



**COMMONWEALTH WAR
GRAVES COMMISSION**

ANNUAL REPORT

FOR THE YEAR ENDED

31 MARCH 2025

COMMONWEALTH WAR GRAVES COMMISSION

Consolidated Financial Statements for the year ended 31 March 2025

Index	Page
Commissioners, executive directors, and advisors	1 – 2
Commissioners' report and operating and financial review	3 – 18
Statement of internal controls	19– 20
Commissioners' responsibilities statement	21
Independent auditor's report	22 – 24
<u>Financial Statements</u>	
Consolidated statement of financial activities	25
Consolidated balance sheet	26
Commission balance sheet	27
Consolidated cash flow statement	28 – 29
Principal accounting policies	30 - 33
Notes to the financial statements	34 – 56

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners, Executive Directors and Advisors for the year ended 31 March 2025

Patron	His Majesty The King
President	Her Royal Highness The Princess Royal KG KT GCVO
Chair	The Rt Hon John Healey MP (from July 2024) The Rt Hon Grant Shapps MP (to July 2024)
Vice-Chairman	Vice Admiral Peter Hudson CB CBE
Commissioners	
Australian	HE Hon Stephen Smith
Canadian	HE Hon Ralph E Goodale PC
Indian	HE Vikram K Doraiswami
New Zealand	HE Phil Goff CNZM (to 6 March 2025)
South African	HE Jeremiah Nyamane Mamabolo
	The Rt Hon Philip Dunne
	Sir Timothy Hitchens KCVO CMG
	Ms Keryn James
	The Rt Hon Dame Diana Johnson DBE MP
	Dame Judith Mayhew Jonas DBE
	Mr Vasuki Shastry
	Lieutenant General Sir Ben Bathurst KCVO CBE
	Air Marshal Sir Stuart Atha KBE CB DSO
Commonwealth War Graves Foundation Trustees	
	Dame Judith Mayhew Jonas DBE (Chair)
	Mr Gerald Allison
	Major-General Alastair Bruce of Crionaich CB OBE KStJ VR DL
	The Rt Hon Philip Dunne (appointed 11 March 2025)
	Mr Julian Evans
	The Rt Hon the Lord Beamish
	Sir Adrian Montague CBE
	Captain Jay Singh-Sohal OBE VR
	Mr Christopher Walsh
Executive Leadership Team	
Claire Horton CBE	Director General
Vincent Collins	General Counsel
Martha Desmond	Chief People Officer
Charles Garrett OBE	Director of Commonwealth Relations and Global Strategy
Ian Hill	Director of Finance and Corporate Services
Michele Jennings	Chief Marketing Officer and Director of the Foundation
Barry Murphy	Chief Operating Officer

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners, Executive Directors and Advisors for the year ended 31 March 2025

Advisors

Principal Bankers

HSBC
9 The Boulevard
Crawley
West Sussex

Independent Auditors

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

Structure and Governance

The Commonwealth War Graves Commission ("the Commission" or "CWGC") was established by Royal Charter in May 1917 and amended by a supplemental charter in June 1964. The Commission's status is not that of a charity as its purposes are not exclusively charitable, but it is recognised as having charitable status by the UK's tax authorities, HMRC.

The Commonwealth War Graves Commission, work on behalf of the Governments of Australia, Canada, India, New Zealand, South Africa, and the United Kingdom.

We believe that remembering individuals who have died in conflicts around the world is of universal perpetual relevance, and that reflecting on their deaths is of continuing and paramount importance for us all.

Our Mission is to ensure those who died in service, or as a result of conflict, are commemorated so that they, and the human cost of war, are remembered for ever.

The Commissioners comprises of "the Board" which governs the organisation in line with the provisions of the Royal Charter and oversees the Commission's strategic direction. The Chair is the serving UK Secretary of State for Defence, whilst the Vice-Chair (the de facto operational Chair) is customarily a retired senior UK military officer. The Commissioners include the five Commonwealth Member Governments' High Commissioners in London, together with two Members of Parliament at Westminster and other lay members. New lay members now serve an initial term of three years which can be renewed twice, for a maximum period of nine years.

Induction for new Commissioners includes the provision of a comprehensive briefing pack supported by meetings with the Director General and members of the organisation's senior leadership team, and functional and area leads.

The Commissioners meet formally four times a year, with the Director General and members of the Executive Leadership Team in attendance. The Commissioners are currently supported by standing committees on Finance, Audit and Risk, and Remuneration. The Finance Committee met three times, and the Audit & Risk Committee four times during the year. Remuneration Committee met once. A Health & Safety sub-committee meets ahead of the Audit & Risk Committee meetings.

In April 2021, the Commission published the report of a Special Committee that investigated historical inequalities in the commemoration of war dead after the First World War. That report identified significant failings in the commemoration of some of our war dead and made ten recommendations on how those historic wrongs might be corrected by the present-day CWGC. A significant programme of cross-Commission work has been in progress since May 2021 to actively address these recommendations, including the creation of a non-executive global Expert Advisory Panel to function as guide and sounding board for the CWGC's actions. That panel, comprising of international, subject matter experts from the countries affected by the report's findings, meets three times a year.

The Commission has one subsidiary, the Commonwealth War Graves Foundation ("the Foundation" or "CWGF"). The Foundation is a Charitable Incorporated Organisation (CIO), governed by its Constitution, as registered on 8 March 2017, and subsequently amended on 6 May 2017. The Foundation is registered with the Charity Commission of England & Wales (charity registration number 1171947). The Foundation has also established and registered branches in: Belgium (enterprise number 0689.789.289), and in France (Siret number 850 666 645 00013), governed under the same constitution. On 6 September 2022, the Foundation registered with the Scottish Charity Regulator (OSCR registration number SC051982).

The main objectives of the Foundation are to support and publicise the work of the Commission, to educate and engage young people with commemoration and to fundraise.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

The Foundation Trustees are appointed by its own Trustee Board and advised to the Commission; the majority of the Foundation's Trustees are not Commissioners.

Objectives

The “core business” of the Commission, as defined in the Royal Charter, is the commemoration “in perpetuity” of over 1,700,000 members of the Commonwealth forces who gave their lives in the two World Wars. It should be noted that following the publication of the findings of a Special Committee looking into historical cases of non-commemoration, this number may potentially increase. This means in practice that the Commission cares for graves and memorials at more than 23,000 locations in over 150 countries and territories and maintains the relevant records.

These men and women are commemorated either on a headstone (where identification was possible) or on a memorial. Memorials are, in this case, those central locations such as the Thiepval Memorial, the Menin Gate and the Runnymede Memorial, where the names of the missing are inscribed. Moreover, where there is a grave of an unidentified casualty (i.e., in Kipling's words, “A soldier of the Great War known unto God”), then that grave, too, is maintained.

The Royal Charter tasks the Commission with “maintaining fit provision” of the graves and memorials. Consequently, the Commission's primary objective is to ensure that each headstone and memorial is well maintained, that the names are legible and that the surrounding infrastructure (i.e., walls, gates, benches) is sound using a sensitive conservation approach to its heritage structures. Also, and in accordance with guidelines laid down in 1918, horticulture (including shrubs and trees) is undertaken at each site in order “to strike the proper note of brightness and life”.

The Commission also maintains the archives and the official casualty database.

The CWGC launched its long term, strategy – *Towards 2039* in April 2023. It explains CWGC's shared purpose, ambition, mission, goals and values for the period to 2039 and will be delivered through a rolling three-year plan, the first of which runs from 2023 to 2026. The new strategy is supported by a detailed implementation plan – both documents are available separately. Progress is reviewed quarterly with the aid of strategic Key Performance Indicators introduced in 2025 and measuring progress towards each of the strategic priorities. The second triennial Implementation Plan is due for publication by the end of 2025/26.

CWGC's core purpose and mission – the fit commemoration of the war dead – remains at the core of what CWGC does and stands for and will not change. The new strategy reflects the challenges and opportunities facing the Commission and its wider ambition to be a global leader in commemoration, unbound by date or geography, for all time.

The strategy, therefore, is an evolution rather than revolution of CWGC's Mission BUT it is an evolution with ambition – which has been carefully considered to reflect our core work and aims for our organisation, our people, and those who support and work with us.

This strategy is an inclusive document built around **Four Strategic Priorities**. They are:

- **Caring Sustainably & Safely** – for the graves, cemeteries, memorials, landscapes, and records of those who died.
- **Sharing the Stories** – of those we commemorate, and our people who care for those graves and memorials, with an ever-wider and more diverse audience, across all nations.
- **Deepening Relations** – with our existing membership, the public, volunteers, and our wider global stakeholders, to help us to become a valued instrument for diplomacy and influence.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

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- **Organisational Fitness** – we will ensure CWGC is well-governed and well-led, safe, just, fair, diverse, and inclusive, with its people given the tools they need to do the job.

Our Strategic Priorities are matched to 12 goals. Each goal has clear benefits for our organisation. The goals are as follows:

- **Our Profile** – By 2039 CWGC and CWGF will be universally recognisable with a clearly understood and valued mission; relevant, well regarded, and leaders in global commemoration.
- **People First** – We will succeed by putting our people first and helping them be the best they can be. We will attract, develop, and retain talented and motivated teams.
- **Governance and Compliance** – We will ensure all our legal and governance policies and documents are compliant.
- **Ways of Working** – We will work safely and minimise bureaucracy, empowering our people to get things done.
- **Digitally And Technology Enabled** – We will use new technology where we can and ensure our people have the tools they need to work safely, efficiently, innovatively, and effectively.
- **Financial Sustainability** – We will secure a multi-year core funding settlement from our member governments so we can plan for the long-term, and we will look for other forms of income and efficiencies.
- **Graves, Memorials and Cemeteries** – we will safely and sustainably care for our structures to a standard of excellence to ensure our sites are valued and attract ever more diverse visitors from around the globe.
- **Horticulture** – we will care for world class horticulture in our sites that is environmentally sustainable, location appropriate, and still delights, inspires, informs, and attracts ever more diverse visitors from around the globe.
- **Commemorations, Recovery, Identification and Reburial of Remains** – we will keep detailed records of the war dead and make them available. We will also work in support of the discovery, recovery, identification, reburial, and commemoration of war casualties.
- **Non-Commemorations** – We will identify and appropriately commemorate all those eligible war dead not previously commemorated by CWGC or not commemorated equally and we will raise awareness of the contribution they made during two World Wars.
- **Sharing the Stories** – Through an exceptional digital offering, enable the stories of our sites, and those commemorated in them, to reach, educate, inform, and inspire new generations.
- **Deepening Relations** – Consolidate our position as a global leader in commemoration and develop the global relationships necessary to be valued as an instrument for diplomacy and influence.

The implementation plan consists of an agreed list of strategic milestones – discrete pieces of work over-and-above business-as-usual responsibilities. These drive delivery of the strategy and are agreed by the Executive Team for each financial year. Strategic goal owners are responsible for their delivery.

This year, 165 milestones were completed. These range from the restoration of the Menin Gate, the completion of the digitisation of the core archive, to the roll-out of a reporting system for health and safety and whistleblowing incidents. These were stretching milestones, and 26 have been carried over into 2025/26.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

Fundamental to how we achieve our objectives are our CARE values: Commitment; Ambition; Respect; Excellence.

The Foundation

The Commission's charitable arm, the Commonwealth War Graves Foundation (CWGF), experienced a landmark year in 2024–25, marked by significant growth in fundraising.

The Foundation received a record amount in legacy gifts this year, significantly enhancing its work. April 2024 saw the launch of the Legacy of Liberation campaign, encouraging further legacy donations.

As of March 2025, CWGF membership stood close to 2,000 for the first time in the Foundation's history. This year also saw the launch of a new series of online Members' talks, CWG Chats, featuring presentations by CWGC Historian Lynelle Howson and Operational Manager David McDonald.

The annual Evening at Brookwood in May featured performances by the D-Day Darlings and Britain's Got Talent winner Colin Thackery, attracting 500 guests. CWGF staff participated in Armed Forces Day in Portsmouth and the Chalke Valley History Festival in June, promoting merchandise sales, collecting donations, and encouraging new memberships. The December Carol Service at the Guards' Chapel in London, sponsored by JLR, was the most successful to date, welcoming 400 guests.

These funds enabled the CWGF to support more CWGC-led projects than ever before, including:

- The Kenyan Oral Histories project
- The Speakers and Tour Guides Programme
- The Eyes On Hands On volunteering scheme
- The For Evermore stories portal
- A film freezing programme related to the CWGC archives
- The Guides Programme

Historic Non-Commemorations

Since 2021, our redress programme spanning 13 countries has worked closely with local communities, governments, and stakeholders to ensure that all individuals who served are properly commemorated. Through meticulous research in state and military archives across East Africa, Southern Africa, the UK, and India, our historians have now identified records of over 11,600 servicemen who were not previously commemorated. These findings have confirmed that colonial authorities often erroneously told the Commission that these records did not exist, and the Commission was too ready to accept this explanation. Today, the digitisation of historical archives, such as the Punjab Registers and Kenyan military personnel files held by the Kenyan Defence Forces, continues to uncover further names and greater understanding of this period of history.

The programme's research has clearly confirmed the lack of named commemoration was a significant and systemic issue following the First World War, particularly in East Africa. This year, the team led by the Commission's Official Historian submitted for peer review an article that attempts to more accurately quantify the scale of this loss, suggesting at least 88,000 East Africans served and died for Britain in the First World War, the vast majority of whom were not commemorated by name. A report concerning the work of the CWGC following the Second World War has also been drafted and is currently being reviewed by a panel.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

This reporting period saw the inauguration of the Cape Town Labour Corps Memorial in South Africa, and we also finalised plans for the Sierra Leone Carrier Corps Memorial in Freetown and provinces. We made steady progress in our stakeholder consultation plan to achieve a contemporary commemorative site for East Africa, in Nairobi's Kariokor War Cemetery. Piecing together records and community knowledge, the team is working to locate and properly mark burial sites. Using innovative methods such as drones and ground-penetrating radar, the Commission is working with local communities and national institutions to identify likely grave sites of the First World War East African Campaign in Kenya and Tanzania and to determine appropriate means of commemoration. This work is complex, not least because some sites have been built upon as part of the urban landscape over the years.

In the months ahead of the Cape Town Labour Corps Memorial opening, we found new evidence that sixteen South African military servicemen were buried just a few kilometres away in the city's Maitland cemetery. Their graves have now been marked, and this dedication to locating abandoned graves and ensuring proper recognition underscores the commitment of CWGC to honour the fallen, no matter where they are buried.

At the four-year point, we are pleased to have received support and validation from voices around the world, importantly including descendants of servicemen who were not properly commemorated. CWGC continues its efforts, and commitment to ensuring that all those who served are given the recognition they deserve.

Remuneration policy for key management personnel

Key management personnel comprise the Commissioners, the Director General and seven functional directors, including the Director of the Foundation. The Commission is committed to the following principles in determining pay for all employees.

- All roles are evaluated using an internationally recognised global job evaluation system ensuring fairness and consistency.
- Pay bands span from lower quartile to a maxima range, to acknowledge growth of individual skills and performance levels.

Our policy on setting rates of pay is to follow the median market of benchmarked pay data for the not-for-profit sector. Our annual Gender Pay Gap report is available on our website.

The Senior Leadership Team's remuneration is determined by the Director General and is overseen by the Commission's Remuneration Committee. Pay for this group is based on the following:

- Being competitive with comparable organisations by independent benchmarking;
- Recognising individual contribution and rewarding performance;
- Alignment with forecasted salary increases for the not-for-profit and comparable sectors.

These principles are also applied by the Commission's Remuneration Committee, acting as a sub-committee of the main Commission board who independently determine the remuneration package for the Director General and the annual fee of the Vice-Chairman.

Reserves

The Commission, due to its status and the sources of its funding, does not have a reserves policy. A working capital target of £2m was previously agreed with the UK Ministry of Defence, which remains unchanged given the current context of a break-even budget for 2025/26, management plans in place to mitigate the impact of inflation during the year, and programme delivery from the designated reserves surplus from prior years.

Managing the risks to delivery of our strategic objectives

Effective risk management is vital for the delivery of the Commission's strategic objectives:

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

- **Organisational Fitness** – these priorities will be supported by strong internal systems based around a programme of Organisational Fitness, which – built upon our Values and aligned with environmental, social, and governance considerations – will ensure CWGC is well-governed and led, just, equitable, diverse, and inclusive, with its people and systems enabled to deliver our mission.
- **Caring Sustainably & Safely** – for the graves, cemeteries, memorials, landscapes, and records of those who died.
- **Sharing the Stories** – of those we commemorate, and those who make that commemoration possible, with an ever-wider and more diverse audience, across all nations.
- **Deepening Relations** – with our existing membership, public, and volunteers but also broadening and exploring those partnerships (both new and existing) that, in the fulfilment of our mission, help us to become a valued instrument for diplomacy and influence.

We continue to strengthen our approach to delivering our strategic and operational objectives whilst managing the associated risks and opportunities through the development of a risk management framework that is based upon ISO 31000.

Our risk management arrangements are based upon both a continuous bottom-up and top-down review of risk (current and emerging), across each Area and Function of the Commission, to identify the main threats to delivery of our strategy, financial, compliance and operational objectives. The resulting risk profile is used to inform our quarterly corporate and strategic risk updates, and which drive risk-informed decision making.

We identify, assess, and respond to our operational and corporate risks in accordance with our refreshed risk assessment criteria. Current risk ratings, based on the potential impact and the likelihood of that impact to occur are used to prioritise our response plans to either minimise the likelihood or impact of risks arising, and/or to reduce our risk exposure.

Our board of Commissioners is responsible for ensuring effective risk management at the Commission. To support the board in discharging its duties, the Audit & Risk Committee monitors and reviews the effectiveness of the risk management framework, and each quarter considers any changes in the risk profile. Our Executive Leadership team is responsible for the day-to-day management of risks to the achievement of the Commission's strategic and operational objectives, ensuring effective response plans are in place.

The Commission's most significant risks and key response activities are outlined below.

Risk 1: Impact of climate change on our ageing, global heritage estate

- Climate change and extreme weather events across the world increase the physical risks to landscapes, habitats, our cemeteries, and memorials. Severe weather events, (storms, heavy rains, and flooding) in various parts of the world continue to have an adverse impact on our aging assets, causing physical damage, or in some cases making our sites inaccessible.

Movement over the year

Response plans:

- We are embedding sustainable climate action into our corporate activity, including exploring opportunities and technologies available through external parties to identify our sites easily and visually most at risk to climate change.
- We have invested in new solutions with external partners to monitor long-term climate threats and natural perils and have put in place plans to effectively manage our existing estate and consider how we develop cemeteries of the future.
- Our 10-year structural maintenance plan has been more tightly integrated into our Project Management Office (PMO) pipeline to ensure structural works projects are well governed.
- With electrical safety noted as one of our main health and safety (H&S) risk drivers, we undertake routine condition surveys of all our buildings.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

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- We have introduced a suite of Global Standards for Horticulture and refreshed our policies to acknowledge the potential impact of climate change, without compromising on our quality objective. These new standards support efficiency and sustainability by allowing for greater flexibility within the horticultural operation.
 - Our Director of Estates, Jon Gedling has become a Trustee of the War Memorials Trust, opening up greater opportunities for closer collaboration with CWGC.

Risk 2: Health and safety

The health and safety of our colleagues, volunteers, contractors, and members of the public affected by our work is a top priority. We have processes and procedures in place to ensure that our global operations are carried out safely each and every day to minimise the likelihood of causing serious physical or mental harm.

Movement over the year

Response plans:

We continue to make meaningful progress on maturing our H&S processes and behaviours across all jurisdictions in which we operate. For example, this year we have:

- Embedded and broadened our use of the H&S management system implemented last year to provide better data for analysis and action.
- Delivered the recommended improvements arising from an external H&S review.
- Recruited skilled H&S Advisors across the globe; this has been pivotal to driving cultural change.
- Embedded a H&S Advisor in Kenya to work with local teams to improve H&S practices across North Africa.
- Delivered front-line training to managers in the Pacific region, Asia, Africa, the UK and Northern Europe. This will be extended to managers in France and Central and Southern Europe in September 2025.
- Begun delivering the new suite of Global H&S Standards defining the Commission's expectations of its managers.
- Enhanced our PMO process to ensure health and safety is front and centre of our projects.
- Developed and continue to deploy, revised H&S risk assessments which are conducted for our operational activities, including lone working and travel to conflict zones.
- We continue to closely monitor security threat levels with local agencies, the Foreign, Commonwealth and Development Office (FCDO) and International SOS in advance of travel to potentially high-risk areas and have reviewed and improved our travel risk assessment process.
- Revised our machinery procurement process and started the implementation of changes to the way we manage and train operators of work equipment and vehicles, including introducing global machinery training and better machinery safety inspections.
- Focused on electrical safety which remains the greatest risk we currently face. Upgrades to the electrical installations in Asia are in hand with many sites now complete. The remaining sites will be inspected and brought up to standard by December 2025.
- Launched the first phase of our Global Safety Standards, with others due for release in the coming months.
- Developed a robust suite of leading and lagging key performance indicators which is overseen by a newly established H&S Sub-committee, to review and advise on improvements. This revised approach resulted in a change to our KPIs and culture.
- Planned a further external review of our H&S management to be carried out across the Commission in September 2025.

Risk 3: Political uncertainty and civil unrest

A war, sustained conflict, or serious civil unrest could result in our inability to access sites for prolonged periods and therefore protect them from severe damage. It could also lead to our inability to ensure the safety of our staff and contractors.

Movement over the year

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

Response plans:

- We continue to monitor the geopolitical landscape, specifically the tensions, war, and civil unrest around the world.
- We are developing a long-term strategy to set out how we intend to manage our physical estate in countries severely impacted by long-term, persistent war/conflict.
- In relation to countries high on our radar, such as Israel, Gaza, Iran, Iraq, Sudan Yemen, Somalia, Libya and Syria, there has been no significant change warranting further action by the Commission. More recently, the escalating tension between India and Pakistan, thankfully, seems to have reduced but there has been a heightened focus on our team in Israel and contractors in Iran. Our focus on Gaza remains ongoing. We are in constant contact with our teams to ensure they take all precautions advised by the Government in country.
- Our relationships with FCDO contacts where possible in conflict zones enhances our knowledge on the ground and helps to influence decision making.
- Our use of the FCDO website and International SOS membership provides up to date information for both conflict zones and civil unrest issues in other countries where staff may be travelling.

Risk 4: Legal status

In certain countries our lack of registered entity/formal status causes operational issues from time to time. To date, we have always been able to manage these issues with practical workarounds, and arrangements have been put in place for local issues as needed.

Movement over the year 🔄

Response plans:

- We have established branch status in four countries (Kenya, India, Singapore, and South-Africa).
- We recognise the possibility of a more existential challenge to our operations in countries, where national authorities may use our lack of a registered entity/recognised status to question our right to operate. In any such event, there may well be more fundamental issues which may require escalation, including via diplomatic/ governmental channels), but the wider implications remain challenging. We also acknowledge that we may decide to voluntarily create an entity for operational reasons.
- We have developed a framework/methodology to enable us to identify highest risk countries and to have a defined plan in place should our fundamental right to operate in such countries be challenged. This methodology will apply should we seek to register an entity (either because we are compelled to, or on a voluntary basis) which will start from seeking to secure "host nation" or equivalent status with any such registration.

Risk 5: Delivery of stated efficiencies/savings

Failure to deliver stated efficiencies/savings through changed ways of working, and income generation targets may result in insufficient funds to deliver our services optimally, impacting strategy delivery, and leading to a loss of stakeholder trust.

Movement over the year 🔄

Response plans:

- We have agreed a 5-year funding model with Member Governments. We continue to focus on delivery of efficiency savings that underpin the model and exploration of potential new income streams.
- Delivery of these efficiencies is an ongoing requirement because of the strategic financial dynamics of our organisation, i.e. we receive member government funding, which is secure, but which increases at roughly target levels of inflation. Our cost base, however, reflects the management of aging assets in a changing climate, and not all our costs remain within target levels of inflation. Therefore, the delivery of efficiencies and new ways of working is essential to "balance the books."

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

- Delivery against the funding model is monitored by our Finance Committee and reported to the Audit & Risk Committee bi-annually.
- In 2024/25 109% of the target efficiencies were delivered, and 143% of the targeted new income achieved.

Risk 6: Compliance with our Charter, Charity Commission obligations and relevant laws and regulations

The Commission is subject to a complex legislative and regulatory environment across the many jurisdictions in which it operates. Failure to comply with required and/or new and emerging laws, regulations and sanctions could result in financial penalties, investigation by UK Regulators such as the Information Commissioner's Office or the Health and Safety Executive, or ultimately the loss of our Charitable status or Royal Charter, as well as formal sanctions being imposed by other non-UK compliance authorities.

Movement over the year ➡

Response plans:

- We have in place our Commission Values and a suite of Commission-wide policies and standards, which we have enhanced during the year, which govern the way we operate and behave. This is supported by a programme of mandatory training.
- Our onboarding and refresher training programme ensures colleagues, including volunteers and operating partners undertake relevant training to stay up to speed with compliance obligations and understand associated internal policies and procedures in areas such as data protection/security, health and safety and anti-modern slavery.
- We have enhanced our Speaking Up policy and process, which is available to colleagues and operating partners to highlight any concerns (including whistleblowing).
- We seek and take account of the experience and expertise of our non-UK based colleagues to understand, quantify and manage our compliance obligations in the areas in which we operate, horizon scanning for local changes, responding to alerts, and learning from our local external contacts/ networks where necessary.
- Compliance professionals across multiple disciplines, e.g., ethical compliance, health and safety, data protection, employment are integrated into local operations, and all have a good understanding of the compliance risks we face.
- We have a Supplier Code of Conduct in place which outlines standards of legal and ethical compliance to which those who work, for or with us, are contractually obligated to comply.
- Our central Legal and Ethical Compliance team provides advice and guidance globally and work with external counsel in region/country where issues arise using UK law as a reference point/standard.

Risk 7: Cyber Resilience

A successful cyber-attack could result in loss of, or significant disruption to key operations / critical services and/or cause a significant data breach.

Movement over the year ↻

Response plans:

- We are mindful of the increasing sophistication, volume and severity of cyber-attacks and continuously monitor both the internal and external threat landscape.
- We continue to invest with leading technology partners to ensure that our systems and data are adequately protected using multiple layers of protection including anti-virus protection, and multi-factor authentication (MFA) protection from "best-of-breed" providers.
- We have in place a suite of Commission-wide security related policies and procedures that govern the way we operate and behave. This is supported by a programme of mandatory security awareness training and privileged access/ password controls.
- We conduct annual penetration tests and test our incident response and recovery plans regularly.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

- We follow National Cyber Security Centre (NCSC) best practice advice and apply for Cyber Essentials security assurance certification every year.
- We also take a proactive approach to identifying and managing risks associated with a potential breach of IT or data security that may compromise the integrity and availability of data belonging to our staff, volunteers, business partners, or members of the public with whom we interact.
- In response to learnings from our latest incident response exercise, and in consideration of the NCSC reported critical cyber/technology concerns for 2025, regarding ransomware, state-backed cyber-attacks and AI-powered exploits posing significant threats, we have deployed new security capabilities, and we are in the process of procuring an externally managed security operations service centre, that will provide 24/7, 365 days a year, security monitoring, incident detection and remediation capability. In addition, we actively monitor unusual login activities and have strengthened our service/helpdesk procedures to prevent social engineering attacks.
- A new and enhanced backup service has been introduced with an existing partner. This will see existing server backups migrated throughout June and July 2025 to a more secure and capable cloud backup solution, which will improve our service resilience and ability to recover effectively from data loss or cyber / ransomware events.
- We require our third-party IT suppliers to meet either ISO27001 standards or have Cyber Essentials accreditation.
- We have instigated a Commission-wide AI Working Group. This group monitors the use of existing AI tools and systems by staff and aims to identify and develop plans to support the Commission in exploiting the opportunities AI presents across functional areas, whilst being mindful of the pitfalls and protecting ourselves from the associated risks.

Risk 8: Our impact on the environment

Failure to reduce our impact on the natural environment in line with our sustainability agenda and targets, or address wider governance, environmental and social (ESG) risks, could result in reputational damage, demotivated staff, and lead to closer scrutiny from the public and other stakeholders.

Movement over the year

Response plans:

- We have enhanced our PMO framework to help ensure projects take sustainability considerations into account during the design and execution phases.
- We continue to focus on implementing new initiatives to improve our energy and water efficiency, and to monitor our water budgets for all irrigated cemeteries.
- We undertake a programme of energy-efficiency, water-efficiency, and pollution prevention audits for our base sites.
- We monitor near-term greenhouse gas emission reduction targets and our carbon reduction programme to meet near-term targets.
- We are progressively transitioning to renewable electricity tariffs across our estate, where available.
- We have introduced plans to support the planting of additional trees and have introduced biodiversity enhancements in line with guidance issued.
- Across our global horticultural and works activities we continue the managed reduction in our use of pesticides, biocides, herbicides, and water in line with our sustainability objectives.
- In FY25/26 we will conduct a more detailed product analysis of all horticultural product use. This will capture use of all plant protection products, whether they be synthetic products or products comprised of substances of natural origin. We will also begin to monitor and phase out the use of horticultural products containing peat.
- We are using the data available to derive the carbon sequestration value for the trees on our estate. We currently assess our tree stock to be just under of 20,000 so the plans to plant 39,000 more by 2039 will effectively triple our planting.
- We are starting to collate information and insight on static transformers on our sites or on our boundaries and how we effectively and ethically discharge collected wastewater and sludge from cesspits & septic tanks.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

-
- We have aligned our ESG framework more closely with our long-term strategy.

Risk 9: Managing our future workforce needs.

We will succeed by putting our people first, and at the heart of our organisation, attracting, developing, and retaining talented, motivated individuals to meet the long-term strategic priorities of the Commission.

Movement over the year 🔄

Response plans:

The following are key to us delivering against our strategic ambitions:

- We have streamlined our recruitment processes including expanding the use of targeted job boards, social media, and inclusive advertising. We have enhanced our onboarding ensuring new starters become familiar with all processes within their first month of employment and offer hybrid working arrangements to most staff (where roles allow for this).
- We have developed a strategic workforce plan to ensure we have the right people, with the right skills, in the right place, at the right time. We have initiated a mentoring programme with positive reviews from all involved.
- We have developed a global learning and development programme to nurture talent & ensure effective succession planning. This includes establishing a Horticulture and Works Academy. We are actively building talent pipelines through internships, apprenticeships, or partnerships with schools/universities. We have invested in leadership development programmes preparing our team members to take on leadership roles.
- We have established a Reward function and are undertaking a review of our global pay and reward arrangements to minimise compliance risks and ensure efficiencies. A review of our benefits offering has been completed in the UK. It is designed to offer flexible compensation for staff including rewarding high performers/specialist skills.
- We are creating an Employee Value Proposition spelling out the deal between the CWGC and our employees strengthening employer brand.
- We routinely conduct and act on the outcomes of employee surveys and feedback through global staff surveys and employee voice groups. We promote wellbeing initiatives and work-life balance, celebrate diversity, and foster inclusive and supportive environments. We recognise and reward achievements regularly, aligning our global staff awards to our Values.

Risk 10: Stakeholder trust (non-commemorations)

We recognise that failure to meet our public promise expectations to rectify historical inequalities in the commemoration of our war dead may result in loss of stakeholder trust.

Movement over the year 🔄

Response plans:

- A five-year programme to deliver against ten recommendations from a Special Committee report is now in its fifth year.
- The programme operates in thirteen countries across four continents, with a five-person heritage and research hub-team in Nairobi, Kenya, and researchers in archives and universities (including one fully funded PhD) across the continent of Africa, India, and the UK.
- The Cape Town Memorial unveiled during the year continues to receive many thousands of visitors, and significant memorial projects are underway in Sierra Leone (Freetown), and Kenya (CWGC Kariokor Cemetery in Nairobi). We are working with local communities in country to define the brief of these designs.
- In-country PR agencies continue to work with us to help build and maintain relationships and trust with key stakeholders and audiences.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

- We are accelerating the initial phase of the 'Commemorating the Un-commemorated' project, focusing on the marking of previously abandoned graves and known burial sites. A working group has been established in collaboration with our Africa and Asia team to develop a project plan, to be completed in May 2025.
- Updates on the project are routinely shared via the Commission's website and social media channels.
- Regular progress reports are also presented to Commissioners and Parliament via the Secretary of State.

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

Sustainability Progress Summary - FY 23/24 – FY 24/25

CWGC's environmental performance at a glance - Activity data

		FY 23/24	FY 24/25	Trend FY 24/25 FY 23/24
Energy consumption				
	Electricity consumption (kWh) (incl. off-site charging of electric vehicles & machinery)	1,921,535	1,945,104	●
	Natural gas consumption (kWh)	367,364	404,248	▲
	Fuel oil consumption (litres)	10,681	8,018	▼
	Diesel consumption by fleet vehicles (litres)	542,838	568,354	▲
	Petrol consumption by fleet vehicles (litres)	33,850	35,683	▲
	Diesel consumption by machinery/ on-site vehicles (litres)	62,458	52,787	▼
	Petrol consumption by machinery/ on-site vehicles (litres)	144,765	144,401	●
Fleet vehicles				
	Distance driven (km)	5,624,360	6,043,438	▲
	Number of electric vehicles	3	11	▲
	% distance travelled by electric vehicles	0.54	1.62	▲
	Average CO ₂ emission figures for all cars in fleet (g/km)	153	139	▼
	Average CO ₂ emission figures for all light commercial vehicles in fleet (g/km)	220	228	▲
	Average CO ₂ emission figures for all heavy goods vehicles in fleet (g/km)	592	661	▲
Energy efficiency				
	Energy efficiency audits undertaken (per year)	46	46	●
Renewables & low carbon energy				
	Renewable energy installations providing non-electrical energy (e.g. solar thermal) (total)	5	5	●
	Renewable energy installations providing electrical energy (e.g. PV) (total)	15	16	▲
	Low carbon heating/cooling installations (e.g. air source heat pump) (total)	2	2	●
	Renewable energy feasibility studies undertaken (per year)	36	32	▼
	% of electricity consumption that was sourced from renewable energy generation (via mains supply)	25	47	▲
Carbon sequestration				
	Sites reviewed to identify tree planting potential (per year)	76	67	▼
	Additional trees planted (per year)	298	297	●
Biodiversity				
	Number of individual biodiversity enhancements made (per year)	632	228	▼
Water consumption				
	Volume of water consumed (m ³)	686,998	621,249	▼
	Water efficiency audits undertaken (per year)	17	44	▲
	Number of rainwater storage features (total)	14	22	▲
	Total capacity of rainwater storage features in place (m ³)	241	500	▲
Business travel distances				
	Flights (km)	3,176,722	2,998,261	▼
	Rail (km)	277,313	286,080	▲
	Bus (km)	16,573	31,882	▲
	Taxi (km)	70,144	82,320	▲
	Ferry (km)	9,642	23,906	▲
	Personal cars used on company business (km)	199,545	208,488	▲
Waste				
	Total quantity of waste generated (tonnes)	10,808	10,783	●
	Number of sites that compost green waste on-site or at another CWGC site	795	796	●
	Number of sites that send green waste for composting by a third party	873	884	▲
	Number of sites that send green waste to landfill	125	114	▼

Key	▼ ▲	Favourable trend
	▼ ▲	Acceptable/neutral trend
	▼ ▲	Unfavourable trend

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

CWGC's environmental performance at a glance - Greenhouse gas emissions

		FY 23/24	FY 24/25	Trend FY 24/25 vs FY 23/24
Greenhouse gas (GHG) emissions by scope				
	Scope 1 GHG emissions (tCO ₂ e)	2,222	2,260	▲
	Scope 2 GHG emissions (tCO ₂ e)	297	214	▼
	Scope 3 GHG emissions (partial) (tCO ₂ e)	3,158	2,955	▼
Breakdown of GHG emissions - Scopes 1 & 2				
①	Fuel consumed by all fleet vehicles (tCO ₂ e)	1,435	1,503	▲
	Electricity consumption (tCO ₂ e) (emissions associated with non-renewable electricity)	297	214	▼
②	Composting on CWGC sites (tCO ₂ e)	196	204	▲
	Fuel consumed by machinery & on-site vehicles (tCO ₂ e)	474	445	▼
	Energy consumed to heat/cool buildings or power processes (excl. electricity) (tCO ₂ e)	108	99	▼
	Refrigerant leakage from air-conditioning units (tCO ₂ e)	10	9	▼
Breakdown of GHG emissions - Scope 3				
③	Commuting (tCO ₂ e)	1,153	1,153	●
	Fuel- & energy-related activities (not incl. in Scopes 1 & 2) (tCO ₂ e)	713	691	▼
	Business travel - flights, rail, bus, taxi, ferry, personal cars, short-term hire vehicles (tCO ₂ e)	896	860	▼
	Off-site waste management & wastewater treatment (tCO ₂ e)	326	204	▼
	Water supply (tCO ₂ e)	69	47	▼
Breakdown of GHG emissions - Scopes 1, 2 & 3				
	Fuel consumed by all fleet vehicles (tCO ₂ e)	1,435	1,503	▲
	Commuting (tCO ₂ e)	1,153	1,153	●
①	Fuel- & energy-related activities (not incl. in Scopes 1 & 2) (tCO ₂ e)	713	691	▼
②	Business travel - flights, rail, bus, taxi, ferry, personal cars, short-term hire vehicles (tCO ₂ e)	896	860	▼
	Composting on CWGC sites (tCO ₂ e)	196	204	▲
③	Fuel consumed by machinery & on-site vehicles (tCO ₂ e)	474	445	▼
	Electricity consumption (tCO ₂ e)	297	214	▼
	Off-site waste management & wastewater treatment (tCO ₂ e)	326	204	▼
	Energy consumed to heat/cool buildings or power processes (excl. electricity) (tCO ₂ e)	108	99	▼
	Water supply (tCO ₂ e)	69	47	▼
	Refrigerant leakage from air-conditioning units (tCO ₂ e)	10	9	▼
Breakdown of GHG emissions from business travel				
	Flights (tCO ₂ e)	774	739	▼
	Short-term hire vehicles (tCO ₂ e)	67	62	▼
	Personal cars used on company business (tCO ₂ e)	30	31	▲
	Taxi (tCO ₂ e)	15	17	▲
	Rail (tCO ₂ e)	7.5	6.9	▼
	Ferry (tCO ₂ e)	1.1	2.1	▲
	Bus (tCO ₂ e)	1.6	2.0	▲
Key ▼ ▲ Favourable trend ▼ ▲ Acceptable/neutral trend ▼ ▲ Unfavourable trend				

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

Financial results for the year ended 31 March 2025

The financial accounts are prepared in line with best practice in the UK Charities sector (Accounting and Reporting by Charities: Statement of Recommended Practice (the "SORP")) and with FRS102. The Commissioners consider it appropriate to confirm and prepare the financial statements on a going concern basis as a rolling three-year funding model is in place with the CWGC's Government sponsors.

Total consolidated income for the year was £83.7m compared with the previous year's income of £80.4m. The Commission's income was £82.6m (2024: £79.8m). Funding comes primarily from the six-member governments in proportions based upon the number of their graves; to that end, the Member Governments contributed £71.0m, versus the previous year of £69.6m. The Commission also receives agency funding from these and other governments for the care of military graves from other periods and for war memorials. Agency income of £5.8m was 7.0% lower than the previous year's income.

Restricted income of £2.7m includes of £0.8m for the graves renovation, Normandy 80 and VE&VJ National Programme, and £1.6m from Flanders Heritage for military cemetery renovations in Belgium, interns/speakers £0.2m and £0.12m in France. Other income of £1.8m, includes VAT funding of £1m, £0.8m for donations, legacies and other contributions.

The Commission's consolidated expenditure increased year-on-year by 6.8% to £87.6m (2024: £82.0m). The Commission's expenditure was £87.8m (2024: £81.3m) – costs increased due to inflation and the ongoing completion of deferred structural projects including the renovation of Menin Gate and the Cape Town memorial.

The consolidated statement of financial activities shows a deficit of £2.7m after pension scheme (actuarial) gain of £1.1m, (2024: £6.9m deficit after actuarial losses of £5.2m). A £3.5m deficit was recorded in the Commission (2024: deficit £6.8m) and the Foundation's surplus was £239k (2024: surplus £18k). The Commission's working capital decreased to £3.9m (2024 £7.8m).

Capital expenditure was £2.0m (2024 - £2.2m). There was no capital expenditure in the Foundation.

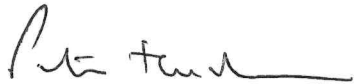
The Commission's consolidated balance sheet position decreased in year to a net deficit of £2.7m, a £2.8m decrease on the previous year's net surplus position of £0.1m, resulting from the delivery of our strategic initiatives and positive offset from the pension in year movement of £1.1m. £3.2m of the Structural projects reserve balance was used in year leaving a balance of £1.7m for future programme commitments for the ongoing delivery of the Commission's strategic objectives.

The Commonwealth War Graves Foundation recorded income of £1,067k (2024 - £616k) of which £653k comprised donations and legacies, £221k from Grants, £114k for supporter and sponsorship income and £79k for income from retailing activities from the Commission's Visitor and Information Centres, sale of books and from Event activities. The Foundation's expenditure was £828k (2024: £594k) and net income £239k (2024: net income £22k), before other recognised losses of £0k (2024: losses of £4k).

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' report and operating and financial review for the year ended 31 March 2025

The Commission's pension deficit, calculated by the scheme's actuaries in accordance with FRS 102 using actuarial assumptions, has decreased by £1.1m to £17.2m at the year-end (2024: £18.3m). The decrease in the deficit is due to an increase in the discount rate and higher investment returns in year. The FRS 102 pension deficit is a long-term liability and cash payments to fund the deficit are determined by the triennial actuarial valuation (which is calculated on a different basis). The outcome of the most recent triennial actuarial pension valuation at 31 March 2023 was a deficit of £6.9m (2020: deficit £12.1m). A rolling ten-year funding plan, comprising payments totalling to date £4.5m, continues to be the annual payments of £0.85m by the Commission, was agreed with the Pension Fund's Trustees to discharge this liability.



Vice Admiral Peter Hudson CB CBE
Vice-Chairman



Barry Murphy
Acting Director General
For and on behalf of Claire Horton, Director General

17 September 2025

17 September 2025

COMMONWEALTH WAR GRAVES COMMISSION

Statement of internal controls for the year ended 31 March 2025

As Accounting Officer to the UK Ministry of Defence, the Director General is responsible for safeguarding the Commission's assets, ensuring that proper records are maintained and ensuring that the internal controls and risk management processes of the organisation are fit for purpose and that reliance can be placed on the control of resources used in the Commission.

The corporate governance of these processes' centres around the Audit and Risk Committee, chaired by Commissioner Sir Stuart Atha during the year under review, with three other Commissioners. The Committee's terms of reference were reviewed when Sir Stuart took over Chairmanship in 2024. All committee meeting minutes are presented to the Commissioners. The Committee met four times during FY2024/25.

The Audit and Risk Committee is responsible for ensuring that the Commission's risk management processes and reporting arrangements are fit for purpose to drive risk informed decisions. Areas and headquarters functions identify, review, and report on existing and emerging risks and associated mitigation strategies at least quarterly. This provides insight for the compilation of a Strategic Risk Report and a Corporate Risk Register for review by the Executive Leadership Team and quarterly review by the Audit and Risk Committee, prior to the presentation of both at quarterly Commissioner meetings. During the year, in collaboration with designated Area and Functional risk champions, the approach to managing risk across the Commission has matured to drive consistency of approach and to align with best practice. Using the principles prescribed in the risk management policy, the supporting Risk Management Standards have been refreshed, and work continues to embed this best practice into our operational practices world-wide, so that it becomes an integral part of day-to-day decision-making, action planning, and delivery.

With effect from FY2024/25, the Commission operated with a fully in-sourced internal audit team working to a rolling five-year strategic audit plan - approved, modified, and updated through the year by the Executive Leadership Team and Audit and Risk Committee.

During the year, the Internal Audit team completed seven assurance reviews for the Commission. All reviews included an assurance opinion:

- Recovery Unit Safety Practices Review – Substantial Assurance (GREEN)
- Egypt and Algeria/Morocco Country Reviews, Foundation Financial Review and Contractor Management Review - Moderate Assurance (YELLOW)
- Data Management and Data Protection Reviews – Limited Assurance (AMBER)

Improvement action plans are established, the progress of which is monitored monthly by the Executive Leadership Team. Reported improvement actions are grouped into the following themes for monitoring trend and further action:

- Safeguarding our people
- Safeguarding physical assets
- Financial control
- Compliance with external laws and regulations
- Compliance with internal policies, procedures, and operating standards
- Reliability and integrity of financial and operational information and external reporting

With effect from FY2024/25 the theme of 'Operational and financial efficiency' will be added to the list.

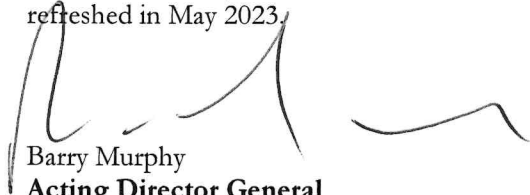
A number of compliance functions are embedded across the Commission. Such teams work independently to carry out additional compliance reviews. Work is underway to map the assurance landscape, understand the scope and coverage of work carried out by these teams and to provide integrated reporting and transparency on the outcomes all assurance activities.

COMMONWEALTH WAR GRAVES COMMISSION

Statement of internal controls for the year ended 31 March 2025

The external auditors, Crowe UK LLP, with effect from FY 2024/25, attend the Audit and Risk Committee to present their audit plan, and their audit findings. The audit plan for each year is discussed with the Committee and they submit an audit findings report each year, summarising findings arising from their statutory audit of the Commission's financial statements. Crowe's audit approach for year was complemented by interim work in April and May 2025.

The Commission's Finance Committee (chaired by Commissioner Sir Stuart Atha) scrutinises the annual budget prior to approval by the Commissioners. It receives regular financial reporting at each of its meetings that monitors progress against the approved budget, including quarterly reforecasting. Monthly financial reports are also provided to the Executive Leadership Team, Senior Management Team, and individual budget holders for them to effectively fulfil their financial accountabilities. The Committee's terms of reference were reviewed and refreshed in May 2023.



Barry Murphy

Acting Director General

For and on behalf of Claire Horton, Director General

17 September 2025

COMMONWEALTH WAR GRAVES COMMISSION

Commissioners' responsibilities statement for the year ended 31 March 2025

The Commissioners are responsible for preparing the annual report and the Group's financial statements in accordance with applicable law and regulations. The Group comprises the Commission and its sole wholly owned subsidiary the Commonwealth War Graves Foundation.

The Commission's Royal Charter of Incorporation requires the Commission to prepare financial statements for each financial year. The Commission has elected to prepare the financial statements in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), applicable to entities preparing their accounts in accordance with FRS102, to the extent that the SORP is applicable to the Commission, and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice's legal framework including FRS102). The Foundation, due to its status as a Charitable Incorporated Organisation (CIO), prepares its financial statements for submission to the Charity Commission in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), applicable to entities preparing their accounts in accordance with FRS102.

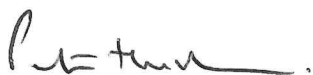
Guidance under Company law recommends that the Commissioners must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Commission and the Group and of the income and expenditure of the Group for that period. In preparing these financial statements, the Commissioners are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- Make judgments and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Commission and its subsidiary will continue in operation.

The Commissioners are responsible for keeping adequate accounting records that are sufficient to show and explain the Commission's transactions and to disclose, with reasonable accuracy at any time the financial position of the Commission and its subsidiary and to enable them to ensure that the financial statements comply with the requirements of the Charities SORP (FRS102) to the extent that the Charities SORP is applicable to the Commission's legal framework. They are also responsible for safeguarding the assets of the Commission and its subsidiary and hence for taking steps for the detection and prevention of fraud and other irregularities.

The Commissioners confirm that:

- So far as each Commissioner is aware, there is no relevant audit information of which the Commission's auditors are unaware; and
- They have taken all the steps that they ought to have taken as Commissioners in order to make themselves aware of any relevant audit information and to establish that the Commission's auditors are aware of that information.



Commissioners

17 September 2025

Independent auditor's report to the Commissioners of Commonwealth War Graves Commission

Opinion

We have audited the financial statements of the Commonwealth War Graves Commission (the 'Commission') and its subsidiary (together the 'Group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Commission balance sheet, the consolidated cash flow statement 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 Financial Reporting Standard 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 Commission's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Commission 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 Commissioners' 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 or Commission'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 Commissioners with respect to going concern are described in the relevant sections of this report.

Other information

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

Independent auditor's report to the Commissioners of Commonwealth War Graves Commission

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Commissioners

As explained more fully in the Commissioners responsibilities statement set out on page 21, the Commissioners 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 Commissioners 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 Commissioners are responsible for assessing the Group and Commission'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 Commissioners either intend to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members [including internal specialists and component audit teams]. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Commission and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the

Independent auditor's report to the Commissioners of Commonwealth War Graves Commission

Charity SORP (FRS 102), and local tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the Commission/group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Commissioners and other management and inspection of regulatory and legal correspondence, if any.

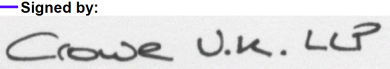
We also considered the opportunities and incentives that may exist within the group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and management override of controls. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Commission's Commissioners, as a body, in accordance with our engagement letter dated 11 November 2024. Our audit work has been undertaken so that we might state to the Commission's Commissioners those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Commission and the Commission's Commissioners as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

9AB36074C1BA4A8...
Crowe U.K. LLP

Statutory Auditor

London, UK

[Date] 25/9/2025 | 11:12 AM PDT

COMMONWEALTH WAR GRAVES COMMISSION

Consolidated statement of financial activities for the year ended 31 March 2025

	Note	General Purposes 2025 £'000	Agency Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Income						
Funds received from Member Governments	1	71,032	-	-	71,032	69,627
Funds received for agency purposes	2	-	5,807	-	5,807	6,247
Grant funds from government & charitable activities	3	207	-	2,683	2,890	1,345
Investment income	4	2,174	-	-	2,174	1,752
Other income	5	1,773	-	-	1,773	1,450
Total income		75,186	5,807	2,683	83,676	80,421
Expenditure						
Expenditure in respect of general activities	6	73,655	-	-	73,655	71,005
Expenditure in respect of agency purposes	8	-	5,727	-	5,727	6,190
Expenditure in respect of grant & charitable activities	9	4,243	-	2,636	6,879	3,434
Other expenditure	10	1,289	-	-	1,289	1,338
Total expenditure		79,187	5,727	2,636	87,550	81,967
Net (expenditure)/ income for the year before other recognised gains and losses		(4,001)	80	47	(3,874)	(1,546)
Other recognised gains and losses						
Net exchange gains	11	110	(80)	-	30	(228)
Actuarial gain/(loss) on defined benefit pension scheme	20	1,104	-	-	1,104	(5,205)
Net movement in funds		(2,787)	-	47	(2,740)	(6,979)
Reconciliation of funds						
Total funds brought forward – restated	22	56	-	-	56	7,035
Transfers between funds	22	47	-	(47)	-	-
Net movement in funds	22	(2,787)	-	47	(2,740)	(6,979)
Total funds carried forward	22	(2,684)	-	-	(2,684)	56

All income and expenditure in the general purposes fund have been derived from continuing activities.

The accompanying accounting policies and notes on pages 30 to 56, form an integral part of these financial statements

COMMONWEALTH WAR GRAVES COMMISSION

Consolidated balance sheet as at 31 March 2025

		General Purposes 2025 £'000	Agency Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
	Note					
Intangible assets						
Software systems	14	1,174	-	-	1,174	803
Fixed assets						
Tangible assets	15	14,444	-	-	14,444	14,929
		15,618	-	-	15,618	15,732
Current assets						
Debtors	17	2,581	560	1,680	4,821	4,040
Cash at bank and in hand		13,206	3,502	(1,030)	15,678	20,543
		15,787	4,062	650	20,499	24,583
Creditors: amounts falling due within one year	18	(11,870)	(4,062)	(650)	(16,582)	(16,788)
Net current assets		3,917	-	-	3,917	7,795
Total assets less current liabilities		19,535	-	-	19,535	23,527
Provisions for liabilities and charges	19	(5,034)	-	-	(5,034)	(5,189)
Total assets excluding pension scheme liability		14,501	-	-	14,501	18,338
Defined benefit pension scheme liability	20	(17,185)	-	-	(17,185)	(18,282)
Net assets including pension scheme liability		(2,684)	-	-	(2,684)	56
Funds of the Commission						
General purposes	22	12,178	-	-	12,178	14,440
Other designated funds	22	2,323	-	-	2,323	3,898
Pension reserve	22	(17,185)	-	-	(17,185)	(18,282)
		(2,684)	-	-	(2,684)	56

The financial statements were approved by the Commission on 17 September 2025.


Vice Admiral Peter Hudson CB CBE
Vice Chairman


Barry Murphy
Acting Director General
For and on behalf of Claire Horton, Director General

The accompanying accounting policies and notes on pages 30 to 56, form an integral part of these financial statements

COMMONWEALTH WAR GRAVES COMMISSION

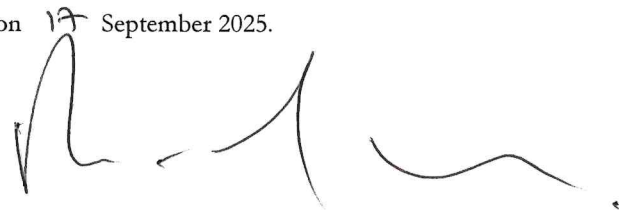
Commission balance sheet as at 31 March 2025

	Note	General Purposes 2025 £'000	Agency Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Intangible assets						
Software systems	14	1,174	-	-	1,174	803
Fixed assets						
Tangible assets	15	14,444	-	-	14,444	14,929
		15,618	-	-	15,618	15,732
Current assets						
Debtors	17	2,596	560	1,680	4,836	4,120
Cash at bank and in hand		12,828	3,502	(1,030)	15,300	20,349
		15,424	4,062	650	20,136	24,469
Creditors: amounts falling due within one year	18	(11,807)	(4,062)	(650)	(16,519)	(16,807)
Net current assets		3,617	-	-	3,617	7,662
Total assets less current liabilities		19,235	-	-	19,235	23,394
Provisions for liabilities and charges	19	(5,034)	-	-	(5,034)	(5,189)
Total assets excluding pension scheme liability		14,201	-	-	14,201	18,205
Defined benefit pension scheme liability	20	(17,185)	-	-	(17,185)	(18,282)
Net assets including pension scheme liability		(2,984)	-	-	(2,984)	(77)
Funds of the Commission						
General purposes	22	11,953	-	-	11,953	14,382
Other designated funds	22	2,248	-	-	2,248	3,823
Pension reserve	22	(17,185)	-	-	(17,185)	(18,282)
		(2,984)	-	-	(2,984)	(77)

The financial statements were approved by the Commission on 17 September 2025.



Vice Admiral Peter Hudson CB CBE
Vice-Chairman



Barry Murphy
Acting Director General
For and on behalf of Claire Horton, Director General

The accompanying accounting policies and notes on pages 30 to 56, form an integral part of these financial statements

COMMONWEALTH WAR GRAVES COMMISSION

Consolidated cash flow statement for the year ended 31 March 2025

	General Purposes 2025 £'000	Agency Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Net cash flow from operating activities					
Net expenditure	(4,001)	80	47	(3,874)	(1,546)
Transfer between reserves	47	-	(47)	-	-
Pension scheme adjustment	7	-	-	7	(225)
Depreciation	2,074	-	-	2,074	2,168
(Profit) on sale of fixed assets	-	-	-	-	(27)
(Increase)/Decrease in inventory prepayments	(23)	-	-	(23)	(44)
Decrease/(Increase) in debtors	122	15	(895)	(758)	403
(Decrease)/Increase in creditors	(609)	380	23	(206)	(999)
Increase in termination indemnities	265	-	-	265	578
Termination indemnities exchange revaluation	(98)	-	-	(98)	(359)
Disbursement of termination indemnities	(433)	-	-	(433)	(156)
Increase in other provisions	111	-	-	111	273
Net cash (used in)/provided by operating activities	(2,538)	475	(872)	(2,935)	66
Cash flows from investing activities					
Payments to acquire tangible and intangible fixed assets	(2,040)	-	-	(2,040)	(2,246)
Receipts from sales of tangible fixed assets	80	-	-	80	39
	(1,960)	-	-	(1,960)	(2,207)
Cash flows from financing activities					
Net exchange gains	110	(80)	-	30	(228)
	110	(80)	-	30	(228)
(Decrease)/Increase in cash	(4,388)	395	(872)	(4,865)	(2,369)

The accompanying accounting policies and notes on pages 30 to 56, form an integral part of these financial statements

COMMONWEALTH WAR GRAVES COMMISSION

Consolidated cash flow statement for the year ended 31 March 2025

Reconciliation of net cash flow to movement in cash and cash equivalents

	2025 £'000	2024 £'000
Movement in cash and cash equivalents	(4,865)	(2,369)
Cash and cash equivalents at 1 April	<u>20,543</u>	<u>22,912</u>
Cash and cash equivalents at 31 March	<u>15,678</u>	<u>20,543</u>

No separate reconciliation of net debt has been prepared as there is no difference between the net debt of the Commission and the cash and cash equivalents reported above.

COMMONWEALTH WAR GRAVES COMMISSION

Principal accounting policies for the year ended 31 March 2025

Basis of Accounting

The accompanying consolidated financial statements are prepared on the historical cost basis of accounting and, together with the Commissioners' Report have been produced in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), applicable to entities preparing their financial statements in accordance with FRS102, to the extent that the SORP is applicable to the Commission, and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (GAAP) including FRS102). The Commission's Royal Charter requires that the accounts of the Commission shall be audited annually by an auditor or auditors, who shall be Chartered Accountants. The Commission meets the definition of a public benefit entity under FRS102. The functional currency is sterling.

Consolidation

The Commission is the sole member of the Commonwealth War Graves Foundation (Registered charity number 1171947) and as the Foundation's solitary member exercises control and benefit over the Foundation by virtue of it being solely able to amend the Foundation's constitution, merge the entity and wind it up. The financial statements therefore consolidate the results of the Commission and its wholly owned subsidiary, the Foundation, on a line-by-line basis. Transactions and balances between the Commission and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes to the Commission's balance sheet.

In the view of the Commissioners, the financial statements of the Imperial War Endowment Fund are not consolidated in these accounts as the Commission does not exercise overall and effective control of the Fund.

Going Concern

The financial statements have been prepared on a going concern basis. The Commission's financial statements are in a net liability position of £2.9m at 31 March 2025 (£0.3m net asset position at 31 March 2024). Expenditure in respect of grant and charitable activities exceeded grant income from government and charitable activities by £4.0m against which the pension deficit in the UK based pension scheme has decreased by £1.1m to £17.2m at 31 March 2025 (£18.3m at 31 March 2024). The UK based pension scheme is a long-term liability, and its deficit position is continually under review. The deficit in the scheme does not impact the assessment of going concern, as the liability is not going to unwind for a number of years and there are no issues with the Commission meeting the agreed deficit payments and the annual running costs of the scheme for the foreseeable future. The UK Government contributes in excess of 78% of the Commission's core funding on an annual basis and the UK's Ministry of Defence has documented its ongoing support for the Commission. The Commission also expects its other income to both continue and grow over the medium term, as the Group increases its ability to both identify and attract new sources of grant, agency, and charitable funding. On this basis, the Commission is considered to be a going concern.

Fund accounting

General purposes reserves are unrestricted funds that are available for use at the Commissioners' discretion in furtherance of the objectives of the Commission.

Restricted funds are subject to specific restrictions imposed by the donors of the relevant funds.

A pension reserve is included within the unrestricted funds representing the pension deficit, in accordance with FRS102 – "Retirement benefits".

The exchange reserve, and other unutilised designated reserves, are carried forward for future years requirements.

Income

Income is recognised in the period in which the Group is entitled to receive the funds, receipt is probable and where the amount can be measured with reasonable clarity. Where income is received in advance of entitlement, income is deferred and carried within liabilities on the balance sheet until entitlement criteria is met. Dividend

COMMONWEALTH WAR GRAVES COMMISSION

Principal accounting policies for the year ended 31 March 2025

income due from the Imperial War Graves Endowment Fund is recognised when donated to the Commission on a cash basis.

Government Grant Funding

UK government funding from LIBOR receipts is treated as restricted funds and shown separately in the consolidated statement of financial activities as this is mandated by these grant agreements. The income is recognised in line with the terms and conditions of the grant, i.e., the expenditure must be incurred for the Commission to be entitled to the income.

The Flemish government also provides grant funding in relation to Flanders Walls structural work activities in Belgium. This grant funding is recognised on a cost of completion basis and is now included within restricted funds along with other grants for specific projects. These activities are subject to regular and ongoing inspection and review by the Flemish authorities and are formally signed off once a year.

Expenditure

The Commission's expenditure is analysed between Royal Charter activities and agency activities.

Costs are included in the consolidated statement of financial activities on an accruals basis.

Governance costs

Governance costs represent direct expenditure incurred by, or on behalf of, the Commissioners, and both internal and external audit costs.

Allocation and apportionment

All of the Commission's costs are allocated to general purposes, other than costs directly attributable to agency work (for example, memorials or non-World War cemeteries) and costs apportioned to agency work (for non-World War or agency government headstones, situated within wider Commission World War cemeteries) and some of the grant-funded projects which are designated as restricted activities.

The Foundation's costs are allocated between charitable activities and other trading activities relating to merchandise sales.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5k are capitalised and included at cost, including any incidental costs of acquisition. For IT procurement, the provisions of "grouped assets" applies to all items of equipment forming part of the Commission's IT infrastructure. Investment in software is classified as an intangible asset.

Freehold land and buildings are included in the financial statements at their deemed carrying value at 1 April 2014, consistent with the transition provisions of FRS 102 and as adjusted for subsequent additions and disposals. With effect from 1 April 2014, the Commission has been making provision for depreciation on its freehold buildings. This approach dispenses with any requirement to undertake regular revaluations of the Commission's freehold assets.

Freehold land and buildings are treated as an asset if they meet all the following tests:

- Not contained within the cemetery boundary, as advised by CWGC's legal team's documentation;
- Are on private land and outside of a cemetery boundary;
- The building or land has re-sale potential; and
- The building could be moved and used at another location, i.e. main storage facilities.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost by equal annual instalments, on a straight-line basis, over their expected useful economic lives as follows:

COMMONWEALTH WAR GRAVES COMMISSION

Principal accounting policies for the year ended 31 March 2025

- Freehold land	Not depreciated
- Freehold buildings	50 years on initial costs; 25 years on refurbishment
- Vehicles	5 years
- Trucks	10 years
- Machinery	5 years
- Computer infrastructure	3 years
- Information systems	Between 3 & 7 years

Inventory

Stocks of uninscribed headstones and other consumables are included in debtors as prepayments. They are valued at cost and charged to the consolidated statement of financial activities after being engraved.

The Foundation holds a small stock of books, maps, and other stationery at its information centre in Ieper and visitor centre in Beaurains.

Provisions

Provisions for future liabilities are recognised when the Group has a legal or constructive financial obligation that can be readily estimated and for which there is a reasonable expectation that payment will be made.

Foreign currencies

Transactions in foreign currencies are translated into sterling at monthly fixed rates of exchange. Balances at year-end are re-translated at the equivalent fixed rates of exchange at 31st March as required by SORP FRS102. The net exchange gain or loss arising on foreign currency transactions is shown as a separate item within expenditure in respect of general purposes activities. In previous years, the annual fixed rates of exchange were set before the beginning of the financial year. The prior year figures have been restated to reflect this policy change.

Pension schemes

Until 31 March 2016, the Group operated a defined benefit pension scheme in the UK and for overseas based staff contracted in the UK whose employment with the Commission commenced prior to 1 January 2013. Following the closure of the scheme to future accrual, UK-contracted staff accrue pension benefits under a defined contribution arrangement which was established in January 2013 for members of UK staff who were not eligible to join the defined benefit scheme. In other European countries, the Group complies with local schemes which are mandated legally. Across the rest of the countries in which the Group operates, a range of termination indemnity schemes are in place, some of which are mandated legally and some of which have been established voluntarily by the Group.

The defined benefit pension scheme is accounted for in accordance with FRS102. Scheme assets are measured at fair values and quoted securities are measured at bid price. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality bond rates. The net surplus or deficit is presented separately from other net assets on the consolidated balance sheet. A net surplus is recognised only to the extent that it is considered recoverable under the terms of FRS102 by the Commission.

The current service cost and costs from settlements and curtailments are charged against net income. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme's liabilities and the expected return on scheme assets are included net of support costs. Actuarial gains and losses are reported within other recognised gains/(losses) in the consolidated statement of financial activities.

COMMONWEALTH WAR GRAVES COMMISSION

Principal accounting policies for the year ended 31 March 2025

Operating leases

Rentals payable under operating leases are charged to the consolidated statement of financial activities as incurred, on a straight-line basis, over the term of the lease.

Heritage assets

The Commission holds a large number of cemeteries and memorials, none of which has been recognised in the consolidated balance sheet as the assets are held in perpetuity on behalf of the Member Governments and there is, therefore, no question of disposal for commercial gain. Operationally, the up-keep and maintenance of these heritage assets are funded annually from the member governments, from the structural contracts budget. Improvements to sites, including new operational buildings, are fully expensed in the year in which the work is conducted. One-off grants are also awarded to cover structural refurbishments.

UK Value Added Tax (VAT)

The Commission is not registered for VAT. The Ministry of Defence reimburse an agreed amount annually, plus a yearly uplift, to contribute towards the irrecoverable UK VAT costs incurred. The amount reimbursed in the current year was £1,003k (2024: £982k). The UK VAT expense not covered by this funding amounted to £228k (2024: £96k).

The funding received from the UK Ministry of Defence is shown separately within other income and the VAT incurred by the Group is shown separately within other expenditure.

Restricted funds

The Commission's financial statements include restricted funds from donations and grants for project activities in the Commission and Foundation.

Significant estimates and judgements

Estimates

Where contractual revenue and costs cannot be allocated with certainty, but are related to the current financial period, an estimate of the income or expense is booked within the financial statements based on the accruals principle. Income and costs for operational or specific activities are estimated (accrued) using principally a calculation for the percentage cost of work completed.

Maintaining a presence in over 150 countries and territories presents challenges with regards to employment and retirement contracts/schemes. In place of a pension scheme, or State equivalent provision, it is the Commission's policy in a number of countries outside of the UK and European Union to provide for termination indemnities (see note 19). The Commission has a number of different statutory/ contractual arrangements in place where the liability is estimated based on the specific country or employee contract arrangements. On cessation of an employee's contract, the termination indemnity payment is made.

The holiday pay accrual is calculated based on local legislation and employee contractual arrangement

Judgements

The projected life of refurbishments, equipment and IT systems, and their replacement timescale, is the driver for the depreciation policy.

Judgements are required in making pay and taxation accruals for those countries where pay awards are linked to government scales which may result in the backdating of pay awards. These are calculated based on the most up-to-date information as at the balance sheet date.

The final area of cost where judgement is required relates to the highly sensitive assumptions used in calculating the obligations of the Commission's defined benefit pension scheme, details of which are provided in note 20.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

1 Income from Member Governments

The calculation for the value of contributions owed by Member Governments has remained unchanged since 2007. The prior and current year calculation for the sterling value has been adjusted to convert foreign currency payments to use monthly exchange rates rather than the previously used annual exchange rates and fixed Euro exchange rate provided by the Ministry of Defence. This change has now been incorporated throughout the accounts to correctly account in line with SORP FRS102. The foreign exchange impact reduced income by £1.9m in the current year (2024: £900k).

	Percentage contribution	2025 £'000	Restated 2024 £'000
United Kingdom	77.86%	55,308	54,544
Canada	10.31%	7,325	7,059
Australia	6.22%	4,417	4,270
New Zealand	2.20%	1,563	1,511
South Africa	2.20%	1,566	1,418
India	1.20%	853	825
	100.00%	71,032	69,627

2 Income for agency purposes

The value of the funds for agency purposes from the government and other associations is as follows:

	2025 £'000	2024 £'000
Canada	1,780	2,266
United Kingdom	2,138	2,314
Germany	844	805
Australia	259	247
South Africa	148	150
New Zealand	68	44
Other	570	421
	5,807	6,247

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

3 Grant Funds from Governments & charitable activities

The value of grant funds received/receivable from governmental bodies subsidising structural contracts and other activities is as follows:

	General Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	Restated General Purposes 2024 £'000	Restated Restricted Funds 2024 £'000	Restated Total 2024 £'000
Beaurains Office-Corporate-Other Contract Income	1	-	1	1	-	1
British Library	-	-	-	-	15	15
Canal Seine Nord Project	178	-	178	118	-	118
DCLG - Normandy 80th anniversary	-	301	301	-	-	-
DCMS National Programme - VE & VJ Days	-	291	291	-	-	-
Dépt. du Cavaldos - Normandy 80th anniversary	-	67	67	-	45	45
Dépt. Seine Maritime - St. Sever Cemetery	-	117	117	-	-	-
Egypt-Finance-Other Contract Income	-	-	-	2	-	2
Eyes On Hands On	-	52	52	-	221	221
Flanders Heritage - Bus House Cemetery grant	-	108	108	-	-	-
Flanders Heritage - Elzenwalle Brasserie Cemetery grant	-	15	15	-	-	-
Flanders Heritage - Leopardsburg WC grant	-	10	10	-	-	-
Flanders Heritage - Menin Gate grant	-	1,042	1042	-	687	687
Flanders Heritage - Poperringhe Old MC grant	-	225	225	-	32	32
Flanders Heritage - Westtoer grant	-	4	4	-	2	2
Flanders Heritage - Wulverghem-Lindenhoek Road MC grant	-	166	166	-	-	-
Ieper Office – Corporate Grant Funding	-	9	9	-	-	-
Interns	-	66	66	-	132	132
Legacy of Liberation - D-Day 80th Anniversary grant	-	14	14	-	-	-
MoD graves renovation	-	141	141	-	-	-
Region Hauts de France, Department de la Somme & DRAC - Thiepval renovation	-	-	-	-	2	2
Speakers Programme - (Post Office)	-	61	61	-	60	60
Stories Portal - (Post Office)	-	-	-	-	-	-
Visitor Centre	28	-	28	28	-	28
WW2 Oral Histories	-	14	14	-	-	-
Flanders Wall – provision written off	-	(20)	(20)	-	-	-
	207	2,683	2,890	149	1,196	1,345

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

4 Investment income - General purposes

	2025	Restated 2024
	£'000	£'000
Income from the Imperial War Graves Endowment Fund	1,500	970
Interest on bank deposits and investment income	674	782
1.1	2,174	1,752

5 Other income

£696k (2024: £386k) of the income relates to the Commission’s charitable foundation (‘CWGF’), comprising £510k of donations and legacies, £106k charitable activities and £80k other trading activities.

	2025	Restated 2024
	£'000	£'000
United Kingdom government funding for offset against VAT	1,003	982
Legacies and donations	510	276
Supporter scheme income & other event sales	106	66
Other income	154	126
	1,773	1,450

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

6 Expenditure in respect of general activities

	2025 £'000	Restated 2024 £'000
Employee and staff costs (note 12)	47,947	46,473
Termination indemnity provision charge (note 12/19)	264	506
Retirement indemnity provision in France (note 12/19)	255	43
Termination indemnity state payments	172	175
Staff support	2,020	2,017
Supplies and equipment	8,259	6,725
Contract costs	8,953	8,120
Travel costs	2,592	2,687
Transport costs	3,196	3,009
Facilities costs - rent, rates, and insurance	1,826	1,768
Maintenance	1,167	1,094
Depreciation	2,074	2,169
Restructuring (note 12)	421	572
Legal costs and provisions	37	(246)
Net financial (income)/charge on pension scheme liabilities (note 20)	857	625
Professional fees	2,155	2,020
Governance costs (note 7)	478	409
Marketing and publications	1,069	523
Communications	1,008	585
IT	1,492	1,298
Irrecoverable indirect taxes (note 10)	1,289	1,338
Other administrative expenses	19	57
	87,550	81,967
Less: Costs incurred for agency purposes (note 8)	(5,727)	(6,190)
Less: Costs incurred for unrestricted grant purposes (note 9)	(4,243)	(2,234)
Less: Costs incurred for restricted grant purposes (note 9)	(2,636)	(1,200)
Less: Costs incurred for other purposes (note 10)	(1,289)	(1,338)
	73,655	71,005

In the current year, £73.6m, (2024: £71.0m) of the total expenditure relates to funds received from member governments for general purposes. The prior and current year calculation for the sterling value has been adjusted to convert foreign currency payments to use monthly exchange rates rather than the previously used annual exchange rates and fixed Euro exchange rate provided by the Ministry of Defence. This change has now been incorporated throughout the accounts to correctly account in line with SORP FRS102. The foreign exchange impact reduced expenditure by £2.6m. (2024: £1.7m).

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

7 Governance costs

	2025	Restated 2024
	£'000	£'000
Internal audit fees & other services	-	38
Commission internal audit costs	218	169
Commissioners' costs and expenses	152	120
External auditors' fees for statutory audit	79	55
External auditors' fees for non-audit services	4	20
External audit – provided by firms other than the Commission's auditor	25	7
	<u>478</u>	<u>409</u>

8 Expenditure in respect of agency purposes

	2025	Restated 2024
	£'000	£'000
Indirect staff and staff support cost	2,172	2,350
Indirect non-staff costs	690	757
Direct staff costs	768	970
Direct non-staff costs	<u>1,358</u>	<u>1,315</u>
	4,988	5,392
Management charges	<u>739</u>	<u>798</u>
	<u>5,727</u>	<u>6,190</u>

In the current and prior year, the total expenditure wholly relates to funds received from agency contract funders for agency purposes.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

9 Expenditure in respect of grant funding and charitable purposes

	General Purposes 2025 £'000	Restricted Funds 2025 £'000	Total 2025 £'000	General Purposes 2024 £'000	Restricted Funds 2024 £'000	Total 2024 £'000
Beaurains Office-Corporate-Other Contract Income	-	-	-	99	-	99
British Library	-	-	-	22	15	37
Canal Seine Nord Project	176	-	176	98	-	98
DCLG -Normandy 80th anniversary - DCLG	752	301	1,053	-	-	-
DCMS National Programme - VE & VJ Days	-	291	291	-	-	-
Dépt. du Cavaldos -Normandy 80th anniversary	148	67	215	133	45	178
Dépt. Seine Maritime - St. Sever Cemetery	274	117	391	-	-	-
Eyes On Hands On	225	52	277	306	-	306
Flanders Heritage - Menin Gate grant	2,419	1,042	3,461	1,552	687	2,239
Flanders Heritage - Poperringhe Old MC grant	61	225	286	16	30	46
Flanders Heritage - Westtoer grant	-	(1)	(1)	-	-	-
Flanders Heritage - Wulverghem-Lindenhoek Road MC grant	86	166	252	-	-	-
Interns	-	65	65	-	132	132
Legacy of Liberation - D-Day 80th Anniversary grant	102	14	116	-	-	-
MoD graves renovation	-	123	123	-	193	193
Region Hauts de France, Department de la Somme & DRAC - Thiepval renovation	-	-	-	5	2	7
Runnymede Lighting	-	-	-	3	-	3
Speakers Programme	-	61	61	-	48	48
Stories Portal - (Post Office)	-	-	-	-	48	48
WW2 Oral Histories	-	2	2	-	-	-
Transfer of restricted grants from CWGF reserves	-	111	111	-	-	-
	4,243	2,636	6,879	2,234	1,200	3,434

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

10 Other expenditure

	2025	2024
	£'000	£'000
UK input VAT	1,231	1,271
Canada input tax	58	67
	<u>1,289</u>	<u>1,338</u>

11 Foreign exchange

	2025	Restated 2024
	£'000	£'000
Balance sheet revaluation	151	349
Termination indemnity revaluation	98	327
Bank accounts exchange loss	169	(674)
Net exchange (loss)	<u>(388)</u>	<u>(230)</u>
	<u>30</u>	<u>(228)</u>

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

12 Employees and staff costs

	2025	Restated 2024
	£'000	£'000
Wages and salaries	37,771	36,229
Social security costs	7,213	7,445
Staff allowances	741	779
Casual labour costs	237	196
Pension – defined contribution scheme	1,985	1,824
	47,947	46,473
Restructuring	421	572
Termination indemnity	264	506
Retirement indemnity	255	43
	48,887	47,594

The average number of staff employed during by year the Commission, including contracted part-time staff on a head count basis, was:

	2025 Number	2024 Number
France Area	402	407
Central & Southern Europe Area	331	327
United Kingdom and Northern Europe Area	231	118
Asia & Africa Area	150	235
Canada, Americas & Pacific Area	122	81
Headquarters	91	141
Non-Commemorations	11	11
Foundation	4	4
	1,342	1,324

Average FTE basis:

	2025 Number	2024 Number
France Area	401	391
Central & Southern Europe Area	316	308
United Kingdom and Northern Europe Area	229	113
Asia & Africa Area	141	232
Canada, Americas & Pacific Area	115	81
Headquarters	91	126
Non-Commemorations	12	10
Foundation	3	3
	1,308	1,264

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

The number of higher paid employees has increased from 48 in the previous year to 68 in the current year. Emoluments include salary, allowances arising in relation to overseas postings and relocations, taxable benefits in kind and other payments to employees. The table below shows the number of higher-paid staff with emoluments, excluding pension contributions, falling in the following ranges:

	2025 Number	2024 Number
£60,000 to £69,999	31	27
£70,000 to £79,999	21	9
£80,000 to £89,999	6	5
£90,000 to £99,999	2	5
£100,000 to £109,999	2	3
£110,000 to £119,999	5	-
£160,000 to £169,999	1	1

The remuneration (including allowances and pension contributions and national insurance) of the key oversight and management personnel, comprising the Commissioners (unpaid apart from the Vice Chair who receives an annual fee), the Director General and 6 (2024: 7) Functional Directors, amounted to £1,139k (2024- £1,061k). The highest paid employee for the year ended 31 March 2025 was the Director General.

The Commission’s mean gender pay gap in the UK at the snapshot date of 5 April 2025 shows women are paid 7% more on average than men (April 2024: 3%). This outcome reflects the composition of our current workforce as we have seen a significant increase in the recruitment of male staff into junior and entry-level roles, particularly in operational and support functions over the past reporting period.

In addition, whilst we employ more men than women within the UK workforce, one third of our executive team are women, as is our Director General. This has contributed to a higher proportion of women in higher-paying roles, which positively influences the average pay for female employees.

The gender pay gap is the percentage difference between men and women’s mean hourly earnings; it is not a measure of the difference in pay between men and women for doing the same job. The Commission pays males and females equally for doing like-for-like jobs.

The CWGC is committed in ensuring that men and women have equal opportunity to work at every level of our organisation and we continually review our people policies and practices to ensure gender equality throughout all grades.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

13 Commissioners' and Director General's expenses		
	2025	2024
	£	£
Vice Chair		
Salary	51,500	51,282
Employer's NI	5,852	5,822
Total	57,352	57,104
Commissioners' expenses	60,075	56,307
Director General		
Total emoluments	195,566	187,996
Employer pension contribution	27,850	26,779
Expenses	35,967	42,017

Directly incurred expenditure of the Commissioners borne by the Commission and expenses reimbursed directly to the 13 (2024: 11) individuals who served as Commissioners during the year amounted to £60,075 (2024: £56,307).

The most significant element of the Commissioners' and Director General's expenses is the cost of travel, which, for the Director General, is a core component of the role within the global organisation. These expenses on occasion include the cost of staff and team meals, when the Director General is out in the field with our global teams.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

14 Intangible assets

Group and Commission

	Software systems £'000	Assets in course of construction £'000	Total £'000
Cost			
At 1 April 2024	1,604	523	2,127
Additions	23	506	529
Disposals	(11)	-	(11)
As 31 March 2025	1,616	1,029	2,645
Depreciation			
At 1 April 2024	1,324	-	1,324
Charge for year	147	-	147
Disposals	-	-	-
At 31 March 2025	1,471	-	1,471
Net Book Value			
At 31 March 2025	145	1,029	1,174
At 31 March 2024	280	523	803

All intangible fixed assets are used for the general purposes of the Commission. The assets in course of construction relates to completion costs for the casualty database which is not yet operational (£1,029k).

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

15 Tangible fixed assets

Group and Commission

	Freehold & leasehold property £'000	Machinery £'000	Motor vehicles £'000	Computer & office equipment & comms. £'000	Assets in course of construction £'000	Total £'000
Cost						
At 1 April 2024	12,607	10,746	4,399	5,026	1,042	33,820
Additions	323	613	212	167	195	1,510
Transfer	204	227	93	340	(864)	-
Write-off					(45)	(45)
Disposals	-	(81)	(105)	(60)	-	(246)
At 31 March 2025	13,134	11,505	4,599	5,473	328	35,039
Depreciation						
At 1 April 2024	2,692	8,681	3,035	4,483	-	18,891
Charge for year	357	809	448	313	-	1,927
Eliminated on disposals	-	(74)	(94)	(55)	-	(223)
At 31 March 2025	3,049	9,416	3,389	4,741	-	20,595
Net Book Value						
At 31 March 2025	10,085	2,089	1,210	732	328	14,444
At 31 March 2024	9,915	2,065	1,364	543	1,042	14,929

The Commission's freehold land and building are included in the accounts at their carrying value at 1 April 2014 as was permitted under the transition provisions on the adoption of FRS102 and as adjusted by subsequent additions and disposals. The deemed cost for land was £2.7m and for freehold buildings was £7.9m.

The expenditure not yet completed or operational under assets in the course of construction relates to vehicles (£40k) as their fitout and customisation is not yet complete. The remainder, consisting of £182k for plant & machinery, fixtures & fittings (£32k) and IT hardware (£74k) are assets are waiting completion costs or distribution for use. The disposals relate to the sale of equipment together with the removal of old zero net book valued assets, from the fixed asset ledger.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

16 **Subsidiary undertakings**

The Commission has one wholly controlled subsidiary, The Commonwealth War Graves Foundation (“the Foundation”). The Foundation is a charity registered in England and Wales, registration number 1171947. For the year ended 31 March 2025 the results of the Foundation, consolidated in these financial statements are as follows:

	2025 £'000	2024 £'000
Income	1,067	616
Expenditure	(828)	(598)
Surplus for the year	239	18
	2025 £'000	2024 £'000
Assets	469	225
Liabilities	(155)	(150)
	314	75
Reserves	314	75

A copy of the Foundation’s audited Trustee Report and Accounts is available from the Charity Commission website, with additional information about the Foundation available on its website.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

17 Debtors – Group

	General purposes 2025 £'000	Agency purposes 2025 £'000	Restricted purposes 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Amounts falling due within one year					
Recoverable taxes	527	-	-	527	750
Accrued income	-	560	1,680	2,240	1,360
Prepayment - Headstones	676	-	-	676	653
Prepayment - Foundation merchandise	31	-	-	31	13
Staff advances	38	-	-	38	113
Other debtors and prepayments	1,309	-	-	1,309	1,151
Total debtors	2,581	560	1,680	4,821	4,040

17.1 Debtors - Commission

	General purposes 2025 £'000	Agency purposes 2025 £'000	Restricted purposes 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Amounts falling due within one year					
Recoverable taxes	525	-	-	525	750
Accrued income	-	560	1,680	2,240	1,360
Headstones	676	-	-	676	653
Staff advances	39	-	-	39	113
Amounts owed by subsidiary undertakings	55	-	-	55	98
Other debtors and prepayments	1,301	-	-	1,301	1,146
Total debtors	2,596	560	1,680	4,836	4,120

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

18 Creditors: amounts falling due within one year - Group

	General purposes 2025 £'000	Agency purposes 2025 £'000	Restricted purposes 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Member Government funding received in advance	-	4,062	-	4,062	3,957
Deferred Grants	-	-	650	650	58
Trade creditors	1,751	-	-	1,751	2,102
Trade accruals	3,317	-	-	3,317	4,095
Provision for doubtful debts	29	-	-	29	-
Social security and other taxes	1,056	-	-	1,056	705
Holiday pay & other staff cost accruals	4,671	-	-	4,671	4,796
Other creditors	1,046	-	-	1,046	1,075
	11,870	4,062	650	16,582	16,788

Agency purposes include £2.1m from the MoD, £1.10m for the Cannock Chase Renovation, £622.7k from Australia, £39.8k from Germany, and £198.5k from other regiments and overseas partners. Member government funding received in advance for restricted purposes is £114k from the MoD/DCMA for graves renovation and £394k for the Normandy Memorial. Restricted deferred income of £142k for Speakers & Guides programmes.

18.1 Creditors: amounts falling due within one year - Commission

	General purposes 2025 £'000	Agency purposes 2025 £'000	Restricted purposes 2025 £'000	Total 2025 £'000	Restated Total 2024 £'000
Member Government funding received in advance	-	4,062	-	4,062	3,957
Deferred Grants	-	-	650	650	58
Trade creditors	1,744	-	-	1,744	2,087
Trade accruals	3,288	-	-	3,288	4,080
Provision for doubtful debts	29	-	-	29	-
Social security and other taxes	1,042	-	-	1,042	702
Holiday pay & other staff cost accruals	4,658	-	-	4,658	4,790
Other creditors	1,046	-	-	1,046	1,133
	11,807	4,062	650	16,519	16,807

No funding received in advance for MoD Graves renovation for restricted purposes relates to funding associated with commitments forecast after more than one year (2024: £25k).

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

19 Provisions for liabilities and charges

Group and Commission

	Provision for legal and other obligations £'000	Taxation & services £'000	Termination indemnities £'000	Retirement indemnities £'000s	Total £'000
At 1 April 2024 Restated	1,331	321	2,916	621	5,189
Paid	(437)	(21)	(433)	(40)	(931)
Released/transferred	(107)	-	(1)	264	156
Exchange rate revaluation	(20)	(16)	(87)	(13)	(136)
Charged during the year	470	31	255	-	756
At 31 March 2025	1,237	315	2,650	832	5,034

£768k of the retirement indemnity relates to provisions for liabilities due after more than one year (2024: £593k).

The termination indemnity provision relates to both mandatory and voluntary schemes which the Commission has in place outside the UK to provide for staff benefits on cessation of employment/retirement.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

20 Retirement benefits

The Commission operated a defined benefit pension scheme for the benefit of its employees holding UK contracts of employment, which was closed to future benefit accrual at 31 March 2016.

The assets of the pension scheme are held separately from those of the Commission and are administered by the Trustees of the Superannuation Fund. The pension cost was determined on the advice of independent qualified actuaries.

A deficit payment of £850k (2024: £850k) was made by the Commission during the year.

The most recent full actuarial valuation was carried out for the Trustees of the Superannuation Fund as at 31 March 2023 and was used by the actuaries for the disclosure requirements of FRS102 as at 31 March 2025.

The assumptions used in determining the overall expected return of the scheme’s assets have been set with reference to yields available on government bonds and appropriate risk margins and, where relevant, with consideration to the Bank of England base rate.

The tables below state the FRS102 actuarial assumptions upon which the valuation of the scheme was based.

	2025	2024
	%	%
Discount rate	5.70	4.80
Inflation assumption (CPI)	2.80	2.80
Pension increases	2.80	2.80

The underlying mortality assumption adopted imply the following life expectancies at 65 years old:

	Male	Male	Female	Female
	2025	2024	2025	2024
	Years	Years	Years	Years
Current pensioner aged 65	21.6	21.7	24.2	24.2
Retiring in 20 years’ time	23.2	23.3	25.5	25.5

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

The assets of the pension scheme are identifiable by category.

	2025	2025	2024	2024
	%	£'000	%	£'000
Cash at bank	1.6	1,014	1.0	728
LGIM All World Equity Fund	10.6	6,618	9.5	6,664
LGIM LDI Matching Core Short Fund - Nominal	0.3	192	1.4	1,008
LGIM LDI Matching Core Long Fund - Nominal	-	-	1.3	935
LGIM LDI Matching Core Short Fund - Real	13.1	8,219	12.3	8,667
LGIM LDI Matching Core Long Fund - Real	16.5	10,306	18.4	12,944
LGIM Synthetic Leveraged Equity Fund	4.9	3,091	5.6	3,938
LGIM BNY Mellon Real Return Fund	9.4	5,869	9.8	6,930
LGIM Insight Broad Opportunities Fund	9.3	5,829	9.8	6,914
LGIM Absolute Return Bond Fund	18.8	11,732	15.9	11,245
Threadneedle Property Unit Fund	6.1	3,809	5.2	3,666
Schroder Life Diversity Growth Fund	9.4	5,865	9.8	6,898
Fair value of pension scheme assets	100.0	62,544	100.0	70,537

The amounts recognised in the consolidated balance sheet are as follows:

	2025	2024
	£'000	£'000
Present value of pension scheme liabilities	(79,943)	(88,819)
Fair value of pension scheme assets	62,758	70,537
Net pension deficit at 31 March	(17,185)	(18,282)

The amounts to be recognised in the consolidated statement of financial activities for the year ended 31 March 2025 are as follows:

Included within expenditure	2025	2024
	£'000	£'000
The amounts recognised in the financial statement		
Service cost – including current service costs, settlements, and curtailments plus annual funding	-	-
Net interest on the defined benefit liability	857	625
Total expense	857	625
Other recognised (gains)/losses:		
Actuarial losses/(gains) on pension scheme liabilities	6,515	2,766
Return on assets, excluding interest income	(7,619)	2,439
Net actuarial loss/(gain) on defined benefit pension scheme	(1,104)	5,205

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

Changes in the present value of the defined benefit obligation are as follows:

	2025 £'000	2024 £'000
Opening defined benefit obligation	88,819	86,383
Interest cost	4,134	4,084
Actuarial losses/(gains)	(7,619)	2,766
Benefits paid	(5,391)	(4,414)
	<u>79,943</u>	<u>88,819</u>

Changes in the fair value of scheme assets are as follows:

	2025 £'000	2024 £'000
Opening fair value of scheme assets	70,537	73,081
Interest income on scheme assets	3,277	3,459
Return on assets	(6,515)	(2,439)
Employer contributions	850	850
Benefits paid	(5,391)	(4,414)
	<u>62,758</u>	<u>70,537</u>

The history of experience gains and losses is as follows:

	2025 £'000	2024 £'000
Experience adjustments on scheme liabilities	5,391	4,414
As a percentage of scheme liabilities	6.74%	4.97%
Experience adjustments on scheme assets	(6,515)	(2,439)
As a percentage of scheme assets	<u>(10.38%)</u>	<u>(3.46%)</u>

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

21 Commitments

21.1 Capital commitment

Capital commitments at 31 March 2025 amounted to £476k (2024: £508k) and includes the cost for completion of the Casualty Database £326k, fixtures and fittings £92k and vehicles £58k.

21.2 Leasing commitments

In FY24/25, 20 (2024: 14) new vehicles were leased during the year (17 in UK, 2 in Belgium, 1 in Italy). At 31 March 2025, the Commission had commitments under non-cancellable operating leases as follows:

Group and Commission

	2025	2024
	£'000	£'000
Within one year		
Accommodation & office equipment	71	199
Vehicles	5	1,545
Between 2 and 5 years		
Accommodation & office equipment	374	509
Vehicles	3,945	3,410
More than five years		
Accommodation & office equipment	812	118
Vehicles	32	-
	5,239	5,781

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

22 Unrestricted funds

a) Group

	Restated Funds at 1 April 2024	Net movement in funds for year	Funds at 31 March 2025
	£' 000	£' 000	£' 000
General purposes	14,440	(2,262)	12,178
Menin Gate reserve	1,638	(1,551)	87
Normandy 80 reserve	600	(600)	-
Cape Town reserve	471	(471)	-
Structural projects reserve	560	(560)	-
Brookwood memorial	54	912	966
Non-Comms memorial builds	-	695	695
Exchange reserve	500	-	500
CWGF	75	-	75
Pension reserve	(18,282)	1,097	(17,185)
Total	56	(2,740)	(2,684)

b) Commission

	Restated Funds at 1 April 2024	Net movement in funds for year	Funds at 31 March 2025
	£' 000	£' 000	£' 000
General purposes	14,382	(2,429)	11,953
Menin Gate reserve	1,638	(1,551)	87
Normandy 80 reserve	600	(600)	-
Cape Town reserve	471	(471)	-
Structural projects reserve	560	(560)	-
Brookwood memorial	54	912	966
Non-Comms memorial builds	-	695	695
Exchange reserve	500	-	500
Pension reserve	(18,282)	1,097	(17,185)
Total	(77)	(2,907)	(2,984)

All income from restricted funds were expended in the year leaving a £0 balance.

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

23 Related party transactions

The Commonwealth War Graves Foundation (CWGF), registered at the Charity Commission on 8 March 2017, with the Commission as its sole member has completed its fifth year of operation. Material transactions with the Foundation were as follows:

- The Commission owes the Foundation £52k for the intergroup ('current account') balance (2024: £8k) at the year-end. The Foundation's loan draw down remains at £100k from the loan facility provided from the Commission. Including interest, the loan account balance at 31 March 2025 was £107k (2024: £106k).
- £331k was received from the Foundation during the year to fund specific projects. Of this, £221k was from Restricted Donations (2024: £127k), with £110k being donated from Unrestricted Funds (2024: £106k). The Commission spent £189k in this financial year, with £142k remaining in deferred income to be used when the projects are delivered.
- During the year legacies totalling £290k were paid from CWGC to CWGF.
- Back-office support and services are donated by the Commission to the Foundation free of charge. These were valued at £135k (2024 - £113k).
- In the year, three Foundation trustees had a standard membership with a total value of donations received amounting to £108 (2024: 3 trustees £112).
- Other donations from Trustees to the Foundation totalled £6,695 (two Trustees), (2024: £5,000 (one Trustee)).
- In 2025 no Trustees of the Foundation claimed any expenses. In 2024 one Trustee claimed £190 for attendance at Trustee meetings.

Based on the accounting precedent adopted by the Commission, a parent and subsidiary relationship has not been deemed to currently exist due to the majority of the Trustees of the Imperial War Graves Endowment Fund being independent of the Commission and the Commission does not exercise overall and effective control of the Fund. The Endowment Fund can, however, donate its dividend income to the Commission, as disclosed in note 4 to these financial statements. The amount due from the Endowment Fund to the Commission at the year-end was £0k (2024: £43k).

COMMONWEALTH WAR GRAVES COMMISSION

Notes to the financial statements for the year ended 31 March 2025

24 Prior Year Adjustment

Following a review undertaken by the Commission's finance teams and the external auditors, the foreign rates used have been adjusted from an annual rate set at the beginning of the year to a monthly rate.

This resulted in adjustments to the prior year figures stated as shown below.

	Original 2024	FX adjustment	Restated 2024
	£' 000	£' 000	£' 000
Income & Expenditure			
Total income	81,343	(922)	80,421
Total expenditure	(83,690)	1,723	(81,967)
Net expenditure for the year before other recognised gains and losses	(2,347)	801	(1,546)
Other recognised gains and losses	797	(1,025)	(228)
Gain/Loss on pension scheme	(5,205)	0	(5,205)
Net movement in funds	<u>(6,755)</u>	<u>(224)</u>	<u>(6,979)</u>
Balance Sheet extract			
Debtors	4,126	(86)	4,040
Cash at bank and in Hand	21,089	(546)	20,543
Creditors	(17,128)	340	(16,788)
Provisions for liabilities and charges	(5,257)	68	(5,189)
		<u>(224)</u>	

25 Post Balance Sheet Events

There were no post balance sheet events to report.