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THE VICTORY (SERVICES) ASSOCIATION
(A company limited by guarantee)

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Registered Company No. 429298

Registered Charity No. 261307

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THE VICTORY (SERVICES) ASSOCIATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

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THE VICTORY (SERVICES) ASSOCIATION

REFERENCE AND ADMINISTRATIVE DETAILS

PATRON-IN-CHIEF
Her Majesty the Queen

PRESIDENT
Air Marshal Sir Gerry Mayhew KCB CBE

CHAIR
Major General J S Mason MBE RM (appointed 2nd July 2025)
Major General J S Kerr CBE (retired 2nd July 2025)

VICE-CHAIR
Mr G Roberts

HONORARY TREASURER
Mr S Gunning

DIRECTORS
Air Vice-Marshal S Chisnall CB
Mrs P Clayton
Mrs K Gent
Mr S Gunning
Major General C J Harvey OBE QVRM TD
Mr E Hendin
Mr R Johnson
Major General J S Kerr CBE (retired 2nd July 2025)
Major General J S Mason MBE RM
Mrs C Newhall-Caiger
Rear Admiral J P Pentreath CB OBE (appointed 2nd July 2025)
Mr G Roberts
Mrs J Taylor-Stagg

SECRETARY
Colonel C Francis CBE

BANKERS
NatWest plc
69 Baker Street
PO Box No 2
London W1U 6AT

SOLICITORS
Charles Russell Speechlys
5 Fleet Place
London EC4M 7RD

Bates Wells LLP
10 Queens Street Place
London EC4R 1BE

AUDITORS
Moore Kingston Smith
9 Appold Street
London EC2A 2AP

REGISTERED ADDRESS
63-79 Seymour Street
London W2 2HF

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THE VICTORY (SERVICES) ASSOCIATION

CHAIR'S STATEMENT AND THE STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2026

The financial year 2025/26 was one of strong performance and continued progress for the Victory Services Club. Despite ongoing economic pressures across the hospitality sector, the Club has delivered an exceptional financial and operational outcome, achieving a surplus of £2,211,622 against £966,929 last year. Income for the year increased to £12,371,521, reflecting the resilience of the Club's trading model, the loyalty of our members and guests, and the commitment and professionalism of our staff.

The year represented the first period since the pandemic in which the Club operated without significant external trading restrictions, providing a more stable environment in which to deliver our strategic objectives. Demand for accommodation remained strong throughout the year despite a significant reduction in available bedroom stock caused by major refurbishment works in both the Centenary and Memorial Wings. At the same time, the Club achieved a record year for its Events business, driven by increased demand for meetings, reunions, private dining and corporate functions.
A significant programme of investment has continued throughout the year as we modernise the Club's facilities and infrastructure. Works included the refurbishment of en-suite bathrooms, upgrades to air-conditioning systems, improvements to operational areas and further enhancements to member facilities. Alongside these projects, investment has also been directed towards technology, cyber security and management information systems in order to improve operational resilience, efficiency and member engagement. The Trustees remain committed to balancing investment with prudent financial management. As a result, the VSC has cash reserves of £2,959,677. This strong cash position provides the Club with greater flexibility as we continue to evaluate future opportunities and long-term strategic priorities.

The Club has also continued to make meaningful progress against its Environmental, Social and Governance objectives. Energy-efficient lighting and water-saving measures have been incorporated into refurbishment projects, supported by wider investment in building management systems and carbon reduction initiatives. ESG principles are also increasingly reflected in our approach to staff wellbeing, operational practices and long-term sustainability.

Our staff remain central to the success of the Club. While recruitment challenges within the hospitality sector have continued, particularly within specialist kitchen roles, targeted investment in pay, benefits, training and wellbeing has strengthened recruitment and retention across most departments. Staff turnover has reduced and the Club has continued to improve welfare facilities, including the refurbishment of staff operational areas, upgraded changing facilities and the creation of a new multi-faith quiet room.

The Club has also continued to modernise its communications and membership engagement. The introduction of digital membership cards, improved marketing capability and enhanced use of technology and data are helping to strengthen engagement with members and improve the overall member experience. Social events and Club activities have continued to grow in popularity, with strong attendance across the programme throughout the year.

The Trustees have assessed the financial position and performance of the Victory Services Club and have a reasonable expectation that the Club has adequate resources to continue in operational existence for the foreseeable future. The Club continues to benefit successfully from trading surpluses and maintains a policy of calling upon investment reserves only when essential for capital improvements. The Trustees also note the Club's prudent investment strategy, robust risk management framework, and fixed energy cost arrangements through to 2027, which collectively support financial stability. In addition, forward plans for capital investment are well within the Club's financial capacity, and the lease on the premises extends for another 101 years. On this basis, the Trustees are confident in the continued viability of the Club and have prepared the financial statements on a going concern basis.

During the year, we delivered 307 breaks across our respite and welfare and reward and recognition schemes to serving personnel and their families — the most we have ever delivered. Following the ambition set out at the Strategy Day to broaden these opportunities to the veteran community, we are pleased to see that greater engagement with other service charities is already bearing fruit, helping to extend the reach and impact of this important strand of our charitable work. We expect this ambition to continue to evolve in the years ahead.

The Trustees and Senior Management Team remain focused on securing the long-term future of the Club at its current location. Lease discussions and wider strategic planning will continue to shape future investment decisions, including any potential expansion of accommodation capacity and facilities. In the meantime, the Club will continue to invest in maintaining and improving the quality of its existing estate to ensure that it remains competitive, financially sustainable and aligned with the expectations of members and guests. The achievements of the past twelve months reflect the dedication of our staff, the support of our members and the continued focus of the Trustees and Senior Management Team. The Victory Services Club remains fully committed to its mission of providing Value, Service and Courtesy, and we look forward with confidence to the opportunities and challenges ahead.

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Major General J S Mason MBE RM
Chair

The Board of Trustees submits its report together with the audited financial statements of the Association for the year ended 31st March 2026.

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THE VICTORY (SERVICES) ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees (who are also the Directors for the purposes of the Companies Act) present their report, incorporating the Strategic Report, for the year ended 31st March 2026.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Reference and Administrative Information

The Victory Services Club was founded in 1907 and is registered with the Charity Commission of England and Wales under charity number 261307. The Trustees, Secretary, principal advisors and addresses are listed on page 1.

The Victory (Services) Association, company registration number 429298, was incorporated on the 7th February 1947 and it controls the Victory Services Club. The Victory (Services) Association is a charitable company limited by guarantee and does not have a share capital. The Charity is governed by its Memorandum and Articles of Association and limits the liability of each member to £1. The Trustees are Directors of the company for the purposes of the Companies Act 2006.

Board of Trustees

The Board of Trustees determines the general policy of the Association. The Trustees are legally responsible for the overall management, finances and control of the Club. The recruitment and selection of new Trustees to serve on the Board and the Association's sub-committees is first considered by the Governance and Audit Committee, prior to the submission of recommendations to the Board of Trustees and necessary approval. Potential new Trustees, and all appointees to sub-committees and senior Trustee roles, are assessed for their suitability in terms of knowledge, skills, experience and availability. New Trustees are inducted into the workings of the Charity by the Chair and Chief Executive/Club Secretary, with the latter providing a pack including the Charity Commission's guidance for Trustees and the Club's Business Plan. Trustees attend up to five meetings a year and all Trustees receive the minutes of each meeting.

Changes to the Board of Trustees within the year are highlighted as follows:

Major General J S Kerr CBE (retired 2nd July 2025)
Rear Admiral J P Pentreath CB OBE (appointed 2nd July 2025)

No Trustee has any financial interest in the Association, nor draws any benefits. The Association reimbursed travelling expenses of £2,734 (2025: £4,068) to certain Trustees for attendance at meetings.

The Association operates the following sub-committees:

Committee	Chaired by
Governance and Audit Committee	Mr G Roberts
Investment Committee	Mr E Hendin
Marketing and Communications Committee	Mrs P Clayton
Membership Committee	Major General C J Harvey OBE QVRM TD
Remuneration Committee	Major General J S Mason MBE RM
Trading Committee	Mr S Gunning

The day-to-day management of the Association is delegated to the Chief Executive/Club Secretary, who is supported by the General Manager and the Finance and HR Director, who together comprise the Senior Management Team. The Chief

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Executive/Club Secretary attends all Trustee meetings and meetings of the Association's Sub-committees. Relevant members of the Senior Management Team also attend meetings of sub-committees when required.

VSC (Trading) Limited

The Association holds 100% of the share capital of VSC (Trading) Limited, registered number 03532841. This company is responsible for using the Association's facilities and resources which fall outside the charitable objectives of the Association by generating income to support the charitable objectives. All trading surpluses are donated by Gift Aid to the Association. A summary of the results of the company are shown in note 11 of the financial statements.

Investment powers and policy

Powers

In furtherance of the objects of the Association, but not otherwise, the Association shall have the power to invest monies of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being, be imposed or required by law. The investments of Victory (Services) Association Limited are managed by Rathbones, Blackrock and M&G.

Policy

It is the policy of the Association to run the Club from trading surpluses and only to call upon investment reserves when essential for capital improvements. For the present it is the Association's aim to achieve maximum growth while at the same time protecting the real value of investments. The Investment Committee re-invests the dividends in the fund. The value of the Association's long-term investments should not be reduced below £1,000,000 at market value unless exceptional circumstances are approved by the Board of Trustees.

Risk management

The Board of Trustees is required to include a statement that the major risks to which the Association is exposed, as identified by the Board of Trustees, have been reviewed and that the systems in place will mitigate those risks. The Board of Trustees reviews the formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, listing them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. The Board of Trustees fully recognises the significant importance of effective internal controls on expenditure and payment and takes every action to minimise this risk. At each Trustees' meeting one risk is considered in detail. The Senior Management Team is responsible for day-to-day monitoring of all risks on behalf of the Board of Trustees. The principal risks the Association faces and their mitigation strategies are as follows:

Risk	Mitigation and Controls
Risk 1: Business Downturn. Supplier price increases, competition from other Clubs/hotels, erosion of prices and inflation affecting consumer.	• Regular reviews of cashflow, gross and net surpluses • As part of the purchasing and stock control procedures in all areas of the Club, price increases are identified quickly, and appropriate action is taken. • Benchmarking with Hospitality Assured, Institute of Hospitality, Meetings Industry Association, Venues of Excellence, BDO and Association of London Clubs. • The Club's energy bill is fixed to 2029. • The Club installed Voltage Optimisation in Jan 2026.
Risk 2: HSAW Failure. Impact on Members, Staff, and Events, Investments and Cashflow. Health and Safety breach leading to injury/adverse publicity and sanctions.	• HSAW Staff Quarterly meetings • Appropriate investment in new equipment and staff training. • Respond quickly and appropriately to Government changes and requirements. • The Club's Business Continuity Plan- Biscon, now has Martyn's Law embedded.
Risk 3: Failure to retain and then recruit a quality, motivated workforce which causes the Club to be unable to deliver our three values of Value, Service and Courtesy.	• Monitor staff turnover, pay, benefits and staff facilities including benchmarking with the London hospitality sector. • Monitor leave taken, sickness rates and overtime rates. • Annual Staff Surveys are carried out to assess staff satisfaction with the VSC as an employer

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Risk 4: Cyber-crime or inadequate IT policies leading to reputational risk and an inability to manage the Club.	• IT and Disaster Recovery policies in place • Managed IT Support, automated patching and updates (Microsoft Windows Security, AV and Malware, 3rd Generation SonicWall Firewall with DPI-SSL, DNS protection, User Email Security Training, Cyber Essentials, Application Patch Management) • Cyber insurance is in place, systems have 24x7 monitoring. • Monthly detailed system monitoring and encryption reports are reviewed. • Cyber Security Awareness Training is tracked, monitored, scored and continuous.

CHARITABLE OBJECTIVES, VISION, MISSION AND ACTIVITIES

The objectives of the Charity are:

(i) To promote military efficiency and esprit de corps by bringing together members of the Armed Forces of the Crown, former members of the Armed Forces of the Crown and members of the Armed Forces of the Commonwealth and Foreign countries with whom they are currently allied and by improving the conditions of life of such persons.

(ii) To relieve need, hardship or distress among persons who have served in the Armed Forces of the Crown and their dependants.

The Club's Vision is to be the best military members' club in the UK which is attractive to all ranks.

The Club's Mission is to deliver our charitable objectives for the entire military family whilst remaining financially sustainable.

Public Benefit

The Board of Trustees has had due regard to the Charity Commission guidance in deciding how to implement the Charity's objects for the benefit of the public. The work carried out by the Charity to further the charitable objectives is highlighted in the Chair's statement.

By way of expansion on those points the Trustees and staff have been focused on our two objectives to ensure that we continue to provide a benefit to our members and the wider military 'family'. To meet the Charity's first objective we provide a smart, comfortable, and modern venue for esprit de corps activities. Specifically, these include informal and formal meetings, and Ships, Regimental and Squadron dinners, and conferences. The Club hosts an increasing number of military Association events due to an effective marketing programme, and a pricing model which is 25% cheaper than a commercial non-military event being held in the Club. The intent of providing an enjoyable event that is affordable, which allows individuals from all ranks to participate and be accommodated at very reasonable prices has again been maintained. In FY 2025/26 single shared facility bedrooms which are only available for members were £80 per night.

Our Respite and Welfare Break Scheme is a unique offer in London which provides free accommodation and all meals for a two-night stay to a family consisting of two adults and usually up to three school age children; this offer is extended to an accompanying carer if necessary. Over the last eight years we have hosted over 3,000 individuals under this scheme. Our Trustees are committed to annually increasing the numbers benefitting from this offer. This is achieved by the Club's staff frequently engaging with the leading military charities and the single Service and Defence Medical Rehabilitation staff to seek nominations. The Club also continues to offer 90 free weekend Reward and Recognition breaks to members of the serving Armed Forces who are recommended to us. Over the last eight years we have hosted 560 individuals as part of this scheme.

During the year, the Club delivered 307 breaks across its respite and welfare and reward and recognition schemes to serving personnel and their families, the highest number achieved to date. Following the ambition identified at the Strategy Day to broaden these opportunities to the veteran community, increased engagement with other service charities is already bearing fruit and is helping to extend the reach and impact of this important area of charitable activity.

Remuneration of senior staff

The Board of Trustees, supported by the salaried Senior Management Team, comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Association on a day-to-day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party

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transactions are disclosed in note 8 to the accounts. The pay of the Senior Management Team and all staff is reviewed bi-annually by the Remuneration Committee which reports to the Board of Trustees. The Remuneration Committee considers comparative data from several external sources including the Association of London Clubs, and the Institute of Hospitality.

Capital and Works Expenditure

The VSC continued its programme of capital investment and infrastructure improvement across the Club estate. The largest completed project during the year was the re-carpeting of all corridors and staircases throughout the Club, involving the supply and installation of Axminster carpeting. The project cost £148,036 and has significantly enhanced the appearance and durability of high-traffic areas across the building. A new family bedroom suite was created from Rooms 559 and 560, including purpose-built bunk beds, at a cost of £20,930. In conjunction with this work, the former shared facility pod bathroom on the fifth floor of the Memorial Wing was converted into a multi-faith room at a cost of £7,040, providing a quiet and inclusive space for reflection and prayer. The Club maintained its rolling programme of air conditioning renewal within the Centenary Wing, with works to the third and fourth floors completed during the year at an invoiced value of £74,518. Additional sustainability and energy-saving initiatives were undertaken, including LED and PIR lighting upgrades within the Memorial Wing together with improvements to the Building Management System platform. These works totalled £68,497.

Refurbishment of the staff changing rooms and housekeeping facilities on the first floor was completed at a cost of £202,105, substantially improving storage capacity and the working environment for staff. Improvements were also made to the staff canteen, enhancing the ambience and facilities available to employees, with expenditure of £53,207.

A major programme to upgrade bathrooms within the Memorial Wing also commenced during the year. Works undertaken on the second, third and fourth floors included upgraded shower and bath fittings, improved accessibility and modern illuminated mirrors, with invoiced expenditure of £108,136. This programme will continue into FY 2026–27 across the remaining upper floors. Accessibility improvements remained a priority, with the conversion of two ground floor changing rooms into an accessible toilet with baby changing facilities completed at a cost of £41,002. The total expenditure on capital items during the year was £865,674.

Plans for the Future.

Looking ahead to FY 2026–27, the VSC plans to continue its programme of strategic investment in the Club's infrastructure, operational capability, sustainability, and member facilities. The most significant planned investment is the refurbishment of the Ground Floor Kitchen together with the Lounge Bar, including the installation of a new catering range and upgraded kitchen equipment. This major project, budgeted at approximately £500,000, will modernise food production capability, improve efficiency and enhance service delivery to members and guests. The Club will also continue its rolling air conditioning replacement programme, with new systems scheduled for installation on the fifth floor of the Centenary Wing at an estimated cost of £75,000. In addition, fire safety infrastructure will be enhanced through the replacement of first-floor corridor fire doors, budgeted at £17,500. Sustainability and energy efficiency remain a core priority for the Club. Further green improvements are planned, including additional LED lighting and PIR sensor upgrades within the Memorial Wing, together with ongoing Building Management System enhancements. These works are intended to reduce energy consumption and support long-term operational savings. The refurbishment programme for the Club's accommodation offering will continue during the year. The fifth-floor shared bathrooms are scheduled for full refurbishment at a cost of approximately £100,000, while Phase 2 of the Memorial Wing bathroom improvement programme will upgrade a further 38 bathrooms across the fifth to eighth floors. These upgrades will improve accessibility, water controls, fittings, and overall comfort for members staying in the Club.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities reveals income in the financial year of £12,371,521 (2025: £11,861,419) and expenditure of £11,017,799 (2025: £10,909,868) which after gains on investments of £857,900 (2025: £15,378) has resulted in a net surplus of £2,211,622 (2025: £966,929). As the Investments are held for the long term, the Investment Committee does not propose a change in investment strategy. The accumulated funds at the balance sheet date total £20,138,937 (2025: £17,927,315).

Fundraising

The Association does not actively fundraise from the public although grants are sought from grant making bodies. Some members have left bequests to the Association, and have voluntarily made some donations, for which we are most grateful. We have not received any complaints in respect of fundraising activity.

Reserves policy

The VSC Reserves Policy was reviewed by the Trustees in March 2026 and consists of the following elements:

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- The Charity's unrestricted reserve to cover business downturn, property and staff risk will be maintained at a level equivalent to six months of operating costs (currently calculated at £5.5m).

- At 31st March 2026 the designated fixed asset reserve at net book value was £8,127,618 (2025: £8,383,301) and the Charity had total reserves of £20,138,937 (2025: £17,927,315). Of the total, £789 relates to restricted funds (2025: £111,880). The Trustees have decided to build a reserve which will be utilised to secure the Club's premises for the foreseeable future. The Club building is currently occupied under a lease agreement with the Church Commissioners which has 101 years remaining. The value of the lease will diminish exponentially as the lease approaches 80 years remaining. The designated reserves will therefore be needed to provide security of tenure to protect the future of the Club.

As at 31st March 2026, the Charity had general, unrestricted reserves, excluding restricted and designated reserves of £11,935,530 (2025: £9,296,910).

Investment performance

At 31st March 2026 investment balances were:

- Armed Forces Common Investment Fund: £753,368 (2025: £635,010).
- M&G Charifund: £4,580,577 (2025: £3,342,333).
- M&G Charibond: £nil (2025: £299,245).
- Rathbones Investment Management: £2,536,881 (2025: £2,497,993).
- Rathbones Investment Management Liquidity: £2,013,525 (2025: £nil).

Key Performance Indicators

The Club do not make significant use of Key Performance Indicator other than membership numbers which as at 31st March 2026 stood at 63,869 (2025: 63,349).

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

- Select suitable accounting policies and apply them consistently.
- Observe methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees also confirm that they have made all necessary enquiries and taken such steps that they ought to, to ensure that they become aware of any relevant audit information and that they confirm that the Association's auditors have been made aware of such information.

In approving this Trustees' Report, the Board are also approving the Strategic Report included herein in their capacity as company directors.

BY ORDER OF THE BOARD

Major General J S Mason MBE RM

1st July 2026

63-79 Seymour Street London W2 2HF

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE VICTORY (SERVICES) ASSOCIATION FOR THE YEAR ENDED 31st MARCH 2026

Opinion

We have audited the financial statements of The Victory (Services) Association Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Association Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2026 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 there is 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.

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Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company'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 parent charitable company 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 the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to

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continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Jonathan Aikens (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor 6th Floor, 9 Appold Street London
EC2A 2AP

Signed by:
Moore Kingston Smith LLP
92DE1D422B5C43D...

Date: 20/9/2026

Moore Kingston Smith LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

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THE VICTORY (SERVICES) ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2026

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2026 £	Total Funds 2025 £
INCOME FROM:					
Donations and legacies	3	230,718	-	230,718	357,458
Charitable activities					
Membership		1,415,676	-	1,415,676	1,388,095
Catering and accommodation		8,423,779	-	8,423,779	8,199,965
Trading activities		1,626,249	-	1,626,249	1,342,650
Investments	4	333,938	-	333,938	291,377
Other Income		341,161	-	341,161	281,874
TOTAL INCOME		12,371,521	-	12,371,521	11,861,419
EXPENDITURE ON:					
Raising funds					
Fundraising and publicity		1,937,882	-	1,937,882	1,715,766
Charitable activities					
Catering and accommodation		7,346,381	-	7,346,381	7,416,839
Membership and central allocation		1,622,445	111,091	1,733,536	1,777,263
TOTAL EXPENDITURE	6	10,906,708	111,091	11,017,799	10,909,868
Net gains on investments	10	857,900	-	857,900	15,378
NET INCOME /(EXPENDITURE)	5	2,322,713	(111,091)	2,211,622	966,929
Transfer between funds		-	-	-	-
NET MOVEMENT IN FUNDS		2,322,713	(111,091)	2,211,622	966,929
Total funds brought forward		17,815,435	111,880	17,927,315	16,960,386
TOTAL FUNDS CARRIED FORWARD		20,138,148	789	20,138,937	17,927,315

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

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THE VICTORY (SERVICES) ASSOCIATION **Company Number: 429298**

CONSOLIDATED BALANCE SHEET

AT 31 MARCH 2026

	Note	2026 £	2026 £	2025 £	2025 £
FIXED ASSETS					
Tangible assets	9		8,127,618		8,308,301
Investments	10		9,884,350		6,775,137
			18,011,968		15,083,438
CURRENT ASSETS					
Stocks	12	90,004		77,775	
Debtors	13	495,147		438,396	
Cash at bank and in hand		2,959,677		4,245,992	
		3,544,828		4,762,163	
CREDITORS: amounts falling due within one year	14	(1,417,859)		(1,818,285)	
NET CURRENT ASSETS			2,126,969		2,943,878
TOTAL ASSETS LESS CURRENT LIABILITIES			20,138,937		18,027,316
CREDITORS: falling due after more than 1 year	14		-		(100,000)
TOTAL NET ASSETS OR LIABILITIES			20,138,937		17,927,315
FUNDS	15				
Restricted funds			789		111,880
Unrestricted funds:					
Designated funds			8,202,618		8,383,301
General funds			11,935,530		9,432,134
			20,138,148		17,815,435
			20,138,937		17,927,315

A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemption afforded by section 408 of the Companies Act 2006.

The consolidated surplus of the Association was £2,211,622 (2025: surplus of £966,929).

The financial statements were approved and authorised for issue by the members of the Board of Trustees on 1st July 2026 and were signed below on its behalf by:

Major General Jeff Mason
Chairman

Mr S Gunning
Honorary Treasurer

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THE VICTORY (SERVICES) ASSOCIATION **Company Number: 429298**

ASSOCIATION BALANCE SHEET

AT 31 MARCH 2026

	Note	2026 £	2026 £	2025 £	2025 £
FIXED ASSETS					
Tangible assets	9		8,127,618		8,308,301
Investments	10		9,884,350		6,775,137
Investment in trading company	11		2		2
			18,011,970		15,083,440
CURRENT ASSETS					
Stocks	12	90,004		77,775	
Debtors	13	946,669		734,143	
Cash at bank and in hand		2,122,500		3,516,014	
		3,159,174		4,327,932	
CREDITORS: amounts falling within one year	14	(1,206,907)		(1,519,281)	
NET CURRENT ASSETS			1,952,267		2,808,651
TOTAL ASSETS LESS CURRENT LIABILITIES			19,964,237		17,892,091
Creditors falling due after more than 1 year	14		-		(100,000)
NET ASSETS			19,964,237		17,792,091
FUNDS					
Restricted funds			789		111,880
Unrestricted funds:					
Designated funds			8,202,618		8,383,301
General funds			11,760,830		9,296,910
			19,963,448		17,680,211
			19,964,237		17,792,091

The financial statements were approved and authorised for issue by the members of the Board of Trustees on 1st July 2026 and were signed below on its behalf by:

Major General Jeff Mason
Chairman

Mr S Gunning
Honorary Treasurer

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THE VICTORY (SERVICES) ASSOCIATION

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026		2025	
		£	£	£	£
Cash Flow from operating activities	21		1,899,453		2,055,606
Cash flows from investing activities					
Income from investments		270,851		193,675	
Other interest receivable		63,087		97,702	
Interest paid		(2,717)		(11,969)	
Payments to acquire tangible fixed assets		(865,674)		(1,050,849)	
Disposal of tangible fixed assets		-		5,381	
Purchase of investments		(2,846,475)		(2,291,470)	
Proceeds from sale of investments		537,486		233,523	
Net cash (used in)/provided by investing activities			(2,843,443)		(2,824,007)
Cash flows from financing activities					
Cash outflows from borrowing			(400,000)		(300,000)
Change in cash and cash equivalents in the year			(1,343,990)		(1,068,401)
Cash and cash equivalents at the beginning of the year			4,393,605		5,462,006
Total cash and cash equivalents at the end of the year			3,049,615		4,393,605

Analysis of changes in net debt

	At start of year	Cash-flows	Other non-cash changes	At end of year
Cash and cash equivalents	4,393,605	(1,343,990)		3,049,615
Loans falling due within one year	(300,000)	300,000		-
Loans falling due after more than one year	(100,000)	100,000		-
Total	3,993,605	(943,990)	-	3,049,615

Analysis of cash and cash equivalents	2026	2025
	£	£
Cash at bank and in hand	2,459,677	3,745,992
Notice deposits (less than 3 months)	500,000	500,000
Cash held as part of investment portfolio	89,938	147,613
Total Cash and cash equivalents	3,049,615	4,393,605

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1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Victory (Services) Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The accounts are prepared in pounds sterling, rounded to the nearest pound.

Group financial statements have been prepared in respect of the Association and its wholly owned trading subsidiary, VSC (Trading) Limited. The subsidiary has the same accounting reference date as the Association. No separate profit and loss account is presented for The Victory (Services) Association as provided by Section 408 of the Companies Act 2006.

(b) Subscriptions

Subscription income due is recognised in the period in which it is received. Subscription fees paid in advance are treated as deferred income in Other Creditors

(c) Grants, legacies and donations

Grants, legacies and donations are recognised when there is entitlement to the funds, the receipt to the Association is probable or confirmed and the amount quantifiable.

(d) Investment income

Investment income and interest receivable are accounted for in the period it is receivable. Realised and unrealised gains and losses are recognised in the Statement of Financial Activities Investments are classified under Fixed Assets in accordance with the Charities SORP.

(e) Other income

Other income is accounted for in the period in which it falls due. Income received in advance is treated as deferred income and included in creditors.

(f) Allocation of Expenditure

Expenditure is charged directly to the cost centre to which it relates. Support costs are allocated based on income generated. Governance costs consist of those costs which relate to the overall running of the Association, including meeting statutory and regulatory requirements.

(g) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

(h) Investments

Investments are included at market value at the balance sheet date. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activities.

(i) Tangible fixed assets

Expenditure on fixed assets more than £1,000 is capitalised and depreciated over the asset's expected useful life as follows:

- Leasehold premium is amortised over 101 years
- Improvements to the Front Façade of the building are depreciated over 7 years to align with the terms of the lease.
- Furniture, fittings, sundry equipment, electrical works and improvements to premises are depreciated by equal annual instalments over 5 & 10 years (where appropriate)
- En suite bedrooms, lifts and other leasehold improvements are depreciated by equal instalments over 10 to 25 years
- Computer equipment is depreciated by equal instalments over 5 years.

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(j) Stocks
Stocks are valued at the lower of cost or net realisable value.

(k) Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(l) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(m) Fund Accounting
Unrestricted funds comprise accumulated surpluses and deficits on general funds - they are available for use at the discretion of the Council in furtherance of the general charitable objectives.

Designated funds are amounts that have been put aside at the discretion of the Board of Trustees. They are designated specifically for expenditure on fixed assets including future leasehold premiums and/or freehold purchase costs. These designated funds are therefore represented by fixed assets for use by the charity and therefore not available for other purposes (see note 15).

Restricted funds are funds subject to specific restricted conditions imposed by the donors or the Council.

(n) Leasing and hire purchase commitments
Provision is made annually for the estimated cost of obligations under the lease of the Association's premises.

Rentals under operating leases have been charged to the Statement of Financial Activities on a straight-line basis.

(o) Preparation of accounts on a going concern basis
The Trustees have assessed the financial position and performance of the Victory Services Club and have a reasonable expectation that the Club has adequate resources to continue in operational existence for the foreseeable future. The Club continues to benefit successfully from trading surpluses and maintains a policy of calling upon investment reserves only when essential for capital improvements. The Trustees also note the Club's prudent investment strategy, robust risk management framework, and fixed energy cost arrangements through to 2027, which collectively support financial stability. In addition, forward plans for capital investment are well within the Club's financial capacity, and the lease on the premises extends for another 101 years. On this basis, the Trustees are confident in the continued viability of the Club and have prepared the financial statements on a going concern basis.

(p) Critical accounting judgements and key sources of estimation uncertainty
In the application of the accounting policies, Council Members are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods. The main item within the financial statements where judgements and estimates have been made is in relation to estimating the useful economic life of tangible fixed assets.

(q) Pension arrangements
a) *Group personal pensions*
The Association provides group personal pension arrangements for certain employees. Contributions are made both by the Association and the employee into individual pension plans with a leading pension provider.

b) *Automatic enrolment*
The Association joined the Government auto enrolment scheme in May 2014. Eligible members of staff are automatically enrolled unless the staff member explicitly chooses to opt out. The Association currently contributes 5% (2025: 5%) of pensionable salary to the scheme.

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2. INCOME

Income represents amounts receivable by the Association and its subsidiary from its membership and the services provided, net of value added tax recoverable. All income arose in the United Kingdom.

3. GRANTS, LEGACIES, DONATIONS AND FUNDRAISING

	2026	2025
	£	£
Unrestricted voluntary income		
Grants	12,500	-
Legacies	15,286	116,141
Gift Aid on membership subscriptions and donations	188,436	200,576
Donations	14,496	40,741
	230,718	357,458

4. INVESTMENT INCOME

	2026	2025
	£	£
Investment income	270,851	193,675
Other interest receivable	63,087	97,702
	333,938	291,377

5. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2026	2025
	£	£
This is stated after charging the following:		
- Depreciation of leasehold property	7,920	12,654
- Depreciation on other fixed assets	1,038,437	978,850
- Auditors remuneration for audit services		
for audit services	30,269	36,802
for other services	1,224	1,250
- Operating lease rentals	25,101	31,870

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6. EXPENDITURE

	FOR THE YEAR ENDED 31 MARCH 2026			
	Support Costs	Staff Costs	Other Direct	Total
	£	£	£	£
a) ANALYSIS OF EXPENDITURE				
Raising Funds				
Fundraising and publicity	340,299	966,281	631,301	1,937,882
Expenditure on charitable activities:				
Catering and accommodation	2,458,378	3,742,469	1,145,534	7,346,381
Membership and central allocation	409,890	1,200,597	123,049	1,733,536
TOTAL EXPENDITURE	3,208,567	5,909,347	1,899,884	11,017,799

Fundraising and publicity expenditure includes support, staffing and other costs associated with commercial events activity and marketing.
Expenditure includes £1,461,810 incurred by VSC (Trading) Limited (2025: £1,227,168). Of the total expenditure, £111,091 was restricted (2025: £5,761).

b) ANALYSIS OF SUPPORT COSTS

The costs above include support costs which are allocated on the basis of income generated.

	FOR THE YEAR ENDED 31 MARCH 2026				
	Office expenses	Property costs	Other support costs	Governance costs	Total
	£	£	£	£	£
Raising Funds					
Fundraising and publicity	29,204	247,444	51,385	12,266	340,299
Expenditure on charitable activities:					
Catering and accommodation	213,426	1,808,328	375,518	61,106	2,458,378
Membership and central allocation	36,036	305,329	63,405	5,120	409,890
TOTAL SUPPORT COSTS:	278,666	2,361,101	490,308	78,492	3,208,567

c) GOVERNANCE COSTS

	2026	2025
	£	£
Wages and salaries	12,266	11,576
Legal and professional, including audit	61,106	114,161
Council and Committee expenses	5,120	7,149
	78,492	132,886

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6. EXPENDITURE (COMPARATIVE)

	FOR THE YEAR ENDED 31 MARCH 2025			
	Support Costs	Staff Costs	Other Direct	Total
	£	£	£	£
d) ANALYSIS OF EXPENDITURE				
Raising Funds				
Fundraising and publicity	340,179	824,615	550,972	1,715,766
Expenditure on charitable activities:				
Catering and accommodation	2,515,607	3,712,557	1,188,675	7,416,839
Membership and central allocation	412,624	1,275,516	89,123	1,777,263
TOTAL EXPENDITURE	3,268,410	5,812,688	1,828,770	10,909,868

e) ANALYSIS OF SUPPORT COSTS

The costs above include support costs which are allocated on the basis of income generated.

	FOR THE YEAR ENDED 31 MARCH 2025				
	Office expenses	Property costs	Other support costs	Governance costs	Total
	£	£	£	£	£
Raising Funds					
Fundraising and publicity	22,474	257,299	48,830	11,576	340,179
Expenditure on charitable activities:					
Catering and accommodation	164,239	1,880,351	356,855	114,161	2,515,607
Membership and central allocation	27,731	317,490	60,254	7,149	412,624
TOTAL SUPPORT COSTS:	214,444	2,455,140	465,939	132,886	3,268,410

f) GOVERNANCE COSTS

	2025	2024
	£	£
Wages and salaries	11,576	-
Legal and professional, including audit	114,161	72,666
Council and Committee expenses	7,149	2,314
	132,886	74,980

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7. STAFF NUMBERS AND COSTS

	2026 No.	2025 No.
The average number of persons employed during the year were as follows		
Accommodation	76	75
Catering	55	57
Membership	3	3
Support	13	12
	147	147

The aggregate payroll costs of these persons were as follows	£	£
Salaries and wages	5,128,138	5,150,400
Social security costs	569,205	473,438
Pension scheme contributions	224,271	200,402
	5,921,614	5,824,240

During the year, termination and redundancy payments totalling £4,656 (2025: £0) were made to one employee following a departmental restructure. This included statutory redundancy payments of £1,905 and contractual payments in lieu of notice of £2,751.

The number of employees whose emoluments, excluding pension contributions and employer's national insurance who were in excess of £60,000 were:

	2026 No.	2025 No.
£60,000 - £69,999	1	1
£70,000 - £79,999	-	-
£80,000 - £89,999	-	2
£90,000 - £99,999	2	-
£110,000 - £119,999	1	1
£120,000 - £129,999	1	1
	5	5

Contributions of £68,547 were paid on behalf of these employees into a money purchase pension scheme (2025: £54,798)

Key management personnel includes the Trustees, Chief Executive and Senior Management Team.The total employee benefits of the key management personnel of the Charity were £355,217 (2025: £346,434).

8. COUNCIL MEMBERS' REMUNERATION AND REIMBURSED EXPENSES

No remuneration is paid to Trustees. Reimbursements of travelling expenses totalling £2,286 (2024: £4,608) were paid to Trustees for attendance at the Charity's meetings. A further £2,734 (2025: £3,081) of committee expenses were incurred in the year as disclosed in Note 6.

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9. TANGIBLE ASSETS

Consolidated and Association	Long Leasehold Buildings	Leasehold improvements, fixtures, fittings and equipment	Total
Cost or Valuation	£	£	£
At 1 April 2025	837,952	20,327,056	21,165,008
Additions	-	865,674	865,674
Disposals	-	(47,018)	(47,018)
At 31 March 2026	837,952	21,145,712	21,983,664
Depreciation & Amortisation			
At 1 April 2025	511,747	12,344,960	12,856,707
Charged in Year	7,920	1,038,437	1,046,357
Disposals	-	(47,018)	(47,018)
At 31 March 2026	519,667	13,336,379	13,856,046
Net Book Value			
At 31 March 2026	318,285	7,809,333	8,127,618
At 31 March 2025	326,205	7,982,096	8,308,301

Substantially all the fixed assets are for direct activities in furtherance of the Charity's objectives. The lease on the property at 63/79 Seymour Street, London, W2 2HF was renewed during 2001 for a further 125 years.

The subsidiary company did not own any fixed assets during the year (2025: None).

10. INVESTMENTS

	£
Market value at 1 April 2025	6,627,524
Additions	2,846,475
Disposal	(537,486)
Net gains/(losses) on investments	857,900
Market value at 31 March 2026	9,794,413
Cash held as part of the investment portfolio	89,937
Total Investments at 31 March 2026	9,884,350
Historical cost at 31 March 2026	6,966,695

Investments are held as units in managed funds operated by M & G Securities Limited, listed on the UK Stock Exchange and with the Armed Forces Common Investment Fund, managed by BlackRock Investment Management Limited and Investec Wealth & Investment Limited as follows:

	£
Armed Forces Common Investment Fund	753,368
M & G Charifund	4,580,577
Rathbones Investment Management	2,536,880
Rathbones Investment Management Liquidity	2,013,525
	9,884,350

The subsidiary company did not own any investments during the year (2025: None).

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11. INVESTMENT IN TRADING COMPANY

The Association holds 100% of the share capital of VSC (Trading) Limited (Company registration number 03532841) which is responsible for the provision of accommodation, catering and conference facilities.

The Association's investment in the trading company was as follows:	2026	2025
	£	£
VSC (Trading) Limited	2	2

The subsidiary is registered in England and Wales and pays under Gift Aid its entire profits as computed for corporation tax purposes to the Association.

Profit and Loss Account	2026	2025
	£	£
Turnover	1,626,249	1,342,650
Cost of Sales	(311,132)	(260,317)
Gross profit	1,315,117	1,082,333
Administration expenses (net of interest receivable)	(1,150,682)	(966,851)
Operating profit	164,435	115,482
Interest receivable and similar income	10,261	19,742
Profit before tax	174,696	135,224
Profit for the financial year	174,696	135,224

	2026	2025
Balance sheet	£	£
Current assets	958,737	845,079
Current liabilities	(210,976)	(299,004)
Amounts owed to the Association	(573,063)	(410,849)
Net assets	**174,698**	**135,226**
Share capital	2	2
Profit and loss account brought forward	135,224	153,965
Profit for the year	174,696	135,224
Gift aid to parent charity	(135,224)	(153,965)
Profit and loss account carried forward	174,696	135,224
	174,698	**135,226**

12. STOCK

	2026	2025
Consolidated and Association	£	£
Food and wine	84,784	72,555
Club shop	5,220	5,220
	90,004	77,775

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13. DEBTORS

	Consolidated		Association	
	2026	2025	2026	2025
	£	£	£	£
Trade debtors	133,236	179,217	29,547	74,003
Amounts due from group undertaking	-	-	573,063	410,849
Other debtors	34,632	58,071	34,632	58,071
Prepayments and accrued income	327,279	201,108	309,427	191,220
	495,147	438,396	946,669	734,143

14. CREDITORS: Amounts falling due within one year

	Consolidated		Association	
	2026	2025	2026	2025
	£	£	£	£
Trade creditors	489,146	373,393	489,146	373,393
Other creditors including taxation and social	730,699	757,545	575,112	477,662
CBIL Loan	-	300,000	-	300,000
Accruals and deferred income	198,014	387,347	142,649	368,226
	1,417,859	1,818,285	1,206,907	1,519,281
CREDITORS: Amounts falling due after one year				
CBIL Loan	-	100,000	-	100,000
Total	1,417,859	1,918,285	1,206,907	1,619,281

In April 2020, the Club obtained a government backed CBIL Loan for £1,500,000. The Trustees approved the loan to support the Club through the pandemic and maintain liquidity. The loan was for six years, with a fixed interest rate of 2.10% for five years, with no interest or repayments in the first year and a variable rate of 6.19% in the final year. The loan was fully repaid in July 2025.

15. FUNDS

	At 1 April 2025	Income	Expenditure	gains/ (losses)	At 31 March 2026
	£	£	£	£	£
Unrestricted Funds					
Designated Funds					
Fixed Assets	8,308,301	-	-	(180,683)	8,127,618
Respite & Welfare Breaks Reserve	75,000	-	(50,412)	50,412	75,000
	8,383,301	-	(50,412)	(130,271)	8,202,618
General Funds	9,432,134	12,371,521	(10,856,296)	988,171	11,935,530
Restricted Funds					
The Nuffield Trust	11,880	-	(11,091)	-	789
Legacies	100,000	-	(100,000)	-	-
	111,880	-	(111,091)	-	789
	17,927,315	12,371,521	(11,017,799)	857,900	20,138,937

The year end restricted fund expenditure of £789 represents the balance of the Nuffield Trust funding of Reward and Recognition breaks. The legacies fund originated from a £100,000 legacy from J M Tsiknakis towards the refurbishment of adapted bedrooms. This legacy helped fund the refurbishment of accessible bedrooms.
As part of our charitable objectives, the Club maintains its Respite & Welfare reserve of £75,000 to support those who take advantage of the Charity's respite and welfare breaks.

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15. FUNDS (comparative)

	At 1 April 2024	Income	Expenditure	Transfers/ gains/ (losses)	At 31 March 2025
	£	£	£	£	£
Unrestricted Funds					
Designated Funds					
Fixed Assets	8,254,337	-	-	53,964	8,308,301
Respite & Welfare Breaks Reserve	75,000	-	(36,404)	36,404	75,000
	8,329,337	-	(36,404)	90,368	8,383,301
General Funds	8,513,408	11,861,419	(10,867,703)	(74,990)	9,432,134
Restricted Funds					
Grants					
The Nuffield Trust	17,641	-	(5,761)	-	11,880
Respite & Welfare Breaks Reserve	-	-	-	-	-
Legacies	100,000	-	-	-	100,000
Other specific donations					
	117,641	-	(5,761)	-	111,880
	16,960,386	11,861,419	(10,909,868)	15,378	17,927,315

The year end restricted fund expenditure of £111,880 represents the balance of the Nuffield Trust funding of Reward and Recognition breaks and the refurbishment of adapted bedrooms. As part of our charitable objectives, the Club maintains its Respite & Welfare designated fund of £75,000 to support those who take advantage of the Charity's respite and welfare breaks. In 2024, the Club reclassified its Respite & Welfare Reserve as a designated fund.

16. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	AT 31 MARCH 2026			
	Restricted Funds	General Funds	Designated Funds	Total
	£	£	£	£
Tangible fixed assets	-	-	8,127,618	8,127,618
Investments	-	9,884,350	-	9,884,350
Net current assets	789	2,051,180	75,000	2,126,969
Long term liabilities	-	-	-	-
	789	11,935,530	8,202,618	20,138,937

	AT 31 MARCH 2025			
	Restricted Funds	General Funds	Designated Funds	Total
	£	£	£	£
Tangible fixed assets	-	-	8,308,301	8,308,301
Investments	-	6,627,524	-	6,627,524
Net Current Assets	111,880	2,904,610	75,000	3,091,490
Long term liabilities	-	(100,000)	-	(100,000)
	111,880	9,432,134	8,383,301	17,927,315

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17. CAPITAL COMMITMENTS

Commitments for capital expenditure for which no provisions have been made in these financial statements were as follows:

	2026	2025
	£	£
Authorised and contracted for works for first floor fire doors, Lounge Bar refurbishment equipment and upgrades to AC controller and mattress replacements.	91,188	214,511

18. OPERATING LEASE COMMITMENTS

	2026		2025	
	Land & Buildings	Other	Land & Buildings	Other
Leases which expire:	£	£	£	£
In one to five years	-	25,101	-	31,870
After five years	560,625	-	564,563	-
	560,625	25,101	564,563	31,870

19. MEMBERS' LIABILITY

The Charity is governed by its Memorandum and Articles of Association and limits the liability of each member to £1. The members of the Council are Directors of the company for the purposes of the Companies Act 2006 and serve as Trustees of the charitable company.

20. PENSION COMMITMENTS

The Association operates a Group pension arrangement. The overall pension charge for the year was £224,271 (2025: £200,402). At 31 March 2026, contributions of £28,778 were outstanding (2025: £26,443)

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW

	2026	2025
	£	£
Net movement in funds	**2,211,622**	**966,929**
Dividends and interest from investments	(333,938)	(291,377)
Interest Paid	2,717	11,969
Net losses/ (gains) on investments	(857,900)	(15,378)
Depreciation and amortisation charges	1,046,357	991,504
(Decrease/ Increase in creditors	(100,426)	601,738
(Increase)/Decrease in debtors	(56,751)	(194,144)
(Increase)/ Decrease in stocks	(12,229)	(15,635)
Net Cash generated by operating activities	**1,899,453**	**2,055,606**

22. RELATED PARTY TRANSACTIONS

At the year end VSC (Trading) Limited (the subsidiary) owed The Victory (Services) Association £573,063 (2025: £410,849).

There were no other related party transactions.

	2026	2025
	£	£
Payments from VSC (Trading) Limited to parent charity for shared resources	1,643,083	3,513,264
Profits donated by VSC (Trading) to The Victory (Services) Association	135,224	153,965

23. POST BALANCE SHEET EVENTS

There were no post balance sheet events to disclose.