

# **The League of Remembrance**

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## **Financial statements for the year ended 31 August 1996**

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# The League of Remembrance

(Registered under the War Charities Act 1940)  
(Registered under the Charities Act 1960)

55 Great Ormond Street  
London  
WC1N 3HZ

Telephone: 0171 242 5660

A company limited by guarantee incorporated under the Companies Act.

## Patron-in-Chief

Her Majesty Queen Elizabeth The Queen Mother

## Patrons

General Sir John Archer KCB, OBE  
Air Chief Marshal Sir John Barracclough, KCB, CBE, DFC, AFC  
General Sir Peter Whiteley, GCB, OBE  
Admiral Sir David Williams, GCB  
J B Eldridge Esq  
Lady Heald, CBE

## Council

The Council members during the year under review were:

Dr G J Piller Esq, OBE, JP, PhD, FRCP (Edin)	Chairman
Mr G M Redman-Brown MA	Honorary Treasurer
Mr R Creighton	
Mrs C Bond, SRN, S St J	
Dr C D M Drew, MA, MB, FRCP (Edin)	
Mrs G H Mendoza	
Major-General D G T Horsford, CBE, DSO	
Miss S G Nethercott	
Mr M Samuelson, CBE	(Appointed August 1996)
Mr J D Howell-Jones	(Resigned April 1996)

## Secretary

Miss B M Barchard, OBE, SRN, RSCN

# **The League of Remembrance**

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## **Solicitors**

Trowers & Hamlins  
6 New Square  
Lincoln's Inn  
WC2A 3RP

## **Bankers**

Royal Bank of Scotland PLC  
28 Great Ormond Street  
London  
WC1N 3JG

## **Honorary auditors**

Coopers & Lybrand  
1 Embankment Place  
London  
WC2N 6NN

## **Investment Advisers**

Cantrade Investment Management Ltd  
4 Chiswell Street  
Finsbury Square  
London  
EC1Y 4UP

## **Report of the Council**

The members of the Council, who are also the trustees of the Charity, have pleasure in presenting their report and the audited financial statements for the year ended 31 August 1996.

### **Principal activities and review of the year**

The League of Remembrance cares for dependants of members of the Armed Forces and retired nurses who make dressings and other ward requirements and perform other services in several London hospitals. This provides useful work, companionship, a sense of duty and a small, but needed income for Remembrance Workers who are in need of help through bereavement, slender means or loneliness. No significant change in activities is foreseen.

### **Results and dividends**

There was a net increase in funds for the year of £43,707 (1995: £454,166), which was accounted for by net outgoing resources for the year of £3,214, a realised gain of £80,414 on the sale of investments, and unrealised losses on investments of £33,493.

### **Taxation**

The League is a registered charity and as such is not liable to corporation tax.

### **Council members**

The Council members during the year are shown on page 2.

### **Statement of Council's responsibilities**

The Council is required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the net income /expenditure of the company as at the end of the financial year.

The Council confirms that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 August 1996. The Council also confirms that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Council is responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

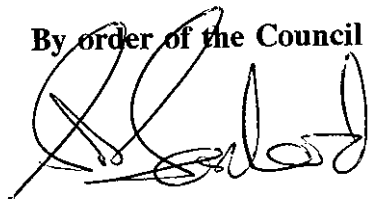
# The League of Remembrance

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## Honorary Auditors

A resolution to re-appoint Coopers & Lybrand as the company's honorary auditors will be proposed at the Annual General Meeting.

By order of the Council

A handwritten signature in black ink, appearing to be 'B M Barchard', written over the text 'By order of the Council'.

Miss B M Barchard, OBE, SRN, RSCN  
Secretary

# Report of the auditors to the members of The League of Remembrance

We have audited the financial statements on pages 7 to 14.

## Respective responsibilities of the Council and auditors

As described on page 4 the company's Council are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

## Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 August 1996 and of its net outgoing resources and net increase in funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand*

Coopers & Lybrand  
Chartered Accountants and Registered Auditors  
London

*6 February 1997*

# Statement of financial activity for the year ended 31 August 1996

	Notes	Operating Fund 1996 £	Endowment Fund 1996 £	Total 1996 £	Total 1995 As restated £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Subscriptions and donations (including income tax recoverable thereon)		6,406	-	6,406	12,840
Legacies		6,672	-	6,672	112,811
<b>Investment income</b>					
Listed investments		28,124	2,082	30,206	22,829
Unlisted investments		4,635	-	4,635	4,405
Bank deposit interest		1,196	24	1,220	2,060
<b>Total incoming resources</b>		<b>47,033</b>	<b>2,106</b>	<b>49,139</b>	<b>154,945</b>
<b>Resources expended</b>					
Direct charitable expenditure	4	37,190	-	37,190	34,971
Management and administration of the charity	5	15,163	-	15,163	13,764
<b>Total resources expected</b>		<b>52,353</b>	<b>-</b>	<b>52,353</b>	<b>48,735</b>
<b>Net incoming/(outgoing) resources for the year</b>		<b>(5,320)</b>	<b>2,106</b>	<b>(3,214)</b>	<b>106,210</b>
<b>Other recognised gains and losses</b>					
Realised gain on disposal of investments		80,414	-	80,414	-
Unrealised (losses)/gains on investments		(35,541)	2,048	(33,493)	347,956
<b>Net increase in funds</b>		<b>39,553</b>	<b>4,154</b>	<b>43,707</b>	<b>454,166</b>
Balance brought forward at 1 September		832,125	51,786	883,911	429,745
<b>Balance carried forward at 31 August</b>		<b>871,678</b>	<b>55,940</b>	<b>927,618</b>	<b>883,911</b>

The company has no recognised gains and losses other than those noted above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the excess of income over expenditure stated above and their historical cost equivalents.

The notes on pages 9 to 14 form an integral part of these financial statements.

## Balance sheet at 31 August 1996

	Notes	Operating fund 1996 £	Endowment fund 1996 £	Total 1996 £	Total 1995 As restated £
<b>Fixed assets</b>					
Tangible assets	6	1,965	-	1,965	-
Investments	7	851,679	55,940	907,619	852,632
		<u>853,644</u>	<u>55,940</u>	<u>909,584</u>	<u>852,632</u>
<b>Current assets</b>					
Debtors	8	5,564	-	5,564	8,748
Cash at bank and in hand		13,642	-	13,642	23,318
		<u>19,206</u>	<u>-</u>	<u>19,206</u>	<u>32,066</u>
<b>Creditors: amounts falling due within one year</b>	9	(1,172)	-	(1,172)	(787)
<b>Net current assets</b>		<u>18,034</u>	<u>-</u>	<u>18,034</u>	<u>31,279</u>
<b>Total assets less current liabilities</b>		<u>871,678</u>	<u>55,940</u>	<u>927,618</u>	<u>883,911</u>
<b>Represented by</b>					
<b>Restricted fund</b>					
Endowment fund		-	55,940	55,940	48,351
<b>Unrestricted fund</b>					
Operating fund		871,678	-	871,678	835,560
		<u>871,678</u>	<u>55,940</u>	<u>927,618</u>	<u>883,911</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

The financial statements on pages 7 to 14 were approved by the Council of the League on 6<sup>th</sup> February 1997 and were signed on its behalf by:



G J Piller

Chairman



G M Redman-Brown

Honorary Treasurer



## Notes to the financial statements for the year ended 31 August 1996

### 1 Accounting policies

The financial statements have been prepared in accordance with Accounting Standards applicable in the United Kingdom including the Statement of Recommended Practice ("SORP"), "Accounting by Charities", published by the Charity Commissioners and issued in October 1995. The implementation of the recommendations of the SORP has required the restatement of some comparative amounts, the effect of which is set out in Note 2.

A summary of the more important accounting policies, which have been applied consistently, is set out below:

#### **Basis of accounting**

The financial statements are prepared on the historical cost basis of accounting. All income and expenditure is dealt with on the accruals basis unless otherwise indicated below.

#### **Income**

Income is accounted for on a accruals basis and includes income received by the investment managers on behalf of the League of Remembrance but not paid over to the League by the year end (classified as income due from investment managers within debtors). Franked investment income received includes the related tax credits. Income tax recoverable from covenants, is accounted for on an accruals basis.

#### **Direct charitable expenditure**

Direct charitable expenditure includes those expenses incurred directly by the remembrance workers. The remaining expenditure is classified under management and administration of the charity.

#### **Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition. The cost of furniture, fittings and other office contents is charged to income and expenditure in the year of acquisition, where such costs per item are less than £500.

Depreciation is calculated so as to write off the cost of valuation tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The annual rate used for this purpose:

Computer equipment    20%

#### **Fixed asset investments**

Fixed asset investments are recorded at market value at the balance sheet date. Changes in value during the year, and profits and losses on sales, are reported in the

Statement of Financial Activities. This represents a change in accounting policy from the prior year, when the fixed asset investments were recorded at cost, net unrealised gains were taken to reserves and net unrealised losses were charged to the statement of financial activity.

## Cash flow statement

The company qualifies as a 'small company' under Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

## 2 Change in Accounting Policy

	Operating fund £	Endowment fund £	Total £
At 1 September 1996 as previously stated	508,397	27,558	535,955
Adjustment to reserves	323,728	24,228	347,956
	<hr/>	<hr/>	<hr/>
At 1 September 1996 as restated	832,125	51,786	883,911
	<hr/>	<hr/>	<hr/>

The opening reserves have been restated as shown above due to the change in the SORP which now requires that all investment assets be valued at market value at the Balance Sheet date.

In 1995 the fixed asset investments were included in the Balance Sheet at cost, the adjustment therefore reflects the increase in value between cost and market value.

## 3 Council and employees

No members of the Council received or were entitled to receive any remuneration. The average weekly number of persons employed by the League during the year was:

	1996 Number	1995 Number
Remembrance workers	20	20
Secretary	1	1
	<hr/>	<hr/>
	21	21
	<hr/>	<hr/>
<b>Staff costs</b>	<b>£</b>	<b>£</b>
Grants-in-aid and salaries	41,851	38,927
Social security costs	574	555
	<hr/>	<hr/>
	42,425	39,482
	<hr/>	<hr/>

No employee received more than £40,000 per annum.

## 4 Direct charitable expenditure

	1996 £	1995 £
Grants-in-aid	34,925	32,632
Laundry	922	842
Annual visits	1,187	969
Wool	156	528
	<u>37,190</u>	<u>34,971</u>

## 5 Management and administration of the charity

	1996 £	1995 £
Secretary	7,500	6,850
Printing and stationery	1,532	1,055
Investment managers fees	2,745	1,965
Depreciation	491	374
Other overheads	2,895	3,520
	<u>15,163</u>	<u>13,764</u>

## 6 Tangible fixed assets

	£
<b>Cost</b>	
At 1 September 1995	-
Additions	2,456
<b>At 31 August 1996</b>	<u>2,456</u>
<b>Depreciation</b>	
At 1 September 1995	-
Charge for the year	491
<b>At 31 August 1996</b>	<u>491</u>
<b>Net book value</b>	
At 1 September 1996	<u>1,965</u>
At 31 August 1995	<u>-</u>

## 7 Fixed asset investments

	Operating Fund £	Endowment Fund £	Total £
<b>Investments</b>			
At 1 September 1995	798,870	53,762	852,632
Additions	211,825	-	211,825
Disposals	(162,511)	-	(162,511)
Unrealised (losses)/gains	(35,541)	2,048	(33,493)
Cash	39,036	130	39,166
<b>At 31 August 1996</b>	<b>851,679</b>	<b>55,940</b>	<b>907,619</b>

### Market Value represents

Investments listed on a recognised stock exchange:

	1996 £	1995 £
- Operating Fund	697,151	678,466
- Endowment Fund	55,810	53,762
Unlisted investments - Operating Fund	115,492	107,716
Cash awaiting investment	39,166	12,688
	<b>907,619</b>	<b>852,632</b>

### At book cost and market value at 31 August 1996

#### Operating Fund

#### General listed investments

	Book cost £	Market value at 31 August 1996 £
18,000 10% Treasury 2003	17,916	20,327
19,000 9½% Conversion 2004	18,263	21,625
11,550 Anglo & Overseas Trust plc	7,414	57,519
45,000 7.75% Treasury 2006	44,531	44,351
45,000 8% Treasury 2009	44,716	46,305
46,500 7.75% Treasury loan 2012/2015	45,126	44,797
45,000 8% Treasury stock 2013	44,145	45,668
3,000 Dunedin Worldwide Inv Ord 25p	24,593	24,960
3,500 Edinburgh Inv Trust Ord 25p	11,865	11,778
10,100 Fleming Mercantile Investment Trust plc	6,175	33,280
800 British Telecommunications plc	1,040	3,004
1,530 Alliance Trust plc	14,946	34,196
20,000 Securities Trust of Scotland	12,908	18,600
16,000 City of London Trust	20,182	27,120
43,000 9% Conversion Loan 2011	43,615	46,640
56,800 Foreign & Colonial Ord 25p	35,915	94,988
11,000 M&G Charifund Income Units	69,135	82,473
80,000 M&G Recovery Fund	30,138	39,520
<b>Total listed investments</b>	<b>492,623</b>	<b>697,151</b>

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	Book cost £	Market value at 31 August 1996
<b>Unlisted investments</b>		
24,800 EFM Unit Trust Managers Limited		
International Income Units	14,086	26,511
11,714 Income shares in Charities Official Investment Fund	11,788	88,981
<b>Total unlisted investments</b>	<u>25,874</u>	<u>115,492</u>
<b>Total Operating Fund</b>	<u>518,497</u>	<u>812,643</u>
<b>At book cost and market value at 31 August 1996</b>		
<b>Endowment fund</b>		
<b>Listed investments</b>		
5,930 National Provident Insurance Managers Limited		
Growth Unit Trusts	6,523	26,136
18,500 9% Conversion Loan 2011	18,818	20,066
4,500 GT Japan Investment Trust	7,044	9,608
<b>Total endowment fund investments</b>	<u>32,385</u>	<u>55,810</u>
	<u>1996</u>	<u>1995</u>
	£	£
<b>Investment ranges at market value</b>		
<b>Wide range:</b>		
Operating Fund	680,802	632,383
Endowment Fund	35,783	33,924
<b>Narrow range:</b>		
Operating Fund	170,877	166,193
Endowment Fund	20,157	20,132
	<u>907,619</u>	<u>852,632</u>

## 8 Debtors

	1996 £	1995 £
<b>Amounts falling due within one year:</b>		
Income tax recoverable	1,592	2,318
Prepayments	580	328
Due from investment managers	3,362	6,032
Interest receivable	30	55
Other debtors	-	15
	<u>5,564</u>	<u>8,748</u>

## 9 Creditors

	1996 £	1995 £
Amounts falling due within one year:		
Other taxation and social security payable	658	603
Accruals	514	184
	<u>1,172</u>	<u>787</u>

## 10 Accumulated fund

	Operating fund £	Endowment fund £	Total £
At 1 September 1995	832,125	51,786	883,911
Deduct: excess of income over expenditure	39,553	4,154	43,707
At 31 August 1996	<u>871,678</u>	<u>55,940</u>	<u>927,618</u>

The Council of the League acts as Trustee of the Endowment Fund, which must be preserved for the purpose of Endowment. All contributions to the Fund are invested in the name of the League, and the investments must be kept separate from the other funds of the League.

The income of the Fund is available for the general purposes of the League.

## 11 Limited by guarantee

The League of Remembrance is a company limited by guarantee. The liability of each member is limited to £1.