inclusive Venue of the Year, *School Travel Organiser's* Best Venue for History Learning, Group Leisure & Travel's

“We continue to highlight the Remembrance message among the diverse communities found within modern Britain, ensuring their history of service and sacrifice is never forgotten”



The UK Police Memorial at the National Memorial Arboretum

Best UK Attraction, a Green Flag Award and a VisitEngland Gold Award.

Despite COVID-19 restrictions, the Arboretum was able to deliver Remembrance Sunday and Armistice Day services in 2020, which were streamed on Facebook and YouTube. Streams had an international reach of more than 88,000 for Remembrance Sunday and nearly 132,000 for Armistice Day. A physical audience of 200 attended Remembrance Sunday, while the Illuminated Arboretum festive lights display in December 2020 received more than 11,000 visitors.

Our ambition to commemorate recent conflicts was curtailed by nationwide lockdowns, and we were unable to collaborate with the National Gulf Veterans and Families Association to hold a service marking the 30th anniversary of the end of Operation Granby. However, in line with national restrictions, people local to the Arboretum were able to lay wreaths at the Gulf War 1990–1991 Memorial. Later in the year, the Royal Air Forces Association held a service on the Armed Forces Memorial, which was accompanied by a flypast.

Approximately 70 D-Day veterans and their families attended the Arboretum in May to witness the dedication of the British Normandy Memorial in France, which was streamed for their viewing on a large screen. The French Ambassador honoured Normandy veterans who had not yet received the Légion d'Honneur with their medal.

For Armed Forces Day in June, the Arboretum and the Ministry of Defence hosted 100 Armed Forces personnel and their families. The private event was attended by HRH The Princess Royal and senior members of the Armed Forces.

At the end of the financial year, the Arboretum enjoyed high visitor numbers and continued to address the changing COVID-19 restrictions. Mitigation plans are in place, and the Arboretum continues to develop a programme of activity inspired by the Birmingham 2022 Commonwealth Games.

Campaigns, policy and research



“The Armed Forces Covenant Report is overwhelmingly a celebration of the advancements in outcomes for serving personnel, veterans and their families”

Opposite:
Anita Buckley,
British Army veteran

We are proud of our strong history of campaigning to support the Armed Forces community. Over time, this work has made a big difference to the lives of serving and ex-serving personnel and their families.

Despite the continuing challenges of the COVID-19 pandemic, we are pleased to report another successful year championing the interests, welfare and contribution of the Armed Forces community in line with the principles of the Armed Forces Covenant.

Armed Forces Covenant Report

To mark the tenth anniversary of the Armed Forces Covenant being put in legislation following an RBL campaign, the Campaigns, Policy and Research team spent much of 2021 reviewing the Covenant's impact on the wellbeing of the Armed Forces community, the services and support available to them, and levels of awareness and understanding among service providers and the public. Our research involved thematic analysis of existing literature, official records, newly commissioned surveys and more than 100 focus groups and interviews with leading stakeholders. Overwhelmingly a celebration of the advancements in outcomes for serving personnel, veterans and their families, the report identifies where the Covenant can still go further and outlines a series of recommendations to ensure the Covenant continues to remain relevant and successful into the next decade.

Armed Forces Bill

Throughout 2021, we have engaged extensively with UK government officials and politicians, their devolved counterparts, local-authority representatives, Veterans Commissioners, Ombudsmen and other military charities on Clause 8 of the Armed Forces Bill. The Armed Forces Bill includes provisions for a new legal duty to give due regard to the Armed Forces Covenant in certain aspects of housing and healthcare delivered by specified public bodies, particularly local authorities. The Bill therefore puts the principles of the Armed Forces Covenant on a legal footing for the first time.

While the RBL supports efforts to strengthen the Covenant, provisions in the Bill are insufficient and fail to capitalise on this golden opportunity to enhance Covenant delivery for the Armed Forces community. In particular, national governments are noticeably excluded from the new Covenant duty being

proposed, despite being responsible for many of the services and policies serving personnel, veterans and their families rely on. The RBL believes the scope of the Bill should be expanded to include all public bodies in the exercise of all their policy functions. Our arguments have attracted broad support from other military charities and politicians from across the political spectrum, as well as representatives from devolved and local government, who gave evidence alongside us to the Armed Forces Bill Committee.

With the Bill reaching its final stages in Parliament, we continue to press for improvements to be made in the House of Lords so that the Covenant in its entirety can benefit from enhanced legal protections. While RBL pressure has resulted in the inclusion of the Covenant's special-consideration principle, and a commitment by the UK government to review the impact of the new duty once implemented, there are still gaps that need addressing. The team will persist with efforts to refine the accompanying statutory guidance so that it is a clear and useful resource for those public bodies expected to implement the duty next year.

Overseas Operations Bill

From its introduction in 2020, through the early part of 2021, we engaged with politicians, ministers and officials on the Overseas Operations (Service Personnel and Veterans) Bill, which sought to address claims and prosecutions relating to historical events that occurred in armed conflict overseas. The RBL welcomed the intent of the Bill but maintained that certain provisions within Part 2 contravened the Armed Forces Covenant. We sought to remove the proposed six-year time limit for any claimant, including bereaved families and injured personnel, to bring civil claims for personal injury or death against the Ministry of Defence (MOD) in connection with overseas operations. We argued that such a time limit does not exist for civilians pursuing civil claims against their employer, meaning members of the Armed Forces community would be less able to access justice than their civilian contemporaries. Although we secured the support of many politicians and human-rights groups, as well as press coverage of our position, the Bill passed unamended in April 2021. We will monitor the implementation of the Overseas Operations Act and raise cases where members of the Armed Forces community are prevented from pursuing claims against the MOD with policymakers.



Left: Maurillia Simpson,
British Army veteran

Opposite: Timothy
Sindall, Royal Air
Force veteran

Carers

In September 2021, we published our report, Unpaid Carers in the Armed Forces Community, which aims to improve knowledge of the profile, needs and experiences of members of the UK Armed Forces community who provide care. The publication was launched online, with high attendance from individuals and organisations operating in the carers space at a launch event hosted by the Chair of the All-Party Parliamentary Group on the Armed Forces Covenant, James Sunderland MP.

The report was informed by a variety of sources, including a survey that saw 358 members of the Armed Forces community share their experience of caring. Our report, which is the first of its kind to consider the unique needs of unpaid carers across the Armed Forces community, makes 22 recommendations aimed at different public bodies, including the MOD, the NHS and the Office for Veterans' Affairs (OVA). Our key suggestions include UK government departments working in partnership to improve access to statutory-funded respite provision, a tri-Service carers policy providing information and support for serving carers, and investment in dedicated mental-health and relationship support for carers of veterans with PTSD.

Work has already started on pursuing our recommendations, with meetings held with local council representatives and officials, Carers UK, the MOD's Families team, in-service carers advocates and the Medical Advisory Committee. We will continue to engage on these issues throughout 2022.

Stop the Service Charge

Our campaign to scrap the costs of visa fees for Commonwealth members of the UK Armed Forces continued in 2021. Following repeated calls from the RBL to address this issue, in July 2021, the UK government published a consultation on the matter. However, these proposals would only waive visa fees when a Commonwealth service person has served 12 years in the Armed Forces and excluded provision for spouses and children. Unsatisfied with these proposals, we responded to the consultation, reinforcing our view that visa fees should be abolished after four years' service and extend to the immediate family of the serving person. We encouraged others to respond to the consultation by informing supporters about the proposals and making it as easy as possible for them to submit their own views and experiences.

We have maintained pressure on the government to provide a response to the consultation; however, it is yet to respond. We eagerly await the outcome and will continue to monitor the issue and raise the campaign wherever possible.

Caseworker training

In 2021, we developed a toolkit aimed at MP caseworkers. Members of Parliament often employ caseworkers to support constituents who get in touch with problems or issues.

Our new resource includes a digital guide containing a wealth of information about the Armed Forces community and the support available to them, including RBL services. We have worked with the Speaker of the House of Commons to ensure every MP in England has received a copy, along with an invitation to join online training sessions with us throughout 2022. Scottish and Welsh MPs will receive tailored versions of the toolkit, along with online training invitations, in 2022.

Our toolkit is intended to raise awareness of the Armed Forces community, who can otherwise be hidden if there is no large military base in the constituency, and shine a light on the extensive support and resources that the RBL offers. Furthermore, we hope that by educating MPs' caseworkers on the specific needs of the Armed Forces community and the support available, they will in turn be able to better support their constituents to overcome any challenges.

Local and devolved manifestos

Local and devolved elections that were postponed because of the pandemic finally took place in May 2021, including for the Mayors of London and the West Midlands. We prepared manifestos for both elections, highlighting local concerns for the Armed Forces community, such as housing in London or employment support after service in the West Midlands. We were pleased to have received support from many of the candidates in each election and have progressed several of our local recommendations. The Mayor of London has appointed an Armed Forces Champion; the West Midlands Combined Authority has started to advertise jobs on the Forces Families Jobs website; and in Wales, our Assembly manifesto requests have featured in the Welsh Government's Armed Forces Covenant annual report.



In addition to our manifestos, we continued to help councils across the country make improvements to the services they provide to the Armed Forces community. For example, in London, we supported Ealing council on its journey to re-sign the Armed Forces Covenant. Meanwhile, in Torbay, we have helped the council create a new Covenant Board, appoint a new lead officer and set internal goals to demonstrate its commitment to the Covenant.

Benefits

Since we launched our Making the Benefits System Fit for Service report in November 2020, it has been used to better inform key policymakers about the experiences of injured veterans in receipt of military compensation who rely on the UK benefits system for financial support. Over the past year, we have successfully taken forward several key recommendations. These include the addition of a veteran identifier on Universal Credit forms and updating Department for Work & Pensions (DWP) guidance to consistently recognise Service Invaliding Pensions (SIPs) and Service Attributable Pensions (SAPs) as military compensation. In 2022, we will push for the interaction between compensation and the benefits system to be improved further to reduce the barriers injured veterans face in accessing welfare support.

Membership



At the heart of membership is making and developing positive connections and experiences through a shared spirit of comradeship. For 100 years, members have stood by the Armed Forces community, actively contributing to our wider charitable objectives, including Remembrance, fundraising, local welfare and campaigns. We have around 200,000 members, a network of around 2,500 branches and just under 400 clubs reaching out into their local communities and those we support – serving and ex-serving personnel and their families.

The pandemic brought some challenges, with face-to-face meetings curtailed and the temporary closure of RBL-licensed clubs, as well as members often having to deal with their own difficult personal situations, including social isolation, looking after family and friends, and taking care of their own mental and physical health. To ensure we didn't lose touch with our members, our team adapted, moving the delivery of our meetings and events from face to face to online. That enabled all our membership activities, including the Centenary Annual Conference, Membership Town Halls, Membership Overseas Day and County Chairs Seminars, to reach a wider audience.

Membership has been in decline in recent years, with the average age of members now 66. While retention rates among our long-standing members remains high, the challenge is in attracting and retaining our younger and newer members. During the pandemic and because of these new ways of working, membership retention rates remained at similar levels to previous years. It was, however, the recruitment of new members that became more difficult, resulting in a greater overall loss in 2020/21. As restrictions eased, new subscriptions slowly returned to pre-pandemic levels.

The number of attendees at our Annual Conference rose from 500 in 2020 to 700 in 2021. Our Membership Town Halls typically attracted between 90 and 220 members. We welcomed more than 50 delegates to our Membership Overseas Day. We had around 45 attendees at our County Chairs Seminar in March and around 70 at September's seminar.

Our Membership Centenary Awards were just one of the ways we celebrated our 100th anniversary. The new awards system enabled members to recognise

the great work of fellow members. It complemented our centenary celebrations, where branches highlighted all the work they do supporting their local communities.

Branch Community Support (BCS) is one of the ways through which branches fulfil the RBL's charitable objectives. Members help beneficiaries and contribute to their local communities in many ways, including making home and school visits; running coffee mornings and breakfast clubs; providing bereavement support and a telephone buddy service; staging Remembrance events; and working alongside other charities, performing RBL ambassador roles. Between 1st October, 2020 and 30th September, 2021, there were 59,568 telephone buddy calls made to 17,990 members of the Armed Forces community, and 4,675 home visits made to 2,084 people.

There are now 835 active branches taking part in Branch Community Support, and we encourage those branches to tell us about their activities so we can celebrate and share their successes more widely. We now have a BCS Working Group comprised of members from county and branch level, and we have adapted how we operate in response to their feedback. The BCS management system is easier to access and the BCS Handbook and Supporter Guide is now easier to understand. Training has been developed and delivered online. We have created promotional content to support the County Community Support Committees (CCSCs) and County Training Officers (CTOs), and encouraged branches to get involved.

As we look to develop the BCS offer, we have issued two surveys to secure members' thoughts and feedback, and continue to host virtual cafes with CCSCs and Membership Support Officers (MSOs).

With the launch of our new brand identity, the membership team have been busy providing members with usage guidelines and access to a dedicated brand portal, where members can find information and new branded items that can be used to support their activities and events.

We launched our new Learning Management System (LMS) this year, giving members the opportunity, at a time that suits them, to access training online. The new system was used to deliver our

new Branch Treasurer courses, which more than 220 members have completed to date, and an Independent Examiner refresher, which 18 people have attended. We continue to work closely with the County Training Officers as they deliver face-to-face training at a more local level. To give clear guidance to our branches, we modernised and republished our membership youth policy and complaints procedure, as well as updating the Membership Handbook. To meet our legal, regulatory and RBL policy commitments, we continue to effectively manage and improve branch financial compliance. Mandatory training content also continues to be developed. The current programme includes a module on data protection, which is now available to all members on LMS as a pre-recorded webinar.

As we look to the next 100 years, we have begun work on developing a sustainable membership model where comradeship remains central to our purpose. We plan to develop an offer that attracts younger and more diverse members, utilises our digital assets and complements our established branches and clubs.

“Our Membership Centenary Awards complemented our centenary celebrations, where branches highlighted all the work they do supporting their local communities”

Opposite:
Norman Espie BEM,
RBL Assistant National
Parade Marshal

Volunteers and staff



Volunteers

We are grateful for the support of more than 55,000 dedicated volunteers, without whom the Royal British Legion's work would not be possible.

Our volunteers continued to provide essential support to the RBL throughout 2021. They played a key role in reducing social isolation through our Community Support Scheme, and although due to COVID-19 many volunteers were required to shield during the 2020 Poppy Appeal, thousands of volunteers found safer ways to carry on supporting us and ensuring vital funds were raised.

Our volunteering aims for 2021 were to commit to reducing the digital divide for our volunteers, improve the recruitment journey and build on our volunteer wellbeing programme. We also wanted to enhance the quality of our volunteer data and how we use it.

Our Reducing the Digital Divide initiative resulted in two collaborative projects with graduates from the Ministry of Defence. The first produced a toolkit to advise and direct volunteers to local digital support networks. The second created a framework for the development of a training programme for a new Computer Buddy Volunteer role. This will allow volunteers with strong IT skills to coach other volunteers needing support and development with the use of digital media.

To enhance the recruitment journey of volunteers, we redeveloped the RBL website recruitment pages, making it easier to apply for roles. We also collaborated with websites such as ForcesNet to advertise volunteer vacancies to those leaving the Armed Forces, as well as their families.

To improve the management of volunteer data across the RBL, we implemented a significant programme, migrating volunteer records onto a new corporate database that allows secure storage of data and will provide a more efficient and professional experience for volunteers. In 2022, we plan to enhance the functionality of this database to develop a two-way engagement with our volunteers and maximise their contribution to our charitable objectives.

Our commitment to supporting the wellbeing of volunteers resulted in the creation of a Volunteer Wellbeing Hub on our intranet. This provides a suite of tools, such as the Wellbeing Action Plan,

and signposts volunteers to relevant support organisations. The hub also provides a guide for volunteers on how to nurture their wellbeing and a guide for staff supervisors to enhance the help volunteers receive.

Our staff

The continuing health crisis made this another challenging year for everyone across the RBL group. Our care home staff spent the whole time working under the intense pressure that COVID-19 created in care settings. Meanwhile, remote working became the norm for many of our other teams, allowing them to make good progress in many of our strategic priority areas.

We appointed a new Head of Diversity & Inclusion, with a remit to support the development of an inclusion strategy to encompass staff, volunteers and members. That strategy is now defined and we plan a full launch in 2022.

Having completed a full review of the structure and portfolio across the Executive Director cohort, we are now well placed to deliver the One Legion strategy. The review was extended to the next level of senior management positions, and we now have the template for the senior roles that will be built into our structure, as well as a profile of success to support the leadership development of our senior teams.

At the end of the year, we were nearing the conclusion of the pay and benefits review. It has resulted in a new pay grading structure and the introduction of a pay-progression model to be introduced in 2022. Alongside this, we have benchmarked our pay and benefits and brought these in line with other large charities. Achieving this parity is particularly important in the current employment market, where the recruitment and retention of talent is challenging. The care sector has been especially affected by staff shortages, so we prioritised support for care home management teams to help ease the recruitment issues they are experiencing.

The pandemic has brought about rapid change in the expectations for working arrangements from our staff, as well as the working population more broadly. While most of our people have mainly been working virtually, throughout most of the year, our regional hubs remained open for staff requiring an office facility. Work is underway to establish a 'new normal'

going forward that, in line with many other organisations, will offer hybrid working where appropriate. We recognise that this will require changes to traditional working arrangements, support, training and ongoing evaluation to ensure staff welfare is maintained. We have been building this capability through the latter part of 2021, in readiness for the point when we can move into a hybrid future once the pandemic is resolved.

As part of the RBL's centenary celebrations, we ran a reward and recognition scheme to recognise the valuable contribution of staff, volunteers, members and partners, who all make the charity what it is today. This was a chance for staff and managers to nominate many of the unsung heroes who carry out vital work in support of the Armed Forces community, whether they are on the front line or performing a role in our supporting corporate teams. The scheme culminated in a special online event to highlight some of the stories of those being recognised, and all nominees were invited to the centenary Thanksgiving Service at Westminster Abbey.

Fundraising



Opposite: Two cyclists who rode to the Arc de Triomphe as part of the RBL's Pedal to Paris event

“The centenary reminded us of the pride we have in our thousands of volunteers and supporters, and how much we both need and value them”

Our 100-year fundraising legacy

Our centenary year has provided an excellent opportunity to sincerely thank our fundraisers, volunteers and supporters, who have, over the past 100 years, through their time and donations, ensured that the vital work of the Royal British Legion can continue.

We are a charity and have been dependent on the goodwill and support of the public since 1921, to ensure we can provide the essential welfare services needed to our beneficiaries. Today, thanks to that incredible dedication and generosity, we are proud to be the largest Armed Forces community support charity in the United Kingdom.

In this special year, we've seen great demand in our online Poppy Shop for special-edition commemorative badges and merchandise, including the RBL centenary cookbook, *Cooking With Heroes*. Our refreshed brand has also helped to reflect the legacy and importance of the poppy within our charity's DNA and how it remains central to our fundraising purpose in our 100th year.

Although the year will go down as one of the most challenging in Poppy Appeal history due to the pandemic, the centenary reminded us of the pride we have in our thousands of volunteers and supporters, past, present and future, and how much we both need and value them.

The lockdown impact

As we prepared to launch the 2020 Poppy Appeal in November, the second COVID-19 pandemic lockdown was announced. As our core and essential public collection opportunities were stopped, our fundraising activity quickly refocused to online donation routes, virtual Poppy Shop options, Poppies in the Post and downloadable poppy posters to demonstrate support from home. Despite the widespread disruption, the lockdown Poppy Appeal in 2020 raised £28 million (2020: £47 million) of core donations (as shown in note 4 to the accounts).

We must thank Sainsbury's, Tesco and Morrisons, our supermarket banking partners, as they allowed customers to donate at till points and online during the lockdown Appeal. *The Sun* newspaper and other media providers also provided help by rallying readers to support the virtual Poppy Appeal.

We also benefited from many legacies this year, as a growing number of our

supporters and members left generous gifts to us in their wills. These highly important and moving final donations are key in helping meet the growing needs of the Armed Forces community.

Poppy Shop website sales this year were £7.5 million (recognised by RBL Trading Limited, in addition to the £28 million raised under the main Poppy Appeal), which was £2.1 million more than 2020. This strong performance reflects our development of online propositions to support the 2020 Poppy Appeal in response to the pandemic. Pleasingly, online donation levels for the year rose to an all-time high at £600,000 from the previous year's £50,000.

By developing new virtual events in time for the 2020 Poppy Appeal, we attracted more than 23,000 individual event fundraisers, who raised more than £1.2 million of event income (included within event income in note 6 to the accounts). Our Poppy Ride, attended by more than 400 cyclists in May 2021, was the first UK charity event to take place after the winter lockdown. This was followed in September by Pedal to Paris, the first overseas charity bike ride to take place as COVID-19 restrictions lifted, which saw 150 supporters ride to the Arc de Triomphe.

Many individuals chose to support the RBL in ways that are not part of the traditional Poppy Appeal. These included donating by Direct Debit, Payroll Giving, playing the Poppy Lottery and the Poppy Raffle, and responding to our cash appeal campaigns, as well as making online donations. We are extremely fortunate to have such loyal and generous regular givers who continue to support us year after year, especially as so many public fundraising opportunities had to be curtailed again this year. These ongoing and regular gifts allow us to maintain the funds and work needed to keep helping people in the Armed Forces community who need our support. We learned so much from this lockdown experience, with our online donations, Poppy Shop and virtual fundraising events programme delivering some exceptional results.

Overall, our fundraising capacity across all our income-raising activity was clearly impacted by the pandemic and lockdown, but thanks to the generosity of our supporters, we were still able to raise £101.3 million in the financial year. To help ensure the RBL could still meet the support-cost needs of the Armed Forces community, we took additional action to



Above: A Pedal to Paris participant

Opposite: Flyle Hussain, from East Sussex, has been involved with his local Poppy Appeal for more than 15 years. He organised poppies for local businesses and schools from home due to the pandemic

make savings in our fundraising activity costs that had been impacted by the pandemic, which meant that we delivered £63.2 million net, only £2.3 million less than was originally predicted to be provided pre-pandemic.

Aims set out in the 2020 report

Last year, we set out to develop new and safe ways for people to support the Poppy Appeal during the pandemic and beyond, working alongside our wonderful Poppy Appeal Organisers.

As November 2020 arrived, so did a national lockdown, which immediately curtailed our live public collection opportunities for the Poppy Appeal. Our more than 4,000 Poppy Appeal Organisers continued to provide valuable insights into the planning of the Appeal, and these learnings were taken forward into 2021 as we looked to return to public collections with fresh impetus.

One key area of investment was the decision to significantly enhance our ability to receive contactless donations from the public. In 2021, more than 5,000 contactless terminals were prepared for deployment across the national network of Poppy Appeal Organisers to help us more effectively receive donations, as cash use continued to decline in society, escalated by the pandemic.

Another 2020 aim was to transform how we raise money by becoming more audience focused. This work continues as we test and learn how our supporters like to engage with the RBL via both traditional support materials and digital donation routes. We continue to develop our growing Poppy Supporter regular-giving donation opportunity, which is focused on allowing our supporter

audience to donate all year round, not just during the Poppy Appeal. More than 6,000 new Poppy Supporters have been welcomed in the past year.

Concentrating on raising the income needed by the charity to deliver integrated, sustainable and cost-effective services, our fundraising teams have developed our audience-focused approach this year.

In supporting this One Legion charity vision, we continue to drive the changes needed to be much better at giving our customers, supporters, volunteers and donors what they want – an improved experience. The year ahead will be pivotal to that essential change.

We have taken the centenary opportunity to launch ten new corporate fundraising partnerships and we've grown our major donor and trusts income, partly due to some COVID-19 impact-funding opportunities.

Our individual-giving supporter programmes have grown this year, resulting in more than £26 million being raised, with the centenary Ask to Support in March being our best-ever supporter campaign of this type. Funds left to the RBL in wills also grew this year, with £23.15 million being gratefully and respectfully received. This remains one of the most gracious ways to support our vital work and is, in its truest sense, a real legacy to allow the RBL to live its values and provide help where it is needed most.

As we concluded the 2021 financial year, our fundraising volunteers and staff were ramping up, ready to return after a year away from the streets, shops, supermarkets, businesses, stations and other supporting places, with renewed energy and enthusiasm to make the very most of the centenary-year Poppy Appeal. Every volunteer, every supporter and every poppy counts.

The Poppy Ride involves cycling through picturesque countryside to raise funds for the RBL



Thank you to our major supporters

We are so grateful for all donations that we have received over the past year from those companies, trusts and individuals who have so generously supported us.

Your support for the Armed Forces community helps us to fight for them, campaign for them and remember their unique contribution. Our life-changing work would not be possible without our supporters' commitment and generosity.

In particular, we would like to thank the following, who have donated £20,000 or more in financial contributions or through in-kind support during 2021:

288 Group Ltd – Westminster Collection
Ahmadiyya Muslim Elders Association
Ahmadiyya Muslim Youth Association
Alford Congregational Church Trustees
AmazonSmile
Armed Forces Covenant Fund Trust
ATCO Lawnmowers
Barclays Foundation
Coventry Building Society
Mr Jeremy Darroch
Derbyshire Distillery
Emma Bridgewater
Girlguiding UK
Golden Charter
JA Kemp
Network Rail
Headley Court Charity
Major Raymond Leslie Percy Colman
Charitable Trust
Marks & Spencer
Mayer Brow
Mr Donald Porteous
PayPal Giving Fund UK
Pets at Home Ltd
Poppies4Kits
QVC
Revolut
Sir Howard and Lady Stringer
Sainsbury's Group and its Subsidiaries
St James's House
The Captain Tom Foundation
The Michael Uren Foundation
The Swire Charitable Trusts
The Oak Foundation
The Oakmoor Trust
The Premier League and its member clubs
Transport for London
UK Rail Delivery Group
The Werth Foundation
Withers LLP
And two anonymous funders

Every year, our branches and clubs undertake their own fundraising in support of the Royal British Legion, and we are grateful for their generosity, passion and commitment. Thank you.

Aims for 2022

- Improve the way we provide welfare, by using data and feedback from service users and staff to design simpler journeys and processes, making it easier and a better experience for those seeking RBL support.
- Improve our understanding of our community's complex needs and how we measure our impact, and aim for an increase in our impact star rating of 7.5%.
- Continue to improve our care homes, moving from paper-based to digital systems to support our residents and staff.
- Strengthen our services for people facing dementia, enhancing our Admiral Nurse Service.
- Implement the expansion plans for our recovery services, extending our capacity beyond serving personnel to veterans and their families, and therefore increasing support from around 1,000 participants to 6,000 each year once in place.
- Continue work to increase our engagement with diverse communities, ensuring that Remembrance is accessible to all.
- Commemorate the 40th anniversary of the Falklands Campaign.
- Publish RBL analysis of the forthcoming ONS census data, building a comprehensive picture of the size, needs and profile of the veteran community in England and Wales.
- Monitor the implementation of the new Covenant duty and feed into any review of the Armed Forces Act undertaken by the government.
- Conclude our Stop the Service Charge campaign, encouraging the timely publication of the government's consultation response and improvements to the existing insufficient proposal.
- Launch a campaign to advance recommendations contained within our Making the Benefits System Fit for Service report.
- Engage with the Office for Veterans Affairs to feed into the implementation of the government's Veterans Strategy Action Plan and ensure it meets the needs of the Armed Forces community.
- Redefine the purpose and role of the members to improve the membership offer and attract younger and more diverse members to the RBL.
- Improve membership engagement and retention, starting with the transfer of the Membership Support Officers (MSOs) into the membership team, led by a new Head of Membership Engagement.
- Develop the Branch Community Support offer to increase the number of branches participating, with growing levels of activity across the local community.
- Continue to build our agenda for inclusion across our stakeholders, creating stronger forums for staff and mainstreaming inclusion across all of our work, both front line with beneficiaries and across our support functions.
- Develop our processes and associated salary and benefits to meet the needs of a challenging recruitment market and to retain talent.
- Ensure we place the 'customer' first so that our HR service, processes and procedures are efficient, effective and easily accessible.
- Develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.
- Return to our volunteer and community-led Poppy Appeal activities post-pandemic and grow our Poppy Appeal Organisers network.
- Develop and deliver a longer-term fundraising strategy that helps us move from good to great audience-led fundraising, and raise more than £100 million in 2022.

Board of Trustees



Lieutenant General (Retd) James Bashall CB CBE National President

James retired from the Regular Army in 2018 following 34 years' service, including tours in Germany, Afghanistan, Iraq, Libya and South Armagh. He later held the posts of Chief of Staff at Permanent Joint Headquarters, Director of Personnel at Army Headquarters and Commander Home Command, overseeing the support elements from training to welfare.



Major (Retd) Una Cleminson BEM TD National Chairman

Una retired as a registered General Nurse in 2012 and was a Major in the Territorial Army. Una has been a member of the RBL since 1971 and was previously a Trustee between 2010 and 2012.



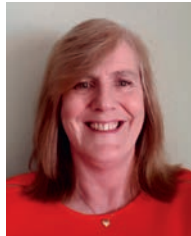
Lieutenant Colonel (Retd) Joe Falzon OSJ BEM National Vice Chairman

Joe served in the Royal Regiment of Artillery for 37 years before joining the RBL as Head of Policy and Administration in 2001. He took early retirement in 2010, and was then elected as a Trustee in 2014 and re-elected in 2017. Joe was appointed as National Vice Chairman in 2019. He chairs the International Committee and is a member of the Governance Committee and of the Board of Trustees of Poppyscotland.



Rodney Bedford

Rod served for 19 years in the Grenadier Guards and then for 18 years in the Kent Police. Rod was previously elected to the Membership Council, on which he served two terms of three years. He was elected to the Board of Trustees in May 2017 and is Chairman of the Property Committee and a member of the Branch Property Trusts Trustee Committee and the Audit & Risk Committee. Rod is the Royal British Legion member of the Board of Liberation Route Europe and currently runs his own company in France.



Heather Spence (from February 2021)

Heather served in the Royal Army Medical Corps TA for 11 years. She joined the RBL Women's Section at the age of 17. Heather was the Eastern Regional Standard Bearer for 20 years and won Deputy National Standard Bearer ten times before retiring from competitions in 2014. Heather serves on the Board of Trustees as Chairman of the Women's Section.



Pat Chrimes (to February 2021)

Pat served on the Board of Trustees as Chairman of the Women's Section between April 2017 and January 2020, and again from September 2020 to February 2021.



Jason Coward

Jason has been an Appointed Trustee since 2014. He has been Chairman of the Membership Council since May 2019. He is also Chairman of the Board of Trustees of Poppyscotland, a member of the Governance Committee and a Trustee and Non-Executive Director at the National Memorial Arboretum. Outside the RBL, Jason runs his own marketing agency in Bristol.



Paul Harris QGM

Paul was co-opted as a Trustee in February 2018 and elected in May 2019. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He was a Director of an international company, then owned a management consultancy from which he has retired. He is a member of the Audit & Risk and Property committees. He has been Mayor of Gillingham, Dorset, since May 2021.



Major General (Retd) David Jolliffe CB FRCP (to November 2021)

David was appointed as a Trustee in 2012 and reappointed in 2015 and in 2018. He was commissioned into the Royal Army Medical Corps in 1967 and retired in 2003. David resigned from the Board of Trustees in November 2021.



Philip Moore TD

Philip was appointed as a Trustee in 2014 and reappointed in 2017 and 2020. He was a Finance Director for nearly 20 years. He is now a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Codan Forsikring A/S. Philip chairs the Finance Committee.



Anny Reid OBE

Anny was elected as a Trustee in 2016. She served in the Princess Mary's Royal Air Force Nursing Service for 30 years, the last four as Chairman of its trust. She chairs the Conference Committee and is a member of the Branch Property Trusts Trustee Committee, the Audit & Risk Committee and the Care Services Committee.



Lieutenant Colonel (Retd) David Whippeny

David was elected as a Trustee in 2013 and was re-elected in 2016 and for his final term in 2019. He was commissioned from the Royal Military Academy Sandhurst in 1985 and retired from the Army in 2017. David serves on the Governance Committee and is Chairman of the Board of Trustees at the National Memorial Arboretum.



Debbie Sorkin

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



Elizabeth Butler FCA

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



Lynda Atkins DL (to March 2022)

Lynda was co-opted onto the Board in May 2019. She served in the Royal Air Force and the Royal Electrical and Mechanical Engineers TA. She was an independent County Councillor before being appointed Deputy Lieutenant in 2019. Lynda resigned from the Board in March 2022.



Helen Owen

Helen was elected to the Board in May 2020. She is the Evaluation and Monitoring Lead at the charity GambleAware, and a Governor at the University of Westminster. Helen chairs the Governance Committee.



Monica Risam (from October 2020)

Monica was appointed to the Board in October 2020. She is a dual-qualified US and UK lawyer and is the Group General Counsel of the Lombard International Group. She is also a Non-Executive member of The Elton John AIDS Foundation's Finance and Investment Committee. Monica is a member of the Finance Committee and the Diversity & Inclusion Trustee Advisory Group.



Tony Goodwin BEM

Tony was elected as a Trustee in May 2020. He served in the Royal Air Force for almost 40 years. Tony is a member of the Care Services Committee, the Branch Property Trusts Trustee Committee and the Property Committee.



Patsy Wilkinson CB (from December 2021)

Patsy was appointed to the Board of Trustees in December 2021, following a senior government career in national security. She is also a Non-Executive Director and adviser, and an Honorary Fellow at Murray Edwards College, Cambridge.

Board of Trustees

Co-opted Members

The Trustees would like to recognise the support given by the following co-opted members, who bring their special expertise to the boards and committees on which they sit:

Vanessa Donegan
Antony Macaulay
Jenny Rowe
Dr Jonathan Wittmann

National President

Lieutenant General
James Bashall CB CBE

National Chairman

Una Cleminson

National Vice Chairman

Joe Falzon

Key Committees of the Board of Trustees and Current Membership

Audit & Risk Committee

Elizabeth Butler (Chair)
Rodney Bedford
Paul Harris
Anny Reid
Debbie Sorkin

Finance Committee

Philip Moore (Chair)
Elizabeth Butler
Vanessa Donegan
Monica Risam
Dr Jonathan Wittmann

Governance Committee

Helen Owen (Chair)
Una Cleminson
Joe Falzon
Jason Coward
David Whimpenny

Property Committee

Rodney Bedford (Chair)
Tony Goodwin
Paul Harris

Conference Committee

Anny Reid (Chair)
Hugh Ashton-Moore
Philip Davies
John Gilmore
John Morrison
Grant Parrott

Branch Property Trusts Trustee Committee

Jenny Rowe (Chair)
Rodney Bedford
Tony Goodwin
Antony Macaulay
Anny Reid

International Committee

Joe Falzon (Chair)
Rodney Bedford
Bob Chambers

Care Services Committee

Debbie Sorkin (Chair)
Tony Goodwin
Anny Reid
Heather Spence

Membership Council

Jason Coward (Chair)
Gordon Barker
Mike Barry
John Boisson
Bob Chambers
Emma Cox
Philip Davies
Dilys Hooper
Bob Howard
Steve Lewis
Garry Mills
John Morrison
Gerry Nunn
Kelly Slark
David Street
Ken Terry
Philip Walden

Executive Board

Director General

Charles Byrne

Director of Finance & Commercial

Daniel Oppenheimer

Director of Operations

Antony Baines

Director of Remembrance, Marketing and Fundraising

Gary Ryan

Director of Human Resources and Organisational Development

Karen Gill

Director of Membership

Janet Talman

Consultants and Advisors

Bankers

Lloyds Bank
Charities
4th Floor
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London EC2V 7HN

Independent Auditors

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London EC4A 3BZ

Investment Managers

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Management Limited
12 Moorgate
London EC2R 6DA

Legal Advisors

Withers
16 Old Bailey
London EC4M 7EG

Women's Section

President

TBC

Chairman

Heather Spence

Vice Chairman

Jan Buxton

Chair of Finance

Sandra Fishlock

Central Committee

Jan Buxton
Sandra Fishlock
Pat Holden
Sandra Saban
Alyson Wilson

Life Vice Presidents

Dame Mary Bridges DBE
Wendy Bromwich JP
Pat Chrimes OBE
Mrs M Humphry
Doris Ingham OBE
Maureen Lodder OBE
Patricia Valler OBE

Vice Presidents and Patronesses

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

Charity Registration number

219279

Principal office

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

Financial review

2021 was another challenging year for fundraising,

as some activities continued to be affected by the restrictions put in place to curb the spread of COVID-19. A second national lockdown was announced just as we were preparing to launch the 2020 Poppy Appeal in November. This led to the main street collection being cancelled at relatively short notice. We had contingency plans in place and quickly refocused our Poppy Appeal activity online and through the post, encouraging our supporters to donate in other ways.

As a result, while income from the Poppy Appeal fell by 40%, from £46.526 million in November 2019 to £27.919 million in November 2020, income from virtual fundraising events and challenges, the sale of Poppy Shop products, and lotteries and raffles all increased. Legacies also performed well, generating income of £23.8 million compared with £19.7 million the previous year. In total, our net income from fundraising fell by £4.3 million (6%), from £67.5 million in 2020 to £62.3 million in 2021. This was a good result given the significant disruption to the November 2020 Poppy Appeal.

Our care homes also continued to be affected by COVID-19, both operationally and financially. Fee income for 2021 was £0.1 million lower than 2020 due to lower occupancy in the homes, while new admissions were paused. At the same time, the cost of running the homes increased by £0.8 million due to the cost of additional infection-control measures and the staffing challenges faced across the care sector, which meant a heavier reliance on agency staff in some homes.

Total expenditure for the year was £141.8 million, compared with £161.0 million in 2020, a reduction of £19.2 million (12%). This was driven by three significant factors: the closure of our Welfare Break Centres in early 2020, leading to a £12.7 million reduction in expenditure; a £2.3 million reduction in expenditure on Remembrance and commemorative activity due to the cancellation or curtailment of events; and the fact that our legal commitment to fund the Personnel Recovery Centres

came to an end, which led to the release of a £5.2 million creditor from our balance sheet. Discounting these one-off items, our expenditure was broadly consistent with the previous year. 73p in every pound was spent on our charitable activities (2020: 76p in every pound).

Included in expenditure are several large grant awards to partner charities that support our beneficiaries and deliver services on our behalf, including Combat Stress (£5.9 million), Shelter (£0.8 million), The Matthew Project (£0.6 million), the Royal Commonwealth Ex-Services League (£0.5 million), the Army Families Federation (£0.5 million) and Citizens' Advice Scotland (£0.5 million). The grant to Citizens' Advice Scotland was awarded by Poppyscotland. We also signed a new £1.0 million agreement with the Ministry of Defence to fund the Personnel Recovery Centre in Edinburgh for a further year.

Overall, the RBL generated a planned deficit before gains and losses of £4.5 million (2020: £17.9 million). This deficit was more than offset by net gains on the disposal of investments of £3.2 million (2020: £0.5 million) and unrealised gains on the revaluation of investments of £22.7 million (2020: £0.4 million). These exceptional gains mostly relate to the increase in the value of the main investment portfolio, driven by a resurgence in global equity markets in the latter part of the year.

The deficit on the group defined benefit pension schemes reduced by £7.4 million to £3.6 million (2020: £11.0 million). After these adjustments, the total value of the RBL's funds increased by £29.3 million (2020: £21.2 million decrease).

The value of restricted funds increased by £1.4 million to £171.6 million (2020: £170.2 million), and the value of unrestricted funds increased by £27.9 million to £208.2 million (2020: £180.4 million). During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £4.7 million (2020: £4.3 million) from restricted Branch Property Trust

funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as a vital source of funding to deliver welfare services in the area where the branch property was originally located. These services include Admiral Nurses, war pensions and compensation advice and grants. The composition of the RBL's funds is explained below and on page 8 of this report.

Financial investments

The market value of the RBL's investment portfolio increased by £17.6 million during the year, reflecting the rebound in global markets after the volatility and economic slowdown created by the pandemic. At the year end, the total value of the group's investments was £182.2 million (2020: £164.6 million). The portfolio is managed through three investment managers: Cazenove Capital manages the charity's main investment portfolio (£153.2 million), Sarasin & Partners manages Poppyscotland's investments (£8.8 million) and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£9.0 million), including those held in legacy and property trusts.

The mandates agreed with all three investment managers specify the level of risk that can be undertaken by defining asset classes and ranges, benchmarks and acceptable volatility. All investments must comply with the RBL's Responsible Investment Policy, which aligns the charity's investment strategy with its aims, which are to safeguard the welfare, interests and memory of those who are serving or who have served in the Armed Forces.

The RBL restricts investment in areas that may directly conflict with its aims, including alcohol, gambling, tobacco and high-interest-rate lending. Accordingly, it will not invest directly in companies that generate more than 10% of revenues from these areas. As it is more difficult to apply these restrictions to pooled funds, indirect exposure to these areas is closely monitored and a review triggered if this exceeds 1% of the total investment portfolio or 10% of an individual fund holding.

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

The RBL recognises that it needs to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. The RBL monitors the carbon emissions of the equity investment portfolio and seeks to reduce these emissions over time through investment selection and through the engagement of its appointed manager with companies in order to drive positive change.

Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio exceeded its target for the year ended 30th September 2021, delivering a return of 13.8% against the inflation benchmark of 6.2%. The portfolio also exceeded its target over five years, delivering a return of 5.6% against the inflation benchmark of 5.1%. The value of the portfolio increased to £153.2 million (2020: £133.2 million) over the year and generated £2.4 million (2020: £3.1 million) of investment income.

Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September 2021, the Poppyscotland portfolio reduced its value from £11.2 million to £8.8 million and generated

£0.3 million (2020: £0.4 million) of investment income. The Poppyscotland portfolio is being drawn on to finance Poppyscotland's deficits over the next five years, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.

Branch investments

Branch, county and other investments of £9.0 million (2020: £13.4 million) are managed by CCLA and held in a mix of listed investments and unit trusts.

Pension

The group pension deficit decreased from £11.0 million to £3.6 million due to strong investment returns and a small (0.5%) increase in the discount rate used to calculate the present value of future pension liabilities, driven by an increase in corporate bond yields over the year. The substantial reduction in the deficit follows a large increase in 2020, demonstrating the susceptibility of these calculations to small changes in the underlying assumptions. The RBL and the pension fund Trustees have agreed a plan for removing the pension deficit over an appropriate period of time, and we do not expect the deficit to materially affect the RBL's ability to meet its charitable objectives in the future.

Funds

The RBL's total funds of £379.8 million (2020: £350.6 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £171.6 million (2020: £170.2 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £208.2 million (2020: £180.4 million) are designated funds representing the value of the RBL's functional fixed assets (£59.6 million, 2020: £68.6 million); funds held by RBL branches, counties and districts (£32.3 million, 2020: £31.7 million); the value of programme-related investments (predominantly outstanding property repair loans) (£4.0 million, 2020: £4.5 million); and the General Fund (£4.8 million, 2020: £4.7 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

Reserves

In addition to the funds described above, at 30th September 2021, the RBL was holding £107.4 million (2020: £70.8 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the Royal British Legion holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable it to carry out its work. Our biggest risk is that our income suddenly drops because of unforeseen factors beyond our control. In these circumstances, reserves may need to fund operating expenditure while the organisation is put back onto a stable footing.

Our care homes represent a further area of financial risk, due to the heavily regulated nature of the industry. The COVID-19 pandemic has added to these regulations and reduced occupancy levels (and therefore income) as new admissions were paused. Our reserves may be needed to mitigate against reduced fee income and unexpected and unavoidable increases in expenditure.

Our reserves also mitigate against fluctuations in the value of our investments; in particular, the risk that a significant reduction in income coincides with a drop in investment values. Having reserves means that we would not need to sell our investments when it is not advantageous to do so. Finally, our defined benefit pension obligations represent a long-term financial risk, while short-term fluctuations in valuations can impact the amount of free reserves at our disposal.

After the year end, the Trustees took the decision to invest part of the Cazenove portfolio in private equity funds, thereby reducing the overall liquidity of the portfolio but increasing the expected return. In light of this decision, the Trustees resolved that the RBL's minimum reserves level should increase from £55 million to £60 million to reflect the increased investment risk.

As noted above, at 30th September 2021, the RBL was holding reserves of £107.4 million (2020: £70.8 million), which is above the minimum target we have set due to a combination of exceptional investment returns and a reduction in the pension deficit. We will be using these reserves to help deliver our mission more widely. We will be expanding our provision of recovery services substantially to help improve mental wellbeing in our beneficiary community, as independent evaluation has shown that our recovery programmes can be very effective in supporting people with these issues. We will also be making recovery services available to more people beyond those recently leaving the Armed Forces. We know that the cost-of-living crisis will hit some in our community hard and we will be putting in place emergency support and funding for them, while continuing to provide holistic support to bring long-term solutions to the challenges they face.

We plan to expand support for those caring for loved ones with dementia, and we are also looking to expand our support for those with substance and other dependencies. In doing so, we need to ensure that the provision we put in place is financially sustainable as well as good value for money, which will take time.

Investment properties

Investment properties primarily comprise 287 properties (2020: 302) held by the Royal British Legion as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease.

The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal

team of qualified surveyors. For the year ending 30th September 2021, 62 properties were revalued (2020: 62) and a revaluation gain of £4.1 million (2020: £3.0 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and revaluation losses of £60,000 (2020: £13,800) were recorded. During the year, the RBL disposed of 12 (2020: 8) investment properties, realising proceeds of £3.9 million (2020: £1.5 million).

Branch Property Trusts

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

	2021	2020
Restricted Investment Property Reserve	£65.5m	£66.1m
Restricted Branch Property and Area Trust Funds	£39.7m	£39.8m
Number of properties	287	302

At 30th September 2021, the RBL held £65.5 million (2020: £66.1 million) (see note 29) in the restricted investment property reserve, representing the market value of 287 (2020: 302) properties predominantly held under Branch Property Trusts. In addition, £39.7 million (2020: £39.8 million) was held in restricted Branch Property and Area Trust Funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose, so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were made on 14 Branch Property Trusts, resulting in £4.7 million (2020: £4.3 million) being moved into less restricted funds. These funds can now be used to provide welfare support to people in a wider geographical area.

Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans to beneficiaries

living in their own home, to provide housing improvements. Programme-related investments totalled £4.0 million at the year end (2020: £4.5 million).

Grant making

Included in our welfare service expenditure are grants made to individuals in immediate need after an assessment of the person's financial situation. The RBL also awards grants to households whose case is managed by a partner agency, such as the Soldiers, Sailors, Airmen & Families Association (SSAFA) or the Royal Air Forces Association.

In 2021, the Royal British Legion spent £8.9 million on individual grants (2020: £11.7 million). The highest volume of grants given in the year were crisis grants to those in urgent need, whereas mobility-related grants, such as riser-recliner chairs and powered scooters, were the highest in terms of value. During the year, we increased the caps on grants to cover funeral costs, home furniture and kitchen and laundry appliances to reflect the increased cost of living. We also introduced Digital Access Grants to support eligible households to access the internet and online services, based on evidence that a lack of access to the internet can cause significant difficulties to those seeking to claim benefits, study, work and socialise, adversely impacting their quality of life. Finally, we allocated £250,000 to support beneficiaries with visa and immigration costs, in recognition of our strategic campaign against the service charge.

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

In 2021, grants were awarded to 27 organisations, totalling £5.5 million (2020: 39 organisations, £5.3 million).

Going concern

The Trustees have considered the potential future impact of the COVID-19 pandemic on the ability of the group to continue as a going concern for a period of at least

12 months from the date of signing the accounts. A large proportion of the UK population is now protected from severe disease due to a combination of vaccines and previous infections. Economic uncertainty due to COVID-19 has reduced compared to earlier phases of the pandemic. Nevertheless, there remains a risk that new variants could result in restrictions being reimposed, at least temporarily. If this were to happen during the Poppy Appeal, it would certainly impact income. However, the experience of November 2020 showed that even when the Poppy Appeal coincided with a national lockdown, we were able to mitigate the impact by raising funds in other ways.

We have forecast our income, expenditure, cash and reserves for the financial years ending 30th September 2022 and 2023, using our latest estimates for 2022 and prudent assumptions for income and expenditure in 2023. These forecasts show that our free reserves will be above the minimum level set by the Board of Trustees and we will continue to hold sufficient cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

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

Risk management and internal control

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

- Risks are owned by a senior executive, usually an executive director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are present and effective;
- Risk exposures are known and understood by risk owners and are reported formally each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

Risks	Mitigations
Governance Inability to deliver our strategic objectives due to ineffective leadership and governance	<ul style="list-style-type: none">Independent review of governance arrangements and implementing the findings of that review to include:<ul style="list-style-type: none">Regular training for TrusteesPerformance monitoring of Trustees and Executive BoardImplementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board CommitteesRoyal Charter reviewHead of Governance with specific responsibility for ensuring governance arrangements are fit for purpose <ul style="list-style-type: none">Trustees are appointed to fill specific skills gaps
Financial Sustainability Inability to deliver our mission and look after those we support because of the financial position of the RBL	<ul style="list-style-type: none">Annual budget processFinancial forecasting for short and medium termPrudent reserves policyFundraising strategyFundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budgetSound basis for grant-funding decision-making
Safeguarding A beneficiary, volunteer or employee suffers harm, abuse or neglect	<ul style="list-style-type: none">Independently chaired Safeguarding Committee meets regularly through the year to receive and act on management informationAppointment of a designated safeguarding leadMulti-level, mandatory training programmeRegular reporting of safeguarding data and risk exposuresIndependent review to challenge and inform management thinking in this area
Recruitment & Retention Inability to deliver our mission and look after those we support. This risk manifests itself most acutely in our care homes, where RBL is not alone in facing recruitment and staff retention challenges	<ul style="list-style-type: none">Tactical improvements to pay and conditions in the care homesLonger-term strategic review of pay and benefits across the charityAbility to mobilise our extensive network of volunteersAgile recruitment arrangements, enabling quick and effective decision-making
Overseas reach The risk of being unable to effectively and safely reach those we wish to support in overseas locations due to declining membership numbers, while ensuring appropriate standards of care and supervision are in place	<ul style="list-style-type: none">Dedicated team focused on overseas branches, membership and beneficiariesIndependent review to support and challenge strategic planning
Cyber Attack A malicious attack on our IT infrastructure causes material business interruption and/or financial loss, or a significant data breach	A range of defensive controls, including but not limited to: <ul style="list-style-type: none">Appropriate IT security policy and proceduresUser awareness and educationSupport contracts with external expertsThreat monitoring, detection and response

The Head of Risk Management oversees and coordinates the risk framework. Regular reports are made to the Executive Board, the Audit & Risk Committee and the Board of Trustees. The Audit & Risk Committee is chaired by a Trustee. The Audit & Risk Committee receives copies of all audit reports. Group entities such as the National Memorial Arboretum and Poppyscotland are included in the above risk framework and a consistent risk model is used.

At their last review, the Trustees were satisfied that appropriate and effective controls are in place to mitigate risk exposures. The most significant risks are set out in the table, left, together with selected controls from our risk register.

Public benefit

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

Safeguarding

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

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

The Board of Trustees and Executive Board receive appropriate safeguarding

training in compliance with the expectations of the UK Charity Regulators.

Modern Slavery Act 2015

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

Ethics and sustainability

The Ethics and Sustainability Committee draws its membership from across the RBL. Its purpose is to support the organisation’s understanding of its impact on the community and environment, and to ensure that our ethical values are reflected across all our policies and procedures. A key area of focus to date has been our Poppy Appeal products, where we are seeking to reduce our environmental impact through the reduction of single-use plastic.

During 2021, the RBL established a governance structure to monitor and manage energy usage and carbon reporting. This involved establishing an Energy Management and Carbon Reporting Working Group, which reports to the Executive Board via the Ethics and Sustainability Committee.

During the year, we started to replace our diesel and petrol-driven equipment and grounds-maintenance fleet with electric equipment where it was suitable and practical to do so. In Poppyscotland, as part of the refurbishment of the Lady Haig Poppy Factory, we replaced the roof and associated insulation and installed double glazing, LED lighting and new low-energy gas boilers and associated heating system.

In 2022, we will continue to monitor energy usage, complete an energy audit of our care home estate and start to implement the resulting recommendations.

Streamlined Energy and Carbon Reporting (SECR)

The RBL monitors its greenhouse-gas emissions and reports in line with the Streamlined Energy and Carbon Reporting regulations (SECR). The scope of this report includes emissions from Scope 1 and 2 Electricity, Gas and Transport, and Scope 3 emissions from staff, Trustee and volunteer business travel for the RBL group. This data is being included in the Annual Report for the first time this year on a voluntary basis, hence no comparative data is shown in the tables below.

This information has been compiled in line with March 2019 HM Government ‘Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting guidance’. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting, Version 1.0, 2020 factors.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by RBL’s energy broker. The reported figures for Scope 2 Electricity (Delivered) also include Transmission and Distribution

Scope	Description	FY 20/21	
		KwH	tCO2e
Scope 1	Combustion of fuel on site & transportation		
	Natural Gas	10,957,068	2,015
	Gas Oil	44,720	12
	Fleet Travel	110,104	28
Total		11,111,892	2,055
Scope 2	Purchased Energy		
	Electricity (Delivered)	5,272,564	1,335
Total		5,272,564	1,335
Scope 3	Business Travel		
	Grey Fleet (Claimed Mileage)		99
	Train Travel		7
	Air Travel		44
Total			150
Total Emissions			3,540
Intensity Ratio			
Tonnes CO2e / £1m Turnover			25.8
Turnover (£1m)			137

emissions, which would technically fall under Scope 3.

Transport data has been taken from RBL internal claimed mileage and expenses tracking. This includes Scope 1 emissions from Company Fleet and Scope 3 emissions from Grey Fleet, rail and air travel. Gas Oil data has been taken from invoices for delivery of fuel onto our sites throughout the year.

Structure, governance and management

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

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

Directors' roles are evaluated using the Hay job-evaluation system, and this supports a process of pay benchmarking. There is an independent Governance Committee comprised of Trustees, which approves the annual pay award and agrees the remuneration for the Director General and Director of Finance and Commercial.

Board of Trustees

The Board of Trustees is responsible for the overall governance, policy and work of the Royal British Legion. All substantive decisions are made by the Board of Trustees within the bounds of the Royal

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

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

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

Trustees are elected or appointed for an initial three-year period and are eligible for a further two terms of three years. The Chairman and Vice Chairman may only serve one term of three years; however, the Vice Chairman may also serve one term of three years as National Chairman if so elected by voting branches. As part of its work on Board effectiveness, the RBL will be rolling out a new programme of induction and ongoing training for Trustees, to support them in fulfilling their duties and responsibilities as members of the Board. Training needs are reviewed on an annual basis and specific training is given to Trustees as required.

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

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

Committees of the Board

The Board of Trustees has eight committees that report to it, all of which have written terms of reference. Two of the committees facilitate membership matters:

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

Three committees form an integral part of the governance of the charity:

- Governance Committee – makes recommendations on Trustee appointments and overall staffing arrangements, and monitors governance best practice;
- Audit & Risk Committee – reviews the significant judgements made in the accounts before Board approval. It provides assurance to the Board on the effectiveness of internal controls and risk-management procedures. It also oversees the work of external and internal audit; and
- Care Services Committee – oversees the delivery of the RBL's care services, including our six care homes.

Three committees oversee the resources of the charity:

- Finance Committee – reviews, recommends and monitors compliance with the reserves and investment policies, and provides oversight of IT. It reviews the annual budget, oversees and monitors the investment portfolio and addresses any other financial matters referred to it by the Board of Trustees;
- Property Committee – recommends strategy and monitors performance in relation to functional property developments, oversees significant acquisitions or disposals and ensures these properties are appropriately maintained; and
- Branch Property Trusts Trustee Committee – recommends strategy and monitors compliance in relation to the management of properties, income and assets held by the Branch Property Trusts, and approves property disposals.

Finally, the International Committee represents the RBL as part of the World Veterans' Federation and advises the Board of Trustees on matters related to the RBL's international relationships and activities.

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

Corporate structure

The Royal British Legion has an extensive corporate structure, comprising:

- the charity;
- 11 wholly owned subsidiaries, six of which are active and five of which are dormant; and
- the Irish ex-Service Trust, for which it acts on behalf of Her Majesty's Government as the distributary agent.

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

In addition, there are four active organisations that share part of our name:

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

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

Connections to a non-charity

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

Role of the membership and volunteers

The Royal British Legion is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 204,000 members are organised through approximately 2,300 branches operating across England, Wales, Northern Ireland and the Isle of Man, with a further 89 branches overseas and ten national branches.

Branches:

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

Branches report into 52 section, county and district committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Department and a network of Membership Support Officers located across England, Wales and Northern Ireland.

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

Many members of the RBL belong to one of the 389 clubs (2020: 399) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 218 clubs (2020: 226) that occupy premises owned by the RBL and leased to the club.

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

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

Statement of Trustees' responsibilities

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

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

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

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

The Trustees' Report (pages 7 to 53) was approved by the Board of Trustees and signed on their behalf:

Una Cleminson
Una Cleminson, National Chairman
20th April 2022

Independent auditor's report to the Trustees of the Royal British Legion

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

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

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting

Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

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

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

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

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

As a result of performing the above, we identified the greatest potential for fraud

in the following area, and our specific procedures performed to address it are described below:

- Revenue recognition, which is related to the valuation and completeness of grant income: we obtained an understanding of the key processes and relevant controls around the valuation and completeness of grant income; and performed detailed substantive tests on grant income, on a sample basis, to verify that it is correctly valued and complete.
- Branch cash, which is related to the completeness and accuracy of branch cash: we obtained an understanding of the key processes and relevant controls around the completeness and accuracy of branch cash; and performed detailed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

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

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

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



Deloitte LLP

Statutory Auditor
Newcastle upon Tyne, United Kingdom
28th April 2022

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

Royal British Legion

Consolidated Statement of Financial Activities for the year ended 30 September 2021

	Note	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from					
Donations and legacies	4	70,667	6,813	77,480	87,117
Charitable activities	5	21,062	8,071	29,133	31,562
Other trading activities	6	21,845	2,317	24,162	18,853
Investments	7	2,407	2,952	5,359	5,513
Other		1,225	-	1,225	69
Total income		117,206	20,153	137,359	143,114
Expenditure on					
Raising funds	8	31,807	6,288	38,095	38,195
Charitable activities					
Care	9	31,242	1,646	32,888	44,745
Personnel Recovery Centres	9	1,557	163	1,720	1,527
Community Welfare	9	31,576	14,101	45,677	48,518
Membership	9	5,256	475	5,731	7,989
Comradeship	9	400	-	400	510
Communications and campaigning	9	12,219	73	12,292	12,185
Remembrance and ceremonial	9	2,054	2,972	5,026	7,301
Total charitable activities	9	84,304	19,430	103,734	122,775
Total expenditure		116,111	25,718	141,829	160,970
Net income/(expenditure) before investment gains		1,095	(5,565)	(4,470)	(17,856)
Net (losses)/gains on disposal of investments		(3,358)	6,953	3,595	462
Unrealised gains on revaluation of investments		21,254	1,053	22,307	391
Net income/(expenditure) before tax		18,991	2,441	21,432	(17,003)
Taxation charge	11	-	-	-	(3)
Net income/(expenditure) for the year		18,991	2,441	21,432	(17,006)
Transfers between funds	30	1,340	(1,340)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	7,485	303	7,788	(4,226)
Net movement in funds		27,816	1,404	29,220	(21,232)
Fund balances brought forward at 1 October		180,374	170,202	350,576	371,808
Fund balances carried forward at 30 September		208,190	171,606	379,796	350,576

The notes on pages 60 to 93 form part of the financial statements.
All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Charity Statement of Financial Activities for the year ended 30 September 2021

	Note	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from					
Donations and legacies	4	73,135	1,949	75,084	85,701
Charitable activities	5	21,062	5,388	26,450	30,850
Other trading activities	6	12,798	-	12,798	6,691
Investments	7	2,407	2,585	4,992	5,072
Other		1,531	-	1,531	61
Total income		110,933	9,922	120,855	128,375
Expenditure on					
Raising funds	8	26,853	390	27,243	26,697
Charitable activities					
Care	9	31,242	1,646	32,888	44,745
Personnel Recovery Centres	9	1,557	163	1,720	1,527
Community Welfare	9	33,354	10,746	44,100	46,428
Membership	9	5,256	326	5,582	7,970
Comradeship	9	400	-	400	510
Communications and campaigning	9	12,219	73	12,292	12,185
Remembrance and ceremonial	9	2,054	(272)	1,782	4,102
Total charitable activities	9	86,082	12,682	98,764	117,467
Total expenditure		112,935	13,072	126,007	144,164
Net expenditure before investment gains		(2,002)	(3,150)	(5,152)	(15,789)
Net (losses)/gains on disposal of investments		(3,358)	6,567	3,209	462
Unrealised gains on revaluation of investments		21,254	903	22,157	293
Net income/(expenditure) for the year		15,894	4,320	20,214	(15,034)
Transfers between funds	30	3,111	(3,111)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	16a	7,485	-	7,485	(4,288)
Net movement in funds		26,490	1,209	27,699	(19,322)
Fund balances brought forward at 1 October		177,922	131,665	309,587	328,909
Fund balances carried forward at 30 September		204,412	132,874	337,286	309,587

The notes on pages 60 to 93 form part of the financial statements.
All amounts relate to continuing operations, and all gains and losses recognised in the year are included in the Statement of Financial Activities.

Royal British Legion

Consolidated and Charity Balance Sheets as at 30 September 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets					
Intangible assets	17	1,744	2,946	1,637	2,895
Tangible assets	18	81,562	83,088	57,275	60,494
Investments	19	182,213	164,647	170,960	151,319
Investment properties	20	65,533	66,706	65,533	66,124
Programme-related investments	21	4,009	4,510	4,009	4,510
Total fixed assets		335,061	321,897	299,414	285,342
Current assets					
Stocks		2,701	1,882	-	-
Debtors	22	11,769	16,742	10,404	16,361
Cash at hand and in bank	23	65,985	51,648	59,251	46,162
Total current assets		80,455	70,272	69,655	62,523
Current liabilities					
Creditors: Amounts falling due within one year	24	(23,543)	(26,209)	(21,329)	(24,704)
Net current assets		56,912	44,063	48,326	37,819
Total assets less current liabilities		391,973	365,960	347,740	323,161
Creditors: Amounts falling due after more than one year	24	(6,815)	(2,902)	(6,779)	(2,845)
Provisions for liabilities	26	(1,799)	(1,450)	(1,755)	(1,450)
Net assets excluding pension liability		383,359	361,608	339,206	318,866
Defined benefit pension liability	16b	(3,563)	(11,032)	(1,920)	(9,279)
Net assets		379,796	350,576	337,286	309,587
Funds					
Total unrestricted funds	28	208,190	180,374	204,412	177,922
Total restricted funds	29	171,606	170,202	132,874	131,665
Total funds		379,796	350,576	337,286	309,587

The notes on pages 60 to 93 form part of the financial statements.

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 20 April 2022.

These were signed on its behalf by:


Una Cleminson
National Chairman

Royal British Legion

Cash Flow Statement for the year ended 30 September 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Net cash flow from operating activities	A	4,156	(9,762)	3,935	(4,796)
Cash flows from investing activities					
Dividends, interest and rents from investments		5,359	5,513	4,992	5,072
Purchase of tangible fixed assets		(3,175)	(3,088)	(827)	(1,898)
Purchase of intangible fixed assets		(330)	(1,393)	(255)	(1,342)
Proceeds from investment properties		6,587	2,093	6,022	2,093
Sale/(Purchase) of investments		1,740	(946)	(778)	(981)
Net cash provided by investing activities		10,181	2,179	9,154	2,944
Change in cash and cash equivalents in the year		14,337	(7,583)	13,089	(1,852)
Cash and cash equivalents at the beginning of the year		51,648	59,231	46,162	48,014
Cash and cash equivalents at the end of the year	23	65,985	51,648	59,251	46,162
A. Reconciliation of net income to net cash flow from operating activities					
Net income/(expenditure) for the year (as per the Statement of Financial Activities)		21,432	(17,006)	20,214	(15,034)
Adjustments for:					
Depreciation, amortisation and impairment charges		5,881	13,232	5,207	12,413
Gains on investments		(24,720)	(1,340)	(24,294)	(1,298)
Dividends, interest and rents from investments		(5,359)	(5,513)	(4,992)	(5,072)
Gift of investment property		-	(582)	-	-
Loss on sale of tangible and intangible fixed assets		352	2,756	352	2,751
(Increase)/decrease in stock		(819)	511	-	-
Decrease in programme-related investments		501	498	501	498
Decrease/(increase) in debtors		4,973	(13)	5,957	1,680
Increase/(decrease) in creditors		1,247	(8,609)	559	(7,034)
Increase in provisions		349	956	305	956
Reclassification of fixed assets to current assets		-	5,175	-	5,175
Adjustment in respect of pension funding		319	173	126	169
Net cash flow from operating activities		4,156	(9,762)	3,935	(4,796)

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

1 Principal accounting policies

Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the 'Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2021, with prior year comparatives (2020) for the year to 30 June 2020.

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

Group financial statements

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

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

Fund accounting

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

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

Income

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

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received. Investment income includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2021.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

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

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

Expenditure

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

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

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

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

Allocation of costs

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

Stocks, poppies and wreaths

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

Staff pension schemes

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

For the defined benefit schemes, valuations are undertaken by an independent actuary. The current service costs of the Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities represents the employer contributions payable for the year.

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

Investments and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities. Income from listed investments is accrued when due for payment. Interest on deposits is accrued on a daily basis.

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

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

Tangible and intangible fixed assets

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

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

Plant, machinery and equipment, where capitalised, are included at cost. Depreciation is provided over 5 years from the month of first use.

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

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

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

Heritage assets

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

Finance and operating leases

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

Royal British Legion
Notes to the Accounts for the year ended 30 September 2021

Taxation

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

Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts, converted to sterling at the exchange rate as at 30 September 2021.

Financial instruments

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

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

2 Critical accounting judgements and key sources of estimation uncertainty

In application of the accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

The Trustees do not consider there are any critical judgements or key sources of estimation uncertainty requiring disclosure that are not already described within note 1 above and summarised below.

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

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

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

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

Retirement benefit liabilities – as disclosed in note 16, the Group has defined benefit schemes. Year-end recognition of the liabilities under this scheme and the valuation of assets held to fund these liabilities require a number of significant assumptions and complex judgements to be made, relating to levels of scheme membership, changes in retirement ages, mortality rates, key financial market indicators such as inflation, and expectations on future salary growth and asset returns. These assumptions are made by the Group in conjunction with the schemes' actuaries engaged to provide expert advice about the assumptions to be applied.

3 Consolidated Comparative Statement of Financial Activities

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000
Income and endowments from			
Donations and legacies	80,036	7,081	87,117
Charitable activities	21,742	9,820	31,562
Other trading activities	17,648	1,205	18,853
Investments	1,981	3,532	5,513
Other	24	45	69
Total income	121,431	21,683	143,114
Expenditure on			
Raising funds	32,764	5,431	38,195
Charitable activities			
Care	41,585	3,160	44,745
Personnel Recovery Centres	1,075	452	1,527
Community Welfare	29,562	18,956	48,518
Membership	6,885	1,104	7,989
Comradeship	510	-	510
Communications and campaigning	11,964	221	12,185
Remembrance and ceremonial	1,855	5,446	7,301
Total charitable activities	93,436	29,339	122,775
Total expenditure	126,200	34,770	160,970
Net expenditure before investment gains	(4,769)	(13,087)	(17,856)
Net (losses)/gains on disposal of investments	(2,474)	2,936	462
Unrealised gains/(losses) on revaluation of investments	1,962	(1,571)	391
Net expenditure before tax	(5,281)	(11,722)	(17,003)
Taxation charge	(3)	-	(3)
Net expenditure for the year	(5,284)	(11,722)	(17,006)
Transfers between funds	1,112	(1,112)	-
Other recognised (losses)/gains			
Actuarial (losses)/gains on defined benefit pension scheme	(4,288)	62	(4,226)
Net movement in funds	(8,460)	(12,772)	(21,232)
Fund balances brought forward at 1 October	188,834	182,974	371,808
Fund balances carried forward at 30 September	180,374	170,202	350,576

3a Charity Comparative Statement of Financial Activities

	Unrestricted funds 2020 £'000	Restricted funds 2020 £'000	Total 2020 £'000
Income and endowments from			
Donations and legacies	83,743	1,958	85,701
Charitable activities	24,043	6,807	30,850
Other trading activities	6,653	38	6,691
Investments	1,981	3,091	5,072
Other	24	37	61
Total income	116,444	11,931	128,375
Expenditure on			
Raising funds	26,520	177	26,697
Charitable activities			
Care	41,585	3,160	44,745
Personnel Recovery Centres	1,075	452	1,527
Community Welfare	32,218	14,210	46,428
Membership	6,885	1,085	7,970
Comradeship	510	-	510
Communications and campaigning	11,964	221	12,185
Remembrance and ceremonial	1,855	2,247	4,102
Total charitable activities	96,092	21,375	117,467
Total expenditure	122,612	21,552	144,164
Net expenditure before investment gains	(6,168)	(9,621)	(15,789)
Net (losses)/gains on disposal of investments	(2,474)	2,936	462
Unrealised gains/(losses) on revaluation of investments	1,962	(1,669)	293
Net expenditure for the year	(6,680)	(8,354)	(15,034)
Transfers between funds	3,786	(3,786)	-
Other recognised losses			
Actuarial losses on defined benefit pension scheme	(4,288)	-	(4,288)
Net movement in funds	(7,182)	(12,140)	(19,322)
Fund balances brought forward at 1 October	185,104	143,805	328,909
Fund balances carried forward at 30 September	177,922	131,665	309,587

4 Donations and legacies

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Voluntary income				
Donations	25,795	20,927	26,231	22,346
Legacies	23,766	19,664	23,149	19,175
The Poppy Appeal	27,919	46,526	25,704	44,180
Total donations and legacies	77,480	87,117	75,084	85,701

The total of the Poppy Appeal launched in October 2020 in England, Wales and Northern Ireland was £25.704 million (2020: £44.180 million). This includes cash collected of £25.213 million (2020: £43.040 million), legacies of £413,000 (2020: £190,000) and other donations of £78,000 (2020: £950,000). The Poppy Appeal in Scotland raised £2.180 million (2020: £2.279 million), and a further £35,000 (2020: £67,000) was raised by the Royal British Legion Republic of Ireland.

At 30 September 2021, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £1.482 million (2020: £1.675 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £136,000 (2020: £978,000), where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £22.71 million (2020: £18.16 million). These are a mixture of residuary legacies that are not recognised in these accounts, as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in Donations above is pro bono legal support of £95,000 (2020: £82,500) from J A Kemp, Mayer Brown LLP, Withers LLP and Marsh Bursaries. Also included are other benefits-in-kind valued at £187,000 (2020: £185,000).

5 Charitable activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Grants for welfare services and Remembrance				
Aged Veterans' Healthy Living Programme and Veterans Medical Fund	154	446	154	446
Grant from Poppy Lottery	-	-	-	2,301
Ex-service charities and other organisations (almonisation)	2,692	2,807	2,582	2,631
Contributions for Remembrance activities	4,495	3,056	1,000	1,817
Other grants and contributions	241	3,480	1,782	2,305
Total grants for welfare services and Remembrance	7,582	9,789	5,518	9,500
Fees from residential care homes	16,773	16,874	16,773	16,874
Membership fees	3,986	4,083	3,984	4,079
Income from charitable services	792	816	175	397
Total other income from charitable activities	21,551	21,773	20,932	21,350
Total income from charitable activities	29,133	31,562	26,450	30,850

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

Income from other grants and contributions includes non-performance-related grants, of which £1.1 million are government grants (2020: £1.4 million). This relates to income from the Coronavirus Job Retention Scheme. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

6 Other trading activities

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fundraising events income	3,219	1,398	3,219	1,397
Fundraising lotteries	9,226	8,528	9,226	5,050
Income from commercial activities	11,364	8,693	-	10
Licence fees and royalties	109	21	109	21
Advertising in the Legion magazine	244	213	244	213
Total income from other trading activities	24,162	18,853	12,798	6,691

Following the transfer of activities from the subsidiary Royal British Legion Poppy Lottery Limited to the parent charity Royal British Legion on 1 April 2020, all income from lotteries and raffles is now recognised in the parent charity.

7 Investment income

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Dividends and interest on listed investments	2,806	3,092	2,461	2,669
Investment income on funds held by branches	382	311	382	311
Rentals from investment properties	2,067	1,854	2,067	1,854
Bank deposit interest	104	256	82	238
Total investment income	5,359	5,513	4,992	5,072

Rentals from investment properties with a market value of £65.533 million (note 20) at 30 September 2021 (2020: £66.706 million) are, in most cases, received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.

8 Cost of raising funds				
	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Donations costs	8,226	8,112	6,775	6,481
Legacies costs	2,056	1,978	1,623	1,785
Poppy Appeal costs	13,961	14,187	12,299	12,947
Cost of raising voluntary income	24,305	24,277	20,697	21,213
Fundraising events costs	2,116	2,360	2,116	2,360
Fundraising lotteries costs	3,959	3,963	3,959	2,758
Commercial activities (trading)	7,267	7,191	32	(29)
Cost of activities to raise funds	13,342	13,514	6,107	5,089
Investment management	448	404	439	395
Total cost of raising funds	38,095	38,195	27,243	26,697

The total cost of raising funds for the group of £38.095 million (2020: £38.195 million) includes direct costs of £32.287 million (2020: £32.838 million) and allocated support costs of £5.808 million (2020: £5.357 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £10.589 million (2020: £9.139 million), of which £6.992 million (2020: £5.848 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.597 million (2020: £3.291 million) has been reallocated into charitable activities representing the raising-awareness element.

9 Analysis of charitable activities					
	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Residential care homes		32,167	31,343	32,167	31,343
Welfare Break Centres		721	13,402	721	13,402
Total care		32,888	44,745	32,888	44,745
Personnel Recovery Centres		1,720	1,527	1,720	1,527
Welfare grants to individuals		8,953	11,673	8,143	10,897
Grants to other organisations	10	5,452	5,326	6,125	5,955
Information, advice and support		27,901	28,335	26,461	26,392
Welfare cost in branches, counties and districts		3,371	3,184	3,371	3,184
Total community welfare		45,677	48,518	44,100	46,428
Central membership support		3,142	4,239	3,120	4,220
Recruitment, development, training		427	441	427	441
Support to branches with clubs		213	228	213	228
The Legion magazine		533	694	533	694
Membership costs in branches, counties and districts		1,416	2,387	1,289	2,387
Total membership		5,731	7,989	5,582	7,970
Comradeship		400	510	400	510
Direct cost of communication and campaigning		8,695	8,894	8,695	8,894
Allocated cost of communication and campaigning		3,597	3,291	3,597	3,291
Total communication and campaigning		12,292	12,185	12,292	12,185
Festival of Remembrance		928	884	928	884
Ceremonial and commemorative events		836	2,924	791	2,890
Remembrance tours		63	328	63	328
National Memorial Arboretum operating costs		3,199	3,165	-	-
Total Remembrance and ceremonial		5,026	7,301	1,782	4,102
Total cost of charitable activities		103,734	122,775	98,764	117,467

The total cost of charitable activities for the group of £103.734 million (2020: £122.775 million) includes direct costs of £85.899 million (2020: £102.649 million) and allocated support costs of £17.835 million (2020: £20.126 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.597 million (2020: £3.291 million) relating to costs associated with space within campaign literature relating to raising awareness.

10 Grants awarded to other organisations

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Grants awarded by the Charity				
Personnel Recovery Centres – termination of original commitment	(5,223)	-	(5,223)	-
Personnel Recovery Centres – new Edinburgh grant	953	-	953	-
Combat Stress	5,886	2,951	5,886	2,951
Shelter	847	-	847	-
The Matthew Project	621	-	621	-
Royal Commonwealth Ex-Services League	514	-	514	109
Army Families Federation	467	-	467	-
X-Forces	160	-	160	-
Never Such Innocence	123	-	123	-
National Memorial Arboretum	-	-	1,475	2,300
Poppyscotland	-	-	303	356
Cancellation of 11 grant commitments	(130)	-	(130)	-
Grants to 12 other charities and voluntary organisations (2020: 19)	129	348	129	239
Grants awarded by Poppyscotland				
Unforgotten Forces	-	521	-	-
Citizens Advice Scotland	538	522	-	-
NHS Highland	230	-	-	-
Grants to 5 other charities and voluntary organisations (2020: 15)	337	984	-	-
Grants awarded by Royal British Legion Republic of Ireland				
Grants to charities and voluntary organisations awarded – nil (2020: nil)	-	-	-	-
Total grants to other organisations	5,452	5,326	6,125	5,955

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

11 Taxation

	Group 2021 £'000	Group 2020 £'000
Current tax credit:		
UK corporation tax (see below)	-	-
Adjustment to deferred tax	-	3
Total tax charge/(credit) on income	-	3
The taxation credits and charges above arise in the trading subsidiary operations.		
The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the surplus before tax in the trading subsidiary operations is as follows:		
	Group 2021 £'000	Group 2020 £'000
Surplus on ordinary activities before tax	4,332	2,388
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2020: 19%)	823	453
Unutilised losses	-	19
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 33)	(823)	(472)
Tax credit not recognised due to uncertainty over future profits	-	-
UK corporation tax charge/(credit) for the year	-	-

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

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	185	177	185	177
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	108	99	-	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	1	2	1	1
Tax advisory services	6	11	2	2
Other advisory services	-	-	-	-
Branch, county and district audit and examination fees	31	32	31	32
Depreciation, amortisation and impairment charges	5,881	13,232	5,207	12,413
Rentals under operating leases	4,931	2,998	4,847	2,916

Rentals under operating leases includes an accrual for future rent and service-charge costs arising under lease contracts relating to area and secondary offices that have now been permanently closed.

13 Support costs								
	Head Office Central 2021 £'000	Facilities Management 2021 £'000	Human Resources 2021 £'000	Finance and IT 2021 £'000	Governance 2021 £'000	Total Charity 2021 £'000	Subsidiaries 2021 £'000	Total Group 2021 £'000
Donations costs	138	186	160	756	71	1,311	360	1,671
Legacies costs	38	51	44	209	20	362	111	473
Poppy Appeal costs	-	389	336	1,586	149	2,460	466	2,926
Fundraising events costs	44	59	51	242	23	419	-	419
Fundraising lotteries costs	34	45	39	184	17	319	-	319
Cost of raising funds	254	730	630	2,977	280	4,871	937	5,808
Residential care homes	-	1,859	1,606	2,330	711	6,506	-	6,506
Welfare Break Centres	-	3	3	4	1	11	-	11
Care	-	1,862	1,609	2,334	712	6,517	-	6,517
Personnel Recovery Centres	-	-	-	-	-	-	-	-
Information, advice and support	647	866	749	3,532	332	6,126	764	6,890
Welfare cost in branches, counties and districts	24	32	28	130	12	226	-	226
Community welfare	671	898	777	3,662	344	6,352	764	7,116
Central membership support	90	121	105	493	46	855	22	877
Recruitment, development, training	13	17	15	69	6	120	-	120
Support to branches with clubs	7	10	8	39	4	68	-	68
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	110	148	128	601	56	1,043	22	1,065
Comradeship	6	8	7	34	3	58	-	58
Direct cost of communications and campaigning	130	175	151	712	67	1,235	-	1,235
Communications and campaigning	130	175	151	712	67	1,235	-	1,235
Ceremonial and commemorative events	24	32	28	130	12	226	44	270
Remembrance tours	1	2	1	7	1	12	-	12
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,562	1,562
Remembrance and ceremonial	25	34	29	137	13	238	1,606	1,844
Charitable activities	942	3,125	2,701	7,480	1,195	15,443	2,392	17,835
Total support costs	1,196	3,855	3,331	10,457	1,475	20,314	3,329	23,643

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

13 Support costs continued								
	Head Office Central 2020 £'000	Facilities Management 2020 £'000	Human Resources 2020 £'000	Finance and IT 2020 £'000	Governance 2020 £'000	Total Charity 2020 £'000	Subsidiaries 2020 £'000	Total Group 2020 £'000
Donations costs	141	161	112	639	62	1,115	381	1,496
Legacies costs	44	51	35	201	20	351	59	410
Poppy Appeal costs	-	383	265	1,516	148	2,312	404	2,716
Fundraising events costs	58	66	46	262	26	458	-	458
Fundraising lotteries costs	35	40	28	159	15	277	-	277
Cost of raising funds	278	701	486	2,777	271	4,513	844	5,357
Residential care homes	-	1,975	1,369	2,393	764	6,501	-	6,501
Welfare Break Centres	-	176	122	213	68	579	-	579
Care	-	2,151	1,491	2,606	832	7,080	-	7,080
Personnel Recovery Centres	-	14	9	16	5	44	-	44
Information, advice and support	868	997	691	3,951	385	6,892	1,370	8,262
Welfare cost in branches, counties and districts	29	34	23	134	13	233	-	233
Community welfare	897	1,031	714	4,085	398	7,125	1,370	8,495
Central membership support	145	166	115	659	64	1,149	19	1,168
Recruitment, development, training	17	20	14	78	8	137	-	137
Support to branches with clubs	9	10	7	39	4	69	-	69
Membership costs in branches, counties and districts	-	-	-	-	-	-	-	-
Membership	171	196	136	776	76	1,355	19	1,374
Comradeship	11	12	9	49	5	86	-	86
Direct cost of communications and campaigning	149	171	119	678	66	1,183	-	1,183
Communications and campaigning	149	171	119	678	66	1,183	-	1,183
Ceremonial and commemorative events	30	35	24	138	14	241	29	270
Remembrance tours	4	5	3	20	2	34	-	34
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,560	1,560
Remembrance and ceremonial	34	40	27	158	16	275	1,589	1,864
Charitable activities	1,262	3,615	2,505	8,368	1,398	17,148	2,978	20,126
Total support costs	1,540	4,316	2,991	11,145	1,669	21,661	3,822	25,483

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

14 Activities of consolidated subsidiaries and organisations

The RBL has 11 wholly owned subsidiaries, nine of which are consolidated into these accounts, as described below. There are a further two subsidiaries, which are dormant with no assets so have no figures to consolidate.

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

	The National Memorial Arboretum Company 2021 £'000	NMA (Enterprises) 2021 £'000	Poppyscotland Group 2021 £'000	Royal British Legion Republic of Ireland 2021 £'000	Royal British Legion Trading 2021 £'000	Royal British Legion Poppy Lottery 2021 £'000	Royal British Legion Developments 2021 £'000	Remembrance Travel 2021 £'000
Turnover/incoming resources	3,978	2,323	6,122	91	9,047	-	-	-
(Expenditure) (including gains/ (losses))	(3,661)	(1,845)	(6,961)	131	(7,737)	-	(2)	-
Net incoming/(outgoing) resources	317	478	(839)	222	1,310	-	(2)	-
Assets	23,407	1,000	15,001	2,752	4,665	-	11	49
Liabilities	(439)	(597)	(2,356)	(36)	(869)	-	(36)	(42)
Net assets/(liabilities)	22,968	403	12,645	2,716	3,796	-	(25)	7

	The National Memorial Arboretum Company 2020 £'000	NMA (Enterprises) 2020 £'000	Poppyscotland Group 2020 £'000	Royal British Legion Republic of Ireland 2020 £'000	Royal British Legion Trading 2020 £'000	Royal British Legion Poppy Lottery 2020 £'000	Royal British Legion Developments 2020 £'000	Remembrance Travel 2020 £'000
Turnover/incoming resources	3,873	1,347	7,460	141	7,517	3,506	-	-
Expenditure	(3,782)	(1,546)	(7,862)	(281)	(8,766)	(3,506)	(8)	-
Net incoming/(outgoing) resources	91	(199)	(402)	(140)	(1,249)	-	(8)	-
Assets	23,185	501	15,995	2,576	3,658	-	17	49
Liabilities	(534)	(593)	(2,511)	(82)	(1,172)	-	(40)	(42)
Net assets/(liabilities)	22,651	(92)	13,484	2,494	2,486	-	(23)	7

The principal activities of the subsidiaries are as follows:

The National Memorial Arboretum Company Limited – a charitable company operating an arboretum with memorial plots dedicated to those who suffered or lost their lives in the service of their country.

NMA (Enterprises) Limited – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to National Memorial Arboretum visitors. Its expenditure includes prior-year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £90,000 (2020: £107,000).

Poppyscotland (Earl Haig Fund Scotland) – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group.

Royal British Legion Republic of Ireland – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

Royal British Legion Trading Limited – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior-year profits paid under the Gift Aid scheme to the RBL of £2.486 million (2020: £3.735 million).

Royal British Legion Poppy Lottery Limited – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020, and is now dormant.

Royal British Legion Developments Limited – a trading company that develops or improves properties, principally those owned by the RBL, and is currently inactive. There were no profits to pay to the RBL in 2021 or 2020.

Remembrance Travel Limited – a subsidiary that previously operated as a travel company delivering pilgrimages and associated travel activity until 1 October 2018, and is now dormant.

The Royal British Legion Family and Support Lottery Limited and Poppy Travel Limited – dormant subsidiaries with no assets.

15 Information regarding employees and Trustees		
	Total 2021	Total 2020
Average number of employees (full-time equivalent) during the year	No.	No.
Raising funds	229	213
Charitable activities		
Care services and Personnel Recovery Centres	581	657
Community welfare services	281	313
Membership services	46	59
Comradeship	3	4
Communication and campaigning	55	52
Remembrance and ceremonial	11	12
Total charitable activities	977	1,097
Support and governance	163	166
Total charity full-time equivalent staff	1,369	1,476
Subsidiaries average number of employees (full-time equivalent) during the year		
Poppyscotland Group	100	100
National Memorial Arboretum Group	86	87
Royal British Legion Trading	12	12
Total group full-time equivalent staff	1,567	1,675

The group incurred costs of £2.26 million (2020: £3.76 million) on agency staff which are not included in the staff costs below.

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Staff costs comprise:				
Wages and salaries	46,742	48,149	42,347	43,777
National Insurance contributions	4,364	4,605	4,103	4,245
Pension costs	5,170	5,096	4,574	4,591
Total staff costs	56,276	57,850	51,024	52,613

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

	Group 2021 No	Group 2020 No	Charity 2021 No	Charity 2020 No
£60,000 - £69,999	23	20	22	19
£70,000 - £79,999	16	13	16	13
£80,000 - £89,999	5	7	5	7
£90,000 - £99,999	2	2	-	1
£100,000 - £109,999	3	2	3	2
£110,000 - £119,999	-	1	-	1
£120,000 - £129,999	2	2	2	2
£130,000 - £139,999	-	1	-	-
£140,000 - £149,999	2	-	2	-
£150,000 - £159,999	-	1	-	1

The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £1.040 million (2020: £981,000).

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

During the year, redundancy payments of £437,000 (2020: £452,000) and termination payments of £29,000 (2020: £58,000) were made across the group, which are included in the staff costs figures on the previous page.

During the year, the total expenses paid in respect of 13 (2020: 13) Board of Trustee members amounted to £13,900 (2020: £41,000). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

16 Staff pension funds
The Royal British Legion group pension arrangements comprise those of the RBL and its subsidiaries. The pension schemes are as follows:-
1. Group Flexible Retirement Plan (GFRP)
2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)
3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)
4. The Royal British Legion Staff Pension Fund (DB Fund)
5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (excluding Poppyscotland until 1 October 2021) and was provided by Standard Life until 1 April 2021, when it was transferred to Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £5.048 million (2020: £4.834 million) for the year, of which £405,000 (2020: £395,000) remained payable at the year end.

EH Scheme: This was a scheme available to employees of the Poppyscotland Group and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The EH Scheme was introduced in July 2002 and was a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £165,000 (2020: £187,000) for the year, of which £nil (2020: £27,000) remained payable at the year end.

LHPF Scheme: This was a scheme available to employees of the Lady Haig Poppy Factory and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The LHPF Scheme was a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £73,000 (2020: £88,000) for the year, of which £nil (2020: £nil) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002 and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2020. The results of the last valuation have been updated to 30 September 2021 by a qualified actuary. In accordance with the current Schedule of Contributions, the RBL is not required to pay any ongoing deficit contributions into the Fund. Contributions are made in relation to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members. The last full actuarial valuation of the EH Fund was carried out as at 31 March 2019. As a result of the 2016 triennial valuation, the employer agreed to pay a one-off deficit contribution of £100,000, followed by annual deficit contributions of £75,000 per year from 1 July 2017 for eight years, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

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

16a Amounts recognised in the Statement of Financial Activities						
	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Current service cost	-	-	-	-	-	-
Administration expenses	(299)	(540)	(839)	(104)	(312)	(416)
Net interest	(26)	(130)	(156)	(30)	(83)	(113)
Amount charged to net incoming resources	(325)	(670)	(995)	(134)	(395)	(529)
Actuarial gains/(losses)	276	2,213	2,489	197	(3,514)	(3,317)
Return on assets excluding amount included in net interest	27	5,272	5,299	(135)	(774)	(909)
Amount recognised in other comprehensive income	303	7,485	7,788	62	(4,288)	(4,226)
Total (decrease)/increase in net funds	(22)	6,815	6,793	(72)	(4,683)	(4,755)

16b Reconciliation to the Balance Sheet						
	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Market value of assets	4,877	71,086	75,963	5,266	68,031	73,297
Present value of defined benefit obligation	(6,520)	(73,006)	(79,526)	(7,019)	(77,310)	(84,329)
Pension liability recognised in the Balance Sheet	(1,643)	(1,920)	(3,563)	(1,753)	(9,279)	(11,032)

16c Analysis of changes in the value of the fund liabilities over the year						
	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Value of liabilities at start of year	(7,019)	(77,310)	(84,329)	(7,414)	(75,872)	(83,286)
Interest cost	(96)	(1,060)	(1,156)	(123)	(1,262)	(1,385)
Benefits paid	319	3,151	3,470	321	3,338	3,659
Actuarial gains/(losses)	276	2,213	2,489	197	(3,514)	(3,317)
Value of liabilities at end of year	(6,520)	(73,006)	(79,526)	(7,019)	(77,310)	(84,329)

16d Analysis of changes in the value of the fund assets over the year						
	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000	EH Fund 2020 £'000	DB Fund 2020 £'000	Total 2020 £'000
Market value of assets at start of year	5,266	68,031	73,297	5,603	71,050	76,653
Return on assets excluding amount included in net interest	27	5,272	5,299	(135)	(774)	(909)
Administration expenses	(299)	(540)	(839)	(104)	(312)	(416)
Employer contributions	132	544	676	130	226	356
Interest income	70	930	1,000	93	1,179	1,272
Benefits paid	(319)	(3,151)	(3,470)	(321)	(3,338)	(3,659)
Market value of assets at end of year	4,877	71,086	75,963	5,266	68,031	73,297

16e Asset classes				
	DB Fund 2021		DB Fund 2020	
	Market Value £'000	% of total fund assets	Market Value £'000	% of total fund assets
Equities	24,558	35%	20,041	29%
Bonds	9,891	14%	10,266	15%
LDI	9,027	13%	11,229	17%
Cash	892	1%	709	1%
Annuities	2,026	3%	2,285	3%
Other assets	24,692	34%	23,501	35%
Total fund assets	71,086		68,031	

The actual return on assets over the year was

	EH Fund 2021		EH Fund 2020	
	Market Value £'000	% of total fund assets	Market Value £'000	% of total fund assets
Equities	1,966	40%	2,355	45%
Cash	385	8%	72	1%
Annuities	354	7%	418	8%
Other assets	2,172	45%	2,421	46%
Total fund assets	4,877		5,266	

The actual return on assets over the year was

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

The assets are invested in a diversified portfolio.

During 2022, contributions of £990,000 and £135,051 are expected to be paid into the DB Fund and EH Fund respectively, inclusive of deficit reduction payments.

16f Actuarial assumptions

Financial assumptions	2021		2020	
	% p.a.		% p.a.	
	EH Fund	DB Fund	EH Fund	DB Fund
Discount rate	1.9	1.9	1.4	1.4
Retail price index inflation	3.5	3.5	2.9	2.9
Consumer price index inflation	3.0	2.7	2.2	2.0
Salary increases	3.7	3.7	3.0	3.0
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	-	3.4	-	2.9
Capped at 5% or CPI if less	3.5	3.5	3.2	3.2
Capped at 3% or CPI if less	2.5	2.3	2.0	1.9
Capped at 2.5% or CPI if less	2.2	2.2	1.9	1.9
Rate of increase for deferred pensioners	2.5	2.7	2.2	2.0

Mortality assumptions – EH Fund

Life expectancies at age 60	2021		2020	
	Males	Females	Males	Females
Current pensioner now aged 60	24.9 years	27.6 years	24.9 years	27.5 years
Future pensioner now aged 40	26.4 years	29.1 years	26.4 years	29.1 years

Mortality assumptions – DB Fund

Life expectancies at age 60	2021		2020	
	Males	Females	Males	Females
Current pensioner now aged 60	25.8 years	28.5 years	25.8 years	28.5 years
Future pensioner now aged 40	27.4 years	30.1 years	27.4 years	30.0 years

17 Group intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Group £'000
At cost or valuation			
At 1 October 2020	4,843	793	5,636
Additions	75	255	330
Transfers	575	(710)	(135)
Disposals	-	(338)	(338)
At 30 September 2021	5,493	-	5,493
Accumulated amortisation			
At 1 October 2020	(2,690)	-	(2,690)
Charge for the year	(1,059)	-	(1,059)
Eliminated on disposals	-	-	-
At 30 September 2021	(3,749)	-	(3,749)
Net book value at 30 September 2021	1,744	-	1,744
Net book value at 30 September 2020	2,153	793	2,946

17a Charity intangible fixed assets

	Software, Databases and Licences £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation			
At 1 October 2020	4,843	742	5,585
Additions	-	255	255
Transfers	524	(659)	(135)
Disposals	-	(338)	(338)
At 30 September 2021	5,367	-	5,367
Accumulated amortisation			
At 1 October 2020	(2,690)	-	(2,690)
Charge for the year	(1,040)	-	(1,040)
Eliminated on disposals	-	-	-
At 30 September 2021	(3,730)	-	(3,730)
Net book value at 30 September 2021	1,637	-	1,637
Net book value at 30 September 2020	2,153	742	2,895

18 Group tangible fixed assets including functional property

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
At cost or valuation						
At 1 October 2020	41,876	30,492	30,684	7,696	4,543	115,291
Additions	-	-	2	-	3,173	3,175
Transfers	3,296	-	-	457	(3,618)	135
Disposals	-	(4)	-	(396)	(1)	(401)
At 30 September 2021	45,172	30,488	30,686	7,757	4,097	118,200
Accumulated depreciation						
At 1 October 2020	(12,602)	(7,018)	(7,561)	(5,022)	-	(32,203)
Charge for the year	(817)	(673)	(1,161)	(768)	-	(3,419)
Impairment	-	(73)	(1,330)	-	-	(1,403)
Transfers	-	-	-	-	-	-
Disposals	-	1	-	386	-	387
At 30 September 2021	(13,419)	(7,763)	(10,052)	(5,404)	-	(36,638)
Net book value at 30 September 2021	31,753	22,725	20,634	2,353	4,097	81,562
Net book value at 30 September 2020	29,274	23,474	23,123	2,674	4,543	83,088

18a Charity tangible fixed assets including functional property						
	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Charity £'000
At cost or valuation						
At 1 October 2020	41,876	29,626	6,485	6,777	3,458	88,222
Additions	-	-	-	-	827	827
Transfers	3,296	-	-	457	(3,618)	135
Disposals	-	(4)	-	(396)	(1)	(401)
At 30 September 2021	45,172	29,622	6,485	6,838	666	88,783
Accumulated depreciation						
At 1 October 2020	(12,602)	(6,531)	(3,833)	(4,762)	-	(27,728)
Charge for the year	(817)	(659)	(640)	(648)	-	(2,764)
Impairment	-	(73)	(1,330)	-	-	(1,403)
Transfers	-	-	-	-	-	-
Disposals	-	1	-	386	-	387
At 30 September 2021	(13,419)	(7,262)	(5,803)	(5,024)	-	(31,508)
Net book value at 30 September 2021	31,753	22,360	682	1,814	666	57,275
Net book value at 30 September 2020	29,274	23,095	2,652	2,015	3,458	60,494

19 Investments				
	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Market value at 1 October	164,647	165,895	151,319	152,574
Net additions	(1,740)	946	778	981
Investment gain/(loss) on revaluation	19,306	(2,194)	18,863	(2,236)
Market value at 30 September	182,213	164,647	170,960	151,319
The asset distribution of the investment portfolio at 30 September is presented below.				
	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Equities:				
UK	17,128	16,793	15,782	15,121
Overseas	84,153	71,570	81,323	67,168
Total equities	101,281	88,363	97,105	82,289
Bonds:				
UK	12,246	15,862	7,159	14,507
Overseas	10,685	6,887	10,022	3,086
Total bonds	22,931	22,749	17,181	17,593
Cash:				
UK	6,377	6,565	6,241	5,952
Overseas	96	127	-	-
Total cash	6,473	6,692	6,241	5,952
Hedge funds – UK	2,381	155	2,268	-
Property	10,747	6,344	10,611	6,166
Commodities	6,628	7,647	6,228	7,068
Portfolio funds:				
UK	13,785	16,619	13,785	16,619
Overseas	-	-	-	-
Total portfolio funds	13,785	16,619	13,785	16,619
Other:				
UK	9,849	8,527	9,746	8,489
Overseas	8,138	7,551	7,795	7,143
Total other	17,987	16,078	17,541	15,632
Total investments	182,213	164,647	170,960	151,319

£153.198 million of the investments are managed by Cazenove Capital Management Limited (2020: £133.183 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last publicly available price.

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

20 Group investment properties

	Group 2021 £'000	Group 2020 £'000
Market value at 1 October	66,706	65,019
Additions	-	582
Transfers to tangible fixed assets	-	(336)
Disposal proceeds	(6,587)	(2,093)
Net gain on disposal from opening market value	1,271	598
Net gain on revaluation of investment properties	4,143	2,936
Market value at 30 September	65,533	66,706

20a Charity investment properties

	Charity 2021 £'000	Charity 2020 £'000
Market value at 1 October	66,124	65,019
Transfers to tangible fixed assets	-	(336)
Disposal proceeds	(6,022)	(2,093)
Net gain on disposal from opening market value	1,271	598
Net gain on revaluation of investment properties	4,160	2,936
Market value at 30 September	65,533	66,124

Investment properties primarily comprise 287 properties (2020: 302 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2021, 62 properties were revalued (2020: 62 properties) and a revaluation gain of £4.22 million (2020: £3.00 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £60,000 (2020: losses of £13,800) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2021, none of these properties (2020: 0) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2020: £nil) has been recognised in respect of these properties.

21 Programme-related investments

	Group & Charity 2021 £'000	Group & Charity 2020 £'000
Loans to external organisations		
Sir Oswald Stoll Foundation	375	523
Other schemes unrestricted		
Loans for property repairs (PRL)	3,634	3,987
Total programme-related investments	4,009	4,510

21a Programme-related investments movement during the year

	Sir Oswald Stoll Foundation £'000	PRL loans £'000	Total Group & Charity £'000
Opening balance at 1 October	523	3,987	4,510
Interest	17	-	17
Repayments and security deposits	(165)	(353)	(518)
Closing balance at 30 September	375	3,634	4,009

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

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

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

22 Debtors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets held for sale	725	5,175	725	5,175
Trade debtors	1,387	4,536	1,133	4,097
Amounts due from consolidated entities	-	-	177	809
Other debtors	3,485	3,185	3,358	3,137
Prepayments and accrued income	6,172	3,846	5,011	3,143
Total debtors	11,769	16,742	10,404	16,361

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

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Cash held centrally				
Short-term deposits	5,982	13,114	4,721	12,609
Cash at hand and in bank	49,478	26,900	44,005	21,919
	55,460	40,014	48,726	34,528
Cash held by branches	10,525	11,634	10,525	11,634
Total cash	65,985	51,648	59,251	46,162

24 Creditors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Creditors falling due within one year				
Trade creditors	2,534	2,209	1,812	1,730
Amounts due to consolidated entities	-	-	-	288
Grant commitments (see note 25)	6,102	11,162	6,102	11,162
Accruals	9,607	7,349	8,540	6,371
Deferred income (see note 24a)	3,288	3,164	3,021	3,058
Other creditors	1,991	2,305	1,854	2,095
Hire Purchase commitments due within one year	21	20	-	-
Total creditors falling due within one year	23,543	26,209	21,329	24,704

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Creditors falling due after more than one year				
External grant commitments (see note 25):				
Due within two to five years	6,779	2,845	6,779	2,845
Hire Purchase commitments				
Due within two to five years	36	57	-	-
Total creditors falling due after more than one year	6,815	2,902	6,779	2,845

24a Deferred income movement during the year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Opening balance at 1 October	3,164	3,050	3,058	2,256
Deferred income released in the year	(3,164)	(3,050)	(3,058)	(2,256)
Income deferred in the year	3,288	3,164	3,021	3,058
Closing balance at 30 September	3,288	3,164	3,021	3,058

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2021, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

25 Group & Charity grant commitments

	Personnel Recovery Centres 2021 £'000	Centre for Blast Injury Studies 2021 £'000	Other 2021 £'000	Group & Charity Total 2021 £'000
Opening balance at 1 October 2020	6,582	1,157	6,268	14,007
Grants awarded	954	-	9,100	10,054
Unwinding of discount	-	-	(173)	(173)
Payments during the year	(1,359)	(1,157)	(3,268)	(5,784)
Commitments cancelled during the year	(5,223)	-	-	(5,223)
Closing balance at 30 September 2021	954	-	11,927	12,881

26 Provisions for liabilities

	Group 2021 £,000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Opening balance at 1 October	1,450	494	1,450	494
Provisions made in year	349	956	305	956
Closing balance at 30 September	1,799	1,450	1,755	1,450

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

27 Group operating lease commitments

	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	1,315	244	1,351	527
Within two to five years	2,459	163	3,790	372
Over five years	1,448	-	2,417	-
Total	5,222	407	7,558	899

27a Charity operating lease commitments

	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000	Land and buildings 2020 £'000	Vehicles and equipment 2020 £'000
At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	1,266	220	1,294	511
Within two to five years	2,453	150	3,629	361
Over five years	1,448	-	2,360	-
Total	5,167	370	7,283	872

28 Group unrestricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,149	102,482	(88,310)	16,980	6,166	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
Subsidiaries' funds	2,470	9,047	(4,954)	-	(2,785)	3,778
Available reserves	70,830	111,529	(106,169)	24,465	6,755	107,410
General fund	4,736	3,946	(3,841)	-	-	4,841
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	32,293
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	59,637
Programme-related investment reserve	4,510	17	-	-	(518)	4,009
Total group unrestricted funds	180,374	117,206	(116,111)	25,381	1,340	208,190

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	102,974	(87,762)	(476)	4,928	48,149
Area trust funds	39,294	-	(11,830)	-	2,026	29,490
Pension reserve	(4,822)	-	(395)	(4,288)	226	(9,279)
Subsidiaries' funds	3,730	11,023	(6,247)	-	(6,036)	2,470
Available reserves	66,687	113,997	(106,234)	(4,764)	1,144	70,830
General fund	5,187	4,149	(4,600)	-	-	4,736
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	31,734
Functional fixed asset reserve	80,152	-	(12,413)	-	825	68,564
Programme-related investment reserve	4,914	23	-	-	(427)	4,510
Total group unrestricted funds	188,834	121,431	(126,203)	(4,800)	1,112	180,374

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

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

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

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

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

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

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

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

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

28a Charity unrestricted funds

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,167	105,256	(90,088)	16,980	5,152	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
Available reserves	68,378	105,256	(102,993)	24,465	8,526	103,632
General fund	4,736	3,946	(3,841)	-	-	4,841
Branch, county, district and Women's Section funds	31,734	1,714	(894)	916	(1,177)	32,293
Functional fixed asset reserve	68,564	-	(5,207)	-	(3,720)	59,637
Programme-related investment reserve	4,510	17	-	-	(518)	4,009
Total charity unrestricted funds	177,922	110,933	(112,935)	25,381	3,111	204,412

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Central benevolent fund	28,485	109,010	(90,418)	(476)	1,566	48,167
Area trust funds	39,294	-	(11,830)	-	2,026	29,490
Pension reserve	(4,822)	-	(395)	(4,288)	226	(9,279)
Available reserves	62,957	109,010	(102,643)	(4,764)	3,818	68,378
General fund	5,187	4,149	(4,600)	-	-	4,736
Branch, county, district and Women's Section funds	31,894	3,262	(2,956)	(36)	(430)	31,734
Functional fixed asset reserve	80,152	-	(12,413)	-	825	68,564
Programme-related investment reserve	4,914	23	-	-	(427)	4,510
Total charity unrestricted funds	185,104	116,444	(122,612)	(4,800)	3,786	177,922

29 Group restricted funds						
	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	65,533
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	35,553
Area Trust Funds	5,811	-	(3,995)	-	2,310	4,126
Grants for specific purposes	1,563	5,238	(4,191)	-	-	2,610
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	11,728
Branch and county funds	5,634	380	(602)	587	-	5,999
Charity Commission schemes	2,166	48	-	207	-	2,421
Homes' residents' amenity funds	1,928	300	(382)	-	79	1,925
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	1,523
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	142
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	339
Permanent endowments	841	-	18	116	-	975
Total charity restricted funds	131,665	9,922	(13,072)	7,470	(3,111)	132,874
Poppyscotland Group	15,237	5,404	(6,636)	112	171	14,288
Poppyscotland pension provision	(1,753)	-	(325)	303	132	(1,643)
National Memorial Arboretum Group	22,559	4,736	(5,392)	-	1,468	23,371
Royal British Legion Republic of Ireland	2,494	91	(293)	424	-	2,716
Total group restricted funds	170,202	20,153	(25,718)	8,309	(1,340)	171,606

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	66,124
Income and sales proceeds from property held in corporate trusteeship	35,831	2,512	(1,932)	242	2,642	34,011
Area Trust Funds	11,020	-	(8,006)	-	2,797	5,811
Grants for specific purposes	4,515	6,673	(9,643)	-	18	1,563
Programme-related investment reserve	3	-	-	-	(3)	-
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	11,846
Branch and county funds	7,725	445	(614)	(1,922)	-	5,634
Charity Commission schemes	2,113	47	-	16	(10)	2,166
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	1,928
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	1,268
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	129
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	344
Permanent endowments	830	25	(46)	32	-	841
Total charity restricted funds	143,805	11,931	(21,552)	1,267	(3,786)	131,665
Poppyscotland Group	15,680	6,798	(7,728)	244	243	15,237
Poppyscotland pension provision	(1,788)	-	(134)	62	107	(1,753)
National Memorial Arboretum Group	22,643	2,813	(5,221)	-	2,324	22,559
Royal British Legion Republic of Ireland	2,634	141	(135)	(146)	-	2,494
Total group restricted funds	182,974	21,683	(34,770)	1,427	(1,112)	170,202

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

The investment property reserve represents the estimated market value of £65.533 million (2020: £66.124 million), representing a portfolio of 287 properties (2020: 302 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2021 was £39.680 million (2020: £39.822 million), which includes both investment income and sales proceeds.

29a Charity restricted funds						
	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Investment property reserve	66,124	-	-	5,431	(6,022)	65,533
Income and sales proceeds from property held in corporate trusteeship	34,011	2,176	(2,535)	607	1,294	35,553
Area Trust Funds	5,811	-	(3,995)	-	2,310	4,126
Grants for specific purposes	1,563	5,238	(4,191)	-	-	2,610
Donor-restricted legacies and donations	11,846	1,738	(1,314)	230	(772)	11,728
Branch and county funds	5,634	380	(602)	587	-	5,999
Charity Commission schemes	2,166	48	-	207	-	2,421
Homes' residents' amenity funds	1,928	300	(382)	-	79	1,925
The Arthur Atock Memorial Trust	1,268	30	(71)	296	-	1,523
British Korean Veterans (1981) Relief Fund	129	2	-	11	-	142
Samsung British Korean Veterans Scholarship Fund	344	10	-	(15)	-	339
Permanent endowments	841	-	18	116	-	975
Total charity restricted funds	131,665	9,922	(13,072)	7,470	(3,111)	132,874

	Opening Balance 1 Oct 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2020 £'000
Investment property reserve	65,019	-	-	2,936	(1,831)	66,124
Income and sales proceeds from property held in corporate trusteeship	35,831	2,512	(1,932)	242	(2,642)	34,011
Area Trust Funds	11,020	-	(8,006)	-	2,797	5,811
Grants for specific purposes	4,515	6,673	(9,643)	-	18	1,563
Programme-related investment reserve	3	-	-	-	(3)	-
Donor-restricted legacies and donations	13,923	1,722	(532)	53	(3,320)	11,846
Branch and county funds	7,725	445	(614)	(1,922)	-	5,634
Charity Commission schemes	2,113	47	-	16	(10)	2,166
Homes' residents' amenity funds	1,059	424	(770)	-	1,215	1,928
The Arthur Atock Memorial Trust	1,279	70	(6)	(75)	-	1,268
British Korean Veterans (1981) Relief Fund	152	3	(3)	(16)	(7)	129
Samsung British Korean Veterans Scholarship Fund	336	10	-	1	(3)	344
Permanent endowments	830	25	(46)	32	-	841
Total charity restricted funds	143,805	11,931	(21,552)	1,267	(3,786)	131,665

30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £1.340 million from restricted to unrestricted reserves (2020: £1.112 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 27 trusts (2020: 24 trusts) resulting in the release of £2.831 million (2020: £1.909 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £1.475 million (2020: £2.30 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £303,000 (2020: £355,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to Poppyscotland.

31 Analysis of group net assets between funds

	Unrestricted 2021 £'000	Restricted 2021 £'000	Total 2021 £'000	Unrestricted 2020 £'000	Restricted 2020 £'000	Total 2020 £'000
Fund balances are represented by:						
Intangible and tangible assets	58,912	24,394	83,306	63,389	22,645	86,034
Investments	121,148	130,607	251,755	103,530	132,333	235,863
Current assets	60,262	20,193	80,455	51,277	18,995	70,272
Current and non current liabilities	(30,212)	(1,945)	(32,157)	(28,543)	(2,018)	(30,561)
Defined benefit pension liability	(1,920)	(1,643)	(3,563)	(9,279)	(1,753)	(11,032)
Total funds	208,190	171,606	379,796	180,374	170,202	350,576

32 Events after the reporting period

On 6 January 2022, Gift Aid totalling £3.796 million relating to the 2021 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2021.

33 Related party transactions

During the year ended 30 September 2021, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £1.475 million was provided by the charity to The National Memorial Arboretum Company (2020: £2.3 million).
- The charity received donations of profits from Royal British Legion Trading of £2.486 million (2020: £3.735 million). Royal British Legion Developments and Remembrance Travel had no profits to pay to the charity in 2021 (2020: nil).
- The charity received a grant of £nil from Royal British Legion Poppy Lottery (2020: £2.301 million).
- Grant funding of £303,000 was provided by the charity to the Poppyscotland Group (2020: £355,000).
- The charity purchased goods and services valued at £nil from Royal British Legion Trading (2020: £144,000).
- The charity purchased goods and services valued at £65,000 from NMA (Enterprises) (2020: £23,000).
- NMA (Enterprises) purchased goods and services valued at £35,000 from Royal British Legion Trading (2020: £nil).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2021:

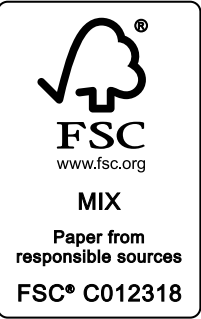
	Charity 2021 £'000	Charity 2020 £'000
Amounts receivable from consolidated entities		
The National Memorial Arboretum Company	12	159
Royal British Legion Developments	32	36
Royal British Legion Trading	112	569
Poppyscotland Group	12	-
Royal British Legion Republic of Ireland	9	45
Total amounts receivable from consolidated entities	177	809
Amounts payable to consolidated entities		
Poppyscotland Group	-	286
NMA (Enterprises)	-	2
Total amounts payable to consolidated entities	-	288

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). Three of the RBL's Trustees hold positions within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £45,000 during the year (2020: £43,000). The RCEL does not make payments to the RBL for these services.

In addition, on 7 September 2017, the Trustees approved a grant to the RCEL of £1.2 million to be paid over a period of five years commencing in 2018. In line with its policy of recognising future grant commitments at their net present value using an appropriate discount rate (see note 1), the charity recognised £8,000 of grant expenditure in relation to the RCEL during 2021 (2020: £66,000), and held a grant creditor of £240,000 owed to RCEL at 30 September 2021 (2020: £471,000).

A further two-year extension to this original grant of £480,000 was awarded on 24 September 2021. The charity recognised a discount credit to grant expenditure of £21,000 during 2021 and holds a grant creditor of £459,000 owed to RCEL at 30 September 2021 in respect of this extension funding.

Organisation	Related party	Position at the RBL	Position at related party organisation
Royal Commonwealth Ex-Services League	Una Cleminson	Trustee	Trustee
	Major General David Jolliffe	Trustee (to November 2021)	Honorary Medical Adviser
	Lieutenant Colonel Joe Falzon	Trustee	Council Member for Malta





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