



ANNUAL REPORT 2017



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Help for Heroes captured the public's imagination when it launched 10 years ago and it is a charity I know we all hold close to our hearts. It was, therefore, an honour to be elected Chairman in its anniversary year.

A key role of Trustees is to understand the people that the Charity supports, and ensure it provides the best possible support to them. What particularly impressed me about Help for Heroes is how much it has strengthened the nation's ability to help those affected by military service, in terms of public prominence, Recovery delivery and the financial support it has given to other organisations.

Continuing to collaborate

Since launching, Help for Heroes has granted £38.5 million to other charities and organisations with like-minded aims and objectives, including £1.7 million to partners in Wales and £2.8 million to those in Scotland. This is to ensure that those who have been wounded, injured or become sick as a result of Service get the best support, whether it is delivered directly or indirectly by Help for Heroes. I am pleased that in 2016/17 the Charity has continued to do this. We give grants in specialist areas beyond our Recovery delivery, supporting organisations such as Step Together Volunteering and Winston's Wish, which provides bereavement counselling for families of Service Personnel and Veterans.

Help for Heroes is a member of Contact, a group of military charities, health providers and academics with an interest in mental health. Its aim is to supply a simple route to support for the many thousands who have not come forward for help. This is due to stigma, a lack of clarity on where to turn, or for a myriad of other reasons.

By working in partnership with organisations like Walking with the Wounded, The Royal British Legion, Big White Wall and the NHS, Contact is making coming forward for mental health support easier for people. Contact also represents the military sector in The Royal Foundation's Heads Together campaign, which culminated in the 2017 Virgin Money London Marathon.

Providing Recovery services for those who have life-changing injuries and illnesses is at the heart of the Charity. Our investment in this area has allowed us to directly support more than 17,000 members of the Armed Forces community in rebuilding their lives. Over our first 10 years, we have supported almost 9,800 of these individuals through Fellowship – where membership grew by 1,702 in 2016/17.

CHAIRMAN'S FOREWORD

“ PROVIDING RECOVERY SERVICES FOR THOSE WHO HAVE LIFE-CHANGING INJURIES AND ILLNESSES IS AT THE HEART OF THE CHARITY.”

Providing long-term support

It is important that we look to the future and provide cutting-edge Recovery which is based on academic evidence. Help for Heroes is currently funding two academic research projects: one is examining long-term holistic needs of Veterans who were battlefield casualties from Iraq and Afghanistan (2001–14) in partnership with the Ministry of Defence, the other is a project to help military families encourage loved one to seek help for their mental health, in partnership with King's College London.

The cost of delivering Recovery will only go up in coming years. While the Charity is experiencing an increase in demand for support, fundraising is proving more difficult. Income has dropped from £36.5 million to £30.8 million and Charity reserves have been drawn down for the first time since 2010. The Trustees are prepared for this, and we are determined that we will deliver on our promise to those who come to us for support.

Over the last 18 months, Help for Heroes has reviewed its income streams, and started to refresh our approach and positioning to reflect the fact that our Armed Forces are not currently in a major visible conflict. Trustees' previous decisions to hold adequate reserves to

enable us to deliver on our promise mean the reduced income in the year has not affected the support the Charity offers to Veterans and their families.

One of our key responsibilities is to maintain the trust and confidence of the public so they know we are focused

“ We will continue to invest heavily in encouraging people to come forward.”


on improving the lives of Veterans. Over the last year, we have gone to considerable lengths to tell the stories of those supported and the impact that fundraising has had on their lives. The success of this was proven when *Marketing Week* published a study by creative agency Aesop, placing Help for Heroes as the second-best brand in the UK for storytelling, and we see consistently high levels of awareness.

Paying tribute

I would like to pay tribute to my predecessor as Chairman, Alex Scott-Barrett, who stood down in November after 10 years, as well as the other

Trustees who have moved on from the Charity this year. I have been deeply impressed with the vision set by both them and the Co-Founders, Bryn and Emma Parry, over the years.

I look forward to continuing their great work and setting Help for Heroes on course for the next decade.



Michael Lake CBE
Chairman, Help for Heroes



CHIEF EXECUTIVE'S MESSAGE

This year, we took on the challenge of reaching more people in need than ever before.

It has been an active year at Help for Heroes and I am delighted to say that we have supported many more brave wounded, injured and sick men and women than previous years. I am proud of the team at Help for Heroes who have helped our beneficiaries and their families both directly and in working closely with our partner charities. By 2017, we had reached and supported 17,267 individual beneficiaries directly. Our future aim is to help many more to lead active, independent and fulfilling lives.

Although not always obvious to the public, an average of 2,000 members of our Armed Forces deploy overseas per month, plus thousands more undertake strenuous, and often dangerous, training exercises within the UK and abroad.¹

The medical discharge rate within the Armed Forces is also rising steadily, climbing to a total of 2,526 in 2016/17.² This figure equates to an average of more than 200 every month, or seven every single day.

Research conducted by King's College London in 2014 also indicates that at least 66,090 Veterans will need our help in the future. It is this context that gives us the evidence and energy to ensure that our deserving men and women of the Armed Forces who become wounded, injured and sick get that second chance at life.

Finding strength

Those who come to harm as a result of their Service sometimes require support for both physical and psychological wounds, and we are determined that we will reach out to every injured member of the Armed Forces, be they serving or Veteran and his or her family to offer support. We know it takes remarkable strength to come forward to ask for help.

Having volunteered to put their lives on the line for us, we believe that those who have been affected by their time in Service deserve a fair deal. Simply put, it is our belief that society wants to give back to our Armed Forces. We will act to make that happen. A fair deal can be as practical as us helping with timely access to mental health services, or more subtly helping someone find their future purpose in life. It is my intention that we remain agile enough to ensure this happens.

Increasing our knowledge

As those we support age, their long-term health and wellbeing requirements are growing. With their expert minds, skilled bodies and courageous hearts, they still want to lead fulfilling lives – feel the wind through their hair, build amazing careers and take part in challenging sport.

We are proud to be supporting the Armed Services Trauma Rehabilitation Outcome Study (ADVANCED Study).

9,742 17,267

have joined the
Help for Heroes
Fellowship*

individual
beneficiaries
supported*

* as at 30 September 2017

This groundbreaking research programme, aims to investigate the long-term medical and psychosocial outcomes of battlefield casualties from Iraq and Afghanistan (2001–14). It is hoped that the results of this 20-year study will help inform the future of quality healthcare provision for injured Servicemen and women. It will also ensure that these people are not forgotten, both during and after their transition into civilian life.

Breaking records

Sport and physical activity are absolutely vital for good health, wellbeing and a sense of independence. I was delighted to see the UK Invictus Games Team – funded, trained and selected by Help for Heroes Sports Recovery – win 88 medals at the 2017 Invictus Games in Toronto. We are already seeing record levels of interest in the 2018 Invictus Games in Sydney. Whether prospective competitors make the final team or not, we aim to work with all of them to ensure they have the support they need to achieve their personal goals in life.

In 2017, we also completed our ninth Big Battlefield Bike Ride, which was an experience I will treasure forever. Coming close to the end of my first year as Chief Executive I relished the opportunity to cycle 350 miles alongside our supporters as well as those we support.

The grit and determination that our Service Personnel, Veterans and their families possess is immeasurable.

We hope this inspires many more wounded, injured and sick men and women to live their lives to the full.

All of this could not have been achieved without our amazing supporters and staff. Our Facing It Together campaign brought to life the incredible relationship between our beneficiaries and supporters. There is no doubt that, without them, we wouldn't be able to accomplish such significant achievements. Spending time with our partners and volunteers at events, up and down the country, has been a powerful reminder and reinforcement of the impact our teams have in their communities.

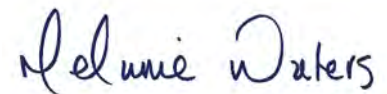
“Just because we aren't seeing the impact of deployments on the front pages of daily newspapers, it doesn't mean the need for our support has disappeared. If anything, we expect it to increase.”

However, we know there are many more who need our help that haven't yet reached out to us. That's why in October 2017 we embarked on a bold campaign which encourages our

supporters, volunteers, partners, employees, Veterans and their families to unite behind our beliefs.

We want them to support us in our ambition for Serving Personnel, Veterans and their families. It's simple, we want them to regain their sense of purpose and have a positive impact in society once more.

We are not like any other charity; we are a movement – a movement that has galvanised the nation's support, empowered Service Personnel, Veterans and their families to seize that second chance at life. We won't stop until every life is rebuilt.



Melanie Waters OBE
Chief Executive

Source

- <https://www.gov.uk/government/statistics/uk-armed-forces-personnel-deployments-financial-year-201617>
- https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627223/20170713-MedicalDisBulletinFinal-O.pdf

OUR HIGHLIGHTS



Targeting Blue Monday

In January 2017, we launched a mental health campaign to tie in with Blue Monday – designed to inspire people to take action and make bold life decisions. Veteran Daniel Grobler fronted our campaign to get others thinking about their mental health, driving 186 individuals to join him in reaching out to us for support and advice.

As part of the same initiative, HRH Prince Harry visited the Help for Heroes Recovery Centre, Tedworth House, to personally recognise the bravery of the 1,000 individuals who have sought mental health support through our Hidden Wounds service.

Singing loud and proud

The Invictus Games Choir had a highly successful first year, promoting singing as a Recovery activity, with 46 beneficiaries lending their vocal talents. In 2016/17, the Choir raised more than £6,000, performing at events including the 100th Army v Navy rugby match at Twickenham Stadium.



Fundraising with Moto in the Community

Help for Heroes was adopted as the Moto in the Community Trust's national charity partner in 2012. From the beginning, Moto in the Community pledged to raise £2 million to help support our Service Personnel, Veterans and their families. With the amazing support of the Moto staff and their customers across the nation, they are getting ever closer to their transformational pledge! In 2017, Moto in the Community Trust presented Help for Heroes Co-Founder, Bryn Parry, with a cheque for £400,000. With this commitment and our longstanding relationship, the Moto in the Community Trust has decided to continue with this fantastic partnership into 2018 and beyond.



Putting #HeadsTogether

We have been actively involved this year in sharing Heads Together messages with the Armed Forces community, led by the TRH Duke and Duchess of Cambridge and Prince Harry. It's essential we tackle stigma and change the conversation on mental health. Our involvement included attending the Veterans' Mental Health Conference organised by King's College London. Find out more about our work as part of Contact and through Heads Together on page 26.



Recovery through creativity

We continue to offer Service Personnel, Veterans and their families a variety of ways to aid their Recovery. For example, at the Help for Heroes Recovery Centre in North Yorkshire, Phoenix House, Veterans have been exploring their creative side and learning new skills by carving handmade, wooden rocking horses. The Centre has even been made a member of the Guild of Rocking Horse Makers.

“ Making this has made a hell of a difference to my life. Shows that I can achieve things outside of my realm. ”

Kevin Gray, Veteran

Growing our Fellowship

Our Help for Heroes Band of Brothers and Band of Sisters Fellowship Groups offer Service Personnel, Veterans and their loved ones ongoing support and a listening ear. We are pleased to report that Fellowship membership grew by over 20% this year – 1,165 joined the Band of Brothers, and 537 joined the Band of Sisters – and we offered many more activities in response to new members' requests.



Facing it Together

Ahead of our 10th birthday, we wanted to tell the stories of our supporters and those supported side by side. Key to it all was the notion of showing that our beneficiaries and supporters are 'Facing it Together' and that no-one need suffer alone.

We created six videos capturing conversations between beneficiaries and supporters, and the public response was overwhelming.

One that particularly resonated showed five-and-a-half-year-old fundraiser Temy meeting 38-year-old Veteran Si Brown, in which she asked him about his life-changing injuries. This was viewed more than 120 million times worldwide in a matter of days.

Watch the full series of videos at www.helpforheroes.org.uk/see-the-difference/facing-it-together

HQ Hereford Garrison

Help for Heroes supports those who have become wounded, injured or sick during or as a result of Service, and this extends to a wide range of units within the British Armed Forces. In 2016 and 2017, we funded a total of more than £2 million for the design and construction of a Rehabilitation and Recovery Centre at HQ Hereford Garrison. This is a joint project with the Garrison's Clocktower Foundation Charity. The Centre will be completed in 2018 and will also provide support to families.

Addressing the need

Since we launched 10 years ago, Help for Heroes has proudly given grants to organisations, charity partners, and individuals, complementing and enhancing the services we offer. This year, Veterans across Wales, Greater Manchester and Lancashire suffering from severe mental health problems will get quicker access to support thanks to Help for Heroes funding towards NHS frontline staff. The Charity grant funded nearly £1 million in 2017 to the NHS to recruit more clinical staff in order to improve mental health support to Veterans in these areas.

The funding means those in need have improved access to effective, evidenced treatment and benefit from reduced waiting times. This partnership ensures joined up working, in particular between the NHS and the charitable sector, to maximise 'whole person' care delivery for Veterans. The grant funding will help demonstrate how government can deliver better support in the long-term for Veterans whose wounds are hidden.

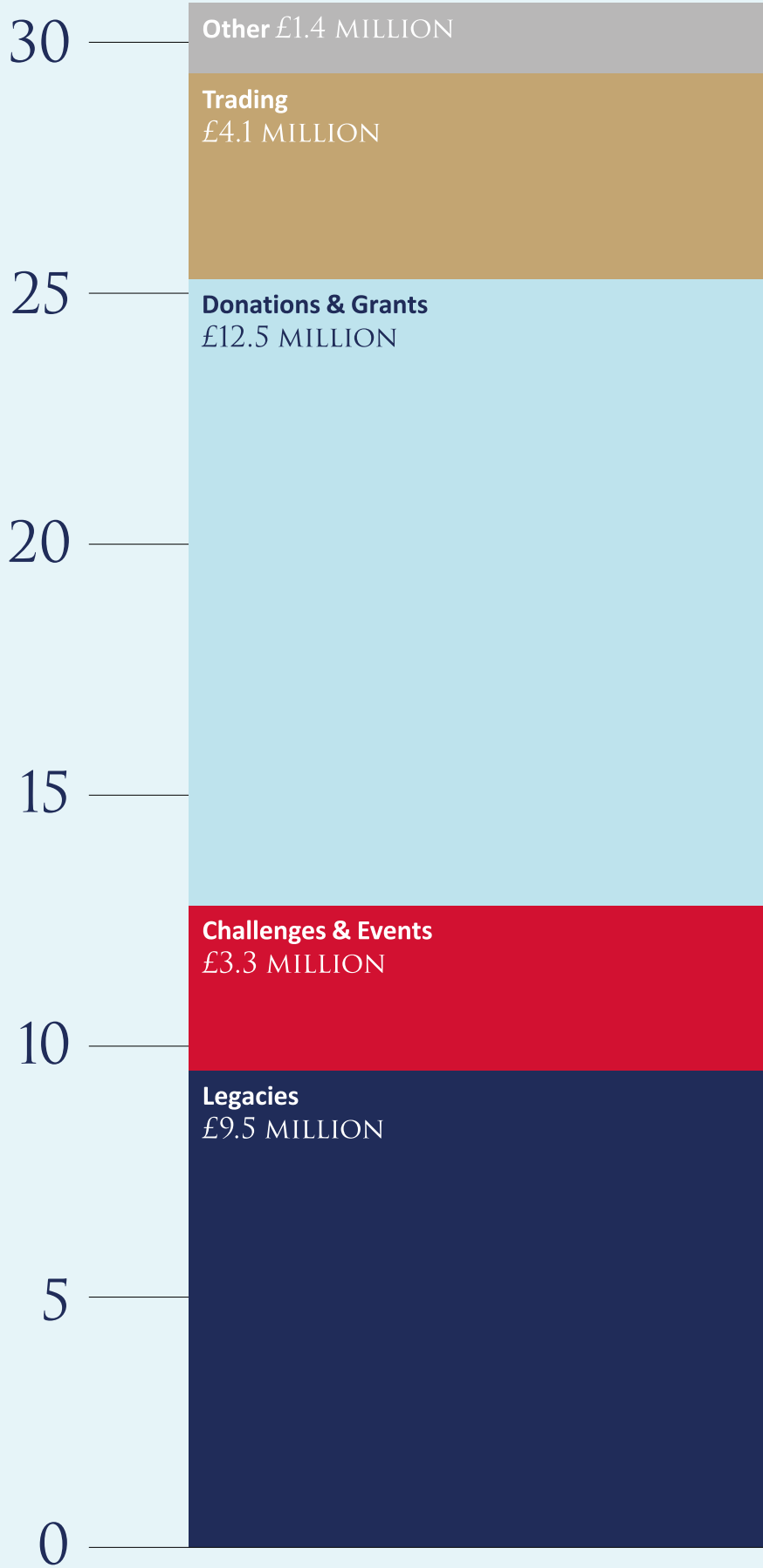
For more on grants awarded this year, go to page 38.

Wear your support

13,000 products were sold from our special 10th birthday branded collection between January and September 2017 – continuing to show how proud people are to #WearYourSupport.

KEY FIGURES

OUR INCOME £30.8M



OUR CHARITABLE EXPENDITURE

£28.1M



We have spent £28.1 million on delivering support to those who need it. In addition, we have spent a further £2.1 million building our capacity to help in the future (capital expenditure).

This year, we continued to see amazing support from volunteers, fundraisers and partners, helping us to raise much-needed funds for wounded Service Personnel, Veterans and their families. However, it has become more challenging to raise the money we need, and income has fallen. The result of a reduced income and increased demand means that our reserves have reduced by £7.7 million.

To date, Help for Heroes has received £7.1 million³ from Libor fines levied by the government against the banking industry. This is an amount reported to be less than 1%⁴ of the total fine monies intended for good causes distributed by HM Treasury. As at April 2018, it is unclear whether or not further funding from this important source will be made available to charities or good causes.

Source

3. Figure correct as at April 2018

4. There are conflicting accounts of how much government has raised and awarded from Libor fines. The fines have been subject to a review by the National Audit Office, and have been covered by multiple media outlets:

<https://www.thesun.co.uk/news/5687778/cabinet-minsters-use-armed-forces-charity-money/>
<http://www.dailymail.co.uk/news/article-5445597/Ministers-raid-326m-cash-pot-forces-charity-pot.html>

OUR PROMISE

We're committed to supporting wounded, injured and sick Servicemen and women and their loved ones, many of whom are coping with increasingly complicated mental and physical health conditions. Our promise is to do all we can to empower them to regain their sense of purpose in life.

Our Vision and Mission

Our Vision:
We believe in a fair deal for all those affected by military service.

Our Mission:
To inspire our wounded, injured and sick and returning Veterans to lead active, independent and fulfilling lives so they can achieve their full potential, and then support them and their families for life.

The sections Our Vision and Mission, through to Risk Management represent our Strategic and Directors' Report

Delivering on Our Promise



We are planning for the future. Between the Gulf War in 1991 and the drawdown of troops from Afghanistan in 2014, more than 36,000 men and women were medically discharged from the British Armed Forces.⁵ However, research conducted by King's College London and Help for Heroes has found that the total number of men and women likely to need some kind of support as a result of their service during the 1991 to 2014 period will be greater than 66,090.⁶ This number is based on the fact that many mental or physical problems do not emerge until many years after the individual has left service. This figure does not include the families or loved ones of those wounded or injured.

Also, the very latest data from the Ministry of Defence shows that in 2016/17 alone 2,526 individuals were medically discharged from Service, equivalent to more than 200 per month or seven per day.⁷ It is likely these brave people will need support after they have been discharged; in some cases, it will take time to rebuild their lives following life-changing injury or illness. We are here to support them.

It would be wrong to promise long-term support for retraining, careers, mental wellbeing, direct financial grants or physical and sporting development if we were not sure we could deliver on it.

IN 2016/17 ALONE,
2,526 INDIVIDUALS
WERE MEDICALLY
DISCHARGED
FROM SERVICE

We have fixed assets of £44.6 million. This is mainly our purpose-built Help for Heroes Recovery Centres, one of the key ways in which we deliver our support, and they are used every day.

The Trustees have designated £7.4 million for future capital works, repair and maintenance needs.

This year, Trustees have drawn on reserves for the first time since 2010, in order to meet the growing needs of those who seek support at a time when income has fallen. Without reserves, we would not have been able to do this. Against the financial backdrop of falling income, Trustees are looking at how much of our reserves should be spent, and how much should be retained.

£44 million has been designated to helping the growing number seeking support from us – this being all of our designated funds with the exception of the Capital Fund.

We hold less than 12 months' future Charity running costs. When it comes to providing our Help for Heroes Recovery Centres and Recovery services, two years' running costs (£30.5 million) are held. This is to give a guarantee to the people we support that they will still receive our help if fundraising becomes more difficult.

A Recovery Projects reserve of £13.5 million is held for special major projects of which expenditure cannot be met from a single year's income.

We want all those we support to be reassured that we are focused on their immediate and long-term needs. That is why we have designated this money to pay for often complex, long-term beneficiary support. We respect and greatly value the generosity of the British public, and put all funds to work to ensure we deliver the best support we can.

Every pound has a purpose.

Turn to page 59:

Read about how our reserves enable us to honour Our Promise

Source

5. Help for Heroes Freedom of Information Act 2000 request to Ministry of Defence, 2015. Total number of personnel medically discharged from the British Armed Forces January 1991 to October 2014: 36,506.
6. Kings College London 'Counting the Cost' study with Help for Heroes, published January 2016.
7. Help for Heroes Freedom of Information Act 2000 request to Ministry of Defence, 2017. Total number of personnel medically discharged from the British Armed Forces March 2016 to March 2017: 2,526.

Public Benefit Statement

The Trustees have considered the Charity Commission's general guidance on public benefit and have taken it into account when reviewing our aims and objectives, and planning our future activities. The Trustees are satisfied that our work is carried out wholly in pursuit of our charitable aims for the public benefit.

Our Charitable Objects

Our charitable objects remain unchanged and are:

1.

To assist persons who are currently serving or who have served in the Armed Forces, and their dependants, 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.



Stuart Pearson,
Veteran

Bringing Our Promise to Life

Here are just a few of those who we made a promise to support in 2016/17, sharing how Help for Heroes empowered them to transform their lives...

Tracy's Story

"I finally feel like I am getting my life back on track"

Tracy Worsnop, 37, of Seacroft, Leeds, joined the Army when she was 19 because she wanted to be challenged. She completed two tours of Iraq and one of Afghanistan before her life changed completely when a heart attack at 35 left her paralysed down one side.

In 2015, Tracy began suffering abnormal pains while based in Germany. She experienced pain in her gullet area and knew something wasn't right. She was soon rushed to hospital where she underwent emergency heart surgery when they noticed her ruptured aorta. Within one week of her surgery, she suffered two seizures and a stroke.

"The whole episode left me feeling like someone had just taken the carpet from right beneath my feet; I felt helpless and hopeless, like I had nothing to live for."

Finding her way

Tracy was determined her setbacks would not define her future and, through Help for Heroes partnership with The Prince's Trust, she has found a way to continue making a positive impact on society.

The partnership is set up to offer wounded, injured and sick Veterans the opportunity to inspire and mentor disadvantaged young people. More than that, it's a chance for Service Personnel and Veterans to engage with their local community, meet local businesses, use practical skills, be positive role models and work with others as a team.

"My speech was affected, and I was unable to serve, but I knew that I wanted to help young people and to put my experiences to good use."

Tracy was placed with Hampshire Fire and Rescue Service as an Assistant Team Leader to support the delivery of the Team Programme, a 12-week personal development course for unemployed young people.

Helping others

"When I joined the programme, I was immediately made to feel at ease, from both the delivery partners and the young people. I realised how much I was able to contribute when I put my mind to it. It was such an amazing feeling to be able to help others."

"Sharing my experiences with the young people was hard, but I soon realised what a huge effect it had on them. It was important for them to see that no matter what stage in life you are in, you can still go through hard times. I wanted them to know that people still cared, and that there are people out there that can help."

A new career path

"I gained so much from the experience that I am doing another placement as an Assistant Team Leader, this time for three months. I also have a place on the Team Leaders' course. I now know that this is definitely the career path for me."

"After such a long time, I finally feel like I am getting my life back on track."

The successful partnership has been up and running since September 2010. We have committed £1,033,000 to enable wounded, injured and sick Service Personnel and Veterans to participate in fully funded and bespoke secondments with The Prince's Trust Team Programme.

“ Looking back now I realise how low in confidence I was. I had lost a sense of purpose in my life, which had been missing for a long time. Seeing the difference that the programme has on the young people is an inspiration, they change so much in just a few weeks and that is really special to be a part of.”



“We’re not visibly fighting in wars at the moment, but people still need support and they’ll need that for years to come. Help for Heroes is here, only a phone call away.”



Bob and Lesley's Story

“Without Help for Heroes, I wouldn't be here”

We know it can be years after serving in the military before a Serviceman or woman seeks help. This was the case for Bob McNab. Discharged from the Armed Forces in 1982, it's only been in the last few years that he's got his life back on track.

Following in the footsteps of his father and grandfather, Bob joined the Army in 1968. Serving with the Royal Engineers, he revelled in the camaraderie, loyalty and brotherhood so often associated with the military.

“No matter what badge you wear, the guys have got your back and protect you. I have many, many good memories.”

The military brought him enjoyment and exciting challenges, but a deployment to Northern Ireland in the 1970s sent Bob's life heading out of control. It led to him suffering with massive mood swings and his family bearing the brunt.

“One moment I could be the nicest person, the next I'd bite your head off. I was never physically violent but you don't have to use your fists to hurt. Your family are all walking on eggshells.”

Discharged from the Army in 1982, Bob knew he had to get help but didn't want to accept how he was feeling or reach out for support. Instead, he turned to alcohol to mask his problems.

Shutting himself away, Bob was at home watching Remembrance Sunday with his wife, Lesley, when a Veteran with Post-Traumatic Stress Disorder (PTSD) was interviewed on the programme. Seeing him really hit home for Bob the need to pick up the phone and start his Recovery journey.

The first step

“Admitting there's a problem is the toughest thing. That phone call was the most important one a guy like me could make. It's the first step on the way back.”

“My PTSD was triggered well over 20 years ago and there will be lads in more than 20 years' time who'll need help. We're not visibly fighting in wars at the moment, but they still need support and they'll need that for years to come. Help for Heroes is here, only a phone call away.”

“I joined the Help for Heroes Band of Brothers Fellowship for the wounded. I first thought it was for those who'd been

injured in Iraq or Afghanistan, but I was wrong. Now I'm getting all these things to help me march along on my recovery road.”

Bob's wife Lesley has since become a Band of Sisters member – for the loved ones of wounded, injured and sick Service Personnel and Veterans – and he is thankful both fellowships have let them make new friends and be reintroduced to the military community.

“It makes you smile, something we weren't doing a lot of. It brings you back to a normal way of life.”

As part of the ongoing support he receives from Help for Heroes, Bob has sessions with the Help for Heroes Psychological Wellbeing team. He credits the team with giving him emotional support and the coping strategies he needs to move forward with his life.

“They're a lifeline. They let you move on from, in my case, what happened years ago.”

“Without Help for Heroes, I wouldn't be here. I'd have been in the gutter for a while and then probably in a grave. I wouldn't be with my wife, that's for sure. The Charity and the supporters have given me my life back. I can't thank them enough for that.”



Matt's Story

"I can't quite believe how far I've come."

Based in Wales, 36-year-old Matt runs his own successful business as a tree surgeon. He named it 'Cope Y Coed', which means 'Cope of the wood' in Welsh, and is also a nod to his Navy nickname of Copey.

During a Navy sporting activity in 2010, Matt injured his left leg and hip and, despite numerous operations, was left with a severe limp and ongoing pain. While in hospital recovering from one of the surgeries, he caught the E. coli infection, making him very ill and leading him to develop a fear of germs. Matt was eventually diagnosed with obsessive compulsive disorder, depression and anxiety.

Matt was due to be medically discharged from the military in the summer of 2015 and was told that he would most likely need to be signed off work indefinitely. Alternatively, at best, all he could hope for was a sedentary desk-bound job. For someone who had joined the Army Reserves and then the Navy precisely because he wanted to be active, this was a difficult verdict to accept and affected his mental health.







A life-changing project

In the months leading up to his medical discharge, Matt got involved with a project to build an Iron Age Roundhouse at the Help for Heroes Recovery Centre in Wiltshire, Tedworth House. This turned out to be life-changing.

“The Roundhouse project was brilliant. We had experts teaching us all kinds of skills, timber framing and thatching, as well as learning the history. It was hand-built using traditional methods by a core group of 16 of us – serving and Veterans, all with life-changing mental and physical problems.

“I loved being outside and learning. I made life-long friends and as time went on I got stronger mentally and physically. It opened my mind to what I could achieve once I left the Forces and was instrumental in what I am doing now.”

While Matt was working on the Roundhouse he also completed a Help for Heroes Pathfinder course. *“The military-led transition programme was good, but Pathfinder was more holistic. It was instrumental in my recovery – giving me faith that I could have a career I loved after leaving the Navy. I went through a lot of emotions on the course, which was hard, but the Psychological Wellbeing team at the Centre made sure I was looked after.”*

Keeping a promise

“Everyone at Help for Heroes promised: ‘the day that you leave [the Armed Forces], we will be there for you’. I wasn’t in a good place at the time and didn’t believe them, but they have been. In addition to the Roundhouse and Pathfinder, I’ve been offered psychological support, the opportunity to retrain as a tree surgeon and help setting up my business.

“I still have bad days physically and mentally but the Band of Brothers Fellowship and my tree surgeon fraternity support me. We look out for one another like in the military. But, honestly? Without the money donated to Help for Heroes by the public, I don’t know where I would be now.”

“ Everyone at Help for Heroes promised: ‘the day that you leave, we will be there for you’. ”

OUR IMPACT

Recovery is about finding ways to live a satisfying, hopeful and fulfilling life, even with the changes and impact of ongoing illness or disability. A collaborative, multi-disciplinary approach is central to the development of high quality Recovery services. Help for Heroes offers well organised, personally tailored help in an atmosphere of hope and optimism.

Recovery Delivery

From helping Service Personnel and Veterans to have a good night's sleep, to offering career mentorship and reducing NHS waiting times, we continue to extend the range and variety of Recovery services that really make a difference. More than simply looking after wounds both visible and hidden, we are driven by the belief that those who offer to put their lives on the line for us, deserve a second chance at life for them and their families.

Our aims for 2016/17 are below, followed by examples of how we delivered on these during the year:

1. To extend the Recovery delivery model beyond the Help for Heroes Recovery Centres
2. To further enhance our and mental health support through the introduction of Pre-step 3 services* and increasingly effective working relationships and agreements with the NHS and partner charities
3. To have worked with Contact to continually improve the mental health support to Veterans and their families through better and more transparent communication between, and among, group members and closer collaboration in the development of support services
4. To build on the successes of the Invictus Games 2014 and 2016 to recruit, train, select, prepare and manage the UK Invictus Games team for the 2017 games in Toronto, while working in partnership with the MOD and The Royal British Legion to support the UK delegation
5. To embed the evaluation of services and outcomes across our Welfare, Fellowship, Sports Recovery, Psychological Wellbeing, Health and Physical Wellbeing and Career Recovery services.

*'Pre-step 3' refers to the phases of the severity of mental health issues, which range from 1 to 4

1. Extending our reach

In the past year, Recovery delivery took a number of significant steps forward, responding to the need to reach more people in more places, more often. This grew far beyond the hubs of our Help for Heroes Recovery Centres. We continued to present opportunities for grant funding as well as bringing people into our

Help for Heroes Fellowship, and offered more chances to Champion the Wounded.

Our Medical Support Veterans' Clinical Liaison Workers supported 145 cases during the year, greatly improving the quality of life of all they assisted. We have representatives from our Help for Heroes Fellowship and Sports Recovery teams in Scotland, running Fellowship and sports programmes respectively.



Increasing our national footprint

In London, we supplied grant funding for two Key Workers at Stoll, which provides supported housing to vulnerable and disabled Veterans, including those who have been homeless.

In Scotland, support has been provided by our Welfare and Psychological Wellbeing teams from the Help for Heroes Recovery Centre, Phoenix House. We provided support through grants to 105 individuals and partner organisations. In 2017, we granted funds to Scottish-based charity Horseback UK, plus we granted £23,000 to Fares 4 free – a taxi service for wounded, injured or sick Veterans to

increase mobility and allow access to health and social care appointments.

For part of the financial year we also had an Outreach Project Officer for Scotland. Through her work with our Head of Recovery North, we developed a more comprehensive understanding of the scale and nature of what is needed. Through meeting with the Scottish government, NHS Scotland and nearly 40 other individual organisations, we're well placed to move forward with our plans for this.

In Wales, the establishment of a small team has enabled the wounded, injured and sick and their families living there to access our Recovery services more readily.

The team has more than 500 people on the books in South, Mid and North Wales – with around 10% receiving Key Worker support. Others are regulars at Fellowship events in the region, or take part in Sports Recovery sessions run in the community. The introduction of a Veterans' Clinical Adviser in Wales has also provided welcome support to bridge the gap between leaving the military and obtaining clinical care as a civilian.

Learn how we're measuring the outcomes being achieved by our beneficiaries on page 32.



Paul's Story

"You have got me back on track again."

Falklands Veteran Paul, from South Wales, is just one of the many who has benefited from our extended support this year.

After suffering in silence for 35 years, he was referred to the team in Wales having signed up online to our Band of Brothers Fellowship Group. Now, with the right support in place to help him manage his physical and mental pain, Paul's future is looking brighter.

"On reflection, I should've started the road to recovery 25 years ago when PTSD was first mentioned to me, but I never got any follow up. I am happy that it's all out in the open now and there is a plan put in place for me."

"Thank you for your thoughts and ideas, and for giving renewed hope and direction. I realise I have a lot to do but at least I now have a starting point. You have got me back on track again and I can now hopefully look forward to a better future."

650

members
of Help
for Heroes
Fellowship
in Scotland

Providing medical support to Veterans

For many ex-Service Personnel, it is comforting and reassuring to meet medical staff who fully understand their background and can recognise their experiences. Our Clinical Liaison Workers provide Veterans with clinical advice and support, as well as liaising with the NHS and other agencies and charities, to reach the most positive and holistic outcomes.

To this end, one Clinical Liaison Worker has been appointed at our Help for Heroes Recovery Centre in North Yorkshire for the North, plus another appointed in Wales, who also remotely covers the South West. We are also recruiting in the South and East, with a vision for 2018 to additionally appoint in Scotland and more permanently in the South West.

Our success at engaging with people who are hard to reach gives us an additional opportunity to introduce them to the other support systems available.

All regions and teams have been supporting the GP Training programme, which informs trainee GPs on what to recognise when treating Veterans, and also lets them know about the services we offer and how to refer Veterans. This commitment has grown and will continue in 2018.

Broadening our Fellowship

The Help for Heroes Fellowship groups, the Band of Brothers and Band of Sisters, are providing more constant and underlying support for Serving Personnel, Veterans and their families than ever before. With 1,702 joining in 2016/17 – an increase of over 20% – plus a recent internal audit of activities, we know it is proving to be invaluable.

We now have 12 Help for Heroes Band of Brothers and Band of Sisters Regional Coordinators on hand to run activities in all regions of the UK, including Scotland and Northern Ireland. They are paramount to the work delivered, breaking down social anxiety barriers so that our Serving Personnel, Veterans and their families have a safe environment to share new experiences and find out more about our services.

Fellowship is key to achieving the independent, fulfilling lives our Serving Personnel, Veterans and their families strive for.

Find out more about how to refer someone to our Fellowship Groups, at www.helpforheroes.org.uk/get-support/beneficiary-support-network/



1,609

Veterans and family members have received support through the Help for Heroes Hidden Wounds service, since its launch in 2014

2.

Managing mental health

In the past year, we more than doubled the number of Veterans and family members that have received support through the Help for Heroes Hidden Wounds service, bringing the total since its launch in 2014 to 1,609. This was boosted through focused campaigns around World Mental Health Day, Mental Health Awareness Week, and Blue Monday.

Hidden Wounds was established to provide guided support to those having difficulties with their mental health, for issues such as anger, worry, low mood, substance misuse and lack of sleep. To date, the outcomes for those who complete treatment are positive.

We use tried and tested techniques to help people overcome everyday mental health issues, plus recommended therapies to provide a system of stepped care. This means 'stepping up' to intensive/specialist services for individuals as clinically required.

The Pre-Step 3 therapy

The pilot Pre-Step 3 therapy programme is a series of evidence-based therapies suitable for those who need help managing their emotions. Talking therapies, for example, are provided to help individuals to develop strategies to allow them to better cope with distress.

During 2016/17, all of our Psychological Wellbeing Advisors completed training in the Pre-Step 3 programme, with this now being delivered in two Help for Heroes Recovery Centres with the intention of increasing this to all four in 2018. This qualifies us as a recognised referral partner to some NHS Trusts.

Our aim is to review and expand to working alongside the new NHS Veteran Mental Health Complex Treatment Services, and Transition and Liaison Services, to establish smoother referral pathways for Veterans who need mental health support.



Active minds

It's a fact that being active and participating in sports and activities can promote positive mental health. That's why our Psychological Wellbeing support model places considerable emphasis on wellbeing activities or respite as a means of managing mental health.

Creating Resilient and Psychologically Fit Selves is a booklet we created for participants in the Invictus Games 2017 and the Big Battlefield Bike Ride 2017. It supported the positive mental health messages delivered by our staff at these events and was incredibly well received, with potential to make it available for all events attended by our beneficiaries and their families.

Ian's Story

"I try to live in the moment, not in the past or future."

In 2017, we piloted our first Mindfulness for Stress course, as well as delivering our first digital wellbeing campaign.

Ian Whiting, 61, attended the course on a friend's recommendation. He served with the Royal Electrical and Mechanical Engineers as a young man, suffering a traumatic amputation and other injuries. Over the next 40 years he struggled to cope with stress and anxiety, sleep and nightmares.

"My head is full; not necessarily negative or productive, it's just full. I applied for the course not knowing what to expect, but the first session piqued my interest."

"My wife says that I'm more approachable. I take that as a hugely positive sign. Since doing the course, things have changed. I feel more relaxed. I try to live in the moment, not in the past or the future."

"When I look back there probably has been a mental health issue but because the accident was so long ago none of this help was available. It wasn't recognised. All charities have a purpose and I had support for the physical issues over the years, but Help for Heroes have a wider scope and pulls all the others together."

3.

Collaborating on mental health

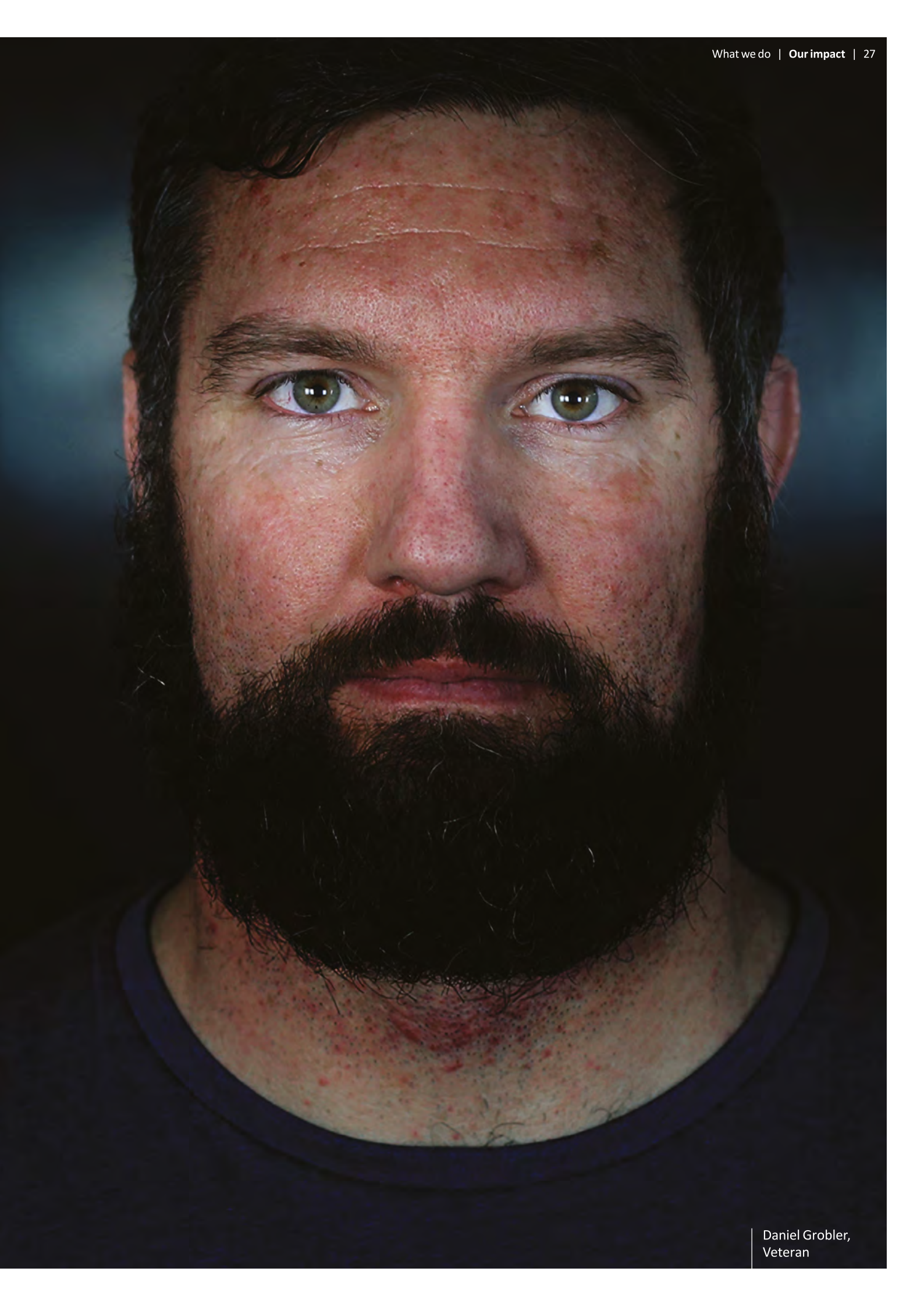
#HeadsTogether

The Royal Foundation, led by the Duke and Duchess of Cambridge and Prince Harry, launched the Heads Together campaign to start a positive conversation about mental health and, in doing so, encourage more men and women to speak out. Through Contact, we have been actively involved in sharing #HeadsTogether messages with the Armed Forces community.

As Contact is one of the eight charity partners of the campaign, this included attending the Veterans' Mental Health Conference organised by King's College London's Centre for Military Health Research. Marking the culmination of campaign efforts, the Virgin Money London Marathon in April 2017 was renamed the 'mental health marathon', creating a real energy around these important conversations.

This year, all members of Contact also collaborated in building the website www.contactarmedforces.co.uk, making it easier for people to seek help with their mental wellbeing, with simple access points for each service.

Also, to recognise a partnership between the Warner Brothers' film *Dunkirk* and Contact, we launched three short films to raise awareness of changing attitudes to military mental health and to encourage help-seeking. Throughout the partnership, which coincided with the launch of *Dunkirk* more than 80 individuals reached out to us for support.



Daniel Grobler,
Veteran

“Invictus flicked a switch for me and the pride and passion encompasses you.”

Bernie Broad, UK Team Captain

4.

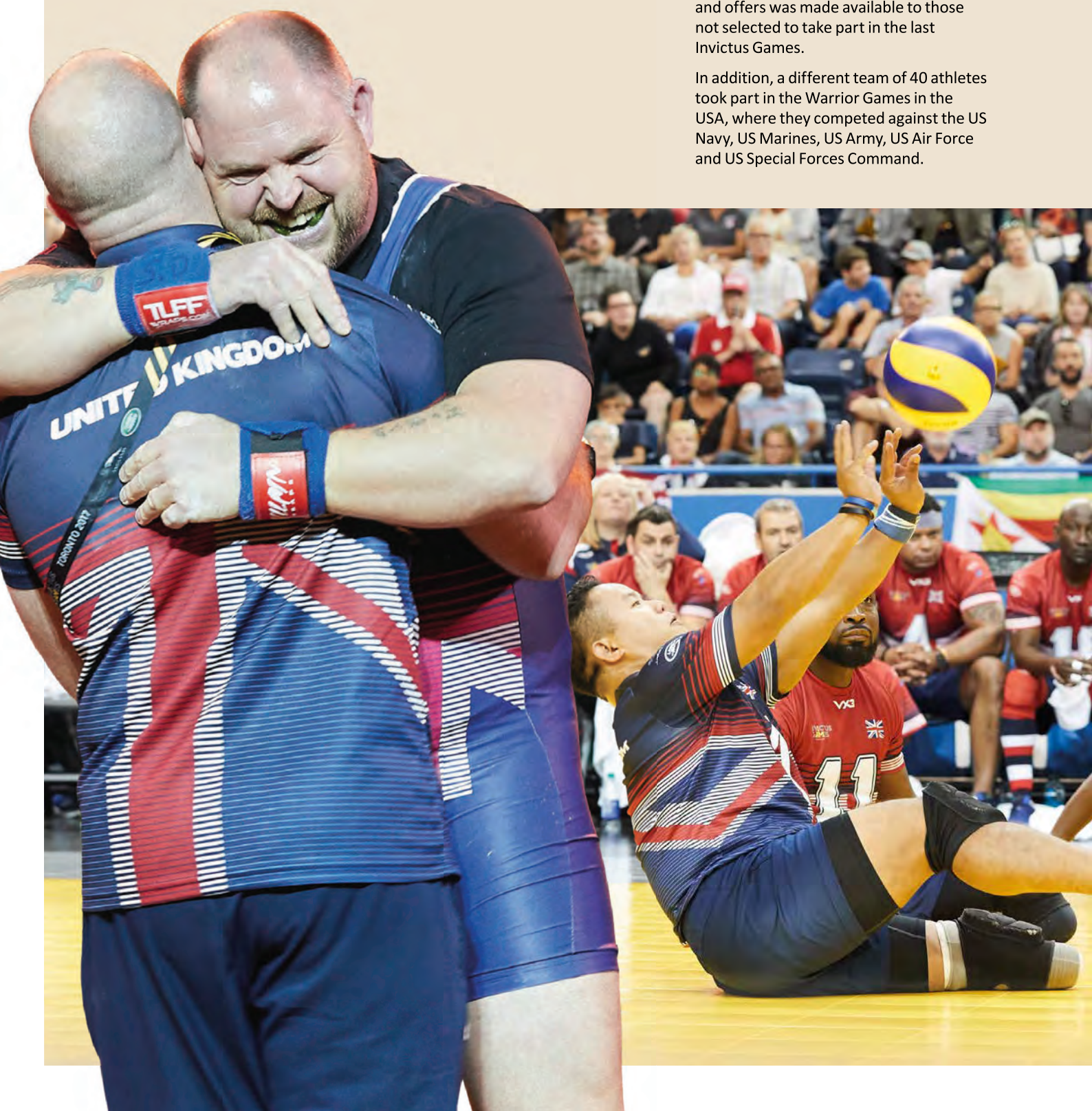
Supporting the Invictus Games

As part of our Help for Heroes Sports Recovery programme, in 2017 we were proud to help train and select the UK team for the Invictus Games – the sporting event inspired by Prince Harry, for wounded, injured and sick Service Personnel and Veterans.

The Help for Heroes Sports Recovery Team was responsible for funding, recruiting, training, and managing the UK Invictus Games Team on behalf of the UK Delegation, which includes the MOD and The Royal British Legion. The preparation and management of the 90-strong team resulted in more than 170 personal bests achieved at the Games, which is a huge measure of success. In 2018, we will be supporting the athletes all the way to Sydney and beyond.

A comprehensive list of activities and offers was made available to those not selected to take part in the last Invictus Games.

In addition, a different team of 40 athletes took part in the Warrior Games in the USA, where they competed against the US Navy, US Marines, US Army, US Air Force and US Special Forces Command.



11 SPORTS

306

hopefuls applied

34

training camps before the Games with coaches from the National Governing Bodies

60%

increase in applications vs 2015

90

strong UK team selected, 62% of whom competed for the first time and more than half the team were still serving

“It has kick-started a new phase in my Recovery journey and one that will continue for a long time. I have a renewed purpose and it’s brought back my determination and confidence.”

Michelle Turner



The Invictus Games Choir

The Invictus Games Choir was created by choirmaster Gareth Malone to sing at the 2016 Invictus Games in Orlando, Florida, formed completely of Veterans and Service Personnel who were wounded, injured and sick. In September 2016 Help for Heroes began supporting the Choir and they subsequently performed at *BBC Sports Personality of the Year* to a live audience of 12,000, and recorded Dire Straits' song *Brothers in Arms* for the album *A Great British Christmas* in December 2016. Since then the choir has welcomed another 30 members and a number of Choir members have gone on to receive our support.

“The benefits of singing are as tangible and intangible as those from sport. Creating a beautiful sound that resonates through your entire being, touching the soul. That is why I sing. It allows me an outlet. Literally not thinking about anything else other than the notes, the breathing, the sound, the stance. There is no room for doubt, for questioning, for feeling inadequate, for bearing the weight of the team alone, our heads are too full of music.”

Major Elizabeth Murray, Royal Artillery

The heartfelt lyrics to charity single *Flesh and Blood* were written by the Choir members themselves for the Invictus Games 2016. They continue to perform this across the UK.

*Stepping out to lead the line
I stare into my brother's eyes
Sweeping sands, the men behind
We are made of flesh and blood*

*Frozen in the morning light
An image I don't recognise
The mirror shows me broke and bound
But I will learn to run again*

*Don't turn your eyes away
and leave me in the dark*

Don't turn your eyes away

*I have been strong
I have been weak
And I've had days I could not breathe*

*But from the dust
And through the snow
We come together now*







5.

Evaluating our impact

As a charity, it's important that we monitor and evaluate the Recovery work we do, to ensure that the people we support achieve their desired goals. The Help for Heroes Theory of Change framework is the model we use to do this. Through it, we map our beneficiaries' journeys at key stages in their Recovery and measure the impact of the services and support they receive from us.

We use a number of tried and tested evaluation tools to collect this data, including The Independence Star®, which measures a beneficiary's outcomes in six key areas of their lives: finance, housing, health, activities, social life and wellbeing. We also ask beneficiaries to fill out questionnaires at various touchpoints in their Recovery journeys to let us know what they think of the services we offer and the impact they are having.

90%

of people participating in The Pathfinder Experience reported more focus for the future, increased levels of wellbeing, increased confidence and an increased network of peers

Building careers

The Help for Heroes Career Recovery team helped hundreds of beneficiaries to identify a new future outside of the Armed Forces in 2016/17, offering access to courses, qualifications, work experience, networking, training and volunteering.

Help for Heroes mentoring was relaunched in January 2017 and this year we trained 43 external mentors on the Institute of Leadership and Management-accredited course. We also continued working with City & Guilds. An Employability Programme was also created to cover CV writing, navigating the job market and interview preparation.

The Pathfinder Experience

This course helps Veterans understand employment and lifestyle options and develop plans for the future. This year, 52 took part, and 512 Veterans actively engaged with a career advisor at a Help for Heroes Recovery Centre, with the aim of getting themselves job-ready.



70%

of people participating in **The Business Experience** reported **more focus for the future, increased levels of wellbeing, increased confidence and an increased network of peers**

The Business Experience

Working in partnership with X-Forces, 60 people completed our Business Experience course, which helps Veterans understand self-employment and how to launch a business.

The Coaching Experience

This course helps Veterans develop self-awareness and learn to support others going through change.

85%

reported increased self-awareness

97%

reported they now have a toolkit to use to deliver a coaching style

74%

reported increased knowledge to be able to support and deal with family changes

81%

reported increased ability to develop volunteering /employment opportunities in coaching (i.e. in sports, youth work or life in general)

Building resilience

Veterans attending Health and Physical Wellbeing Activities were asked to complete an evaluation questionnaire to help determine the impact the activities had on them. As a result:

87% feel less isolated

78% feel healthier

74% feel more confident

87% are doing more exercise

96% have made friends

92% learned new skills

100% developed a new interest

Building Fellowship

Our Fellowship Groups offer Serving Personnel, Veterans and their loved ones an opportunity to meet with peers, as well as access a range of support. This ensures that we build on the foundations of a strong community, and recognise the importance of family. As a result we have seen:

21%

increase in our Help for Heroes Band of Brothers and Band of Sisters Fellowship membership in 2016/17

85%

of Fellowship members said they met new people through our events, expanding their social networks

27%

said they'd definitely keep in touch with those they met for the first time at a Band of Brothers or Band of Sisters event

Carl's Story

"It's amazing to see your hobby finally turning into your own business"

Veteran Carl Marsh became the 100th beneficiary to complete the Help for Heroes funded X-Forces Business Experience course in September 2017. He left the Army in 2010 after 12 years of service and one tour in Northern Ireland having suffered a spinal injury, and seven other health-related issues, which led to him being medically discharged. After a time working for the NHS, Carl is now self-employed, running his own celebrity interview blog and launching Swim Heroes – teaching people of all ages and abilities how to swim.

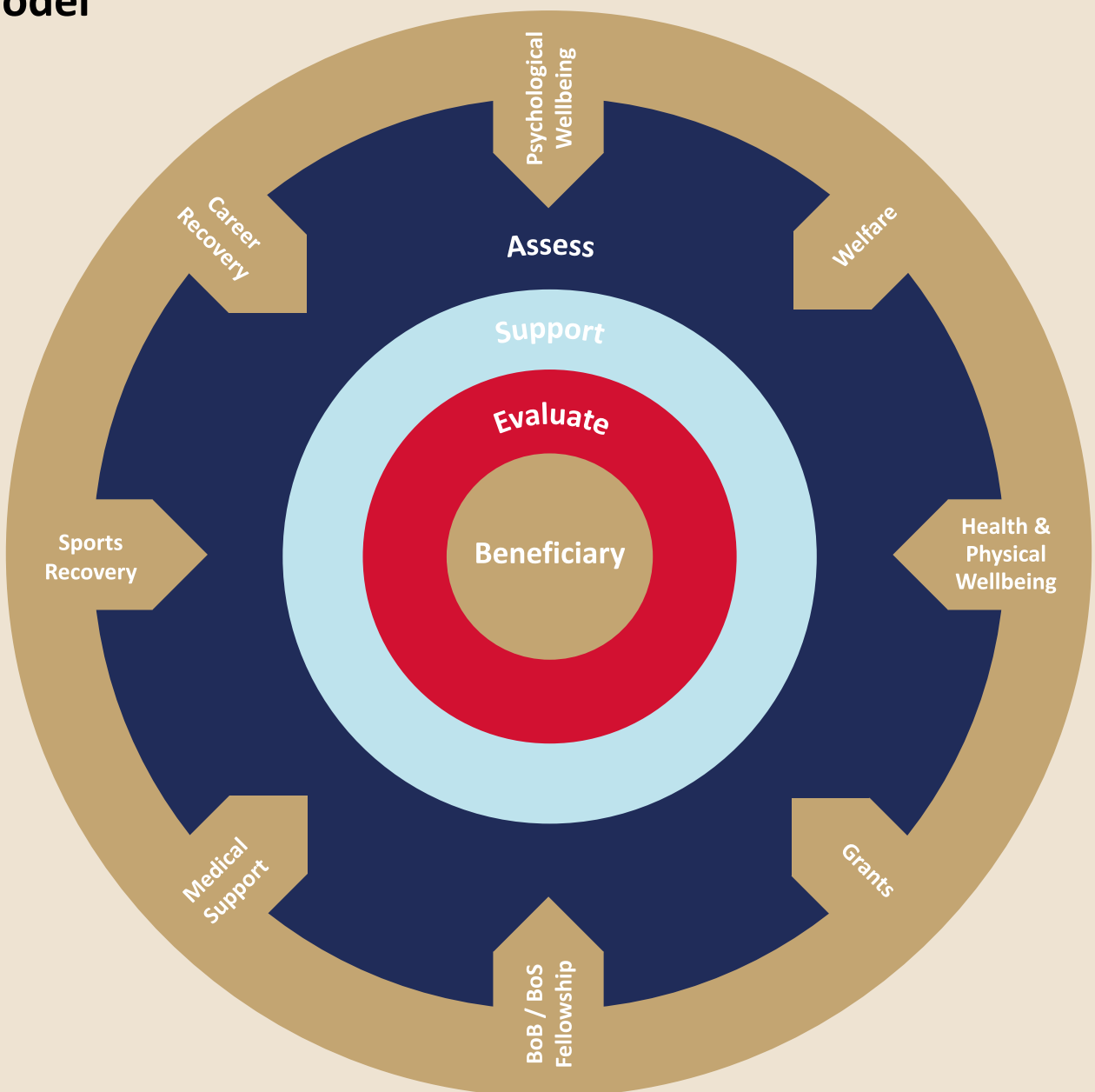
"X-Forces and Help for Heroes have given me the motivation and, crucially, information on how to take my ideas to the next level. This provides belief in yourself that you really can achieve your goals. My wife has never seen me so motivated!"



Recovery Delivery aims for 2017/18:

- Develop a future service delivery model in line with the Charity’s strategy
- Improve our beneficiary experience by making our services easier to access
- Embed the Core Operating Model, leading to outcomes reporting across all of our Recovery services
- Extend further our delivery of services in the community
- Develop services to enhance the quality of life of the most seriously injured and brain-injured Veterans and their families
- Recruit, train, select and prepare the UK Invictus Games team for Sydney 2018, while working in partnership with the MOD and The Royal British Legion to support the UK delegation.

Core Operating Model



REDUCING SOCIAL ISOLATION

WE ARE CONTINUALLY
INCREASING OUR FELLOWSHIP
COMMUNITY. WE HAD

9,7

42

MEMBERS

as of 30 September 2017. This is an increase of over 20% in the year.

Grants

Our aims for 2016/17 are below, followed by examples of how we delivered on these during the year:

- To provide effective, timely and impactful grants, balancing organisational support for Help for Heroes Recovery Centres, support for our charity partners and individual support for the wounded, injured and sick and their loved ones
- To identify and evaluate further major capital and strategic projects.

During 2016/17 we have continued to work with other charities and organisations to complement and enhance the services offered at Help for Heroes Recovery Centres. This enables us to provide support to as many wounded, injured or sick Serving Personnel, Veterans and their families as we possibly can. A selection of the ways we support our charity partners is illustrated below:

Improving speed of diagnosis

In 2016/17, we grant funded more than £1.25 million to improve timely diagnosis and the treatment of Veterans, and their families, who are experiencing mental health challenges.

Awards of £431,000 and £517,000 have been made to Pennine Care NHS Foundation Trust and Veterans' NHS Wales (VNHSW), respectively, to fund additional Band 7 (i.e. senior) therapists to address significant waiting lists and get faster support to vulnerable Veterans in these two regions. Initial feedback from Pennine Care NHS Foundation Trust suggests this has already led to a reduction in wait times for Veterans who need specialist treatment.

Our intention is to support the government in identifying how to improve frontline provision and get faster support to those who need it. This is very much their role, and not a cost any charity can meet singlehandedly, but we will not shy away from leading the way in seeking to identify a solution.

A further £178,000 was awarded to the Change Step project, who work alongside VNHSW providing Veteran-to-Veteran peer mentoring to enhance the support offered to military Veterans and their families while awaiting and undergoing treatment.

£125,000 was awarded to Big White Wall (BWW), an anonymous peer-support digital community. Just under two-thirds of



Geoff Green,
Veteran

family members, and over a half of Veterans, arrive on BWW with no previous treatment or support for their mental health needs. The funding will better enable BWW to reach people who are reluctant to seek face-to-face support and provide clinically-effective programmes online. The project aims to support more than 600 people who may not otherwise have accessed services.

Looking long-term with the ADVANCE Study

We are proud to support the Armed Services Trauma Rehabilitation Outcome Study (ADVANCED Study). A total grant of £1.15 million was awarded to support the first five years of this groundbreaking research programme, which aims to investigate the long-term medical and psychosocial outcomes of battlefield casualties from Iraq and Afghanistan (2001–14). It is hoped that the results of

this 20-year study will help support our future injured Servicemen and women, as well as their medical and healthcare providers, to plan the best care possible. It will also ensure that these deserving people are not forgotten, both during and after their transition into civilian life.

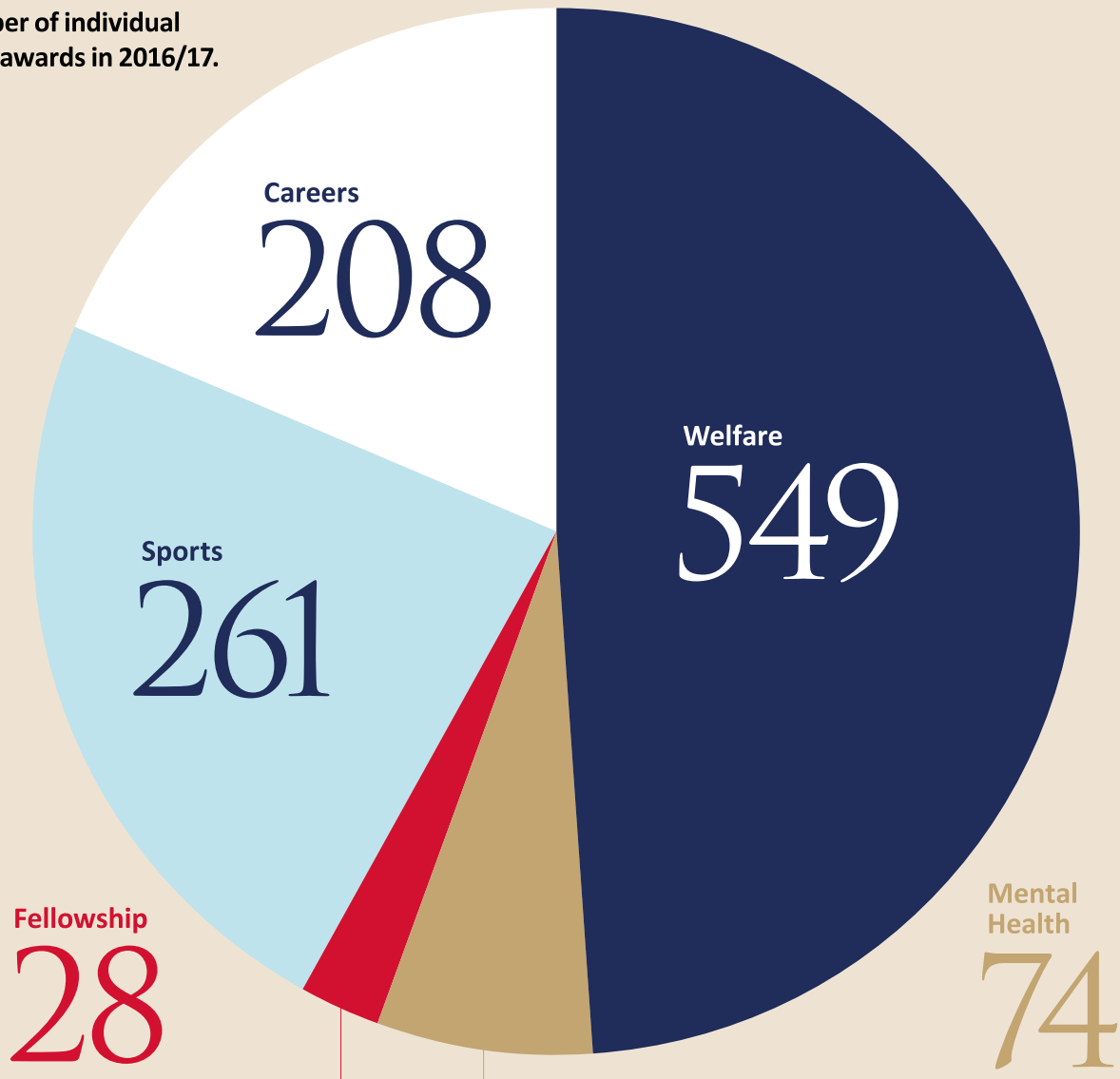
Learn more about this at www.helpforheroes.org.uk/news/2017/march/the-advance-study

Empowering Heroes (UKV-CRAFT) project

Following the successful publication of the Counting the Costs study in January 2016, which identified at least 66,090 Veterans in need of support, we agreed to fund £330,000 for the King's College London UKV-CRAFT project.

This work, titled Empowering Heroes, will give the partners and loved ones of those living with everyday mental health

Number of individual grant awards in 2016/17.



issues the techniques to seek help and change their lives for the better. During the year, Recovery staff have been trained on these techniques, and a trial is scheduled for 2018 to see if so-called Community Reinforcement techniques first employed in the USA, can be adapted to help wounded British Veterans and their families.

This trial will be accompanied by a Communications campaign that aims to reach out to 120 men and women living with Veterans struggling with psychological issues. The conclusions of the study will be shared with partners in 2018/19.

Increasing grants in the community

In addition to grants to other charities, we continue to support individuals during their ongoing Recovery journeys. We saw a 200% increase in awards to individuals in the community with the rollout of

Help for Heroes Psychological Wellbeing support, and expect to see this grow further. The extent of support in other areas is largely consistent year-on-year.

Our aims for 2017/18:

The Help for Heroes Grant giving aims are:

- To provide effective, timely and impactful grants balancing support for Help for Heroes Recovery Centres, support for our charity partners and individual support for the wounded, injured and sick and their loved ones
- To further develop the Grants Strategy in line with the future Charity strategy, utilising reserves where appropriate.

Grants policy

Mindful of our duty to monitor the proper application of each grant we make, we believe we can be most effective by making a small number of high-value

grants to specific projects with a tangible outcome, together with a number to smaller Service charities that may otherwise find fundraising difficult. All grants awarded have agreed outcomes so that we are able to effectively measure the impact of our funding.

We also continue to provide grants to individuals and their loved ones directly through our Quick Reaction Fund. All requests for individual support are assessed by our Grants team on a case-by-case basis, working with each individual to understand the wider needs behind these. We ensure this is not just a 'quick fix', but enables increased resilience along the Recovery journey, and we work closely with other military charity partners to share the costs of these grants where possible. We extend this delivery to individuals by grant funding third-party organisations whose services complement our own Recovery programme.

Championing the Wounded

In addition to the practical delivery of Recovery programmes and financial grants, charitable activity also includes Championing the Wounded. From the outset, we have given a voice to thousands of men and women whose needs and concerns may not have been recognised.

Our ability to speak up for the wounded, injured or sick and their loved ones is vital at a time when many of them feel the world has moved on, and their needs may be forgotten.

Our aims for 2016/17 were:

- To represent the needs of the wounded to the public as well as individuals and organisations with the ability to influence the support our beneficiaries receive
- To make use of our profile and resources to raise awareness of issues that are not being adequately addressed
- Maintain our non-partisan stance by focussing on the needs of those we support, irrespective of the wider political landscape

- Commence a two-year Empowering Heroes project to give the partners and loved ones of those living with everyday mental wellbeing issues the tools and techniques to seek help and change their lives for the better
- In 2017, we aimed to tell the stories of 150 beneficiaries whose ongoing Recovery can, in turn, inspire others to seek help.

Delivering on those aims

In 2017, 249 Veterans and their loved ones were supported by the Help for Heroes Communications Team in telling their stories of Recovery, in print, broadcast and online (2016: in excess of 100). This is 99 more than the target set at the start of the year. It is both a privilege and a big responsibility to be trusted to convey the experiences and feelings of those Help for Heroes works with. It is also acknowledged that the act of sharing a story and – of critical importance – being listened to, can be of benefit to those

who have come to harm while serving their country.

Put simply, knowing that someone is listening can make a real difference.

This year, we told stories in the areas of mental wellbeing, general health and wellbeing, and the power of Fellowship and Sports Recovery.

In 2016, we conducted a survey of 2,000 adults in the UK: three quarters (76%) thought Service Personnel and Veterans were forgotten about after they returned from overseas deployments. But we make sure that they are not forgotten. We will continue to do this by telling their stories, and encouraging others to do the same.

This storytelling has been recognised externally by Aesop, which named Help for Heroes as the second most powerful storytelling organisation in the UK in 2017 (2016: 9th). Apple was first, the BBC third and John Lewis ranked 45th.



In 2017, we established a formal Public Affairs capability to represent the needs of our wounded, injured and sick to the government, politicians and other decision makers. As at September 2017, we had identified MPs and MSPs with an interest in the welfare of our beneficiaries. Since this was established, we have closely engaged with this group on issues ranging from Combat Compensation to the Armed Forces Covenant, Libor fine funding from banks, to the wider Defence Recovery Capability.

As noted on page 38, our Communications Team will also be helping to deliver and report on the Empowering Heroes trial project, our partnership with King's College London.

Our aims for 2017/18:

- To represent the needs of the wounded to the public as well as individuals and organisations with the ability to influence the support our beneficiaries receive
 - To make use of our profile and resources to raise awareness of issues that are not being adequately addressed
 - Maintain our non-partisan stance by focussing on the needs of those we support, irrespective of the wider political landscape
 - Deliver and report on the Empowering Heroes project and study in partnership with King's College London
- Tell the stories of up to 150 wounded, injured or sick Serving Personnel, Veterans and family members whose ongoing Recovery can, in turn, inspire others to seek help
 - Continue to develop relationships with MPs / MSPs with an interest in the needs of our beneficiaries to ensure they are adequately represented at parliamentary level.





249 VETERANS
AND THEIR LOVED ONES
SUPPORTED HELP FOR
HEROES IN TELLING THEIR
STORIES OF RECOVERY



OUR SUPPORTERS

We remain overwhelmingly grateful for the support we receive for all those facing life-changing injuries and illnesses. Without our supporters offering this now and for as long as it is needed, we wouldn't have the ability to deliver on our promise and make an incredible impact every day.

Fundraising

It's all about you

In 2016/17, we continued to see amazing support from the British public. From volunteers giving up their time and regular and ad hoc cash donors, to organisations encouraging their staff to get behind us and people taking on fundraising challenges that ranged from shaving heads to scaling mountains, it is heartening to see so many get behind our cause. However, it continues to become more challenging to raise the income we require to deliver the support and services our beneficiaries need. This meant that in 2016/17 our income fell from the previous year. We will continue to work hard to grow our income in the most efficient and effective way we can. We also pledge to make our supporters feel that they have a personal relationship with us, continuing to share with them the impact their support has.

In 2016/17 we received £9.5 million through legacies plus £13.5 million fundraised income – excluding gifts in kind and Gift Aid and in this year received no government funding. Although that annual income has reduced since our peak in 2010, we have retained a core group of supporters and partners, proudly promoting their fundraising efforts for those affected by Military Service.

Our aims for 2016/17 are below, followed by examples of how we delivered on these during the year:

1. Agree the optimal blend for relevant and sustainable income for Corporate and Community Fundraising, which will underpin the commercial model for 2017 and beyond
2. Develop sustainable, strategic three-to-five-year corporate partnerships
3. Develop the Major Donor, Philanthropy and Trusts and Foundations income streams
4. Create an acquisition and retention strategy for donors and fundraisers, underpinned by best-in-class supporter engagement and consumer journeys
5. Continue to grow Gifts in Wills, In-Memory and Payroll Giving
6. Recruit, retain and train volunteers with relevant skills and experience which correspond with our fundraising opportunities across the UK.



1. Driving sustainable income

We have worked across the Charity to align our commercial model to the ongoing needs of those we support, through a significant review of our fundraising operations. To ensure we put this review into action effectively, we have commissioned internal and external research into our existing and target supporter audiences. And, as a result, we end the year with a much greater understanding of our strengths and opportunities, and have improved systems and processes. Together, these have facilitated the development of a new approach to engaging with our supporters which will be launched in 2017/18.

Charity in the community
156 small and medium-sized enterprises registered as charity partners last year. In addition, another 441 small businesses or educational facilities hosted one-off fundraising events.

2. Developing strategic partnerships

Our corporate partnerships help us raise vital funds and awareness of our cause; this is generated through corporate donations, licensing products and sponsorship, as well as delivering fundraising through their staff or customers and many hours of crucial volunteering. We are ambitious in developing this area of fundraising in the future.

To build the foundations for this, we created one Partnerships team in 2017 to ensure we can deliver a consistent, commercial approach to securing and delivering sustainable corporate partnerships. Renewals have been secured with all of our top partners where possible, and we have established a robust approach towards qualifying and securing the appropriate new partnerships.

Investment in the team's strategy, processes, personnel and skills has created a platform for significant growth in 2017/18. We will be looking to secure multi-year partnerships that offer deep, shared value to both parties.

Turn the page to read just a few examples of how we engaged customers and staff in supporting us this year...

Focus on wellbeing

GE UK reached an incredible £350,000 fundraising target in June 2017, having proudly chosen us as their first UK fundraising partner in 2015. Staff around the UK rallied round to smash this target, largely through a company-wide drive that included a week of hero-themed wellbeing activity, auctions of promises, charity bike rides, bake offs, Tough Mudder challenges, and concerts.

This fundraising directly helps to rebuild lives and has funded a state-of-the-art GE Wellbeing Suite at the Help for Heroes Recovery Centre in North Yorkshire, Phoenix House. Providing first-class rehabilitation for conditions such as PTSD, the facility is used by around 350 people a month for a range of activities and therapies such as yoga, Pilates, sleep clinics, Tai Chi and nutrition workshops. It is also a designated quiet space for individual practice and reflection.

Rosalind Munro, Head of Community Investment, GE UK, said: *“Thousands of GE employees from around the UK, many of whom are Veterans and reservists, have rallied together for our first national fundraising cause. It is thanks to their commitment that we have been able to achieve our target.”*

A common goal

Premier Care in Bathing share our goal to help people live as independently as possible, no matter what. As a British

business and the UK market leader in walk-in baths and easy-access showers, they're delighted to be one of our partners, and have found the cause resonates with their customers and staff.

They donate an amazingly generous £100 per installation on any product in their range, which totalled an incredible £135,000 in 2016/17.

Stephen Syrett, Marketing Director, said: *“Many of our elderly customers tell us their own stories of serving their country, plus many more have children and even grandchildren who served through recent conflicts. On their behalf, Premier Care in Bathing is very proud to support Help for Heroes and the vital work done by this very worthy charity.”*

Running in the family

Family butchers Alf Turner support us through a 2p donation on every pack sold across their expanding range of products. This raised almost £29,000 in 2016/17.

The partnership began when Paul Turner launched a range of award-winning sausages in 2012 with the backing of *Dragons' Den* entrepreneur Peter Jones, using a traditional family recipe passed down from his grandfather, Alf.

Alf Turner served in the Royal Army Service Corps for 20 years. When he left, he opened his butcher's shop in Aldershot – home of the British Army. For Paul, it was a natural decision to support

Help for Heroes. Over the years, their range has achieved retail listings in Tesco, Sainsbury's, Co-op, Iceland, Waitrose, Nisa and independent stores – giving us a major presence on supermarket shelves.

A bold illustration of support

The Otter House Group, one of the UK's leading giftware and stationery companies, has been a partner since 2009. Carousel Calendars, part of the Otter House Group, produce a range of Help for Heroes calendars and diaries that has grown steadily year-on-year, introducing new and attractive formats.

As the partnership was so successful, Otter House introduced a licensed stationery range, a festive Christmas card and gift-wrap collection in support of Help for Heroes in 2017. They donated 10% from the net price of these sales, and raised a fantastic £52,000 for Help for Heroes in 2016/17.

Martin Rees-Davies, Head of Licensing, said: *“We are passionate about our work with Help for Heroes and have thoroughly enjoyed being a licensee to such a worthwhile and beneficial UK charity.”*

Turn to page 92:

for a list of significant corporate contributors this year



“ For us, first-class supporter experience is not an idea; it is an attitude that must apply to everything we do. ”



3. Refining income streams

Over the year, we have refined our approach to Philanthropy and we will relaunch a series of giving programmes in 2017/18 that will deliver more secure, strategic income in this area.

We have focused on delivering more sustainable income by enhancing existing relationships within Trusts and Foundations. In so doing, the team exceeded its income target and created a platform to diversify the income model by engaging with larger national trusts and statutory foundations in 2017/18.

4. Underpinning best-in-class supporter engagement

Our most significant achievement has been establishing a central approach to engaging with our supporters, to set us apart from other charities and avoid potential pitfalls of commercial fundraising.

Our Supporter Engagement Team oversees all fundraising activities to ensure we deliver the best possible experience to our supporters. Thanks to our relative youth, we have a significant opportunity to ensure we retain our honest and open style of communication, while we further develop our approach to maintaining lifetime support.

Crucially, we're ensuring we do the right thing by our supporters in line with fundraising regulations, including the General Data Protection Regulation (GDPR), applicable from May 2018.

Heroes behind the scenes

Donors can see the huge difference made to the lives of those who have become wounded, injured or sick, and their families. Here are two people who, every year, continue to help spread the message and offer support:

A snowballing effect

Each year, Peter Meagher, CEO of Churchills Consulting, hosts a lunch in his back garden at his Nottinghamshire home and, in exchange, his guests support Help for Heroes. In six years, the event has grown from 11 people donating £500 to 200 people donating over £70,000.

Peter invites Veterans we have supported to the lunch to share their experiences. He said: *“When guests hear not just about the trauma these people have experienced during military service but also the ongoing issues they have for the rest of their lives, it hits them. We don't ask them to donate, they want to. Hearing these stories is that powerful.”*

On a mission

Karting for Heroes is an annual team go-karting event organised by Hydraquip that is open to teams from all walks of life. It has raised in excess of £40,000 since 2010. As part of the event's commitment to supporting our Servicemen and women, a team from Mission Motorsport is invited to attend, with their presence enhancing the message of the work we do.

Geoff Kelley, commercial director at Hydraquip, said: *“Listening to what these guys have been through and the difference Help for Heroes makes to people's lives is very humbling. It really is a worthwhile cause and one that we are proud to support.”*

Find out more or enter a team at **kartingforheroes.com**

5. Growing ways of giving

Our legacy income continues to outperform our age and size as a charity. We are recognised as the fastest-growing brand in the UK legacy sector, with income doubling every three years. Gifts left to us in supporters' wills are one of our most important sources of funds and we are amazed by the generosity of everyone who chooses to help us in this very special way. 2016/17 saw us receive record income through legacies, plus a record number of new gifts at 262.





As well as continuing to provide the highest level of care when dealing with the executors of estates in which we've been mentioned, our Legacy Team has improved our information offering to prospective legacy givers. They have also implemented measures aimed at protecting and growing this important area of income over the next 20 years.

Among our amazing and inspiring fundraisers are those who have lost a family member or friend, including those killed while serving their country, who identify our work as a fitting and lasting tribute to their loved one. They may choose to organise a funeral collection, donate on the anniversary of their loved one's death, or push themselves to the limit of their physical endurance in a challenge event. It is impossible not to be humbled and moved by their dedication and we recognise the importance of such donations to both the bereaved families and our Charity.

This year we invested to manage and promote the critical legacy and In-Memory income streams. Having identified opportunities to encourage more supporters to remember us in their wills or commemorate a loved one through our work, we will be promoting these means of giving in 2017/18.

A fitting tribute

When Sue and Mike Jackson's son-in-law was killed on tour in Afghanistan in 2011, the family decided to commemorate him through our work. Since then they have raised almost £175,000 in Colour Sergeant Kevin Fortuna's memory; gathering more than £18,000 in 2016/17 alone, by organising collections and events, plus selling our merchandise in and around their home town of Colchester.



"Kevin died doing the job he loved but so many of those he served with have to live the rest of their lives with terrible injuries. Kevin would have wanted us to help them and that's what keeps us going."

6. Supporting our volunteers

Volunteers remain a critical part of our Charity, working tirelessly to help us raise funds at events and national collections, through their own fundraising activities, or by giving up their valuable time to help us deliver our services.

Over the year we have taken time to understand the needs, nature and motivations of our amazing volunteer cohort, refining and reviewing the impact their efforts have across the Charity. This has prepared us to grow our volunteer base and invest in how we engage with this critical audience to meet the needs of our new fundraising plan.

Our aims for 2017/18:

We used this year to truly listen and learn from supporters and understand the trends we have seen over the past few years. We reviewed how our Fundraising and Marketing departments could be more closely aligned to ensure we capitalise on the value of our brand effectively during 2017/18 and beyond. This is to ensure we can grow, bringing in the funds to offer and provide lifetime support to those we haven't yet reached.

In 2017/18, we aim to revitalise our approach to fundraising so that we can:

- Drive relevance of Help for Heroes and ensure beneficiaries and supporters are engaged with the brand
- Build strength in community fundraising
- Develop and embed our approach to supporter care that will make us the number one choice for supporters
- Improve our volunteer journey, recruitment and retention
- Continue to grow income from partnerships.

Help for Heroes Merchandise

Help for Heroes hoodies remain our top-selling item

ONE MILLION

visits to our Trading website were recorded

£88,000

of all donations received were generated through the shop website in 2016/17

T-shirt and hoodie sales totalled

76,000



This was a year for consolidating key sales channels and highlighting our 10th birthday through the introduction of a special branded collection in January 2017. We gifted profit and donations to help fund the vital work of our Charity, delivered a new website that strengthens our position as an e-retailer, and developed a strategy that takes us into the next decade of Help for Heroes.

Our aims for 2016/17 are below, followed by examples of how we delivered on these during the year:

- Continue to work on making our business model as efficient and profitable as possible

- Ensure our product offer continues to meet the needs of our supporters, whether they're buying from the website, sale or return, or the Mobile Events team
- Continue to explore ways of reaching out to potential supporters, e.g. by having a presence on brand partners' websites and through increased social media exposure.

Key launches in 2017

February 2017 saw the transition to a new e-commerce platform on time, on budget and with no disruption. The new platform is robust and secure, with future-proof functionality embedded as we focus on delivering a great user experience.

Also launched this year, ahead of reaching our 10th birthday milestone, was our large 10th birthday collection. This included a number of premium items, and ranged from polos, T-shirts and hoodies, to lapel pins, bears and mugs. Total sales exceeded 13,000 items between January and September. This showed the enormous interest of our supporters in celebrating our 10th birthday.

Increasing brand visibility

Our range of core products continues to sell well for us – including clothing, supporter items and accessories. All merchandise is Help for Heroes branded to raise awareness and visibility of our brand in as many ways as possible.

We recorded

13,000

sales of items in our 10th birthday collection



We have also worked on improving quality and detailing, which has allowed us to offer items over different price ranges to widen our offer.

We continue to explore ways of reaching out to new supporters, to increase visitors to our online shop, improve the size of our marketing database, plus work with more volunteers and supporters to sell products in the field on our behalf. They remain a vital part of how we sell our products, with many taking items from us on a 'sale-or-return' basis and selling them at events. More than 1,500 orders were sent out to those volunteers and supporters in the past year, achieving almost £629,000 in sales.

Introducing new ways for people to show their support, we have been designing and testing new product areas including branded gadgets, home fragrance, personal grooming, plus strengthening our gift food offer.

Our aims for 2017/18:

- Raise funds primarily through merchandise, and also associated donations and gift to the Charity, continuing to make our business model as efficient and profitable as possible
- Increase brand awareness to motivate people to act and contribute to the cause

- Develop the ways supporters can visibly demonstrate being a proud Help for Heroes supporter through reviewing our range and accessibility. We will continue to embrace online retail marketing opportunities, including Amazon UK.

See how you can
#WearYourSupport at
shop.helpforheroes.org.uk

OUR RESPONSIBILITY

We believe in a fair deal for all those affected by Military Service. But belief alone will not support the thousands of men and women who are medically discharged each year, nor will it support the thousands more who encounter Service-related problems long after leaving the Armed Forces. Our responsibility extends far beyond the issues affecting today's wounded, injured and sick.

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 11 Trustees, all of whom are members of the Charity. The board meets 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 2017 and up to the date of this report were as follows:

Alex Scott-Barrett ACA

– Chairman (resigned as Chairman and Trustee on 11 November 2017)

Charles Michael Lake CBE

– Chairman (appointed as Chairman and Trustee on 11 November 2017)

Lieutenant General

Sir Philip Trousdell KBE CB

– Vice Chairman

His Honour Judge Jeff Blackett

Roderick Dunn MB DS DMCC FRCS

Lieutenant General Sir Robert Fry KCB CBE

Stephen Harman

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

Major Peter Norton

GC MSc MCGI CEng FIEpE

Tony Schofield

Robert Watsham

Thomas Wright

Richard Constant MBE

(retired as Trustee on 5 October 2016)

Air Vice-Marshal Aroop Mozumder

(resigned as Trustee on 9 December 2016)

Biographies can be found at helpforheroes.org.uk/about/our-governance-and-trustees/

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

All Trustees are unremunerated.

The Board is supported by five Trustee Committees that operated during the year

and receives regular reports from the other members of the Group. The Trustee committees each have an appointed chairman and written terms of reference. The Trustee Committees that met during the year were:

- Operations
- Recovery and Grants
- Income
- Finance, Risk and Audit (incorporating Investments)
- Nominations

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

An external governance review, initiated during the year, has now reported to Trustees. The aim of the review was to ensure that the governance structures reflect current best practice. The Trustees were also pleased to note the publication in July 2017 of a new Governance Code for charities. This will be considered alongside the findings of the external governance review. Following the appointment of a new Chairman, Trustees are considering the recommendations and anticipate concluding on any changes during the coming year.

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 and meets monthly. The Executive Team consists of the Chief Executive and Directors:

Chief Executive Officer*

Melanie Waters OBE

Accountable to Trustees for all matters relating to the Help for Heroes Charity and subsidiaries

Chief Financial Officer

Clive Emerson FCA

Responsible for the delivery of effective support and governance through our teams in Finance, Risk and Compliance

Marketing and Fundraising Director

Beth Miles

Responsible for the brand, marketing and mass fundraising that feeds into our overall revenue generation enabling us to reach our goals

People Director

Susan Turnbull

Responsible for attracting, retaining and developing high-calibre individuals into an environment that inspires, enables and supports people to deliver our mission

Communications Director

Robin Punt

Responsible for communications, public affairs (policy development and external affairs), PR/media communication

Chief Information Officer

Tim Bird

Responsible for the IT strategy, development of enabling applications, and assuming overall responsibility for the computer systems required to support our objectives and goals

Strategy, Innovation & Partnerships Director

Kevin Rennie

Responsible for the overall strategy execution, development and maintenance of strategic partnerships (alongside CEO and appropriate Directors), Charity-wide programme management and the development of an innovation hub

Performance Director

Peter Smith

Responsible for overall performance, including evaluation, assurance, audit and business improvement of Services and Delivery

Services Director

Lis Skeet

Responsible for the strategy and shape of our services in the wider context of service design to meet the changing needs of those we support

Operations Director

James Needham

Responsible for the regional delivery of Recovery services and Recovery events

* During 2016/17 Bryn Parry, Co-Founder, stepped down as CEO on 1 November 2016

Group structure and subsidiaries

The Group structure at the date of signing the accounts is shown here:



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. Following the transfer of all activities, assets and liabilities to Help for Heroes (the parent charity) on 1 April 2016, Help for Heroes Recovery ceased to be active. Further details about Help for Heroes Recovery, its Trustees and contact details can be found on the Charity Commission website.

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 directly, or under license, continues to be the key focus. 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. Further details about Help for Heroes Trading Limited, its directors and contact details can be found on the Companies House website.

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, construction has continued at a new Help for Heroes Recovery Centre.

Further details about Help for Heroes Development Company Limited, its directors and contact details can be found on the Companies House website.

BmyHero Limited

BmyHero Limited is a registered in England and Wales as private limited company, number 07192143. The company ceased actively trading on 31 December 2015. Further details about BmyHero Limited, its directors and contact details can be found on the Companies House website.

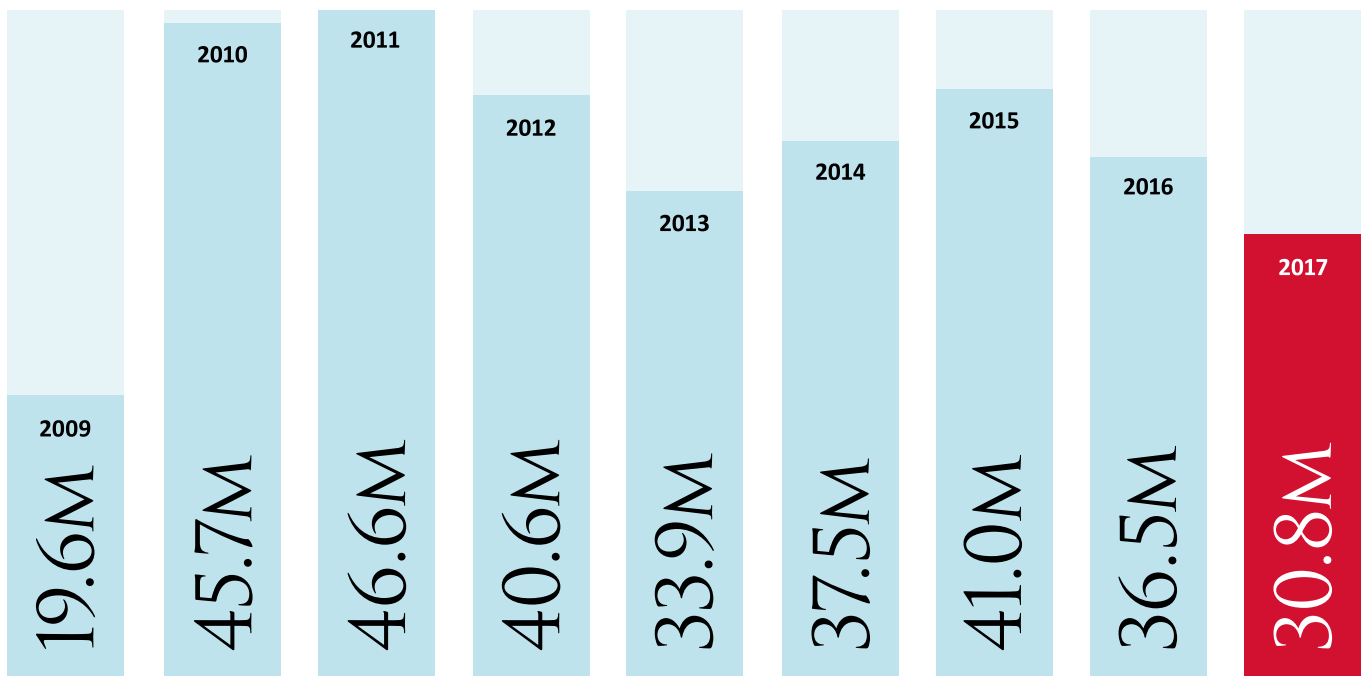
All subsidiary companies donate all distributable profits to Help for Heroes.

Financial Review

£30.8M
↓ £5.7M

Income showed a decrease of £5.7 million to £30.8 million (2016: £36.5 million).

Year ended 30 September



During the year under review, the Group generated total income of £30.8 million (2016: £36.5 million), a decrease of £5.7 million. Expenditure on raising funds was £11.6 million (2016: £11.7 million) leaving resources available for charitable activities of £19.2 million (2016: £24.8 million).

Income

The Group generates income through fundraising activities, including donated services, as well as trading activities and income from investments and cash deposits. The Royal British Legion generously contribute towards a proportion of running costs of the Help for Heroes Recovery Centres in Tidworth and Catterick. The year ended 30 September 2016 had an unusually

high (£4.2 million) contribution. This contribution fell in the year ended 30 September 2017 to £0.6 million. The fall was partly due to 2016 including contributions for prior years which were not made until 2015/16.

We received no funding from the HM Treasury administered Labor funds in the year, although since the end of the year, we received confirmation of £1.44 million funding for serious brain injuries. As at April 2018, it is unclear whether or not further funding from this important source will be made available to charities or to good causes. Since 2012, we will have benefited by £7.1 million from this funding.

A one-off grant of £3 million was received in the year from The Clocktower Foundation as a contribution to the

new Help for Heroes Rehabilitation and Recovery Centre currently under development at HQ Hereford Garrison.

In addition to the impact of the areas noted above, income from donations has reduced in the year. At a time where more people are coming to us for help, it is becoming more difficult and costly to fundraise.



Ali Williams,
Veteran and
Invictus Games
Choir member

Charitable activities

Expenditure on raising funds

Total costs of raising funds for the year were £11.6 million (2016: £11.7 million). The constituent parts of this were £5.6 million (2016: £5.1 million) for raising donations and legacies, £2.9 million (2016: £4.1 million) of trading costs, £0.5 million (2016: £0.4 million) of investment management costs and £2.6 million (2016: £2.1 million) of support costs.

As detailed under the Value for Money section on page 58, the fundraising ratio has increased in 2017. This is partly driven by the impact of the reductions in income noted on page 55, particularly from The Royal British Legion and the Libor fund. It is also driven by the need to invest in generating income, a trend that is likely to be ongoing as it continues to be a challenging environment.

Following the year end, a new brand campaign, The Force for Good, was launched to build our brand relevance and engage our supporters so that they continue to support Help for Heroes and become part of our movement. This call to action is anticipated to generate not only income but also to encourage the British public to come forward to volunteer as well as engaging those we can support.

Our Trading business continues to generate a substantial profit both from the sale of goods and from commercial partnerships. Generating those profits incurs costs: principally in buying high-quality products to sell and in running our retail operation.

After consolidation, incoming resources (i.e. turnover) from trading activities was £4.1 million (2016: £4.8 million), generating a net contribution of £1.2 million (2016: £0.7 million).

The Group's support functions, as detailed in note 4 on page 71, remain a vital resource to both generating funds and to delivering against our charitable objects. The cost of support has risen in the year as the sophistication of our infrastructure has increased to match the needs of those we support.

The Trustees always remember that every pound must have a purpose and are satisfied that expenditure on support functions is proportionate to the work being done to rebuild the lives of our beneficiaries. The Value for Money section, on page 58, gives further detail on what Trustees do to maintain focus on this area.

£5.0M

GRANTS
MADE

£21.6M

RECOVERY
DELIVERY

£1.5M

CHAMPIONING
THE WOUNDED

Cost of charitable activities

These are split into three areas in line with our charitable objects. These are reflected within the Cost of Charitable Activities as £5.0 million (2016: £6.4 million) of Grants Made, £21.6 million (2016: £21.3 million) of Recovery Delivery and £1.6 million (2016: £1.2 million) of Championing the Wounded. Note 8 of the accounts provides further detail of the Cost of Charitable Activities.

Details of grants are given in note 8 on page 74 and on page 38. Of particular note in the year, were awards of £0.4 million to Pennine Care NHS Foundation Trust; and £0.5 million to Veterans, NHS Wales to improve timely diagnosis and treatment for mental health challenges; and £0.5 million to the ADVANCE Study research project.

Although Group income has diminished in the year, the amount spent on providing support through Recovery activities has increased as the demand on services has increased.

We continue to believe it is important to allocate resources to Championing the Wounded, speaking out for the wounded, injured and sick and their loved ones. As noted above within Expenditure on raising funds, the Group's support functions provide essential resources to enable the delivery of Charitable Activities. The complex needs of those we support,

demand a high quality and professional team. Every member of staff is constantly reminded of the impact that their work has on the outcome in transforming lives.

Capital expenditure

The consolidated statement of cash flow on page 68 shows purchases of tangible and intangible fixed assets of £2.1 million (2016: £0.6 million). The increase is driven by expenditure on a new Help for Heroes Rehabilitation and Recovery Centre at HQ Hereford Garrison. This is a joint project with the Garrison's Clocktower Foundation Charity. See further information on page 7.

Net gains on investments

In 2017, the net gains on our investments were £1.1 million, a decrease of £3.6 million in comparison to the previous year. This gain is in line with expectations when considered against market performance. As detailed in the Investment Policy on page 60, we continue to invest in a cautious manner but with an expectation to grow over the long term at a rate higher than inflation.

To ensure that every pound is put to the best possible purpose, we carefully consider which initiatives will deliver the best outcomes for those we support. We also consider that our growing responsibilities mean we must also invest in staff and infrastructure.

Value for Money

Our wounded and their loved ones have given up so much – they deserve the best support, and we need the very best people to provide it. As a result, we must pay enough to attract and retain skilled staff, many of whom have a range of professional qualifications in areas as diverse as psychological support, adaptive sports coaching and occupational therapy. Similarly, in order to raise enough money to deliver everything required to the appropriate high standard, we need the right calibre of people and the right IT systems in place.

We employ many Veterans or people who have close links to the military. Approximately one third of our staff have links to the military or are from military families. We believe this helps us better understand the needs of those we support.

The duty we owe to them and our supporters to make sure every pound has a purpose is met by a constant focus on value for money as set out below.

Fundraising ratio

As noted on page 55 and 57, under the Income and Expenditure on Raising Funds sections, our income has fallen, in particular those streams that are comparatively less expensive. We have continued to invest in fundraising. As a result, the table above shows that our fundraising ratio has risen to 30.3% from 25.3%.

When compared against the Top 10 YouGov Charity Brand Index charities, we are ranked seventh out of 10. Although this is unlikely to improve in the coming year, it remains our long-term goal to be in the top half of this list of peers, all of whom have considerably higher incomes than ours.

Few charities publish this ratio, therefore calculating reliable benchmarks is often difficult and can be complicated by different fundraising methods.

Rise in our fundraising ratio

30.3%

25.3% ↑

Charity	2017 £'000	2016 £'000
Total income	27,974	30,995
less investment income	(829)	(764)
Net income	27,145	30,231
Expenditure on raising funds	8,722	8,021
less investment management costs	(509)	(373)
Net expenditure	8,213	7,648
Income less expenditure	18,932	22,583
Fundraising ratio	30.3%	25.3%

The Trustees have again published this ratio but remain of the view that it does not give a full picture of the efficiency of income generation. Our overall efficiency cannot be judged on the fundraising ratio alone.

Initiatives in the year

As part of the ongoing drive to improve value for money, some of the initiatives undertaken in the year include:

- Understanding our supporters with knowledge shared between Marketing and Fundraising teams to work towards a unified approach, and a focus on converting the value of our strong brand into income
- Improving and developing ways of measuring the numbers of beneficiaries we help now, and have already helped, to determine how successful we are at helping them in achieving their goals
- Developing further the measurement of outcomes for beneficiaries to be sure that we allocate resources in the best possible way
- Improving relationships with partners who wish to support us with expertise and free or discounted supplies
- Reviewing the needs of our beneficiaries to ensure that we deliver against the most important needs
- Investing in IT infrastructure and data analysis to ensure that we work in the most efficient way possible
- Investing further in research to ensure that we target expenditure in the most effective way
- Increasing focus on how we procure our needs and making sure that when we need to buy something, we get the correct quality and the best price.

Reserves Policy

As explained on page 11, reserves are held in order to make sure we can deliver on our promises to the wounded and their loved ones. The majority of our reserves are in designated funds for specific charitable activities. Trustees believe that, given the ongoing needs of our beneficiaries, it is essential to consider what would happen were income to fall substantially. We have committed to what is often long-term support and this demands a degree of reassurance that we can honour that commitment.

The Trustees have reviewed the reserves policy in the year and have concluded that the designated funds brought forward remain an appropriate basis for considering future demands on funds. This is with the exception of mental health. The Trustees previously designated a separate fund for this, however now consider this part of our core activities and have included provision for these services within the other designated funds as appropriate.

Reserves have fallen in the year partly as a result of reduced income, while the demands on our services have increased.

Restricted funds

Restricted funds comprise funds that are to be used in accordance with specific restrictions imposed by the donors of the funds. Generally, restrictions relate to a specific Centre or area of Recovery. At 30 September 2017 restricted funds totalled £2.8 million.

Designated funds

The overarching principle applied when designating reserves is that, should funding come to an end, sufficient time is available to either:

- find replacement income
- find alternative organisations to provide the necessary services
- smoothly close services down.

The second reason that funds are held as designated reserves is where projects or activities have been identified that are being progressed but are not yet fully committed.

Specifically, designated reserves are as follows:

Help for Heroes Recovery Centres

We made a commitment to provide facilities at the four existing centres for a minimum of 10 years. The Trustees have judged it would take two years to transfer these facilities to other providers should we no longer have the income to run them. This reserve is therefore set at a level of two years' running costs, plus anticipated legal and one-off costs associated with such a transfer. At 30 September 2017 the Recovery Centres designated reserve totalled £20 million.

Recovery services

In addition to the running of the Centres themselves, a number of Recovery services operate on a national level and are considered critical to delivering on our promise. These include Sports Recovery, Career Recovery, Fellowship, Welfare, Psychological Wellbeing, plus Health and Physical Wellbeing. Many of these services have projects and activities that include arrangements with external parties. The Trustees have judged that it would take two years to transfer these services to other providers should we no longer have the income to run them. This reserve is therefore set at a level of two years' running costs. At 30 September 2017 the Recovery services designated reserve totalled £10.5 million.

Capital fund

The Charity has a number of facilities that will require future expenditure. This reserve represents the level of 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. The level for future major repairs and maintenance was determined by reference to a professional advisor. At 30 September 2017 the Capital fund designated reserve totalled £7.4 million.

Recovery projects

This represents money that has been earmarked for special major projects whose expenditure cannot be met from a single year's income alone and is not covered by any other fund. This includes significant one-off grants that are in excess of our usual annual grant giving.

The anticipated timing of expenditure from this fund varies depending on the project. The Trustees also anticipate making significant grants in the next two years. Other projects are dependent upon legal agreements and planning permission so are likely to be retained for several years. At the 30 September 2017 the Recovery projects designated reserve totalled £13.5 million.

Fixed assets

Fixed assets – Help for Heroes Recovery Centres in particular – are not easily realisable assets. For that reason, the Trustees feel that it is appropriate to designate a reserve reflecting the net book value of the tangible and intangible fixed assets. We cannot deliver support without the places and means with which to do so. At 30 September 2017 the fixed assets designated fund totalled £44.6 million.

General fund

This represents free reserves and is held in recognition of the risks – and opportunities – that may impact our operation. Our policy is to hold between six and 12 months of anticipated fixed (non-Recovery) running costs; this is judged to be a reasonable amount to be able to continue to operate the administration of the Charity in the event of a sudden, significant variation in income. This sets the requirement between £7.7 million and £15.7 million based on our anticipated costs for 2017/18. The Trustees are satisfied that the level of free reserves is therefore adequate at £8.5 million.

Turn to page 11:

Understand how our reserves enable us to deliver on Our Promise

Investment Policy

Our investment policy reflects the grants and reserves policies. The grants policy anticipates making large but infrequent payments, the exact timing of which is not always within our control as we may be contingent on, for example, the flow of funds into our charity partners. This has historically resulted in a need to maintain a high degree of liquidity, in addition to stability, security and achieving a reasonable return. Accordingly, our investment policy necessitates that a sizeable proportion of funds are kept on short/medium-term deposit. The Finance, Risk and Audit committee regularly review anticipated cashflow and the allocation of funds between investment types.

We consider social, environmental and ethical issues before making investment decisions. 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.

Two fund managers are in place to manage our ring-fenced funds in respect of future running costs. A conservative approach has been 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.

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.

We monitor our external investment policy on a regular basis.

Risk Management

The Group Risk Register is updated by the Executive on a quarterly basis to focus on those risks that are considered strategically important before being presented at each of the Trustee committees. Risks are scored according to their probability and potential impact, and then adjusted for the effect of mitigating controls.

Significant areas of risk are currently deemed to include:

1. Safeguarding of our beneficiaries

This is managed via extensive safeguarding procedures and policies, created with external advisor input. The recruitment of appropriately qualified and trained staff is also key. To ensure we maintain the highest standards, the capability of staff is regularly reviewed together with our procedures and training.

2. Data protection/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. A programme of updated staff training has been implemented, and additional policies introduced to ensure that data is handled and stored in a way that keeps pace with the needs of our beneficiaries. We aim to ensure that data is not only protected from emerging cyber security risks, but is also accessible as and when needed by us and our partners in order to deliver the best recovery outcomes for those we are supporting.

3. Fundraising

The Financial Review section on page 55 explains that income has fallen and that reserves have reduced in the year. While this is sustainable for at least two years, it is not so in the longer term. The investment in the Fundraising team and in increasing income is an area of particular focus for Trustees and management. We are focusing on converting our high brand awareness to income and evolving our fundraising to both encourage volunteers, and to drive sustained and secured income.

As the complexity of our work continues to evolve our management of risk is vitally important, particularly in respect of new and developing areas.

We maintain strong internal controls, an Income Protection team and outsourced Internal Audit, to prevent financial loss and reputational damage. Any suspicious activity is promptly investigated, and appropriate actions taken.

Complaint handling

We aim to ensure that any concerns or complaints raised are fairly, transparently and robustly managed in line with our complaints policy and, in doing so, seek to understand where improvements to service delivery can be made for the benefit of all. Where we deem it appropriate, and led by their guidelines, we pass information of complaints or other incidents to the Charity Commission. In the year, we referred two incidents to the Charity Commission, provided them with updates regarding previous incidents and continued to provide them with details of cases investigated by our Income Protection (fraud) department.

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

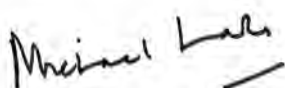
statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing 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.

Approval

The Trustees’ Report, incorporating the Strategic and Directors’ Report, was approved by the board of Trustees on 12 April 2018 and signed on its behalf by:



Michael Lake, Chairman
Date: 12 April 2018

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 11 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 Parker’s 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 Clark Whitehill LLP, St Bride’s House, 10 Salisbury Square, London EC4Y 8EH

Bankers

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

Coutts & Co,
440 Strand,
London WC2R 0QS

C. Hoare & Co,
37 Fleet Street,
London EC4P 4DQ

Handelsbanken,
3 Thomas More Square,
London E1W 1WY

HSBC Bank PLC,
8 Canada Square,
London E14 5HQ

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

Natwest,
135 Bishopsgate,
London EC2M 3UR

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

HOW WE PERFORM

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 2017 which comprise the Consolidated and Charity Statements of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated and Charity Statements 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).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and 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.

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 at 30 September 2017 and of the group's incoming resources and application of resources 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.

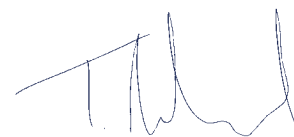
In preparing the financial statements, the Trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Tim Redwood
Senior Statutory Auditor
Date: 12 April 2018

For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

Financial
Statements
2017

At a glance:

OUR TOTAL INCOME

£30.8M

OUR TOTAL
EXPENDITURE

£39.7M

Consolidated Statement of Financial Activities

For the year ended 30 September 2017
(incorporating an income and expenditure account)

	Notes	2017 General Funds £'000	2017 Designated Funds £'000	2017 Restricted Funds £'000	2017 Total Funds £'000	2016 Total Funds £'000
Income from						
Donations and legacies	2	20,523	-	4,717	25,240	30,368
Charitable activities		184	-	432	616	613
Other trading activities		4,122	-	-	4,122	4,768
Investments		830	-	-	830	766
Total		25,659	-	5,149	30,808	36,515
Expenditure on						
Raising funds	3	11,438	171	-	11,609	11,652
Charitable activities	8	18,250	4,885	4,956	28,091	28,840
Total		29,688	5,056	4,956	39,700	40,492
Net income/(expenditure) before gains and losses on investments		(4,029)	(5,056)	193	(8,892)	(3,977)
Net gains/(losses) on investments		1,144	-	-	1,144	4,786
Net income/(expenditure)	5	(2,885)	(5,056)	193	(7,748)	809
Transfers between funds	16	(7)	7	-	-	-
Net movement in funds		(2,892)	(5,049)	193	(7,748)	809
Reconciliation of funds						
Total funds brought forward	16	11,383	101,069	2,629	115,081	114,272
Total funds carried forward	16	8,491	96,020	2,822	107,333	115,081

Charity Statement of Financial Activities

For the year ended 30 September 2017
(incorporating an income and expenditure account)

	2017 General Funds £'000	2017 Designated Funds £'000	2017 Restricted Funds £'000	2017 Total Funds £'000	2016 Total Funds £'000
Income from					
Donations and legacies	21,812	-	4,717	26,529	29,703
Charitable activities	184	-	432	616	528
Investments	829	-	-	829	764
Total	22,825	-	5,149	27,974	30,995
Expenditure on					
Raising funds	8,561	161	-	8,722	8,021
Charitable activities	18,243	5,001	4,956	28,200	27,033
Total	26,804	5,162	4,956	36,922	35,054
Net income/(expenditure) before gains and losses on investments	(3,979)	(5,162)	193	(8,948)	(4,059)
Net gains/(losses) on investments	1,144	-	-	1,144	4,786
Net income/(expenditure)	(2,835)	(5,162)	193	(7,804)	727
Transfers between funds	(69)	69	-	-	-
Net movement in funds	(2,904)	(5,093)	193	(7,804)	727
Reconciliation of funds					
Total funds brought forward	11,377	101,923	2,629	115,929	115,202
Total funds carried forward	8,473	96,830	2,822	108,125	115,929

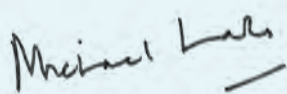
Consolidated and Charity Balance Sheets

Company Number 6363256

As at 30 September 2017

	Notes	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Fixed assets					
Intangible assets	9	52	52	93	83
Tangible assets	10	44,568	45,378	47,496	48,360
Investments	11	43,724	43,724	42,360	42,360
		88,344	89,154	89,949	90,803
Current assets					
Stock		598	-	789	-
Debtors	13	5,502	6,932	8,494	9,300
Cash at bank and in hand	14	20,730	19,277	23,567	23,020
Current liabilities					
Creditors: amounts falling due within one year	15	(6,814)	(6,211)	(6,223)	(5,699)
Net current assets		20,016	19,998	26,627	26,621
Total assets less current liabilities		108,360	109,152	116,576	117,424
Creditors: amounts falling due after more than one year	15	(1,027)	(1,027)	(1,495)	(1,495)
Net assets		107,333	108,125	115,081	115,929
Funds					
Restricted funds	16	2,822	2,822	2,629	2,629
Unrestricted funds					
Designated funds	16	96,020	96,830	101,069	101,923
General fund	16	8,491	8,473	11,383	11,377
Total funds		107,333	108,125	115,081	115,929

The financial statements on pages 65 to 90 were approved and authorised for issue by the Trustees on 12 April 2018 and signed on their behalf by:



Michael Lake, Chairman
Date: 12 April 2018

Turn to page 11:

See how this money ensures our ability now and in future to deliver on Our Promise

Consolidated and Charity Statements of Cash Flow

For the year ended 30 September 2017

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Cash flows from operating activities:				
Net cash provided by operating activities	(945)	(1,782)	764	1,904
Cash flows from investing activities				
Dividends and interest from investments	189	188	194	192
Proceeds from the sale of property, plant and equipment	5	-	8	-
Purchase of tangible and intangible assets	(2,086)	(2,149)	(590)	(631)
Purchase of investments	-	-	(3,000)	(3,000)
Net cash provided by / (used in) investing activities	(1,892)	(1,961)	(3,388)	(3,439)
Change in cash and cash equivalents in the reporting period	(2,837)	(3,743)	(2,624)	(1,535)
Cash and cash equivalents at the beginning of the reporting period	23,567	23,020	26,191	24,555
Cash and cash equivalents at the end of the reporting period	20,730	19,277	23,567	23,020
Reconciliation of net income/(expenditure) to net cash flow from operating activities				
Net income for the reporting period (as per the statement of financial activities)	(7,748)	(7,804)	809	727
Adjustments for:				
Depreciation charges	5,055	5,162	5,191	5,205
(Gains)/losses on investments	(1,148)	(1,148)	(4,753)	(4,753)
Dividends and interest from investments	(830)	(829)	(766)	(764)
Management charges deducted from investments	425	425	364	364
Profit on the sale of fixed assets	(5)	-	(7)	-
(Increase)/decrease in stock	191	-	240	-
(Increase)/decrease in debtors	2,992	2,368	(1,919)	(1,932)
Increase/(decrease) in creditors	123	44	1,605	3,057
Net cash provided by operating activities	(945)	(1,782)	764	1,904

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Accounting convention

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'.

The operations, assets and liabilities of Help for Heroes Recovery were donated to the parent charitable company Help for Heroes on 1 April 2016.

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 16.

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 SOFA when the Group is entitled to the income, when receipt is probable, and when it can be measured reliably.

Legacy income is recognised when notified, providing the amount can be reliably measured and that ultimate receipt is probable. Legacies which include a life interest held by another party are recognised on notification of probate.

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 2016/17 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.

Governance Costs include costs associated with the governance arrangements of the charities 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 £5k 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)	5 years
Plant and Machinery	5 years
Vehicles	4 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 statement of financial activities 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.

02. Donations and Legacies: Group

	2017 Unrestricted Funds	2017 Restricted Funds	2017 Total Funds	2016 Total Funds
Major donations and Grants	2,084	4,002	6,086	9,032
Other donations	3,754	412	4,166	4,818
Legacies	9,505	-	9,505	8,861
Challenges and events	2,975	303	3,278	4,617
Donated services and facilities	1,693	-	1,693	2,198
Gift Aid receivable	512	-	512	842
Total	20,523	4,717	25,240	30,368

03. Expenditure on Raising Funds

	2017 Group £'000	2016 Group £'000
Cost of donations and legacies	5,625	5,099
Cost of trading activities	2,888	4,110
Investment management costs	509	373
Support costs	2,587	2,070
Total	11,609	11,652

04. Allocated Support Costs

Support costs have been allocated to SOFA categories as shown below

Group	Raising funds £'000	Charitable Activities			2017 Total £'000	2016 Total £'000
		Grants £'000	Recovery Delivery costs £'000	Championing the Wounded £'000		
Administration, Legal and Management	1,157	2	1,034	502	2,695	2,135
Finance	218	6	301	30	555	577
Information Technology	750	7	719	15	1,491	1,457
Human Resources	386	56	708	14	1,164	661
Governance costs	76	-	76	61	213	178
Total	2,587	71	2,838	622	6,118	5,008

The basis of the allocation is staff time

05. Net Income for the Year

	2017 Group £'000	2016 Group £'000
This is stated after charging:		
Depreciation for the year	4,982	5,103
Amortisation for the year	73	88
Rentals payable under operating leases		
- Land and buildings	363	314
- Equipment	30	57
- Vehicles	106	84
Auditor's remuneration		
- Audit services		
<i>BDO LLP</i>	-	8
<i>Crowe Clark Whitehill LLP</i>	36	32
- Non-audit services		
<i>BDO LLP</i>	-	18
<i>Crowe Clark Whitehill LLP</i>	4	-

06. Employee Costs

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Wages and salaries	11,617	11,073	10,497	7,442
Social security	1,204	1,151	1,064	764
Pension	233	222	207	148
Total	13,054	12,446	11,768	8,354

The average number of employees (headcount) employed by the Group during the year was 390 (2016: 380).

The number of employees during the year, whose gross pay and benefits fell within the following bands was:

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Remuneration of higher paid staff				
£60,001 - £70,000	12	11	6	2
£70,001 - £80,000	1	1	2	-
£80,001 - £90,000	2	2	2	2
£90,001 - £100,000	5	5	3	2
£100,001-£110,000	1	1	1	1

Pension contributions of £28,476 (2016: £21,896) were made on their behalf. Taxable remuneration for the year includes benefits in kind.

Turn to page 58:

We must attract and retain those skilled to provide the best strategy and structure that is needed to offer lifetime support. Find out more in our Value for Money section.

During the year, the Charity made payments in respect of staff leaving the Charity totalling £117,769 (2016: £36,180) 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 (formerly the Senior Management Team). During 2016/17 there was a restructure of the Senior Management Team. This re-structure was finalised during 2017/18 and the structure of the renamed Executive Team, at the date the accounts were approved, is described on page 53.

The total remuneration including benefits in kind and employer pension contributions paid to and on behalf of the Senior Management Team amounted to £1,035,796 (2016: £897,425). The Senior Management Team was smaller in 2015/16 than it was in 2016/17.

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

07. Governance Costs

	2017 Group £'000	2016 Group £'000
External audit	28	40
Internal audit	75	40
Accounts printing and distribution	19	3
Company Secretarial function	78	46
Finance support	10	48
Trustees' advice	-	-
Trustees' liability insurance	3	1
Total	213	178

The Group reimbursed travel expenses of £4,635 (2016: £1,620) to 7 (2016: 4) Trustees for attendance at Trustee meetings. A further £258 (2016: £161) remained outstanding at year end.

08. Expenditure on Charitable Activities

	2017 Group £'000	2016 Group £'000
Grants Made		
Institutional Grants		
Prince's Trust	-	495
Combat Stress	-	1,049
SW Veterans Mental Health	-	390
Adventure Quest	-	348
Haig Housing Trust	-	500
Mission Motorsport	55	876
King's College London UKV-CRAFT project	330	-
ADVANCE Study	458	-
Stoll - H4H Outreach London	246	-
Veterans, NHS Wales	517	-
Pennine Care NHS Foundation Trust	431	-
Other institutional grants	1,294	877
Total institutional grants	3,331	4,535
Individual Support	1,293	1,513
Total grants	4,624	6,048
Direct costs	262	267
Allocated Support costs	71	46
Total grant expenditure	4,957	6,361
Recovery Delivery Costs		
Recovery Regional Operations	8,446	7,657
National Services	4,111	4,705
Other direct costs	1,384	1,592
Allocated Support costs	2,838	2,512
Depreciation	4,801	4,795
Total Recovery Delivery costs	21,580	21,261
Championing the Wounded		
Direct costs	932	838
Allocated Support costs	622	380
Total Championing the Wounded costs	1,554	1,218
Total costs of Charitable Activities	28,091	28,840

09. Intangible Fixed Assets

Computer Software	Group £'000	Charity £'000
Cost or valuation		
At 1 October 2016	521	454
Additions during the year	32	32
Disposals during the year	(45)	-
At 30 September 2017	508	486
Amortisation		
At 1 October 2016	(428)	(371)
Charge for the Year	(73)	(63)
Disposals for the year	45	-
At 30 September 2017	(456)	(434)
Net book value at 30 September 2017	52	52
Net book value at 1 October 2016	93	83

10. Tangible Fixed Assets

Group	Assets in the Course of Construction £'000	Leasehold Property Improvements £'000	Office Equipment £'000	Plant and Machinery £'000	Vehicles £'000	Total £'000
Cost of valuation						
At 1 October 2016	287	59,194	5,445	394	202	65,522
Additions during the year	1,782	205	67	-	-	2,054
Disposals during the year	-	-	-	(1)	-	(1)
At 30 September 2017	2,069	59,399	5,512	393	202	67,575
Depreciation						
At 1 October 2016	-	(13,933)	(3,695)	(254)	(144)	(18,026)
Charge for the year	-	(3,565)	(1,342)	(41)	(34)	(4,982)
Disposals for the year	-	-	-	1	-	1
Transfers	-	33	-	(33)	-	-
At 30 September 2017	-	(17,465)	(5,037)	(327)	(178)	(23,007)
Net book value at 30 September 2017	2,069	41,934	475	66	24	44,568
Net book value at 1 October 2016	287	45,261	1,750	140	58	47,496
Charity						
	Assets in the Course of Construction £'000	Leasehold Property Improvements £'000	Office Equipment £'000	Plant and Machinery £'000	Vehicles £'000	Total £'000
Cost of valuation						
At 1 October 2016	297	60,179	5,638	394	186	66,694
Additions during the year	1,845	205	67	-	-	2,117
Disposals during the year	-	-	-	(1)	-	(1)
At 30 September 2017	2,142	60,384	5,705	393	186	68,810
Depreciation						
At 1 October 2016	-	(14,128)	(3,824)	(254)	(128)	(18,334)
Charge for the year	-	(3,635)	(1,389)	(41)	(34)	(5,099)
Disposals for the year	-	-	-	1	-	1
Transfers	-	33	-	(33)	-	-
At 30 September 2017	-	(17,730)	(5,213)	(327)	(162)	(23,432)
Net book value at 30 September 2017	2,142	42,654	492	66	24	45,378
Net book value at 1 October 2016	297	46,051	1,814	140	58	48,360

11. Investments: Group and Charity

	Consolidated Total £'000
Market value at 1 October 2016	42,360
Add: Dividends and interest received and reinvested	641
Add: Net gain on revaluation	1,148
Investment charges deducted from gain	(425)
Market value at 30 September 2017	43,724
Historic cost as at 30 September 2017	38,683
Historic cost as at 30 September 2016	37,126
	Consolidated Total £'000
Market value at 30 September 2017	£'000
Equities	23,475
Fixed interest	17,248
Forwards	359
Cash	2,642
Total	43,724

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

	2017 H4H Trading £'000	2017 BmyHero £'000	2017 Help for Heroes Recovery £'000	2017 DevCo £'000	2017 Total £'000	2016 Total £'000
Turnover	4,122	3	-	1,845	5,970	11,861
Direct costs	(1,498)	-	-	(1,782)	(3,280)	(3,264)
Employee costs	(519)	-	-	-	(519)	(3,251)
Overheads	(871)	(1)	-	(9)	(881)	(4,628)
Net income before donation to Charity	1,234	2	-	54	1,290	718
Donated to Charity	(1,234)	(2)	-	(53)	(1,289)	(720)

Balance Sheets of the Consolidated Trading Entities	2017 H4H Trading £'000	2017 BmyHero £'000	2017 Help for Heroes Recovery £'000	2017 DevCo £'000	2017 Total £'000	2016 Total £'000
Fixed assets	-	-	-	-	-	10
Stock	598	-	-	-	598	789
Debtors	504	-	-	331	835	960
Cash	885	1	-	567	1,453	548
Total assets	1,987	1	-	898	2,886	2,307
Liabilities	(727)	(1)	-	(844)	(1,572)	(1,561)
Donation due to Charity	(1,244)	-	-	(53)	(1,297)	(730)
Net assets	16	-	-	1	17	16
Reserves/funds	16	-	-	1	17	16

13. Debtors

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Trade debtors	445	106	836	645
Other debtors	454	362	812	393
Taxation recoverable	64	-	46	-
Amounts owed from Group undertakings	-	1,605	-	1,525
Prepayments and accrued income	4,539	4,859	6,800	6,737
Total	5,502	6,932	8,494	9,300

14. Cash, Cash Equivalents and Short-term Fixed Deposits

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Short-term fixed deposits	15,349	15,349	18,259	18,259
Cash	5,381	3,928	5,308	4,761
Total	20,730	19,277	23,567	23,020

15. Creditors

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Amounts Falling due within one year				
Grants payable	2,851	2,851	2,395	2,395
Trade creditors	1,225	1,024	630	337
Other creditors	725	725	729	725
Other taxes and social security	345	338	307	269
Amounts owed to Group undertakings	-	116	-	226
Accruals	1,668	1,157	2,162	1,747
Total	6,814	6,211	6,223	5,699

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Amounts Falling due after more than one year				
Other grants	1,027	1,027	1,495	1,495
Total	1,027	1,027	1,495	1,495

16. Funds

(A) Analysis of movement in funds

Group	At 1 Oct 2016 £'000	Incoming Resources £'000	Operating Expenditure £'000	Capital Expenditure £'000	Transfers £'000	At 30 Sept 2017 £'000
Restricted						
Catterick RC	703	615	(467)	-	-	851
Colchester RC	44	21	-	-	-	65
Tedworth House RC	490	195	(175)	-	-	510
Plymouth RC	128	374	(426)	-	-	76
Tough Mudder	242	303	(469)	-	-	76
Sports Recovery	-	71	(29)	-	-	42
Hidden Wounds	501	-	(259)	-	-	242
LIBOR	393	-	(7)	-	-	386
Heritage Heroes	-	155	(126)	-	-	29
Psychological Wellbeing	-	60	-	-	-	60
Haymow	-	3,000	(2,544)	-	-	456
Invictus Games	-	277	(277)	-	-	-
Other	128	78	(177)	-	-	29
Total restricted	2,629	5,149	(4,956)	-	-	2,822
Designated						
Recovery Centres	16,000	-	-	-	4,000	20,000
Recovery Services	17,000	-	-	-	(6,500)	10,500
Mental Health	3,480	-	-	-	(3,480)	-
Capital Fund	7,000	-	-	-	400	7,400
Recovery Projects	10,000	-	-	-	3,500	13,500
Sub total	53,480	-	-	-	(2,080)	51,400
Fixed assets	47,589	-	(5,056)	2,087	-	44,620
Total designated	101,069	-	(5,056)	2,087	(2,080)	96,020
General	11,383	26,803	(29,688)	(2,087)	2,080	8,491
Total funds	115,081	31,952	(39,700)	-	-	107,333

The reserves policy is described on page 59.

16. Funds

(A) Analysis of movement in funds (continued)

Charity	At 1 Oct 2016 £'000	Incoming Resources £'000	Operating Expenditure £'000	Capital Expenditure £'000	Transfers £'000	At 30 Sept 2017 £'000
Restricted						
Catterick RC	703	615	(467)	-	-	851
Colchester RC	44	21	-	-	-	65
Tedworth House RC	490	195	(175)	-	-	510
Plymouth RC	128	374	(426)	-	-	76
Tough Mudder	242	303	(469)	-	-	76
Sports Recovery	-	71	(29)	-	-	42
Hidden Wounds	501	-	(259)	-	-	242
LIBOR	393	-	(7)	-	-	386
Heritage Heroes	-	155	(126)	-	-	29
Psychological Wellbeing	-	60	-	-	-	60
Haymow	-	3,000	(2,544)	-	-	456
Invictus Games	-	277	(277)	-	-	-
Other	128	78	(177)	-	-	29
Total restricted	2,629	5,149	(4,956)	-	-	2,822
Designated						
Recovery Centres	16,000	-	-	-	4,000	20,000
Recovery Services	17,000	-	-	-	(6,500)	10,500
Mental Health	3,480	-	-	-	(3,480)	-
Capital Fund	7,000	-	-	-	400	7,400
Recovery Projects	10,000	-	-	-	3,500	13,500
Sub total	53,480	-	-	-	(2,080)	51,400
Fixed assets	48,443	-	(5,162)	2,149	-	45,430
Total designated	101,923	-	(5,162)	2,149	(2,080)	96,830
General	11,377	23,969	(26,804)	(2,149)	2,080	8,473
Total funds	115,929	29,118	(36,922)	-	-	108,125

16. Funds

(B) Analysis of net assets between funds

Group	Unrestricted £'000	Designated £'000	Restricted £'000	2017 Total £'000
Fixed assets				
Asset reserves	-	44,620	-	44,620
Investments	-	43,724	-	43,724
	-	88,344	-	88,344
Net current assets	9,518	7,676	2,822	20,016
Creditors falling due after more than one year	(1,027)	-	-	(1,027)
Total net assets	8,491	96,020	2,822	107,333

Charity	Unrestricted £'000	Designated £'000	Restricted £'000	2017 Total £'000
Fixed assets				
Asset reserves	-	45,430	-	45,430
Investments	-	43,724	-	43,724
	-	89,154	-	89,154
Net current assets	9,500	7,676	2,822	19,998
Creditors falling due after more than one year	(1,027)	-	-	(1,027)
Total net assets	8,473	96,830	2,822	108,125

17. Operating Leases

At 30 September 2017 the Group had future minimum operating lease commitments under non-cancellable operating leases

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Land and buildings				
Within one year	344	301	349	305
Between one and five years	595	595	880	880
	939	896	1,229	1,185

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Equipment				
Within one year	-	-	2	2
	-	-	2	2

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Vehicles				
Within one year	82	82	62	62
Between one and five years	32	32	19	19
	114	114	81	81

18. Comparative Information

(A) Consolidated Statement of Financial Activities

	2016 General Funds £'000	2016 Designated Funds £'000	2016 Restricted Funds £'000	2016 Total Funds £'000
Income from				
Donations and legacies	24,264	-	6,104	30,368
Charitable activities	613	-	-	613
Other trading activities	4,768	-	-	4,768
Investments	766	-	-	766
Total	30,411	-	6,104	36,515
Expenditure on				
Raising funds	11,441	211	-	11,652
Charitable activities	17,463	4,981	6,396	28,840
Total	28,904	5,192	6,396	40,492
Net income/(expenditure) before gains and losses on investments	1,507	(5,192)	(292)	(3,977)
Net gains/(losses) on investments	4,786	-	-	4,786
Net income/(expenditure)	6,293	(5,192)	(292)	809
Transfers between funds	(3,590)	3,590	-	-
Net movement in funds	2,703	(1,602)	(292)	809
Reconciliation of funds				
Total funds brought forward	8,680	102,671	2,921	114,272
Total funds carried forward	11,383	101,069	2,629	115,081

18. Comparative Information

(B) Charity Statement of Financial Activities

	2016 General Funds £'000	2016 Designated Funds £'000	2016 Restricted Funds £'000	2016 Total Funds £'000
Income from				
Donations and legacies	23,599	-	6,104	29,703
Charitable activities	528	-	-	528
Investments	764	-	-	764
Total	24,891	-	6,104	30,995
Expenditure on				
Raising funds	7,797	224	-	8,021
Charitable activities	15,656	4,981	6,396	27,033
Total	23,453	5,205	6,396	35,054
Net income/(expenditure) before gains and losses on investments	1,438	(5,205)	(292)	(4,059)
Net gains/(losses) on investments	4,786	-	-	4,786
Net income/(expenditure)	6,224	(5,205)	(292)	727
Transfers between funds	(3,631)	3,631	-	-
Net movement in funds	2,593	(1,574)	(292)	727
Reconciliation of funds				
Total funds brought forward	8,784	103,497	2,921	115,202
Total funds carried forward	11,377	101,923	2,629	115,929

19. Comparative Information

(A) Analysis of movement in funds

Group	At 1 Oct 2015 £'000	Incoming Resources £'000	Operating Expenditure £'000	Capital Expenditure £'000	Transfers £'000	At 30 Sept 2016 £'000
Restricted						
Catterick RC	253	3,120	(2,670)	-	-	703
Colchester RC	35	9	-	-	-	44
Tedworth House RC	463	1,518	(1,491)	-	-	490
Plymouth RC	77	410	(359)	-	-	128
Tough Mudder	231	410	(399)	-	-	242
Hidden Wounds	1,321	-	(820)	-	-	501
LIBOR	427	-	(34)	-	-	393
Heritage Heroes	-	45	(45)	-	-	-
Invictus Games	-	400	(400)	-	-	-
Other	114	192	(178)	-	-	128
Total restricted	2,921	6,104	(6,396)	-	-	2,629
Designated						
Recovery Centres	15,700	-	-	-	300	16,000
Recovery Services	13,000	-	-	-	4,000	17,000
Mental Health	4,680	-	-	-	(1,200)	3,480
Capital Fund	6,000	-	-	-	1,000	7,000
Recovery Projects	11,100	-	-	-	(1,100)	10,000
Sub total	50,480	-	-	-	3,000	53,480
Fixed assets	52,191	-	(5,192)	590	-	47,589
Total designated	102,671	-	(5,192)	590	3,000	101,069
General	8,680	35,197	(28,904)	(590)	(3,000)	11,383
Total funds	114,272	41,301	(40,492)	-	-	115,081

19. Comparative Information

(A) Analysis of movement in funds (continued)

Charity	At 1 Oct 2015 £'000	Incoming Resources £'000	Operating Expenditure £'000	Capital Expenditure £'000	Transfers £'000	At 30 Sept 2016 £'000
Restricted						
Catterick RC	253	3,120	(2,670)	-	-	703
Colchester RC	35	9	-	-	-	44
Tedworth House RC	463	1,518	(1,491)	-	-	490
Plymouth RC	77	410	(359)	-	-	128
Tough Mudder	231	410	(399)	-	-	242
Hidden Wounds	1,321	-	(820)	-	-	501
LIBOR	427	-	(34)	-	-	393
Heritage Heroes	-	45	(45)	-	-	-
Invictus Games	-	400	(400)	-	-	-
Other	114	192	(178)	-	-	128
Total restricted	2,921	6,104	(6,396)	-	-	2,629
Designated						
Recovery Centres	15,700	-	-	-	300	16,000
Recovery Services	13,000	-	-	-	4,000	17,000
Mental Health	4,680	-	-	-	(1,200)	3,480
Capital Fund	6,000	-	-	-	1,000	7,000
Recovery Projects	11,100	-	-	-	(1,100)	10,000
Sub total	50,480	-	-	-	3,000	53,480
Fixed assets	53,017	-	(5,205)	631	-	48,443
Total designated	103,497	-	(5,205)	631	3,000	101,923
General	8,784	29,677	(23,453)	(631)	(3,000)	11,377
Total funds	115,202	35,781	(35,054)	-	-	115,929

19. Comparative Information

(B) Analysis of net assets between funds

Group	Unrestricted £'000	Designated £'000	Restricted £'000	2016 Total £'000
Fixed assets				
Asset reserves	-	47,589	-	47,589
Investments	-	42,360	-	42,360
	-	89,949	-	89,949
Net current assets	12,878	11,120	2,629	26,627
Creditors falling due after more than one year	(1,495)	-	-	(1,495)
Total net assets	11,383	101,069	2,629	115,081

Charity	Unrestricted £'000	Designated £'000	Restricted £'000	2016 Total £'000
Fixed assets				
Asset reserves	-	48,443	-	48,443
Investments	-	42,360	-	42,360
	-	90,803	-	90,803
Net current assets	12,872	11,120	2,629	26,621
Creditors falling due after more than one year	(1,495)	-	-	(1,495)
Total net assets	11,377	101,923	2,629	115,929

20. 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.

Bryn and Emma Parry are the Co-Founders of the Charity and, as of 31 December 2016, they are no longer employees.

Help for Heroes has made lease payments to entities controlled by, or managed for the benefit of, Bryn Parry in respect of 14 Parkers Close, Downton. The annual rent for this property is £18,500 plus irrecoverable VAT (2016: £18,150) and at 30 September 2017, the Group owed £nil (2016: £1,027) in respect of this property. The Group also reimbursed £346 (2016: £768) in respect of insurance premiums on this property. The industrial unit at 14 Parkers Close is rented at an arm's-length market rent, externally benchmarked by independent surveyors.

Whilst employed by the Charity, Bryn Parry carried out regular graphic design work and gave all intellectual property rights to any graphic design performed in line with his role to the Charity free of charge. The graphic design work given to the Charity by Bryn Parry include the Help for Heroes logo, 'Support For Our Wounded' strapline, stretcher bearers logo, Band of Brothers logo, medal logo (and derivatives), the Phoenix logo, design work relating to the Battle Back and Frontline to Startline initiatives, plus product design work in relation to the Trading Company. The bear designs (and derivatives) are owned by Bryn Parry and the use of these assets are provided to the Charity and approved partners through a licence at nil cost with all royalties waived. The value of royalties waived on the bear designs based on a notional 10% of sales would be £30,597 (2016: £40,699).

Bryn Parry Designs Limited trading as MizMaze Creative is controlled by Bryn and Emma Parry. The Trustees recognise that the knowledge and expertise of our Co-Founders are valuable and, for a limited time during the transition period, Bryn Parry Designs provided a monthly consultancy service. The total charged by Bryn Parry Designs Limited to the Charity during the year was £51,846 (2016: £Nil).

Stephen Oxley was Chairman of Trustees until 11 December 2015 and is also a senior

partner of Wilsons Solicitors LLP. During the period from 1 October 2015 until the date of his resignation, the Group was charged £43,286 by Wilsons Solicitors LLP, including amounts charged to the Charity of £37,450. In addition, during that period Wilsons Solicitors LLP provided pro bono legal services to the Charity of £5,828.

Robert Watsham is a Trustee of Help for Heroes. He is also a Partner at Eric Salmon and Partners. During the year Help for Heroes paid £nil (2016: £6,000) to Eric Salmon and Partners in respect of recruitment advice. No transactions have occurred since Robert Watsham became a Trustee of Help for Heroes on 1 April 2016.

During 2016/17, Help for Heroes made a grant of £3,500 to Major Peter Norton GC, a wounded Veteran and accordingly one of our beneficiaries for the purposes of physiotherapy (2016: £3,000 for the purposes of acquiring a new motability vehicle). Peter Norton is a Help for Heroes Trustee.

During the year, the spouse of a member of the Executive Team was paid £Nil (2016: £813) for transcription services supplied to Help for Heroes.

Total funds raised for the Charity by Trustees and members of the Executive Team during the year was £5,169 (2016: £13,414).

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 and were not cash settled in the year.

Profits earned by trading subsidiaries were donated to the parent Charity as described in note 12. 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 Trading of £210,000 in the year (2016: £222,000 net cost to Help

for Heroes). At 30 September 2017, Help for Heroes had an intercompany receivable from Help for Heroes Trading Limited of £361,000 (2016: £571,000). Help for Heroes Trading Limited held sufficient cash and current assets to settle this liability. This balance excludes the profit made in the year by Help for Heroes Trading Limited which was £1,234,000 (2016: £675,000). This is gifted to the Charity and paid within nine months of the year end.

- Until the transfer of its activities to Help for Heroes on 1 April 2016, Help for Heroes Recovery was almost entirely grant funded by Help for Heroes. The grant payments combined with settlement for goods and services transferred between companies resulted in a net cost to Help for Heroes of £Nil (2016: £4,113,000). At 30 September 2017, no amounts were outstanding (2016: £Nil).
- 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 of £2,484,000 (2016: £542,000). At 30 September 2017, Help for Heroes Development Company Limited had an intercompany receivable from Help for Heroes of £170,000 (2016: £235,000). Help for Heroes held sufficient cash and current assets to settle this liability. This balance excludes the profit made in the year by Help for Heroes Development Company Limited which was £53,000 (2016: £9,000). This is gifted to the Charity and paid within nine months of the year end.
- BMyHero Limited received donations for the parent Charity, net of service costs, of £Nil (2016: £296,000). At 30 September 2017, no amounts were outstanding (2016: Help for Heroes had an intercompany receivable from BMyHero Limited of £232,000).
- Amounts settled by Help for Heroes Recovery on behalf of Help for Heroes Trading Limited resulted in a net cost to Help for Heroes Trading Limited of £Nil (2016: £18,000). At 30 September 2017, no amounts were outstanding (2016: £Nil).

21. Capital Commitments

	2017 Group £'000	2016 Group £'000
Capital commitments	2,880	-

This balance relates to the commitment to build a new Rehabilitation and Recovery Centre at HQ Hereford Garrison as detailed on page 7.

22. Financial Instruments

Carrying value of financial assets and liabilities at 30 September

	2017 Group £'000	2017 Charity £'000	2016 Group £'000	2016 Charity £'000
Financial assets measured at amortised cost (a)	25,056	24,715	30,656	31,025
Financial assets measured at fair value (b)	43,724	43,724	42,360	42,360
Financial liabilities measured at amortised cost (c)	(7,348)	(6,759)	(7,239)	(6,755)
	62,608	63,174	65,777	66,630

(a) Financial assets include cash, trade debtors, other debtors and accrued income

(b) Financial assets held at fair value include assets held as investments

(c) Financial liabilities include all creditors except deferred income and tax and social security

LOOKING AHEAD

The Job to Do

Our aim is to continue to make a positive impact on people's lives, strengthen relationships and engage with our supporters to drive sustainable income, and focus on our responsibility not to stop until the job is done.

We can't do this alone. We ask you to do this with us. Here are four simple ways you could help:

1.

Continue the conversation

We believe in a fair deal for all those affected by military service; 76% of those we surveyed in 2016 thought Service Personnel and Veterans were forgotten about after they return from overseas deployments. Although the wounded, injured and sick are no longer in the mainstream media that doesn't mean the need is not there. We know that more people need our help; there are more medically discharged every day. Please help us continue the conversation about why Help for Heroes is still needed by so many.

2.

Encourage people to come forward

If you know someone who could benefit from what we do, encourage them to make contact through www.helpforheroes.org.uk/get-support

3.

Show your support

While we are seeing an increase in demand for support, fundraising is proving more difficult. Give support in whatever way you can: donate, fundraise, take part in an event, volunteer your time or buy from our range of merchandise at shop.helpforheroes.org.uk

4.

Partner with us

Consider becoming a partner of Help for Heroes and raise vital funds and awareness of our cause; this has a significant impact on the support we can give and is a great opportunity to engage with employees.

WE BELIEVE
IN A FAIR DEAL
FOR EVERYONE
AFFECTED BY
MILITARY SERVICE

THANK YOU

We would like to thank all those organisations and individuals who made our vital work possible by generously giving their time and money in 2016/17. You help us empower Service Personnel, Veterans and their families to make a positive impact in society.

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

Corporate Partnerships

Aggregate Industries UK Limited

Alf Turner

Antler

BAE Systems Applied Intelligence Limited

Barclays Procurement

Bibendum PLB Group Limited

Bodybuilding.com

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Strategic Shipping Company Limited

Tough Mudder

Turner-Bianca PLC

The Training Room

Vauxhall

WH Smith High Street Limited

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Mrs Bramall

Mrs P E Cullen

Disability Cricket – The England and Wales Cricket Board

Endeavour Fund

The Hermitage Charitable Trust

The Inverforth Charitable Trust

James Milner Foundation

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Mrs B G Kier Charitable Trust

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Sheila Rhodes Discretionary Trust

Mr & Mrs Skelton

Smith Charitable Trust

Turn to page 44:
to read about our supporters and partners



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