

HELP for HEROES

SUPPORT FOR OUR WOUNDED

ANNUAL REPORT 2019

WEDNESDAY



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COMPANIES HOUSE



Company number: 6363256

WE BELIEVE
ANYONE AFFECTED BY
THE EXPERIENCES AND
CONSEQUENCES OF
THEIR MILITARY SERVICE
DESERVES A FAIR DEAL
AFTERWARDS, NO
MATTER WHEN OR
WHERE THEY SERVED.
THOSE WE SUPPORT
DESERVE TO
FEEL SAFE, HEALTHY
AND PURPOSEFUL.

CONTENTS

2

Chairman's
Foreword

HOW WE DELIVER ON OUR PROMISE

6

Our Recovery
Services

14

Grants

16

Championing
the Wounded

20

Funding
the Cause

30

Our promises
for the future

OUR RESPONSIBILITY

33

Our Structure,
Governance and
Management

35

Legal and
Administrative
Details

36

Policies and
Disclosures

39

Financial
Review

41

Statement
of Trustees'
Responsibilities

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

43

Auditor's
Report

45

Financial
Statements

48

Notes to
the Financial
Statements

68

Thank You

CHAIRMAN'S FOREWORD

During another busy year Help for Heroes has continued to follow its mission; to give wounded veterans and their families the support they need, when they need it.

This year we supported 2,812 new individuals affected by physical or psychological wounds sustained whilst serving, bringing the total number we have helped since 2007 to more than 25,000. But there is still much work for us to do. Many of these men and women, and their families, will need our support on the road to recovery for as long as we can help them.

When Bryn and Emma Parry OBE founded Help for Heroes thirteen years ago, they set out a number of principles which still underpin our work. There are three which I consider to be important and enduring. Firstly, that we would address needs which were not being addressed by the Government, whilst campaigning relentlessly to ensure it accepted its responsibilities. We would plug a gap, but as a temporary filling rather than as a permanent repair. The continued pressure to make the Government accept its responsibilities took a step forward in July 2019 with the establishment of the Office of Veterans' Affairs under a dedicated minister in the Cabinet Office – something we had campaigned strongly for. This new office has been tasked with pulling together all functions of Government in order to deliver on its intention to ensure the provision of world-class, life-long veterans' services.

Secondly, we ensure we continue to understand what our beneficiaries need. This year, we introduced a Beneficiary Advisory Panel which is a regular forum for those we support to share their experiences of recovery,

both within Help for Heroes and the wider medical field.

Shortly after his appointment, we asked the Minister of Veteran's Affairs to come to our recovery centre at Tedworth House and listen to our Beneficiary Panel. The panel members spoke of their concerns over a lack of support available in the wider community. They stressed the inability of the NHS, despite modifications to the system, to provide a swift, bespoke response to problems related to the use of sockets and stumps. A problem with a leg stump often means a return to a wheelchair with all the mobility and morale problems this can produce. They spoke too about how we as a charity continue to attract an increasing number of veterans with various mental health issues. It is excellent that this once hidden problem is now being exposed, but it cannot be the task of the charity sector to attempt to replicate the NHS in this area.

They also urged the Minister to ensure that the current ban on veterans having access to the world-class facilities at the Defence Medical Rehabilitation Centre at Stanford Hall should be rescinded.

Thirdly, we have always said we would never deliver a service already run by an established organisation;



duplication would be wasteful and had the potential for confusion. That is why we continue to work closely with other charities and organisations to ensure a holistic approach to the care of those who need it.

These are all areas where we will continue to have our shoulder firmly to the wheel on behalf of our beneficiaries. We are pleased that the Government is taking a more active role in the provision of services for our wounded, and we will continue to play our part in making sure the voice of those who need and deserve these services is heard.

“This year we supported 2,812 new individuals affected by physical or psychological wounds sustained whilst serving, bringing the total number we have helped since 2007 to more than 25,000. But there is still much work for us to do.”

"We are blessed with an energetic army of fundraisers, who do the most amazing things to ensure that we can go on supporting our veterans."

Finally, we have always promised we would stand by our beneficiaries and their families for as long as is required. We were, and still are, in it for the long haul and it is our determination to keep this promise that drives our continued and urgent fundraising efforts. We are blessed with an energetic army of fundraisers, who do the most amazing things to ensure that we can go on supporting our veterans. We depend, financially, almost entirely on the generosity of our supporters, so our heartfelt thanks goes to them too.

However, it would be remiss of me not to acknowledge that we, like all charities, must work increasingly hard to raise the sums we need. For the third year in a row our outgoings have exceeded our income. I am pleased to say we have in hand a range of actions to address this shortfall and that these will continue to remain very much the focus of the Trustees during the coming year.

I hope the detail in this annual report will remind you of the sacrifices experienced by so many brave men and women and inspire you to join us in supporting our wounded.

Finally, I would like to thank my hard working predecessor Michael Lake CBE for his dedication as Chairman. I must congratulate him too for the award of an LVO in the New Years' Honours for his work as Director of the Royal Commonwealth Society.

Philip Trousdell

Sir Philip Trousdell
Chairman



MEL'S MESSAGE

As we enter our thirteenth year, I find myself reflecting on all that has been achieved in the last 12 months, none of which would have been possible without the energy and passion of our unstoppable workforce of staff and volunteers. They are, and always have been, the beating heart of Help for Heroes.

We strive to be innovative, collaborative, authentic, resourceful and energetic in all we do, and it's these values that bring us together as a united team with one purpose - to continue to be here to support our wounded.

The number one challenge for charities is generating income, and in recent years it has been tough for those supporting the Armed Forces, given the reduced attention to the needs of veterans and their families in the media. However, we are determined that uncertainty will not get in our way and we use our values to guide us and keep us focussed.

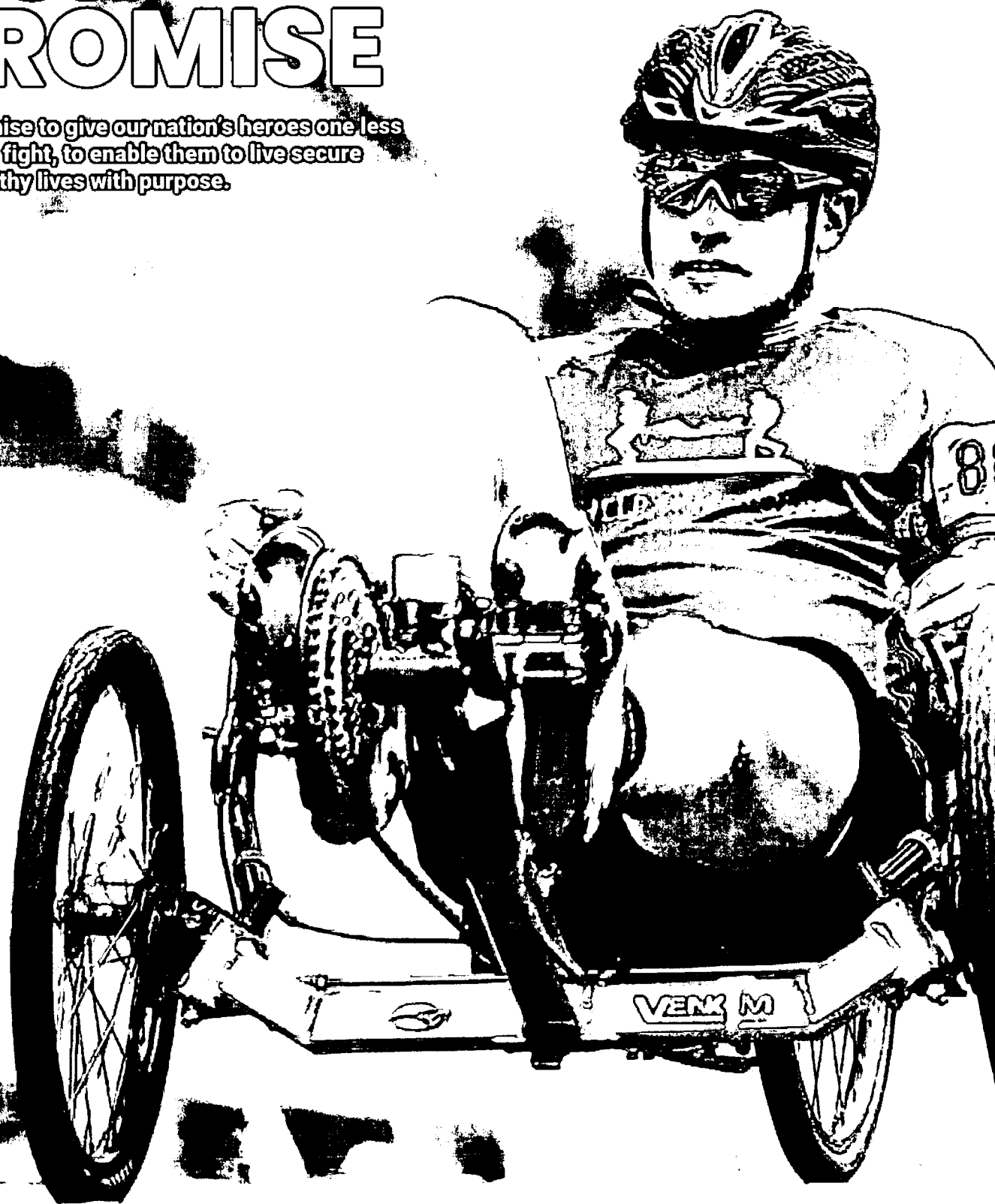
I'd like to take this opportunity to thank every one of our team. Their determination to make a difference is infectious and make us feel, I think, like part of a movement.

Mel Waters

Mel Waters OBE,
Chief Executive Officer

OUR PROMISE

We promise to give our nation's heroes one less battle to fight, to enable them to live secure and healthy lives with purpose.



OUR PURPOSE

We support men and women who have been physically or psychologically wounded whilst serving in the British Armed Forces. We provide the help they and their families need to recover and get on with their lives.

The sections, How We Deliver On Our Promise and Our Responsibility form Our Strategic and Directors' Report.

OUR RECOVERY SERVICES

We deliver services via our recovery centres and in the community. All our services are designed to help those we support to live secure, healthy and purposeful lives.

MEL'S MESSAGE

This year we launched a pilot of our Recovery College model - an exciting development in the way we shape and deliver our recovery services. One of the most exciting elements of the model is that we're working with veterans and their families to co-produce the courses.

Co-production has many benefits. It brings people together with different experiences, views and ideas who then work together to create courses. We have been fortunate that veterans have been keen to help co-producing and, consequently, this is transforming our services for the benefit of all. It's such a positive way of working with people who use services and for those experts who support them. Veterans often want to 'give back' and this is a powerful way of enabling that to happen, whilst empowering those involved to have control over their own recovery.

Beneficiaries who took part in the Recovery College pilot described the approach as authentic and credible because, put simply, all involved learn and create something together which could not be achieved individually.

We hope to be ready to go live with the full Recovery College in October 2020.

Our aims for 2018/19 were to:

- Support more beneficiaries, both via our recovery centres and in the community
- Maintain and improve the impact of our recovery services
- Involve beneficiaries in some areas of recovery delivery
- Increase the depth of our Psychological Wellbeing Service to address the needs of a greater proportion of those seeking help
- Continue to evaluate the quality of our recovery services and use this data to make ongoing improvements.

How we delivered on those aims:

This year, we've made our support services more widely accessible by expanding on the work we do in the community. As many of our current and potential beneficiaries do not live close to our recovery centres or our support hub in Wales, we've set up support hubs in other key locations so that we can deliver our services and activities in more settings around the UK than ever before.

We opened new support hubs in Norwich and Bury St Edmunds, and in Carmathern and Shotton in Wales. We also opened a new outreach location in Portsmouth at the Royal Naval Benevolent Trust, and supported the launch of the Veterans Outreach Support hub on the Isle of Wight.

Offering more clinical support

We increased access to our Veterans Clinical Liaison (VCL) support service, which helps our beneficiaries identify the best possible treatment and care options via statutory and other providers.

Our VCL team work with beneficiaries with physical health challenges – some with serious complex injuries

and this year we extended the geographical reach of this service by appointing additional advisors. Providing a health navigation and health coaching approach, the VCL team work with veterans at recovery centres and in community locations, including the individual's home, delivering holistic support and helping to facilitate community re-engagement.

Our VCL Service can work with veterans in most areas of the UK, however limitations are acknowledged due to the very large geographical territories each advisor works across. This means not all beneficiaries can receive face to face support. This is a challenge we're keen to address in the future.

Supporting our most seriously injured

Our Very Seriously Injured (VSI) programme, made possible by a period of three year LIBOR funding*, has gone from strength to strength in its second year, enabling some of our most seriously wounded individuals to achieve a level of independence and quality of life that many of us take for granted. Due to the severity of their

647

veterans supported by
our Veterans' Clinical
Liaison service

442

veterans seen by
our clinical team

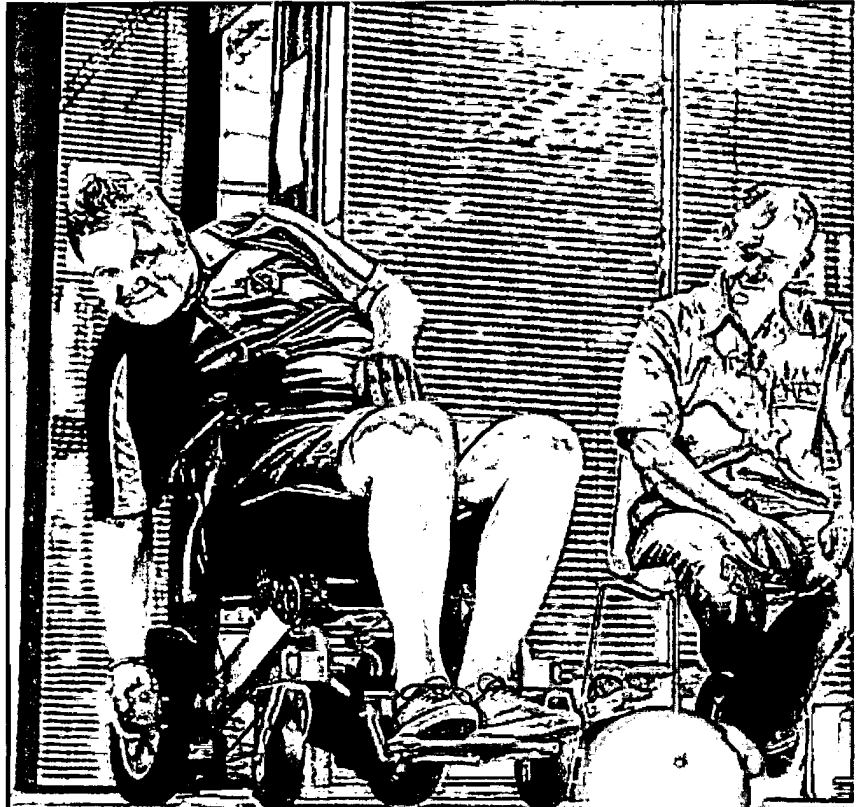
205

veterans received
treatment at Salisbury
Hospital's War Injuries Clinic

injuries, VSI veterans often face high levels of social isolation and significant challenges in achieving independent, meaningful lives. Their family members can also face high levels of anxiety and stress.

This year we supported 16 veterans via our VSI programme, enabling them access to appropriate support, such as speech and language therapy, financial assistance with carer costs and specialist equipment. Dom Lovett is one of the 16 we have helped, and you can read his story on page 11.

For the family members, who often act as care-givers, we offered psychological wellbeing support,



This year we supported a number of veterans via our Very Seriously Injured (VSI) programme.

and Welfare Key Workers and our family fellowship network, the band of Sisters.

* In 2017 we were awarded £1.5 million, funded by the Chancellor using LIBOR funds, to directly improve the quality of life of veterans who have suffered some of the most life-limiting injuries during their service in the Armed Forces.

Reaching new beneficiaries

In total this year, we supported 2,812 men and women seeking our help for the first time. At the beginning of the last financial year we had set ourselves a target to reach 4,400 new beneficiaries, however during the first quarter of 2019 we reconsidered priorities and made the strategic decision to intensify focus on our original cohort of beneficiaries and their long-term needs. Therefore, while we continued to offer support to new beneficiaries throughout 2019, we balanced this carefully against making sure we had the necessary resource and capability to be there for the long-term for those to whom we have previously pledged support.

Whilst we strive to help all those who reach out to us, given finite resources it is not always possible to assist each and every one directly. This is where our sector knowledge, charity relationships and partnerships are valuable, enabling us to maximise the support available in the military charity sector and creating an important recovery pathway for veterans and their families.

TACKLING ISOLATION

Many veterans and their families suffer from social isolation as a result of their circumstances and miss the camaraderie and stability of the Armed Forces network they've had to leave behind.

To tackle this and promote mutual support, our Band of Brothers Fellowship provides wounded serving personnel and veterans with an opportunity to meet with others with experiences similar to their own. The Band of Sisters Fellowship provides support and events for close family members.

In 2018-19, our Fellowship Team delivered 700 events to 10,807 individuals in all regions of the UK. Nearly half of our members say they open up about things in our fellowship groups that they wouldn't normally feel comfortable talking about.

At the end of September 2019 we had more than 12,000 members in the Band of Brothers and Sisters Fellowships, and an average of 110 new members joining each month.

An average of
110
veterans and
family members
join our fellowships
every month

RECOVERY IN NUMBERS

25,097

beneficiaries supported since 2007

This year

2,812

new beneficiaries supported

394

referrals to our
**Hidden Wounds
Service**

263

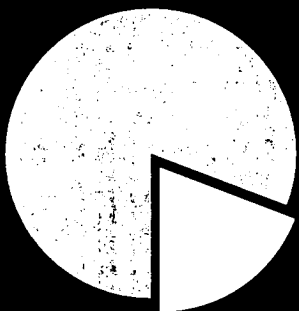
veterans used our
**Career Recovery
Service**

647

veterans supported by our
Veterans' Clinical Liaison service

21

beneficiaries
took part in the
pilot term of our
Recovery College



81%

of these say they
have improved
focus for the future

2,602

places filled across more than

40

different sports recovery activities,
including athletics, powerlifting,
sailing and swimming

12,000+

members in our
**Band of Brothers and
Band of Sisters Fellowships**

Evolving our recovery services

In spring 2019 we launched our Recovery College model – the first of its kind in the UK specifically developed to meet the recovery needs of veterans and their families.

Recovery Colleges, which are based on the principles of hope, opportunity and gaining a sense of control, already exist around the UK and help people with mental health issues gain the skills and confidence to manage their own recovery journeys. We've worked closely with NHS providers to understand how they operate and to tailor our own Recovery College model to best meet the needs of veterans and their families. All courses at our Recovery College are designed to give students the knowledge and skills to manage their own physical and mental well-being, so that they can move forward in their lives with confidence. All courses are co-created by our recovery staff, together with veterans who have been through, or who are going through the recovery process.

We held a pilot term for a small group of students between May and September 2019 at our Tedworth House Recovery Centre, and are now building on the model to create an educational programme which will give students the resources they need to gain confidence for the future and reach their recovery goals.



Students attend our Recovery College pilot term



Beneficiaries meet Johnny Mercer, Minister for Military Personnel and Veterans.

Involving our beneficiaries

Listening to the needs of our beneficiaries is vital to the way we consistently seek to build on and improve our support services. This year, we introduced our Beneficiary Advisory Panel, which meets quarterly and is an opportunity for invited beneficiaries to share their own

experiences of recovery, both within the Charity and the wider medical field.

In September 2019, the Beneficiary Advisory Panel was attended by the then newly appointed Minister for Military Personnel and Veterans, Johnny Mercer.

Improving our Psychological Wellbeing Service

Demand for support via our Psychological Wellbeing Service continues to grow; our Hidden Wounds Service, which offers cognitive behavioural therapy and guided self-help to veterans and their families living with anxiety, depression, stress or anger, or who wish to change their drinking habits, saw 394 referrals.

This year we've reviewed the quality and range of the services we offer. Following an internal audit of the service and feedback from beneficiaries and staff, in 2019 we developed a revised service framework, which launched in October 2019.

The new framework clearly sets out the approaches and interventions our Psychological Wellbeing Service offers to support beneficiaries. We have better defined a number of roles within the team and ensured, as part of our internal audit process, that we are fully utilising their professional training and skills to deliver against best practice standards.

These are exciting times for our Psychological Wellbeing Service as it matures and continues to focus on providing a 'best in class' service for our beneficiaries.

Using data effectively

This year, we strengthened our evaluation and reporting capacity through the introduction of a new case management system, Eclipse, so that we can more effectively use data to make robust decisions on planning and resourcing, and measure and understand the impact of our services.

The launch of Eclipse, in Spring 2019, has helped us streamline processes across recovery and support efficient ways of working. Eclipse is enabling accurate and timely information to be recorded consistently, which is improving the quality of assessment. It allows for better personalisation of support, matching support opportunities to an individual's needs and priorities. The system enables colleagues to be alerted about emerging beneficiary needs and risk so that timely, relevant help can be offered.

Of those who
engaged with our recovery
services this year

74%

have more focus
for the future

75%

have gained the knowledge
and skills they need to thrive

74%

have more confidence
and resilience

The **Help for Heroes Choir** continued to attract new members throughout the year.

The choir is a great form of support for those who participate; rehearsals and performance opportunities build confidence and provide a creative outlet to help members in their recovery journeys.

In 2018-19, members delivered some amazing and high profile performances at London's Royal Albert Hall and during the Invictus Games Trials in Sheffield.



Scotland's second Mey Games saw beneficiaries compete in traditional sports including tug-o-war.

Celebrating a summer of sport

During the summer of 2019, nearly 400 veterans and serving personnel took part in a sensational summer of sport – proudly serving their country at the Warrior Games, Invictus UK Trials and May Games.

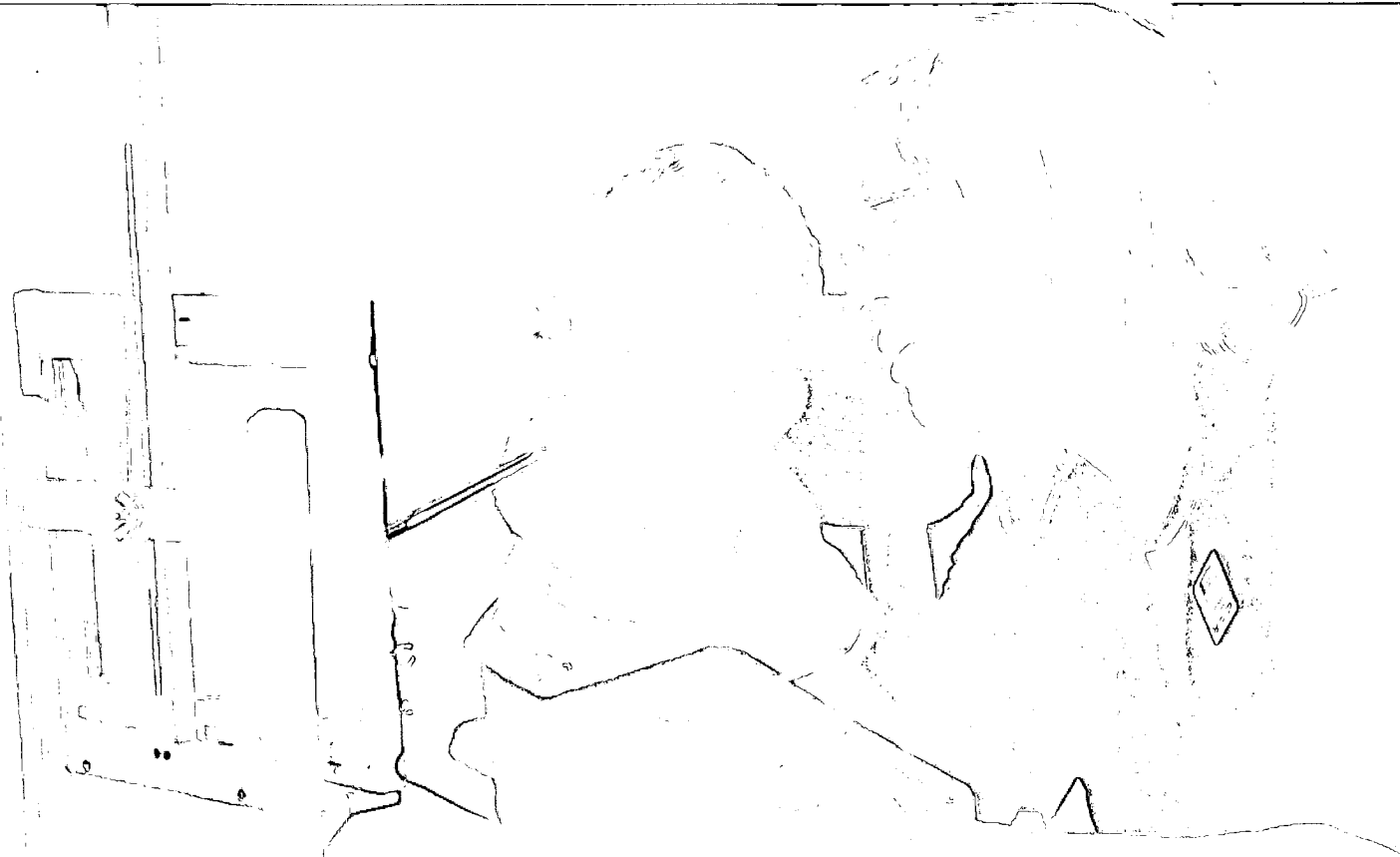
In June we supported a team of 20 beneficiaries, who flew to Tampa Bay in Florida to take part in the 2019 Department of Defense Warrior Games. Team UK competed against US military teams and other countries in eleven sports, proudly wearing kit designed by two of our veterans.

In July, we delivered the Invictus UK Trials in Sheffield in partnership with the Ministry of Defence and The Royal British Legion. The trials brought the largest adaptive multi-sport festival to the UK since the 2014 Invictus Games in London, and were a part of the preparations for the delivery of Team UK to the Invictus Games in The Hague in May 2020.

324 competitors, accompanied by more than 700 family members, took part in nine adaptive sports

including athletics, wheelchair basketball, cycling and archery. Sponsors included the Armed Forces Covenant Fund and BAE Systems, and the trials were visited by Paralympic cyclist and national track cyclist Dame Sarah Storey DBE, athlete Dame Jess Ennis-Hill DBE and the BBC's Ade Adepitan MBE. Invictus Games founder Prince Harry, Duke of Sussex, also stopped by to wish competitors all the best. Coverage of the Games featured on BBC Breakfast and The One Show, with content also accessible via the BBC Sport app and its Red Button service.

The third event of the summer saw kilts, cabers and a visit from Prince Charles. For the second year running, we supported a team of beneficiaries in August at the May Games, Scotland's only adaptive Highland Games. After chatting to veterans and serving personnel competing in events from hammer throwing and shot putting, the heir to the throne judged the final of the tug-o-war contest – won by Help for Heroes against Police Scotland!



DOM'S STORY

Former Royal Marine Dom Lovett was on a training exercise in 2003 when a freak accident paralysed him from the neck down and left him fighting for survival. But the man who was faced with breathing through a ventilator for the rest of his life is, with our support, learning to feed himself, re-training for a new career and has even discovered extreme sports.

Dom was injured during a cold weather warfare course in Norway. Landing headfirst onto solid ice, his spine was crushed and his spinal cord severed at the midpoint of his neck.

"To start off with I didn't have any movement in my arms and I couldn't breathe on my own. I needed help with pretty much everything."

Defying the odds

Initially told that he would never be able to breathe on his own, Dom defied the odds and eventually managed to come off his ventilator.

"I underwent rehabilitation at Stoke Mandeville hospital and then Headley Court rehabilitation centre."

In the weeks and months after injury, Dom adapted well with the support of

doctors and clinical teams. However, things changed.

Learning to adapt

"It was only probably a year after my injury that I really thought 'well, this is me now.' After the physio and all the rehabilitation, I knew this was as far as I was going to come. That's when it hit home. Being medically discharged from the Royal Marines, that was a tough period. Actually adapting to disability itself was quite easy in comparison to transition."

Dom engaged with us during his time at Headley Court, but it's in the last two years that he's benefitted most from the support on offer.

"Help for Heroes has helped no end with my mental and physical wellbeing. The equipment they've been able to supply me with has made me a lot more independent. I'm unbelievably grateful, they've managed to just completely change my life around."

"My parents have had help too, they've had someone to lean on rather than trying to do it just themselves, people they can talk to. They've been able to

get some funding for things, which I didn't really expect Help for Heroes to be able to do."

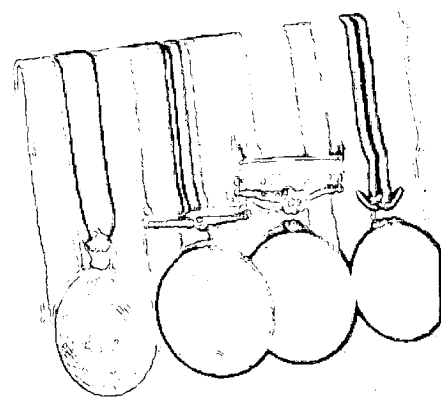
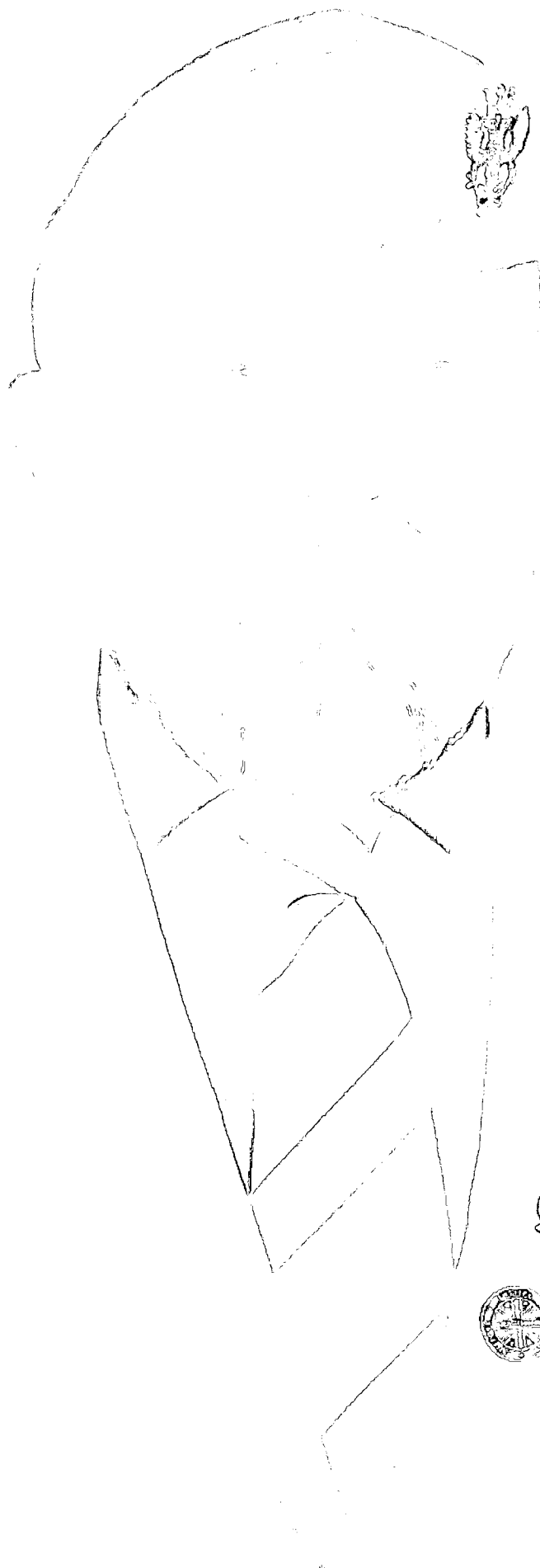
Big plans

The ability to leave his own home and mix with other veterans has had a massive impact on both Dom and his family. It has allowed him to spend time away with his family on a regular basis as well as attend social events. He's even tried abseiling.

We have also funded adaptive technology that has enabled Dom to feed himself for the first time in over a decade. He is spending time at our recovery centre in Catterick, and has big plans for the future.

"I'm now working with a careers advisor to do a counselling course or a life coaching course. I think that would be so beneficial to me, and the kind of route I'd like to go down as a future career."

"We've been looking at what courses are out there, and a university or higher education college to go to. I hope to be in employment by the end of the year."



DAN'S STORY

Life for Dan Philips and his family changed forever when he was critically injured in Afghanistan. Devastated at the end of his Army career and worried about the future, at one point Dan says he felt "lost and forgotten". In his own words, he describes how life has changed since receiving our support.

"I was 19 when I joined the Army. I remember watching the 9/11 attacks unfold on the news and making a promise, that I'd do whatever it took to stop more people from getting hurt. I never imagined how much that promise would cost me.

"Nothing made me feel as good about myself as being in the Army. But fast forward to 2012 and a few bullets was all it took to transform me from a proud soldier, to a man who couldn't even make it upstairs to the loo.

"I was on patrol in Afghanistan when we came under fire. As I dived for cover, the bottom two discs in my back ruptured, hitting my spinal cord. Within a few hours, my back had gone into painful spasms and I couldn't move my right leg. I was flown home for surgery, feeling totally devastated.

Feeling trapped

"Back in the UK I became trapped on the ground floor of my house, relying on my wife for everything. I thought it couldn't get much worse – but as the years went by, it became clear I'd never fully recover. I was medically discharged from the Army, and absolutely gutted.

"Being discharged was like being ripped out of a very close family. I felt lost and forgotten – left to rot in an old terraced house that was now a danger to me, with a wife and small child to support.

"With Help for Heroes' support, I've got back more of my life than I ever thought possible. We've been able to move into an adapted bungalow, which has given me back my independence and dignity. This also gives me great peace of mind for the future when, unfortunately, it's likely that I will end up in a wheelchair permanently.

"I've also been given some truly life-changing opportunities, attending

courses at the Help for Heroes Recovery Centres, representing my country at the Invictus Games and going on scuba diving expeditions with other veterans. I've found nothing more therapeutic than scuba diving – it's pretty much the only time I'm not in pain.

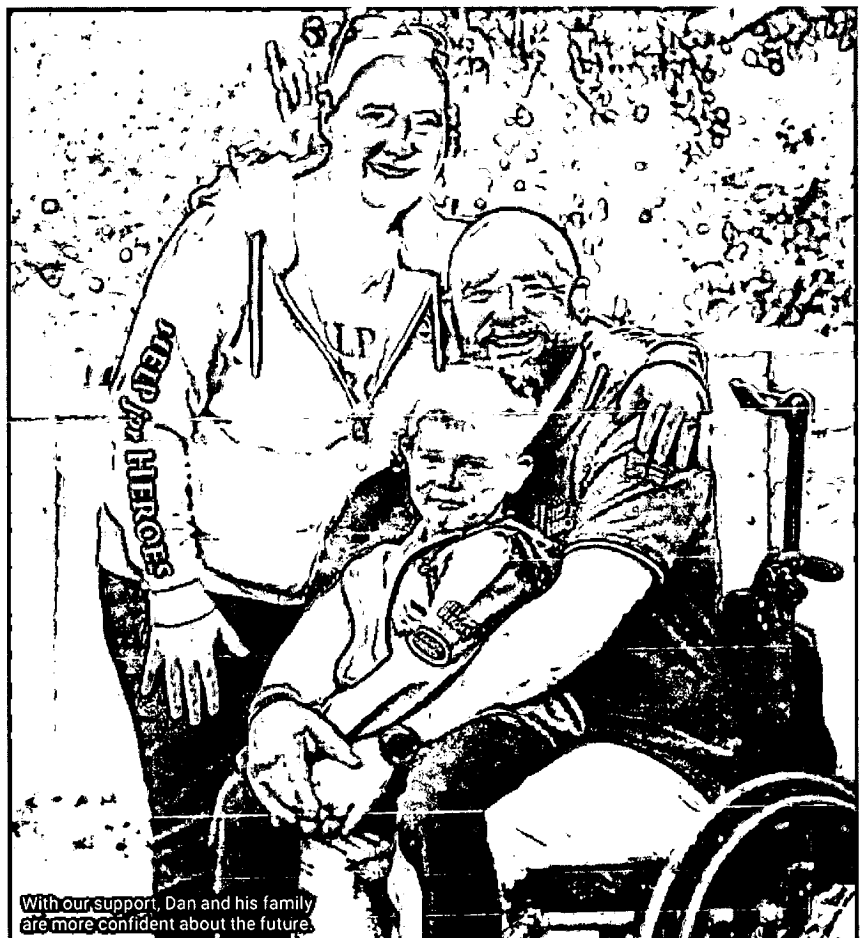
"The more I've taken part in, the more my confidence has grown. I now see that I can still be active and do things; that I can be the dad I want to be to my kids.

"Now, whenever I'm in the garden with my little man, Harry, I'm so thankful for

the horticulture course I attended at Tedworth House. It might sound daft, but when I'm out there planting seeds and pulling up carrots with him, I feel like a proper dad again.

"My injury still affects every aspect of my life. Some days, I have to get my four-year-old son to help me put my shoes and socks on, and I can't tell you how difficult it is for me to get his shoes on when he's wriggling around!

"When you're in that much pain, everything is more difficult. But thanks to Help for Heroes, I'm excited about the future again."



With our support, Dan and his family are more confident about the future.

GRANTS

This year we have renewed our focus on impactful grant giving, and explored increasingly strategic ways to work effectively with partners and like-minded organisations.

MEL'S MESSAGE

After hearing from our veterans and partners that waiting times were too long, we were determined to make a difference to the way mental health services in key areas of the UK are accessed.

We took the bold step of working in partnership with NHS Wales, providing grant support for a fixed period, with the key purpose of proving that certain action could reduce waiting times and therefore anxiety for our veterans and their families.

This was a success, which is so important when the difference between waiting three months rather than six months for mental health support is literally a choice between life and death for some.

We also provided two other Mental Health Trusts with grant support with a lesser degree of success. This was attributed to the complexities of working in partnership with NHS services as well as the complex mental health conditions our veterans face every day. As a charity, we strive to take the risk of a 'test and learn' approach, as we are of the view that this is where real innovation occurs for the benefit of those we proudly serve.

Our aims for 2018/19 were to:

- Continue to provide effective, timely and impactful grants to our charity partners and individual support to achieve optimal outcomes for the wounded and their loved ones
- Improve evaluation tools across our grant partners so that we can understand need and impact more accurately across our work, and the work of those we collaborate with.

How we delivered on those aims:

Grant funding to individual beneficiaries

This year, we awarded 819 grants totalling £703,000, taking the life-to-date awards total to 12,969. Grants may fund anything from housing adaptations to adaptive sports equipment; every grant awarded enables veterans to move forward in their recovery and have a purposeful and fulfilling future.

During 2019, we completed the first year of a three-year LIBOR funded project* to care for our most severely injured veterans (as highlighted on page 6). This project has developed a holistic programme of highly specialist

and individualised support for them and their families, enhanced by £260,000 grant funding towards additional carer costs, travel assistance, specialist equipment and medical services not always available under the NHS. We are working collaboratively with other service charities as appropriate for each individual, to ensure they get the full range of support they need.

Working with our partners

Following refinement of our grants strategy, we have been exploring ways of working with our partners and like-minded organisations in an increasingly strategic way, to extend our reach and achieve even better outcomes and systemic change in the support for those we help.

We have awarded a small number of one-year grants to long-term partners, whilst continuing to work with a further 17 partners on multi-year delivery of services that complement those offered in our recovery centres.



Some of our grants pay for adaptive sports equipment, which helps wounded veterans access the wide range of physical, psychological and social benefits sport can provide.

* In 2017 we were awarded £1.5 million, funded by the Chancellor using LIBOR funds, to directly improve the quality of life of veterans who have suffered some of the most life-limiting injuries during their service in the Armed Forces.

Grants awarded
819
this year

Working with Veterans' NHS Wales

One of our collaborative partnerships has been with Veterans' NHS Wales mental health services, and the CAIS Change Step project, run by rehabilitation and recovery charity CAIS.

Back in 2016–17, we grant funded nearly £700,000 to ensure veterans in Wales suffering from mental health problems would get quicker access to support.

£517,389 of this was awarded to Veterans' NHS Wales for a three-year programme to improve mental health support to military veterans. The funding means 120 veterans with service-related mental health problems will have improved access to effective support and benefit from reduced waiting times. The Change Step project, in partnership with Veterans' NHS Wales, received a further £178,000 from us to provide veteran to veteran peer mentoring to enhance the support provided.

When we commenced the three-year grant funding with Veterans' NHS Wales, waiting times were as long as 36 weeks. The CAIS peer mentoring service has proved an invaluable support for veterans during these significant waiting times, and our one-year gap funding has enabled them to offer continuity whilst securing a further two years from the Armed Forces Covenant Trust. With waiting lists doubling since the grant funding was awarded in three of six Health Boards, our provision of three full time equivalent clinicians within Veterans' NHS Wales has achieved waiting times falling below the Welsh Government target of 26 weeks in four of these Boards, demonstrating the significant impact of our funding.

DAVEY'S STORY

Our collaboration with Veterans' NHS Wales has helped veterans like Davey Roberts get the support they need.

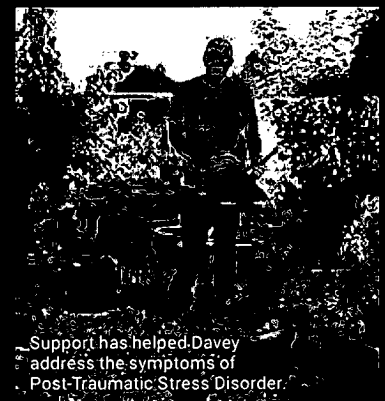
Davey Roberts served as an RAF engineer for 16 years, and was responsible for maintaining the aircraft, equipment and weapons systems defending the UK against hostile threats both at home and abroad. A highly-trained and important member of personnel, the father-of-two found himself posted around the world for long periods of time.

On his return to civilian life Davey forged a new career at a large transport organisation, and began foster caring with his new partner.

But shortly afterwards he became ill. The family were no longer able to foster, and Davey was placed on long-term leave from work. Financial pressure began to mount and he became depressed, negative and lethargic. Davey was plagued by the memory of an urgent call to recover an aircraft which had been involved in a high-velocity crash, and the body of its pilot.

A step forward

Despite his initial reluctance, with the support of his family Davey contacted Veterans' NHS Wales and received a formal diagnosis of Post-Traumatic Stress Disorder (PTSD). He was connected with a Change Step peer mentor, himself a former RAF serviceman.



Support has helped Davey address the symptoms of Post-Traumatic Stress Disorder.

The two veterans met and shared some common ground and, alongside Davey's therapist, began to work on his recovery. Davey's journey back to health required a lot of hard work, but with the help of both organisations he was able to recognise that his body had shut down and was in flight-mode, and put to use new therapeutic techniques he had learnt to address his condition.

Before receiving support from Change Step and Veterans' NHS Wales, Davey was cynical about the process and reluctant to talk about the feelings and experiences troubling him. Now he has a simple message to any veteran experiencing similar issues: "Just try it, what have you got to lose? What's the other option, stay where you are?"

CHAMPIONING THE WOUNDED

We give a voice to wounded veterans and their families, champion their needs and fight for what they deserve. We are committed to making our voice louder, better informed and more collaborative than ever before to ensure that every wounded hero and their family has the opportunity to live a meaningful, active, fulfilling and independent life.

Our aims for 2018/19 were to:

- Continue to champion the needs of our wounded to Government, to ensure they are given the fair deal they deserve
- Continue to tell the stories of wounded veterans and family members, whose ongoing recovery can in turn inspire others to seek help.

How we delivered on those aims:

This year we lobbied for improvement and change in a number of areas, and told the stories of 132 wounded veterans, serving personnel and their families as part of our role to champion their needs.

Calling for a Veterans Pledge

In the summer of 2019, alongside The Sun, we led a campaign calling on the Government to show its commitment to our veterans by signing the Veterans Pledge – a promise to set up a new Office of Veterans Affairs and enshrine the Armed Forces Covenant, which sets out the relationship between the nation, the Government and the Armed Forces, in law. We are delighted that this campaign has been a success, with the new Office set up in August 2019. We will continue to work closely with the Ministry of Defence (MOD) and the Cabinet Office to ensure those on whose behalf we campaign have their voices heard at the highest levels of Government.

Developing a Veterans' Strategy

We were proud to work with the MOD on the development of its first ever Strategy for Veterans. We highlighted ten areas where we believe more needs to be done to support wounded veterans and their families

(including for the most seriously injured, those in need of mental health support and those with housing needs). We are continuing to work together to improve how the MOD plans to measure the impact of its new strategy.

To illustrate our point, we told the story of Dan Phillips, who, thanks to support from Help for Heroes, moved with his family into a bungalow specially adapted for his current and future needs. (You can read Dan's story on page 13).

Supporting our Very Seriously Injured

This year we have been campaigning for the Government to improve the support available to the most seriously injured veterans. In many cases these people are the unexpected survivors of conflicts whose lives were saved due to modern medical advances and improvements in battlefield first aid. In the past, most would have died due to their extensive injuries. Many have survived complex injuries including multiple limb loss, brain injury and serious mental health conditions, and will require specialist support through a complex care pathway for the remainder of their lives.

Thanks to our campaigning, these heroes will now receive an additional £24,000 every year for the rest of their lives, to help cover some of the



additional care costs they incur. Heroes like former Royal Marine Dom Lovett, whose spinal cord was severed during a training accident in Norway. You can read Dom's story on page 11.

We know that some will need further funds, but for many it will have a significant impact on improving their quality of life.

Defence Medical Rehabilitation Centre at Stanford Hall

We keep the battlefield wounded at the heart of all we do, and we're striving to be more vocal in how we champion the wounded and fight for the support they deserve. In the summer of 2019, we pressed the Government to allow operationally wounded veterans, who have ongoing complex rehabilitation needs, access to the new Defence Medical Rehabilitation Centre at Stanford Hall. This state-of-the-art facility was built to replace Headley Court, and is four times the size of that centre. Yet many of those we support, who were injured fighting for their



Above and right: veterans take part in the ADVANCE Study research programme



country, are being denied access. At present, only a handful of veterans are able to access this world-class facility. We think this is an outrage and will continue to highlight this issue to those in Whitehall and beyond.

Working in partnership

We continue to work closely with fellow charities to raise awareness of the issues veterans face daily. We want to make a real difference to the lives of those we represent; key to being able to do this is understanding more about the challenges these men and women face. This is why we continue to fund research programmes, such as the ADVANCE study, a ground-breaking research programme which aims to investigate the long-term medical and psychosocial outcomes of battlefield casualties from Iraq and Afghanistan.

We also take an active role in facilitating research to further the knowledge, insight and data available on our wounded veterans and their families, which allows us to better tailor support to their needs. In 2019 our Research Approvals Committee agreed to support two research projects: 'Understanding the family support needs of veteran offenders, their families and children' conducted by Barnado's National Information Centre on Children of Offenders (NICCO), and 'Understanding needs and interventions for the treatment of scarring: the psychosocial impact of conflict-related disfigurement' conducted by the University of West Bristol. In addition, a third research project by Dr Justin Havens concluded in 2019, following his evaluation of a new approach to stop traumatic nightmares in UK veterans. This was entitled planned dream interventions.

This year we have taken part in high profile conferences and events, both in the UK and internationally, to encourage the sharing of expertise and best practice. Our CEO, Mel Waters spoke at conferences in Israel and Paris and experienced first-hand the warmth and recognition towards us on the world's stage. We also took part in the Recovery Symposium in Sheffield in the build up to the Invictus UK Trials 2019.

Together with the Royal British Legion and the MOD, we shared the stories of 61 Invictus UK competitors whose lives are being changed through the power of sport.

Cut the Clock campaign

In January 2019, we delivered a multi-channel campaign to raise awareness of the number of years it takes veterans to come forward for mental health support. According to a survey we commissioned, it takes veterans an average of four years to reach out for help. A series of projections around the UK, including at the Tower of London, the Houses of Parliament, Cardiff Castle, Colchester Castle and Plymouth Lighthouse, resulted in a total audience reach of almost 75 million.

During the campaign we shared five stories of veterans who struggled to come forward for mental health support, including Royal Navy veteran Nick Martin, who suffered in silence for 34 years before feeling able to ask for help. You can read Nick's story in full on pages 28 and 29.

We asked the British public to show their support for veterans suffering in silence, with hundreds getting involved in the campaign and many veterans reaching out to Help for Heroes for the first time.

MEL'S MESSAGE

Our recovery services are known to charities and veterans administrations worldwide, in particular due to our sports recovery capability which enables us to select, train and take the UK team to the Invictus Games.

As a result of our international work to date, we have developed a knowledge sharing platform which will launch early in 2020. The appetite for this within the International Security Assistance Force (ISAF) nations sport revival community is significant and we have taken a leading role since holding an international workshop during the Invictus Games in Sydney in 2018. This has also stimulated interest on Capitol Hill and at the GW Bush Institute.

More recently we have developed relationships with Ecole de Guerre, and I have spoken at their events on 'Courage' and 'Pain and Suffering' about the remarkable spirit of our veterans. We took part in the UK vs Israeli Veterans Games and Recovery Symposium earlier in the year, a first, and we look forward to developing further recovery relationships across borders and encouraging veterans to recover together through sport.

Our mission to help our wounded stand strong

Paula's story featured as part of our 40,000 Strong campaign. Launched in October 2019, it highlights the fact that thousands of medically discharged veterans fall through gaps in the Ministry of Defence's (MOD's) support. Our own survey of 403 beneficiaries revealed that 70 per cent found their transition to civilian life was a negative experience.

As part of the campaign, we called on the Government to commission an independent review into the MOD's medical discharge process and the support available to service personnel. You can read more about the campaign at helpforheroes.org.uk/40thousandstrong/

"There was a point in time I didn't think I'd be here. The support I've had means I'm finally enjoying life and planning a future."



PAULA'S STORY

Paula Knott was just 19 when a life changing back injury marked the beginning of the end of her military career. For more than 20 years she struggled to cope with both her injury and its impact on her mental health. Here she explains how, with the right support, life is now much brighter.

Paula Knott was just 19 when, during a vehicle search on a petrol tanker at her base in Lincolnshire, she lost her footing and fell from the roof of the cab. She landed on her feet, causing compression injuries to her joints.

Despite being medically downgraded, Paula continued to work as a clerk, supervising junior staff and taking on responsibilities above her rank. She'd never dreamt of her career ending when, four years later, she attended a routine medical, only to be told without warning that her time in the RAF was at an end.

"I sat down and was informed that my career was over. There was no warning. They expected me to return to my base eighty miles away, pack my kit and leave that day."

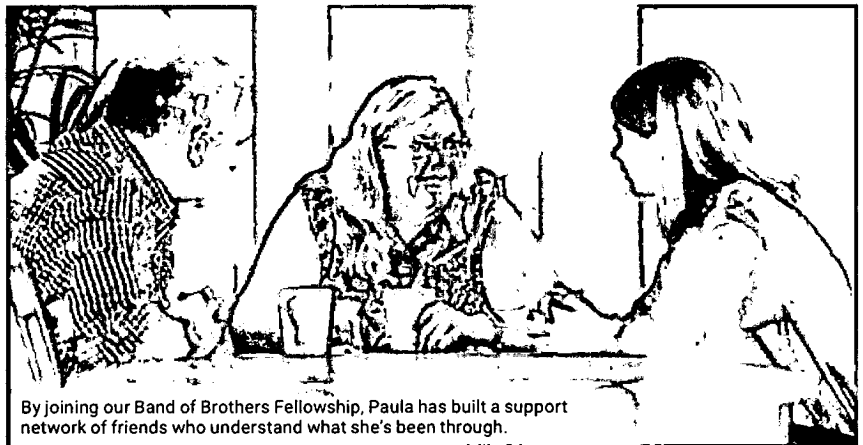
Feeling empty

Paula found other jobs, but it was hard to establish a routine; her husband was still serving in the RAF which meant they moved frequently. Struggling with her injuries, which had led to the onset of fibromyalgia, she was eventually signed off work.

Physiotherapy and medication helped Paula manage her painful symptoms, but her physical issues took their toll on her mental health. "I became so poorly that I'd had enough. I tried to keep a brave face but behind the smile I was done and I wanted my life to end".

"I'd try and hide behind laughter but inside I felt so empty, a burden to my family. I reached the point where I considered taking my own life every day. It was a good friend who convinced me to ask my doctor for help."

Paula eventually received counselling through her GP, having struggled alone for more than 20 years with her health



By joining our Band of Brothers Fellowship, Paula has built a support network of friends who understand what she's been through.

issues. As part of her recovery she started setting herself challenges including playing guitar, swimming, losing weight and even walking on fire. When she received an email about the Invictus Games Foundation Sports Festival in Nottingham she decided to go along. "I almost chickened out and I physically shook walking into the hall but everyone was lovely." Paula chose rowing, archery and athletics, competing at the 2018 Team UK Trials in Bath.

Gaining strength

Despite not being selected for the Sydney Games that year, she continued training and getting stronger. In 2019, she started powerlifting and also competed at the UK Games in Sheffield, winning a silver medal for archery. Her husband, who had also joined the programme, won a silver medal with his sitting volleyball team.

"Being part of the Invictus programme gives a sense of purpose and structure to my gym sessions. Physiotherapy is much easier when you have a goal and being active keeps that black dog of depression at bay."

Entering the Invictus programme also led her to us when a fellow veteran suggested she join our Band of Brothers Fellowship.

Giving back

"Through the Help for Heroes Band of Brothers and Invictus, I've made friends who understand what I've been through and I've had so much support. The Band of Brothers really is a brotherhood. There's always someone there to listen and pick you up on a bad day."

With life looking much brighter, Paula volunteers her time to support other wounded veterans. When she was discharged, she felt she didn't know where to turn, and she's keen that others don't endure the same struggles.

"Volunteering is my way of giving something back. In the military, we're a family. We work together and we help each other. I don't want others to feel as alone as I did."

"I've been fundraising for 30 years in 2019, it's my way of supporting my military family and saying a huge thank you to everyone".

FUNDING THE CAUSE

We are increasing the scale of our fundraising by focusing on key areas of growth such as partnerships and community fundraising, and by consolidating well established income streams such as legacies and individual giving.

Our aims for 2018/19 were to:

- Ensure growth in secure and repeatable income by focusing on developing income streams that are either guaranteed or can grow
- Deliver a fundraising experience that is compelling, engaging and consistent
- Engage and inspire the nation to support us, via marketing campaigns that focus on the need for our services
- Keep the supporter at the heart, by designing our fundraising events with them in mind and by tailoring our communications to their interests
- Be insight-led and data driven in the way we target our activities, to ensure we grow in a sustainable way.

How we delivered on those aims:

Times are challenging for charities and we must work harder than ever to raise the funds needed to support our wounded. In the past few years we have seen a decline in our income, which we've been able to manage due to careful use of our reserves. Now, thanks to a refreshed fundraising and marketing strategy we are seeing a marked improvement which is slowing the decline.

Only 3.4 per cent of our income is Government funded, the rest is down to the generosity of our supporters, fundraisers and partners. Therefore engaging with the general public is key. Over the past year we have developed our approach to marketing and fundraising to deliver secured or repeatable income, and to ensure we are as efficient and effective as possible in driving income.

Engaging with more supporters

We continue to work hard growing our active supporter base and engaging them in our cause. In January 2019, we saw a significant uplift in our number of engaged supporters as a direct result of our mental health-awareness

campaign, Cut the Clock, which you can read more about on page 17. The campaign generated more than 1,800 new subscribers to our email database and more than 33,000 new followers across our social media channels.

Throughout the year we've worked hard to keep both these new and our existing supporters engaged via our ongoing nurture programme – ensuring newsletters and other collateral we send feature-interesting, personalised and dynamic content and that all of our supporters are thanked appropriately. Through these simple and fundamental activities, we aim to continue to build meaningful relationships with our supporters that last.

In July 2019, we were praised by coveted trade sector publication, **Fundraising.co.uk** for the thank you communications we send to donors. A 'mystery giver', who contacted us as part of the magazine's mystery shopping and benchmarking programme for the voluntary sector, described Help for Heroes' communications as 'positive and refreshing.'



A refresh on regular giving

Early in 2019, we redeveloped our regular giving proposition to help potential and existing supporters better understand our need for ongoing, regular support. Regular donations provide us with a reliable income stream, so that we can promise to be there for those who will need us in the future.

Now called Heroes Promise, the proposition was seen by over a million people via a dedicated door drop and direct marketing campaign, which was supported by social media activity and coverage in Heroes Magazine, our bi-yearly magazine which we send to circa 250,000 supporters.

More than 400 new regular donors signed up as a result of the campaign, with an eight per cent increase seen in the amount of an average donation.

Dan Phillips, our beneficiary who fronted the campaign, was presented with an award in his hometown, Seaford, by its former Town Mayor for his work with us and in the community. You can read more of Dan's story on page 13.



Increasing the ways to remember

Legacy giving maintains its position as our largest income stream, contributing over 40 per cent to our total fundraised income.

In September 2019, our first ever multi-channel legacy campaign reached out to an audience of existing and potential supporters. To encourage future legacy gifts, we produced promotional resources to underpin the programme.

Our new legacy leaflet is now distributed at community events by staff and volunteers to help raise awareness of the importance of gifts in wills to our work, while our new legacy booklet provides accessible information and inspiration for those looking to make or update their will and leave a gift to us. We have also entered into partnership with The National Free Wills Network and Bequeathed.com to offer a high quality and reliable Free Wills Service to supporters, volunteers and beneficiaries.

Knowing how important remembrance is for our supporters, in Spring 2019 we launched Hero Funds – a tribute fund platform that enables families to create and build a lasting tribute to a loved one by fundraising for our work in their name and memory.

Beneficiary Roy Taylor was one of the faces of our 2019 legacy campaign



MEL'S MESSAGE

Every day, an average of five men and women are medically discharged from the Armed Forces*. This is despite the fact the UK is not currently involved in any major conflict. In 2018-19, 1,869** lost their careers through injury or illness. That's almost 40,000* men and women whose lives have been changed forever in the last 20 years.

We will continue to be here, for those who need support now and those who may need it in the future. Many of our wounded veterans, including those who might not have previously survived, face complex healthcare challenges ahead. We must be here for the long-term, to champion their needs to policy makers, give them a voice and design services to support what we know is going to be an enduring need.

The fundraising climate is tough, and as a result, this year we made a conscious decision to dip into funds to ensure we meet current demand for support. Meanwhile, it is more important than ever to tell the stories of our veterans and raise vital funds to increase our income.

We have developed a three-year business plan to lead us into a robust future. We aim to create a more profitable income portfolio and become a national charity on a local level, with activity that reinvigorates grass roots support and secures our future.

*Data gathered from Ministry of Defence publications, Ministerial responses and Freedom of Information requests: 1999–2001; 2001–2003/4; 2004/5; 2005/6–18/19.

** According to MOD data, 14,630 left the Armed Forces in 2018-2019 and 1,869 of these were medically discharged.

Our campaigns

Through our marketing campaigns we communicate the need for support in ways that we hope engage both potential and existing supporters. In December 2018 we launched a campaign in conjunction with fellow military charity Walking with the Wounded. Walking Home for Christmas highlighted what can be a difficult time of year for veterans, many of whom can struggle mentally, financially or socially because of illness or injury. More than 2,700

supporters up and down the country took part in sponsored walks, raising a collective £120,000 for our heroes.

Our patron, Ross Kemp, even joined in to help launch the event and took part in a walk with veterans over London's Millenium Bridge.

In the summer of 2019 we launched our annual Bake for Heroes campaign, encouraging supporters all around the UK to hold bake sales in support of our wounded. We continued to build on our campaign proposition,

encouraging more sign ups than ever before via an online and social media campaign.

To boost public awareness of Bake for Heroes, we enlisted Channel 4's Extreme Cake Makers series and former army helicopter pilot, Rosie Dummer, to front the campaign. Nine of our beneficiaries, along with Rosie, also took part in a BBC Saturday Kitchen segment, filmed at our Tedworth House Recovery Centre.



Above and left: Thousands took part in our Walking Home for Christmas fundraiser, including our patron Ross Kemp.





Lots of our supporters took on challenges to raise money this year



Fundraising in the community has been a key focus this year

Events and challenges

Many of our supporters like to achieve personal goals whilst raising funds for our wounded by taking part in our series of exciting challenge events. In 2019 we partnered with Threshold and Action Challenge to offer a wide range of UK-based treks and runs over a choice of distances. We also continued our partnership with Tough Mudder and held our 12th Big Battlefield Bike Ride (BBBR) to the Normandy beaches. BBBR alone raised almost £400K, with 164 cyclists covering 320 gruelling miles. An updated and engaging supporter experience before, during and after the event resulted in improved income versus the previous year.

52,480

miles cycled in total by our pedal-powered fundraisers on the Big Battlefield Bike Ride 2019

Remembering our roots

When we were founded back in 2007, community-based fundraising was at our heart. Keen to stay close to our roots, in 2019 we renewed our focus on establishing a presence within local communities.

A year-long re-structure of the regional fundraising team was completed in February 2019. Our Fundraising Managers are the face of Help for Heroes in the community, delivering face-to-face supporter care on behalf of the Charity. They head up multi-disciplinary fundraising teams who are also out and about, organising and promoting fundraising activities up and down the country.

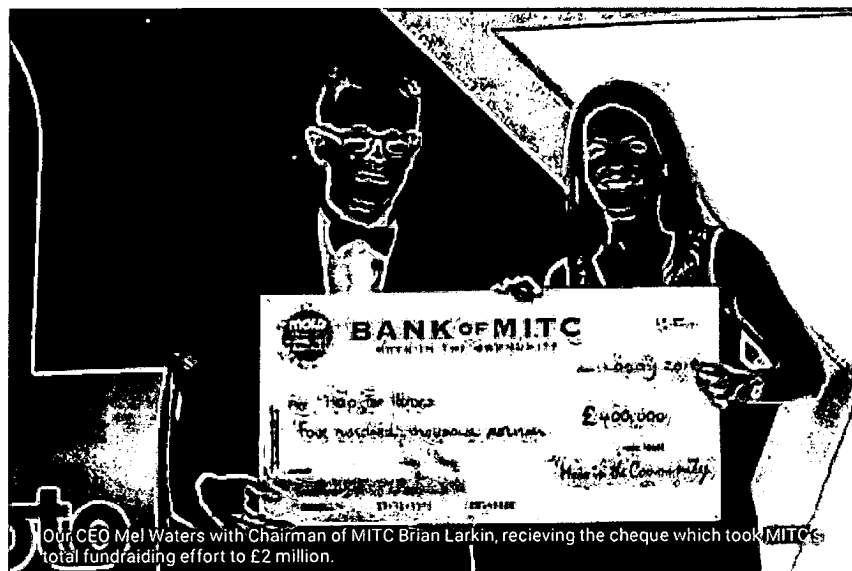
This team also work with our regional communications teams to build strength in local communities through storytelling. As a result of the hard work of our regional communications teams to bring to life the stories of our fundraisers up and down the country, this year we have seen a substantial uplift in income from registered community events.



Community support in action

In May 2019, Chelmsford City Racecourse held its bi-annual Family Fun Day in support of us, raising a fantastic £13,000.

2019 was also its 'Year of the Hero', where every month a local hero was voted for by members of the public. May's hero was our very own beneficiary, Nigel Seaman, who has set up Combat2Coffee, a company that helps other veterans suffering from Post-Traumatic Stress Disorder (PTSD) to train as baristas. Nigel was inspired to start his business after receiving support from us for his own PTSD and completing our Business Experience course.



Moto in the Community (MITC) has supported us since 2012, and this year its incredible fundraising efforts surpassed the £2 million mark. Every year it organises collections at Moto service stations around the UK, and staff also take part in our annual Big Battlefield Bike Ride (BBBR), pedalling more than 350 miles through northern France. MITC's support has funded a number of key projects, including the employment of three Support Hub Keyworkers at our Phoenix House Recovery Centre in Catterick, who provide ex-servicemen and women with essential one to one advice, guidance and support during their recovery journeys.

James Milner Foundation

The James Milner Foundation (JMF), founded by Liverpool footballer James Milner and his wife Amy, has supported us since its launch in 2013. James and Amy set up the foundation after being humbled by the courage and bravery of veterans they met through James' work with the England Footballers Foundation. The Foundation promotes community participation, healthy recreation and education amongst young people through sport, and has generously granted us more than £240,000 to date across our Sports Recovery Programme from grassroots to elite activities on the Paralympic stage. Each year the Foundation holds its flagship Charity Ball alongside various sporting events, a ladies lunch, a Class Marathon Awareness Day and activities with the Foundation's regional partners in support of JMF's chosen charities.

Growing income from partnerships

Our Partnerships Team builds long term relationships with corporate, commercial, philanthropy and charitable trust and foundation partners. These relationships are essential in order for us to achieve sustainable and secure income to fund our charitable objectives.

During 2018–19 we continued to work closely with all of our partners to deliver a fundraising experience that is compelling, engaging and consistent for their employees and customers.

Within Corporate Partnerships, we work with a fantastic range of brands including Debenhams, Moto in the Community, Alf Turner and Cotton Traders. These, and several others, have supported us for many years, working hard to raise significant funds through their engagement and fundraising initiatives.

In June 2019, we were proud to be recognised at the annual Corporate Engagement Awards alongside some of our partners, sharing awards including silver for 'Most effective long-term commitment' with Cotton Traders and bronze for 'Best community involvement during a CSR programme' with Debenhams.

This year we also welcomed a number of new partners including Tile Giant, Vodafone and Marks & Spencer. All of our partners believe in our vision to deliver a fair deal for our veterans, and we are grateful for their continued efforts and commitment.

Within Philanthropy Partnerships, we have benefitted from the continued support of many long-standing charitable trust and foundation partners including The James Milner Foundation, The Royal Foundation, The Wasps Legends Charitable Foundation and many others. We also successfully bid for funds from The Armed Forces Covenant Trust and LIBOR*.

This year, we launched our 'Force for Change' appeal to major prospective donors via a number of cultivation activities, including a private dinner for prospective donors with the support of former soldier, author and Help for Heroes patron, Andy McNab.

* In 2017 we were awarded £1.5 million, funded by the Chancellor using LIBOR funds, to directly improve the quality of life of veterans who have suffered some of the most life-limiting injuries during their service in the Armed Forces.

OUR SHOP

We are in the unique and fortunate position of having customers who want and are proud to show their support through purchasing and wearing Help for Heroes branded clothing. During the year, we've simplified and streamlined our trading business to ensure we generate a sustainable financial contribution to the Charity.

Beneficiaries get creative

This year, we've invested significant resource in collaborating with our veterans to create authentic designs. Not only has this resulted in the creation of fantastic new ranges, it has allowed us to tell the stories of those behind them and showcase how we support them.



Veteran Jaco Van Gass in the 'Challenge Yourself' range.



Members of our Band of Sisters Fellowship, who helped design our popular 'Flowers of Friendship' range.

- **Flowers of Friendship;** is a print design created from paintings and drawings made by several members of our Band of Sisters Fellowship. The design was applied to a ladies scarf, T-shirt and several stationery items. The scarf was featured by Lorraine Kelly on her breakfast TV programme, helping us to our highest single day's sales for many years.
- **Proud to Support;** this range was co-created by veteran Ben Skipper, supported by our in-house designer. The design is a contemporary blend of the union flag and heraldic elements. It has proved to be very popular and has led to us asking Ben to collaborate with us on future designs.
- **Challenge Yourself;** during the year we worked with two incredible and dedicated veterans who are elite cyclists, Andy Perrin and Jaco Van Gass, to create the Challenge Yourself sports range. They were very involved in the creation, including the design, materials, construction and print placement. Together we created a small collection of cycling and more general fitness clothing, with

Andy and Jaco even modelling in the photoshoots.

Focus on the future

We're focused on growing our online sales, and despite the challenging retail environment we've started to see positive and profitable growth. This followed the difficult decision to stop our sale or return operation. Despite significant effort by staff and volunteers to improve this process we determined that it couldn't support the Charity's objective to increase income from donations.

As part of our plan to enable our trading business to return more contribution to the Charity, we've focused on improving our efficiency. This included moving our distribution operation in February 2019 to a new and more cost-effective location. We've also changed our back office IT system to make us more agile and efficient.

KEY FIGURES

35

30

25

20

15

10

5

OUR INCOME

£26.9M

Other £1.0 million

Trading
£3.1 million

Donations and Grants
£10.8 million

Investments £0.6 million

Challenges and Events
£2.4 million

Legacies
£9.0 million

OUR EXPENDITURE

£32.5M

Cost of Raising Funds

(Excluding trading activities)

£8.1 million

Trading Activities

£2.3 million

Championing the Wounded

£1.9 million

Grants £1.2 million

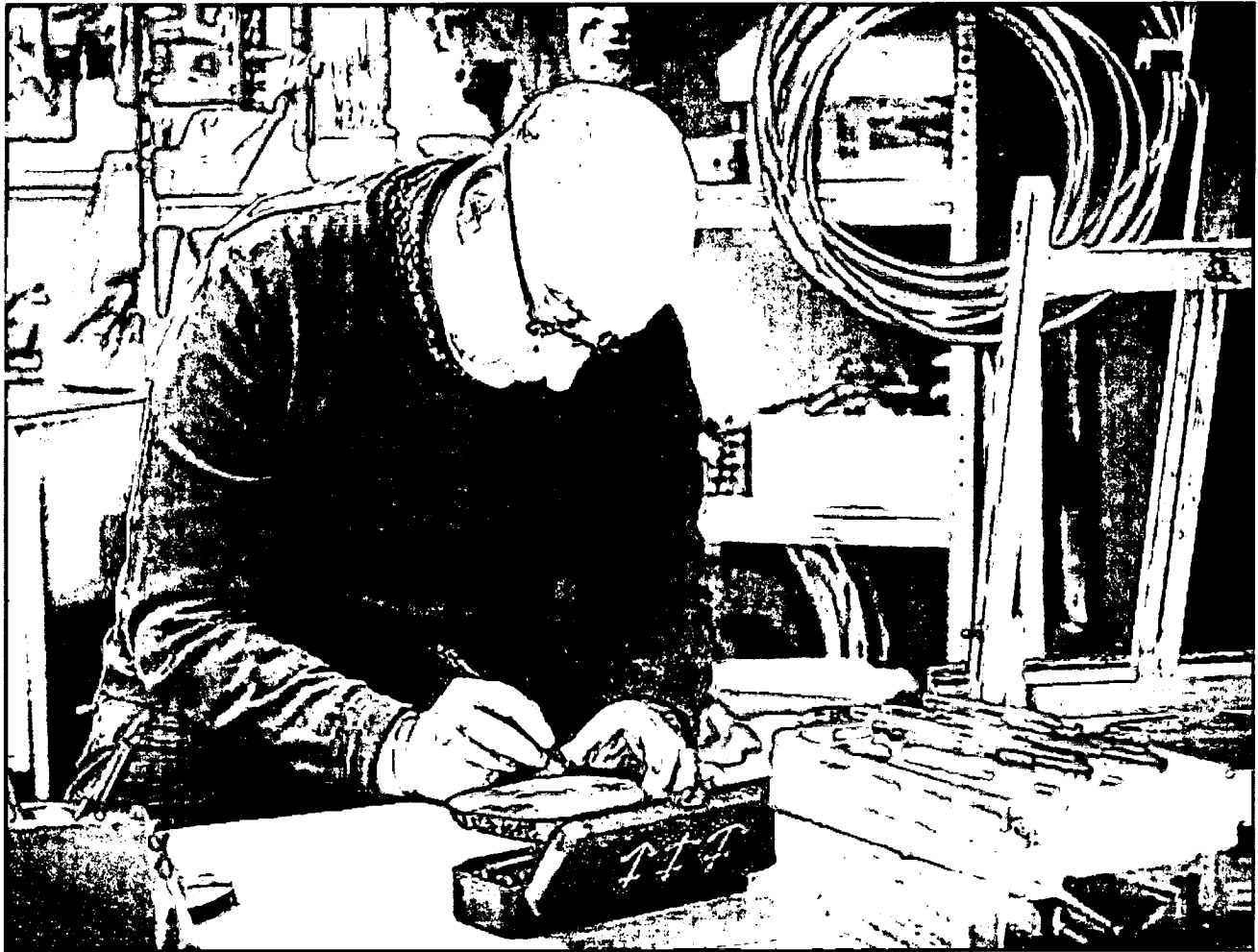
Recovery Delivery

£19.0 million

This year saw the gap between our income and costs improve by £7.9 million to £5.1 million (£1.0 million before depreciation, for which we have a designated fund). The work that has gone into increasing income and reducing cost has had an impact. We plan to be matching income with cost within three years.

We spent £22.1 million delivering support to our beneficiaries. Whilst we are always looking for more efficient ways to work, we never want to reduce the care we provide to those in need.

Our income has risen by £4.3 million to £26.9 million. We were delighted to receive a £3.0 million contribution from the Royal British Legion towards the running costs of the Help for Heroes recovery centres at Tidworth and Catterick. Our volunteers, fundraisers, partners and team members have all worked hard to increase fundraised income and we are pleased to see the decline we had seen beginning to level off.



NICK'S STORY

Nick Martin suffered with undiagnosed Post-Traumatic Stress Disorder (PTSD) for 34 years before plucking up the courage to ask for help. When he did, a new world opened up to him, leading him to wonder what else he might have achieved if he'd sought support sooner.

Nick Martin understands the lasting impact of a mental health issue left untreated. For more than 30 years, the former Royal Navy stores accountant struggled to cope with the after effects of the Falklands war. He was on board the Atlantic Conveyor ship when it was hit by two Argentine missiles in 1982 – rescued by a colleague who never made it home.

Nick suffered a fractured skull, broken jaw and dislocated shoulder as a result of the blast. And whilst his physical wounds would in time heal, the damage done to his mental health lasts to this day.

On returning from the Falklands conflict, life initially went on and Nick continued to serve with the Royal Navy for four more years. But the impact of what he had been through would quickly shape the course his life would take. Nick made the decision to leave the Armed Forces in 1986, worried that he was missing out on watching his young children grow up. When he returned to civilian life, he struggled to adapt.

"I started to feel guilty about those that hadn't returned from the Falklands and wouldn't experience getting

married, having children or moving on with their careers. The guilt I felt about surviving got heavier and heavier and eventually, subconsciously, I started punishing myself. I'd go for a run and push myself until my trainers squelched with blood, or I'd put on the heaviest backpack I could find and walk until I was exhausted. I took dead end jobs because I didn't want to have to handle responsibility for anything, not even my own life."

Unbeknown to Nick at the time, he was suffering from Post-Traumatic Stress Disorder (PTSD). The following years

passed by in a blur. His marriage broke down. There were days when he wouldn't get out of bed because he didn't want to face what was on the other side of the bedroom door.

"If I was awake for 16 hours then that was 15 hours too long. I was spending more and more time on my own too, I didn't want to socialise. There was a longing for something to change but I didn't know how to."

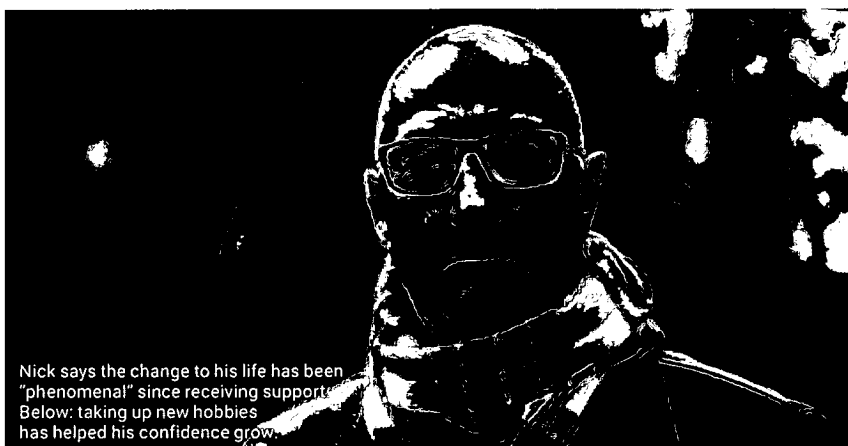
A wake up call

Then five years ago, Nick suffered a massive heart attack, almost dying at the roadside. Realising that he'd come so close to losing his life jolted Nick into realising that he needed to take action. A friend who knew about PTSD recommended that he speak to a counsellor. His diagnosis was made and his recovery journey began.

"Talking to that counsellor was difficult. I was ashamed of what I was saying and deeply embarrassed to talk and to break down in front of him. There's a notion that those who have served must be pretty tough but we're not tough, we're just trained. I was embarrassed it had taken me so long to ask for help because I knew something was wrong. The first step isn't admitting you've got a problem, it's knowing that you need help from someone, somewhere."

As part of his treatment plan, Nick was referred to us and invited to join our Band of Brothers Fellowship. Immediately, Nick felt the benefits of being around like-minded people – other veterans who had also suffered injury or illness as a result of service.

"Joining the fellowship was like instantly having a family of 1,000 brothers and sisters, people who understand each other because of what they've been through."



Nick says the change to his life has been "phenomenal" since receiving support. Below: taking up new hobbies has helped his confidence grow.

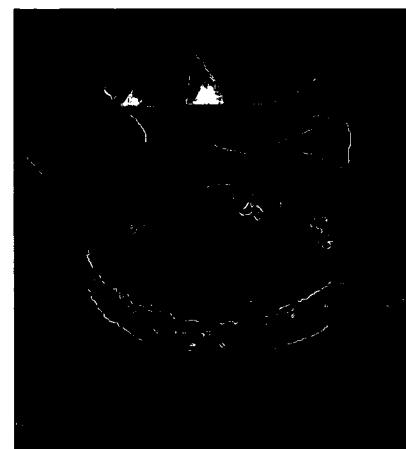
Having actively avoided socialising for many years, Nick initially found being around others daunting. But with the right support, he signed up to become a member of the Help for Heroes Choir and took up sports and art classes as part of his recovery programme. Steadily, his confidence grew.

"I began pushing myself to do things that I'd never have had the confidence to do before. Now, I've sung in front of thousands with the choir and I've discovered that art makes me feel so calm."

Ongoing support

Now that Nick is receiving ongoing support to manage his PTSD, life is looking much more positive. In 2018, he showcased his artwork at our Creative Force exhibition and took part in the Invictus Games in Sydney. He works in a school and he attends a regular veterans' breakfast club.

"PTSD is a nasty condition that eats away at you without you knowing it. It took me 34 years to even know that's what I had and see that it was ruining my life."



"My recovery isn't complete, there are still things I need and have to do but I'm in the right place now to get on and do them. I do think, if I'd had help years ago, what else could I have achieved by now?"

"But the change to my life has been phenomenal. I'm no longer stuck in a rut, I'm looking forward, and that's exciting."

OUR PROMISES FOR THE FUTURE

We believe anyone affected by the experiences and consequences of their military service deserves a fair deal afterwards, no matter when or where they served. Those we support deserve to feel safe, healthy and purposeful.

So that we can continue to deliver on our promise to be here for those who need us, we will focus on a three-year strategy, with specific aims for 2019-20.

OUR RECOVERY SERVICES

THREE-YEAR PLAN

We will deliver a simplified, joined-up and high-quality recovery service that is sustainable, scalable and remains relevant and responsive to those we serve.

OUR PRIORITIES FOR 2019–20

- Build our Recovery College, focusing on integrating specialist knowledge and planning for the future evolution of services
- Develop our Psychological Wellbeing Service and give more clarity on the support we offer
- Design and test refined ways of working with beneficiaries, so that we can continue to meet their needs in the best possible way.

CHAMPIONING THE WOUNDED

THREE-YEAR PLAN

We will keep beneficiaries at the heart of all we do and be stronger and bolder in championing the needs of the wounded, to accelerate change and give them the futures they deserve.

OUR PRIORITIES FOR 2019–20

- Develop relationships with influencers who can help us champion the wounded
- Use our insight on beneficiary needs and supporters to campaign effectively.

FUNDING THE CAUSE

THREE-YEAR PLAN

We will improve the efficiency and effectiveness of our fundraising and develop more sustainable sources of income. By 2022 we will be in a financial position which means we are no longer drawing upon our funds.

OUR PRIORITIES FOR 2019–20

- Use data to improve supporter journeys and deliver effective marketing messages
- Develop strong cases for support across our funding propositions, that outline our three-year vision and demonstrate strong evidence of the ongoing need.



OUR RESPONSIBILITY

We take seriously our responsibility to deliver on our promise, by raising sufficient funds and using resources wisely.

PUBLIC BENEFIT STATEMENT

Help for Heroes (the Charity) works to provide practical, direct support for wounded, injured and sick service personnel and veterans. The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing the Charity's aims and objectives and in planning its future activities. The Trustees are satisfied that the aims of the Charity are carried out wholly in pursuit of its charitable aims for the public benefit.

OUR CHARITABLE OBJECTS

Our charitable objects remain unchanged, these are:

1. To assist persons who are currently serving or who have served in the Armed Forces, and their dependents, by advancing any lawful charitable purpose at the discretion of the Trustees and in particular but not exclusively:
 - To promote and protect the health of those who have been wounded or injured while serving in the Armed Forces through the provision of facilities, equipment or services for their rehabilitation; and
 - To make grants to other charities who assist members of the Armed Forces and their dependants.
2. To promote and protect the health of those that have been wounded or injured while providing services to, or in conjunction with, and in either case under the direction of the Commander* of the Armed Forces, in an area of conflict or war and to provide benefits to the dependants of such persons who are in need.

* The Commander of Her Majesty's Armed Forces and his officers, or, where relevant, of any allied military body with whom Her Majesty's Armed Forces are working during combined operations.

OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

Help for Heroes was incorporated on 6 September 2007, registered with the Charity Commission on 20 September 2007 and launched on 1 October 2007.

Governance structure

We currently have a board of 13 Trustees, all of whom are members of the Charity. The board meets at least four times a year and all sessions are minuted.

The Trustees, who are also directors under company law, who served during the year ending 30 September 2019 and up to the date of this report were as follows:

Charles Michael Lake CBE
(resigned as Chairman and Trustee 15 December 2019)

Lieutenant General Sir Philip Trousdell KBE CB
(Vice Chairman until 15 December 2019, appointed Chairman 15 December 2019)

Roderick Dunn MB DS DMCC FRCS

Professor Veronica Hope Hailey, BA, MSc, Ph.D., MCIPD

Tony Schofield

Robert Watsham

Thomas Wright

Liz Rylatt
(appointed 1 November 2018)

Stuart Bell CBE
(appointed 1 November 2018)

Major General (retired) David Hook CBE
Royal Marines
(appointed 31 January 2019)

Charles Donald
(appointed 31 January 2019)

Oliver Gregson
(appointed 31 January 2019)

Manroop Khela
(appointed 31 January 2019)

Philip Yates
(appointed 31 January 2019)

General The Lord Dannatt
GCB CBE MC DL
is the Charity's Honorary President.

All Trustees are unremunerated.

As well as quarterly full Trustee Board meetings, the Trustee Committees that met during the year were:

- Nominations
- Audit and Risk

The Nominations Committee, amongst other things, is responsible for recruiting new Trustees and making board appointments. One of its aims is to ensure a broad mix of skills and backgrounds and, as a minimum, would include representation from the Armed Forces Services and the professions.

Several Trustees retired during the 2017/18 year as their period of tenure had come to an end. New Trustees were appointed during 2017/18 and 2018/19. The Board has agreed to allow the new Trustees time to establish themselves before conducting a review against the Charity Governance Code. New Trustees are going through a period of induction and training, managed by the Head of Governance as part of the wider programme of Trustee briefings.

Management structure

The day-to-day management of the Group is conducted by the Executive Team under authority delegated to it by the Board of Trustees. During the financial year 1 October 2018 - 30 September 2019, our Executive Team, which meets monthly, consisted of the Chief Executive and Directors:

Chief Executive Officer
Mel Waters OBE

Chief Financial Officer
Clive Emerson FCA

Marketing and Fundraising Director
Beth Miles

Communications Director
Robin Punt

People Director
Susan Turnbull

Chief Information Officer
Tim Bird

Strategy, Innovation & Partnerships Director
Kevin Rennie

Performance Director
Peter Smith

Services Director
Lis Skeet

Operations Director
James Needham

Group structure and subsidiaries

Help for Heroes Recovery

Help for Heroes Recovery is registered in England and Wales as a charity, number 1143004, and as a company limited by guarantee, number 07647921. Help for Heroes Recovery was not active in the year.

Help for Heroes Trading Limited

Help for Heroes Trading Limited is registered in England and Wales as a private limited company, number 06380957.

The sale of merchandise and the licencing of our brand continue to be key focuses. The main aim of these activities is to provide income to Help for Heroes (the parent charity), as well as raise awareness of its activities.

Help for Heroes Development Company Limited

Help for Heroes Development Company Limited is registered in England and Wales as a private limited company, number 07464349. The principal activity of the company in the year under review was that of the construction of recovery centres. During the year, activity consisted of final construction costs relating to the Help for Heroes Rehabilitation and recovery centre at HQ Hereford Garrison.

BmyHero Limited

BmyHero Limited is registered in England and Wales as a private limited company, number 07192143. The company was not active in the year.

All subsidiary companies donate all distributable profits to Help for Heroes.



OUR FOUNDERS

Help for Heroes was founded in 2007 by Bryn Parry OBE and Emma Parry OBE with one objective, to help those who put their lives on the line for us by joining our Armed Forces. The couple, moved by a visit to meet wounded soldiers at Birmingham's Selly Oak Hospital, knew they wanted to do something to help.

With six donated desks, some telephones and a handful of volunteers, Bryn and Emma launched Help for Heroes on 1 October 2007, out of a 'tin hut' in Tidworth, Wiltshire. The same building, where the Charity began, is still occupied by a number of our staff and volunteers today.

The couple's mission to support our wounded quickly caught the attention of the Great British Public, and their first target - to raise enough money to build a much-needed swimming pool at Headley Court military rehabilitation centre in Surrey - was soon realised.

In the years that followed and thanks to the couple's drive and commitment, Help For Heroes grew. In 2011, the first of our recovery centres opened in Wiltshire. Recovery centres in Colchester, Catterick and Plymouth later followed. Now, these recovery centres are where veterans and their families receive tailored support to help them on their recovery journeys.

To date, and thanks largely to Emma and Bryn's unrelenting work, more than 25,000 individuals have received help to recover from physical and psychological wounds and get on with their lives.

After nine years, the time came for Bryn and Emma to hand over the reins. The couple stepped down in November 2016, passing the baton to Mel Waters, former Chief Executive of The Poppy Factory and our now-CEO.

LEGAL AND ADMINISTRATIVE DETAILS

Charity Status

Help for Heroes is a public benefit entity, registered in England and Wales as a charity, number 1120920 and as a company limited by guarantee, number 6363256. Help for Heroes is also registered as a charity in Scotland, number SC044984. The Charity has no maximum permitted membership and membership is open to any individual interested in promoting the objects of the Charity. There are currently 13 members, all of whom are Trustees. Each member guarantees to contribute up to one pound sterling (£1) to the Charity's debts, liabilities and costs in the event of the Charity being wound up and for one year after ceasing to be a Member. Help for Heroes is governed by its Memorandum and Articles of Association. The Annual Report is filed with the Charities Commission, Companies House and the Office of the Scottish Charity Regulator.

Registered Office

14 Parkers Close, Downton Business Centre, Salisbury, Wiltshire SP5 3RB

Company Secretary

Wilsons Solicitors LLP, Alexandra House, St John's Street, Salisbury, Wiltshire SP1 2SB

Auditor

Crowe U.K. LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Bankers

Barclays Bank PLC, 1 Churchill Place, London E14 5HP

Lloyds Bank PLC, 25 Gresham Street, London EC2V 7HN

Nationwide, Nationwide House, Pipers Way, Swindon, SN38 1NW

Santander UK PLC, 2 Triton Square, Regent's Place, London NW1 3AN

Investment Fund Managers

Ruffer LLP, 80 Victoria Street, London SW1E 5JL

Veritas Investment Management LLP, 90 Long Acre, London WC2E 9RA

Solicitors

Wilsons Solicitors LLP, Alexandra House, St John's Street, Salisbury, Wiltshire SP1 2SB

POLICIES AND DISCLOSURES

Reserves policy

Reserves are held to make sure we can deliver on our promises to the wounded and their loved ones. It would be wrong to promise long-term support if we were not sure we could provide it.

The Trustees have considered the guidance issued by the Charity Commission: CC19 Building Resilience and the requirements of the Charities SORP (FRS 102) when considering the reserves policy below.

It is essential to appreciate that a significant proportion of our funds are held in the form of our purpose built recovery centres. The funds, which comprise our fixed assets, including our recovery centres, are not realisable as cash reserves to support any day to day running costs.

Against the financial backdrop of falling income in recent years, Trustees continue to assess how much of our reserves should be spent and how much should be retained. An analysis of our funds is shown in the table to the right.

Restricted funds

Donations, legacies and grants received where the donor has specified that the monies should be used for a specific purpose (e.g. a specific centre or area of recovery).

At the 30 September 2019 the restricted fund was £0.5 million (2018: £0.6 million). It is intended to spend down restricted fund balances within 12 months. As these funds are required to be spent on specific parts of our activities and so are not freely available to support all our objectives they are excluded in determining our reserves.

Designated funds

Fixed Assets

Representing the value invested in our Help for Heroes recovery centres and other fixed assets. These assets are

	2019 £'000	2018 £'000
Restricted funds	544	625
Designated funds		
Fixed Assets (including recovery centres)	40,279	44,197
Capital Fund	6,500	6,500
Recovery Projects	3,000	4,500
Recovery Fund (two years' running costs)	24,000	-
Recovery Centres Fund	-	19,000
Recovery Services Fund	-	10,000
Total designated funds	73,779	84,197
General funds	12,140	6,757
Total funds	86,463	91,579

held to deliver on our promise to our beneficiaries and cannot be sold without ceasing to deliver support to those we help.

As the value of this fund is made up of fixed assets essential for the delivery of our activities, this fund is not included in the calculation of our reserves. At 30 September 2019 the designated Fixed Asset Fund was £40.3 million.

Capital Fund

Funds needed to meet future major repair and maintenance projects (expected to be incurred within the next 10 years), plus one to two years' forward capital spend.

At 30 September 2019 the designated Capital Fund was £6.5 million. Most of this fund is expected to be held for more than three years and as this fund is set aside for future capital and maintenance projects the fund has been excluded when determining the level of reserves held.

Recovery Projects

Funding for major projects whose expenditure cannot be met from a single year's income alone and is not covered by any other fund.

At 30 September 2019 the designated Recovery Projects Fund was £3.0 million. It is anticipated that this fund will be spent within the next three years. As this money is set aside for specific future projects it has been excluded when determining the level of reserves held.

Recovery Fund

Two years' running costs, plus anticipated legal and one-off costs to accommodate a transfer to other providers should we no longer have the income to run our recovery centres and other recovery services.

At 30 September 2019 the Recovery Fund was £24.0 million. In 2018 this fund was split between the Help for Heroes Recovery Centres Fund

(£19.0 million) and the Help for Heroes Services Fund (£10.0 million). Given the way that services are delivered through centres and in the community, Trustees have agreed to present this as just one fund. Although the Trustees consider the Recovery Fund to be part of Help for Heroes reserves we believe that this fund should be ring fenced to ensure that we would never be in a position where a rushed closure of our recovery activities would cause our beneficiaries to be unable to obtain the support they need.

General funds

Funds to cover between six and 12 months of anticipated fixed (non-recovery) running costs. This level of general funds is thought appropriate to ensure that we can meet the costs of running our fundraising and support costs in the event of a significant downturn in income. Should this not be reversible in that period then we would look to utilise our Recovery Fund to ensure we can continue to meet the costs of delivering our essential service to our beneficiaries whilst we look to transfer our services to another provider.

Based on the above parameters, this fund is expected to be between £6.4 million and £12.8 million. The balance on the General Fund and Help for Heroes reserves level (excluding the Recovery Fund) was £12.1 million at 30 September 2019 which is within that range.

Future reserve levels

At 30 September 2019 our reserves are within the range the Trustees consider to be optimal for Help for Heroes. Based on our three year business plan we would expect to remain within our target range.

Investment policy

The amount held in investments and the type of investments is reviewed by Trustees in line with the reserves policy and anticipated expenditure. Given the net reduction in funds in recent years, some longer-term investments have been sold in order to hold sufficient levels of cash to meet future obligations.

Our ethical investment policy requires that investments held must be sensitive to the cause of the Charity that provides care and support for wounded British military personnel. Investments should not be held in any company or country whose intentions are contrary to those of such a charity.

A conservative approach is taken with regard to risk and capital preservation by investing in real return funds with Veritas Investment Management LLP and Ruffer LLP. The performance of those funds is reviewed quarterly against a three-year benchmark of the Retail Price Index (RPI) + 1 per cent.

The benchmark of RPI + 1 per cent over the last three years is 13.2 per cent. In that time, the Veritas portfolio has delivered a return of 18.0 per cent, however the Ruffer portfolio has delivered a return of 0.3 per cent. The combined result of the two portfolios over the past three years was 11.3 per cent. Over a five year period, the Ruffer portfolio returned 15.1 per cent compared to the RPI +1 per cent benchmark of 18.8 per cent. The Veritas portfolio hasn't yet been in place for five years. The Ruffer portfolio is held to protect against significant falls in investment markets; by reducing the amount of volatility, the Ruffer portfolio has also missed out on some positive market performance. Whilst this is to be expected, Trustees have moved the weighting of investments from Ruffer to Veritas and will perform a review of investment managers in the next year.

The Group maintains a panel of banks and aims to hold no more than two-thirds of its cash and deposits with any single institution.

Risk management

The Executive Team review the Group Risk Register on a quarterly basis for prioritisation before it is presented to the Trustee Audit and Risk committee and Board for validation. Risks are prioritised according to their probability and potential impact, and then adjusted for the effect of mitigating controls.

Significant areas of risk currently include:

1 Fundraising

The priority for the Trustees and the Leadership Team is to drive sustainable and secured income, via a three-year-plan, to address the decline in income as detailed in the Funding the Cause section on pages 20 to 25. We are focusing on converting our high brand awareness to income, enhancing our supporter journey and growing our volunteer base.

2 Safeguarding

Maintaining the highest standards for our beneficiaries, staff and volunteers is of paramount importance. During the last year we have undertaken training with all employees, further enhanced our policy and procedures and implemented an internal Safeguarding Board providing guidance and assurance to the Executive team and Trustees.

3 Data protection and information security

The security and protection of information is fundamental to the effective and efficient working of Help for Heroes and the maintenance of confidentiality. During the last year we have conducted an internal audit to assess our resilience against a cyber security attack, conducted external testing of our network security and continued our employee awareness programme which covers all aspects of data and information security.

We have strong internal controls, an Income Protection Team and outsourced Internal Audit, to prevent financial loss and reputational damage. Any suspicious or inappropriate activity is promptly investigated, and the relevant actions taken.

Complaints handling

We aim to ensure that any concerns or complaints raised are fairly, transparently and robustly managed in line with our complaints policy and seek to understand where improvements to service delivery can be made for the benefit of all.

Where appropriate, and led by their guidelines, we pass information of complaints or other incidents to the Charity Commission and/or the Information Commissioner's Office (ICO).

During the last year we have referred five serious incidents to the Charity Commission. In all cases, after providing the outcomes of our internal reviews, no further actions were required. We also continue to provide the Charity Commission with details of cases investigated by our Income Protection (fraud) Team.

Fundraising disclosures

Help for Heroes is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. Whilst we fundraise in many different ways we do not undertake door to door collections and all of our registered volunteers are given guidance on the expected standards. None of our staff, volunteers, professional fundraisers or commercial participators are put under pressure to raise funds on the Charity's behalf.

We employ three professional fundraising organisations (PFOs) who act on our behalf to recruit new regular donors as part of the Give As You Earn scheme via a large roster of businesses and companies which we would not, otherwise, have the resource or be permitted to approach. Each PFO is paid by results, meaning we only pay for each new supporter they sign up.

In 2018/19 we worked with two further PFOs. One arranges challenge events, to which Help for Heroes is a Charity partner and the other is an independent consultant who provides networking services with a view to facilitating fundraising.

We have formal agreements with our professional fundraisers with specified standards of performance. We enter into these agreements in order to raise net funds to continue our important work.

Some individuals who sign up to our challenge events, e.g. Big Battlefield Bike Ride (BBBR), are also considered to be professional fundraisers because they receive a place on the event in return for a minimum fundraising target. They are provided with formal agreements which include fundraising standards.

The Help for Heroes group also engages with a number of corporate organisations, many of whom do not fundraise for us but make a payment for use of our logo. We are ensuring that all of our contracts are regularly reviewed and are being updated to include all regulatory requirements.

We monitor the approach of our professional fundraisers and commercial participators in order to protect donors, supporters and the organisation from poor practices. Monitoring includes meeting regularly with commercial participators and communicating regularly with fundraisers taking part in our challenge events such as BBBR.

During the period to 30 September 2019 we received seven complaints relating to fundraising, none of which related to professional fundraisers or the companies with whom we have a commercial participator agreement. We investigate all complaints and are satisfied that none of these complaints relate to a breach in fundraising guidelines.

The Trustees are pleased to report a significant improvement in the financial performance of the group. The deficit for the year was £5.1 million, a £7.9 million improvement on 2018. This is after charging depreciation of £4.1 million (2018: £4.1 million), creating an underlying deficit of £1.0 million (2018: £8.9 million).

This improvement in performance is driven by significant increases in income and decreases in costs. These stem from the Trustees' initiatives set out in last year's annual report.

The use of Charity funds to accommodate the deficit was anticipated by Trustees and is considered acceptable within the reserves policy as set out on page 36. Trustees have approved and implemented a three-year business plan which anticipates a return to surplus (before depreciation and investments) within three years.

Change in accounting policy for legacies

As explained in note 1 Accounting Policies (page 48) and Note 19 Change in Accounting Policies (page 66), Trustees have changed the accounting policy for the recognition of legacies to recognise residuary legacies at a later point (at notification of a distribution being agreed by the executors). This was done in order to remove the uncertainty inherent in the previous accounting policy due to the substantial lead times between notification and receipt of the legacy. The result of this change in policy is to reduce 2018 income by £3.6 million and to reduce total funds brought forward by £6.3 million.

Income

The Group generates income through fundraising activities, including donated services, as well as trading

£7.9M

year-on-year reduction in deficit

activities and income from investments and cash deposits.

Income increased by £4.3 million to £26.9 million. The largest contributor to the change was the generous contribution of £3.0 million (2018: nil) towards the running costs of the Help for Heroes recovery centres in Tidworth and Catterick from the Royal British Legion. This was an unusually high contribution as it included amounts relating to previous years which were not made until this year.

Legacies increased by £1.9 million to £9.0 million, reflecting the importance of this income stream to the Group. Knowing that we are supported in this way gives us confidence for the future. This is an area of income on which we continue to focus, and we have recently launched a Free Wills Service.

Page 20 sets out progress against the long term aims of growing secure and repeatable income via compelling campaigns and events with supporters at the heart of all we do. When taken together, donations, challenges and events have fallen by £0.3 million to £8.2 million. Given the current climate where charities are working harder than ever to raise funds, which could have delivered a much sharper decline, it is considered that the focus on fundraising is having a positive impact.

The three-year business plan approved by Trustees (page 30) plans to increase income by focusing on key areas of growth such as corporate partnerships and community

fundraising and by consolidating well established income streams such as legacy and individual giving.

Expenditure on raising funds

Total costs of raising funds for the year were £10.4 million (2018: £11.2 million). It is encouraging that although fundraising is an area of focus, the cost of raising funds has fallen by £0.8 million. This has been delivered by directing expenditure into the areas that are most likely to generate additional income and by searching for efficiencies.

Whilst Trustees are pleased to report on these savings, they remain committed to generating the funds necessary to deliver services, investing where needed as set out on page 20.

The trading business generates profits from the sale of goods and from commercial partnerships. The reduction in the cost of trading activities of £0.3 million from £2.6 million reflects the ongoing savings being made in this business. Trading income was £3.1 million (2018: £3.5 million). Help for Heroes Trading Limited made a profit of £0.8 million (2018: £0.9 million).

Expenditure on charitable activities

The cost of charitable activities decreased by £3.5 million to £22.1 million. Importantly, this was not done by reducing the services we provide.

Grant expenditure fell by £0.8 million to £1.2 million as we continued our focus on delivering in-house whilst still providing grants where needed as explained on page 14. Recovery delivery costs fell by £2.9 million to £19.0 million: this came following a concerted effort to find efficiencies. However, we continued to deliver in as holistic a way as possible, making greater use of community support and collaborating with partners as explained on page 6.

Championing The Wounded costs of £1.9 million (2018: 1.8 million) are an increasingly important aspect of our work as explained on page 16 and is a key pillar of the three-year Business Plan as shown on page 30.

Expenditure on support costs

The Group's support costs as set out in note 4 on page 51 have reduced, again thanks to an increased focus on efficiency. The support functions are a vital resource to both generating funds and delivering against our charitable objects.

The needs of the wounded men and women continue to grow and we must recruit and retain qualified individuals who can design, deliver, support and fund the recovery services we provide. We pay competitive salaries and benchmark ourselves to make sure we do this.

Net gains on investments

Net gains on our investments of £0.5 million are £0.8 million below 2018. Investment performance is explained on page 37. Trustees monitor investment performance throughout the year and anticipate a more thorough review of investment objectives and managers in the coming year.

Capital expenditure

The consolidated statement of cash flow on page 47 shows purchases of tangible and intangible fixed assets of £0.1 million (2018: £3.7 million). This reflects the reduction in investment in capital assets as resources are increasingly focussed towards delivery of direct services.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Help for Heroes for the purposes of company law) are responsible for preparing the Trustees' Annual Report, including the Strategic and Directors' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity's SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities SORP 2015, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees at the date of this report is aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- each Trustee has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approval

The Trustees' Report, incorporating the Strategic and Directors' Report, was approved by the Board of Trustees on 6 February 2020 and signed on its behalf by:



Sir Philip Trousdell
Chairman, Help for Heroes

6 February 2020

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HELP FOR HEROES

Opinion

We have audited the financial statements of Help for Heroes for the year ended 30 September 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of 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 the charitable company's affairs as of 30 September 2019 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter three of part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor

Date: 13 FEBRUARY 2020

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2019 (incorporating an income and expenditure account)

					As restated
	Notes	2019 General funds £'000	2019 Designated funds £'000	2019 Restricted funds £'000	2018 Total Funds £'000
Income from					
Donations and legacies	2	17,468	-	4,792	17,457
Charitable activities		148	-	546	835
Other trading activities		3,058	-	-	3,495
Investments		628	-	-	747
Other		215	-	-	-
Total		21,517	-	5,338	22,534
Expenditure on					
Raising funds	3	10,348	58	-	11,224
Charitable activities	8	12,648	4,007	5,419	25,590
Total		22,996	4,065	5,419	36,814
Net income/(expenditure) before gains and losses on investments		(1,479)	(4,065)	(81)	(14,280)
Net gains/(losses) on investments		509	-	-	1,274
Net income/(expenditure)	5	(970)	(4,065)	(81)	(13,006)
Transfers between funds	15	6,353	(6,353)	-	-
Net movement in funds		5,383	(10,418)	(81)	(13,006)
Reconciliation of funds					
Total funds brought forward as previously stated		13,059	84,197	625	107,333
Prior year adjustment		(6,302)	-	-	(2,748)
Total funds brought forward as restated	15	6,757	84,197	625	104,585
Total funds carried forward	15	12,140	73,779	544	91,579

CONSOLIDATED AND CHARITY BALANCE SHEETS

Company Number 6363256

As at 30 September 2019

				As restated	As restated
	Notes	2019 Group £'000	2019 Charity £'000	2018 Group £'000	2018 Charity £'000
Fixed assets					
Intangible assets	9	112	79	48	48
Tangible assets	10	40,167	40,923	44,149	44,984
Investments	11	25,831	25,831	30,196	30,196
		66,110	66,833	74,393	75,228
Current assets					
Stock		468	-	590	-
Debtors	13	2,341	3,093	2,273	2,852
Cash at bank and in hand		21,698	21,142	20,673	20,127
Current liabilities					
Creditors: amounts falling due within one year	14	(3,965)	(3,657)	(5,608)	(5,052)
Net current assets		20,542	20,578	17,928	17,927
Total assets less current liabilities		86,652	87,411	92,321	93,155
Creditors: amounts falling due after more than one year	14	(189)	(189)	(742)	(742)
Net assets		86,463	87,222	91,579	92,413
Funds					
Restricted funds	15	544	544	625	625
Unrestricted funds					
Designated funds	15	73,779	74,502	84,197	85,032
General fund	15	12,140	12,176	6,757	6,756
Total funds		86,463	87,222	91,579	92,413

The Charity's deficit for the year was £5.191 million.

The financial statements on pages 45 to 67 were approved and authorised for issue by the Trustees on 6 February 2020 and signed on their behalf by:



Sir Philip Trousdell
Chairman, Help for Heroes

Date: 6 February 2020

CONSOLIDATED STATEMENT OF CASH FLOW

For the year ended 30 September 2019

	As restated	
	2019 Group £'000	2018 Group £'000
Cash flows from operating activities:		
Net cash utilised in operating activities	(4,055)	(11,500)
Cash flows from investing activities		
Dividends and interest from investments	228	152
Proceeds from the sale of property, plant and equipment	6	8
Purchase of tangible and intangible assets	(154)	(3,717)
Proceeds from sale of investments	5,000	15,000
Net cash provided by investing activities	5,080	11,443
Change in cash and cash equivalents in the reporting period	1,025	(57)
Cash and cash equivalents at the beginning of the reporting period	20,673	20,730
Cash and cash equivalents at the end of the reporting period	21,698	20,673
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net expenditure for the reporting period (as per the statement of financial activities)	(5,116)	(13,006)
Adjustments for:		
Depreciation charges	4,068	4,138
(Gains)/losses on investments	(509)	(1,274)
Dividends and interest from investments	(628)	(747)
Management charges deducted from investments	273	397
Profit on the sale of fixed assets	(1)	(6)
(Increase)/decrease in stock	122	8
(Increase)/decrease in debtors	(68)	481
Increase/(decrease) in creditors	(2,196)	(1,491)
Net cash utilised in operating activities	(4,055)	(11,500)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Accounting convention

The Charity is a public benefit entity, its status and registered office are noted on page 35.

The Group accounts have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of investments. They comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (the SORP), together with the reporting requirements of the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) - effective 1 January 2015, the Companies Act 2006, and the Charities and Trustee Investment (Scotland) Act 2005. The Charity has adapted the Companies Act formats to reflect the SORP and special nature of the Charity's activities.

After reviewing the Group's forecasts and projections, the Trustees consider that the Group is well placed to manage the business risks it faces.

The Trustees therefore have a reasonable expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the Group to continue as a going concern. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. Significant areas of estimate and judgement include the remaining useful life of assets, valuation of gifts in kind and valuation of legacies. Related accounting policies for these items are noted below. The principle accounting policies adopted, judgements and key sources of estimation uncertainty are noted below.

Basis of consolidation

The accounts are consolidated on a line by line basis and incorporate the results of Help for Heroes (the Charity); its subsidiary undertakings Help for Heroes Trading Limited, Help for Heroes Development Company Limited and Help for Heroes Recovery. Help for Heroes Trading has one subsidiary undertaking being BMyHero Limited, also consolidated. The consolidated entity is referred to as 'the Group'. A separate Statement of Financial Activities is not presented for the Charity itself as it has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. Further details regarding subsidiaries are shown in note 12 on page 59.

Fund accounting

General funds are funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charities. Designated funds represent funds that have been earmarked by the Trustees for specific purposes and are therefore held separately from general unrestricted funds. Details of designated funds are provided in the funds note 15.

Restricted funds represent donations which are restricted by the donor to a specific purpose.

Income

Income from donations, grants and other sources is recognised on an

accruals basis and included in the Statement of financial activities (SOFA) when the Group is entitled to the income, when receipt is probable, and when it can be measured reliably.

Legacies subject to a life interest by another party will not be recognised. Pecuniary legacies will be recognised when the legacy is received or where there is sufficient evidence that receipt is probable. Residuary legacies are recognised at the earlier of cash received or notification of an interim distribution or estate accounts having been approved by the executors. This represents a change in accounting policy where previously legacy income was recognised once notified. This was done in order to remove the uncertainty inherent in the previous accounting policy due to the substantial lead times between notification and receipt of the legacy. The 2018 figures shown in these accounts have been restated to reflect the change, the effects of which are shown in note 19.

Gifts in kind and donated services and facilities are recognised in the financial statements at fair value.

Donated services represents gifts and facilities received from third parties for use by the charity in furtherance of its charitable activities.

In 2018/19 significant elements of donated services included services for use by beneficiaries such as training and well-being courses and classes in addition to professional services such as legal advice provided to the Charity.

Assets given for use by the Group are recognised as incoming resources and within the relevant fixed asset category of the balance sheet when received. Donated services and facilities recognised in the financial statements include those usually provided by an individual or entity as part of their trade or profession for a fee. In contrast, the contribution of volunteers is excluded from the SOFA as the value of their contribution to the Charity cannot be reasonably quantified in financial terms. Where donated services or facilities are recognised, an equivalent amount is included as expenditure under the appropriate heading in the SOFA.

Income from the sale of goods and services is recognised in the year of sale or to the extent that the service was delivered during the year. Income from dividends and interest is recognised in the financial statements during the year it is earned by the Group.

Expenditure

All expenditure, including termination payments relating to former employees, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Support costs are allocated on the basis of staff time and include finance, human resources, IT, marketing, administration, and governance costs. Whilst the methodology for the allocation has not changed, the percentages allocated are updated annually to reflect changes in operations and staffing. This does not impact the comparative allocations.

Governance costs include costs associated with the governance arrangements of the Charity including external audit and costs of complying with constitutional and statutory requirements, such as professional fees and Trustees' liability insurance.

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Expenditure on raising funds

Expenditure on raising funds includes all of the costs attributable to raising voluntary income, event fees, and all costs incurred in the trading subsidiaries.

Expenditure on charitable activities

This comprises grants made, recovery delivery and championing the wounded.

Grants made are commitments made to third parties in the furtherance of the charitable objectives of the Charity.

Single or multi-year grants are accounted for when approved by the Charity and committed to the recipient, less any awards cancelled or refunded.

Recovery delivery costs are the costs incurred in delivering services directly to beneficiaries. This includes the running costs of the recovery centres and related activities.

Championing the wounded costs are those costs incurred in raising awareness and representing the needs of the wounded, injured and sick.

Stock

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised. Year end stock is valued at the lower of cost or net realisable value.

Tangible fixed assets

Tangible fixed assets are held at cost. Items in excess of £5,000 are capitalised and written off evenly over their useful economic life.

The following rates are being applied:

Leasehold property improvements
Structural works are depreciated until the expiry of the lease, or the first breakpoint not at the sole discretion of the Group, or the expiry of 20 years.
Non-structural works connected to bringing the leasehold property into working use are depreciated over 10 or 15 years.
Office equipment (including IT)
Five years
Plant and machinery
Five years
Vehicles
Four years

Investments

Fixed asset investments are included at market value at the balance sheet date.

Gains and losses arising on the disposal of investments and the revaluation to market value are charged or credited to the SOFA in the year.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs

The Group contributes to a money purchase pension plan on behalf of employees in compliance with auto-enrolment legislation. Costs are expensed in the period in which they are incurred.

Currency

The functional currency of the Group is sterling.

Financial instruments

The Group has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets measured at amortised cost comprise of cash at bank and in hand together with trade and other debtors, excluding prepayments.

Financial liabilities measured at amortised cost comprise all creditors excluding deferred income and tax and social security balances outstanding at year end.

Investments are held at fair value at the balance sheet date with gains and losses being recognised in the SOFA.

2. DONATIONS AND LEGACIES

	As restated	
	2019 Total funds £'000	2018 Total funds £'000
Grants	3,535	451
Donations	5,827	6,227
Legacies	9,038	7,120
Challenges and events	2,380	2,296
Donated services and facilities	1,106	896
Gift Aid receivable	374	467
Total	22,260	17,457

3. EXPENDITURE ON RAISING FUNDS

	2019 Group £'000	2018 Group £'000
Cost of donations and legacies	4,637	4,928
Cost of trading activities	2,303	2,578
Investment management costs	314	451
Support costs	3,152	3,267
Total	10,406	11,224

4. ALLOCATED SUPPORT COSTS

Support costs have been allocated to SOFA categories as shown below

A) 2019 allocated support costs

	Raising funds £'000	Charitable activities			2019 Total £'000
		Grants £'000	Recovery delivery costs £'000	Championing the wounded £'000	
Administration, legal and management	1,749	4	1,057	955	3,765
Finance	253	16	293	14	576
Information technology	642	12	729	20	1,403
Human resources	394	44	636	-	1,074
Governance costs	114	-	114	93	321
Total	3,152	76	2,829	1,082	7,139

B) 2018 allocated support costs

	Raising funds £'000	Charitable activities			2018 Total £'000
		Grants £'000	Recovery delivery costs £'000	Championing the wounded £'000	
Administration, legal and management	1,493	5	1,197	634	3,329
Finance	289	17	346	15	667
Information technology	827	12	852	29	1,720
Human resources	526	63	880	-	1,469
Governance costs	132	-	132	109	373
Total	3,267	97	3,407	787	7,558

The basis of the allocation is staff time

5. NET INCOME FOR THE YEAR

	2019 Group £'000	2018 Group £'000
This is stated after charging:		
Depreciation for the year	4,050	4,109
Amortisation for the year	18	29
(Profit)/loss on disposal	(1)	(6)
Rentals payable under operating leases		
- Land and buildings	369	363
- Equipment	30	69
- Vehicles	77	106
Auditor's remuneration		
- Audit services	39	37
- Non-audit services	8	12

6. EMPLOYEE COSTS

	2019 Group £'000	2018 Group £'000
Wages and salaries	11,684	13,114
Social security	1,188	1,309
Pension	387	312
Total	13,259	14,735

The average number of employees (headcount) employed by the Group during the year was 356 (2018: 399).

The number of employees during the year whose gross pay and benefits (excluding payments in respect of leaving the Charity), fell within the following bands was:

Remuneration of higher paid staff

	2019 Group	2018 Group
£60,001 - £70,000	8	12
£70,001 - £80,000	3	2
£80,001 - £90,000	3	2
£90,001 - £100,000	3	1
£100,001 - £110,000	2	3
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1

Pension contributions of £56,366 (2018: £41,491) were made on their behalf. Taxable remuneration for the year includes benefits in kind.

During the year, the Charity made payments in respect of staff leaving the Charity totalling £123,623 (2018: £432,605), including redundancy payments. All amounts were accounted for in the year.

The key management personnel of Help for Heroes comprise the Trustees and the Executive Team. The total remuneration including benefits in kind, employers pension contributions, employers National Insurance contributions and termination payments paid to and on behalf of the Executive Team amounted to £1,107,100 (2018: £1,181,984).

Trustees received no employee benefits during the period and the prior period.

7. GOVERNANCE COSTS

	2019 Group £'000	2018 Group £'000
External audit	40	37
Internal audit	71	106
Recruitment	28	21
Company secretarial function	39	34
Finance and accounts production	35	37
Trustees' liability insurance	3	3
Strategy	73	129
Other	32	6
Total	321	373

The Group reimbursed travel expenses of £5,066 (2018: £2,892) to 5 (2018: 5) Trustees for attendance at Trustee meetings. Of this Nil (2018: £595) remained outstanding at year end.

8. EXPENDITURE ON CHARITABLE ACTIVITIES

Grants made	2019 Group £'000	2018 Group £'000
Institutional grants		
Mission Motorsport	97	55
Not Forgotten Association	50	100
Step Together Volunteering	-	300
Horseback UK	-	132
RFEA	134	133
Sporting Force	70	120
Grant commitments released*	(328)	(877)
Other institutional grants	33	241
Total institutional grants	56	204
Individual support	703	1,312
Total grants	759	1,516
Direct costs	319	308
Allocated support costs	76	97
Total grant expenditure	1,154	1,921
Recovery delivery costs		
Recovery regional operations	8,062	9,093
National services	3,423	3,896
Other direct costs	721	1,519
Allocated support costs	2,829	3,407
Depreciation	3,966	3,994
Total recovery delivery costs	19,001	21,909
Championing the wounded		
Direct costs	837	973
Allocated support costs	1,082	787
Total championing the wounded costs	1,919	1,760
Total costs of charitable activities	22,074	25,590

* During the year we reviewed grant commitments against partner needs and the terms of these grants. As a result a number of grant liabilities were no longer considered due and were written back to the SOFA.

9. INTANGIBLE FIXED ASSETS

Computer software	Group £'000	Charity £'000
Cost		
At 1 October 2018	533	512
Additions during the year	82	48
Disposals during the year	(20)	-
At 30 September 2019	595	560
Amortisation		
At 1 October 2018	(485)	(464)
Charge for the year	(18)	(17)
Disposals for the year	20	-
At 30 September 2019	(483)	(481)
Net book value at 30 September 2019	112	79
Net book value at 1 October 2018	48	48

10. TANGIBLE FIXED ASSETS

Group	Leasehold property improvements £'000	Office equipment £'000	Plant and machinery £'000	Vehicles £'000	Total £'000
Cost					
At 1 October 2018	64,749	5,628	642	202	71,221
Additions during the year	(1)	23	38	12	72
Disposals during the year	-	(5)	-	(84)	(89)
At 30 September 2019	64,748	5,646	680	130	71,204
Depreciation					
At 1 October 2018	(21,078)	(5,421)	(376)	(197)	(27,072)
Charge for the year	(3,900)	(67)	(79)	(4)	(4,050)
Disposals for the year	-	5	-	80	85
At 30 September 2019	(24,978)	(5,483)	(455)	(121)	(31,037)
Net book value at 30 September 2019	39,770	163	225	9	40,167
Net book value at 1 October 2018	43,671	207	266	5	44,149

Charity	Leasehold property improvements £'000	Office equipment £'000	Plant and machinery £'000	Vehicles £'000	Total £'000
Cost					
At 1 October 2018	65,926	5,822	643	186	72,577
Additions during the year	(1)	19	38	12	68
Disposals during the year	-	(5)	-	(68)	(73)
At 30 September 2019	65,925	5,836	681	130	72,572
Depreciation					
At 1 October 2018	(21,427)	(5,608)	(377)	(181)	(27,593)
Charge for the year	(3,973)	(69)	(79)	(4)	(4,125)
Disposals for the year	-	5	-	64	69
At 30 September 2019	(25,400)	(5,672)	(456)	(121)	(31,649)
Net book value at 30 September 2019	40,525	164	225	9	40,923
Net book value at 1 October 2018	44,499	214	266	5	44,984

11. INVESTMENTS: GROUP AND CHARITY

	2019 Group £'000	2018 Group £'000
Market value at 1 October	30,196	43,724
Add: Dividends and interest received and reinvested	399	595
Less: sales proceeds	(5,000)	(15,000)
Add: net gain on revaluation	509	1,274
Investment charges deducted from gain	(273)	(397)
Market value at 30 September	25,831	30,196
Historic cost as at 30 September	22,484	26,845
	2019 Group £'000	2018 Group £'000
Market value at 30 September		
Equities	12,893	14,465
Fixed interest	9,773	11,813
Forwards	47	72
Cash	3,118	3,846
Total	25,831	30,196

12. INVESTMENTS IN SUBSIDIARIES

Name	Control	Charity interest	Other Group companies interest	Registered number	Activities
Help for Heroes Trading Ltd	Share capital	100%	-	06380957	Retail and corporate licensing
Help for Heroes Recovery	Deemed	100%	-	07647921	Non-trading
Help for Heroes Development Company Ltd	Share capital	100%	-	07464349	Design and build
BMV Hero Ltd	Share capital	-	100%	07192143	Non-trading

The results of consolidated trading entities are stated prior to any consolidation adjustments.

The registered office address of all subsidiaries is 14 Parkers Close, Downton Business Centre, Downton, Salisbury, Wiltshire, SP5 3RB.

	2019 Help for Heroes Trading £'000	2019 BmyHero £'000	2019 Help for Heroes Recovery £'000	2019 DevCo £'000	2019 Total £'000	2018 Total £'000
Turnover	3,058	-	-	(7)	3,051	7,132
Expenditure	(3,058)	-	-	7	(3,051)	(7,148)
Net expenditure	-	-	-	-	-	(16)

Balance sheets of the consolidated trading entities

	2019 Help for Heroes Trading £'000	2019 BmyHero £'000	2019 Help for Heroes Recovery £'000	2019 DevCo £'000	2019 Total £'000	2018 Total £'000
Assets	1,046	-	-	163	1,209	1,758
Liabilities	(1,045)	-	-	(163)	(1,208)	(1,757)
Net assets	1	-	-	-	1	1

13. DEBTORS

			As restated	As restated
	2019 Group £'000	2019 Charity £'000	2018 Group £'000	2018 Charity £'000
Trade debtors	473	405	436	88
Other debtors	169	128	407	205
Amounts owed from Group undertakings	-	901	-	1,184
Prepayments and accrued income	1,699	1,659	1,430	1,375
Total	2,341	3,093	2,273	2,852

A proportion of legacies receivable may be received after more than one year, but this figure cannot be determined with any accuracy due to the inherent uncertainty in the timing of legacy income receipt.

The estimated value of legacies notified but neither received nor included in income is £4,177,383 (2018: £7,314,573). This amount has been treated as a contingent asset, which is not recognised in debtors above.

Help for Heroes have provided grants to individuals to enable them to purchase or adapt housing. Should the properties be disposed of in the future Help for Heroes is entitled to the granted funds being returned. This amount has been treated as a contingent asset, which is not recognised in debtors above. The balance which may be returned is £1,860,000 (2018 - £Nil).

14. CREDITORS

Amounts falling due within one year	2019 Group £'000	2019 Charity £'000	2018 Group £'000	2018 Charity £'000
Grants payable	956	956	1,164	1,164
Trade creditors	714	656	1,326	1,158
Other creditors	791	789	830	826
Other taxes and social security	330	317	465	380
Accruals	1,174	939	1,823	1,524
Total	3,965	3,657	5,608	5,052

Amounts falling due after more than one year	2019 Group £'000	2019 Charity £'000	2018 Group £'000	2018 Charity £'000
Grants payable	189	189	742	742
Total	189	189	742	742

15. FUNDS

(A) Analysis of movement in funds

Group	As restated					
	At 1 Oct 2018 £'000	Incoming resources* £'000	Operating expenditure £'000	Capital expenditure £'000	Transfers £'000	At 30 Sep 2019 £'000
Restricted						
Catterick Recovery Centre	203	2,205	(2,337)	-	-	71
Colchester Recovery Centre	47	(3)	(22)	-	-	22
Tedworth House Recovery Centre	-	1,009	(985)	-	-	24
Plymouth Recovery Centre	-	403	(403)	-	-	-
Sports Recovery (Tough Mudder)	-	180	(180)	-	-	-
Sports Recovery	35	117	(121)	-	-	31
Hidden Wounds	-	25	(25)	-	-	-
Very Seriously Injured (LIBOR)	338	474	(441)	-	-	371
Recovery Services	-	254	(254)	-	-	-
Psychological Wellbeing	-	10	(10)	-	-	-
Invictus Games**	-	569	(569)	-	-	-
Other	2	95	(72)	-	-	25
Total restricted	625	5,338	(5,419)	-	-	544
Designated						
Recovery Centres	19,000	-	-	-	(19,000)	-
Recovery Services	10,000	-	-	-	(10,000)	-
Recovery Fund	-	-	-	-	24,000	24,000
Capital Fund	6,500	-	-	-	-	6,500
Recovery Projects	4,500	-	-	-	(1,500)	3,000
Sub total	40,000	-	-	-	(6,500)	33,500
Fixed assets	44,197	-	(4,065)	154	(7)	40,279
Total designated	84,197	-	(4,065)	154	(6,507)	73,779
General	6,757	22,026	(22,996)	(154)	6,507	12,140
Total funds	91,579	27,364	(32,480)	-	-	86,463

At the year end the Trustees consider the required level of funds in line with the reserves policy (described on page 36) and anticipated future running costs and other spending. Changes are made to each designated reserve as appropriate. The nature and purpose of each fund and the rationale for significant transfers is explained on page 36. Our fund accounting policy is described in note 1 on page 48.

* Including gains on investments

** Including £300,000 Armed Forces Covenant Fund Trust funding

15. FUNDS

(B) Analysis of net assets between funds

Group	Unrestricted £'000	Designated £'000	Restricted £'000	2019 Total £'000
Fixed assets				
Intangible assets	-	112	-	112
Tangible assets	-	40,167	-	40,167
Investments	-	25,831	-	25,831
	-	66,110	-	66,110
Net current assets	12,329	7,669	544	20,542
Creditors falling due after more than one year	(189)	-	-	(189)
Total net assets	12,140	73,779	544	86,463

16. OPERATING LEASES

At 30 September 2019 the Group had future minimum operating lease commitments under non-cancellable operating leases:

	2019 Group £'000	2018 Group £'000
Land and buildings		
Within one year	325	288
Between one and five years	191	389
Total	516	677

	2019 Group £'000	2018 Group £'000
Equipment		
Within one year	22	22
Between one and five years	18	40
Total	40	62

	2019 Group £'000	2018 Group £'000
Vehicles		
Within one year	44	56
Between one and five years	66	5
Total	110	61

17. COMPARATIVE INFORMATION

Consolidated statement of financial activities

	As restated			As restated
	2018 General funds £'000	2018 Designated funds £'000	2018 Restricted funds £'000	2018 Total funds £'000
Income from				
Donations and legacies	15,556	-	1,901	17,457
Charitable activities	172	-	663	835
Other trading activities	3,495	-	-	3,495
Investments	747	-	-	747
Total	19,970	-	2,564	22,534
Expenditure on				
Raising funds	11,146	78	-	11,224
Charitable activities	16,775	4,054	4,761	25,590
Total	27,921	4,132	4,761	36,814
Net income/(expenditure) before gains and losses on investments	(7,951)	(4,132)	(2,197)	(14,280)
Net gains/(losses) on investments	1,274	-	-	1,274
Net income/(expenditure)	(6,677)	(4,132)	(2,197)	(13,006)
Transfers between funds	7,691	(7,691)	-	-
Net movement in funds	1,014	(11,823)	(2,197)	(13,006)
Reconciliation of funds				
Total funds brought forward	5,743	96,020	2,822	104,585
Total funds carried forward	6,757	84,197	625	91,579

18. COMPARATIVE INFORMATION

(A) Analysis of movement in funds

Group	As restated	As restated				As restated
	At 1 Oct 2017 £'000	Incoming resources* £'000	Operating expenditure £'000	Capital expenditure £'000	Transfers £'000	At 30 Sep 2018 £'000
Restricted						
Catterick Recovery Centre	851	204	(852)	-	-	203
Colchester Recovery Centre	65	423	(441)	-	-	47
Tedworth House Recovery Centre	510	1	(511)	-	-	-
Plymouth Recovery Centre	76	424	(500)	-	-	-
Sports Recovery (Tough Mudder)	76	214	(290)	-	-	-
Sports Recovery	42	133	(140)	-	-	35
Hidden Wounds	242	-	(242)	-	-	-
LIBOR	386	-	(386)	-	-	-
Very Seriously Injured (LIBOR)	-	400	(62)	-	-	338
Heritage Heroes	29	-	(29)	-	-	-
Psychological Wellbeing	60	-	(60)	-	-	-
Haymow	456	-	(456)	-	-	-
Invictus Games	-	663	(663)	-	-	-
Other	29	102	(129)	-	-	2
Total restricted	2,822	2,564	(4,761)	-	-	625
Designated						
Recovery Centres	20,000	-	-	-	(1,000)	19,000
Recovery Services	10,500	-	-	-	(500)	10,000
Capital Fund	7,400	-	-	-	(900)	6,500
Recovery Projects	13,500	-	-	-	(9,000)	4,500
Sub total	51,400	-	-	-	(11,400)	40,000
Fixed assets	44,620	-	(4,132)	3,717	(8)	44,197
Total designated	96,020	-	(4,132)	3,717	(11,408)	84,197
General	5,743	21,244	(27,921)	(3,717)	11,408	6,757
Total funds	104,585	23,808	(36,814)	-	-	91,579

* Including gains on investments

18. COMPARATIVE INFORMATION

(B) Analysis of net assets between funds

Group	As restated			As restated
	Unrestricted £'000	Designated £'000	Restricted £'000	2018 Total £'000
Fixed assets				
Intangible assets	-	48	-	48
Tangible assets	-	44,149	-	44,149
Investments	-	30,196	-	30,196
	-	74,393	-	74,393
Net current assets	7,499	9,804	625	17,928
Creditors falling due after more than one year	(742)	-	-	(742)
Total net assets	6,757	84,197	625	91,579

19. CHANGE IN ACCOUNTING POLICIES

In 2019 the charity has changed its accounting policy for the recognition of legacies, as detailed in note 1.

The effects of the change is detailed in the table below:

Reconciliation of legacy income (as shown on note 2):	2018 Group £'000
Legacy income (as previously stated)	10,674
Legacy accrual - change in basis	(3,554)
Legacy income (as restated)	7,120

Reconciliation of donation and legacy income (as shown on the Consolidated Statement of Financial Activities):	2018 Group £'000
Donations and legacies (as previously stated)	21,011
Legacy accrual - change in basis	(3,554)
Donations and legacies (as restated)	17,457

Reconciliation of prepayments and accrued income (as shown on note 13):	2018 Group £'000	2018 Charity £'000
Prepayments and accrued income (as previously stated)	7,732	7,677
Legacy accrual - change in basis	(6,302)	(6,302)
Prepayments and accrued income (as restated)	1,430	1,375

Reconciliation of debtors (as shown on the Consolidated Balance Sheet):	2018 Group £'000	2018 Charity £'000
Debtors (as previously stated)	8,575	9,154
Legacy accrual - change in basis	(6,302)	(6,302)
Debtors (as restated)	2,273	2,852

Reconciliation of reserves:	At 1 Oct 2017 Group £'000	At 1 Oct 2018 Group £'000
Reserves (as previously stated)	107,333	97,881
Legacy accrual - change in basis	(2,748)	(6,302)
Reserves (as restated)	104,585	91,579

Reconciliation of 2018 deficit for the year	2018 Group £'000
2018 deficit (as previously stated)	(9,452)
Legacy accrual movement – change in basis	(3,554)
2018 deficit (as restated)	(13,006)

20. RELATED PARTY TRANSACTIONS

Transactions between Group companies

During the year, significant numbers of transactions took place between Group companies. Most of these transactions were effected through intra-Group working capital.

Profits earned by trading subsidiaries were donated to the parent Charity as described below.

In the normal course of operations, transactions arise between Group companies. These amounts cover donations received in the trading companies, purchases settled by other Group companies, stock sold by one company on behalf of another, and VAT settled across the Group VAT registration.

- Amounts settled by Help for Heroes on behalf of Help for Heroes Trading Limited, and vice versa, resulted in a net cost to Help for Heroes of £18,000 in the year (2018: £183,000). At 30 September 2019, Help for Heroes had an intercompany receivable from Help for Heroes Trading Limited of £267,000 (2018: £331,000). Help for Heroes Trading Limited held sufficient cash and current assets to settle this liability. This excludes the amount owed in relation to donated profits made in the year by Help for Heroes Trading Limited of £776,000 (2018: £810,000). The total profits gifted to the Charity in the year was £772,000 (2018: £934,000) which will be fully settled within nine months of the year end.

- Help for Heroes Development Company Limited undertakes construction and development work on behalf of the Group and sells these services to Help for Heroes. Payment for these services combined with settlement for goods and services transferred between companies resulted in a net cost to Help for Heroes Development Company Limited of £11,000 (2018: cost to Help for Heroes £3,049,000). At 30 September 2019, Help for Heroes Development Company Limited had an intercompany payable to Help for Heroes of £11,000 (2018: receivable of £75,000). Help for Heroes Development Company Limited held sufficient cash and current assets to settle this liability. This excludes the amount owed in relation to donated profits made in the year by Help for Heroes Development Company Limited of £1,000 (2018: £118,000). The total profits gifted to the Charity in the year was £1,000 which will be fully settled within nine months of the year end.

Other related party transactions

No Trustees have been remunerated for their role as a Trustee.

As a charity, Help for Heroes cannot recover VAT and the costs of related party transactions therefore include irrecoverable VAT where appropriate. The sales value to the related party may therefore be less.

During the year Help for Heroes was charged an annual subscription of £9,850 (2018: £12,545) by COBSEO - The Confederation of Service Charities (COBSEO). During the year Mel Waters was both the CEO of Help for Heroes and a director of COBSEO.

During the year Help for Heroes was charged £43,128 (2018: £27,156) by the University of Bath for hosting Invictus Games training camps and trials. At 30 September 2019 the group owed £33,431 (2018: £5,087) in respect of these charges. During the year Professor Veronica Hope Hailey was both a Help for Heroes Trustee and the Vice President of the University of Bath.

THANK YOU

We would like to take this opportunity to thank the people and organisations who make our vital work possible by generously giving their time and money.

Particular thanks goes to our partners who have made significant contributions throughout the year:

Corporate Partnerships

Abiah

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The Chancellor
(using LIBOR Funds)

The Charles Wolfson
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Mr and Mrs Dean and Alana Stott

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