

# 2022

## **Annual Report and Accounts**

Year ended 30 September



**ROYAL BRITISH LEGION**



Able Seaman Johnson, Royal Navy; Sergeant Tamber, Royal Air Force; and Corporal Ford, British Army, in London

Cover: Portrait of our former Patron, Queen Elizabeth II, 1926–2022, by Darren Baker



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# Foreword



**Jason Coward**  
National Chair

A handwritten signature in black ink, appearing to read 'J Coward'.



**Charles Byrne**  
Director General

A handwritten signature in black ink, appearing to read 'Charles Byrne'.



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“Our ongoing evolution requires us to pick up the good work that has been done and continue to transform and shape our organisation to leave it in a better state for those who come afterwards”

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**The past year has seen** significant change and challenge for all of us. The death of Her Majesty Queen Elizabeth II had a huge impact across the organisation.

We were incredibly honoured to be involved in the funeral. More than 70 of our Standard Bearers formed up on either side of the Cenotaph in Whitehall, lowering their Standards in respect as the funeral procession went past. It was symbolic of the role Her late Majesty played for the Armed Forces community. Her loss was felt so personally by so many people across the Royal British Legion, as if she were a member of the family.

Our work has been distinguished by two important parallel tracks. The first is our continued focus on delivering our core charitable activities to provide support and services for the Armed Forces community – the people we are here to serve.

Alongside this has been our transition and transformation. Change is not new to us – in our 100-year history, the RBL has always adapted and developed to best look after the people we serve. We need to continue to do so to stay relevant for the next 100 years. Despite the suggestion of a post-pandemic ‘normal’, COVID-19 drove home how important it is to continue to look at the fundamentals.

This ongoing evolution requires us to pick up the good work that has been done by people who have gone before us and continue to transform and shape our organisation to leave it in a better state for those who come afterwards.

This has meant holding ourselves to account as a leadership – with a clear-eyed focus on the objectives of our One Legion strategy to ensure that our governance, our membership and the relationship between the various parts of the RBL are all ready for a second century of service.

In the past year, we have been working hard to better support our membership. We know that we need to attract a wider range of people to join the RBL as members. To help us invite more people in, we have been asking: what are our membership’s strengths?

Members contribute to everything from Remembrance to fundraising, but what is unique is that members are better placed

than anyone to provide comradeship and friendship to those who have served and their families. During the year, the hundreds of things our members did in lockdown have been fed back to us – from delivering food and calling those on their own, to running social events and helping people get online. These members are often at the heart of our communities.

A huge part of our charitable work and purpose is welfare, and we have been redesigning our services, thinking about how these work for the people we serve, how they look from their perspective and mapping out beneficiary journeys to improve them. This was one of the year’s most important pieces of work – and the benefits of that will start to land in the next year.

Like any big organisation that has evolved over time, we have different databases and processes, which means we do not always recognise when the same individual is coming to us with different issues. We therefore started working on our Understanding our Customers programme. This will give us a more cohesive approach to understanding and working with people who come to us for support.

We also reorganised our senior team and the functions underneath it, bringing together fundraising and marketing to combine some of our key outward-facing functions with regards to how we communicate, which is another example of us shaping ourselves to provide the best service for our beneficiaries.

We want to do more of the things that really work and not be scared to say that some things are not delivering what they used to. To that end, we refocused our fundraising to concentrate on the key areas: the Poppy Appeal, Individual Giving and Legacies.

Reflecting our changing nation has also been an important part of our work. The RBL has a unique and important place in the nation’s culture and calendar, so it is essential that we continue to engage new audiences – different demographics, different faiths, different age groups, urban and rural. It is core to our mission that the RBL reflects the diversity of our nation and is inclusive, ensuring that Remembrance is adopted across the nations and carried into future generations. As well as making ourselves better at

## FOREWORD

what we do, the greatest impact we can have for the community we serve is by recognising that we are part of a wider national network of military and other charities, and that there are ways we can support and things we can do because of our scale and expertise.

One example of this was our success in adding a question to the Census for England and Wales, which now, for the first time, records the number of Armed Forces veterans. It means that national government, local government and all the charities that are providing services for the Armed Forces community will have a clearer picture of that community and they will be able to spend their money more effectively. We achieved this huge win because of our unique campaigning and depth of knowledge. We look forward to the data that will come in the months ahead.

As part of our work to improve welfare, we listened to the changing needs of our Armed Forces community, and in January 2022, we started to build a grants programme to address the rising cost of living. We developed an online portal and tested it over the summer so we were ready and able to respond immediately as the cost-of-living crisis really began to hit.

One of the challenges the RBL faces, along with many other military charities, is that quite often, the Armed Forces can be out of sight and out of mind. In February 2022, when Russia invaded Ukraine, it brought back how our military make a commitment to step up and defend the nation. Although

we are not directly involved, anyone who has been in the Armed Forces knows how close the relationship is with Ukraine through years of training.

Falklands 40 at the National Memorial Arboretum was probably our biggest single event this year. Talking to any one of the people there about the impact the conflict had on their own life, or the effect on their life of what happened to their comrades, was a stark reminder of why we do what we do and how it matters. It shows the legacy and cost of war. It was incredibly moving to see the emotion.

The Armed Forces have also continued to step up in difficult civil times by driving fuel tankers, supporting efforts against COVID-19 and helping during natural disasters. Those things underline their importance and why our country cares about them so much.

Like our country, the RBL is made up of many parts. That means it is easy to drift into separate sections and different camps – and that means we have to make a positive, conscious effort to bring things together. We can best serve the Armed Forces community by constantly reminding ourselves of that commitment to unity.

We have driven through some big changes, and the level of commitment, the tenacity and the goodwill of our people have been extraordinary. We would like to thank you all.

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**“The RBL is made up of many parts and we have to make a conscious effort to bring things together. We can best serve the Armed Forces community by constantly reminding ourselves of that commitment to unity”**

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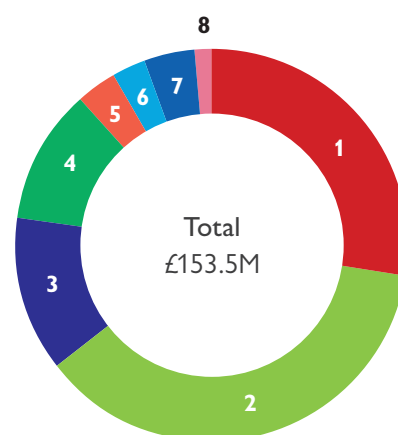
# Trustees' report

The Trustees present their report, including strategic review, and the audited financial statements of the Royal British Legion group and parent charity for the year ended 30th September, 2022. Details of the group structure can be found in the financial review on page 52 and in note 14 to the accounts.

## Financial overview

### Where the money comes from

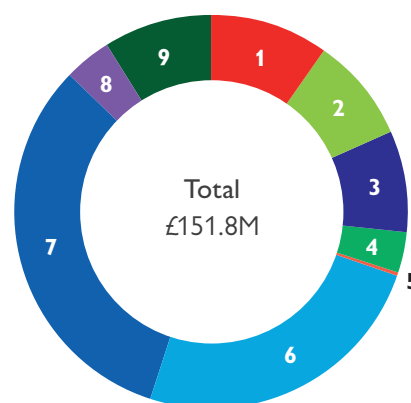
		£ Million	%
1	The Poppy Appeal	42.2	27.5
2	Donations, legacies and events	57.1	37.2
3	Lotteries and trading	19.4	12.6
4	Fees charged to care home residents	17.1	11.1
5	Grants for welfare services and Remembrance	5.3	3.5
6	Membership subscriptions	4.2	2.7
7	Investment income	6.4	4.2
8	Other	1.8	1.2
<b>TOTAL INCOME</b>		<b>153.5</b>	<b>100.0</b>



### Where the money goes

#### Operational costs

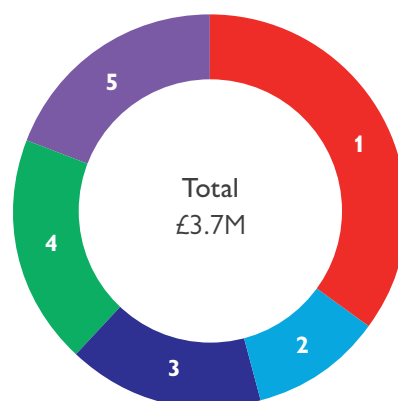
		£ Million	%
1	The Poppy Appeal	15.4	9.9
2	Donations, legacies and events	14.5	8.7
3	Lotteries and trading	12.3	8.1
4	Remembrance	7.0	3.5
5	Comradeship	0.4	0.3
6	Care homes	39.2	24.7
7	Welfare services	42.6	32.1
8	Membership	8.0	4.0
9	Communication and campaigns	12.5	8.7
<b>TOTAL OPERATIONAL COSTS</b>		<b>151.9</b>	<b>100.0</b>



### Where the money goes

#### Capital costs

		£ Million	%
1	Care homes	1.3	35.1
2	Improving IT infrastructure	0.4	10.8
3	Lady Haig Poppy Factory renovation	0.6	16.3
4	Poppy machines	0.7	18.9
5	National Memorial Arboretum development	0.7	18.9
<b>TOTAL CAPITAL COSTS</b>		<b>3.7</b>	<b>100.0</b>

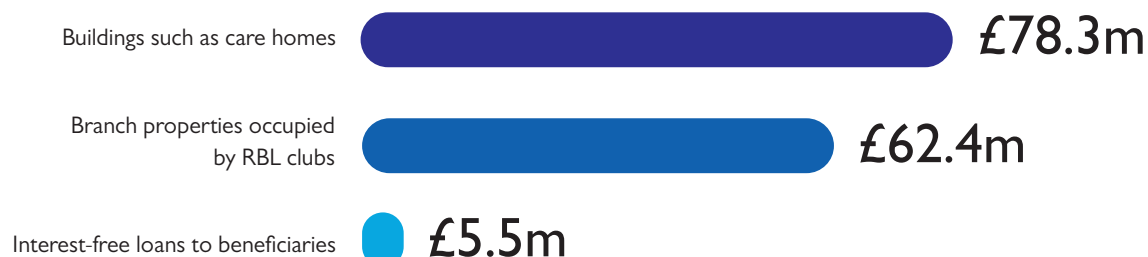




# Funds and Reserves

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

## Not available to spend



**Subtotal of funds not available to spend: £146.2m**

## Membership and Restricted Funds



**Subtotal of Membership and Restricted Funds: £122.8m**

## Available Unrestricted Funds



**Subtotal of Available Unrestricted Funds: £109.1m**

**Total Funds held by the RBL group**

# £378.1m

# Services and support



Jo-Anne Wilson,  
Manager of  
Galanos House



**The Armed Forces community** is constantly evolving in terms of those who serve, what they do and the challenges they face. We need to put the people we serve at the heart of what we do. It is only by working in this way that we can understand and adapt to their changing and often complex needs. With our One Legion strategy, we want to build a more inclusive RBL that is truly flexible so that, as people's needs change, we can respond in the best way.

#### Care services

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

Despite the ongoing challenges of COVID-19 and the well-reported staffing and funding issues faced by the social-care sector in the UK, we continued to provide high-quality care for our residents in our homes and for their families. We have made good progress in improving occupancy levels and we have also started

a programme of refurbishment and improvement works.

Our Admiral Nurses continue to provide much-needed expert advice, information and support for carers of loved ones with dementia in the Armed Forces community.

#### Adapting to meet the needs of the Armed Forces community

In response to the withdrawal of HM Armed Forces from Afghanistan (May-August 2021), the RBL set up a telephone-counselling service in September 2021 to support the people who served or who were affected by a loved one's service in Afghanistan.

The RBL became the key Armed Forces-linked charity supporting Operation New Hope – the cross-government support programme helping Afghan nationals settle in the UK. The RBL's support for this community during the year included grants to the Forces Employment Charity (formerly RFEA) to pay for retraining and licensing for Afghans seeking employment, £22,500 to the charity Azadi to provide on-the-ground assistance to families awaiting relocation in Islamabad, and more than £50,000 to

Alan Sillett, British Army veteran and resident of Galanos House, and Amy Tuck, former care home staff member





individual households to help make their new lives in the UK more comfortable.

In April 2022, to tie in with the large increase in the energy price cap, we launched the Cost of Living Grant Programme via our caseworking and specialist advice teams, helping 678 individuals with grants towards their home fuel bills. During summer 2022, we developed an online application in readiness for the further increase in the cap, planned for 1st October, 2022, anticipating high levels of demand for this support. This is a good example of how we are responding to the changing needs of the Armed Forces community and how using data is essential to knowing how, when and what to help with. Ensuring that our decisions are informed by reliable evidence is one of the guiding principles of our One Legion strategy.

We awarded 2,841 crisis grants during the year, totalling £521,971, providing fast-response support from our caseworking and specialist advice services to individuals across the UK and overseas.

### **Regional casework and specialist advice**

Casework is central to the welfare services we offer – providing expert, multi-need, multi-solution support on a case-by-case basis to meet individual needs. During 2021/22, we supported 22,136 people in need of help in the UK and 39 countries across the world. We also awarded 13,399 grants to individuals, providing practical solutions for mobility, housing, household items and debt.

Our outreach service supported 765 people who have complex and often multiple needs, working in partnership with specialist and/or statutory support, which can be challenging, confusing and overwhelming for people to navigate without our expert help. We supported those dealing with homelessness, mental-health problems, addiction and dependency, domestic abuse and child-protection issues, as well as those engaged with the criminal justice system.

The RBL's independent-living advice service provided advice, support and advocacy to enable 921 people to live independently, safely and well in their homes. We gave personal and individual advice on care-needs assessments and care planning, as well as on Disabled Facilities Grants for adaptations such as level-access showers, stairlifts and the widening of



Bethan Roberts, RBL  
helpline staff member

doorways for wheelchair access. We also provided expert advice on care costs; financial assessments and disability-related expenditure; continuing healthcare and NHS-funded nursing care; hospital discharge; rehabilitation and aftercare; and practical and emotional support to carers, including carers' assessments.

### **Customer satisfaction**

We increased the number of our satisfaction surveys during the year to better understand how well we are meeting the needs of the people that turn to us for support. These showed that 83% think we have fully met their welfare needs, and 87% are satisfied or very satisfied with our support.

### **Progress against aims set out in the 2021 report**

Last year, we aimed to improve the way we provide welfare by introducing simpler and easier ways to obtain our help. This is part of our One Legion priority to ensure that our customers, whoever they are, have the best possible experience of the RBL and get the support they need. By working with those we help and our staff and analysing our data through

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**“Our satisfaction surveys showed that 83% of beneficiaries think we have met their welfare needs, and 87% are satisfied or very satisfied with our support”**

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Below: Admiral Nurse  
Nicky Addison with  
beneficiary Jack Jones

Opposite: Wheelchair  
basketball at the  
2022 Invictus Games



\* Independence Star™ – Triangle's Outcome Star Impact Assessment Tool



our Improving Beneficiary Journeys programme, we have completed a detailed review. We now understand areas we need to improve and we are developing a future-state, high-level customer journey. This work provides us with solid foundations to build improved pathways for people seeking our support, and this will be implemented during 2023.

We wanted to improve our understanding of our community's complex needs and how we measure our impact, and we aimed for an increase in our impact star rating of 7.5%. Using our impact-assessment tool\*, we can show that, through our casework, we improved the quality of life of the people we support by an average of 16%. Our rating was even higher for the priority areas of need: finances (23%), housing (21%) and mental wellbeing (20%).

We also wanted to continue to improve our care homes, moving from paper-based to digital systems to support our residents and staff. After some early setbacks in this large, transformative programme, work is progressing well, with the first phase

concentrating on electronic care records, medication management and Nurse Call across all six care homes. We also started a significant building upgrade and refurbishment programme, including fitting out ensuite wet rooms, further enhancing the physical environment in our homes.

To strengthen our services for people facing dementia, we expanded our Admiral Nurse Service, which included restructuring the teams and recruiting additional staff. The second phase, which will see a further increase in nurses, is under way and will be completed during 2023.

We also aimed to implement the expansion plans for our recovery services, extending our capacity beyond serving personnel to veterans and their families, and therefore increasing support from around 1,000 participants to 6,000, once in place.

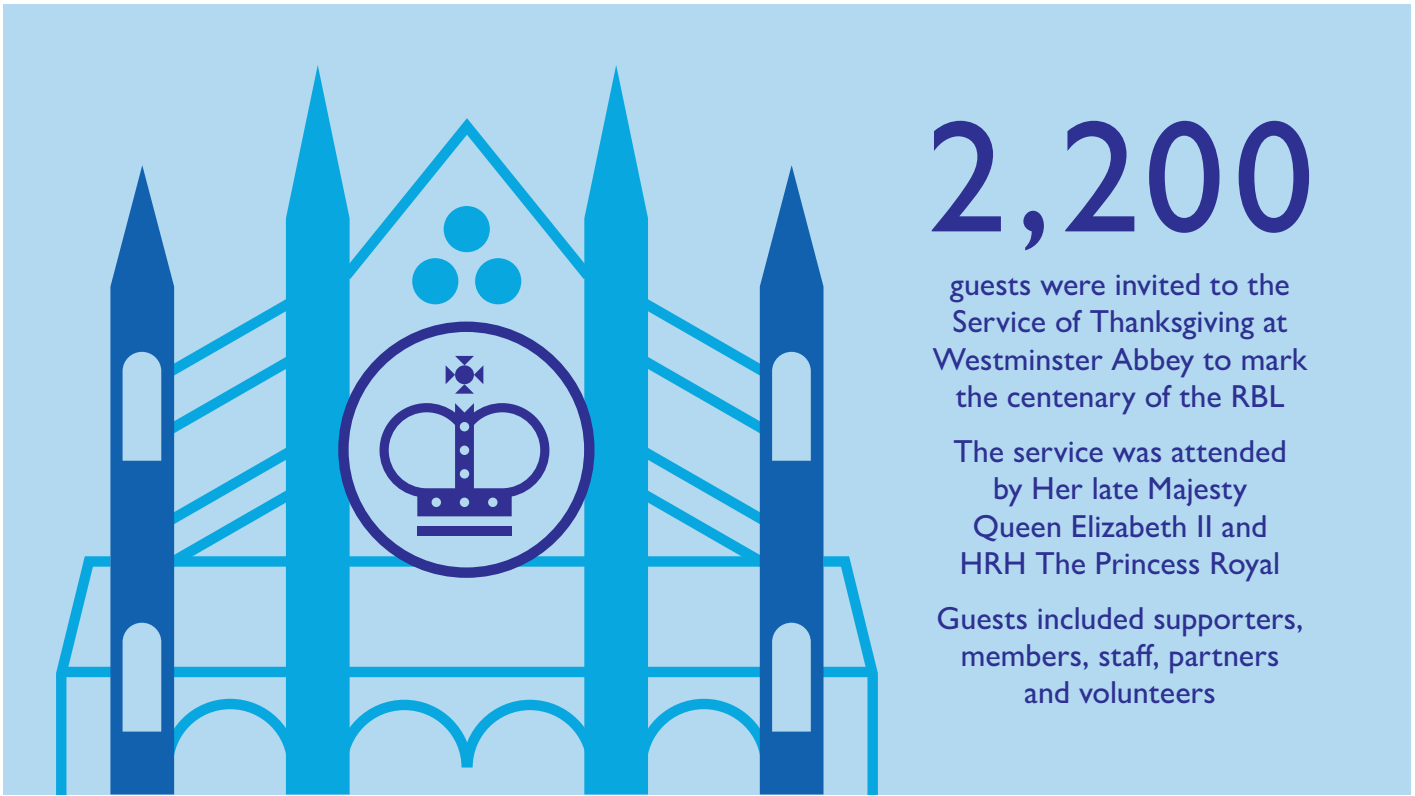
In 2021/22, we saw the expansion of this work supporting wounded, injured and sick serving personnel and veterans as we took on a significantly larger role in

helping Team UK for the Invictus Games. Previously, we supported friends and families of the athletes; now, working in partnership with the Ministry of Defence, we have begun assisting participants with their coaching, training and recovery needs on the road to the 2023 Invictus Games in Düsseldorf, Germany in September, and in Vancouver and Whistler in Canada in 2025.

Detailed business and operational-planning work is also well under way to progress our plans to expand our Battle Back centre facilities and capacity.





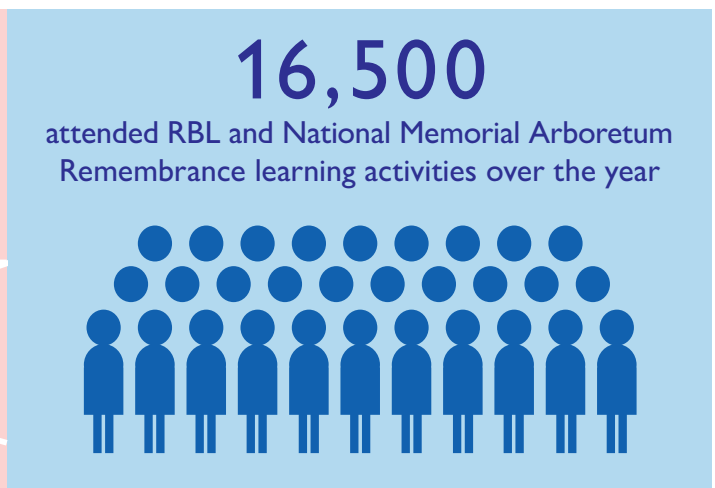
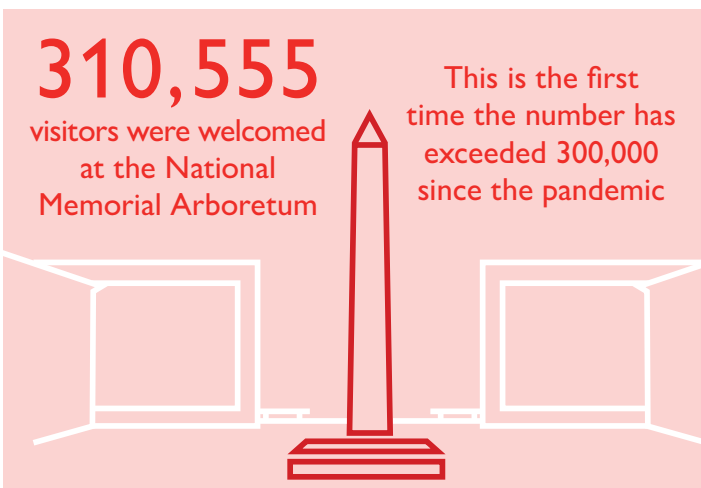


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# 2022

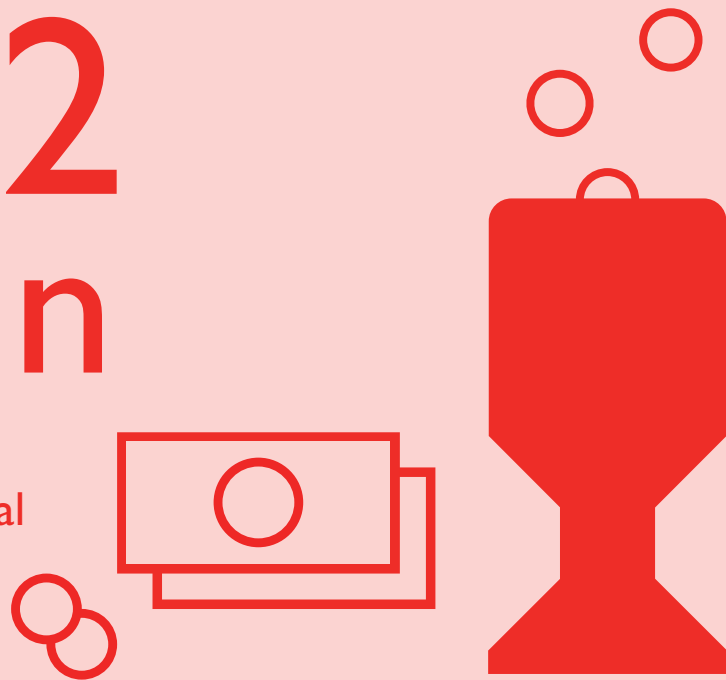
## in numbers

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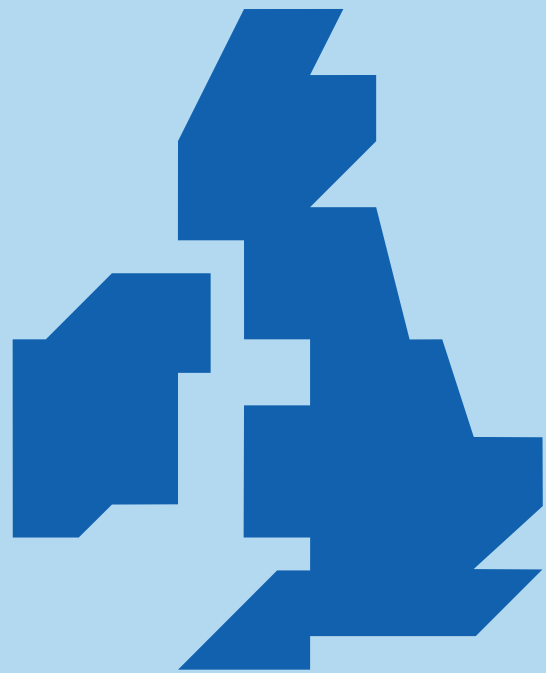
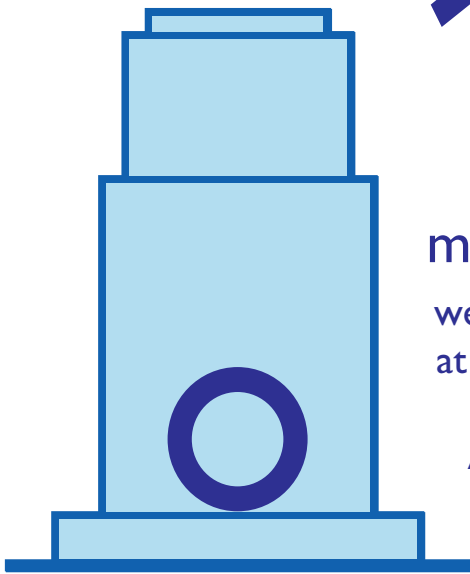
# £42.2 million

was raised through  
the 2021 Poppy Appeal



## 10

new  
memorials  
were dedicated  
at the National  
Memorial  
Arboretum



## 22,136

people who were in need of  
help in the UK or one of 39  
other countries across the world  
received assistance from the RBL

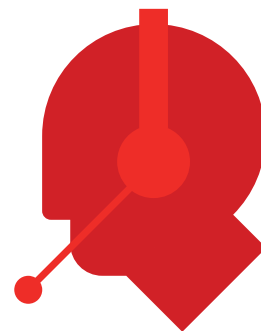


11,000 individuals  
took part in  
25 fundraising  
events

We wrote to  
**2,300**  
local  
councillors



We contacted new  
local councillors in  
May 2022 to help  
them understand their  
role in upholding the  
principles of the  
Armed Forces  
Covenant



**28,214**

calls were made as part of  
Branch Community Support

**£6,645,585**

in backdated benefits,  
benefits appeals and  
debt write-offs  
was negotiated  
by the RBL for  
members of the  
Armed Forces  
community  
in need



**13,399**

grants were awarded, totalling  
**£10.9 million**

Through our caseworking, we awarded grants to provide practical  
solutions that help individuals with mobility, housing, household  
items and debt. This support included crisis and energy grants

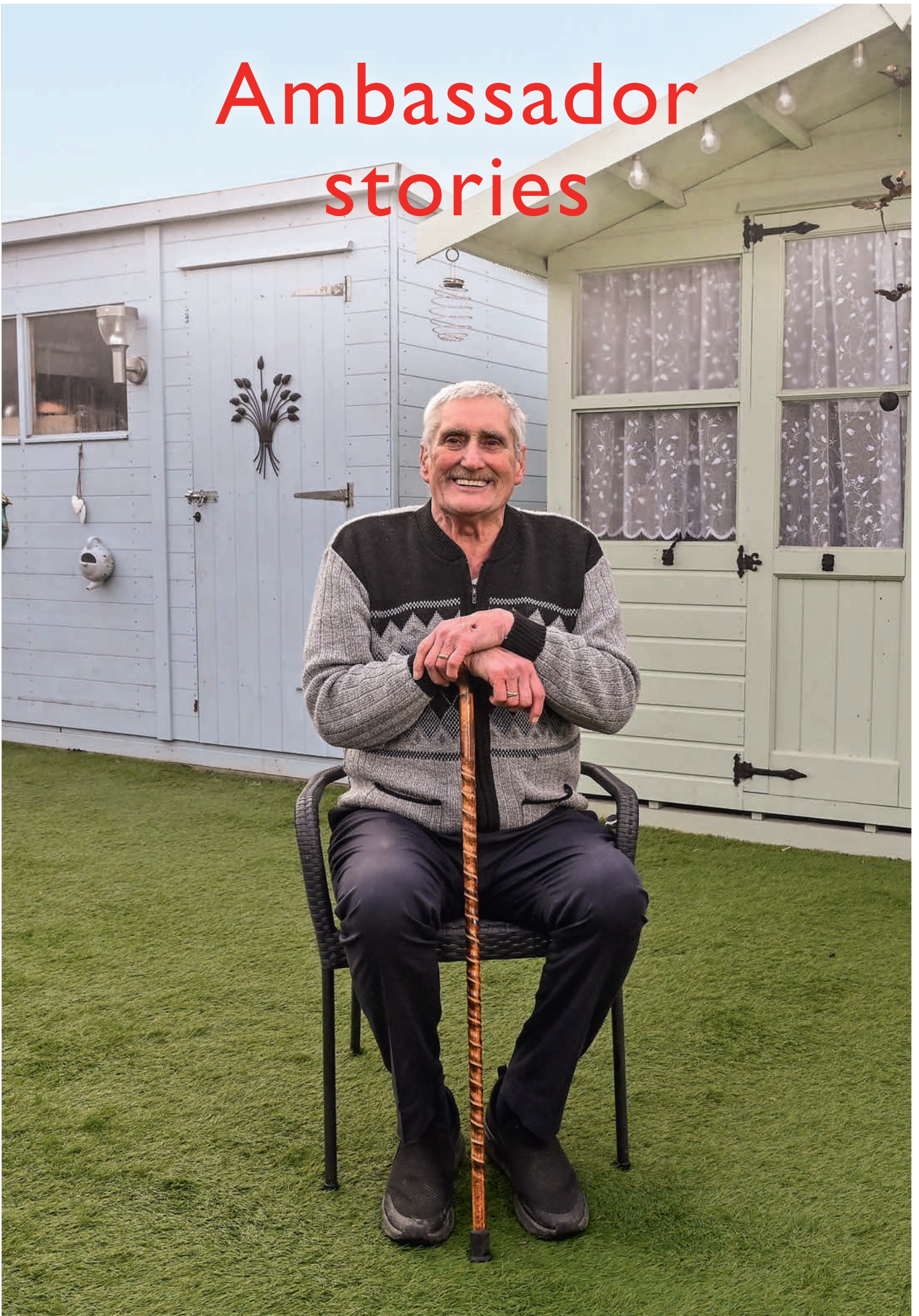
**£124.5 million**

in total was raised through all fundraising activities





# Ambassador stories





### Patrick McQuiston

(pictured on page 17)

Pat joined the Army as a cadet in 1969 when he was just 15. He trained in Germany and did four tours of Northern Ireland. Then his parents became unwell, so in 1975, he left the Army to look after them.

"It broke my heart when I left," he says. "We had hard times, such as in Northern Ireland, but the Army was fantastic."

Pat's parents died soon after, within six months of each other. He tried to get back into the Army but although he had already done his basic training, things had changed – and at just 21 years old, he was told he was too old.

Pat went on to do numerous jobs, including working as a taxi driver, coach driver and security guard. He is now retired but keeps himself busy as Chairman of his residents' group and by working on the county council.

Unfortunately, he developed terminal emphysema and in 2005, a large proportion of his lungs was removed to slow down his condition. After surgery, Pat suffered an infection, which severely impacted his mobility. It was at this point he turned to the RBL for the first time. In 2006, the charity provided him with a mobility scooter, which lasted ten years. When it broke down in 2016, the RBL replaced it.

A few years later, Pat and his wife enjoyed their first-ever holiday as a couple when the RBL paid for them to have a week in Weston-super-Mare.

Pat is a huge supporter of the RBL and says: "I've been helped out already – let's help other people out if we can. A lot of soldiers forget that they do have the support behind them if they need it. They just have to ask."

"Everyone needs a guardian angel and mine is the Royal British Legion."

### Keith Beaumont

(pictured below)

Keith joined the RAF to follow in the footsteps of his grandfather. He served with 11 Squadron at RAF Leeming and was posted to the Gulf to protect the no-fly zones before and after 9/11 as part of Operation Southern Watch.

After serving his country for four years, Keith left the RAF in 2003 with a raft of exemplary reports, joining the family business to work alongside his dad as a plumber. He settled down with a new partner and baby son Bradley.

However, Keith's life took a turn for the worse as the relationship broke down and he turned to drink and drugs.

He says: "I was neglecting bills, so my finances went into meltdown. I pawned my General Service Medal for 20 quid and sold all my tools, which left me in a ridiculous situation where I was taking calls for jobs I could no longer do."

Keith accumulated so much debt that he could not afford to feed himself. He owed more than £10,000 in council tax, and a serious accident in 2017 exacerbated his depression, leaving him unable to work for months.

He says: "I was down to my last bag of rice, so I rang the RBL. They sent me £250 in food vouchers straightaway."

The RBL's Benefits, Debt and Money Advice team looked at Keith's case and realised the debts were so serious that bankruptcy was the most suitable route. The team also supported Keith with a benefits appeal, which landed him £9,000 in a Universal Credit back payment.

Keith, now in his 40s, says: "I've spent £2,000 buying back my tools and a further £1,000 on a college course so I can fit renewable-energy boilers. The next thing I will buy is a van."

He also managed to pay the money to get his Iraq medal back.

"I don't need the food banks and I even paid my council tax in one go," he says. "I have money left over at the end of the month now. I can't thank the RBL enough. Their help made me so humble."

"I would urge any struggling ex-serving personnel to do the same as me. I went down a dark tunnel, but there is light at the end of it as long as you're willing to reach out, and there is no shame in asking for help. One phone call can change your life."







### Lee Edwards

(pictured above)

Lee worked as a chef in the Army for five years from 1999 to 2004, in the Signal Unit and Royal Artillery. Although he was not involved in any conflicts, he served in Belfast twice.

In 2008, having left the Army, Lee was having housing difficulties in London when he met a military specialist at a homeless shelter, who put him in touch with the RBL. He was supported with a deposit for housing and after securing this, he completed a degree in graphic design.

"That was all off the back of the RBL helping me get housed – you can't do a degree without a home," he says.

Lee later went travelling and emigrated to Australia. He then discovered he had delayed whiplash from a crash he had been in back in 2001, which meant that he needed major surgery on his neck and spine in 2014. This was a success, but he was put on nerve pain medication, which he then became dependent on.

Lee lost his house, job and car, and was also diagnosed with bipolar disorder. Everything took its toll, and his relationship with his girlfriend came to an end.

It took nine attempts to find him the right combination of drugs for both his mental and physical ailments.

At the end of 2019, Lee's mother died and he travelled to Wales to attend her funeral, but due to the pandemic he could not return to Australia. He was stuck in the UK without the medication he needed for a longer trip than planned. He suffered severe withdrawal symptoms and became suicidal.

Lee contacted the RBL, who quickly got him a doctor's appointment. "Even that small assistance from the RBL was a massive help," he says. "It felt like they were on my side."

After a year, Lee was eventually able to get back on the medication he was used to in Australia. He still has twinges of anxiety but feels like he is "getting there" now.

Lee remained in the UK, and the RBL has supported him by paying for some of his white and brown goods for a property he is beginning to furnish.

"Just knowing that there was that support for me meant the world," says Lee. "I have nothing but praise for the Royal British Legion for helping me in all sorts of ways."

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**"Just knowing that there was that support for me meant the world. I have nothing but praise for the Royal British Legion for helping me in all sorts of ways"**

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# Remembrance



Service of Thanksgiving  
at Westminster Abbey,  
London, to mark the  
RBL's centenary in  
October 2021



**The easing of COVID-19** restrictions gave us the opportunity to bring people together in person again to remember, reinforcing the uniting nature of Remembrance for people across our nation. We came together to mark long and dedicated service, to celebrate lives lived and to commemorate lives lost across the past 12 months.

The year saw the formation of a new single Remembrance team, ensuring that we are working as One Legion to develop a more focused strategy for Remembrance.

### Anniversaries

Our aim is to ensure that Remembrance is a source of inspiration, pride and belonging among the population, that it is universally understood and observed, and that it is passed on to the next generation.

Reflecting the diversity of our nation and being inclusive are core to our One Legion mission. We unite across faiths, cultures and backgrounds to honour and remember the service and sacrifice of all British and Commonwealth Armed Forces, and other foreign forces under British command. The financial year began with the Service of Thanksgiving at Westminster Abbey

on 12th October, 2021, to mark the centenary of the RBL. Led by the Dean of Westminster, it was attended by Her late Majesty Queen Elizabeth II and HRH The Princess Royal, who gave a reading. The RBL's National President Lieutenant General James Bashall led the Act of Rededication, reaffirming our commitment to our work and service.

Readings were also given by members of the Armed Forces community, including Colour Sergeant Johnson Beharry VC, one of only three living British recipients of the Victoria Cross. Some 2,200 guests attended, including supporters and those who contribute to the work of the RBL, as well as members, volunteers, staff and partners who were successfully nominated in the Centenary Reward and Recognition Scheme.

The Festival of Remembrance at the Royal Albert Hall in November 2021 was attended by the then Prince of Wales and Duchess of Cornwall. It highlighted the theme of 100 years of the Royal British Legion, Remembrance and the poppy. It focused on how the RBL has supported the Armed Forces community for the past century as we have constantly

evolved to meet changing needs – offering assistance, campaigning for improvements, providing companionship and keeping faith with Remembrance, from 1921 to the present day.

The Festival reflected on the demands placed on the Armed Forces during a transformed global landscape over the past 30 years, from service in the Gulf War to the evacuation of Kabul, Afghanistan between May and August 2021. It also paid tribute to the many members of Commonwealth forces whose sacrifice went unmarked during earlier conflicts.

One hundred members, staff and volunteers took to the stage to represent the hundreds of thousands of people at the heart of the RBL, and to symbolise all that is done for the Armed Forces community and our evolution over 100 years. The event was broadcast on BBC One and viewer numbers peaked on the night at 4.7 million, with an average of 4.3 million, representing one-third of the TV audience.

On Remembrance Sunday (14th November, 2021), the RBL organised the annual Parade Dispersal of veterans past the Cenotaph, following the National Service of

The RBL invited 7,000 members of the Armed Forces community to watch the Trooping of the Colour as part of Her late Majesty Queen Elizabeth II's Platinum Jubilee in June 2022





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## “The 2021 Festival of Remembrance focused on how the RBL has supported the Armed Forces community for the past century”

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Remembrance on Whitehall. This was the first full-scale parade since the lifting of wider COVID-19 restrictions, and 8,057 members of the veteran community marched. This year, the BBC broadcast viewing figures peaked at 5 million.

In November 2021, a special episode of BBC's *Countryfile* marking the centenary of the RBL and filmed at the National Memorial Arboretum was broadcast. The programme explored the Field of Remembrance at the Arboretum, which contained 18,000 tributes, and how the Poppy Appeal provides invaluable support to members of the Armed Forces community.

In 2022, the RBL supported Her late Majesty Queen Elizabeth II's Platinum Jubilee celebrations by arranging for 7,000 members of the Armed Forces community to be part of the audience outside Buckingham Palace for Trooping the Colour in June. The audience comprised veterans, Tickets for Troops participants and bereaved military families.

For the 78th anniversary of D-Day (6th June), the RBL returned to Normandy, France, for a programme of commemorative events. A service at Bayeux Cathedral was held on the previous day, while the anniversary itself saw an Act of Remembrance at the British Normandy Memorial at Ver-sur-Mer. This was followed by a service at Bayeux Commonwealth War Graves Commission (CWGC) cemetery, attended by more than 300 guests and members of the public, including around 35 D-Day veterans.

One of our stated aims for 2022 was to commemorate the 40th anniversary of the Falklands campaign, and on 14th June, 2022 – the anniversary of the end of the conflict – the RBL hosted the national Falklands 40 commemorative event at the National Memorial Arboretum, which included a live link-up with commemorations in Port Stanley, Falkland Islands, a Two Minute Silence and a helicopter fly-past. The event was hosted by Sir Max Hastings and featured an address by then Prime Minister Boris Johnson.

As part of the event, the RBL hosted an exhibition for veterans, families and civilians, showcasing the work of the wider Armed Forces community and RBL welfare services. It included exhibitors from 15 military museums, the CWGC and the Falkland Islands government, as well as

the RBL. Almost 3,000 people attended or participated in the event. The Arboretum also held a free exhibition of war artist Linda Kitson's images from the conflict.

The year ended with the deeply sad loss on 8th September, 2022 of Her Majesty Queen Elizabeth II, Patron of the RBL throughout her long reign. On 19th September, 72 RBL Standard Bearers and eight Standard Bearers from ex-service associations dipped their Standards as our late monarch made her final journey past the Cenotaph, before being laid to rest in St George's Chapel at Windsor Castle.

### The next generation

In July 2022, almost 1,000 school students engaged in RBL-led learning activities at the National Memorial Arboretum over a two-day period. The activities explored the contribution of the Commonwealth through our theme of service. Children learnt about the role sport plays in active service and how it supports recovery in veterans. They heard from an Invictus Games athlete and from a serving member of the Armed Forces from the Commonwealth, before taking part in practical activities including an escape room-style challenge, to build collaboration, communication and teamworking skills.

Over the year, the resources on our Teaching Remembrance web pages had 124,470 unique views and almost 14,000 downloads. While this is a reduction on the previous year (during lockdown), it represents a return to teachers and youth leaders downloading materials for classes, rather than individual home use, to engage children in Remembrance through schools and organised activities.

We now have more than 100 materials for use by children aged four to 16. They range from bitesize activities to whole-school projects and can be used in assemblies, book clubs, lessons or at home. All materials are created in conjunction with education partners, including the National Literacy Trust, and are curriculum relevant. In our centenary year, new resources focused on 100 years of Remembrance and explored who, how and why we remember.

Our partnerships with Scouts and Girlguiding raised vital awareness for the RBL, as well as funds. The three-year partnership with Girlguiding has been especially successful, with £206,978 raised for each charity (the RBL and Girlguiding). In 2021/22, 97% of Girlguiding units were again meeting in person and the unit leaders



The Festival of  
Remembrance at the  
Royal Albert Hall in  
November 2021





The Falklands 40  
commemorative event at  
the National Memorial  
Arboretum in June 2022



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**“This year, visitors to the National Memorial Arboretum exceeded 300,000 for the first time since the COVID-19 pandemic”**

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were downloading the activities for group work, with 3,000 downloads of Girlguiding Remembrance resources from their site.

#### **Diverse communities**

We continued our work with organisations to raise awareness of the shared Remembrance heritage among the diverse communities found in modern Britain, ensuring their history of service and sacrifice is never forgotten.

In October 2021, we partnered with Black History Month for the first time. Our centenary was featured in the official Black History Month magazine (circulation: 50,000) and new content was added to its website under the heading Service and Sacrifice. This comprised 100 stories with photographs of service personnel from the First World War to the present day – all people of African or Caribbean heritage. Through our social media, we reached 121,000 people with this content.

In August 2022, we partnered with South Asian Heritage Month for the second year and created a page on the South Asian Heritage Trust's official website, to showcase the exceptional contribution and inspirational stories of people of South Asian descent to the British Armed Forces. Key figures included Mohinder Singh Pujji, who was awarded the Distinguished Flying Cross in the Second World War. We also highlighted the present-day contribution of this community to the Armed Forces and the emergency services – 10% of our doctors, nurses, paramedics and firefighters are of South Asian descent.

#### **National Memorial Arboretum**

The National Memorial Arboretum is an inspirational, world-class setting, freely open to all. This year, visitor numbers exceeded 300,000 for the first time since the COVID-19 pandemic, reaching 310,555. This was 9% below its peak year of 2019 – it was required to restrict capacity at times throughout the year, including for some major events such as Remembrance Sunday, Ride to the Wall, Armed Forces Day and peak days in the summer.

In October 2021, the Arboretum was awarded its first Green Flag Award, an international quality mark for parks and green spaces. The following month, it was named Best UK Attraction in the Group Leisure & Travel Awards, as well as being presented with a Gold Visitor Attraction Accolade by VisitEngland.

The year saw strong growth in engagement activities across the site. The Illuminated Arboretum trail was a sell-out, with 11,600 tickets sold, and it sold 213 specialist Tailor Made Tours delivered by 25 volunteers. Group packages and corporate hire remained strong throughout the year.

The Arboretum was pleased to see ten new memorials dedicated in 2021/22, including the HMS Sheffield Memorial, Desert Rats Memorial and the RAF Mountain Rescue Memorial. In May 2022, Prince William, the then Duke of Cambridge, Commodore-in-Chief Submarines, unveiled the Submariner Memorial – the first dedicated place for families and shipmates to remember submariners who lost their lives in service. The Prince met veterans and the families of submariners, including 100-year-old Diana Mayes, who was widowed in 1943. Sculptor Paul Day created the memorial and the Prince described it as “a truly fitting memorial to those lost and, sadly, to those who may give their lives in years to come”.

In June 2022, the Tree of Cherished Memories, a bronze sculpture by artist Jill Berelowitz, was unveiled, allowing supporters to remember a loved one by commissioning a bronze sculpted leaf or figure dedication to adorn the sculpture.

In July, the Birmingham 2022 Queen's Baton Relay visited the Arboretum and heralded its summer of Sports, Service and the Commonwealth. The programme of activity aligned with the Commonwealth Games and saw the launch of onsite activities to accompany the Sports in Service exhibition, which explored the important role sport plays in supporting Armed Forces personnel and veterans.

By the end of 2021/22, the Arboretum had facilitated formal learning activities on site for more than 16,500 students (including those attending the RBL-facilitated days in July).



# Campaigns, policy and research





**We are proud of** our strong campaigning history and work hard year-round to keep the Armed Forces community's needs high on the political agenda, locally and nationally.

### **Parliamentary and government engagement**

To celebrate our centenary year, the Campaigns, Policy and Research team held events at the 2021 political-party conferences. We highlighted the RBL's campaigning work on behalf of the Armed Forces community and built relationships with key parliamentary and local-authority stakeholders. We were particularly pleased to secure a private meeting with then Prime Minister Boris Johnson during the Conservative Party Conference to discuss the importance of his government's support for the Armed Forces community.

In November 2021, working with our Remembrance team and the Speaker of the House of Commons, Sir Lindsay Hoyle, we established the first Constituency Garden of Remembrance within the Palace of Westminster, enabling hundreds of MPs to plant a cross in memory of their constituents.

We also teamed up again with the Industry and Parliament Trust to hold the Poppy Ride challenge in Parliament, which was supported by 79 MPs.

We responded to 27 wide-ranging policy consultations across government departments, public bodies, local authorities and Select Committees, recommending improvements to policies to better meet needs and mitigate the challenges faced by those we support. One impact of this was the Armed Forces community being identified and offered tailored support when accessing statutory services.

### **The Armed Forces Covenant**

One of our aims was to monitor the implementation of the new Covenant Duty and feed into any review of the Armed Forces Act undertaken by the government.

The Armed Forces Covenant remains a touchstone for our campaigns and influencing work. It is a promise by the nation that the Armed Forces community should be treated fairly and face no disadvantage when accessing public and commercial services, with special provision made in appropriate cases for those who have sacrificed most.

Our One Legion vision is to bring together our nations, communities and individuals

to create better futures for our Armed Forces community and their families – government policy plays a crucial role in helping us deliver on this vision.

November 2021 marked ten years since the introduction of the Armed Forces Covenant in UK legislation and a decade since the RBL's successful Honour the Covenant campaign. To mark this anniversary, we delivered an extensive research project examining the ten-year impact of the Covenant on the wellbeing and understanding of the Armed Forces community.

This comprehensive report celebrates progress in understanding, funding and services, and highlights areas for improvement to ensure the Covenant is fit for the next decade. It calls for renewed attention on the Covenant's key principle (supporting 'special consideration' of the Armed Forces community in certain circumstances), reinvigorated governance arrangements and enhanced efforts to improve public and military understanding of the Covenant.

The Armed Forces Act 2021 received Royal Assent on 15th December, 2021, with a new Armed Forces Covenant Duty coming into effect in November 2022. The RBL made strong representations to government to ensure meaningful guidance for councils and other public bodies to support the new Duty.

We also wrote to all 2,300 local councillors newly elected in England in May 2022, helping them to understand their role in upholding the principles of the Covenant.

While the new Duty puts the promise of the Covenant on a legal footing for the first time, UK government departments are exempted. The RBL continues to argue the law should be extended to include them, which, as a survey for our 2021 review of the Covenant showed, is a belief supported by the majority of the public. We will monitor the impact of the Duty closely through 2023 and beyond.

### **ONS Census**

The year 2022 saw the long-awaited successful outcome of our Count Them In campaign, with the Census for England and Wales in 2021 recording the number of Armed Forces veterans for the first time. Thanks to this campaign, supported by RBL members and supporters across the UK, we now know there are 1.8 million veterans in the UK – almost 1 in 25 (3.8%) of the population.

**“We delivered an extensive research project examining the ten-year impact of the Armed Forces Covenant”**

Opposite:  
Nige Thorpe, Royal  
Air Force veteran

The Office for National Statistics will publish further valuable Census information in 2023, enabling us to build a comprehensive picture of the demographics, employment, housing and financial situation of the veteran population in England and Wales. This will also help us to ensure statutory and voluntary service providers deliver the best care and support for our Armed Forces community.

### **Stop the Service Charge**

Another of our aims for 2022 was to conclude our Stop the Service Charge campaign, which we began in 2019.

This campaign, which saw us working with Bath and England rugby star Joe Cokanasiga and other Commonwealth veterans, called for the removal of visa fees for those who have served in HM Forces.

In February 2022, the government agreed that Commonwealth veterans who served for at least six years, or who have been medically discharged, will no longer have to pay visa fees to remain in the UK.

Previously, to remain in the UK after leaving service, Commonwealth personnel and Gurkhas who had served in the UK Armed Forces and their families were required to apply for Indefinite Leave to Remain (ILR), costing £2,404 per person. This caused severe financial hardship, with veterans and families unable to access housing, employment or health services and at risk of deportation.

While we welcome this very important step, we continue to ask government to go further and scrap these charges for the immediate family members of Commonwealth veterans.

### **Benefits**

In September 2020, we published our Making the Benefits System Fit for Service report, which revealed structural disadvantage within the benefits system for the Armed Forces community. In 2021/22, we planned to launch a campaign to advance the recommendations in this report.

While some benefits rightly disregard military compensation as income, others, such as Pension Credit, do not, meaning some veterans must give up compensation in order to access essential financial support. We believe veterans should receive the same support as their civilian counterparts.

We maintained engagement with the Department for Work and Pensions (DWP) and benefits-assessment providers,

advocating for the Armed Forces community and supporting Armed Forces Champions across the DWP network to identify and respond to the community's specific needs and challenges.

Between April and August 2022, we issued Freedom of Information requests to every local authority across England, Wales and Scotland to determine how means tests for locally administered benefits treat military compensation. We also engaged local councillors at the Local Government Association Annual Conference to discuss how councils treat military compensation when assessing for locally administered benefits (Council Tax support, Disabled Facilities Grants and discretionary housing payments). We will use this information to campaign for means-tested benefits never to treat Armed Forces compensation as income.

The Armed Forces community faces difficulties created by the rising cost of living that is affecting the wider UK community. We engaged with parliamentarians and councillors to highlight these challenges and organised an event with 60 MPs to promote our Cost of Living Grants to their constituents. We hosted this event on 18th October, 2022. In January and July 2022, we also delivered new caseworker training to support MPs' staff to understand local services available to the Armed Forces community.

### **Veterans' Strategy Action Plan**

The RBL also engaged with the Office for Veterans' Affairs (OVA) to feed into the implementation of the government's Veterans' Strategy Action Plan and ensure it meets the needs of the Armed Forces community.

We continue to work closely with the OVA as it implements the Plan, working collaboratively to shape its research and data strategy, promoting its Veterans' Survey and sharing insight developed from the Census data.

### **LGBT review**

One of our diversity and inclusion commitments is to enable everyone to reach their potential and receive the service or recognition they deserve. We have also committed to showcasing diverse role models and celebrating our differences, working with key stakeholders and partners to share best practice.

We strongly welcomed the LGBT Veterans Independent Review into the experience of

Lesbian, Gay, Bisexual and Trans veterans who served between 1967 and 2000, during the ban on LGBT service personnel – a crucial opportunity for government and charities to improve services and address past decisions that failed to meet the needs of LGBT veterans in the UK. We have worked with veterans affected by the ban and made a submission to the Review. We also promoted the Review to our members, beneficiaries and charity partners. The Review will report and make recommendations in May 2023.

### **Manifesto development**

In May 2022, we launched our Manifesto 2024 project at our Annual Conference, beginning a process of significant stakeholder engagement to inform our policy proposals for the next general election. This builds on our previous manifestos for elections at all levels of government, highlighting key issues and opportunities related to the Armed Forces community.

### **Support for carers**

This year, we engaged MPs, All-Party Parliamentary Groups and councillors on the key findings of our 2021 carers report, Unpaid Carers in the Armed Forces Community, working to ensure carers in the Armed Forces community are identified when accessing local services and appropriate services are developed to meet their needs.

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**“We launched our  
Manifesto 2024  
project, beginning a  
process of significant  
stakeholder  
engagement to inform  
our policy proposals  
for the next  
general election”**

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Darren Fuller was among the veterans painted to highlight the RBL's Count Them In campaign



# Membership



George Jarvis,  
RBL member



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**“Membership exists  
so our Armed Forces  
family has friends  
and allies standing  
by them in every  
community”**

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### **We delivered our membership**

engagement survey in February 2022. This helped to ensure we are making informed decisions based on data and insight, which is one of the guiding principles of our One Legion strategy. The survey showed:

- 78% of current members are satisfied with their membership
- 90% are likely to renew next time
- 85% agreed that membership was easy to renew
- Those who joined in the past five years are the most satisfied
- 81% of members felt their overall connection to the RBL is important to them
- 71% said membership presented good value for money

We closed the year with 202,000 members, which was a 0.5% increase on the previous year. While this is good news, we believe the COVID-19 pandemic skewed our figures: early lockdown saw a greater rate of decline in membership, which was followed by a greater number of members returning, hence the small increase in 2021/22 compared to the previous year.

Membership numbers are in long-term decline and the average age is increasing, with a branch model that is struggling to engage and attract younger and more diverse members. Succession planning is becoming increasingly difficult for our branches, and there is inconsistency in the member experience delivered at that level.

Membership needs a unique offer that sets it apart from other RBL activities such as fundraising, volunteering and donating. We need one single-minded, powerful value proposition to attract and retain members.

### **Future-proofing membership**

To ensure we have a sustainable membership model, we started to set out our thinking about the future. From the outset, there has been engagement with members in this process, and this continued at all stages and at all levels across the year. This ensured steady progress while also providing members with the opportunity to give input and support as the thinking develops.

Interviews were conducted with key stakeholders, branches and clubs, and there were regular meetings involving the Board of Trustees, Membership Council and the Comradeship working group. The 2022 engagement piece also extended to County Conferences, Annual Conference and County Chairs Seminars.

### **Membership purpose and value**

We have now clarified the purpose of membership and the value members bring to the RBL, which was approved by the Board of Trustees in May 2022. This is important, as it sets out a clear direction for membership and forms the basis of the membership proposition and offer.

The purpose was clarified as follows: “Membership exists so our Armed Forces family has friends and allies standing by them in every community.”

This is designed to be personal, inclusive and welcoming, and it gives a sense of belonging through comradeship and friendship, where community could be local, national or overseas.

We are a charity, here to serve our beneficiaries – members, along with staff and other volunteers, have an important role to play in this. The value members bring to the RBL is defined as: “extending across Remembrance, fundraising, kindness, knowledge, camaraderie and campaigning”.

We have also made good progress on the membership offer as we continued to answer some difficult questions and address complex issues. Across the year, we explored individual membership, where it is optional to join a branch, club or special-interest group. This includes opening a new digital channel as a route into membership, which would complement our branches and their traditional recruitment activities through ‘member get member’.

This hybrid approach would create a pipeline of younger and more diverse members who, through personalised messaging and communications, would be encouraged to join our branch and club network.

Supporting our members in building diverse and inclusive communities is one of the commitments of our One Legion strategy.

### **Branch Community Support**

Through Branch Community Support (BCS), members of local branches can help us reach out to beneficiaries, so this year, we aimed to increase the number of branches participating.

Alongside the membership offer, we wanted to develop the BCS offer so it is clear where this sits. We have defined it as: “providing valuable support and kindness to our beneficiaries”.



Left: Karen Annette Hutchings, Secretary of Okehampton Branch, and Darren Kelly, British Army veteran and Chairman of Okehampton Branch, at a membership meet-up

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**“A review was conducted to ensure counties and branches were properly supported, with a focus on relationship building and member retention and engagement”**

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The Membership Engagement team also has an important role to play in increasing the take-up of BCS by branches, and throughout the year, we reviewed roles and responsibilities to ensure Membership Support Officers (MSOs) provide consistent and effective support in this area.

Through the BCS working group, we delivered an improved training package to ensure we have a better-trained and skilled cohort of BCS supporters, and we have improved our data so we have a clearer picture of our branches involved in BCS.

Noting that we had a huge surge in numbers of BCS supporters during the pandemic and we are now returning to a more ‘business as usual’ position, we currently have 848 branches registered for BCS that are active.

#### **Membership engagement**

As part of our One Legion approach, to help us work better together, on 1st March, 2022, the Membership Support Officers (MSOs) were successfully transferred into the membership directorate from Services and Support under a new Head of Membership Engagement, with an accompanying temporary management structure.

Over the following months, a review was conducted to ensure counties and branches were properly supported, with a focus on relationship building and member retention and engagement.

By 1st December 2022, we will have a regional team in place, including Membership Engagement Managers (MEMs), Membership Engagement Officers (MEOs) and Membership Engagement Administrators (MEAs).

We also delivered our first in-person and virtual Annual Conference in May 2022 at the Queen Elizabeth II Centre in London, and we continued other events across the year, including membership meet-ups and County Chairs Seminars.

# Volunteers and staff



Sultan Sulmy and  
his son, of the  
Ahmadiyya Muslim  
Youth Association,  
volunteer Poppy  
Collectors



Amy Cotterell,  
Wellbeing Assistant  
at Galanos House,  
an RBL care home



**Reflecting the diversity** of our nation and being inclusive is core to our One Legion mission. We want everyone involved with the RBL to feel proud to contribute to or be part of a diverse and inclusive organisation.

In line with this strategy, this year we published our first Diversity & Inclusion (D&I) Action Plan, promoting this to members and staff and highlighting our commitment to D&I externally on our website.

All members of our Board of Trustees took part in an inclusive leadership workshop to engage and inform about their roles and responsibilities in D&I. We also introduced specific learning and development for staff on D&I, including implicit-bias training.

We established five staff networks to connect and empower staff: Women, BAME, LGBTQ+, Disability and Carers.

We had a strong RBL presence at several Pride events during summer 2022, including Brighton, Birmingham and Manchester, celebrating our LGBTQ+ community.

We also streamlined and improved our processes for disabled staff accessing reasonable adjustments.

#### **Opportunities for volunteers**

Our volunteers continued to provide essential support to the RBL throughout 2022.

One of our 2022 aims was to develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.

We were pleased to have reintroduced many of our volunteers to their roles following the pandemic. In particular, volunteers returned to the National

Memorial Arboretum, and a number of our care homes began welcoming volunteers back.

Volunteers came out in their thousands to ensure the 2021 Poppy Appeal in November was a great success. To build on this, we revamped our attraction and expression-of-interest process on the RBL website, allowing people a more streamlined route to apply for Poppy Appeal volunteering.

We also worked to ensure our volunteers are safer from online fraud – during their volunteering as well as in their everyday life – through our Cyber Security Awareness training. This has been integrated into our volunteer-learning programme for annual refresher training.

To ensure that volunteers can continue to provide a more secure service to our beneficiaries, we enhanced volunteer

access to RBL email accounts, providing training and a learning portal to give our volunteers the skills to work online more securely and effectively.

We also improved corporate communications with our volunteers through new digital channels, distributing a regular Volunteer Voice newsletter so our volunteers can learn more about all the work the RBL does to support the Armed Forces community and understand how volunteering makes a positive impact on our work.

### **Retaining talent**

We aimed to develop our processes and associated salary and benefits to meet the needs of a challenging recruitment market and to retain talent.

In a year when many industries have seen increases in turnover and an increasingly difficult recruitment market, we have sought to remain relevant to our sectors.

In April 2022, the RBL introduced a new approach to pay across all our staff groups. This was designed around the ambition of paying a fair wage for work and includes a pay-grading system, with pay progression within each grade.

The pay framework was benchmarked against both the charity and not-for-profit sector to ensure we positioned ourselves competitively.

The new approach provides transparency and consistency across our pay framework for all staff and for candidates interested in working for the RBL.

Within our care homes, we introduced several further initiatives to help with attraction and retention. These included an attraction bonus for new starters; the reintroduction of the refer-a-friend scheme for care-home staff; a loyalty payment in May 2022 for existing staff, following their hard work during the pandemic; and an interim pay increase in January 2022 of 3% across all care-home staff.

The increases (including the interim 3% award in January) resulted in an overall average increase of around 7.0%, varying from 5.9% to 7.6% by grade.

In addition, in light of the economic crisis, a cost-of-living payment of £750 was paid to staff below a certain pay level. This applied to more than 70% of our staff in October.

### **Attracting new staff**

We undertook a root-and-branch review of our resourcing strategy and identified some ways to improve.

We started coaching hiring managers in how to recruit in a candidate-driven market – encouraging the managers and their teams to share jobs in their social networks to increase awareness.

We established the practice of shortlisting and interviewing during the advertising period, reserving the right to close ads early to help reduce candidate drop-out. In addition, we challenged hiring managers to consider the real minimum requirements of a role and focus on how they could address gaps through rapid training on commencement.

We improved the format of adverts to drive search-engine optimisation and increase attractiveness of ads to a wider range of prospective candidates. We implemented a job-board system, which helped to reduce the workload associated with posting jobs on multiple advertising sites and increased the number of advertising platforms. This included specialist platforms aimed at underrepresented groups, therefore expanding the potential candidate pool.

We expanded (and reshaped) the Resourcing team to provide better advisory support and started continuous improvement work on processes and capability.

### **Focusing on people**

Ensuring that we are using the right people with the right expertise and skills across the charity is one of the guiding principles of our One Legion strategy.

To deliver our People Strategy, the People Directorate (formerly HR) conducted a full review of its operating model, structure, roles, customer climate, data focus and process efficiency.

The model has been brought to life through revised Director roles, accountabilities and behaviours that drive a customer-centric service, which is key to our One Legion strategy.

We have developed and implemented a Shared Service Centre that provides consistency of administration; employee relations; and designated subject-matter experts in equality, diversity and inclusion, learning and development, organisational development, culture, pay and benefits, and resourcing.

We have introduced a Business Partner model of service delivery, with each directorate now having a dedicated resource in one role to work closely with senior management to understand the directorate's strategic needs and how to support it with high-quality people solutions.

An integrated volunteer programme was also introduced, which provides a blended approach to resourcing and creates new opportunities to engage with a wider community of stakeholders who wish to be part of the RBL.

Bringing together good processes, systems and skills will help ensure our customers experience one professional, high-quality organisation that is clear about what it stands for.

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**“Ensuring that we are using the right people with the right expertise and skills across the charity is one of the guiding principles of our One Legion strategy”**

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# Fundraising





Opposite: Poppy  
Appeal Organiser  
Jill Merrett

**We have been dependent** on the goodwill and support of the public since 1921, to ensure we can provide the essential welfare services needed by our beneficiaries. It is thanks to the time given by our fundraisers and volunteers and the donations of our supporters that the vital work of the RBL can continue.

### **A return to the streets**

Raising income to deliver integrated, sustainable and cost-effective services is one of the key ways we work to deliver our One Legion strategy.

Our focus for the 2021 Poppy Appeal was to try to minimise the ongoing impact of COVID-19 while ensuring that communities across the country could donate and take part safely in Remembrance activities during the Appeal.

Despite disruption because of regional and national lockdown, and significantly lower footfall in towns and cities, we raised £42.2 million, including £4 million via contactless terminals. None of this would have been possible without the amazing support and help of our volunteers, partners, members and community groups, who once again helped ensure that the British public could show their support for our Armed Forces community.

Overall, we are very pleased to report that through the efforts of all our fundraising activities, including the Poppy Appeal, we raised £124.5 million in the financial year ending September 2022. This exceeded our aim of reaching £100 million, as set out in last year's Annual Review.

Our Gift in Wills and Legacies programme continued to show growth last year, delivering £28.1 million – £5.4 million more than was anticipated. This helped us mitigate downturns in many of our other income-generation channels, including events, philanthropy and our regular supporter programmes, which, alongside those of other charities, were affected by the economic impact of last year. Our investment in providing more than 5,000 contactless donation terminals for the 2021 Poppy Appeal saw more than £3.6 million raised via this growing way to give.

Despite the external challenges and as a result of savings we made in our fundraising-delivery operations, we delivered an £89 million net contribution to the RBL, which was £3 million more than originally forecast. This result was only possible thanks to the commitment of our staff and volunteers in working together in

the spirit of One Legion to provide the funds to support the range of services we need to offer our many beneficiaries today.

### **A new strategy**

This year, we have designed, developed and established a new fundraising strategy that will meet our aim, as described in last year's review, to provide longer-term sustainable fundraising. The new approach focuses on the three core areas of our income-raising activity: the Poppy Appeal, our Individual Giving (regular supporter) programme and our growing Gift in Wills and Legacy work.

The new Three Giants (Poppy Appeal, Individual Giving and Legacies) Fundraising Strategy was approved by the Executive Board, Finance Committee and Board of Trustees in April 2022, and since then, we have been implementing the changes to move our fundraising to be more focused on this central and clear strategic need.

We are restructuring our fundraising teams to better help deliver the new strategy while also keeping a careful eye on maintaining our current income-generation work. Using our existing staff, we are establishing a refined set of teams to help protect and strengthen these Three Giants.

### **Economic impact**

The foundation of our new fundraising approach is a move to be more led by what our supporters tell us. This crucial shift from good to great audience-led fundraising was one of our key aims for this year. We have more than 503,000 engaged fundraising supporters, but this is declining (526,000 last year) due to economic events, and we are improving our communications, permissions approach and offerings to help recruit and retain more supporters.

This year, we have seen volatile supporter and company responses to the impact of the cost-of-living crisis and also the Ukraine war emergency appeals. We are not alone. Charity donations have declined 15-20% this year across the top 30 charities, so we must adapt to stand still, let alone grow. We have coped well in these challenging circumstances and delivered a higher return in fundraised income, but we must remain front of mind for both our current loyal supporters and those we will need to recruit and ask to donate in the years ahead.

### **Anniversaries and then a respectful pause**

In the summer of 2022, we recognised the 40th anniversary of the Falklands conflict and provided a range of merchandise for

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**“It is thanks to the time given by our fundraisers and volunteers and the donations of our supporters that the vital work of the RBL can continue”**

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Left: Poppy Collectors  
Alicja Komar and  
Claire Lane

Opposite: An installation  
at the National Memorial  
Arboretum made up of  
handwritten messages  
from supporters

sale on our Poppy Shop website. For a special-edition fundraising-supporter mail campaign, we also commissioned a piece of artwork by Linda Kitson, a renowned artist who was present during the conflict in 1982. Supporters kindly sent in handwritten message cards as part of the artwork collage, which was displayed at both the National Memorial Arboretum and in the Falkland Islands themselves. This creative approach was shortlisted for a charity award later in the year.

We marked the Platinum Jubilee of Her late Majesty Queen Elizabeth II in June 2022, and produced a limited-edition pin badge and a selected range of retail merchandise.

As news broke of Her Majesty's sad passing on 8th September, we respectfully paused virtually all fundraising activity, only resuming after the period of national mourning and the state funeral.

### Positive change

As the financial year drew to a close, we saw some positive movement in both individual and corporate engagement to support the RBL.

While there remained clear signs that companies were limiting their charitable-giving programmes and cause-related product sales were down 17.5%, our supermarket partners, including Sainsbury's, Tesco and Morrisons, emerged from the pandemic lockdowns with a refreshed energy to support us ahead of the 2022 Poppy Appeal.

Having raised £20 million over 15 years, our long-running partnership with Coventry Building Society ends this year with a final campaign offering a £5 donation for every new account opened, which is

set to raise £100,000. Strategic corporate partnerships such as this are extraordinary, and we are incredibly grateful to the staff and customers of Coventry Building Society for supporting the RBL and helping us to provide essential help for individuals leaving the Armed Forces and embarking on new careers.

Our events programme was understandably hit by COVID-19 restrictions at the end of 2021, but by diversifying our offering and moving to an online DIY event opportunity via Facebook Challenges, we raised more than £100,000. Our fundraising events bounced back into public life after March 2022, and we conducted more than 25 live events, with more than 11,000 individuals taking part.

None of this fundraising happens without our loyal supporters and donors, dedicated volunteers and committed staff. We are proud of the place the Royal British Legion holds in society, enabling us to reach the people we need so that, in turn, we can provide the support our beneficiaries need.

To all who donate, give time and support in many other ways, thank you.

### Aims set out in the 2021 report

We said we would develop and deliver a longer-term fundraising strategy that helps us move from 'good to great audience-led fundraising' and raise more than £100 million in the financial year 2021/22.

We now have a new strategy that meets this aim and we raised £124.5 million.

We said we would return to our volunteer and community-led Poppy Appeal activities post-pandemic and grow our Poppy Appeal Organisers network.

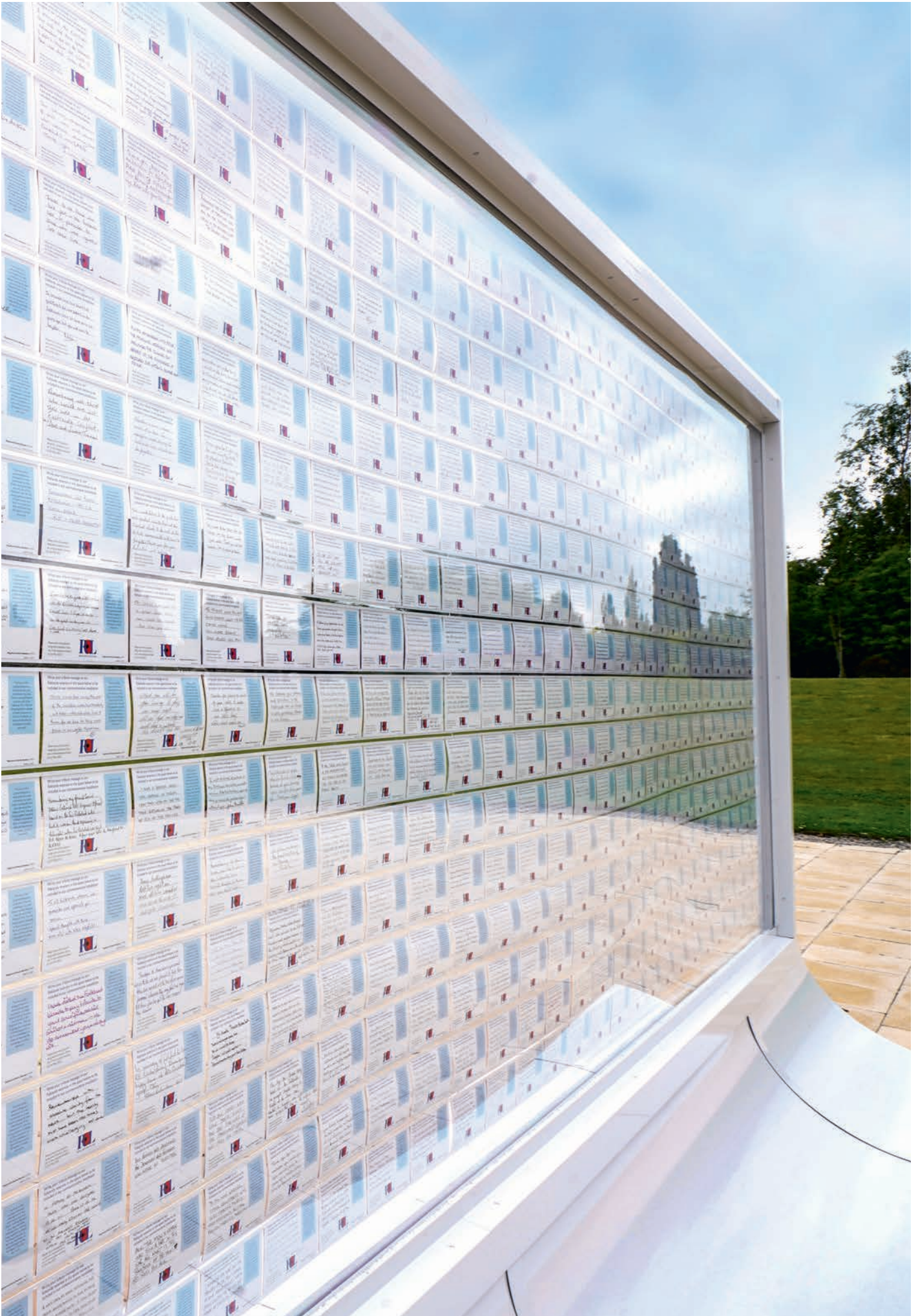
The 2021 Poppy Appeal raised £42.2 million only because our thousands of volunteer Poppy Collectors and valued Poppy Appeal Organiser cohort returned to the public environments that allow the biggest appeal collection in the country to take place. In 2021/22, we had 3,765 Poppy Appeal Organisers, Deputy Poppy Appeal Organisers and Joint Poppy Appeal Organisers (3,885 in 2020/21).

There are, however, continuing challenges in recruiting new Poppy Appeal Organisers post-pandemic, and work is underway to provide more support and alternative solutions to ensure the Poppy Appeal can remain highly present through advances in contactless technology and online-giving options. Our volunteers have always been and will remain the crucial element of the Poppy Appeal.

We said we would develop opportunities for volunteers to engage with us in fundraising, as well as across the whole of the RBL.

We have not enhanced our fundraising volunteer opportunities beyond the Poppy Appeal activity mentioned previously, partly due to pandemic restrictions, but also due to the need to firstly adopt our new fundraising strategy. We are particularly excited about the potential for volunteer Business Ambassadors to help us engage companies and corporate partners. This will continue into the key aims for next year.







## Responsible fundraising

The Royal British Legion's approach to fundraising is driven by three key fundraising principles:

- **Accountability** Our own and third-party fundraisers are required to ensure that their fundraising is delivered to the Fundraising Regulator's standards. We will only work with third parties who share this commitment.
- **Fairness** We set out to treat all members of the public fairly. We try to explain clearly how donations can be made, how regular donations can be stopped and how supporters can change their communication preferences.
- **Respect** We respect our supporters' privacy and we continue to make use of the Mailing Preference Service and the Fundraising Preference Service.

The RBL is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We always aim to comply with the Fundraising Code of Practice and we make appropriate use of the Fundraising Regulator logo on our fundraising materials. Our Fundraising Promise is published on our website and we continue to utilise our 'Fundraising Compliance' e-learning module as part of our inductions for new fundraising staff. This year, the RBL has been fundraising in accordance with all of the relevant schemes and standards and as such has not reported any breaches of the Fundraising Code of Conduct.

We also set out to comply with UK data-protection legislation. During 2022, we ran further data-protection exercises and refreshed all fundraising staff through online data-protection training. The RBL is committed to ensuring that our supporters' rights under the GDPR are protected and that they are given genuine choice in how they hear about our work. In 2022, we refreshed the marketing preference statement on the donation page of our website. We worked with focus groups to ensure that our supporters could clearly understand their options with regards to future marketing from the RBL. In 2023, we plan on introducing a process whereby this statement will be annually reviewed and improved, with a view to continually improving the levels of transparency and comprehension when we are collecting marketing preferences.

Our approach to complaints is that they are an opportunity to better understand our supporters, which is why currently any expression of dissatisfaction by a supporter is recorded as a complaint and features in

our annual complaints returns to the Fundraising Regulator and Gambling Commission. In 2021/22, the number of complaints relating to fundraising activity was 670. This number has increased from 2020/21, in which 641 were recorded. The largest category of complaints derives from 'Addressed Postal Mail', representing 45.8% of the total. We are continually looking to improve the way that we record complaints to ensure that feedback is shared and reported on frequently and effectively for the benefit of our fundraising teams and supporters. Work is set to continue in this field in 2023.

We recognise that we have an obligation to protect those who may be in vulnerable circumstances. We do this in a way which strikes a balance; setting out to protect potential donors while also being respectful of any desire they express to support us. During 2022, we required all staff to complete refresher e-learning courses on both Safeguarding Adults and Children.

The RBL is committed to protecting children and vulnerable adults from being harmed by gambling, and therefore, our 'Supporters in a Vulnerable Circumstance' policy was reviewed and updated to reflect changes in legislation/best practice and we continued to advertise Gambling Support resources on all our Lottery and Raffle marketing materials.

Some of our fundraising activity is carried out by our own staff, some by volunteers,

and a small proportion is delivered by professional fundraising agencies. All commercial third-party fundraisers are contractually obligated to be registered with the Fundraising Regulator. The RBL conducts its own Mystery Shopping exercises for all face-to-face agencies that partner with us. The RBL listens to a proportion of all the fundraising calls made on our behalf by third-party fundraising agencies, monthly. We work in partnership with the professional fundraising agencies that we employ. We visit their premises regularly to provide training on our standards as well as 'train the trainer' to ensure our standards can be made clear to new fundraisers and refreshed with existing fundraisers who are representing us. The level of monitoring and training is proportionate to the respective agency's performance. This is determined during weekly status calls and quarterly review meetings.



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**“We are so grateful for all donations that we have received over the past year from companies, trusts and individuals”**

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## Thank you to our major supporters

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

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

In particular, we would like to thank the following, who have donated £20,000 or more in financial contributions or through in-kind support during 2022:

**288 Group Ltd – Westminster Collection**

**AmazonSmile**

**Anpora UK**

**Britvic PLC**

**Cash4Coins**

**City Veterans CIC**

**Coventry Building Society**

**Dartmouth Brands**

**Fairfax & Favour**

**Girlguiding**

**Golden Charter**

**Greenwich Hospital**

**Insignia16 Ltd (Poppies4Kits)**

**Marks & Spencer**

**PayPal Giving UK**

**Pets at Home**

**QVC**

**Revolut**

**Sainsbury's Group and its Subsidiaries**

**Sky Group**

**Sophos Ltd**

**The Premier League and its member clubs**

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

## Aims for 2023

### Membership

- Continue to explore individual membership and focus on comradeship and friendship.
- Create a growing pipeline of younger and more diverse members who can be encouraged to join branches, clubs and special-interest groups.
- Present a modern and progressive membership offer that delivers a much-improved and personalised member experience.
- Build and support the active and successful branches with a focus on Branch Community Support (BCS) and other activities and events that reach out into the local community.
- Support, develop and encourage traditional branch recruitment activities through 'member get member'.
- Improve branch compliance using the strengthened membership engagement team, as well as wider support from the RBL.

### Welfare

- Increase capacity in our caseworking and specialist teams, aiming to support 10% more people.
- Provide financial help for the hardest-hit members of the UK Armed Forces impacted by the cost-of-living crisis in the UK, with support becoming available online and via our casework.
- Implement our plans to make things easier for people reaching out for support with our programme 'Improving Beneficiary Journeys', making changes to make the experience better and easier.
- Our Invictus Team UK recovery programme will successfully deliver a team of UK Armed Forces wounded, injured and sick competitors and a Friends and Family programme to the Düsseldorf Games in September 2023.
- Introduce electronic care planning, medication management and nurse call systems to all our care homes and continue our building-upgrade works.

### Remembrance

- Develop our first unified Remembrance strategy between the RBL and National Memorial Arboretum.

### Fundraising

- Complete the implementation of the new 'Three Giants' Fundraising Strategy and team structure to provide a longer-term view of sustainable income to meet the needs of the RBL.
- Improve our ability to contact more of our new supporters by establishing clearer communication permissions, to help grow our overall fundraising supporters to more than 607,000.
- Raise £50 million in the 2022 Poppy Appeal and £50 million from the broader fundraising activity in year.
- Promote the value of our Gift in Wills and Legacy donations across the RBL and establish more fundraising volunteering engagement opportunities, to include Business Ambassadors.

### People, organisational development and volunteering

- Continue the progress of our cultural-evolution programme, to enable closer working across teams and communities, and create stronger networks.
- Continue our agenda of commitment to diversity, inclusion and equality; attainment of the Disability Confident award; awareness raising for our staff, leaders and Board members, with strong threads into our planning and operational delivery.

### Campaigns, policy and research

- Build on the data emerging from the Census to deliver an annual review of the size, needs and profile of the Armed Forces community.
- Build the evidence and produce a general election manifesto that powerfully makes the case for a better deal for our Armed Forces community.
- Scrutinise the impact of the local Covenant Duty and influence the implementation of the Veterans Strategy Action Plan to ensure it delivers meaningful improvement to serving personnel and veterans.



# Board of Trustees



**Lieutenant General (Retd)  
James Bashall  
CB CBE  
National President**

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



**Jason Coward  
National Chair**

Jason was elected National Chair in May 2022, but has been on the RBL Board of Trustees since May 2014. He has a commercial background in marketing and communications. His RBL experience includes three years as Chair of the Membership Council and Chair of Poppyscotland, and he now chairs the Governance & Nomination Committee.



**Lynda Atkins DL  
National Vice Chair**

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



**Rodney Bedford**

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



**Heather Spence**

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



**Garry Mills**

Garry was elected to the Board of Trustees in April 2022. He has served in the Ulster Defence Regiment, the Corps of Royal Military Police and the Royal Ulster Constabulary GC. Following a successful career in international management consultancy, Garry moved to the third sector, specialising in welfare rights, welfare benefits and money advice. He is currently an advocate in employment legislation. Garry is a member of the Audit & Risk Committee and the Branch Property Trusts Trustee Committee.



**Paul Harris  
QGM**

Paul was co-opted as a Trustee in February 2018, elected in May 2019 and re-elected in May 2022. He served in the Army for 32 years, retiring as Lieutenant Colonel in 2006. He is a member of the Audit & Risk Committee and Governance & Nomination Committee; a Trustee of Poppyscotland; and Chairman of the Board of Trustees for Royal British Legion Republic of Ireland.



**John Boisson**

John was elected on to the Board of Trustees in May 2022, after serving three years on the Membership Council. As a civil servant, he commands Lincolnshire Air Weapons Ranges RAF Holbeach and RAF Donna Nook. John also serves in the Army and has so far completed 36 years' service in the Guards Division – 34 years full time, and the past two years as a reservist. John chairs the Membership Council.



**Philip Moore  
TD**

Philip was appointed as a Trustee in 2014 and re-appointed in 2017 and 2020. He was a Finance Director for nearly 20 years. He is now a Non-Executive Director at Bank of Ireland (UK) plc, Wesleyan Assurance Society, Skipton Building Society and Connells Ltd, and a Governor of North Hertfordshire College. Philip chairs the Finance Committee.



**Anny Reid**  
**OBE**

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



**Debbie Sorkin**

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



**Elizabeth Butler**  
**FCA**

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



**Helen Owen**

Helen was elected to the Board in May 2020. She is Evaluation and Monitoring Director at the charity GambleAware and has held non-executive roles, including Governor, at the University of Westminster. Helen is Chair of the Board of Trustees of Poppyscotland.



**Monica Risam**

Monica was appointed to the Board in October 2020. She is Group General Counsel of the Lombard International Group, a non-executive member of the Elton John AIDS Foundation's Finance and Investment Committee and a Governor of The Legal Education Foundation. Monica is a member of the Governance & Nomination Committee.



**Tony Goodwin**  
**BEM**

Tony was elected to the Board of Trustees in 2020. He served in the Royal Air Force for almost 40 years. Tony was previously elected to and served for three years on the Membership Council. He is currently a member of the Care Services Committee and the Branch Property Trusts Trustees Committee. Tony resigned from the Board in February 2023.



**Patsy Wilkinson**  
**CB**

Patsy was appointed to the Board in December 2021, after a senior government career in national security. She is also a non-executive director and adviser. Patsy is a member of the Governance & Nomination Committee, Vice Chair of the Membership Council and a Trustee of the National Memorial Arboretum.



**Major (Retd) Una**  
**Cleminson BEMTD**

Una retired as a registered General Nurse in 2012 and was a Major in the Territorial Army. Una has been a member of the RBL since 1971 and was previously a Trustee between 2010 and 2012. Una resigned from the Board in May 2022.



**Lieutenant Colonel**  
**(Retd) Joe Falzon**  
**OSJ BEM**

Joe served in the Royal Regiment of Artillery for 37 years before joining the RBL as Head of Policy and Administration in 2001. He took early retirement in 2010, and was then elected as a Trustee in 2014 and re-elected in 2017. Joe was appointed the National Vice Chair in 2019. Joe resigned from the Board in May 2022.



**Lieutenant Colonel**  
**(Retd) David**  
**Whimpenny**

David was elected as a Trustee in 2013 and was re-elected in 2016 and for his final term in 2019. He was commissioned from the Royal Military Academy Sandhurst in 1985 and retired from the Army in 2017. David resigned from the Board in May 2022.



# Board of Trustees

## Co-opted Members

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

Vanessa Donegan  
Anthony Macaulay  
Jenny Rowe  
Dr Jonathan Wittmann  
Naim Moukarzel

## National President

Lieutenant General James Bashall  
CB CBE

## National Chair

Jason Coward

## National Vice Chair

Lynda Atkins

## Key Committees of the Board of Trustees and Current Membership

### Audit & Risk Committee

Elizabeth Butler (Chair)  
Paul Harris  
Garry Mills  
Debbie Sorkin

### Finance Committee

Philip Moore (Chair)  
Elizabeth Butler  
Rodney Bedford  
Vanessa Donegan  
Dr Jonathan Wittmann

### Governance & Nomination Committee

Jason Coward (Chair)  
Lynda Atkins  
Paul Harris  
Monica Risam  
Patsy Wilkinson

### Conference Committee

Anny Reid (Chair)  
Gordon Barker  
Philip Davies  
John Gilmore  
Grant Parrott

### Branch Property Trusts

#### Trustee Committee

Jenny Rowe (Chair)  
Tony Goodwin (to February 2023)  
Anthony Macaulay  
Garry Mills

## Care Services Committee

Debbie Sorkin (Chair)  
Tony Goodwin (to February 2023)  
Anny Reid  
Heather Spence

## Membership Council

John Boisson (Chair)  
Patsy Wilkinson (Vice Chair)  
Hugh Ashton-Moore  
Gordon Barker  
Albert Bell  
Michael Challinor  
Bob Chambers  
Emma Cox  
Philip Davies  
Dilys Hooper  
Bob Howard  
Steve Lewis  
Gerry Nunn  
Kelly Slark  
David Street  
David Swann  
Ken Terry  
Philip Walden

## **Executive Board**

### **Director General**

Charles Byrne

### **Chief Operating Officer**

Daniel Oppenheimer

### **Executive Director: Services**

Antony Baines

### **Executive Director: Marketing, Fundraising and Remembrance**

Gary Ryan

### **Executive Director: People & Organisational Development**

Karen Gill

### **Executive Director: Membership**

Janet Talman

## **Consultants and Advisors**

### **Bankers**

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

### **Independent Auditors**

Deloitte LLP  
1 New Street Square  
London EC4A 3HQ

### **Investment Managers**

Cazenove Capital  
Management Limited  
12 Moorgate  
London EC2R 6DA

### **Legal Advisors**

Withers  
16 Old Bailey  
London EC4M 7EG

## **Women's Section**

### **Chairman**

Heather Spence

### **Vice Chairman**

Jan Buxton

### **Chair of Finance**

Sandra Fishlock

### **Central Committee**

Laura Heyworth  
Pat Holden  
Very Rogers  
Sandra Saban  
Kay Scase  
Alyson Wilson

### **Life Vice Presidents**

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

### **Vice Presidents and Patronesses**

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

**Charity Registration number:** 219279

### **Principal office:**

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



# Financial review

**After two years of disruption due to COVID-19**, 2022 saw a return to more normal levels of income and expenditure. Total income for the year to 30th September, 2022 was £153.5 million compared with £137.4 million the previous year, an increase of 12%. Of this, fundraising income was £121.8 million, compared with £101.3 million the previous year. The November 2021 Poppy Appeal raised £42.2 million, only £4.3 million less than the 2019 Appeal (£40.1 million raised in Poppy Appeal 2020), despite some disruption caused by local and regional lockdowns and lower footfall in our towns and cities. Legacy income also experienced strong growth, increasing from £23.8 million in 2021 to £28.1 million in 2022.

Income from general donations was broadly flat year on year, with other sources of fundraising income, including events, lotteries and the sale of Poppy Shop products, experiencing a small decline. While this is partly due to a rebalancing and refocusing of the fundraising portfolio post-pandemic, we also started to see the impact of the emerging cost-of-living crisis towards the end of the year, resulting in higher levels of donor attrition and lower returns from some of our fundraising campaigns.

Total expenditure was £151.9 million, a 7% increase on the previous year's total of £141.8 million. Our charitable expenditure in 2021 was £103.7 million, and has increased by £5.4 million to £109.1 million, driven by increases in the cost of providing care in our care homes, together with higher membership and ceremonial costs. As occupancy levels in our care homes started to improve, the cost of caring for our vulnerable and frail residents also increased. As well as continuing to provide high levels of infection control to protect against COVID-19, influenza and other viruses, we took the decision to improve pay and benefits for those staff working in our homes to ensure that we can continue to provide high-quality care for our residents in the face of the well-documented recruitment and retention challenges in the care sector. In order to maintain fees at an affordable level for our

beneficiaries, our care homes operated at a planned deficit of £19.4 million (2021: £15.4 million deficit). 2022 saw a welcome return to face-to-face ceremonial and membership activities. We were able to mark our centenary in a Service of Thanksgiving at Westminster Abbey in October 2021, the Festival of Remembrance and Remembrance Sunday events reverted to their pre-pandemic formats, and many of our branches started to meet in person again and resumed their ceremonial and fundraising activities in their local communities.

Conversely, our expenditure on Community Welfare reduced from £45.7 million in 2021 to £42.5 million in 2022, mainly due to changes in the way we deliver information, advice and support. The decision to close our Area Offices and move towards online and telephone support, supplemented by a home visit for those who need it, has allowed us to provide our services in a more cost-effective manner while maintaining high levels of impact and satisfaction for our beneficiaries. We also provided more individual welfare grants in 2022, spending £10.9 million on welfare grants compared with £8.9 million the previous year.

Included in Community Welfare are several large grants to partner charities that support our beneficiaries and deliver specialist services that complement the services the RBL provides. During 2022, we extended our commitment to fund Combat Stress for a further year and provided £2.1 million of funding to the Forces Employment Charity (previously RFEA) to provide specialist employment-related advice and support. Overall, 72p in every pound was spent on our charitable activities (2021: 73p in every pound), with the remainder spent on raising the funds needed to deliver the RBL's mission.

Overall, the RBL generated a small surplus before gains and losses of £1.7 million (2021: £4.5 million deficit). Our financial investment portfolio suffered net losses of £11.0 million (2021: £19.3 million gain) due to a combination of global economic factors and the 'mini-budget' announcement of 23rd September, 2022. These losses were

partially offset by net gains from our investment property portfolio of £5.5 million (2021: £5.4 million). The actuarial valuation of the charity's defined benefit pension scheme resulted in a technical surplus of £4.8 million at 30th September, 2022 (2021: £1.9 million deficit). This improvement is mainly due to an increase in the discount rate used to value future pension liabilities. As this surplus cannot be realised by the RBL, it has not been reflected in these accounts. The deficit on the Poppyscotland defined benefit pension scheme reduced from £1.7 million to £1.1 million.

The value of restricted funds reduced by £2.6 million to £169.0 million (2021: £171.6 million) and the value of unrestricted funds remained essentially unchanged at £209.1 million (2021: £208.2 million). During the year, we continued our work to reduce the restrictions on disposal proceeds arising from the sale of properties held in Branch Property Trusts, moving £3.3 million (2021: £4.7 million) from restricted Branch Property Trust funds into less restricted and designated Area Trust Funds. Area Trust Funds are now being used as an important source of funding for welfare services in the area where the branch property was originally located. These services include our Admiral Nurses, who support those caring for loved ones with dementia; casework and advice services; and external grants. The composition of the RBL's funds is explained below and on page 8 of this report.

## Financial investments

The market value of the RBL's financial investment portfolio reduced by £9.9 million during the year, reflecting the global economic downturn exacerbated by spiralling energy costs due to the war in Ukraine. The UK markets were further impacted by the 'mini-budget' announcement shortly before the end of our financial year. At the year-end, the total value of the group's investments was £172.3 million (2021: £182.2 million). The portfolio is managed through three main investment managers: Cazenove Capital manages the charity's main investment portfolio (£147.5 million); Sarasin &

Partners manages Poppyscotland's investments (£6.3 million); and Churches, Charities and Local Authorities (CCLA) manages branch-related investments (£6.9 million), including those held in legacy and property trusts. The remaining investments are held overseas.

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

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

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

The RBL recognises that it needs to respond to the key challenge of climate change and that limiting global temperature rises will require significant changes in business, investment, technology development and fossil-fuel use. The RBL monitors the carbon

emissions of the equity investment portfolio and seeks to reduce these emissions over time through investment selection and through the engagement of its appointed manager with companies in order to drive positive change.

## Main investment portfolio

The main investment portfolio is managed by Cazenove Capital. The mandate agreed with Cazenove Capital is to achieve a rate of return in excess of CPI+3% over the medium term. The portfolio delivered negative absolute returns of 3.5% for the year ended 30th September, 2022, and fell short of its target over five years, delivering a return of 3.9% per annum against the inflation benchmark of 6.6% per annum. The current period of high inflation is impacting the benchmark and the Trustees expect the portfolio to achieve its target over the medium term once inflation has been brought back under control. The value of the portfolio reduced to £147.5 million (2021: £153.2 million) over the year and generated £2.7 million (2021: £2.4 million) of investment income.

## Poppyscotland portfolio

The Poppyscotland portfolio is managed by Sarasin & Partners. During the year to 30th September, 2022, the Poppyscotland portfolio reduced its value from £8.8 million to £6.3 million and generated £0.3 million (2021: £0.3 million) of investment income. The Poppyscotland portfolio is being drawn on to finance Poppyscotland's deficits over the medium term, as part of an agreed strategy for Poppyscotland to spend the funds previously used as reserves. After this point, the RBL will provide financial support to enable Poppyscotland to continue to operate as a going concern and meet its liabilities as they fall due. In this context, the mandate agreed with the investment manager is to preserve capital values and achieve a return in line with inflation.



## Branch investments

Branch, County and other investments of £6.9 million (2021: £9.0 million) are primarily managed by CCLA and held in a mix of listed investments and unit trusts.

## Pension

The group pension deficit in these accounts now relates solely to the Earl Haig Fund (Poppyscotland). The deficit on the Poppyscotland pension fund decreased from £1.7 million to £1.1 million due to an increase in the discount rate used to calculate the present value of future pension liabilities. We do not expect the deficit to materially affect the RBL's ability to meet its charitable objectives in the future.

## Funds

The RBL's total funds of £378.1 million (2021: £379.8 million) represent the value of all the assets used by the charity to deliver its charitable objectives, including its properties. The charity's funds are explained in more detail on page 8. They include £169.0 million (2021: £171.6 million) of restricted reserves, which comprise property and other assets given to the RBL for a specific purpose and unavailable for general use.

Within unrestricted funds of £209.1 million (2021: £208.2 million) are designated funds representing the value of the RBL's functional fixed assets (£58.0 million, 2021: £59.6 million), funds held by RBL branches, counties and districts (£32.0 million, 2021: £32.3 million), the value of programme-related investments (£5.5 million, 2021: £4.0 million) and the General Fund (£4.5 million, 2021: £4.8 million), which is used to support the central administration of the membership of the RBL. These funds are not immediately and freely available for general use.

## Reserves

In addition to the funds described above, at 30th September, 2022, the RBL was holding £109.1 million (2021: £107.4 million) in liquid and immediately available unrestricted funds ('free reserves'). In common with other charities, the Royal British Legion holds free reserves to ensure that our services can continue during a period of unforeseen reduced income or increased expenditure. Our reserves policy is set with reference to the financial risks facing the charity. The RBL is heavily dependent on volunteer support and donations from the public to enable

it to carry out its work. Our biggest risk is that our income suddenly drops (financial stability) because of unforeseen factors beyond our control. In these circumstances, reserves may need to fund operating expenditure while the organisation is put back onto a stable footing. Our care homes represent an area of financial risk due to the heavily regulated nature of the industry and the ongoing challenges related to staff recruitment and retention. Our reserves may be needed to mitigate against reduced fee income and unexpected and unavoidable increases in expenditure.

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

Taking all these risks into consideration, the Trustees have resolved that the RBL should hold minimum free reserves of £60 million. As noted above, at 30th September, 2022, the RBL was holding free reserves of £109.1 million (2021: £107.4 million) which is above the minimum target we have set. We are using these surplus reserves to help deliver our mission more widely. We have already put in place emergency support for those in our community who have been hit hardest by the cost-of-living crisis and expect to spend at least £10 million in 2023. This has enabled us to reach more people who need the holistic support we provide to bring long-term solutions to the challenges they face. We are continuing to invest in our care homes and expanding our support for those caring for loved ones with dementia through our Admiral Nurse service. We also have plans to expand our provision of recovery services alongside our partnership with Combat Stress, to help improve mental wellbeing in our beneficiary community.

## Investment properties

Investment properties primarily comprise 275 properties (2021: 287) held by the

Royal British Legion as Trustee (predominantly under Branch Property Trusts) and let to independent commercial operations, primarily affiliated social clubs. The local RBL branches also have part-time use of the property under the terms of the lease. The RBL's methodology with regard to the valuation of investment properties is to revalue one-fifth of the properties each year and to carry out a review of the remainder to identify any event that would impair the valuation. Investment property revaluations and impairment reviews are carried out by an internal team of qualified surveyors. For the year ending 30th September, 2022, 57 properties were revalued (2021: 62) and a revaluation gain of £2.7 million (2021: £4.1 million) was recorded in the accounts. The remaining 80% of investment properties were reviewed and revaluation losses of £0 (2021: £60,000) were recorded. During the year, the RBL disposed of 12 (2021: 12) investment properties, realising proceeds of £2.8 million (2021: £1.3 million)

## Branch Property Trusts

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

	2022	2021
Restricted Investment Property Reserve	£62.4m	£65.5m
Restricted Branch Property and Area Trust Funds	£42.1m	£39.7m
Number of properties	278	287

At 30th September, 2022, the RBL held £62.4 million (2021: £65.5 million) (see note 29) in the restricted investment property reserve, representing the market value of 278 (2021: 290) properties predominantly held under Branch Property Trusts. In addition, £42.1 million (2021: £39.7 million) was held in restricted Branch Property and Area Trust funds, comprising sale proceeds, interest and other income.

The RBL continues to remove or widen the restrictions on Branch Property Trusts that have served their purpose so that these funds can be used more effectively and across the broader range of services needed by those we support today. During the year, decisions were

made on ten (2021: 14) Branch Property Trusts, resulting in £3.3 million (2021: £4.7 million) being moved into less restricted funds. These funds can now be used to provide welfare support to people in a wider geographical area.

## Programme-related investments

Programme-related investments mainly consist of property repair loans that are interest-free secured loans made to help support beneficiaries living in their own home to provide housing improvements, together with a loan to Royal British Legion Industries Limited (RBLI) to help finance the construction of facilities for beneficiaries at the charity's site in Aylesford, Kent. Programme-related investments totalled £5.5 million at the year-end (2021: £4.0 million).

## Grant making

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

In 2022, the Royal British Legion spent £10.9 million on individual grants (2021: £8.9 million). The highest volume of grants given in the year were crisis grants to those in urgent need, whereas mobility-related grants, such as riser-recliner chairs and powered scooters, were the highest in terms of value. In April 2022, we launched the Cost-of-Living Grant Programme via our caseworking and specialist advice teams, helping 678 individuals with grants towards their home fuel bills. During summer 2022, we developed an online portal to enable us to respond to the huge demand for this service.

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

In 2022, grants were awarded to 22 organisations, totalling £5.7 million (2021: 27 organisations, £5.5 million).

## Going concern

The Trustees have considered the ability of the group to continue as a going concern for a period of at least 12 months from the date of signing the accounts. A large proportion of the UK population is now protected from severe disease due to COVID-19. While COVID-19, influenza and other viruses continue to place a strain on the NHS, we do not expect a further lockdown that would restrict our face-to-face fundraising activities and have demonstrated our ability to adapt and fundraise in other ways.

We have forecast our income, expenditure, cash and reserves for the financial years ending 30th September, 2023 and 2024, using our latest estimates for 2023 and prudent assumptions for income and expenditure in 2024. Key assumptions include that the Poppy Appeal income will not be significantly impacted by cost-of-living rises and geopolitical uncertainties, and income will be maintained at 2022 levels. These forecasts show a planned reduction in our free reserves. However, reserves will still be above the minimum level set by the Board of Trustees and we will continue to hold sufficient reserves, cash and liquid investments to meet our liabilities as they fall due. Furthermore, the RBL has high levels of discretionary expenditure and the experience of the pandemic has shown that we can reduce expenditure relatively quickly if fundraising income is lower than expected.

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

## Risk management and internal control

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

- Risks are owned by a senior executive, usually an executive director;
- Risks are required to have controls in place to provide effective mitigation;
- Risk owners ensure that controls are



Risks	Mitigations
<b>Governance</b> Inability to deliver our strategic objectives due to ineffective leadership and governance	Regular, independent review of governance arrangements and implementing the findings of that review to include: <ul style="list-style-type: none"> <li>• Regular training for Trustees</li> <li>• Performance monitoring of Trustees and Executive Board</li> <li>• Implementation of defined Terms of Reference for Board of Trustees, Executive Board and all Board Committees</li> <li>• Royal Charter review</li> <li>• Head of Governance with specific responsibility for ensuring governance arrangements are fit for purpose</li> <li>• Trustees are appointed to fill specific skills gaps</li> </ul>
<b>Financial Sustainability</b> 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"> <li>• Annual budget process</li> <li>• Financial forecasting for short and medium term</li> <li>• Prudent reserves policy</li> <li>• Fundraising strategy</li> <li>• Fundraising income and expenditure reviewed monthly and corrective action taken if there are significant variances to the budget</li> <li>• Sound basis for grant-funding decision-making</li> </ul>
<b>Safeguarding</b> A beneficiary, care home resident, volunteer or employee suffers harm, abuse or neglect	<ul style="list-style-type: none"> <li>• Independently chaired Safeguarding Committee meets regularly through the year to receive and act on management information</li> <li>• Appointment of a designated safeguarding lead</li> <li>• Multi-level, mandatory training programme</li> <li>• Regular reporting of safeguarding data and risk exposures</li> <li>• Independent review to challenge and inform management thinking in this area</li> </ul>
<b>Recruitment &amp; Retention</b> Inability to deliver our mission and look after those we support. This risk manifests itself most acutely in our care homes, where the RBL is not alone in facing recruitment and staff-retention challenges	<ul style="list-style-type: none"> <li>• Tactical improvements to pay and conditions in the care homes</li> <li>• Longer-term strategic review of pay and benefits across the charity</li> <li>• Ability to mobilise our extensive network of volunteers</li> <li>• Agile recruitment arrangements, enabling quick and effective decision-making</li> </ul>
<b>UK Economic Situation</b> The risk of significant increased demand for RBL services and the risk of significant inflation in energy and other costs	<ul style="list-style-type: none"> <li>• Annual review of reserves policy</li> <li>• Regular forecasts of income, expenditure, cash flow and capital commitments</li> <li>• Experienced and effective procurement function</li> <li>• Flexibility in our approach to meeting beneficiary needs</li> </ul>
<b>Cyberattack</b>	A range of defensive controls, including but not limited to: <ul style="list-style-type: none"> <li>• Appropriate IT security policy and procedures</li> <li>• User awareness and education</li> <li>• Support contracts with external experts</li> <li>• Threat monitoring, detection and response</li> </ul>

present and effective;

- Risk exposures are known and understood by risk owners and are reported formally each quarter; and
- There is a strong link between risk management and internal audit so that auditing is used as a tool to check the presence and effectiveness of controls.

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

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

## Public benefit

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

## Safeguarding

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

The RBL deploys a network of trained designated safeguarding leads, who are responsible for reporting safeguarding

concerns to statutory agencies and recording all safeguarding incidents on our Legion Assure reporting system. In order to embed a culture of safeguarding awareness, the RBL delivers safeguarding training to all staff and volunteers at the appropriate level.

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

## Modern Slavery Act 2015

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

## Ethics and sustainability

The RBL's Ethics and Sustainability Committee draws its membership from across the RBL. Its purpose is to support the organisation's understanding of its

impact on the community and environment and to ensure that our ethical values are reflected across all our policies and procedures. A key area of focus to date has been our Poppy Appeal products, where we are seeking to reduce our environmental impact through the reduction of single-use plastic, together with the ethical investments policy described above.

During the year, we completed a number of efficiency and carbon-reduction projects, including scoping and feasibility studies for solar panels on the roof of the National Memorial Arboretum, which have the potential to generate up to 40% of the site's electricity; replacing fossil-fuel-powered gardening equipment at Maurice House care home with electric alternatives; and the creation of a new Energy Manager role to lead on the RBL's energy management and carbon reporting.

## Streamlined Energy and Carbon Reporting (SECR)

The RBL monitors its greenhouse gas emissions and reports in line with the Streamlined Energy and Carbon Reporting regulations (SECR). The scope of this report includes emissions from

Scope 1 and 2 Electricity, Gas and Transport and Scope 3 emissions from staff, Trustee and volunteer business travel for the RBL group.

This information has been compiled in line with March 2019 HM Government 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting guidance'. The carbon figures have been calculated using the HM Government Greenhouse Gas (GHG) conversion factors for Company Reporting, Version 1.0, 2022 factors.

Gas and Electricity consumption data (Scope 1 and 2) has been taken from verified billing and invoices supplied by the RBL's energy broker. The reported figures for Scope 2 Electricity (Delivered) also include Transmission and Distribution emissions, which would technically fall under Scope 3.

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

Scope	Description	FY 21/22		FY 20/21	
		KwH	tCO2e	KwH	tCO2e
<b>Scope 1</b>	<b>Combustion of fuel on site &amp; transportation</b>				
	Natural Gas	9,953,570	1,817	10,957,068	2,055
	Gas Oil	44,942	12	44,720	12
	Fleet Travel	228,183	58	110,104	28
<b>Total</b>		<b>10,226,695</b>	<b>1,887</b>	<b>11,111,892</b>	<b>2,095</b>
<b>Scope 2</b>	<b>Purchased Energy</b>				
	Electricity (Delivered)	5,224,347	1,103	5,272,564	1,335
<b>Total</b>		<b>5,224,347</b>	<b>1,103</b>	<b>5,272,534</b>	<b>1,335</b>
<b>Scope 3</b>	<b>Business Travel</b>				
	Grey Fleet (Employee/Volunteer/Trustee Claimed Mileage)	1,093,390	270	400,450	99
	Train Travel	0	40	0	7
	Air Travel	0	141	0	44
<b>Total</b>		<b>1,093,390</b>	<b>451</b>	<b>400,450</b>	<b>150</b>
	<b>Total Consumption/Emissions</b>	<b>16,544,432</b>	<b>3,441</b>	<b>16,784,906</b>	<b>3,580</b>
	<b>Intensity Ratio</b>				
	<b>Tonnes CO2e / £1m Turnover</b>		<b>22.8</b>		<b>25.8</b>
	<b>Turnover (£1m)</b>		<b>151</b>		<b>137</b>



Between 2021 and 2022, the Scope 1 emissions associated with our owned fleet increased by 107% and Scope 3 emissions associated with our Grey fleet and business travel increased by 201%. This reflects the easing of COVID-19 restrictions, allowing our face-to-face fundraising and events to resume. During the same period, emissions associated with our natural-gas use reduced by 10%, largely due to the closure of our Break Centres.

## Structure, governance and management

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

The RBL's governing document is its Royal Charter of Incorporation and Schedules, which was first granted in 1925. The purpose of the charity as set out in the Royal Charter can be summarised as helping members of the Royal Navy, British Army, Royal Air Force, veterans and their families. The Board of Trustees has the responsibility for its implementation and review, but charter amendments require a special resolution at the Annual Conference before they can be subsequently ratified by a special resolution of the Board of Trustees and allowed by HM The King in council.

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

## Board of Trustees

The Board of Trustees is responsible for

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

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

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

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

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

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

## Committees of the Board

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

Two of the committees facilitate membership matters:

- Membership Council – has responsibility for the direction and implementation of all membership issues; and

- Conference Committee – oversees the organisation of the Annual Conference.

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

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

As part of our work to streamline our governance structures, the Property Committee and International Committee were disbanded during the year and their responsibilities reallocated to other committees.

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

## Corporate structure

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

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

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

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

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

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

## Connections to a non-charity

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

## Role of the membership and volunteers

The Royal British Legion is a charitable organisation with members. Membership matters are overseen by the Membership Council. Around 202,000 members (2021: 204,000) are organised through approximately 2,300 branches (2021: 2,300) operating across England, Wales, Northern Ireland and the Isle of Man, with a further 89 branches (2021: 89) overseas and ten (2021: ten) national branches.

Branches:

- undertake local welfare activities as part of the Branch Community Support scheme;

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

Branches report into 52 Section, County and District committees, which consist entirely of volunteers. The RBL provides operational and administrative support to the membership structure delivered by the staff of the Membership Directorate, including the Membership Engagement Team, which is located across England, Wales and Northern Ireland. The Women's Section provides care and support for the ex-service community through its own welfare schemes, such as financial support to ex-serving women, wives, widows and widowers of ex-serving personnel and their children.

Many members of the RBL belong to one of the 376 clubs (2021: 389) that use the RBL's name under licence but are independent entities; therefore, their financial results are not included in these accounts. There are 208 clubs (2021: 218) that occupy premises owned by the RBL and leased to the club.

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

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

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom

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

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report (pages 7 to 41) was approved by the Board of Trustees and signed on their behalf.



Jason Coward, National Chair  
20 April 2023



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

## Report on the audit of the financial statements

### Opinion

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

- give a true and fair view of the state of the group's and the parent charity's affairs as at 30th September, 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements, which comprise:

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

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

### Basis for opinion

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

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

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

### Conclusions relating to going concern

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

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

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

### Other information

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

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

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

We have nothing to report in this regard.

### Responsibilities of Trustees

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

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

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

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

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

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

Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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

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

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

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

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

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

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

fraud in the following areas, and our procedures performed to address them are described below:

- revenue recognition, which is related to the accuracy and completeness of legacy income: we obtained an understanding of the key processes and relevant controls around the accuracy and completeness of legacy income; and performed detailed substantive tests on legacy income including on information from third-party legacy notifications, on a sample basis, to verify that they are accurate and complete; and
- branch cash, which is related to the completeness and accuracy of branch cash: we obtained an understanding of the key processes and relevant controls around the completeness and accuracy of branch cash; and performed substantive tests on branch cash on a sample basis, to verify that it is complete and accurate.

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

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

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

charged with governance, and reviewing internal audit reports.

## **Report on other legal and regulatory requirements**

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

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

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

We have nothing to report in respect of these matters.

### **Use of our report**

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



### **Deloitte LLP**

Statutory Auditor  
Newcastle upon Tyne, United Kingdom  
27 April 2023

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



# Royal British Legion

## Consolidated Statement of Financial Activities for the year ended 30 September 2022

	Note	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from</b>					
Donations and legacies	4	89,337	6,739	<b>96,076</b>	77,480
Charitable activities	5	24,369	3,150	<b>27,519</b>	29,133
Other trading activities	6	18,644	3,135	<b>21,779</b>	24,162
Investments	7	2,915	3,446	<b>6,361</b>	5,359
Other		348	1,444	<b>1,792</b>	1,225
<b>Total income</b>		<b>135,613</b>	<b>17,914</b>	<b>153,527</b>	137,359
<b>Expenditure on</b>					
<b>Raising funds</b>	8	<b>35,348</b>	<b>7,390</b>	<b>42,738</b>	38,095
<b>Charitable activities</b>					
Care	9	35,624	744	<b>36,368</b>	32,888
Personnel Recovery Centres	9	2,327	27	<b>2,354</b>	1,720
Community Welfare	9	31,939	10,568	<b>42,507</b>	45,677
Membership	9	7,556	476	<b>8,032</b>	5,731
Comradeship	9	399	-	<b>399</b>	400
Communications and campaigning	9	12,458	26	<b>12,484</b>	12,292
Remembrance and ceremonial	9	2,942	4,030	<b>6,972</b>	5,026
<b>Total charitable activities</b>	9	<b>93,245</b>	<b>15,871</b>	<b>109,116</b>	103,734
<b>Total expenditure</b>		<b>128,593</b>	<b>23,261</b>	<b>151,854</b>	141,829
<b>Net income/(expenditure) before investment gains</b>		<b>7,020</b>	<b>(5,347)</b>	<b>1,673</b>	(4,470)
Net (losses)/gains on disposal of investments		(2,539)	5,352	<b>2,813</b>	3,595
Unrealised (losses)/gains on revaluation of investments		(5,393)	(2,835)	<b>(8,228)</b>	22,307
<b>Net (expenditure)/income before tax</b>		<b>(912)</b>	<b>(2,830)</b>	<b>(3,742)</b>	21,432
Taxation charge	11	-	-	-	-
<b>Net (expenditure)/income for the year</b>		<b>(912)</b>	<b>(2,830)</b>	<b>(3,742)</b>	21,432
Transfers between funds	30	373	(373)	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension scheme	16a	1,466	587	<b>2,053</b>	7,788
<b>Net movement in funds</b>		<b>927</b>	<b>(2,616)</b>	<b>(1,689)</b>	29,220
Fund balances brought forward at 1 October		208,190	171,606	<b>379,796</b>	350,576
<b>Fund balances carried forward at 30 September</b>		<b>209,117</b>	<b>168,990</b>	<b>378,107</b>	379,796

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

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

# Royal British Legion

## Charity Statement of Financial Activities for the year ended 30 September 2022

	Note	Unrestricted funds 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from</b>					
Donations and legacies	4	93,133	1,276	<b>94,409</b>	75,084
Charitable activities	5	24,369	1,533	<b>25,902</b>	26,450
Other trading activities	6	10,910	14	<b>10,924</b>	12,798
Investments	7	2,915	3,108	<b>6,023</b>	4,992
Other		348	1,360	<b>1,708</b>	1,531
<b>Total income</b>		<b>131,675</b>	<b>7,291</b>	<b>138,966</b>	120,855
<b>Expenditure on</b>					
<b>Raising funds</b>	8	<b>29,696</b>	<b>93</b>	<b>29,789</b>	27,243
<b>Charitable activities</b>					
Care	9	35,624	744	<b>36,368</b>	32,888
Personnel Recovery Centres	9	2,327	27	<b>2,354</b>	1,720
Community Welfare	9	34,899	7,330	<b>42,229</b>	44,100
Membership	9	7,556	443	<b>7,999</b>	5,582
Comradeship	9	399	-	<b>399</b>	400
Communications and campaigning	9	12,458	26	<b>12,484</b>	12,292
Remembrance and ceremonial	9	2,942	432	<b>3,374</b>	1,782
<b>Total charitable activities</b>	9	<b>96,205</b>	<b>9,002</b>	<b>105,207</b>	98,764
<b>Total expenditure</b>		<b>125,901</b>	<b>9,095</b>	<b>134,996</b>	126,007
<b>Net income/(expenditure) before investment gains</b>		<b>5,774</b>	<b>(1,804)</b>	<b>3,970</b>	(5,152)
Net (losses)/gains on disposal of investments		(2,539)	5,518	<b>2,979</b>	3,209
Unrealised (losses)/gains on revaluation of investments		(5,393)	(1,073)	<b>(6,466)</b>	22,157
<b>Net (expenditure)/income for the year</b>		<b>(2,158)</b>	<b>2,641</b>	<b>483</b>	20,214
<b>Transfers between funds</b>	30	3,333	(3,333)	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension scheme	16a	1,466	-	1,466	7,485
<b>Net movement in funds</b>		<b>2,641</b>	<b>(692)</b>	<b>1,949</b>	27,699
Fund balances brought forward at 1 October		204,412	132,874	337,286	309,587
<b>Fund balances carried forward at 30 September</b>		<b>207,053</b>	<b>132,182</b>	<b>339,235</b>	337,286

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

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



# Royal British Legion

## Consolidated and Charity Balance Sheets as at 30 September 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Fixed assets</b>					
Intangible assets	17	1,202	1,744	1,120	1,637
Tangible assets	18	81,573	81,562	56,848	57,275
Investments	19	172,317	182,213	164,143	170,960
Investment properties	20	62,421	65,533	62,421	65,533
Programme-related investments	21	5,529	4,009	5,529	4,009
<b>Total fixed assets</b>		<b>323,042</b>	<b>335,061</b>	<b>290,061</b>	<b>299,414</b>
<b>Current assets</b>					
Stocks		2,489	2,701	-	-
Debtors	22	10,908	11,769	10,082	10,404
Cash at hand and in bank	23	72,413	65,985	66,473	59,251
<b>Total current assets</b>		<b>85,810</b>	<b>80,455</b>	<b>76,555</b>	<b>69,655</b>
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	24	(21,616)	(23,543)	(19,927)	(21,329)
<b>Net current assets</b>		<b>64,194</b>	<b>56,912</b>	<b>56,628</b>	<b>48,326</b>
<b>Total assets less current liabilities</b>		<b>387,236</b>	<b>391,973</b>	<b>346,689</b>	<b>347,740</b>
Creditors: Amounts falling due after more than one year	24	(5,891)	(6,815)	(5,876)	(6,779)
Provisions for liabilities	26	(2,166)	(1,799)	(1,578)	(1,755)
<b>Net assets excluding pension liability</b>		<b>379,179</b>	<b>383,359</b>	<b>339,235</b>	<b>339,206</b>
Defined benefit pension liability	16b	(1,072)	(3,563)	-	(1,920)
<b>Net assets</b>		<b>378,107</b>	<b>379,796</b>	<b>339,235</b>	<b>337,286</b>
<b>Funds</b>					
Total unrestricted funds	28	209,117	208,190	207,053	204,412
Total restricted funds	29	168,990	171,606	132,182	132,874
<b>Total funds</b>		<b>378,107</b>	<b>379,796</b>	<b>339,235</b>	<b>337,286</b>

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

The financial statements of the Royal British Legion, registered charity no. 219279, were approved by the Board of Trustees and authorised for issue on 20 April 2023.

These were signed on its behalf by:



**Jason Coward**  
National Chairman

## Royal British Legion

### Cash Flow Statement for the year ended 30 September 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Net cash flow from operating activities</b>	A	<b>(3,817)</b>	4,156	<b>(2,739)</b>	3,935
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		6,361	5,359	6,023	4,992
Purchase of tangible fixed assets		(3,659)	(3,175)	(2,378)	(827)
Purchase of intangible fixed assets		-	(330)	-	(255)
Proceeds from sale of investment properties		8,630	6,587	8,630	6,022
(Purchase)/Sale of investments		(1,086)	1,740	(2,313)	(778)
<b>Net cash provided by investing activities</b>		<b>10,246</b>	10,181	<b>9,962</b>	9,154
<b>Change in cash and cash equivalents in the year</b>		<b>6,428</b>	14,337	<b>7,222</b>	13,089
<b>Cash and cash equivalents at the beginning of the year</b>		<b>65,985</b>	51,648	<b>59,251</b>	46,162
<b>Cash and cash equivalents at the end of the year</b>	23	<b>72,413</b>	65,985	<b>66,473</b>	59,251

	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
<b>A. Reconciliation of net income to net cash flow from operating activities</b>				
(Expenditure)/income for the year (as per the Statement of Financial Activities)	<b>(3,742)</b>	21,432	<b>483</b>	20,214

#### Adjustments for:

Depreciation, amortisation and impairment charges	4,071	5,881	3,322	5,207
(Losses)/Gains on investments	5,465	(24,720)	3,613	(24,294)
Dividends, interest and rents from investments	(6,361)	(5,359)	(6,023)	(4,992)
Loss on disposal of tangible and intangible fixed assets	119	352	-	352
Decrease/(increase) in stock	212	(819)	-	-
(Increase)/decrease in programme-related investments	(1,520)	501	(1,520)	501
Decrease/(increase) in debtors	861	4,973	322	5,957
(Decrease)/increase in creditors	(2,851)	1,247	(2,305)	559
Increase/(decrease) in provisions	367	349	(177)	305
Adjustment in respect of pension funding	(438)	319	(454)	126
<b>Net cash flow from operating activities</b>	<b>(3,817)</b>	4,156	<b>(2,739)</b>	3,935



# Royal British Legion

## Notes to the Accounts for the year ended 30 September 2022

### 1 Principal accounting policies

#### Accounting convention

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the 'Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP 2019)', and applicable UK law. The financial statements are prepared on an accruals basis except that the results from branches have been extracted from returns submitted on a receipts and payments basis. The branch financial year runs from 1 July to 30 June. The branch results included in these accounts are for the year to 30 June 2022 with prior year comparatives (2021) for the year to 30 June 2021.

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

#### Group financial statements

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

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

#### Fund accounting

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

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

#### Income

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

- *Legacies* are included as follows: Pecuniary legacies are recognised when the legacy has been received or if, before receipt, there is sufficient evidence to provide the necessary certainty that the legacy will be received. Residual legacies are recognised on receipt of Estate Accounts. Legacies subject to a life interest held by another party are not recognised.
- *Grants* are included when the conditions for recognition as set out in the funding contract have been complied with.
- *Donations* are accounted for in the year of receipt. Poppy Appeal donations are accounted for when banked.
- *Fundraising lottery income* is recognised when the lottery draw has taken place. Income received in advance for future lottery draws is deferred until the lottery draw takes place.
- *Fees from residential care homes* are recognised on an accruals basis.
- *Membership fees* are recognised on an accruals basis.
- *Investment income* from the centrally held investment portfolio is accounted for on an accruals basis and includes dividends declared but not yet received.
- *Investment income* includes rental income earned by branches.
- *Income received through branches* from fundraising and other activities is recognised for branches on the basis of branch returns for the year to 30 June 2022.
- *Gifts in kind and donated services* are recognised when received. They are valued at market value based on information provided by the donor, or if no such information is available, based on suitable alternative sources of market value available to the RBL.

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

## Royal British Legion

### Notes to the Accounts for the year ended 30 September 2022

#### Expenditure

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

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

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

Future grant expenditure commitments are included within creditors on the balance sheet at their net present value, using a discount rate equivalent to the yield on Treasury 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 Royal British Legion Staff Pension fund and Earl Haig Defined Benefit Scheme are charged to employee costs over the anticipated period of employment. Net pension finance income or costs are included immediately in other income or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the face of the Statement of Financial Activities. The RBL's share of the scheme deficits is included as a liability on the balance sheet; any surplus is not recognised on the balance sheet.

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



# Royal British Legion

## Notes to the Accounts for the year ended 30 September 2022

### Investments and bank deposits

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

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

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

### Tangible and intangible fixed assets

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

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

*Plant, machinery and equipment* where capitalised is included at cost. Depreciation is calculated over 3–5 years from the month of first use.

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

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

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

### Heritage assets

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

### Finance and Operating Leases

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

## Royal British Legion

### Notes to the Accounts for the year ended 30 September 2022

#### Taxation

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

#### Foreign exchange

The RBL has no significant exposure to foreign exchange gains or losses. Foreign branches and districts make returns once a year and their results, along with those of the Royal British Legion Republic of Ireland, are included in these accounts converted to Sterling at the exchange rate as at 30 September 2022.

#### Financial instruments

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

Trade and other debtors are recognised at the settlement amount due after any discount offered and net of any bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Cash comprises cash at hand and in bank and short-term deposits. Short-term deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

## 2 Critical accounting judgements and key sources of estimation uncertainty

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

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

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

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

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

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

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

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

Legacy income valuation – as disclosed in note 4, the group has income from legacies. The valuation and recognition of legacies require a number of significant assumptions and judgements to be made around the valuation and entitlement to the income. In the case of residuary legacies in particular, there is inherent uncertainty in the probate valuation of estates due to the nature of the underlying liabilities and assets, and the fact that in the time between probate and closure additional costs may arise and the value of assets may reduce significantly. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including receipt of final estate accounts and sufficiency of assets.

### 3 Consolidated Comparative Statement of Financial Activities

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



**3a Charity Comparative Statement of Financial Activities**

	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000
<b>Income and endowments from</b>			
Donations and legacies	73,135	1,949	75,084
Charitable activities	21,062	5,388	26,450
Other trading activities	12,798	0	12,798
Investments	2,407	2,585	4,992
Other	1,531	0	1,531
<b>Total income</b>	<b>110,933</b>	<b>9,922</b>	<b>120,855</b>
<b>Expenditure on</b>			
<b>Raising funds</b>	<b>26,853</b>	<b>390</b>	<b>27,243</b>
<b>Charitable activities</b>			
Care	31,242	1,646	32,888
Personnel Recovery Centres	1,557	163	1,720
Community Welfare	33,354	10,746	44,100
Membership	5,256	326	5,582
Comradeship	400	-	400
Communications and campaigning	12,219	73	12,292
Remembrance and ceremonial	2,054	(272)	1,782
<b>Total charitable activities</b>	<b>86,082</b>	<b>12,682</b>	<b>98,764</b>
<b>Total expenditure</b>	<b>112,935</b>	<b>13,072</b>	<b>126,007</b>
<b>Net expenditure before investment gains</b>	<b>(2,002)</b>	<b>(3,150)</b>	<b>(5,152)</b>
Net (losses)/gains on disposal of investments	(3,358)	6,567	3,209
Unrealised gains on revaluation of investments	21,254	903	22,157
<b>Net expenditure for the year</b>	<b>15,894</b>	<b>4,320</b>	<b>20,214</b>
Transfers between funds	3,111	(3,111)	-
<b>Other recognised losses</b>			
Actuarial gains on defined benefit pension scheme	7,485	-	7,485
<b>Net movement in funds</b>	<b>26,490</b>	<b>1,209</b>	<b>27,699</b>
Fund balances brought forward at 1 October	177,922	131,665	309,587
<b>Fund balances carried forward at 30 September</b>	<b>204,412</b>	<b>132,874</b>	<b>337,286</b>

#### 4 Donations and legacies

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Voluntary income</b>				
Donations	25,723	25,795	26,812	26,231
Legacies	28,108	23,766	27,536	23,149
The Poppy Appeal	42,245	27,919	40,061	25,704
<b>Total donations and legacies</b>	<b>96,076</b>	<b>77,480</b>	<b>94,409</b>	<b>75,084</b>

The total of the Poppy Appeal launched in October 2021 in England, Wales, Scotland and Northern Ireland was £42.245 million (2020: £27.919 million). This includes cash collected of £36.632 million (2020: £25.213 million), legacies of £741,481 (2021: £413,000) and other donations of £301,600 (2021: £78,000).

At 30 September 2022, the RBL had been advised of its interest in residuary and pecuniary legacies with estimated values of £3.412 million (2021: £1.482 million) and these are included in the accounts. Not included in the accounts are interests in life interest legacies with a value of £141,000 (2021: £136,000) where the conditions for acceptance had not been met. The RBL has also been notified of legacies estimated at a potential value of £21.865 million (2021: £22.710 million). These are a mixture of residuary legacies that are not recognised in these accounts as confirmation of entitlement has not been received and the value cannot be confirmed at the balance sheet date, and pecuniary legacies where the executor has not confirmed sufficient funds will exist in the estate once realised.

Included in donations above is pro bono legal support of £204,000 (2021: £95,000) from J A Kemp, Mayer Brown LLP, Withers LLP and Marsh Bursaries. Also included are other benefits-in-kind valued at £200,000 (2021: £187,000).

#### 5 Charitable activities

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Grants for Welfare Services and Remembrance</b>				
Aged Veterans' Healthy Living Programme and Veterans Medical Fund	-	154	-	154
Ex-service charities and other organisations (almonisation)	2,950	2,692	2,835	2,582
Contributions for Remembrance activities	554	4,495	-	1,000
Other grants and contributions	1,788	241	1,543	1,782
<b>Total grants for Welfare Services and Remembrance</b>	<b>5,292</b>	<b>7,582</b>	<b>4,378</b>	<b>5,518</b>
Fees from residential care homes	17,143	16,773	17,143	16,773
Membership fees	4,179	3,986	4,177	3,984
Income from charitable services	905	792	204	175
<b>Total other income from charitable activities</b>	<b>22,227</b>	<b>21,551</b>	<b>21,524</b>	<b>20,932</b>
<b>Total income from charitable activities</b>	<b>27,519</b>	<b>29,133</b>	<b>25,902</b>	<b>26,450</b>

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

Income from other grants and contributions includes non-performance-related grants, of which £0.5m are government grants (2021: £1.1m). This relates to income from the Infection Control Grant. There were no unfulfilled conditions or other contingencies relating to government grant income recognised in the year.

**6 Other trading activities**

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
Fundraising events income	<b>2,355</b>	3,219	<b>2,354</b>	3,219
Fundraising lotteries	<b>8,371</b>	9,226	<b>8,371</b>	9,226
Income from commercial activities	<b>10,887</b>	11,364	<b>33</b>	-
Licence fees and royalties	<b>53</b>	109	<b>53</b>	109
Advertising in the Legion magazine	<b>113</b>	244	<b>113</b>	244
<b>Total income from other trading activities</b>	<b>21,779</b>	24,162	<b>10,924</b>	12,798

**7 Investment income**

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
Dividends and interest on listed investments	<b>3,085</b>	2,806	<b>2,764</b>	2,461
Investment income on funds held by branches	<b>514</b>	382	<b>514</b>	382
Rentals from investment properties	<b>2,725</b>	2,067	<b>2,725</b>	2,067
Bank deposit interest	<b>37</b>	104	<b>20</b>	82
<b>Total investment income</b>	<b>6,361</b>	5,359	<b>6,023</b>	4,992

Rentals from investment properties with a market value of £62.421 million (note 20) at 30 September 2022 (2021: £65.533 million) are in most cases received in relation to the rental of properties by RBL clubs. The clubs are independent entities that use the RBL's name under licence and promote the work of the RBL in return for discounted rentals, which in many cases are lower than could be obtained in a commercial environment.



8 Cost of raising funds				
	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Donations costs	8,595	8,288	6,750	6,775
Legacies costs	2,089	2,056	1,695	1,623
Poppy Appeal costs	15,443	13,961	13,681	12,299
<b>Cost of raising voluntary income</b>	<b>26,127</b>	<b>24,305</b>	<b>22,126</b>	<b>20,697</b>
Fundraising events costs	3,829	2,116	3,829	2,116
Fundraising lotteries costs	3,356	3,959	3,356	3,959
Commercial activities (trading)	8,941	7,267	4	32
<b>Cost of activities to raise funds</b>	<b>16,126</b>	<b>13,342</b>	<b>7,189</b>	<b>6,107</b>
<b>Investment management</b>	<b>485</b>	<b>448</b>	<b>474</b>	<b>439</b>
<b>Total cost of raising funds</b>	<b>42,738</b>	<b>38,095</b>	<b>29,789</b>	<b>27,243</b>

The total cost of raising funds for the group of £42.738 million (2021: £38.095 million) includes direct costs of £36.078 million (2021: £32.287 million) and allocated support costs of £6.660 million (2021: £5.808 million). Allocated support costs are described in further detail at note 13.

Certain direct costs of campaigns have a parallel purpose of increasing public awareness and fundraising, and as a result, these costs have been allocated between the cost of raising funds in note 8 and charitable activities in note 9 on the basis of the percentages of space within the literature relating to fundraising and raising awareness respectively. The total expenditure of this nature is £13.279 million (2021: £10.589 million), of which £10.227 million (2021: £6.992 million) remains within cost of raising funds representing the fundraising element of the literature, and £3.052 million (2021: £3.597 million) has been reallocated into charitable activities representing the raising awareness element.

9 Analysis of charitable activities					
	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Residential care homes		36,018	32,167	36,018	32,167
Welfare break centres		350	721	350	721
<b>Total care</b>		<b>36,368</b>	<b>32,888</b>	<b>36,368</b>	<b>32,888</b>
<b>Recovery</b>		<b>2,354</b>	<b>1,720</b>	<b>2,354</b>	<b>1,720</b>
Welfare grants to individuals		10,850	8,953	9,963	8,143
Grants to other organisations	10	5,711	5,452	7,820	6,125
Information, advice and support		20,351	27,901	18,851	26,461
Welfare cost in branches, counties and districts		5,595	3,371	5,595	3,371
<b>Total community welfare</b>		<b>42,507</b>	<b>45,677</b>	<b>42,229</b>	<b>44,100</b>
Central membership support		3,971	3,142	3,938	3,120
Recruitment, development, training		538	427	538	427
Support to branches with clubs		239	213	239	213
The Legion magazine		681	533	681	533
Membership costs in branches, counties and districts		2,603	1,416	2,603	1,289
<b>Total membership</b>		<b>8,032</b>	<b>5,731</b>	<b>7,999</b>	<b>5,582</b>
<b>Comradeship</b>		<b>399</b>	<b>400</b>	<b>399</b>	<b>400</b>
Direct cost of communication and campaigning		9,432	8,695	9,432	8,695
Allocated cost of communication and campaigning		3,052	3,597	3,052	3,597
<b>Total communication and campaigning</b>		<b>12,484</b>	<b>12,292</b>	<b>12,484</b>	<b>12,292</b>
Festival of Remembrance		1,120	928	1,120	928
Ceremonial and commemorative events		2,325	836	2,254	791
Remembrance tours		-	63	-	63
National Memorial Arboretum operating costs		3,527	3,199	-	-
<b>Total Remembrance and ceremonial</b>		<b>6,972</b>	<b>5,026</b>	<b>3,374</b>	<b>1,782</b>
<b>Total cost of charitable activities</b>		<b>109,116</b>	<b>103,734</b>	<b>105,207</b>	<b>98,764</b>

The total cost of charitable activities for the group of £109.11 million (2021: £103.734 million) includes direct costs of £89.772 million (2021: £85.899 million) and allocated support costs of £19.344 million (2021: £17.835 million). Allocated support costs are described in further detail at note 13.

As stated in note 8, the cost of charitable activities includes an allocation of £3.052 million (2021: £3.597 million) relating to costs associated with space within campaign literature relating to raising awareness.

## 10 Grants awarded to other organisations

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
<b>Grants awarded by the Charity</b>				
Army Families Federation	8	467	8	467
Combat Stress	2,300	5,886	2,300	5,886
The Matthew Project	11	621	11	621
National Memorial Arboretum	-	-	2,300	1,475
Never Such Innocence	-	123	-	123
Personnel Recovery Centres – termination of original commitment	-	(5,223)	-	(5,223)
Personnel Recovery Centres – new Edinburgh grant	-	953	-	953
Poppyscotland	-	-	660	303
RFEA The Forces Employment Charity	2,108	-	2,108	-
Royal Commonwealth Ex-Services League	14	514	14	514
Shelter	14	847	14	847
Voices of Armed Forces Children	300	-	300	-
X-Forces	2	160	2	160
Cancellation of grant commitment – nil (2021:11)	-	(130)	-	(130)
Grants to 7 other charities and voluntary organisations (2021:12)	103	129	103	129
<b>Grants awarded by Poppyscotland</b>				
Citizens Advice Scotland	393	538	-	-
NHS Highland	164	230	-	-
Grants to 5 other charities and voluntary organisations (2021: 5)	294	337	-	-
<b>Total grants to other organisations</b>	<b>5,711</b>	<b>5,452</b>	<b>7,820</b>	<b>6,125</b>

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



**11 Taxation**

	<b>Group 2022 £'000</b>	Group 2021 £'000
Current tax credit:		
UK corporation tax (see below)	-	-
Adjustment to deferred tax	-	-
<b>Total tax charge/(credit) on income</b>	<b>-</b>	<b>-</b>

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:

	<b>Group 2022 £'000</b>	Group 2021 £'000
Surplus on ordinary activities before tax	<b>2,501</b>	4,332
Surplus on ordinary activities multiplied by applicable rate of corporation tax of 19% (2021: 19%)	<b>476</b>	823
Unutilised losses	-	-
Effects of:		
Post-balance sheet event: effect of Gift Aid donations (see note 33)	<b>(476)</b>	(823)
Tax credit not recognised due to uncertainty over future profits	-	-
UK corporation tax charge/(credit) for the year	<b>-</b>	<b>-</b>

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

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b>178</b>	185	<b>178</b>	185
Fees payable to the charity's auditor for the audit of the subsidiaries' annual accounts	<b>139</b>	108	-	-
Fees payable to the charity's auditor for other services:				
Assurance services other than audit or independent examination	<b>1</b>	1	<b>1</b>	1
Tax advisory services	<b>10</b>	6	<b>3</b>	2
Other advisory services	-	-	-	-
Branch, county and district audit and examination fees	<b>26</b>	31	<b>26</b>	31
Depreciation, amortisation and impairment charges	<b>4,071</b>	5,881	<b>3,322</b>	5,207
Rentals under operating leases	<b>1,590</b>	4,931	<b>1,491</b>	4,847

13 Support costs								
	Head Office Central 2022 £'000	Facilities Management 2022 £'000	Human Resources 2022 £'000	Finance and IT 2022 £'000	Governance 2022 £'000	Total Charity 2022 £'000	Subsidiaries 2022 £'000	Total Group 2022 £'000
Donations costs	116	200	185	610	63	1,174	394	1,568
Legacies costs	30	51	48	157	16	302	94	396
Poppy Appeal costs	-	482	448	1,472	152	2,554	465	3,019
Fundraising events costs	139	239	222	730	76	1,406	-	1,406
Fundraising lotteries costs	27	46	43	140	15	271	-	271
<b>Cost of raising funds</b>	<b>312</b>	<b>1,018</b>	<b>946</b>	<b>3,109</b>	<b>322</b>	<b>5,707</b>	<b>953</b>	<b>6,660</b>
Residential care homes	-	2,377	2,206	2,146	751	7,480	-	7,480
Welfare break centres	-	-	-	-	-	-	-	-
<b>Care</b>	<b>-</b>	<b>2,377</b>	<b>2,206</b>	<b>2,146</b>	<b>751</b>	<b>7,480</b>	<b>-</b>	<b>7,480</b>
<b>Personnel Recovery Centres</b>	<b>-</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>3</b>	<b>34</b>	<b>-</b>	<b>34</b>
Information, advice and support	586	1,008	936	3,077	319	5,926	709	6,635
Welfare cost in branches, counties and districts	29	49	46	150	16	290	-	290
<b>Community welfare</b>	<b>615</b>	<b>1,057</b>	<b>982</b>	<b>3,227</b>	<b>335</b>	<b>6,216</b>	<b>709</b>	<b>6,925</b>
Central membership support	104	180	167	548	57	1,056	33	1,089
Recruitment, development, training	11	20	18	60	6	115	-	115
Support to branches with clubs	7	13	12	39	4	75	-	75
<b>Membership</b>	<b>122</b>	<b>213</b>	<b>197</b>	<b>647</b>	<b>67</b>	<b>1,246</b>	<b>33</b>	<b>1,279</b>
<b>Comradeship</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>16</b>	<b>2</b>	<b>31</b>	<b>-</b>	<b>31</b>
Direct cost of communications and campaigning	151	260	242	795	82	1,530	-	1,530
<b>Communications and campaigning</b>	<b>151</b>	<b>260</b>	<b>242</b>	<b>795</b>	<b>82</b>	<b>1,530</b>	<b>-</b>	<b>1,530</b>
Ceremonial and commemorative events	18	32	29	97	10	186	49	235
Remembrance tours	-	-	-	-	-	-	-	-
National Memorial Arboretum operating costs	-	-	-	-	-	-	1,830	1,830
<b>Remembrance and ceremonial</b>	<b>18</b>	<b>32</b>	<b>29</b>	<b>97</b>	<b>10</b>	<b>186</b>	<b>1,879</b>	<b>2,065</b>
<b>Charitable activities</b>	<b>909</b>	<b>3,955</b>	<b>3,671</b>	<b>6,938</b>	<b>1,250</b>	<b>16,723</b>	<b>2,621</b>	<b>19,344</b>
<b>Total support costs</b>	<b>1,221</b>	<b>4,973</b>	<b>4,617</b>	<b>10,047</b>	<b>1,572</b>	<b>22,430</b>	<b>3,574</b>	<b>26,004</b>

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

**13 Support costs continued**

	Head Office Central 2021 £'000	Facilities Management 2021 £'000	Human Resources 2021 £'000	Finance and IT 2021 £'000	Governance 2021 £'000	Total Charity 2021 £'000	Subsidiaries 2021 £'000	Total Group 2021 £'000
Donations costs	138	186	160	756	71	1,311	360	1,671
Legacies costs	38	51	44	209	20	362	111	473
Poppy Appeal costs	-	389	336	1,586	149	2,460	466	2,926
Fundraising events costs	44	59	51	242	23	419	-	419
Fundraising lotteries costs	34	45	39	184	17	319	-	319
<b>Cost of raising funds</b>	<b>254</b>	<b>730</b>	<b>630</b>	<b>2,977</b>	<b>280</b>	<b>4,871</b>	<b>937</b>	<b>5,808</b>
Residential care homes	-	1,859	1,606	2,330	711	6,506	-	6,506
Welfare break centres	-	3	3	4	1	11	-	11
<b>Care</b>	<b>-</b>	<b>1,862</b>	<b>1,609</b>	<b>2,334</b>	<b>712</b>	<b>6,517</b>	<b>-</b>	<b>6,517</b>
<b>Personnel Recovery Centres</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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
<b>Community welfare</b>	<b>671</b>	<b>898</b>	<b>777</b>	<b>3,662</b>	<b>344</b>	<b>6,352</b>	<b>764</b>	<b>7,116</b>
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
<b>Membership</b>	<b>110</b>	<b>148</b>	<b>128</b>	<b>601</b>	<b>56</b>	<b>1,043</b>	<b>22</b>	<b>1,065</b>
<b>Comradeship</b>	<b>6</b>	<b>8</b>	<b>7</b>	<b>34</b>	<b>3</b>	<b>58</b>	<b>-</b>	<b>58</b>
Direct cost of communications and campaigning	130	175	151	712	67	1,235	-	1,235
<b>Communications and campaigning</b>	<b>130</b>	<b>175</b>	<b>151</b>	<b>712</b>	<b>67</b>	<b>1,235</b>	<b>-</b>	<b>1,235</b>
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
<b>Remembrance and ceremonial</b>	<b>25</b>	<b>34</b>	<b>29</b>	<b>137</b>	<b>13</b>	<b>238</b>	<b>1,606</b>	<b>1,844</b>
<b>Charitable activities</b>	<b>942</b>	<b>3,125</b>	<b>2,701</b>	<b>7,480</b>	<b>1,195</b>	<b>15,443</b>	<b>2,392</b>	<b>17,835</b>
<b>Total support costs</b>	<b>1,196</b>	<b>3,855</b>	<b>3,331</b>	<b>10,457</b>	<b>1,475</b>	<b>20,314</b>	<b>3,329</b>	<b>23,643</b>

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



#### 14 Activities of consolidated subsidiaries and organisations

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

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

	The National Memorial Arboretum Company 2022 £'000	NMA (Enterprises) 2022 £'000	Poppyscotland Group 2022 £'000	Royal British Legion Republic of Ireland 2022 £'000	Royal British Legion Trading 2022 £'000	Royal British Legion Developments 2022 £'000	Remembrance Travel 2022 £'000
Turnover/incoming resources	5,151	3,046	5,745	259	7,734	-	-
(Expenditure) (including gains/(losses))	(4,191)	(2,717)	(8,127)	(562)	(9,446)	(2)	-
<b>Net incoming/(outgoing) resources</b>	<b>960</b>	<b>329</b>	<b>(2,382)</b>	<b>(303)</b>	<b>(1,712)</b>	<b>(2)</b>	<b>-</b>
Assets	24,618	1,176	12,717	2,448	2,825	7	47
Liabilities	(690)	(972)	(2,454)	(35)	(741)	(34)	(40)
<b>Net assets/(liabilities)</b>	<b>23,928</b>	<b>204</b>	<b>10,263</b>	<b>2,413</b>	<b>2,084</b>	<b>(27)</b>	<b>7</b>

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

The principal activities of the subsidiaries are as follows:

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

*NMA (Enterprises) Limited (Company number: 04259701)* – a trading company providing services to visitors to The National Memorial Arboretum Company Limited and providing services to NMA visitors. Its expenditure includes prior year profits paid under the Gift Aid scheme to The National Memorial Arboretum Company Limited of £681,000 (2021: £90,000).

*Poppyscotland (Earl Haig Fund Scotland) (Company number: SC194893, Charity number: SC014096)* – a charitable company that supports those in need who have served in the Armed Forces and their dependants in Scotland. The charitable company has one subsidiary, Lady Haig Poppy Factory Limited, whose principal activity is the employment of disabled ex-service personnel to manufacture poppies and wreaths and to provide framing and printing services. The results above are those of the consolidated Poppyscotland Group.

*Royal British Legion Republic of Ireland (Charity number: 219279)* – a charitable company that supports those in need who have served in the Armed Forces and their dependants in the Republic of Ireland.

*Royal British Legion Trading Limited (Company number: 04783730)* – a trading company that markets a range of goods and services to members and supporters of the RBL, and generates income from third parties through the use of corporate partnerships. Its expenditure includes prior year profits paid under the Gift Aid scheme to the RBL of £3.796 million (2021: £2.486 million).

*Royal British Legion Poppy Lottery Limited (Company number: 02522956, Charity number: 1145007)* – a charitable company that undertook the marketing and provision of a weekly lottery to members and supporters of the RBL until 31 March 2020 and is now dormant.

*Royal British Legion Developments Limited (Company number: 02906738)* – a trading company that develops or improves properties, principally those owned by the RBL, and is currently inactive. There were no profits to pay to the RBL in 2022 or 2021.

*Remembrance Travel Limited (Company number: 0472358)* – a 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 (Company number: 07758114) and Poppy Travel Limited (Company number: 07937118)* – dormant subsidiaries with no assets.

## 15 Information regarding employees and Trustees

	Total 2022	Total 2021
<b>Average number of employees (full-time equivalent) during the year</b>	<b>No.</b>	<b>No.</b>
<b>Raising funds</b>	<b>238</b>	<b>229</b>
<b>Charitable activities</b>		
Care services and Personnel Recovery Centres	558	581
Community welfare services	247	281
Membership services	50	46
Comradeship	1	3
Communication and campaigning	61	55
Remembrance and ceremonial	7	11
<b>Total charitable activities</b>	<b>924</b>	<b>977</b>
<b>Support and governance</b>	<b>177</b>	<b>163</b>
<b>Total charity full-time equivalent staff</b>	<b>1,339</b>	<b>1,369</b>

### Subsidiaries average number of employees (full-time equivalent) during the year

Poppyscotland Group	98	100
National Memorial Arboretum Group	91	86
Royal British Legion Trading	16	12
<b>Total group full-time equivalent staff</b>	<b>1,544</b>	<b>1,567</b>

The group incurred costs of £3.56 million (2021: £2.26 million) on agency staff, which are not included in the staff costs below.

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Staff costs comprise:</b>				
Wages and salaries	47,268	46,742	42,566	42,347
National Insurance contributions	4,765	4,364	4,362	4,103
Pension costs	5,358	5,170	4,747	4,574
<b>Total staff costs</b>	<b>57,391</b>	<b>56,276</b>	<b>51,675</b>	<b>51,024</b>

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
£60,000 - £69,999	26	23	25	22
£70,000 - £79,999	15	16	13	16
£80,000 - £89,999	7	5	6	5
£90,000 - £99,999	4	2	4	-
£100,000 - £109,999	2	3	2	3
£110,000 - £119,999	-	-	-	-
£120,000 - £129,999	1	2	1	2
£130,000 - £139,999	1	-	1	-
£140,000 - £149,999	-	2	-	2
£150,000 - £159,999	1	-	1	-



The key management personnel of the group comprise the members of the parent charity's Executive Board. The total remuneration (including pension contributions and employer's National Insurance contributions) paid in respect of key management personnel for the year was £0.938 million (2021: £1.040 million).

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

During the year, redundancy payments of £451,000 (2021: £437,000) and termination payments of £83,000 (2021: £29,000) were made across the group, which are included in the staff costs figures above.

During the year, the total expenses paid in respect of 15 (2021: 13) Board of Trustee members amounted to £21,400 (2021: £13,900). This principally represents travelling expenses for attending meetings and official engagements, and includes the costs of Trustees officiating at Remembrance tours. The RBL has purchased insurance to protect the charity from loss arising from neglect or default of its Trustees, and to indemnify the Trustees against the consequences of neglect or default on their part. No Trustee or person related or connected by business to them has received any remuneration from the RBL, nor have they entered into any other transaction or contract with the RBL during the year.

## 16 Staff pension funds

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

1. Group Flexible Retirement Plan (GFRP)
2. The Earl Haig Fund Scotland – Stakeholder Scheme (EH Scheme)
3. The Lady Haig Poppy Factory – Stakeholder Scheme (LHPF Scheme)
4. The Royal British Legion Staff Pension Fund (DB Fund)
5. Stanplan F (Earl Haig Fund, 'EH Fund')

GFRP: This is the scheme available to all RBL group employees (including Poppyscotland from 1 October 2021) that was provided by Standard Life until 1 April 2021, when it was transferred to Aviva. The GFRP scheme was introduced on 1 April 2010 and is a defined contribution scheme. The liability of the employer is limited to the contributions it makes, which amounted to £5.221 million (2021: £5.048 million) for the year, of which £457,000 (2021: £405,000) remained payable at the year end.

EH Scheme: This was a scheme available to employees of the Poppyscotland Group and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The liability of the employer is limited to the contributions it makes, which amounted to £180,000 (2021: £165,000) for the year, of which £nil (2021: £nil) remained payable at the year end.

LHPF Scheme: This was a scheme available to employees of the Lady Haig Poppy Factory and was provided by Standard Life until 1 April 2021 and then by Aviva until 30 September 2021. On 1 October 2021, the scheme closed and existing employees transferred to the GFRP scheme. The liability of the employer is limited to the contributions it makes, which amounted to £65,000 (2021: £73,000) for the year, of which £nil (2021: £nil) remained payable at the year end.

DB Fund: This is a multi-employer defined benefit scheme. The other employers participating in the scheme are Royal British Legion Industries and the Royal British Legion Poppy Factory. The DB Fund was closed to new members on 31 October 2002 and on 1 April 2010 was closed to accrual from the remaining members. The most recent formal actuarial valuation was carried out as at 1 April 2020. The results of the last valuation have been updated to 30 September 2022 by a qualified actuary. In accordance with the current Schedule of Contributions, the RBL is not required to pay any ongoing deficit contributions into the Fund. Contributions are made in relation to administrative costs.

EH Fund: This is a defined benefit pension scheme available only to employees of Poppyscotland. The EH Fund was closed to new members on 31 October 2002 and on 31 March 2018 was closed to accrual from the remaining members. The last full actuarial valuation of the EH Fund was carried out as at 31 March 2019. The 31 March 2022 valuation is in progress. As a result of the 2016 triennial valuation, the employer agreed to pay a one-off deficit contribution of £100,000, followed by annual deficit contributions of £75,000 per year from 1 July 2017 for eight years, increasing by 3% annually. The Poppyscotland pension scheme is included in restricted funds.

The RBL accounts for defined benefit schemes in accordance with section 28 of FRS 102 (Employee Benefits) and identifies each entity's share of the pension scheme assets and liabilities. Any surplus in the scheme cannot be realised by the RBL, so it would not be recognised in the accounts. A summary of the movement in pension assets and liabilities for the group's defined benefit pension funds is shown overleaf.

#### 16a Amounts recognised in the Statement of Financial Activities

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Current service cost	-	-	-	-	-	-
Administration expenses	(119)	(504)	(623)	(299)	(540)	(839)
Net interest	(31)	(32)	(63)	(26)	(130)	(156)
<b>Amount charged to net incoming resources</b>	<b>(150)</b>	<b>(536)</b>	<b>(686)</b>	<b>(325)</b>	<b>(670)</b>	<b>(995)</b>
Actuarial gains	1,864	20,450	22,314	276	2,213	2,489
Return on assets excluding amount included in net interest	(1,277)	(14,590)	(15,867)	27	5,272	5,299
Limit on recognition of assets less interest	-	(4,394)	(4,394)	-	-	-
<b>Amount recognised in other comprehensive income</b>	<b>587</b>	<b>1,466</b>	<b>2,053</b>	<b>303</b>	<b>7,485</b>	<b>7,788</b>
<b>Total increase/(decrease) in net funds</b>	<b>437</b>	<b>930</b>	<b>1,367</b>	<b>(22)</b>	<b>6,815</b>	<b>6,793</b>

#### 16b Reconciliation to the Balance Sheet

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Market value of assets	3,380	55,155	58,535	4,877	71,086	75,963
Present value of defined benefit obligation	(4,452)	(50,761)	(55,213)	(6,520)	(73,006)	(79,526)
Irrecoverable surplus	-	(4,394)	(4,394)	-	-	-
<b>Pension liability recognised in the Balance Sheet</b>	<b>(1,072)</b>	<b>-</b>	<b>(1,072)</b>	<b>(1,643)</b>	<b>(1,920)</b>	<b>(3,563)</b>

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

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Value of liabilities at start of year	(6,520)	(73,006)	(79,526)	(7,019)	(77,310)	(84,329)
Interest cost	(121)	(1,357)	(1,478)	(96)	(1,060)	(1,156)
Benefits paid	325	3,152	3,477	319	3,151	3,470
Actuarial gains	1,864	20,450	22,314	276	2,213	2,489
<b>Value of liabilities at end of year</b>	<b>(4,452)</b>	<b>(50,761)</b>	<b>(55,213)</b>	<b>(6,520)</b>	<b>(73,006)</b>	<b>(79,526)</b>

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

	EH Fund 2022 £'000	DB Fund 2022 £'000	Total 2022 £'000	EH Fund 2021 £'000	DB Fund 2021 £'000	Total 2021 £'000
Market value of assets at start of year	4,877	71,086	75,963	5,266	68,031	73,297
Return on assets excluding amount included in net interest	(1,277)	(14,590)	(15,867)	27	5,272	5,299
Administration expenses	(119)	(504)	(623)	(299)	(540)	(839)
Employer contributions	134	990	1,124	132	544	676
Interest income	90	1,325	1,415	70	930	1,000
Benefits paid	(325)	(3,152)	(3,477)	(319)	(3,151)	(3,470)
<b>Market value of assets at end of year</b>	<b>3,380</b>	<b>55,155</b>	<b>58,535</b>	<b>4,877</b>	<b>71,086</b>	<b>75,963</b>

**16e Asset classes**

	<b>DB Fund 2022</b>		DB Fund 2021	
	<b>Market Value £'000</b>	<b>% of total fund assets</b>	Market Value £'000	% of total fund assets
Equities	<b>15,959</b>	<b>29%</b>	24,558	35%
Bonds	<b>7,475</b>	<b>13%</b>	9,891	14%
LDI	<b>10,126</b>	<b>18%</b>	9,027	13%
Cash	<b>658</b>	<b>1%</b>	892	1%
Annuities	<b>1,561</b>	<b>3%</b>	2,026	3%
Other assets	<b>19,376</b>	<b>35%</b>	24,692	35%
<b>Total fund assets</b>	<b>55,155</b>		<b>71,086</b>	
<b>The actual return on assets over the year was</b>	<b>(12,818)</b>		<b>6,202</b>	

	<b>EH Fund 2022</b>		EH Fund 2021	
	<b>Market Value £'000</b>	<b>% of total fund assets</b>	Market Value £'000	% of total fund assets
Equities	<b>1,570</b>	<b>46%</b>	1,966	40%
Cash	<b>174</b>	<b>5%</b>	385	8%
Annuities	<b>266</b>	<b>8%</b>	354	7%
Other assets	<b>1,370</b>	<b>41%</b>	2,172	45%
<b>Total fund assets</b>	<b>3,380</b>		<b>4,877</b>	
<b>The actual return on assets over the year was</b>	<b>(1,187)</b>		<b>97</b>	

The RBL's assets have been taken as the proportion of the total fund assets that the RBL's liability valuation bears to the total fund's liability valuation. The RBL is not entitled to any surplus generated in the fund assets and as such is not shown within the accounts.

The assets are invested in a diversified portfolio.

During 2023, contributions of £990,000 and £131,959 are expected to be paid into the DB Fund and EH Fund respectively, inclusive of deficit reduction payments.



## 16f Actuarial assumptions

	2022 % p.a.		2021 % p.a.	
<b>Financial assumptions</b>	<b>EH Fund</b>	<b>DB Fund</b>	<b>EH Fund</b>	<b>DB Fund</b>
Discount rate	5.4	5.4	1.9	1.9
Retail price index inflation	3.7	3.7	3.5	3.5
Consumer price index inflation	3.3	3.0	3	2.7
Salary increases	4.0	4.0	3.7	3.7
Rate of increases of pensions in payment:				
Capped at 5% or RPI if less	-	3.6	-	3.4
Capped at 5% or CPI if less	3.6	3.6	3.5	3.5
Capped at 3% or CPI if less	2.6	2.4	2.5	2.3
Capped at 2.5% or CPI if less	2.3	2.3	2.2	2.2
Rate of increase for deferred pensioners	2.5	3	2.5	2.7

### Mortality assumptions – EH Fund

	2022		2021	
	Males	Females	Males	Females
<b>Life expectancies at age 60</b>				
Current pensioner now aged 60	24.9 years	27.7 years	24.9 years	27.6 years
Future pensioner now aged 40	26.4 years	29.2 years	26.4 years	29.1 years

### Mortality assumptions – DB Fund

	2022		2021	
	Males	Females	Males	Females
<b>Life expectancies at age 60</b>				
Current pensioner now aged 60	25.9 years	28.6 years	25.8 years	28.5 years
Future pensioner now aged 40	27.4 years	30.1 years	27.4 years	30.1 years

## 17 Group intangible fixed assets

	Software, Databases and Licences £'000	Total Group £'000
<b>At cost or valuation</b>		
At 1 October 2021	5,493	5,493
At 30 September 2022	5,493	5,493
<b>Accumulated amortisation</b>		
At 1 October 2021	(3,749)	(3,749)
Charge for the year	(542)	(542)
At 30 September 2022	(4,291)	(4,291)
<b>Net book value at 30 September 2022</b>	1,202	1,202
Net book value at 30 September 2021	1,744	1,744

**17a Charity Intangible fixed assets**

	Software, Databases and Licences £'000	Total Charity £'000
<b>At cost or valuation</b>		
At 1 October 2021	5,367	<b>5,367</b>
At 30 September 2022	5,367	<b>5,367</b>
<b>Accumulated amortisation</b>		
At 1 October 2021	(3,730)	<b>(3,730)</b>
Charge for the year	(517)	<b>(517)</b>
At 30 September 2022	<b>(4,247)</b>	<b>(4,247)</b>
<b>Net book value at 30 September 2022</b>	<b>1,120</b>	<b>1,120</b>
Net book value at 30 September 2021	1,637	1,637

**18 Group tangible fixed assets including functional property**

	Freehold homes £'000	Other freehold £'000	Leasehold property and leasehold improvements £'000	Plant, machinery and equipment £'000	Assets under construction £'000	Total Group £'000
<b>At cost or valuation</b>						
At 1 October 2021	45,172	30,488	30,686	7,757	4,097	<b>118,200</b>
Additions	-	-	381	368	2,910	<b>3,659</b>
Transfers	-	3,995	-	570	(4,565)	<b>-</b>
Disposals	-	-	(318)	-	-	<b>(318)</b>
At 30 September 2022	<b>45,172</b>	<b>34,483</b>	<b>30,749</b>	<b>8,695</b>	<b>2,442</b>	<b>121,541</b>
<b>Accumulated depreciation</b>						
At 1 October 2021	(13,419)	(7,763)	(10,052)	(5,404)	-	<b>(36,638)</b>
Charge for the year	(817)	(669)	(771)	(1,212)	-	<b>(3,469)</b>
Impairment	-	(60)	-	-	-	<b>(60)</b>
Disposals	-	-	199	-	-	<b>199</b>
At 30 September 2022	<b>(14,236)</b>	<b>(8,492)</b>	<b>(10,624)</b>	<b>(6,616)</b>	<b>-</b>	<b>(39,968)</b>
<b>Net book value at 30 September 2022</b>	<b>30,936</b>	<b>25,991</b>	<b>20,125</b>	<b>2,079</b>	<b>2,442</b>	<b>81,573</b>
Net book value at 30 September 2021	31,753	22,725	20,634	2,353	4,097	81,562

**18a Charity tangible fixed assets including functional property**

	Freehold homes	Other freehold	Leasehold property and leasehold improvements	Plant, machinery and equipment	Assets under construction	Total Charity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>At cost or valuation</b>						
At 1 October 2021	45,172	29,622	6,485	6,838	666	<b>88,783</b>
Additions	-	-	-	368	2,010	<b>2,378</b>
Transfers	-	-	-	570	(570)	-
Disposals	-	-	-	-	-	-
At 30 September 2022	<b>45,172</b>	<b>29,622</b>	<b>6,485</b>	<b>7,776</b>	<b>2,106</b>	<b>91,161</b>
<b>Accumulated depreciation</b>						
At 1 October 2021	(13,419)	(7,262)	(5,803)	(5,024)	-	<b>(31,508)</b>
Charge for the year	(817)	(655)	(241)	(1,092)	-	<b>(2,805)</b>
Impairment	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 30 September 2022	<b>(14,236)</b>	<b>(7,917)</b>	<b>(6,044)</b>	<b>(6,116)</b>	-	<b>(34,313)</b>
<b>Net book value at 30 September 2022</b>	<b>30,936</b>	<b>21,705</b>	<b>441</b>	<b>1,660</b>	<b>2,106</b>	<b>56,848</b>
Net book value at 30 September 2021	31,753	22,360	682	1,814	666	57,275



19 Investments				
	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Market value at 1 October	182,213	164,647	170,960	151,319
Net additions/(disposals)	1,086	(1,740)	2,313	778
Investment (loss)/gain on revaluation	(10,982)	19,306	(9,131)	18,863
<b>Market value at 30 September</b>	<b>172,317</b>	<b>182,213</b>	<b>164,143</b>	<b>170,960</b>
The asset distribution of the investment portfolio at 30 September is presented below.				
	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Equities:				
UK	14,468	17,128	13,461	15,782
Overseas	72,575	84,153	70,719	81,323
<b>Total equities</b>	<b>87,043</b>	<b>101,281</b>	<b>84,180</b>	<b>97,105</b>
Bonds:				
UK	14,302	12,246	10,906	7,159
Overseas	5,683	10,685	5,327	10,022
<b>Total bonds</b>	<b>19,985</b>	<b>22,931</b>	<b>16,233</b>	<b>17,181</b>
Cash:				
UK	3,483	6,377	3,035	6,241
Overseas	-	96	-	-
<b>Total cash</b>	<b>3,483</b>	<b>6,473</b>	<b>3,035</b>	<b>6,241</b>
Hedge funds – UK	2,522	2,381	2,383	2,268
Property	12,443	10,747	12,352	10,611
Private equity	7,153	-	7,153	-
Commodities	9,970	6,628	9,781	6,228
Portfolio funds:				
UK	11,707	13,785	11,707	13,785
Overseas	-	-	-	-
<b>Total portfolio funds</b>	<b>11,707</b>	<b>13,785</b>	<b>11,707</b>	<b>13,785</b>
Other:				
UK	8,959	9,849	8,789	9,746
Overseas	9,052	8,138	8,530	7,795
<b>Total other</b>	<b>18,011</b>	<b>17,987</b>	<b>17,319</b>	<b>17,541</b>
<b>Total investments</b>	<b>172,317</b>	<b>182,213</b>	<b>164,143</b>	<b>170,960</b>

£141.844 million of the investments are managed by Cazenove Capital Management Limited (2021: £153.198 million). The strategy is to maintain the real value of assets and target an investment return of CPI plus 3%. The investments are held at market value, normally using prices obtained from an independent pricing source. Funds and unit trusts are generally priced on a net asset value basis. Structured products are valued on a market to market basis. Unquoted investments are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or held at cost. Investments where a price is not readily available, that are held in an execution-only portfolio, will be valued at the last 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 2022 £'000	Group 2021 £'000
Market value at 1 October	65,533	66,706
Disposal proceeds	(8,630)	(6,587)
Net gain on disposal from opening market value	2,816	1,271
Net gain on revaluation of investment properties	2,702	4,143
<b>Market value at 30 September</b>	<b>62,421</b>	<b>65,533</b>

## 20a Charity investment properties

	Charity 2022 £'000	Charity 2021 £'000
Market value at 1 October	65,533	66,124
Disposal proceeds	(8,630)	(6,022)
Net gain on disposal from opening market value	2,816	1,271
Net gain on revaluation of investment properties	2,702	4,160
<b>Market value at 30 September</b>	<b>62,421</b>	<b>65,533</b>

Investment properties primarily comprise 275 properties (2021: 287 properties), which are owned by the RBL but are let to independent commercial operations, primarily affiliated social clubs. The RBL's valuation methodology is to revalue its investment properties on a five-year rolling basis, with 20% being revalued each year. For the year ended 30 September 2022, 57 properties were revalued (2021: 62 properties) and a revaluation gain of £2.70 million (2021: £4.16 million) was recognised in the accounts. This revaluation was completed by qualified surveyors in our internal Estates team, on the basis of open market value for existing use. The remaining 80% of investment properties are reviewed internally by a qualified surveyor for any material changes on an annual basis, and as a result of this exercise, further revaluation losses totalling £nil (2021: losses of £60,000) have been recognised.

In 2017, following receipt of legal advice, a revaluation loss of £3.240 million was recognised on the basis of uncertainty about whether the RBL had a beneficial interest in a number of properties. During 2022, none of these properties (2021: 0) have transferred to the full corporate trusteeship of the RBL, and as a result, a revaluation gain of £nil (2021: £nil) has been recognised in respect of these properties.

## 21 Programme-related investments

	Group & Charity 2022 £'000	Group & Charity 2021 £'000
<b>Loans to external organisations</b>		
Sir Oswald Stoll Foundation	245	375
RBL Industries Limited	2,022	-
<b>Other schemes unrestricted</b>		
Loans for property repairs (PRL)	3,262	3,634
<b>Total programme-related investments</b>	<b>5,529</b>	<b>4,009</b>

**21a Programme-related investments movement during the year**

	<b>Sir Oswald Stoll Foundation £'000</b>	<b>RBL Industries Limited £'000</b>	<b>PRL loans £'000</b>	<b>Total Group &amp; Charity £'000</b>
Opening balance at 1 October	375	-	3,634	<b>4,009</b>
Principal withdrawn	-	2,000	-	<b>2,000</b>
Interest	13	22	-	<b>35</b>
Repayments and security deposits	(143)	-	(372)	<b>(515)</b>
<b>Closing balance at 30 September</b>	<b>245</b>	<b>2,022</b>	<b>3,262</b>	<b>5,529</b>

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

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

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

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

**22 Debtors**

	<b>Group 2022 £'000</b>	<b>Group 2021 £'000</b>	<b>Charity 2022 £'000</b>	<b>Charity 2021 £'000</b>
Fixed assets held for sale	-	725	-	725
Trade debtors	<b>2,084</b>	1,387	<b>1,911</b>	1,133
Amounts due from consolidated entities	-	-	<b>783</b>	177
Other debtors	<b>2,202</b>	3,485	<b>1,250</b>	3,358
Prepayments and accrued income	<b>6,622</b>	6,172	<b>6,138</b>	5,011
<b>Total debtors</b>	<b>10,908</b>	11,769	<b>10,082</b>	10,404

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

	<b>Group 2022 £'000</b>	<b>Group 2021 £'000</b>	<b>Charity 2022 £'000</b>	<b>Charity 2021 £'000</b>
<b>Cash held centrally</b>				
Short-term deposits	<b>7,261</b>	5,982	<b>5,976</b>	4,721
Cash at hand and in bank	<b>54,847</b>	49,478	<b>50,192</b>	44,005
	<b>62,108</b>	55,460	<b>56,168</b>	48,726
<b>Cash held by branches</b>	<b>10,305</b>	10,525	<b>10,305</b>	10,525
<b>Total cash</b>	<b>72,413</b>	65,985	<b>66,473</b>	59,251



## 24 Creditors

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Creditors falling due within one year</b>				
Trade creditors	2,363	2,534	1,809	1,812
Amounts due to consolidated entities	-	-	68	-
Grant commitments (see note 25)	6,040	6,102	6,040	6,102
Accruals	8,369	9,607	7,596	8,540
Deferred income (see note 24a)	2,698	3,288	2,499	3,021
Other creditors	2,125	1,991	1,915	1,854
Hire Purchase commitments due within one year	21	21	-	-
<b>Total creditors falling due within one year</b>	<b>21,616</b>	<b>23,543</b>	<b>19,927</b>	<b>21,329</b>

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Creditors falling due after more than one year</b>				
External grant commitments (see note 25):				
Due within two to five years	5,876	6,779	5,876	6,779
Hire Purchase commitments				
Due within two to five years	15	36	-	-
<b>Total creditors falling due after more than one year</b>	<b>5,891</b>	<b>6,815</b>	<b>5,876</b>	<b>6,779</b>

## 24a Deferred income movement during the year

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Opening balance at 1 October	3,288	3,164	3,021	3,058
Deferred income released in the year	(3,288)	(3,164)	(3,021)	(3,058)
Income deferred in the year	2,698	3,288	2,499	3,021
Closing balance at 30 September	2,698	3,288	2,499	3,021

Deferred income primarily represents membership income received before the year end, in advance of renewals starting on or after 1 October 2022, as well as Poppy Lottery and Raffle entries received in advance of the draw date, and care home fees paid in advance of the dates of the care provision it relates to.

## 25 Group & Charity grant commitments

	Personnel Recovery Centres 2022 £'000	Combat Stress 2022 £'000	Other 2022 £'000	Group & Charity Total 2022 £'000
Opening balance at 1 October 2021	954	6,850	5,077	12,881
Grants awarded	-	2,327	2,573	4,900
Unwinding of discount	9	(26)	41	24
Payments during the year	-	(3,000)	(2,889)	(5,889)
Closing balance at 30 September 2022	963	6,151	4,802	11,916

**26 Provisions for liabilities**

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
Opening balance at 1 October	<b>1,799</b>	1,450	<b>1,755</b>	1,450
Provisions made in the year	<b>740</b>	349	<b>152</b>	305
Provisions released/used in the year	<b>(373)</b>	-	<b>(329)</b>	-
Closing balance at 30 September	<b>2,166</b>	1,799	<b>1,578</b>	1,755

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

Group provisions for liabilities also includes a provision for VAT payable to HMRC of £588,000 to cover any potential liability relating to the VAT status of the refurbishment of the Lady Haig Poppy Factory that was funded by Earl Haig Fund Scotland. Further details are provided in the 2021 Earl Haig Fund Scotland statutory annual accounts.

**27 Group operating lease commitments**

	<b>Land and buildings 2022 £'000</b>	<b>Vehicles and equipment 2022 £'000</b>	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000
At 30 September, the group had annual commitments under non-cancellable operating leases as follows:				
Within one year	<b>1,132</b>	<b>121</b>	1,315	244
Within one to five years	<b>1,322</b>	<b>53</b>	2,459	163
Over five years	<b>1,333</b>	-	1,448	-
<b>Total</b>	<b>3,787</b>	<b>174</b>	5,222	407

**27a Charity operating lease commitments**

	<b>Land and buildings 2022 £'000</b>	<b>Vehicles and equipment 2022 £'000</b>	Land and buildings 2021 £'000	Vehicles and equipment 2021 £'000
At 30 September, the charity had annual commitments under non-cancellable operating leases as follows:				
Within one year	<b>1,132</b>	<b>96</b>	1,266	220
Within one to five years	<b>1,322</b>	<b>45</b>	2,453	150
Over five years	<b>1,333</b>	-	1,448	-
<b>Total</b>	<b>3,787</b>	<b>141</b>	5,167	370

## 28 Group unrestricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	116,806	(104,026)	(7,695)	380	<b>90,932</b>
Area trust funds	20,085	-	(5,297)	-	1,322	<b>16,110</b>
Pension reserve	(1,920)	-	(536)	1,466	990	-
Subsidiaries' funds	3,778	7,734	(5,652)	-	(3,796)	<b>2,064</b>
<b>Available reserves</b>	<b>107,410</b>	<b>124,540</b>	<b>(115,511)</b>	<b>(6,229)</b>	<b>(1,104)</b>	<b>109,106</b>
General fund	4,841	4,077	(4,435)	-	-	<b>4,483</b>
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	<b>32,031</b>
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	<b>57,968</b>
Programme-related investment reserve	4,009	35	-	-	1,485	<b>5,529</b>
<b>Total group unrestricted funds</b>	<b>208,190</b>	<b>135,613</b>	<b>(128,593)</b>	<b>(6,466)</b>	<b>373</b>	<b>209,117</b>

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,149	102,482	(88,310)	16,980	6,166	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
Subsidiaries' funds	2,470	9,047	(4,954)	-	(2,785)	3,778
<b>Available reserves</b>	<b>70,830</b>	<b>111,529</b>	<b>(106,169)</b>	<b>24,465</b>	<b>6,755</b>	<b>107,410</b>
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
<b>Total group unrestricted funds</b>	<b>180,374</b>	<b>117,206</b>	<b>(116,111)</b>	<b>25,381</b>	<b>1,340</b>	<b>208,190</b>

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

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

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

Subsidiaries' funds represents unrestricted funds held in subsidiaries.

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

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

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

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

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



28a Charity unrestricted funds						
	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Central benevolent fund	85,467	120,602	(106,986)	(7,695)	(456)	90,932
Area trust funds	20,085	-	(5,297)	-	1,322	16,110
Pension reserve	(1,920)	-	(536)	1,466	990	-
<b>Available reserves</b>	<b>103,632</b>	<b>120,602</b>	<b>(112,819)</b>	<b>(6,229)</b>	<b>1,856</b>	<b>107,042</b>
General fund	4,841	4,077	(4,435)	-	-	4,483
Branch, county, district and Women's Section funds	32,293	6,961	(5,325)	(237)	(1,661)	32,031
Functional fixed asset reserve	59,637	-	(3,322)	-	1,653	57,968
Programme-related investment reserve	4,009	35	-	-	1,485	5,529
<b>Total charity unrestricted funds</b>	<b>204,412</b>	<b>131,675</b>	<b>(125,901)</b>	<b>(6,466)</b>	<b>3,333</b>	<b>207,053</b>

	Opening Balance 1 Oct 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains £'000	Transfers £'000	Closing Balance 30 Sept 2021 £'000
Central benevolent fund	48,167	105,256	(90,088)	16,980	5,152	85,467
Area trust funds	29,490	-	(12,235)	-	2,830	20,085
Pension reserve	(9,279)	-	(670)	7,485	544	(1,920)
<b>Available reserves</b>	<b>68,378</b>	<b>105,256</b>	<b>(102,993)</b>	<b>24,465</b>	<b>8,526</b>	<b>103,632</b>
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
<b>Total charity unrestricted funds</b>	<b>177,922</b>	<b>110,933</b>	<b>(112,935)</b>	<b>25,381</b>	<b>3,111</b>	<b>204,412</b>

## 29 Group restricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	<b>62,421</b>
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	<b>42,078</b>
Grants for specific purposes	2,610	1,332	(1,300)	-	-	<b>2,642</b>
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	<b>11,305</b>
Branch and county funds	5,999	1,831	(451)	(666)	-	<b>6,713</b>
Charity Commission schemes	2,421	49	-	(109)	-	<b>2,361</b>
Homes' residents' amenity funds	1,925	201	(409)	-	97	<b>1,814</b>
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	<b>1,480</b>
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	<b>132</b>
Samsung British Korean Veterans Scholarship Fund	339	7	-	(43)	-	<b>303</b>
Permanent endowments	975	-	-	(42)	-	<b>933</b>
<b>Total charity restricted funds</b>	<b>132,874</b>	<b>7,291</b>	<b>(9,095)</b>	<b>4,445</b>	<b>(3,333)</b>	<b>132,182</b>
Poppyscotland Group	14,288	5,085	(6,985)	(1,579)	526	<b>11,335</b>
Poppyscotland pension provision	(1,643)	-	(150)	587	134	<b>(1,072)</b>
National Memorial Arboretum Group	23,371	5,279	(6,818)	-	2,300	<b>24,132</b>
Royal British Legion Republic of Ireland	2,716	259	(213)	(349)	-	<b>2,413</b>
<b>Total group restricted funds</b>	<b>171,606</b>	<b>17,914</b>	<b>(23,261)</b>	<b>3,104</b>	<b>(373)</b>	<b>168,990</b>

	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
<b>Total charity restricted funds</b>	<b>131,665</b>	<b>9,922</b>	<b>(13,072)</b>	<b>7,470</b>	<b>(3,111)</b>	<b>132,874</b>
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
<b>Total group restricted funds</b>	<b>170,202</b>	<b>20,153</b>	<b>(25,718)</b>	<b>8,309</b>	<b>(1,340)</b>	<b>171,606</b>

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

The investment property reserve represents the estimated market value of £62.420 million (2021: £65.533 million), representing a portfolio of 278 properties (2021: 287 properties) owned by the RBL and, in most cases, occupied by social clubs licensed by the RBL to use its name. Many of these properties are held under trust deeds, which provide that, if they are sold, the proceeds must be applied in accordance with the terms of the original trust deeds. In most cases, the beneficiaries of such deeds will also be the beneficiaries of the Royal British Legion, but in some cases the relevant deed may limit support in the first instance to ex-serving personnel in a defined geographical area.

As a result, income from these properties is held as restricted funds pending agreement with the Charity Commission on how the restrictions contained within the trust deeds can be widened to best serve the RBL's beneficiaries, at which point the funds are transferred to other reserves as appropriate. The value of these reserves at 30 September 2022 was £42.078 million (2021: £39.680 million), which includes both investment income and sales proceeds.

### 29a Charity restricted funds

	Opening Balance 1 Oct 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains/ (losses) £'000	Transfers £'000	Closing Balance 30 Sept 2022 £'000
Investment property reserve	65,533	-	-	5,518	(8,630)	62,421
Income and sales proceeds from property held in corporate trusteeship	39,679	2,634	(6,043)	(87)	5,895	42,078
Grants for specific purposes	2,610	1,332	(1,300)	-	-	2,642
Donor-restricted legacies and donations	11,728	1,150	(799)	(79)	(695)	11,305
Branch and county funds	5,999	1,831	(451)	(666)	-	6,713
Charity Commission schemes	2,421	49	-	(109)	-	2,361
Homes' residents' amenity funds	1,925	201	(409)	-	97	1,814
The Arthur Atock Memorial Trust	1,523	86	(92)	(37)	-	1,480
British Korean Veterans (1981) Relief Fund	142	1	(1)	(10)	-	132
Samsung British Korean Veterans Scholarship Fund	339	7	-	(43)	-	303
Permanent endowments	975	-	-	(42)	-	933
<b>Total charity restricted funds</b>	<b>132,874</b>	<b>7,291</b>	<b>(9,095)</b>	<b>4,445</b>	<b>(3,333)</b>	<b>132,182</b>

	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
<b>Total charity restricted funds</b>	<b>131,665</b>	<b>9,922</b>	<b>(13,072)</b>	<b>7,470</b>	<b>(3,111)</b>	<b>132,874</b>

### 30 Transfers between restricted and unrestricted funds

During the year, the group made net transfers of £0.333 million from restricted to unrestricted reserves (2021: £1.340 million transferred from restricted to unrestricted reserves). The most significant transfers are described below.

The RBL carried out further work in respect of the income and sale proceeds held from properties in corporate trusteeship. In its role as corporate trustee, the RBL made use of provisos on 6 trusts (2021: 27 trusts), resulting in the release of £1.322 million (2021: £2.831 million) from restricted into unrestricted funds. The RBL has opted to designate these funds for welfare activity, and they are included within Area trust funds at note 28 above.

An amount of £2.300 million (2021: £1.475 million) was transferred from unrestricted to restricted funds in respect of grant funding provided by the charity to the National Memorial Arboretum. Similarly, a transfer of £660,000 (2021: £303,000) was made from unrestricted to restricted funds in respect of funding provided by the charity to PoppyScotland.



### 31 Analysis of group net assets between funds

	Unrestricted 2022 £'000	Restricted 2022 £'000	Total 2022 £'000	Unrestricted 2021 £'000	Restricted 2021 £'000	Total 2021 £'000
<b>Fund balances are represented by:</b>						
Intangible and tangible assets	57,968	24,807	82,775	58,912	24,394	83,306
Investments	115,886	124,381	240,267	121,148	130,607	251,755
Current assets	62,449	23,361	85,810	60,262	20,193	80,455
Current and non-current liabilities	(27,186)	(2,487)	(29,673)	(30,212)	(1,945)	(32,157)
Defined benefit pension liability	-	(1,072)	(1,072)	(1,920)	(1,643)	(3,563)
<b>Total funds</b>	<b>209,117</b>	<b>168,990</b>	<b>378,107</b>	<b>208,190</b>	<b>171,606</b>	<b>379,796</b>

### 32 Events after the reporting period

On 11 January 2023, Gift Aid totalling £2.084 million relating to the 2022 profits of Royal British Legion Trading was paid to the charity; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2022.

On 22 December 2022, Gift Aid totalling £204,000 relating to the 2022 profits of NMA (Enterprises) was paid to the National Memorial Arboretum Company; consequently, no tax is payable by this subsidiary in respect of the year ended 30 September 2022.

### 33 Related party transactions

During the year ended 30 September 2022, the following transactions have taken place between the charity and other members of the RBL group:

- Grant funding of £2.3 million was provided by the charity to The National Memorial Arboretum Company (2021: £1.475 million).
- The charity received donations of profits from Royal British Legion Trading of £3.796 million (2021: £2.486 million). Royal British Legion Developments and Remembrance Travel had no profits to pay to the charity in 2022 (2021: nil).
- Grant funding of £660,000 was provided by the charity to the Poppyscotland Group (2021: £303,000).
- The charity purchased goods and services valued at £362,000 from NMA (Enterprises) (2021: £65,000).
- NMA (Enterprises) purchased goods and services valued at £235,000 from Royal British Legion Trading (2021: £35,000).

In addition, the following balances were outstanding between the charity and other members of the RBL group at 30 September 2022:

	Charity 2022 £'000	Charity 2021 £'000
<b>Amounts receivable from consolidated entities</b>		
The National Memorial Arboretum Company	12	12
Royal British Legion Developments	32	32
Royal British Legion Trading	332	112
Poppyscotland Group	407	12
Royal British Legion Republic of Ireland	-	9
<b>Total amounts receivable from consolidated entities</b>	<b>783</b>	<b>177</b>
	Charity 2022 £'000	Charity 2021 £'000
<b>Amounts payable to consolidated entities</b>		
NMA (Enterprises)	68	-
<b>Total amounts payable to consolidated entities</b>	<b>68</b>	<b>-</b>

The Royal British Legion is a member organisation of the Royal Commonwealth Ex-Services League (RCEL). One of the RBL's Trustees holds a position within the RCEL as detailed below. The RCEL shares office space and certain services with the RBL, which had an estimated value of £46,000 during the year (2021: £45,000). The RCEL does not make payments to the RBL for these services.

In addition, on 7 September 2017, the Trustees approved a grant to the RCEL of £1.2 million to be paid over a period of five years commencing in 2018. In line with its policy of recognising future grant commitments at their net present value using an appropriate discount rate (see note 1), the charity recognised grant expenditure of £nil in relation to the RCEL during 2022 (2021: £8,000), and held a grant creditor of £nil owed to RCEL at 30 September 2022 (2021: £240,000).

A further 2-year extension to this original grant of £480,000 was awarded on 24 September 2021. The charity recognised a discount credit to grant expenditure of £14,000 during 2022 (2021: £21,000) and holds a grant creditor of £473,000 owed to RCEL at 30 September 2022 (2021: £459,000) in respect of this extension funding.

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





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