

The League of Remembrance
(A company limited by guarantee)

Financial statements
for the year ended 31 August 1998

Charity registered number 213364

Company registered number 171814



The League of Remembrance

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Financial statements for the year ended 31 August 1998

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The League of Remembrance

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A company limited by guarantee incorporated under the Companies Acts.

(Registered under the War Charities Act 1940)

(Registered under the Charities Act 1993)

55 Great Ormond Street
London
WC1N 3HZ

Telephone and fax: 0171 242 5660

Patron-in-Chief

Her Majesty Queen Elizabeth The Queen Mother

Patrons

Lady Heald, CBE
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

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, MSI	Honorary Treasurer
Mr R Creighton MA	
Mrs C Bond, OBE, RGN, S St J	
Dr C D M Drew, MA, MB, FRCP (Edin)	
Sir Brian Hill	
Mrs G H Mendoza	
Major-General D G T Horsford, CBE, DSO	
Miss S G Nethercott RGN, RSCN, BA, MSC	
Lady Riches RGN	
Mr M Samuelson, CBE (died in office in August 1998)	

Secretary

Miss B M Barchard, OBE, RGN, RSCN

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 Chairman

A review of the past year must record our sadness at the loss of one of our Council Members and one of our Remembrance Workers.

Mr Michael Samuelson CBE died after a brief illness in August 1998. Although Mr Samuelson had only been a member of Council since August 1997, during this year he gave generously of his time and energies to the League and he is greatly missed.

Mr Edward Banham, one of our Remembrance Workers, also died in August 1998 after a short illness. Mr Banham joined the League in February 1997 and during this time gave unstinting service to the Chelsea and Westminster Hospital as a "general factotum and man Friday".

Over the year our existing links with the London hospitals have continued to expand and the service given by the Remembrance Workers is much valued by both patients and staff. This service takes a variety of forms in a variety of departments, from making tea for patients in outpatients departments, acting as hospital guides, preparing booklets for seminars to acting as "green fingers" to hospital plants!

Because of these diverse activities a review of the Memorandum of Association and Constitution of the League is being undertaken to incorporate these present activities and practices and to update the League's remit to meet the present day requirements of the hospitals concerned.

The first inaugural lecture and reception was held in April 1998 in the Institute of Child Health. The evening's speaker was Mr Gilbert Gray QC, and his discourse on "Law and Disorder" was an amusing and outstanding success. The reception afterwards was sponsored by the Special Trustees of the Hospital for Children, Great Ormond Street and Marks & Spencer, and I would like to record here our grateful thanks for their generosity and support of the event. Many donations to the League resulted from this splendid event.

An historic occasion took place in June this year. The original manuscript for the poem "For The Fallen" by Laurence Binyon was given to the League of Remembrance in May 1959 by Mrs Huntley-Gordon. The manuscript had been on permanent loan to the National Army Museum but, because of a change of museum policy, was transferred back to the League in April. As Laurence Binyon had been an undergraduate of Trinity College, Oxford, the college was approached with a view to purchase as it was felt that this would be a fitting permanent home for the manuscript. Christie's placed a valuation of £2,000 - £3,000 on the poem, and I am happy to report that the transaction with Trinity College has been completed at a purchase price of £2,500 and the manuscript now resides permanently in its new home.

Remembrance Workers

Our Remembrance Workers have averaged 30 over the past year with an additional 5 ladies receiving retirement grants. Future plans are to expand further over the next twelve months as there are sufficient placements available in the London hospitals.

Report of the Chairman – continued

During the summer, the Remembrance Workers were once again invited to Chilworth Manor by Lady Heald to enjoy her generous hospitality and visit her beautiful home and gardens. We are most grateful to Lady Heald for her kindness.

In July, the annual visit to the Royal Tournament at Earls Court proved a popular event and was enjoyed by all.

Miss Christine Simpson and Miss Doris Smith were invited to attend the Royal Garden party this year. They greatly enjoyed seeing some members of the Royal Family at close quarters and particularly relished the sumptuous tea!

The traditional Christmas bonus was once again made possible by a generous donation from the Army Benevolent Fund. This bonus is a great boost at what is a very expensive time of year and I would like to place on record our grateful thanks to the Army Benevolent Fund for their continuing generosity.

Woollies' Section

Our splendid 'army' of knitters continues to work ceaselessly to provide a variety of woollies for the children in hospital. We are most grateful for their time and industry and hope they will long continue. As ever, Mrs Doris Crump and Miss Doris Smith work hard and efficiently to purchase the wool, organise the knitters and distribute the knitted results to the wards.

Finance

The Council has pleasure in presenting the accounts for the League of Remembrance for the year ending 31 August 1998. We record with pleasure our indebtedness to and our appreciation of the courteous help and expert advice given once again by our Honorary Auditors, Coopers & Lybrand. The generosity of our regular donors continues and I would like to place on record our grateful thanks to these donors for their unfailing support which enables the work of the League to continue.

Our inaugural reception further enhanced our income by £900 after all expenses had been paid and we hope that this will now continue on a yearly basis. To those whose donations are made from taxed income, may I recommend the benefits of covenanted giving which, if donations are covenanted for four years, allows the League to reclaim the tax paid and thus increase the value of the donation. A Deed of Covenant form is included in the Annual Report for those who may wish to benefit the League in this way without additional cost to themselves.

On completion of another successful year for the League, we are, as always, greatly indebted to all who help us. In particular I would like to thank the Special Trustees of the Hospital for Children, Great Ormond Street and the Chief Executive of the Hospital for their continuing support and generosity in providing the accommodation for our Headquarters.

GJ Piller
Chairman

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 1998.

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.

The report of the Chairman on pages 4 and 5 provides a review of the year's activities.

Results and dividends

There was a net increase in funds for the year of £76,215 (1997: £85,887), which was accounted for by net outgoing resources for the year of £2,087 (1997: £2,214), no gain or loss (1997: loss of £27) on the sale of investments, and unrealised gains on investments of £78,302 (1997: gain of £88,128).

The net increase in funds has been transferred to reserves to provide investment income for future periods.

Taxation

The League is a registered charity and as such is not liable to corporation tax on its charitable activities.

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 and 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 1998. 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.

By order of the Council

A handwritten signature in black ink, appearing to read 'B M Barchard', written over a horizontal line.

Miss B M Barchard, OBE, RGN, RSCN
Secretary

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

We have audited the financial statements on pages 9 to 17 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 11 to 12.

Respective responsibilities of the Council and auditors

As described on page 7 the Council is 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.

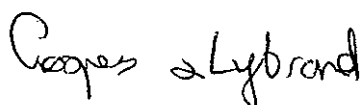
Basis of opinion

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 1998 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

Chartered Accountants and Registered Auditors

London

13 April 1999

Statement of financial activity for the year ended 31 August 1998

Income and expenditure	Notes	Operating	Endowment	Total 1998 £	Total 1997 £
		Fund 1998 £	Fund 1998 £		
Incoming resources					
Subscriptions and donations (including income tax recoverable thereon)		14,423	-	14,423	11,043
Legacies		-	-	-	1,000
Sale of manuscript		2,500	-	2,500	-
Investment income					
Listed investments		40,299	2,106	42,405	38,936
Unlisted investments		5,938	-	5,938	5,495
Bank deposit interest		2,869	7	2,876	2,129
Total incoming resources		66,029	2,113	68,142	58,603
Resources expended					
Direct charitable expenditure	3	53,378	-	53,378	45,761
Management and administration of the charity	4	16,851	-	16,851	15,056
Total resources expended		70,229	-	70,229	60,817
Net outgoing resources before transfers		(4,200)	2,113	(2,087)	(2,214)
Transfer to operating fund		2,113	(2,113)	-	-
Net (outgoing)/incoming resources for the year		(2,087)	-	(2,087)	(2,214)
Other recognised gains and losses					
Realised loss on disposal of investments		-	-	-	(27)
Unrealised gain on investments		76,518	1,784	78,302	88,128
Net increase in funds		74,431	1,784	76,215	85,887
Balance brought forward at 1 September		952,102	61,403	1,013,505	927,618
Balance carried forward at 31 August		1,026,533	63,187	1,089,720	1,013,505

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.

An income and expenditure account is presented in note 9.

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

The notes on pages 11 to 17 form an integral part of these financial statements.

Balance sheet at 31 August 1998

	Notes	Operating fund 1998 £	Endowment fund 1998 £	Total 1998 £	Total 1997 £
Fixed assets					
Tangible assets	5	983	-	983	1,474
Investments	6	<u>1,005,702</u>	<u>63,187</u>	<u>1,068,889</u>	<u>993,282</u>
		<u>1,006,685</u>	<u>63,187</u>	<u>1,069,872</u>	<u>994,756</u>
Current assets					
Debtors	7	4,310	-	4,310	4,732
Cash at bank and in hand		<u>17,081</u>	<u>-</u>	<u>17,081</u>	<u>15,253</u>
		21,391	-	21,391	19,985
Creditors: amounts falling due within one year	8	<u>(1,543)</u>	<u>-</u>	<u>(1,543)</u>	<u>(1,236)</u>
Net current assets		<u>19,848</u>	<u>-</u>	<u>19,848</u>	<u>18,749</u>
Total assets less current liabilities		<u>1,026,533</u>	<u>63,187</u>	<u>1,089,720</u>	<u>1,013,505</u>
Represented by					
Restricted fund					
Endowment fund		-	63,187	63,187	61,403
Unrestricted fund					
Operating fund		<u>1,026,533</u>	<u>-</u>	<u>1,026,533</u>	<u>952,102</u>
		<u>1,026,533</u>	<u>63,187</u>	<u>1,089,720</u>	<u>1,013,505</u>

The notes on pages 11 to 17 form an integral part of these financial statements.

The financial statements on pages 9 to 17 were approved by the Council of the League on 13th April '99 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 1998

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.

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, modified for the revaluation of investments. All income and expenditure is dealt with on the accruals basis unless otherwise indicated below.

Income

Income is accounted for on an 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 of 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 is:

Computer equipment 20%

1 Accounting policies (continued)

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.

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 Council and employees

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

	1998 Number	1997 Number
Remembrance workers	29	25
Secretary	1	1
	<u>30</u>	<u>26</u>
Staff costs	£	£
Grants-in-aid and salaries	55,710	48,761
Social security costs	615	574
	<u>56,325</u>	<u>49,335</u>

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

3 Direct charitable expenditure

	1998 £	1997 £
Grants-in-aid	50,325	43,335
Laundry	1,300	1,030
Annual visits	1,753	1,396
	<u>53,378</u>	<u>45,761</u>

4 Management and administration of the charity

	1998	1997
	£	£
Secretary	6,000	6,000
Printing and stationery	1,447	1,518
Investment managers fees	2,924	2,500
Depreciation	491	491
Indemnity insurance	2,000	1,367
Other overheads	3,989	3,180
	<u>16,851</u>	<u>15,056</u>

Indemnity Insurance cover for the sum of £1,000,000 was introduced for council members during 1997.

5 Tangible fixed assets

	Computer Equipment £
Cost	
At 1 September 1997 and 31 August 1998	<u>2,456</u>
Depreciation	
At 1 September 1997	982
Charge for the year	<u>491</u>
At 31 August 1998	<u>1,473</u>
Net book value	
At 1 September 1998	<u>983</u>
At 31 August 1997	<u>1,474</u>

6 Fixed asset investments

		Operating Fund £	Endowment Fund £	Total £
Investments				
At 1 September 1997		931,879	61,403	993,282
Unrealised gains		76,518	1,784	78,302
Decrease in cash awaiting investment		(2,695)	-	(2,695)
At 31 August 1998		1,005,702	63,187	1,068,889
Market Value represents	UK	Overseas	1998 Total	1997
	£	£	£	£
Investments listed on a recognised stock exchange:				
- Operating Fund	734,707	34,320	769,027	696,334
- Endowment Fund	57,455	5,602	63,057	61,273
Unlisted investments - Operating Fund	200,165	-	200,165	196,340
Cash awaiting investment	36,640	-	36,640	39,335
	<u>1,028,967</u>	<u>39,922</u>	<u>1,068,889</u>	<u>993,282</u>

Market value

	Book cost £	at 31 August 1998 £
At book cost and market value at 31 August 1998		
Operating Fund		
General listed investments		
18,000 10% Treasury 2003	17,916	21,313
19,000 9½% Conversion 2004	18,263	23,445
5,500 Anglo & Overseas Trust plc	3,531	34,320
45,000 7.75% Treasury 2006	44,566	51,519
45,000 8% Treasury 2009	44,919	56,552
46,500 7.75% Treasury loan 2012/2015	44,747	57,362
45,000 8% Treasury stock 2013	44,368	58,656
3,500 Edinburgh Inv Trust Ord 25p	11,865	14,438
800 British Telecommunications plc	1,040	6,480
1,530 Alliance Trust plc	14,946	40,178
20,000 Securities Trust of Scotland	12,908	20,800
16,000 City of London Trust	20,182	35,440
43,000 9% Conversion Loan 2011	43,615	57,922
11,000 M&G Charifund Income Units	69,315	108,873
80,000 M&G Recovery Fund	30,138	43,800
16,250 Dunedin Income Growth Ord 25p	23,630	30,144
14,000 City Merchants High Yield Ord 25p	23,296	23,800
18,906 Henderson High Income Inv Trust Ord 25p	23,799	27,792
6,100 Temple Bar Inv plc Ord 25p	23,775	31,293
15,000 Edinburgh Worldwide Inv Trust Ord 5p	24,593	24,900
	<u>541,412</u>	<u>769,027</u>

6 Fixed asset investments (continued)

	Book cost	Market value at
	£	31 August 1998
	£	£
Unlisted investments		
11,714 Income shares in Charities Official Investment Fund	11,788	109,637
Hill Samuel Unit Trust Inc	38,249	34,808
Cazenove Unit Trust Management	22,615	26,132
Edinburgh Ut Mgr Edin Global Equity Fund	14,086	29,588
Total unlisted investments	<u>86,738</u>	<u>200,165</u>
Total Operating Fund Investments	<u>628,150</u>	<u>969,192</u>
At book cost and market value at 31 August 1998		
Endowment Fund		
Listed investments		
5,930 National Provident Insurance Managers Limited Growth Unit Trusts	6,523	32,535
18,500 9% Conversion Loan 2011	18,818	24,920
4,500 GT Japan Investment Trust Ord 25p	7,044	5,602
Total Endowment Fund Investments	<u>32,385</u>	<u>63,057</u>
	1998	1997
	£	£
Investment ranges at market value		
Wider range:		
Operating Fund	802,748	750,196
Endowment Fund	38,256	39,475
Narrower range:		
Operating Fund	202,924	181,802
Endowment Fund	24,931	21,809
	<u>1,068,889</u>	<u>993,282</u>

7 Debtors

	1998	1997
	£	£
Amounts falling due within one year:		
Income tax recoverable	1,560	572
Prepayments	1,120	1,137
Due from investment managers	1,584	2,986
Interest receivable	46	37
	<u>4,310</u>	<u>4,732</u>

8 Creditors

	1998	1997
	£	£
Amounts falling due within one year:		
Other taxation and social security payable	904	803
Accruals	639	433
	<u>1,543</u>	<u>1,236</u>

9 Income and expenditure account

	1998	1997
	£	£
Income		
Gross income of continuing operations	68,142	58,603
Loss on disposal of fixed asset investment	-	(27)
Gross income	<u>68,142</u>	<u>58,576</u>
Expenditure		
Total expenditure of continuing operations	70,229	60,817
Net expenditure for the year	<u>(2,087)</u>	<u>(2,241)</u>

The income and expenditure account is presented in order to ensure compliance with the Companies Act 1985. The major difference in figures presented from those in the statement of financial activities is that unrealised gains/losses on investments are not recognised.

10 Endowment fund

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.