



HELP *for* HEROES

Support For Our Wounded

THURSDAY



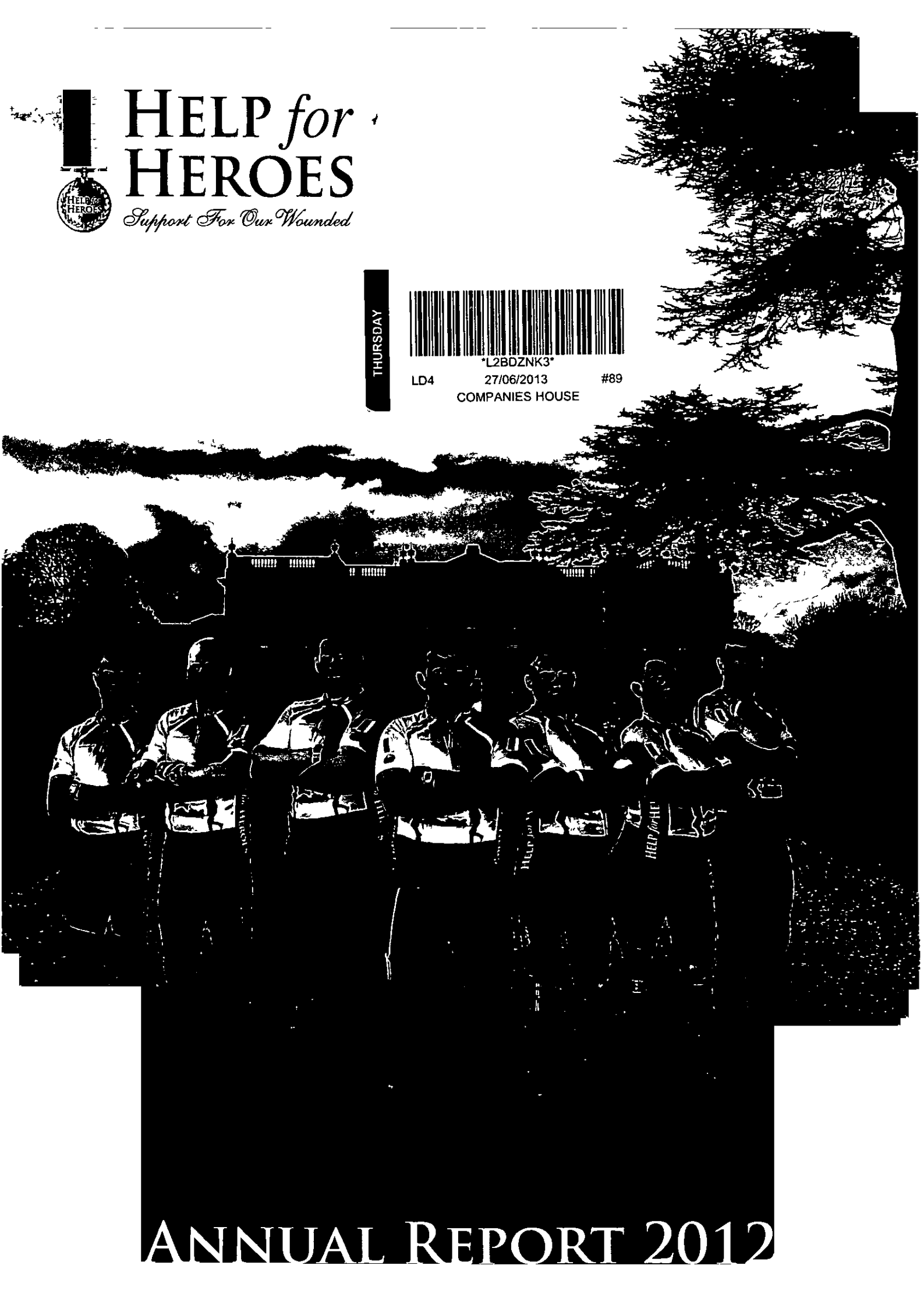
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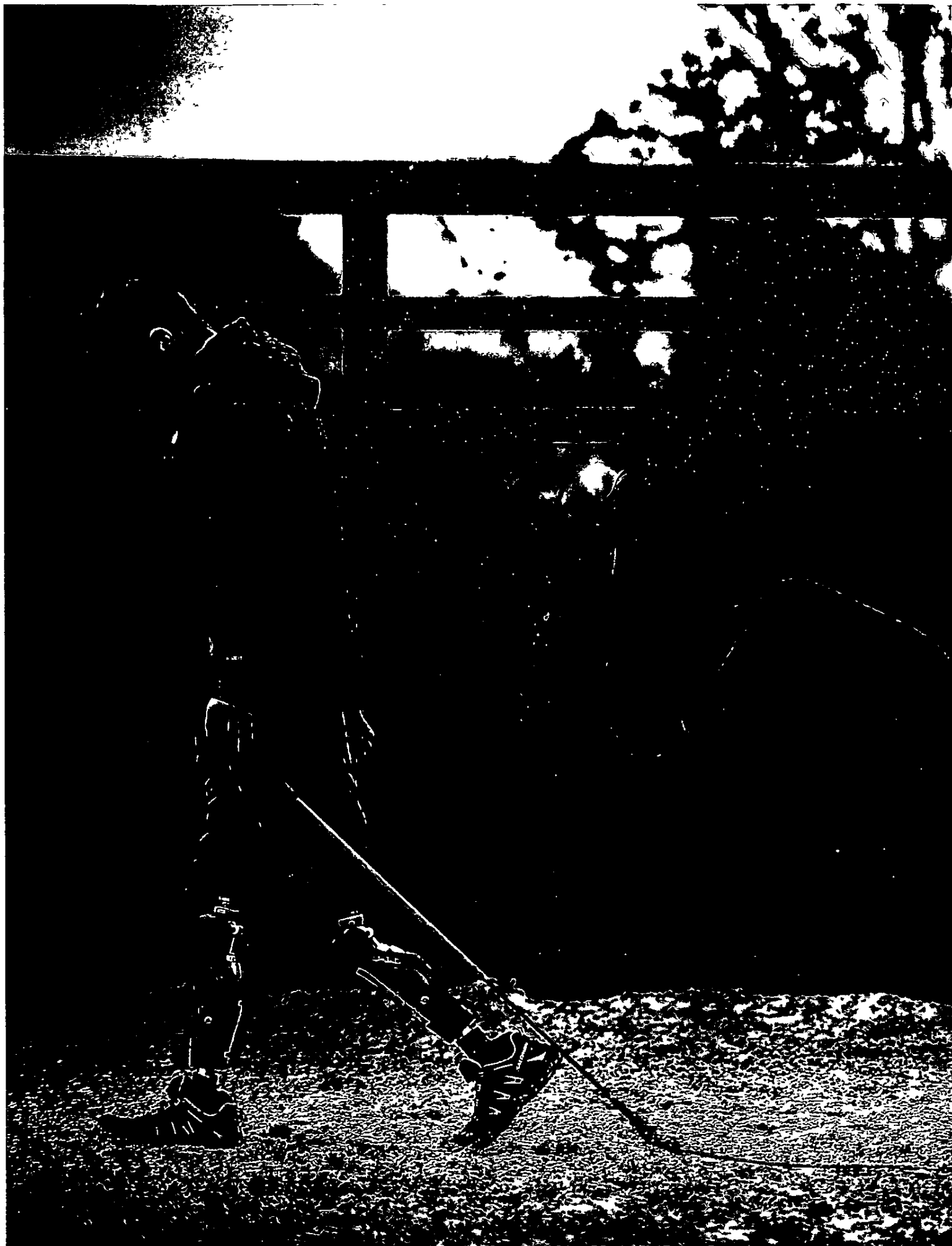
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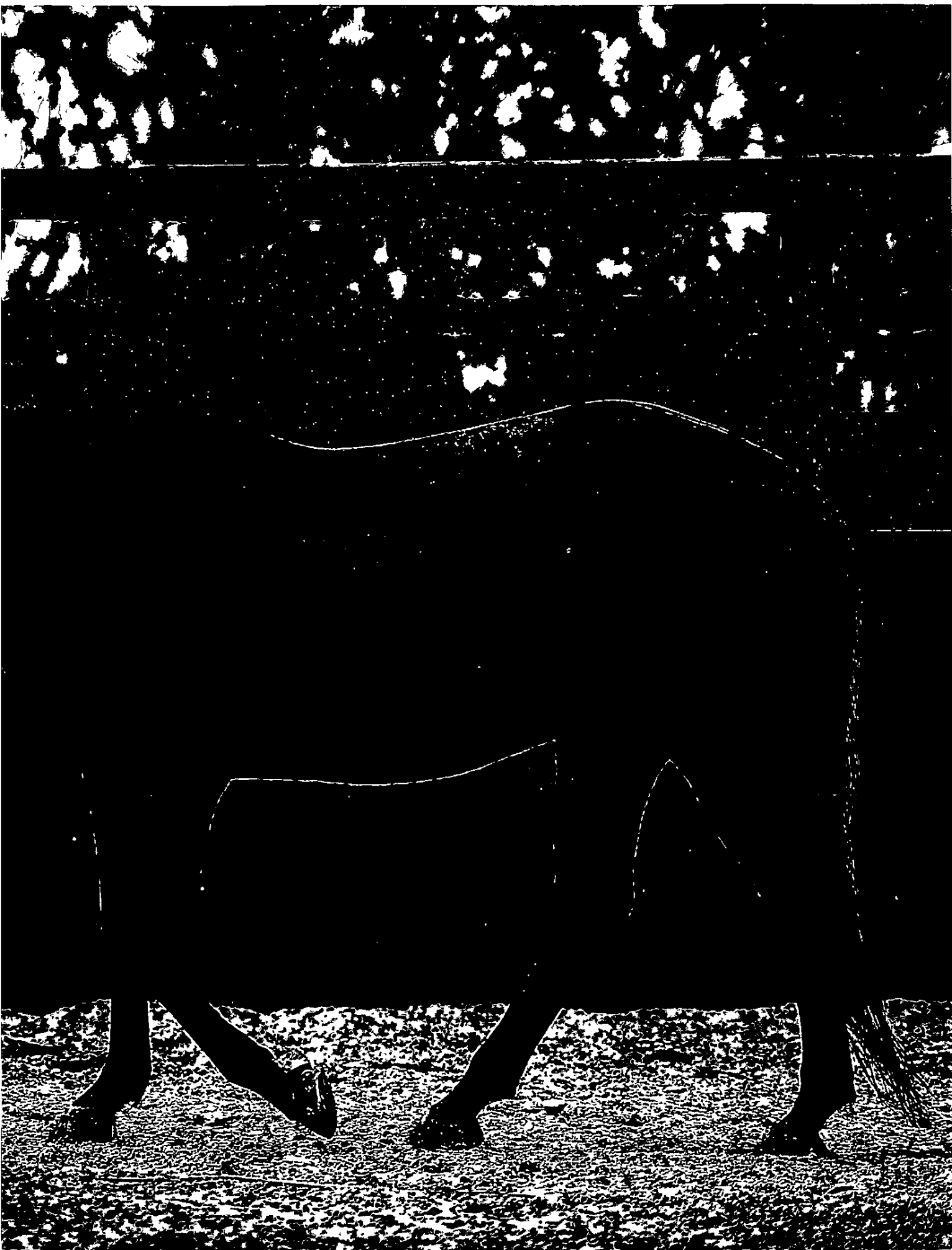
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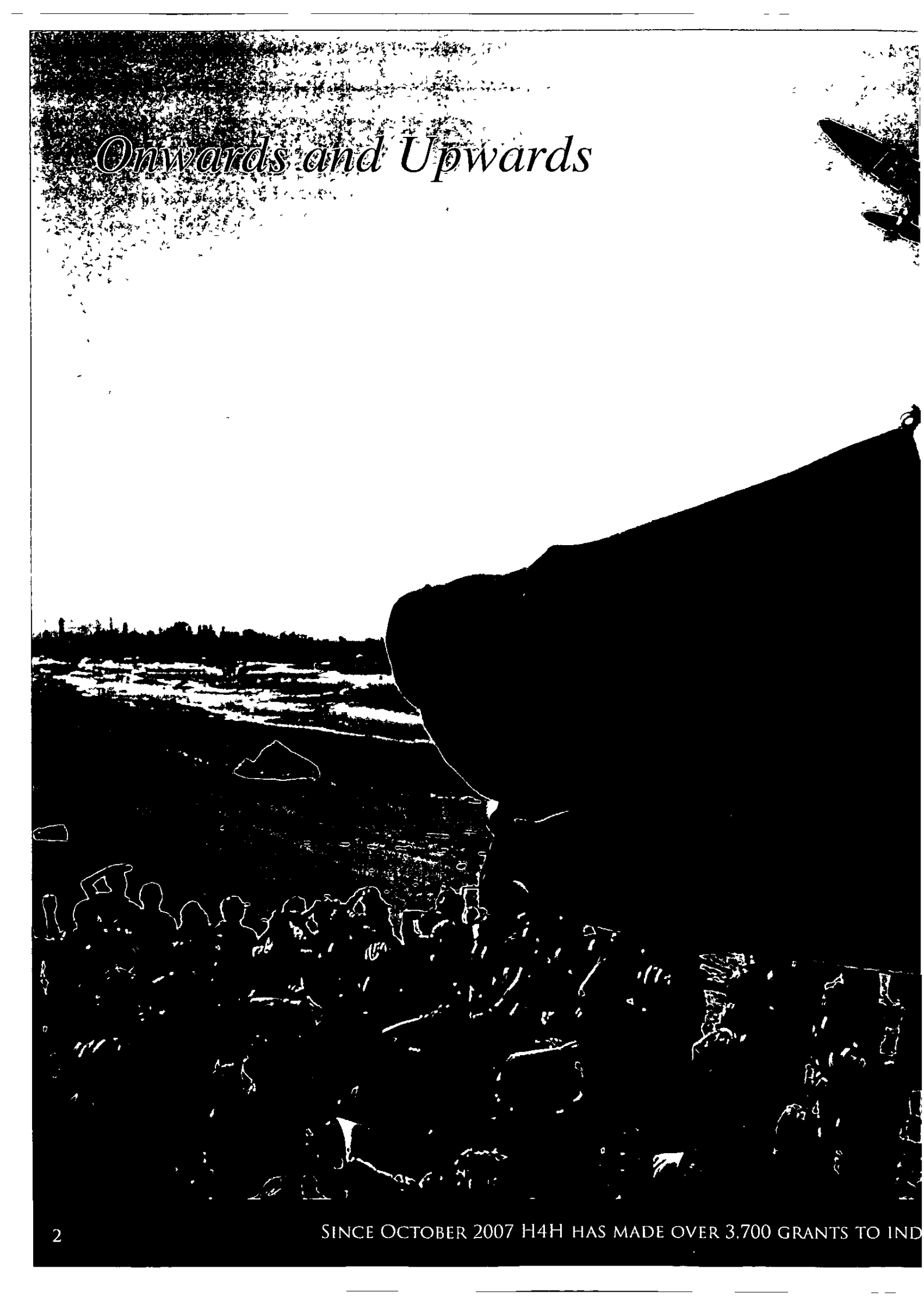
ANNUAL REPORT 2012



H4H GRANTS HAVE ENABLED 269 WOUNDED INDIVIDUALS
COMBINING EQUINE THERAPY



DUALS TO LEARN TO RIDE THROUGH HORSEBACK UK,
WITH ADVENTURE TRAINING.



Onwards and Upwards

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Help for Heroes

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www.helpforheroes.org.uk

*We are extremely grateful to
Battle Back, Jake Baggaley, On Edition and
Getty for allowing us to use their images*

CHAIRMAN'S REPORT



'It's about the blokes' This simple statement, first used when the Charity was founded in 2007, underpins the mission of Help for Heroes to help the men and women of our Armed Forces injured in current conflicts. It describes the singular and overwhelming focus of the Charity to support these men and women. However, this simple goal does not begin to describe the size of the challenge and hence the nature and complexity of how to help. For the wounded, every case is unique, every road to recovery different, such that bespoke, tailored support must be developed for each. Since its foundation, Help for Heroes has sought to do all it can to support the blokes. Initially this support was channelled through existing support services or went to help those developing programmes for the wounded. But, as time progressed, it was clear that a unifying vehicle was needed to allow the development and follow-through of individual recovery programmes. Help for Heroes took up this challenge and set out to provide a series of Recovery Centres around the country to provide focal points through which recovery programmes could be delivered.

2012 and 2013 mark transition years for the Charity. In May 2012 Chavasse VC Recovery Centre, Colchester opened to complement Tedworth House, Tidworth. In 2013 Phoenix House, Catterick, and Parker VC at the Naval Service Recovery Centre, Plymouth, will open. Each of these Centres are different, each have their own style and character, but each provide local and enduring support to the wounded for many years to come through tailored programmes. These encompass physical training, confidence building, education, job skilling and non-clinical mental wellbeing. This support comes not just from the MOD and our Charity, but from a wide array of partner charities that are pooling their expertise and specialist support so that the wounded receive tailored, expert assistance through integrated support plans. At the time of writing this report 1,100 individuals have used the facilities at the Recovery Centres. Over the next 18 months all four Centres will come up to full operating capacity.

The requirement to provide this stable and enduring base of support has meant that the Charity has had to ensure it can underwrite the financial support of the Centres. We've always had a philosophy which means that as we've raised money, we've allocated it to specific projects. Moving forward, the money that is raised will be committed to ensuring we are able to provide support at the Recovery Centres for years to come.



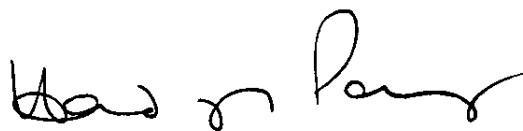
Whilst the construction of the Centres, their staffing and bringing them into operational capability has been a major focus for the Charity over the last twelve months, it has also been to maintain the diversity and individuality of support. The Charity continues to provide funding to a number of specialist organisations that support the wounded and the Quick Reaction Fund which has provided 1,312 grants in this year alone, continues to support those in need of immediate assistance.

For some, recovery can be swift – for others, long, with changing needs along the way. H4H aims to support this process however short or long it may be. Over the next few years the Charity will build on and improve the ways in which it can support those leaving the Services, to help them find employment and to provide a support system for future needs. Through the Band of Brothers and Band of Sisters, H4H provides a network that will facilitate contact and family support long into the future.

The recovery process is long and complex and the challenges faced by each individual cannot be underestimated. But what lies at the heart of H4H, whether one is wounded, a member of staff, a fundraiser, a volunteer or a donor, is attitude. If any reader of this Annual Report has not read *HEROES* magazine, or taken part in a challenge then I encourage you to do so. Whether the challenge is a multi day trek, a cycle ride, cake sale or something entirely different, the sense of camaraderie and accomplishment from 'doing your bit' is simply wonderful.

The goal to 'inspire, enable and support' runs through everything H4H does. Within Help for Heroes there is a focus on the positive – on abilities, not disabilities, on what is needed rather than what is lost. This culture of achievement and inspiration runs right through the Charity but its heart comes, I believe, not from the Charity itself but from the very people it is dedicated to supporting. It is their ambition, humour, resilience and determination that inspires the Charity and all those involved in whatever way. They are our heroes.

"It's about the blokes"



Hadyn Parry, Chairman

17 June 2013



CO-FOUNDERS' LETTER

CO-FOUNDERS' LETTER



On 1st June 2008, Emma and I were proud to cycle onto Horse Guards Parade, together with hundreds of H4H supporters, and announce that in only eight months we had raised £6m towards the creation of a swimming pool complex at Headley Court

In those days we were a single project organisation, more of a simple appeal than a Charity with a future. However, the more we heard from the wounded and their families, the more we understood that our work would not be complete with the delivery of that pool. We would need to address the long-term issues of how to help our most deserving, those injured in the line of duty, to get the comprehensive help they need to inspire, enable and support them, for life.

On 2nd June 2013, Emma and I, aching muscles allowing, once again cycled onto Horse Guards Parade with hundreds of supporters and wounded cyclists. We did so in the knowledge that H4H has raised millions and delivered a comprehensive network of support, based on the Recovery Centres, that will endure, with your help, for years to come.

The buildings are there but our job is not done, it is what happens within the buildings that will really make the difference. We see the needs of the individual being grouped into five key areas: Medical, Mind, Body, Spirit and Family, all needing to be in balance to ensure a fulfilled and happy life. Working with our partners, we hope to support, influence and provide grants to ensure the wounded, injured, sick and their families get the best possible chance in life.

We have achieved a great deal in the last five years and the framework is now in place that will allow us to do what we set out to do, to help our heroes. We need more funds, we need enduring partnerships, and we need the right structures to make this as good as it needs to be.

We have a huge challenge ahead of us – we can't do it alone but we do understand what is needed and have taken the first steps to getting this right. This is not 'job done', this is phase one in place, now the real work begins.

Onwards and upwards!

Bryn and Emma



CHIEF EXECUTIVE'S REPORT

For the year ending 30 September 2012

While 2012 will long be remembered as the year of the Diamond Jubilee and the Olympics, for many it will be remembered as the year in which the Paralympic Games came of age. Millions watched the athletes compete in both Games and many felt that the Paralympics were more impressive. To see these 'superhumans' conquer their disabilities was inspirational.

However, just as last year we made the point that not everyone can climb Everest, this year we emphasised that not everyone who has disabilities can aspire to be a Paralympian. We understand that for so many, just getting out of bed is a challenge. The Paralympians are extraordinary but so too are those who take on their own challenges and discover something about themselves that they can be proud of.

THE BUILDINGS ARE NEARLY READY THE WORK BEGINS

The number of casualties coming back from Afghanistan has dropped considerably since the peaks of 2009 and 2010. We no longer see coffins being repatriated almost weekly. People could be forgiven for thinking that the war is over and therefore H4H's work is done. We understand, however, that while one day we may have peace, for the men and women injured during the past ten years, their battle will last a lifetime.

Over the last five years we have been working to put in place a network of support that will endure and, during 2012/13, we will see the completion of our Recovery Centres that provide the building blocks of that support. We will have created delivery partnerships and established funds to support individuals in need.

We have campaigned on key issues such as prosthetics and we have plans to further extend our support to families of the wounded, injured and sick. We have seen how so many individuals are damaged both mentally as well as physically, and helping them for the long term is a massive task.

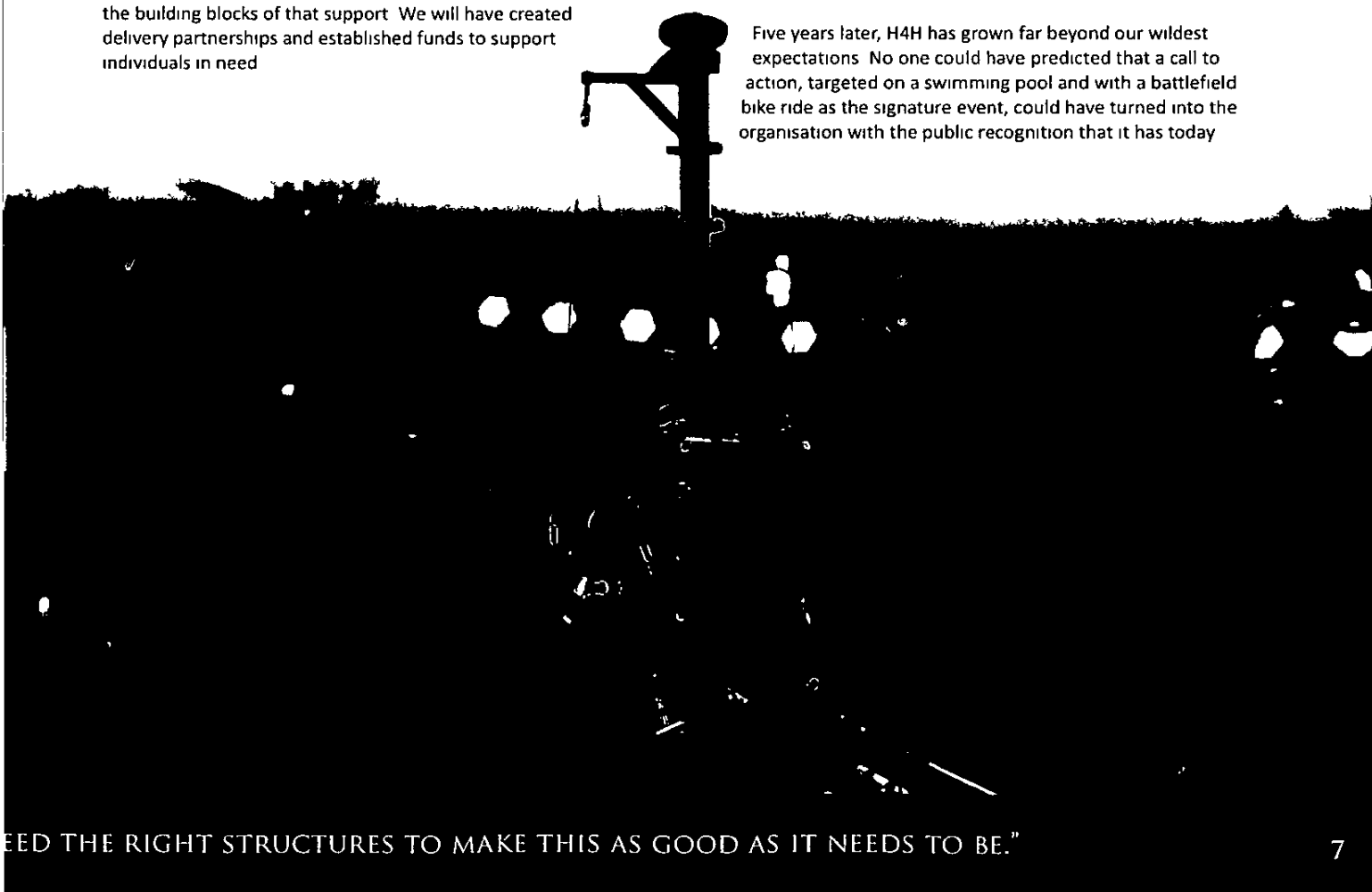
Therefore, over the next 20 years, Help for Heroes aims to provide a contribution towards the nation's Defence Recovery Capability to the value of almost £250m.

So, 2012/13 will be a key year for H4H. It will be the year we move from being a fundraising, grant giving organisation to a delivery Charity that supports others as part of a comprehensive plan. Our role and how we assist the wounded, injured, sick and their families, will change as we react to their needs. We listen to our beneficiaries and adapt to best support them. It's challenging but we must rise to that challenge.

ADAPT AND IMPROVE ONWARDS AND UPWARDS

When Help for Heroes was launched in October 2007 our message was simple: "non critical, non political, we simply want to help". Our fundraising focus was simple as well, we wanted to see the wounded swim in their pool at Headley Court. We asked the British Public to "just do your bit" and help us raise the money in any "legal, safe and decent" way they could. We would then make sure that the funds raised would go to the cause in as efficient and direct way as possible.

Five years later, H4H has grown far beyond our wildest expectations. No one could have predicted that a call to action, targeted on a swimming pool and with a battlefield bike ride as the signature event, could have turned into the organisation with the public recognition that it has today.



CHIEF EXECUTIVE'S REPORT



Help for Heroes may be bigger, and we believe better, than we were in 2007 but our ethos and aims remain fundamentally the same. We want to help those whose lives have been seriously affected by their service to our country. The pool at Headley Court was opened in 2010 as part of an £8.5m Rehabilitation Complex, but we are still working on a list of projects designed to support the wounded, injured, sick and their families. We still ask fundraisers to get out and do their bit and we still seek to deliver our projects as efficiently and quickly as we possibly can.

To achieve this, all our available funds (except for the obligatory operational reserves) are spent on, or allocated to, projects. Every pound has a purpose.

While our ethos remains simple, providing the much-needed and comprehensive support has become much more complex as we continue to identify our beneficiaries' needs.

In 2008 a conversation with a Sergeant who had lost his leg in Basra led to an understanding that has informed our holistic approach, putting the individual at the centre of our support effort. The Sergeant welcomed the idea of a pool at Headley Court but made the point that he and his brothers in arms needed much more than just a pool, what were they to do for the rest of their lives?

He was on his way back to Cardiff to spend Christmas with his family and, as he said, he was lucky as he had a good home to return to. He would be alright he said, but what about the young soldier who comes from a broken home, who joins the Army to get away from where he was raised, where there are no jobs or prospects, let alone the support needed to get through the black days? What happens to a young man or woman who felt they had little prospects beyond the military and then suffers life-changing injury?

Help for Heroes continued to grow during those first few hectic months and by 1st June 2008, supported by Their Royal Highnesses Prince William and Prince Harry and their City Salute initiative, our Big Battlefield Bike Ride and many other fundraising initiatives, it became clear that we would be able to do so much more than just build a pool.

We began to understand and appreciate the needs of our beneficiaries and where possible sought to support those other charities that could help us offer support. We were able to help SSAFA-Forces help build two relatives' houses, provide funding to allow BLESMA to inspire the amputees on adventurous training and fund Combat Stress with the biggest grant of their history to build a new wing at their Tyrwhitt House treatment centre.

We spent more and more time with 'the blokes' the wounded, injured and sick and their families, listening to and understanding their concerns and doing our best to respond to them. A Corporal, Rory MacKenzie, told us that as an amputee he missed the wind in his face, life was now so slow. We responded by helping him to go skiing and heard him laugh again. A few months later we were the proud founder patrons of Colonel Fred Hargreaves' initiative that became Battle Back.

Battle Back offers a huge range of activities from a day out playing golf or watersports through to elite sports, the US Warrior Games and even the Paralympics.

CHIEF EXECUTIVE'S REPORT

In 2010 we heard about a Dad who was about to lose his house, as he could not afford to make the lease repayments on a digger which he used for his business because he was at his son's bedside in hospital. A few weeks later we had set up the Quick Reaction Fund (QRF) to provide direct financial support to both the wounded and the families in need, and to do it 'swiftly and boldly' within 72 hours.

In 2010 we met Neil whose prosthetics no longer fitted his stumps and we listened as he told us how, as a result, his marriage and job had gone, along with his self-respect. We went to the Department of Health along with COBSEO and BLESMA and, although it has taken a long time by H4H standards, we were delighted to hear that Government will provide limb fitting centres and the best quality prosthetics to both the serving and to the veteran amputee community.

We heard from wives, mothers and partners of the wounded, injured and sick, their nearest and dearest who told us of their feelings of loneliness and fears for the future so we created a fellowship to support them, the Band of Sisters.

Our Band of Brothers fellowship, created again in response to a call for a 'club for the wounded' grows daily, as does the range of activities it supports. We are in regular contact with more than 2,000 people, united by their condition and finding support and friendship from belonging, participating and talking.



BUILDING THE RECOVERY CENTRES

In 2011 H4H took over Tedworth House on a 99 year lease (with rent set at £1 a year) and converted it into our first Recovery Centre, with three more to follow at Catterick, Colchester and Plymouth.

H4H is currently in discussion with The Royal British Legion (TRBL) to fund a significant contribution of £1.7m a year for ten years towards the operating costs of Catterick, Colchester and Tidworth. This wonderful support from them, and from other charities, companies and individuals, is key to the long term operation of the Centres.

During 2013 H4H will fully open all four Recovery Centres, House alone, for example, nearly 850 individuals have



but we are already providing holistic support. At Tedworth already attended courses and received support as at March

As it is our declared intent for the Centres to be both a launch pad to life and a support net for those who need it, we are working with the MOD to take the Centres at Catterick and Colchester 'outside the wire'. H4H will be responsible for the day to day running and costs of the Centres, allowing us to appoint the various contractors and to ensure that those veterans and families who need our support can return as they do already at Tedworth House. The military staff supported by H4H in the Centres will continue to be responsible for the serving men and women of our country.



CHIEF EXECUTIVE'S REPORT

INSPIRE ENABLE AND SUPPORT

Just as no battle plan survives the first contact with the enemy, we have constantly adjusted and improved as we learn from our residents at the Centres. We quickly realised that we needed a pastoral team in place to hear of problems over a cup of tea during the long sleepless nights. We now have full time counselling for both Recovery Centre residents and day visitors who need it and we certainly find that, while we don't provide mental health treatment at our Centres, the need to provide 'wellbeing' support is key to our delivery.

We seek to inspire the individual by introducing him or her to opportunity and activity. Then through our various programmes and partners we enable him or her to follow the course they are best suited to. Finally, if things take a turn for the worse, we will be there to support them.

We must ensure that any problems are resolved. That is the role of the partnerships within our Support Hubs, teams representing the key charities and agencies providing a one stop welfare shop.

MEDICAL, MIND, BODY, SPIRIT, FAMILY

The idea of taking the beneficiary to the support is not new and we have recently followed the example of the US Marines, who describe the need to support the individual through five key areas: Medical, Mind, Body, Spirit and Family.

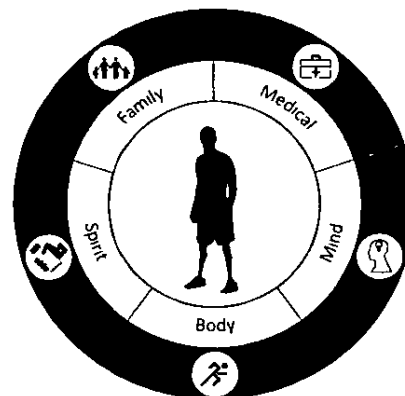
At the early stage, hospitalisation, the major considerations are Medical and Family. As a Charity, we do not provide medical support but we do what we can to enhance facilities at both the hospital and rehabilitation facilities and work with the Government to ensure that what is provided is the best.

We understand that our support must be sustained for the long term. Jon was injured in 2007 and managed to climb to Everest base camp as part of his recovery. Since then, however, he has had to spend a lot of time in a wheelchair due to back pain that may never subside. Jon has had 49 (surgical) operations and will need many more throughout his life. We need to support him and his family through these procedures and help him recover.

By the end of 2013 we will have created the right infrastructure to ensure that our beneficiaries get the best medical and family support and, together with our partners, we will be seeking to ensure that we can also help with the Mind, Body and Spirit.

We hope that 2014 will see the draw down from Afghanistan and we hope that we will all enjoy a period of peace – that would be wonderful.

We all need to remember that those wounded in the last 10 years will still need our help in 20, 30, 40 years time and beyond. With a shrinking Armed Forces and the prospect of no major foreign intervention for the foreseeable future we must not fall into the trap of thinking that we will not be needed. Our heroes of today will fade from the public's attention but they will still be there getting older and we must be there, with our partners, for the long-term.



The Recovery Centres, the QRF, Battle Back, the great work carried out by other charities like Haig Housing, Combat Stress, Horseback UK, SkillForce, Poppy Factory, The Prince's Trust and many more must be funded and that will become, is already becoming, much harder. We are unlikely to have to fund any more major capital projects but we will need to fund those that we have in place for decades to come. We will need to look to the more traditional methods of fundraising, drawing more support from legacies, high net worth benefactors and corporate partners as well as voluntary donations from the Great British public.

Our fundraising techniques will change to meet this challenge – we will need to build on our existing teams, to become more proactive. The days of money flooding in are probably over but the need for funding continues and so we need to go looking for it. We must do that in true H4H style, we must be innovative, creative and use the best methods to communicate and inspire our fundraisers to get out and do their bit just as we did five years ago.

With the delivery of our Recovery Projects in 2013, H4H will move into a new phase of its existence, one of maturity. The first flush of youth is over, the building blocks are in place and the serious work is just beginning.

In 2007 our mission was simple: get out there, raise some funds, deliver a pool. We have raised over £150m in our first five years and it is all used or allocated. We may be bigger but our ethos and determination to do our bit, to provide direct, practical support remains the same.

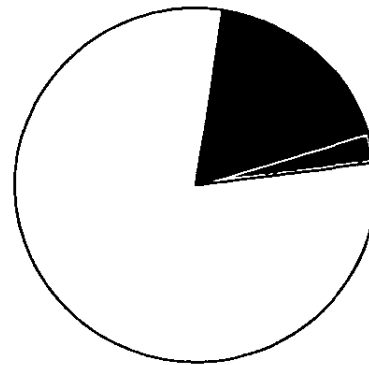
The capital projects are funded, the partnerships are in place, now we have to make it all work for decades to come.

Bryn Parry

H4H AT A GLANCE 2011/2012

WHERE OUR MONEY COMES FROM

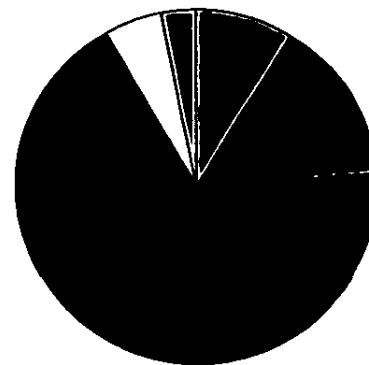
	Voluntary Income	£32.6m
	H4H Trading	£5.1m
	H4H Challenges	£1.9m
	Other	£1m



WHERE OUR MONEY GOES

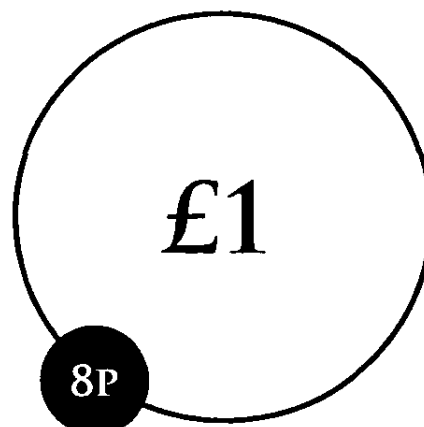
H4H had £35.4m available for charitable application after allowing for RC lease adjustments of £1.7m

	Grants Made	£3.2m
	Current Recovery Delivery	£5.4m
	Future Recovery Delivery	£24.3m
	General and Other Reserves movements	£2.4m
	Governance	£0.07m



EVERY POUND HAS A PURPOSE

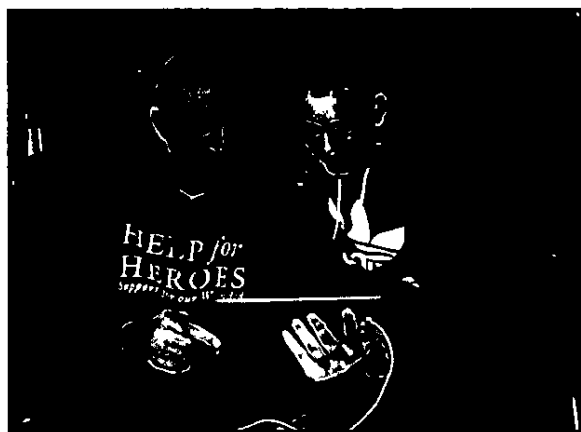
It costs 8p to raise £1 of voluntary income at Help for Heroes



WHAT YOUR MONEY BUYS

DURING 2011/12, H4H PROVIDED 1 312 GRANTS THROUGH THE QUICK REACTION FUND
HERE ARE A FEW EXAMPLES OF HOW THIS MONEY HAS HELPED

IPAD FOR
COGNITIVE DEVELOPMENT
£350



ORTHOPAEDIC
MATTRESS
£1,000



"The adjustable bed has been life-changing. When I returned from surgery I was able to share a bed with my wife for the first time in a long time. Thank you."

"Thank you for funding my bike which has meant being able to have fun with my family outdoors. We are so very grateful for the support you have given us."



RECUMBENT
BIKE
£750



SUPPORTING A RESIDENT AND FAMILY AT
A RECOVERY CENTRE FOR A FORTNIGHT
£1,200

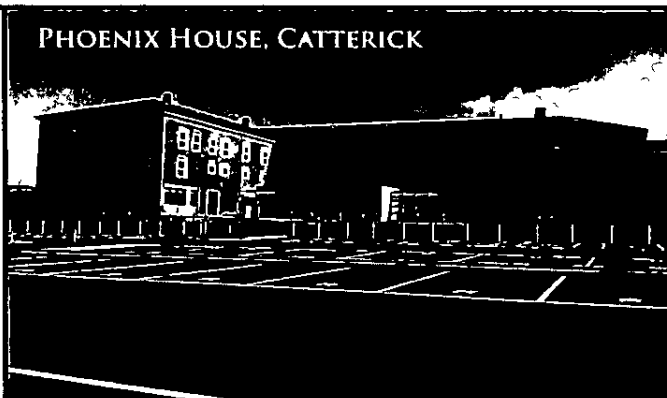
RECOVERY CENTRES



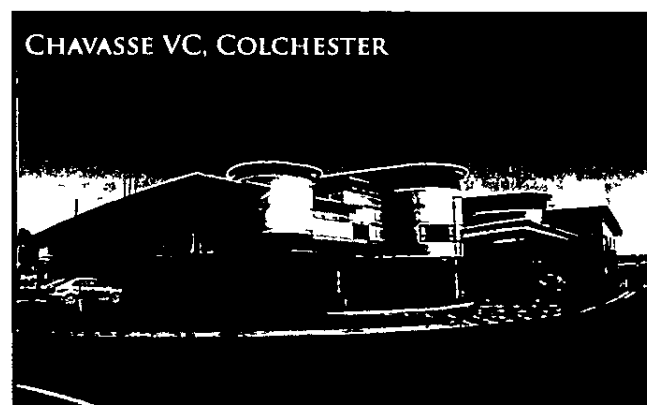
TEDWORTH HOUSE, TUDOR CITY

- 50 En-Suite Bedrooms
- 4 Family Rooms
- Adapted Gym
- IT Suite
- Welfare Support Hub
- Art Therapy Room
- Swimex & Skiplex
- Vegetable Gardens
- Woodwork Shop
- Specialist Classrooms & Training Facilities
- Cafe Hero
- Holistic Wellbeing Centre
- Children's Play Area
- Training Kitchens

- 46 En-Suite Bedrooms
- 4 Family Rooms
- Adapted Gym
- IT Suite
- Welfare Support Hub
- Art Therapy Room
- Games Room
- Specialist Classrooms & Training Facilities
- 6 Interview & Meeting Rooms
- Recreational and Social Areas
- Cafe Hero
- Training Kitchens



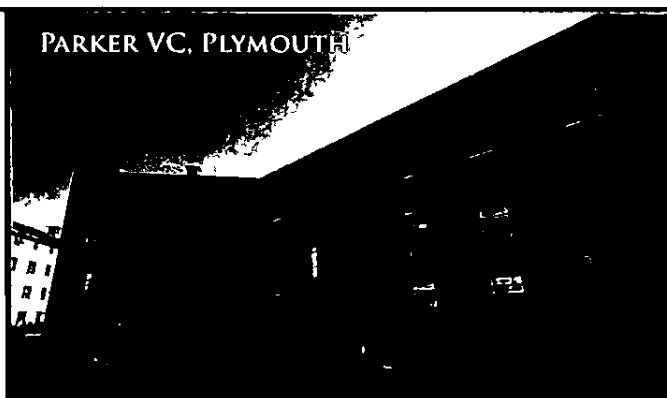
PHOENIX HOUSE, CATTERICK



CHAVASSE VC, COLCHESTER

- 27 En-Suite Bedrooms
- 2 Family Rooms
- Adapted Gym
- IT Suite
- Welfare Support Hub
- Photo Editing Suite
- Games and Cinema Lounge
- Cafe Hero
- Specialist Classrooms & Training Facilities
- 3 Residential Kitchenettes
- Training Kitchens

- | PARKER VC | ENDEAVOUR |
|------------------------|------------------------|
| • 60 En-Suite Bedrooms | • Adapted Gym |
| • 6 Family Rooms | • Swimming Pool |
| • IT Suite | • Hydrotherapy Pool |
| • Games Room | • 8 Consultation Rooms |
| • Classrooms | • Cafe Hero |
| • Training Kitchens | • Welfare Support Hub |



PARKER VC, PLYMOUTH

RECOVERY CENTRES

RECOVERY CENTRES

In 2012, visions and dreams were turned into reality across the country at the H4H Recovery Centres. It was a phenomenal year of progress which enabled a total of 847 Servicemen, women and veterans access to world class rehabilitation facilities and advice.

TEDWORTH HOUSE, TIDWORTH

At Tedworth House, Jimi's Wing and the West Wing were opened, providing 54 bedrooms for residents. The Phoenix Centre which features a Skiplex, Swimex, sports hall and specialist adapted gym also opened its doors to provide physical rehabilitation opportunities for our wounded, while Cafe Hero was opened to serve nutritious food to residents and visitors alike.

CHAVASSE VC HOUSE COLCHESTER

Chavasse VC House Recovery Centre at Colchester opened at full capacity in May 2012 offering 29 bedrooms with adapted bathrooms to residents, as well as a top of the range gym, classroom facilities and a Welfare Support Hub to provide advice and assistance.



RECOVERY CENTRES

PHOENIX HOUSE, CATTERICK

Phoenix House Recovery Centre in Catterick is well on the way to completion. Throughout 2012, the interim Centre offered classroom facilities, an IT suite and residential accommodation for 35 recovering Servicemen and women. The official opening is planned for late Summer 2013, when Phoenix House will also offer a craft room, Welfare Support Hub, specialist gym and 15 additional bedrooms to our heroes and their families.

PARKER VC AND ENDEAVOUR CENTRE, PLYMOUTH

Help for Heroes is currently developing new facilities at HMS Drake, Plymouth, which will become the Naval Service Recovery Centre. When complete, it will offer serving and veteran members of all three Services who have suffered life-changing injuries or illnesses state-of-the-art rehabilitation facilities and adaptive accommodation to help them recover.

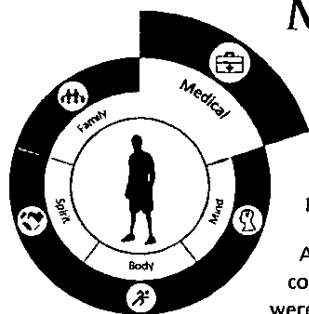
The Naval Service Recovery at HMS Drake will consist of two purpose built facilities:

- Endeavour Centre – a purpose built recovery complex offering state-of-the-art rehabilitation equipment
- Parker VC – a specialist adaptive accommodation facility with 60 cabins and 6 Family Rooms



MEDICAL

MEDICAL



THE CYCLE OF CONFLICT

Since 2001, there have been a total of 10,099 admissions to field hospitals in Iraq and Afghanistan. In addition, there were nearly 5,000 non-operational major injuries and illnesses sustained by Armed Forces personnel over the same period (gov.uk Figures correct as at 31 January 2013)

Although hopefully the worst years for battlefield casualties in Afghanistan are behind us, the nature of this conflict is constantly changing. In early May 2013, it was reported that three soldiers had died and up to seven were wounded when their Mastiff armoured vehicle drove over an improvised explosive device (IED). This is the first reported case of personnel being killed in this vehicle, which had previously withstood such attacks.

As the former Army Chief of the General Staff (CGS), Lord Dannatt, observed in a BBC interview: "As in any cycle of conflict, there's invention and counter-invention. The Taliban have found a way of countering the protective qualities of the Mastiff" (Today, BBC R4, 1 May 2013)

THE COMPLEX NATURE OF INJURIES

Due to the complex nature of injuries sustained in modern warfare, it is rarely the case that one quick fix will suffice for those who are classified as wounded, injured or sick.

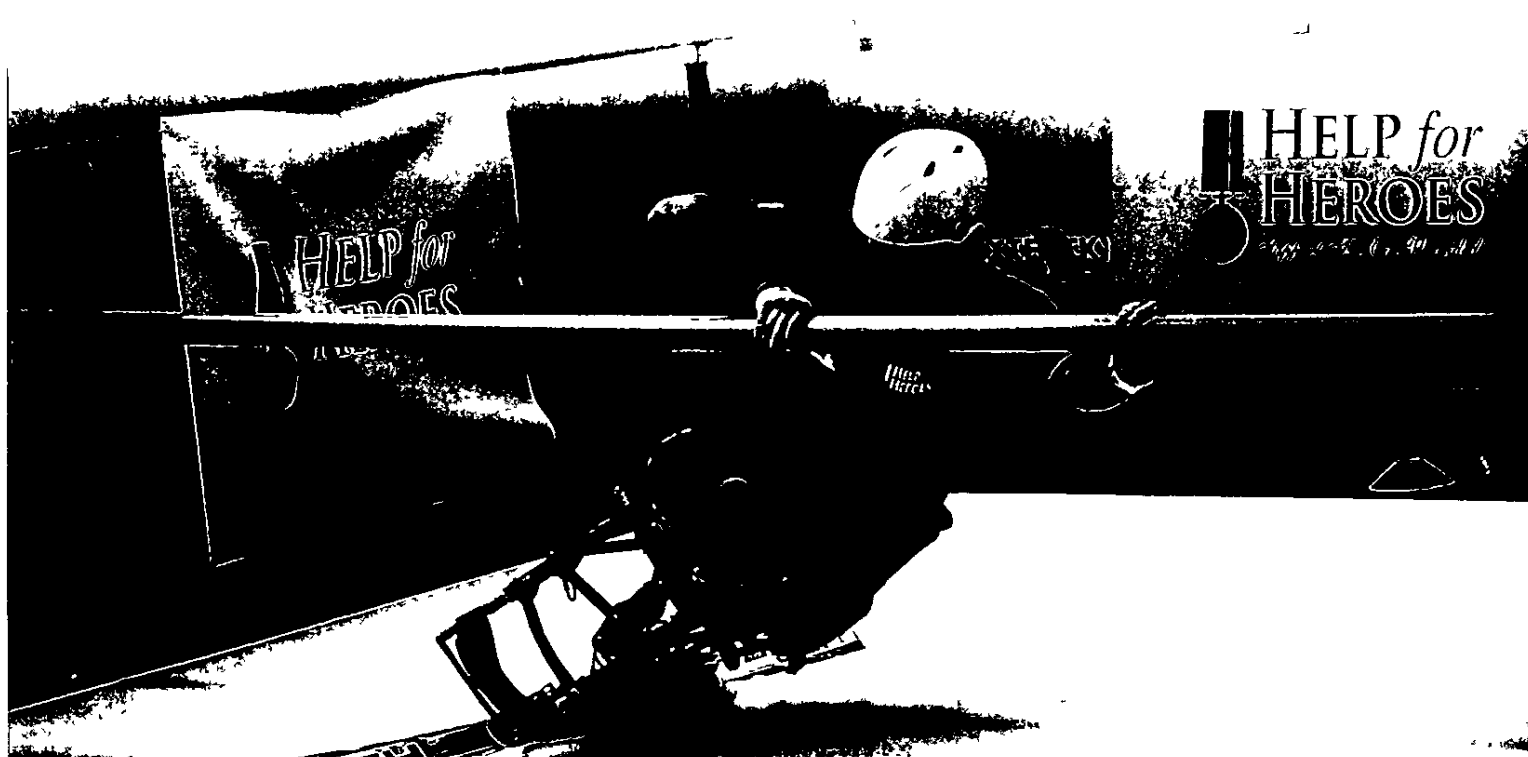
LCpl Dave Hart was hit by shrapnel from a suicide bomb in Iraq in 2004. He says: "I was injured nearly 10 years ago and had to accept the fact that my treatment will never really end."

Dave will need support throughout his life and finds it comforting to know that the H4H Recovery Centres will be there for him. He says: "Without Tedworth I would not have had the help I needed. Being amongst like-minded people, who are sharing the same experiences, gives a wounded person like me the best possible chance of having a fulfilled future."

MORE INTEGRATED SUPPORT

Over the past six years, the support for H4H has been such that the Charity has been able to deliver much more than anyone thought possible – the Recovery Centres are a shining example of this.

Help for Heroes offers support to two main groups: Veterans, who are assessed based on their needs, and serving personnel who are referred to H4H by the MOD.



Every individual that comes to a Recovery Centre will be assessed by skilled staff and provided with a programme of activities tailored to their individual needs and abilities

Major Peter Smith who runs the Army side of the Recovery Centre at Tedworth House says "Some come to us with wounds that prevent them from taking part in certain activities, others have psychological problems, but our staff have become accustomed to the challenges of inspiring, enabling and supporting all of the serving personnel and veterans who come to Tedworth House"

CAMPAIGNING FOR HEROES

H4H has always campaigned for the provision of the very latest in prosthetic technology. In February 2013, Health Minister Dr Dan Poulter visited the Charity's Recovery Centre, Tedworth House and announced an investment of £11m to fund nine NHS centres specialising in prosthesis. These centres were named after the Murrison Report, to which H4H was a substantial contributor.

To complement the NHS Murrison Centres, the MOD has announced a further £6.5m to provide state-of-the-art Genium legs. These "bionic" prosthetic legs make climbing stairs and crossing obstacles much easier and thus dramatically improve quality of life for amputees.

Captain Nick Beighton, 31, lost both his legs in an IED explosion in Afghanistan in 2009. With financial support from H4H, Nick rowed in the London 2012 Paralympic Games.

One of the first individuals to try the new bionic leg, Nick said "To have the opportunity to try out the latest technology is great. It gives us freedom to get out and do more things, have more independence and do more with life."

Every injury is different and there is still a way to go. However, H4H is determined to see that those who have suffered life-changing injuries on our country's behalf get the very best support, inclusive of the best equipment for life, and will continue to champion them to ensure that happens.

SUPPORTING MEDICAL CENTRES

H4H has awarded a £75k grant to the Royal Centre for Defence Medicine (RCDM) for top of the range equipment at the Queen Elizabeth Hospital in Birmingham (QEHB), which is where all front line casualties are sent to when they first come back to the UK (included in 'Other' on grant schedule 12).

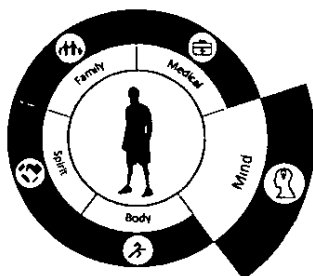
In addition to this, H4H has granted £40k to enable Military Liaison Officers (MLOs) to take patients and their relatives out of the ward while they are at either QEHB or Salisbury District Hospital.

The fund allows MLOs to take patients out of the hospital to do simple every day things, such as go for dinner or out to the cinema, thus paving the way for a smooth integration back into the world outside hospital. It also enables the purchase of ordinary extras for patients and their families, such as books and DVDs.

"I cannot express how much getting Geniums means to me. They will make both mine and my family's quality of life so much better. I am going to be able to do things I never thought I would be able to do again. Thank you for all H4H has done for me personally and for making the prosthetic conference happen."

MIND

MIND



Many who return from the battlefield find it difficult to come to terms with their experience

A recent investigation by *The Sunday Telegraph* revealed that seven current or recently discharged members of the Armed Forces committed suicide in 2012, including one individual whose two closest friends had been killed during a tour of duty in Afghanistan (telegraph.co.uk)

According to Combat Stress, 40,000 veterans of the recent conflicts in Iraq and Afghanistan will display symptoms of mental ill-health. Often referred to as the 'invisible war', symptoms can take years to surface (Combat Stress Annual Review 2012). H4H supports the work of Combat Stress and we are working together to widen our support in the broader area of mental wellbeing.

In 2012, the MOD department that monitors mental health issues, Defence Analytical Services and Advice, registered 4,347 new cases of care for mental disorders (dasa.mod.uk)

A huge number of personnel and veterans will need help to come to terms with their experience of conflict. H4H works with others to ensure they do not suffer in silence.

SPEAKING OUT

Deborah Gildersleeves, Head of Psychological Wellbeing at H4H based at Tedworth House, sees on average five individuals a day who are, to varying degrees, suffering from the psychological side effects of conflict.

Deborah says "There is no national joined-up thinking on Post Traumatic Stress (PTSD). I prefer not to refer to it as a disorder because it is a completely natural reaction to many of the experiences that these men and women have been through."

Although H4H does not give direct therapy at the Centres, the Charity understands the need to provide a relaxing environment with supportive staff who can offer advice and guidance if needed.

Deborah says "Arriving at a clean, bright building with lots of thoughtful, personal touches and attentive staff gives residents an increased sense of wellbeing. Knowing that there are people who are interested and want to help aids relaxation."



SUPPORTING OUR HEROES

Each Recovery Centre has or will have a Support Hub – a one-stop-welfare-shop that brings together Service charities and other organisations to offer advice and guidance on issues ranging from mental health to money and housing. The Support Hubs show exactly what can be achieved when experts combine their efforts for the greater good.

All residents of the Recovery Centres have an initial confidential discussion with the Service Personnel and Veterans Agency (SPVA) before being referred to experts within 58 specialist Service charities and agencies. Some of these have a permanent presence in the Support Hubs.

If the individual is serving, appointments are arranged by their Personnel Recovery Officer, but if they are a veteran, their recovery will be managed by the Help for Heroes Welfare Support Officers. The benefits of the Support Hubs are also available to non-residents.

Jo Rose, Welfare Support Officer at Tedworth House explains the benefits of managing recovery from one central hub: "Collaborative working is so much more effective. For example, a veteran was in the area doing a training course and by having him to stay at the House, we were able to find out that employment wasn't his only concern. We got to the core of his issues and found out that he also had difficulties with relationships and accommodation. Most aren't aware of all the opportunities available to them."

Most residents and visitors just need a starting point. The teams at the Recovery Centres aim to ensure that those in need of support have access to the resources to help them either return to duty, or make a smooth transition to civilian life.

SUPPORTING OUR PARTNERS

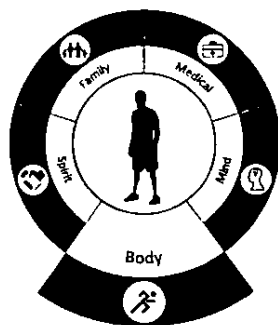
H4H is proud to have granted £5.6m to Combat Stress. Of this, £3.5m was used to pay for the much-needed expansion, modernisation and reorganisation of their specialist treatment centre, Tyrwhitt House in Surrey, in order to accommodate more veterans and to provide improved clinical and welfare working space. The additional £2.1m has supported 'The Enemy Within Appeal' which has funded two community outreach teams. These teams have treated more than 650 veterans. In total, 922 veterans from Iraq and Afghanistan have been treated at Combat Stress treatment centres since 2010.

Combat Stress is not the only charity that aims to improve mental wellbeing for the Armed Forces community. H4H has funded organisations that offer support in different ways. For example, a grant of £100k has enabled Big White Wall (BWW), an online early intervention service for people in psychological distress, to offer mental health support to Servicemen, women and their families, free of charge.



BODY

BODY



GRASS ROOTS

Sport is often the first step on the recovery pathway giving confidence and independence to those who have suffered life-changing injuries or become ill

The Recovery Centres facilitate grass roots sport by enabling all residents and day visitors to access over 40 different disciplines. Many sporting activities are led by Recovery Centre staff

but there is a great emphasis placed on participation with local community sports programmes. This encourages individuals to forge links with the community

H4H also supports a programme of over 300 activities per year that take place throughout the country and internationally. These events are open to serving personnel and veterans and most are suitable for novices, from all impairment groups, who wish to learn a new activity or acquire a new skill

Participation in physical activities, including sport, can have positive physical, psychological and social benefits. The aim, particularly at a grass roots level is to enable individuals to lead a more independent, healthy and fulfilling life

H4H has helped to introduce over 2,000 individuals to new opportunities through sport

PROGRESSION INTO A CAREER

In addition to the benefits provided by entry level sport, individuals can gain a number of transferable skills and some choose to either progress to competitive sport, take on an adventurous challenge or gain qualifications as leaders, coaches or officials through H4H supported programmes

This has led to select individuals competing for their country at the Warrior Games in Colorado, USA and at the Paralympics. Others have progressed into a career in the sports and leisure industry, taking roles in full-time sailing instruction and sports journalism



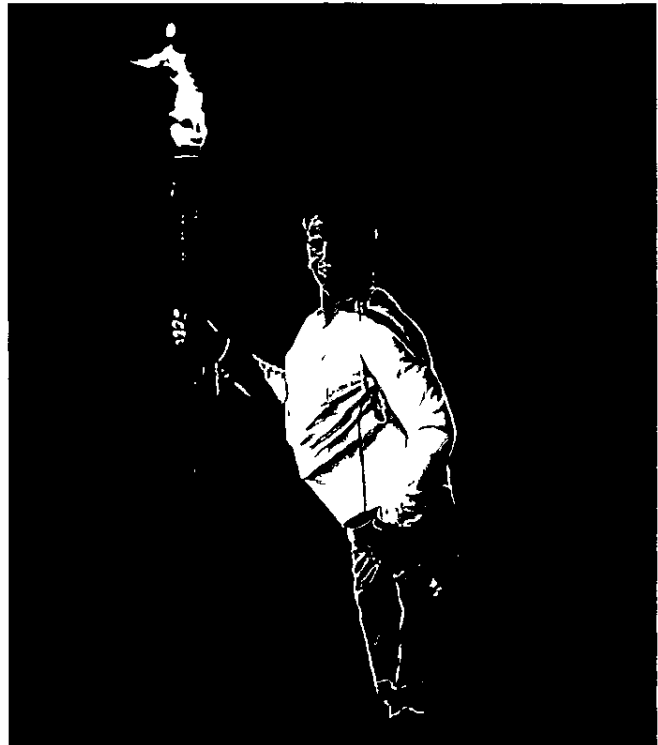
LONDON PARALYMPICS 2012

Help for Heroes was immensely proud to play a part in the 2012 London Paralympic Games. In total, six injured Servicemen and women who had been supported by H4H took part in the Games, representing Great Britain in sitting volleyball, discus, rowing and cycling.

Former RAF Weapons Technician turned pro-cyclist Jon-Allan Butterworth was the most successful ex-Serviceman, taking three silver medals home from the velodrome. He says "Without the financial grant from Help for Heroes' Quick Reaction Fund, and, of course, Battle Back, I wouldn't have been able to progress in cycling as quickly as I have done. London 2012 was an incredible experience. The public really got behind me, not only the crowd at the velodrome but the whole nation. They made my Games that bit more memorable. It was an honour and a privilege to represent my country once more."

While we are very proud of the achievements of our Paralympians, they represent just a small part of a much wider picture. For every gold medallist, there are countless individuals whose achievements might not make front page news but require just as much effort and determination, and as such are worthy of equal recognition.

Off the track, 30 H4H Band of Brothers were involved in the closing ceremony with former Marine Joe Townsend (pictured right) taking centre stage, bringing the flame into the stadium.



WORKING IN PARTNERSHIP

Battle Back

Help for Heroes has been involved in sport in recovery since 2008 as founder partners of the MOD's Battle Back programme, which the Charity continues to fund today. To date, Help for Heroes has provided £1.5m which has supported 1,500 wounded, injured and sick individuals through activities such as sailing, swimming, cycling or water-skiing, and 80 individuals at an elite level across all summer and winter Paralympic sports. This effort is complemented by our partner TRBL through their funding of the Battle Back Centre, Lilleshall.

British Paralympic Association

In 2012 we announced our partnership with the British Paralympic Association (BPA) to support the wounded from now to Sochi 2014, Rio 2016 and beyond, either by representing their country in sport, or working in the sector. This partnership, Front Line to Start Line, will give individuals the opportunity to take part in talent spotting days and fast-track anyone who has the potential and desire to progress.

On Course

For those who want to pursue sport as a more leisurely pastime, H4H has granted £50k to the On Course Foundation – the only Services golf charity. The H4H grant has enabled more wounded individuals to learn to play golf and to receive career advice from accredited teaching professionals, with a view to providing eventual employment within the sports and leisure industry.

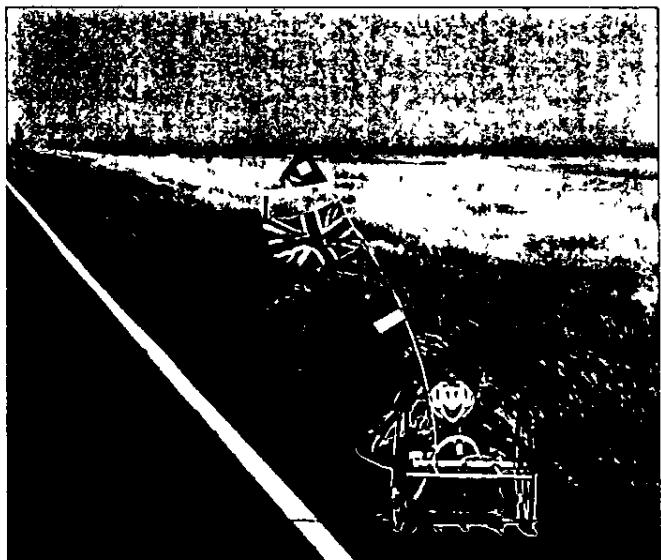
It is important that sport remains an integral part of the wider recovery process – helping individuals socially, emotionally, in employment or education.

RACE ACROSS AMERICA

The Race Across America is a 3,051-mile cycle race from the west to the east coast of America which crosses 12 states. In 2012, Help for Heroes enabled a team of eight wounded Servicemen to take part in the world's top endurance cycling race for the first time.

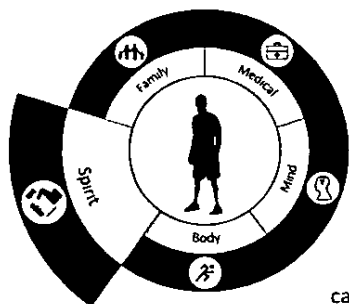
The Battle Back team were supported by, and fundraised for, Help for Heroes. With just seven legs between them, they battled through blisters, heat and extreme fatigue to prove that there is life beyond injury.

The riders cycled across the U.S.A. in just 7 days, 7 hours and 59 minutes!



SPIRIT

SPIRIT



TRYING SOMETHING NEW

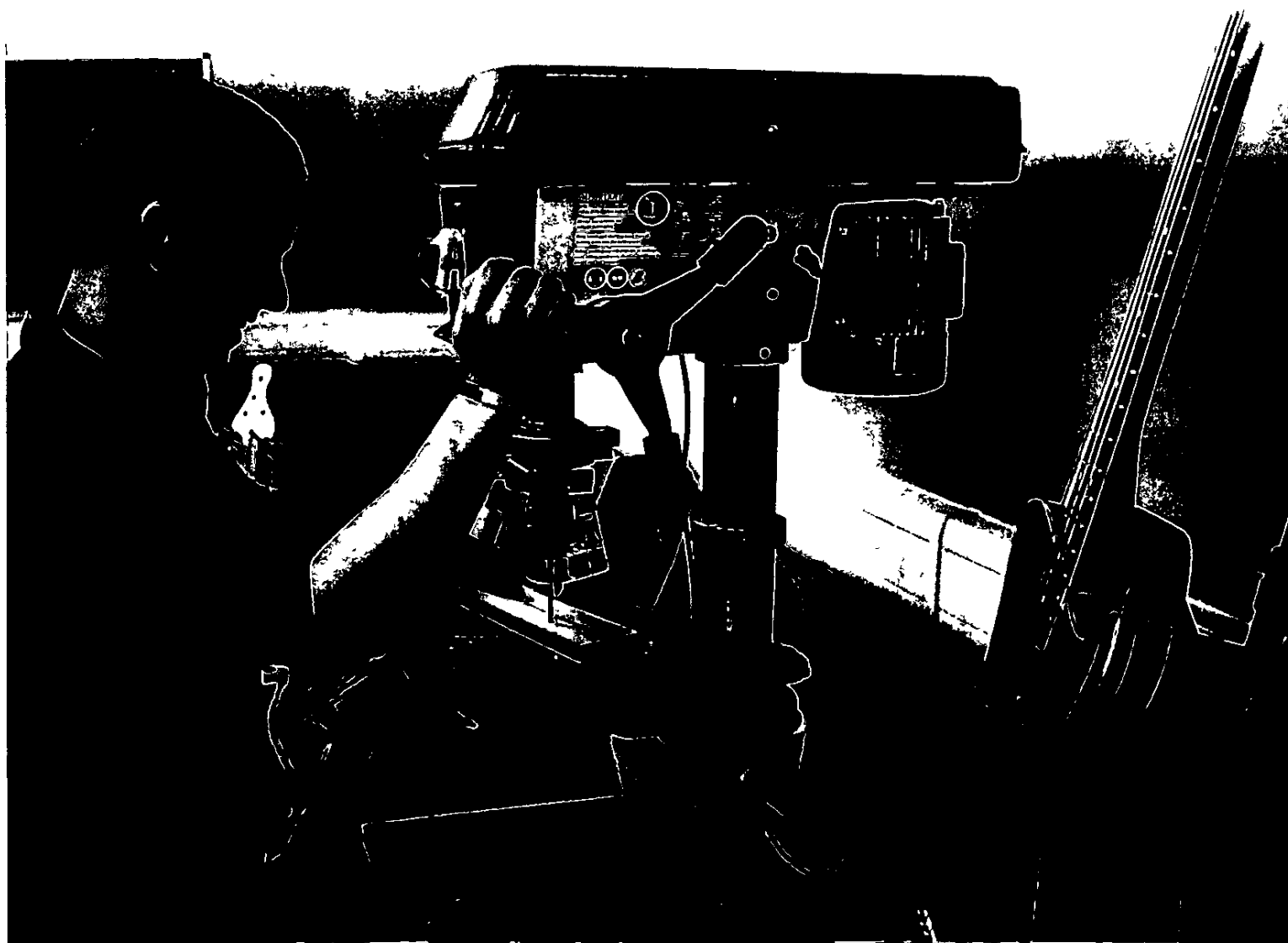
For those who are wounded, injured or recovering from a serious illness, one of the greatest challenges can be adapting to the idea of life outside the military. Through the Recovery Centres, H4H offers opportunities to retrain for a new career, uncover new passions, or simply find a satisfying hobby.

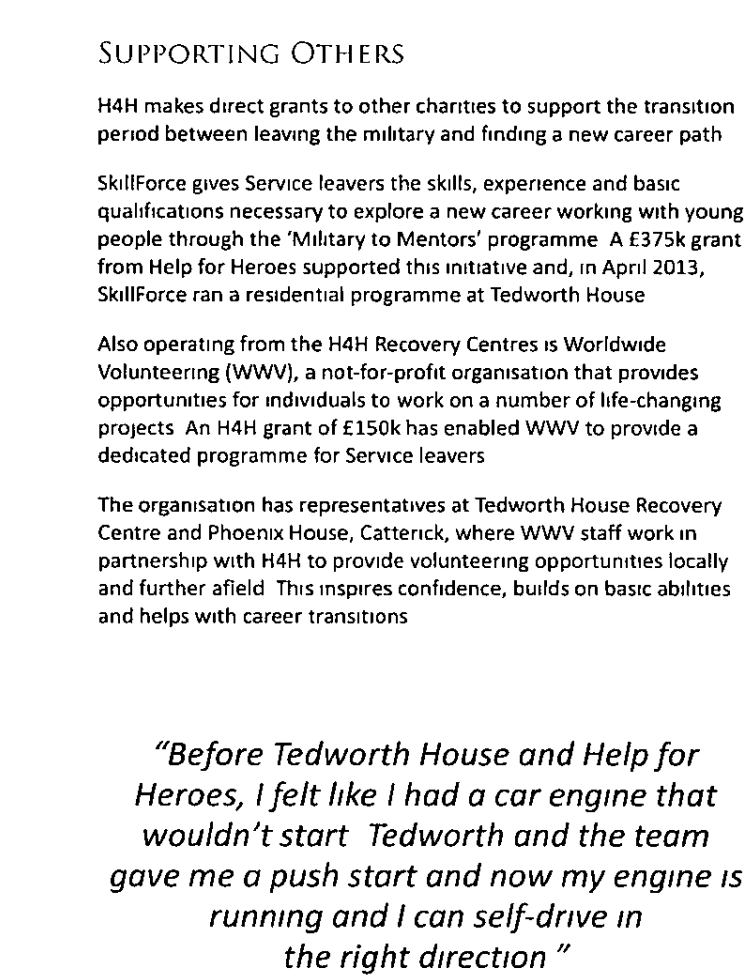
Courses provided at the Centres to date have ranged from photography to dog-handling, guitar-making to writing and cooking to gardening.

Jon Sturdy, who runs a photography workshop at the Colchester Recovery Centre, Chavasse VC House says "The objective is not only to provide the wounded with an insight into photographic techniques but to lift their spirits. I find running these workshops challenging but very rewarding. To be able to give something back to those who have suffered is a wonderful feeling."

Sarah Tomlinson, Events Coordinator at Tedworth House Recovery Centre, explains the benefits of these courses "Whether it's learning something new, furthering a previous interest, unveiling an unknown skill, discovering a creative outlet or simply having fun doing something a bit different, the programme at Tedworth House helps individuals in the long and short term."

The courses and workshops allow goals to be monitored and small improvements to be observed. This increases self-confidence and provides a sense of self-worth. Taking on new challenges can help people adapt to changes, of any nature.





H4H makes direct grants to other charities to support the transition period between leaving the military and finding a new career path

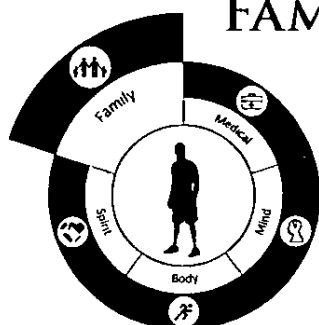
Also operating from the H4H Recovery Centres is Worldwide Volunteering (WWV), a not-for-profit organisation that provides opportunities for individuals to work on a number of life-changing projects. An H4H grant of £150k has enabled WWV to provide a dedicated programme for Service leavers.

The organisation has representatives at Tedworth House Recovery Centre and Phoenix House, Catterick, where WWV staff work in partnership with H4H to provide volunteering opportunities locally and further afield. This inspires confidence, builds on basic abilities and helps with career transitions.

“Before Tedworth House and Help for Heroes, I felt like I had a car engine that wouldn’t start Tedworth and the team gave me a push start and now my engine is running and I can self-drive in the right direction ”

Timings	0800 0830	0830 0930	0930 1000	1000 1030	1030 1100	1100 1130	1200 1230	1230 1330	1330 1400	1400 1430	1430 1500	1500 1530	1530 1600	1600 1630	1630 1700	1700 1730	1730 1800	1800 1900	1900 1930	1930 2000	Remarks
Monday	Circuits	Breakfast	Muster Parade	Swim	Break	Skiing	Spinning	Nutrition	Break	Cooking Skills			Personal Admin	Dinner							
Tuesday				Town Quiz - Salisbury			Circuits	Art		Break	Sitting Volley ball	1845 - Motivational Speaker									
Wednesday	Circuits			Basic Skills - Numeracy/Literacy			Spinning	Sailing and Kayaking							African Drumming	BBQ Night					
Thursday	Spinning			Yoga											Woodland project with Wiltshire Wildlife Trust				Quiz Night		
Friday				Swim	Break	Tai Chi	Appointments (Medical, Support Hub, Social Housing, Personal Admin etc)														

FAMILIES



FAMILY

Behind every image of a brave young man struggling to his feet on prosthetics is a network of family and friends supporting him in his hours, days, weeks, months and years of need. Those closest to our wounded, injured and sick play an essential role in the recovery process.

The love and care that only a family can provide can be overlooked at a time when so much attention is directed at the wounded. Help for Heroes recognises the need to support families, parents, partners and children because they are a key part of recovery and also because they may need help too.

FAMILY SUPPORT NETWORKS

The Help for Heroes Band of Brothers (BoB) and Band of Sisters (BoS) networks were created to embrace the wounded and their loved ones, and to ensure a channel of communication between the Servicemen and women, their families, and the Charity. The benefits of these networks are considerable and they are flourishing, with an ever increasing membership total of over 3,000.

Thanks to the generosity of the public, the BoB and BoS are regularly treated to days out, tickets to events, free product samples and many other gifts. Beyond the fun of the freebies and the goody-bags, there is a dedicated and sympathetic team, ready to tackle any problem, no matter how large or seemingly small.

Alison Richmond, who heads up the Band of Sisters network, has unique personal experience of life as the partner of one of our wounded. "When David was injured, despite the best efforts of the Regimental Welfare Team, I felt very lonely, isolated and frightened. I know how much I would have benefitted from speaking with someone who was sharing this experience which is why I am so passionate about the Band of Sisters. I just hope my experience will help others, I want people to know they are not alone. I know first-hand that for our wounded men and women to make a decent recovery, we have to look after the families who are supporting them."



FAMILY ROOMS

All of the facilities available at the Centres are on offer to the family members of the wounded, including the gym, the Support Hub and – at Tedworth House – the adventure playground. In addition, Family Rooms have been purpose built so that loved ones can spend essential quality time together, supporting the recovery process.

This year H4H has introduced Respite Weekends for members of the Band of Sisters at the Recovery Centres and they have already proven a huge success. During the weekend members can enjoy yoga, massage, nail and hair treatments all provided by volunteers in the local community. BoS member Julie Richardson recently attended a respite weekend at Tedworth House. She says "It was a lifeline for me. The weekend was mutually sensitive, supportive and extremely welcoming. The Band of Sisters has taken the heat out of things further by enabling my husband to become a resident at the Recovery Centre. This has given him space to put body and soul together again and allowed the children and me to see glimpses of the person we knew before his injury."

Four further Respite Weekends have been planned and fully booked for 2013 and it is clear to us that this is a fantastic use of the Recovery Centres and one which the Charity will continue to develop into the future.

GRANTS TO OTHER SPECIALIST CHARITIES

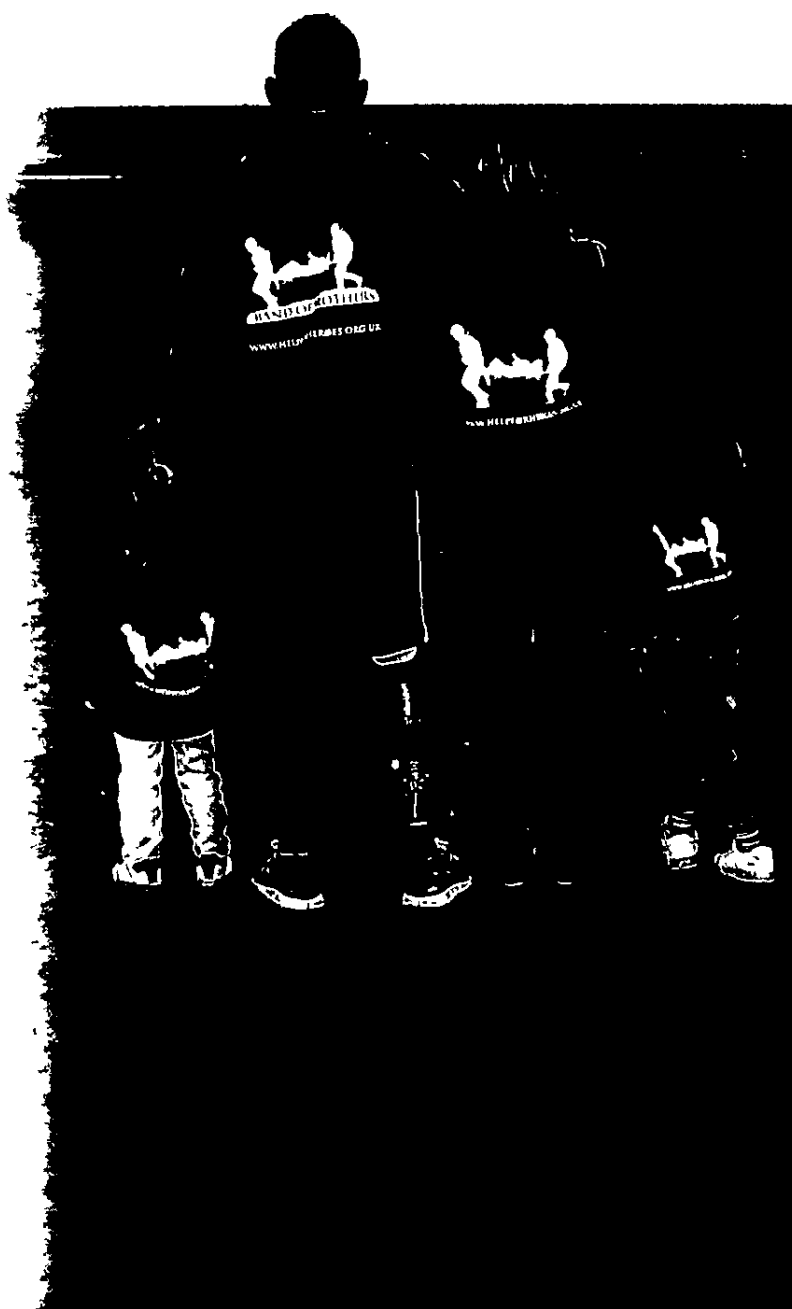
Help for Heroes is co-funding Fisher House UK, a 'home-away-from-home' for families on site at Queen Elizabeth Hospital Birmingham (QEHB) in partnership with the QEHB charity and US charity Fisher House Foundation.

At Fisher House UK there are 18 spacious en-suite bedrooms equipped with king-size beds, fitted wardrobes, a desk, chair and sofa bed. In addition to these private family rooms, communal areas include play areas, lounges, dining and laundry rooms. The kitchens are always stocked with essentials, there is a garden for the children to play in and guest parking.

The aim of Fisher House UK is for families to be able to spend time together away from the wards in an environment which is a safe haven, a respite from hospital, and in a community of shared experience and support.

Sophie Sinnott, wife of Captain Luke Sinnott, explains why Fisher House UK is needed. "I would like to send a heartfelt thank you to all the people who have worked so hard to build Fisher House. The concept is a good one. Not only for the practical facilities it will provide, but for the immense emotional support it will offer to injured soldiers and their families alike. To have injured personnel at different stages of recovery using the house will be so valuable for those at the beginning of the terrifying journey."

Fisher House adds to the services Help for Heroes has already supported at the Norton Houses for families near Headley Court and in Birmingham.



VOLUNTEERING

VOLUNTEERING

Help for Heroes (H4H) depends upon the efforts of our tireless volunteers and fundraisers in every county of the UK

Volunteers provide a personal link between the Charity and the public, supporting them in their fundraising efforts. They are such a key part of our success and by 'doing your bit' through volunteering, you really can make a difference

There are so many ways to get involved, whether it's by shaking a collection tin, organising your own event, attending someone else's or signing up to one of our challenges. All over the country, people are baking cakes, shaving heads, parachuting, trekking, cycling and much, much more to raise money for our wounded Servicemen and women and their families. Hundreds of events are registered each week with H4H which is an absolutely staggering display of support for our wounded and their families

In addition to this, H4H has over 2,000 volunteers who work tirelessly to ensure we raise the funds necessary to support those who have suffered life-changing injuries or illnesses. Led by seven regional coordinators (paid members of H4H staff who provide an essential link between H4H and volunteers across the UK) volunteers give their time to raise money, attend challenge events and spread the word about H4H across the country

Fundraisers and volunteers are absolutely essential to H4H – without them, the Charity would not exist

To volunteer your time or register an event, please see the website www.helpforheroes.org.uk/getinvolved



WORKING WITH PARTNERS

Every year many people get in touch with H4H wanting to get their companies involved and 2012 was no exception. The partnerships that we develop not only support our cause but also bring a wide range of benefits to the partner. Below are a few examples but we would like to thank all of our Partners for their ongoing support.



BUILDING COMMUNITY PRESENCE

In 2012 over 2,000 volunteers across the country sold merchandise and fundraised at over 300 stores raising £335k. In addition to this, Asda also sold wristbands throughout the year, stocked many of our commercial partnership products and provided Christmas decorations for our Recovery Centres.



INVOLVING THE WHOLE TEAM

Fran Cotton is leading the team at Cotton Traders in their pledge to raise £1m for H4H. By the end of 2012 they had already raised a fantastic £181k. This has been achieved through a commercial partnership on their range of rugby shirts and clothing and also through enthusiastic fundraising from staff and suppliers.



DRIVING SALES

2012 saw commercial partnerships with both Fox's confectionary and Lynx deodorant, each making a donation per item sold. This partnership gave both brands a point of difference in a highly competitive market and enabled the products to stand out from their competitors.

WORK PLACEMENTS

Deloitte. As a Charity of the Year partner, Deloitte has not only raised over £600k but their pro bono support has made use of the full range of their skills to deliver real estate expertise, project management skills, IT & Communication support and strategic advice to the H4H Trustees and senior management team.



MEDIA PARTNERSHIPS

Carlsberg Tetley pledged to raise £100k for H4H and did so by launching a limited edition Porter ale, and donated 10p for every bottle of Tetley's Smooth Flow sold. They also encouraged all pubs that stock Tetley to 'Raise a Glass' to our heroes by holding a fundraising event. The partnership helped to raise the profile of Tetley's Beer through a media partnership with *The Sun*. The team were so happy with the results that they have pledged their support for 2013.



CORPORATE SOCIAL RESPONSIBILITY

Stagecoach Group have helped us with our day to day running costs by providing discounted train tickets through South West Trains to H4H yet again in 2012.



RE-ENERGISING CHARITABLE FUNDRAISING

Moto in the Community, the charitable foundation of Moto Services, had seen a drop off in charitable giving by the public over the last few years. The launch of the new H4H partnership turned this around. Staff embraced the activities and worked with the H4H Account Manager to arrange a series of innovative events to raise a phenomenal £189k in year one.



STAFF MOTIVATION

As part of their Charity of the Year partnership, a company wide team from Marsh & McLennan (MMCO) climbed Mt Kilimanjaro in 2012 in aid of H4H, helping MMCO towards their £400k fundraising target. They also sponsored two members of the H4H Band of Brothers to take part in the trek with them which gave the organisation an insight into the lives of our wounded.



BRAND IMPACT

Eggs for Soldiers, owned by Noble Foods, continued to grow in 2012. The 15p donation on each six pack and 25p on each 10 pack raised a phenomenal £397k in 2012. They have become part of the H4H family by supporting the Colossal Cake Sale and hosting a 'March Forth' fundraising event. They even brought a pancake cart to Tedworth House.



INSIGHT INTO THE CAUSE

Microsoft is helping some of our wounded with their next career moves. The team at Microsoft have hosted office visits, run mentoring events and welcomed applications onto their apprenticeship scheme. They continue to work with H4H to champion our own mentoring and pathfinder programme which has allowed the staff to see first-hand how their skills can make a huge difference to the lives of the wounded.



RECOVERY PROJECT INVESTMENT

GlaxoSmithKline is dedicated to improving the quality of human life. They have donated £1m across a five year period which has been used to help build and run the Phoenix Centre at Tedworth House providing residents and day visitors with state of the art equipment to encourage physical rehabilitation.

From making H4H your Charity of the Year to setting up Commercial Partnerships or offering pro bono work, through to sponsorship and product donations, there are many ways to do your bit. All we ask is that you look at where you work, what you do and what you can provide and give us a call to talk about how we can create a great partnership.

Thank you for your letter dated the 23rd October 2012 regarding the funding of a laptop from the Help for Heroes Quick Reaction Fund (QRF)

I received the laptop a few days after the letter and since then my life has drastically changed. On-line grocery shopping, due to my lack of mobility, has been a god send and now I am able to stay connected to the outside world and not feel so isolated along with other benefits, to many to list

As always I am indebted to H4H and the tremendous support you have given myself along with other service personnel. Once I am back on my feet I will endeavour to carry out some fundraising so that I can in some small way repay the support you have given me

I received the laptop a few days after the letter and since then my life has drastically changed

Keep up the excellent work that all of you carry out each day

Love and best wishes



Hi, please ensure the THANKYOU gets to Linda Walton and her team, & say a BIG HELLO to Olvie & Stacey & all the team.

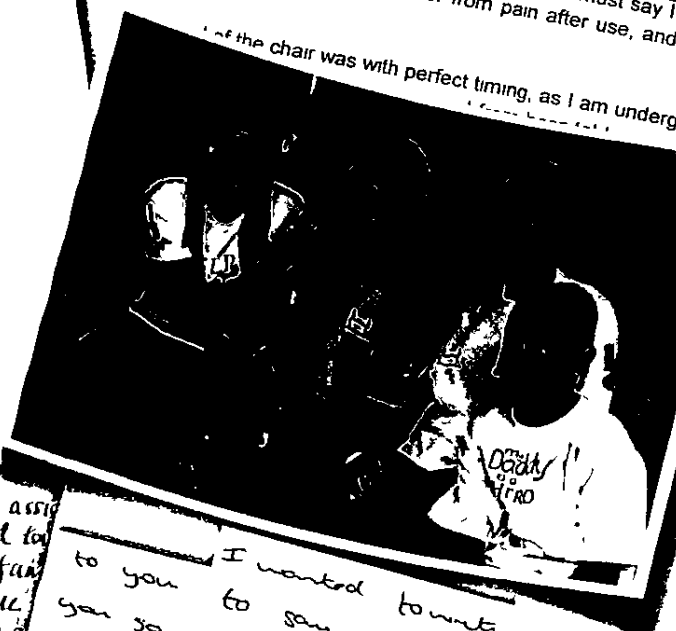
You are simply the D.

An enormous THANK you for the financial assistance you have provided for a vehicle for the family. This offer has come as a shock to me and is a behind belief. It has helped to remove a burden from me.

Thank you

I wanted to write to you to say thank you so much for funding the course I am taking in Terrorism Studies from St Andrews University. I am so grateful!

Linda



... of the chair was with perfect timing, as I am undergoing...

Thank Help f are at for us

We

We

Hi All,

Just wanted to drop you a note to say thank you very much for organising the funds to pay towards my plumbing course.

I'm really looking forward to starting my re-training, and I don't have done it without Help for Heroes



"For the first time in a long while, I have been able to go outdoors with my family."



There have been many dark days but my son's continual need for care and support is worth any challenge and H4H cares

He is still recovering, although still in a wheelchair he is still determined to walk and talk again. And much to our joy, 4 years, 3 weeks and 2 days after his injury, he spoke for the first time. H4H has been so much support to me and my family throughout this time. There has been many dark days but the support and care that I can recover and be back to normal. I can help with that.

Many thanks for your letter and the amazing that funding for my Touch course is supported by the Help for Heroes Quick Reaction Fund

Matthew and I settle into both a new and possibly a new life path together. Reassuring that we have had such support to make it as easy as possible. I will endeavour to keep you up to date with progress and news of how this venture proceeds. It means a lot to me.

...ly has been partly
 ...portable back and leg
 ...solutely delighted
 ...t will improve my
 ...urther surgery in
 ...air bound for

...rowing machine safely
 ...Matt has somewhere safe to exerc
 ...and a distraction to help him get through this
 Thank you so much for all your support
 through the application process, which has
 made this possible.

My arrival at Tedworth House for the first time was quite a tense
 moment but from the second I entered the doors I was made to feel
 welcome.
 The staff of Tedworth are all amazing and always willing to help in any
 way they can, and for me personally being around and being able to
 talk to other people in similar situations was comforting.
 you are far from
 When



...you so much for your extremely kind donation of £20 000 which we received from the
 ...Heroes Quick Reaction Fund
 ...solutely delighted that you are able to support us again your generosity is vital in order
 ...to continue changing the lives of people with disabilities in the UK
 ...are absolutely delighted that you are able to support us again,

...will of course keep you updated on their progress
 ...support, it really is very much appreciated



HELP for HEROES



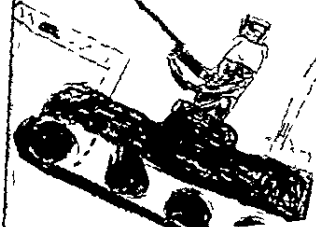
Your financial support has enabled us to provide additional extras that improve the wellbeing of our
 injured military personnel and their families during their stay here at RCDM Queen Elizabeth
 Hospital Birmingham

It is a real pleasure writing to firstly thank you and Help for Heroes for your continued support and
 secondly to give you a brief idea of what we have been using the funds you support us with for

Your financial support has enabled us to provide additional extras that improve the wellbeing of our
 injured military personnel and their families during their stay here at RCDM Queen Elizabeth
 Hospital Birmingham. We call this the Military Bubble. First off we use the funds to provide what we
 affectionately call 'Pint and a Pizza'. This is where we provide a form of social in... or some
 call it a form of decompression. Either way what happens is that as soon as they
 leave the ward we basically take them out to Frankie & Bennies or Pizza Hut and
 and get them something to eat. This gets them used to being in the public eye
 them and their severe injuries and also to lift their spirits with a nice burger or
 hospital food. You wouldn't believe the impact this has on their morale.

We then progress to day trips to the cinema or the Bull Ring as examples
 events, concerts, shows and the like. All these cost money for food and
 accommodation. We took some injured soldiers to the British Open Golf
 Lytham St Annes in July and more recently to the 007 Sky Fall Premier
 ...the OF more bearable or in lift their spirits b

At our Summer Fair
 Help the H
 Thank you for the
 courageous work
 From Christ Church School,



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Recently your charity organisation have managed to donate a large sum of
 money together with other charity groups to help fund the removals of my wife's
 and two sons belongings back to Germany. We relocated over to the Services
 Cotswold Centre seeking a future within the U K but like most things it didn't
 plan out for us and we sadly separated. I have remained in the Wiltshire area
 focusing on my future within the security business but I don't see it as a long

I wish to thank you all at the Charity for your kindness and true generosity for
 helping bringing together the money for the removals and I wish you all a
 bright future

Thank you kindness and true generosity for helping bringing together the money
 for the removals and I wish you all a bright future

TRUSTEES' REPORT

This report is for the year ended 30 September 2012 and makes reference to the prior year, being the twelve months ended 30 September 2011

OUR CHARITABLE OBJECTS

Our Charitable Objects are unchanged during the year 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 whilst 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 whilst 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

For the purposes of clause 2, a reference to the commander of the Armed Forces means 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 is working during combined operations

Public Benefit Statement

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

MISSION, AIMS AND ACHIEVEMENTS

Our mission is to inspire, enable and support our wounded, injured and sick and returning veterans to lead active, independent and fulfilling lives so that they fulfil their potential and then to be there for them and their families for life.

Our aims are to deliver a recovery focused service supported with grants to individuals and organisations working to our charitable objects. Our mission and aims require key underpinning infrastructure including Recovery Centres (RCs) and highly trained staff to deliver services.

During the year the Group has been focused on building this infrastructure capability as well as continuing to provide support to individuals and organisations through its various grant funds. Our progress in meeting key aims during the year is reported along four key areas of RCs, Grant Making, Recovery Delivery and Fundraising.

RECOVERY CENTRES (RCs)

Aim

- Continue to deliver the RC programme so that by the end of 2013/14 we have four RCs at Full Operating Capability (Catterick, Tedworth House, Colchester and Plymouth)

Achievements

There has been significant progress on the Recovery Centres capital build programme. Capital works have progressed in line with detailed plans both in terms of timetable and costs.

Progress has been as follows:

Construction

- Colchester works were completed in February 2012 with the first residents attending the RCs in May 2012
- Catterick work commenced January 2012 and remained on track throughout the year
- Tedworth House accommodation works were completed during the period (providing 54 bedrooms) allowing the temporary accommodation units to be removed. The Phoenix Centre works have been rescope to include enhanced adaptive sports and gym facilities reflecting our tie up with the British Paralympic Association
- Plymouth accommodation block (Phase I) works commenced January 2012 and Phase II commenced Summer 2012

TRUSTEES' REPORT

Leases

- We have agreement in principle with MOD to take Colchester and Catterick 'outside the Garrison' through 20 year leases. This will give H4H greater flexibility in terms of access and operation. Tedworth House already operates 'outside the Garrison' through a 99 year lease.
- Agreement with the MOD to complete a 99 year lease in the next financial year on some 27 acres of woodland adjacent to Tedworth House that will be used as a resource in the provision of Recovery Services as well as offering opportunities for woodland related enterprises.

Donated Facilities

We have been fortunate in securing considerable sponsorship and donated facilities from both corporates and individuals amounting to some £2.7m to help defray the costs of constructing the RCs.

GRANT MAKING

Aim

- Continue to fund smaller grants as appropriate so as to continue to support a number of charities that offer invaluable assistance to the wounded, injured and sick.

Achievements

Our support continues to develop both in terms of spend and strategic reach. As detailed in note 12 to the financial statements we made grants before write backs of some £6.2m. The wide ranging breadth of our support is illustrated by the following three examples:

- Winston's Wish where we continued funding programmes to support bereaved children of Military parents.
- Patient Welfare funds for Queen Elizabeth (Birmingham) and Salisbury Hospitals.
- Alabare Christian Care and Support to help homeless veterans through housing provision.

In addition to large and small grants to other charities we continued to develop grant making to individuals through our three core grant funds as follows:

Quick Reaction Fund (QRF)

The Quick Reaction Fund is an initial £6m grant commitment approved by our Trustees in April 2010. It is based on meeting an immediate need with speed and in urgent cases funds can be accessed within 72 hours. The funds provide swift practical support to our injured, including their dependants and family. These funds are delivered direct both by Help for Heroes and by our Charity Partners. Since April 2010 we have supported 2,343 cases totalling £4m.

Individual Recovery Plan (IRP)

During April 2010 the Trustees approved a grant of £11m over 4 years to support the wounded, injured and sick in vocational and employment opportunities. The funding for each case is focused on helping the individual with sustainable employment whether this is via funding training courses, university fees or assisting with employment costs for the first year with a new employer. Any funds not drawn down in year are written back and allocated to other projects. Since April 2010 we have supported 480 cases totalling £1m.

Band of Brothers/Band of Sisters (BoB/BoS)

This grant was first awarded by our Trustees in September 2010 to provide fellowship support for individuals and their families who have been affected by life changing injuries or illnesses. £500k has been awarded to the end of September 2012 and as at 30 September 2012 we had 1472 BoB members and 794 BoS members.

TRUSTEES' REPORT 2012

RECOVERY DELIVERY

Aims

- We will continue to refine operational capabilities at the Centres so that we can effectively support the wounded, injured and sick
- Develop our support of Mental Wellbeing for veterans

Achievements

We achieve our recovery delivery aims through integrating the work of different teams to create a comprehensive package of holistic support personalised to each individual. This package can include providing access to training and education, psychological wellbeing support, advice and training in health and physical development, participation in the programme of Battle Back adaptive sports and adventure training activities, access to coordinated welfare support provided by service and civilian charities, local authorities, NHS and others, access to financial support via our own grant giving facilities, and fellowship through the Band of Brothers and Band of Sisters networks.

Throughout the 2011/12 the recovery centres have been in various states of development with final completion not due until December 2013, nonetheless to date over 1,100 individuals have received support from them. The programme of MOD led core recovery events has been run throughout the year supplemented by respite weekends for Band of Sisters, training weekends for Battle Back activities and the Big Battlefield Bike Ride, a programme of mindful yoga, drumming workshops, salsa dancing, photography and art lessons, guitar making workshops and much more. The programmes across all Centres are necessarily varied and present the wounded, injured and sick and their families with the widest range of opportunities to try a new activity or to re-engage with old ones. In doing so we hope to help the wounded to begin to unlock their potential and enable them to go on to lead active, independent and fulfilling lives.

We also continue to work with our strategic partner Combat Stress and fund the Big White Wall for their online support to veterans and families and continue to look at ways to further support mental wellbeing at our RCs.

FUNDRAISING

Aims

- Continue to fundraise so that we can fully fund the running costs of all four RCs over the lease periods
- Develop a strategic vision for fundraising beyond 2014 i.e. subsequent to the planned withdrawal of troops from Afghanistan

Achievements

The commitment to run the Recovery Centres through long term leases creates a necessity for the Trustees to ensure that there are sufficient funds available to meet the running costs of these Centres. As at 30 September 2012 the Trustees have designated £33.2m of funds for this purpose. Going forward the Trustees will seek to manage generating funds in year against holding designated reserves so as to balance the objective of spending funds as they are generated against a trustee requirement to hold sufficient funds for operating purposes. For further information on our designated reserves please refer to note 19.

We are in discussion with respect to a grant from The Royal British Legion (TRBL) towards a proportion of these running costs for a period of 10 years amounting to some £17m but agreement had not been reached by the date of the signing of the accounts.

The key strategic imperatives are to be able to fund the annual running costs of the RCs and at the same time continue to meet our wider grant giving capability. We need to ensure that fundraising income supports these objectives and have established a dedicated income generation team to increase revenue from our growing income streams i.e. legacies and our core income areas of Events and Challenges.

The Charity has sought, since inception, to maximise the proportion of voluntary income available for making grants and for this reason it has identified two key ratios, being the fundraising ratio and the H4H ratio.

The Fundraising Ratio

The fundraising ratio is a widely used indicator within the sector making it possible to compare H4H with other charities. The ratio shows the expenditure required to raise each £1 of voluntary income and is arrived at on the following basis:

	2012 £'000	2011 Restated £'000
Voluntary Income (excluding gifts in kind and donated services and facilities)	31,120	38,225
Cost of generating voluntary income	2,336	2,811
Fundraising ratio	8%	7%

Note – The ratio excludes gifts in kind and donated services and facilities of £1,465k (2011 £545k), the prior year is restated for £115k of costs allocated from cost of generating voluntary income to costs of activities for generating funds

The cost of generating voluntary income covers the direct costs associated with the voluntary income earned plus an allocation of the Charity's support costs. The Charity does not engage professional fundraisers but its supporters do use third party owned donation sites such as Just Giving as well as BmyCharity that is owned by H4H.

The H4H Ratio

The H4H ratio is not a sector benchmark but is considered a key indicator because it looks at all expenditure for the group prior to the making of grants and recovery delivery and is therefore, a good measure as to the percentage of group costs offset through surpluses made elsewhere within the group. The ratio is arrived at on the following basis:

	2012 £'000	2011 Restated £'000
Voluntary Income (excluding gifts in kind and donated services and facilities)	31,120	38,225
Surplus available for direct charitable activity (note 11)	30,686	37,378
H4H Ratio	99%	98%

Note – The ratio excludes gifts in kind and donated services and facilities of £1,465k (2011 £545k). Prior year surplus has been restated to exclude unrealised gains.

The H4H ratio was established at the inception of the Charity when it was focused on grant making. It is felt that with an increasing focus on recovery delivery it is less appropriate and accordingly it will not be reported in future years.

FINANCIAL REVIEW OF THE YEAR

The Group structure as at 30 September 2012 (and at 30 September 2011) is:

HELP FOR HEROES

HELP FOR HEROES
TRADING LIMITED

THE TEDWORTH
HOUSE CHARITY

HELP FOR HEROES
DEVELOPMENT
COMPANY LIMITED

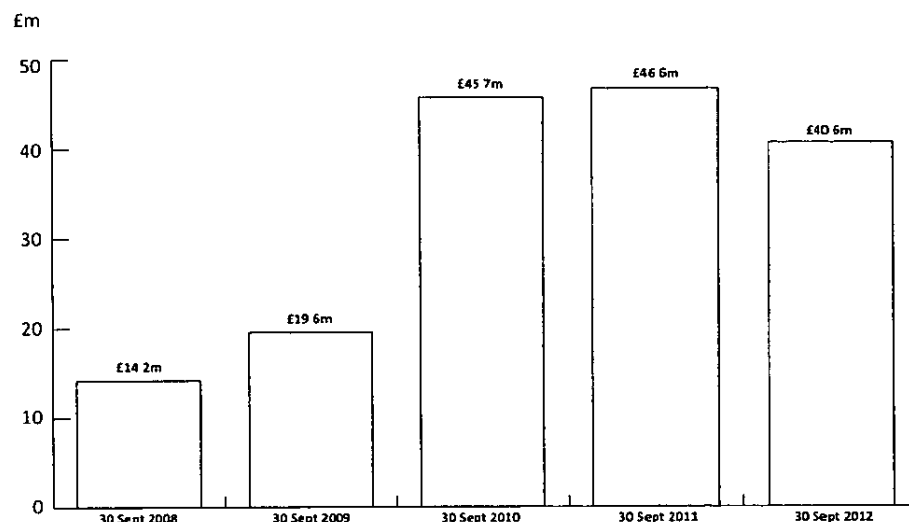
BMVHERO
LIMITED

During the year under review the Group generated total income of £40.6m (2011 £46.6m), and costs of generating funds were £6.9m (2011 £7.7m) leaving net incoming resources available for charitable activities of £33.6m (2011 £38.8m).

TRUSTEES' REPORT 2012

Income

The Charity generates income through fundraising activities, including donated services, as well as trading activities and income from investments and cash deposits



The Charity saw significant year on year growth over the first four years of operation. In 2011/12 we have seen some tailing off in income at £40.6m (2011 £46.6m)

Voluntary income for the year was £32.6m (2011 £38.8m) and included donated services and facilities of £1.5m (2011 £0.5m)

Also included in voluntary income is £3m (2011 £2.1m) from legacies. This choice by individuals to bequeath funds to us is becoming an important revenue stream.

Our annual bike rides have always been an important element of our fundraising. We have expanded to include additional UK and foreign challenges for our supporters. During the year they raised £1.9m (2011 £1.6m)

Costs of generating funds

Total costs of generating funds for the year were £6.9m (2011 £7.7m). The constituent parts of this were £2.3m (2011 £2.8m) from generating voluntary income, £0.7m (2011 £0.7m) of costs for bike rides and other challenges and £3.9m (2011 £4.3m) of trading activity costs.

Cost of Charitable Activities

Our stated aims to make grants and directly deliver services are reflected here with £3.2m (2011 £(0.4m)) grants made and £5.4m (2011 £1.4m) costs incurred to deliver services.

The decision to build and operate RCs through leases and not grants through funding results in a number of accounting cost adjustments that are shown separately under RC lease adjustments. The net adjustment in the year was a write back to the SOFA of £(1.6m) (2011 £(25.8m)).

The new lease arrangements with the MOD that allows H4H to run the Recovery Centres directly has resulted in some significant changes in how the funds to run the Centres have been accounted for. Before the lease arrangements were put in place, the funds had been granted externally and as such were shown as grants made. In the year ended 30 September 2011 those funds not yet spent were reclassified as designated funds resulting in a credit to the Statement of Financial Activities of £27.5m. This is shown under the heading "RC Lease Adjustments". Also included under that heading last year were £1.6m of costs related to constructing the assets. At that time, the lease agreements had not been signed requiring a provision against these costs to be charged in the Statement of Financial Activities. During the year the lease agreements were signed and therefore the provision has been released and these costs have now been capitalised.

Note 12 of the accounts provides further detail of the Cost of Charitable Activities.

Subsidiaries

Summary results of all consolidated entities are shown in Note 15 of the accounts, "Investments in Subsidiaries".

After consolidation, incoming resources i.e. turnover from trading activities was £5.1m (2011 £5.2m) with costs of trading activities of £3.9m (2011 £4.3m) providing net income gifted up to the Charity for charitable application of £1.2m (2011 £0.9m).

Costs of Tedworth House charity are included in recovery delivery costs.

BMYHERO LTD

BmyHero Ltd trades as BmyCharity and continues to operate effectively as a well-established brand in the online giving market. Online giving is an important fundraising method for H4H and our supporters, and the commission free model is very attractive in ensuring that all funds go to the Charity. BmyCharity has improved its trading performance year on year and continues to gift up its annual profits to the Charity. Technology changes in the donation marketplace particularly regarding the impact of social media/mobile and tablet technology are being reflected in our offering and there has been an appropriate increased awareness in new and growing areas of donating such as mobile and text donations.

TEDWORTH HOUSE CHARITY

Tedworth House Charity is a charity with a separate board of Trustees (with a Trustee representative for the Charity). The key objectives of Tedworth House Charity are to operate Tedworth House and to provide on-going recovery delivery.

The separate recovery delivery charity model has worked successfully during the year. There have been further discussions as to whether this model should be extended to cover the other three Recovery Centres, which are currently administered by the Charity.

HELP FOR HEROES DEVELOPMENT COMPANY LTD

The capital build project for Tedworth House has been managed through a separate company, Help for Heroes Development Company Limited ("DevCo"). This company which is a subsidiary of the Charity managed all the construction contracts for the refurbishment and extension works at Tedworth House, and is entirely funded by the Charity. The company operates on a cash in/cash out basis and carries no fixed assets.

The asset value of the building improvements at Tedworth House (and the capital builds at Catterick and Plymouth in respect of the leases which are held by the Charity) are capitalised in the balance sheet of the Charity.

HELP FOR HEROES TRADING LTD

The Trading Company continues to generate a valuable surplus and helps promote the Charity by focussing on selling branded H4H products (in particular clothing).

The Trading Company has continued to develop and promote Corporate Participation arrangements, through high profile partnerships such as "Eggs for Soldiers" where 15p from the sale of supermarket eggs goes to the Charity.

The strength of the brand has continued to be fed by a supportive media, an accessible and informative website which has been updated in early 2013 and the popularity of the challenge events run by the Charity, such as the annual bike rides that take place in May/June each year. H4H Trading has contributed to, and benefited from this, by producing branded clothes and products that supporters, both young and old, want to wear and use in everyday life.

We have been broadening the way we distribute merchandise and pop up shop trials in retail shopping malls and the merchandise van have proved very successful at not only expanding our routes to market but also being able to update our Charity supporters on H4H's progress.

Ongoing strategic evaluation of our Trading Company operations continues and this has identified a number of key areas of further improvement and investigation including an enhanced retail and merchandise management system, new product innovation, supply chain improvements, e Commerce enhancements, barcoding of stock and distribution channel opportunities. The implementation and refinement of these findings continues during 2012/13.

OUR KEY AIMS FOR THE NEXT FINANCIAL YEAR

- Complete the move of the Recovery Centres in Colchester and Catterick to 'outside the Garrison' so that H4H can independently manage the Centres within long term leases
- Continue to effectively fundraise pursuing in particular growth opportunities in corporate and legacy income
- Carefully manage annual grant expenditure (within projected income estimates) balancing support for the Recovery Centres, support for our Charity partners and individual support for the wounded, injured and sick and their families
- Identify and evaluate further major capital and strategic projects
- Successfully deliver an Employment capability (the Recovery Career Service) for the wounded transitioning out of the military, in partnership with the MOD and other charities

TRUSTEES' REPORT 2012

- Develop Pathfinder courses for wounded, injured or sick veterans, based on the three-phase concept of Inspire, Enable, Support
- Continue to refine our strategic vision for the Charity post 2014 i.e. subsequent to the withdrawal of troops from Afghanistan
- Continue to improve the quality of support delivered to the wounded, injured and sick and their families
- Develop the Band of Brothers and Band of Sisters networks
- Continue to develop strong working relationships with key charity partners and the MOD

FINANCIAL OUTLOOK

The generosity of the British public continued to be very evident during the year under review and there is every reason to believe that it will do so again in the coming year. We have established a strong brand presence and we are optimistic that new and developing income streams such as corporate income and legacies will support the core fundraising areas of events and challenges.

Whilst voluntary income is expected to be by far the largest income stream, H4H Trading and the Challenge events run by the Charity will also make a material contribution. At H4H Trading the challenge for the next year is to further develop a robust model that combines multi-distribution selling providing brand promotion of the Charity.

In the year we have seen a sizeable increase in corporate related revenue through formal arrangements (such as Charity of the Year partnerships 'COTYs') and less formal relationships. Indeed the number of COTYs has increased year on year by some 40% to over 450. We have seen similar growth in Commercial Partnerships (through the Trading Company) where products are sold with a specified donation passing to Help for Heroes Trading (to be subsequently gifted up to H4H).

The Challenges Team are continuing to offer new events in 2013 alongside our now traditional annual bike ride (which in 2013 is from Paris to London with an additional mass participation ride from Blackheath to Whitehall). These include Hero Ride, a series of Tough Mudder events (which are 10-12 mile obstacle courses designed by Special Forces), a Great Wall of China Trek and a number of UK day treks including Jurassic Coast and Northumberland. We expect to generate increased income through our widening range of challenges. The Challenges Team also look after supporters who cannot join the H4H events and opt to join an open challenge (run by many specialist providers for participants from multiple charities).

We are also encouraged by year on year growth in legacy income. This year our legacy income is £3m up from £2.1m last year, and we are continuing to promote this important income area.

As long as H4H continues to identify and communicate clear targets to the public that provide direct, practical support to our current wounded and are seen to be delivering on those targets, once met, then there is every reason for optimism about the financial outlook of H4H.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was incorporated on 6 September 2007, registered with the Charity Commission on 20 September 2007 and launched on 1 October 2007. Since then it has grown rapidly, both in terms of the amount of income and the sources of that income. Suitable governance policies are reviewed as the Charity continues to mature. The detail below sets out the current position.

STRUCTURE

The Charity currently has a board of eight Trustees, all of whom are members of the Charity. The board aims to meet a minimum of four times a year. Formal minutes are taken and papers are circulated before each meeting.

The board is supported by committees, of which there are four:

- Audit, Finance and Legal
- Remuneration
- Grants
- Recovery Centres

Each committee has an appointed Chairman and written terms of reference. Further information on the committees is provided in the Legal and Administrative Details section.

The Recovery Centres Committee meets regularly and comprises independent property and construction experts, a Trustee, the CFO and the H4H Quantity Surveyor. On completion of the Capital works, this Committee will continue to meet on a regular basis to review on-going property related issues (including operating costs).

The senior management teams of both the Charity and the Trading Company meet weekly (the directorate heads produce weekly bullet points of achievements/targets/issues in advance) as a means of facilitating good communication, managing key projects and ensuring suitable allocation of resources. These meetings are fully minuted and a structure of special project groups for example IT development projects is also in place. The existing directorate structure is reviewed at regular intervals. We believe this structure best meets the operational, governance and growth requirements of the Charity.

TRUSTEES

The Charity aims to appoint Trustees with a broad range of skills and backgrounds and, as a minimum, would expect representation from the Services and the professions. All Trustees are issued with induction papers covering their roles and responsibilities and relevant governance updates are available as and when required.

EMPLOYEES

Consistent with the group's obligation to be a responsible employer, we have periodically commissioned external reviews to benchmark salary levels (targeting just below the median for the charity sector) throughout the group, and to ensure compliance with all related employment and health & safety legislation. This is an area that is continually developing and plans have been implemented to manage the requirements.

VOLUNTEERS

Volunteers are vital to the success of the Charity and form an integral part of its achievements both from within the Charity's Tidworth office and across the country. The volunteers in the Charity's Tidworth office have always been on hand to ensure that supporters are able to contact someone that shares their passion and commitment. Nationally, volunteers provide help and information at a local level to anyone looking to donate or fundraise. As at 30 September 2012 we had

- 248 County and Local Coordinators who give 6-8 hours per person per week on average
- 2,088 volunteers who give 1 hour or more per person per week on average

GRANTS POLICY

Our grant making policy aims to achieve our charitable objects. It is underpinned by what we have termed the '360 Degree Circle of Support' that places the wounded at the very heart of what we do. Accordingly we are working to a) establish the physical infrastructure to support the Wounded, Injured and Sick (and not just the Recovery Centres and Fisher House – a 'home away from home' for wounded patients and their loved ones at Queen Elizabeth Hospital, Birmingham) and b) provide further support through our strategic Armed Forces Charity partners. Whilst we would hope that all in need might benefit, we do have a particular emphasis on those injured since 2001 as we acknowledge the work already being provided by other established service charities.

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 of grants to smaller service charities that may otherwise find fundraising difficult.

In addition to making grants to other charities we also provide individual support through

- Individual Recovery Plan
- Quick Reaction Fund
- Band of Brothers and Band of Sisters
- Aeromed Packs
- Battle Back

Potential projects may originate from within the Armed Forces, and to that end a Defence Recovery Steering Group chaired by AVM Simon Williams with representation from the tri-Services as well as Help for Heroes, The Royal British Legion and COBSEO meet regularly to ensure that charitable support for the recent wounded is most appropriately focused.

The ultimate beneficiaries of our grant making programme are the wounded, injured and sick and their families and dependents.

Applicants submit their grant requests to the Grants Team managing the various funds and grant recipients are requested to regularly report on progress.

TRUSTEES' REPORT 2012

The grant authorisation procedure is dependent on the amount requested. A small grant, for £150,000 or less, requires the written authority of the small grants committee and is ratified at the subsequent Trustees' board meeting. A large grant in excess of £150,000 requires the consent of the full board of Trustees plus a deed of grant reviewed by the Charity's solicitor. Grants to individuals are authorised based on a schedule of delegated authority for the various funds in place. Details of how to apply are available from our Grants Team.

RESERVES POLICY

Our policy is to try to hold as reserves twelve months of the Charity's anticipated fixed running costs. Our forecast fixed running costs for the Charity for the coming year is £4.6m and accordingly the general unrestricted reserve has been increased to this value at the year end. The selected time period is based on the twelve-month going concern requirements of the Charity.

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 the Charity's control as they may be contingent on, for example the flow of funds into our Charity Partners. Consequently, the current need is 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.

With the signing of long leases in respect of the RCs, 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 Newton Investment Management Ltd and Ruffer LLP. The performance of those funds is formally reviewed quarterly.

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

RISK MANAGEMENT

Whilst risk management is the responsibility of the whole board who receive an updated report for each Trustee meeting, it is advised on matters of governance and risk management by an independent consultant with proven experience in this area.

Management conduct a specific external review of group risk every six months which is presented to the Trustees and additionally, maintain an internal risk register updated quarterly. This requires management to identify and analyse risks relevant to their scope of activities, amend them according to the impact on the Charity and their likelihood of occurrence, and report on the procedures which are in place, or are being developed or enhanced, to provide assurance that the risks are being managed. Significant areas of risk are deemed to include:

- Reputation risk that adverse publicity may lead to a reduction in future donations
- Public Liability risk that a third party or their representative, participating in an event either promoted by the Charity or organised in support of it may bring a law suit following death or serious injury as a consequence of their participation
- Health and Safety risks arising from recovery delivery
- Fraud risk that the Charity suffers financial loss as a result of fraudulent activity

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements are prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are responsible and prudent
- State whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

The Trustees are responsible for keeping adequate accounting records that show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity, and enable them to ensure that the financial statements comply with the Companies Act 2006

They are also responsible for safeguarding the assets of the Charity and hence for taking responsible steps for the prevention and detection of fraud and other irregularities

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is their responsibility and also extends to the ongoing integrity of the financial statements contained therein

PROVISION OF INFORMATION TO AUDITORS

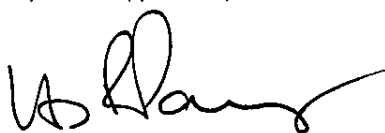
All of the current Trustees (who are also the directors of the company) have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware

APPOINTMENT OF AUDITORS

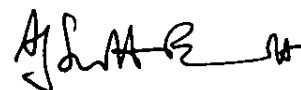
BDO LLP have indicated their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting

APPROVAL

This report was approved by the board of Trustees on 17 June 2013 and signed on its behalf by



Hadyn Parry, Chairman



Alex Scott-Barrett, Treasurer

Date 17 June 2013

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of Help for Heroes for the year ended 30 September 2012 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statement and the related notes

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members 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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement (see page 39), 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 30 September 2012, and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the requirements of the Companies Act 2006

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company 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

Andrew Stickland,
Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom



Date 17 June 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FINANCIAL STATEMENTS 2012

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 September 2012 (incorporating an income and expenditure account)

		2012	2012	2012	2012	2011
		Unrestricted	Designated	Restricted	Total	Total
	Notes	Funds	Funds	Funds	Funds	Funds
		£'000	£'000	£'000	£'000	Restated
						£'000
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2	31,259	-	1,326	32,585	38,770
Activities for generating funds	3	1,862	-	-	1,862	1,562
Trading activities		5,108	-	-	5,108	5,232
Investment and interest income		996	-	-	996	1,002
Total incoming resources		39,225	-	1,326	40,551	46,566
Resources expended						
Cost of generating funds						
Cost of generating voluntary income	4	2,336	-	-	2,336	2,811
Cost of activities for generating funds	5	655	-	-	655	655
Cost of trading activities		3,955	-	-	3,955	4,253
Total costs of generating funds		6,946	-	-	6,946	7,719
Net incoming resources available for charitable application		32,279	-	1,326	33,605	38,847
Cost of charitable activities						
Grants made	12	2,726	-	469	3,195	(428)
Recovery delivery costs	12	2,629	2,724	-	5,353	1,408
RC lease adjustments	12	(1,688)	-	-	(1,688)	(25,791)
Total cost of charitable activities		3,667	2,724	469	6,860	(24,811)
Governance costs	10	72	-	-	72	41
Total resources expended		10,685	2,724	469	13,878	(17,051)
Net incoming/(outgoing) resources before transfers		28,540	(2,724)	857	26,673	63,617
Transfer between funds	19	(26,781)	27,966	(1,185)	-	-
Net income before other gains and losses		1,759	25,242	(328)	26,673	63,617
Realised and unrealised gains on investments	14	106	-	-	106	137
Net movement in funds		1,865	25,242	(328)	26,779	63,754
Funds brought forward		2,716	62,812	432	65,960	2,206
Funds carried forward		4,581	88,054	104	92,739	65,960

All amounts relate to continuing operations. All gains and losses recognised in the year are included in the Consolidated Statement of Financial Activities. There are no material differences between net income for the year and the historical cost equivalents.

Prior year grants made and costs in support of RCs have been restated to reclassify £25.8m of costs provided and costs written back as RC lease adjustments.

Prior year costs of generating funds have been restated to reclassify £115k of costs previously included in costs of activities for generating voluntary income.

CONSOLIDATED AND CHARITY BALANCE SHEETS

FINANCIAL STATEMENTS 2012

CONSOLIDATED AND CHARITY BALANCE SHEETS Company Number 6363256

	Notes	2012 Group £'000	2012 Charity £'000	2011 Group Restated £'000	2011 Charity Restated £'000
Fixed assets					
Tangible fixed assets	13	37,151	37,716	7,877	7,934
Investments	14	17,821	17,821	9,205	9,205
		54,972	55,537	17,082	17,139
Current assets					
Stock		733	-	947	117
Debtors	16	8,057	8,493	3,923	3,965
Cash and short term deposits	17	43,088	40,828	64,080	61,946
Current Liabilities					
Creditors amounts falling due within one year	18	(14,111)	(12,896)	(15,126)	(13,918)
Net current assets		37,767	36,425	53,824	52,110
Total assets less current liabilities		92,739	91,962	70,906	69,249
Creditors amounts falling due after more than one year	18	-	(1,500)	(4,946)	(7,946)
Net assets		92,739	90,462	65,960	61,303
Funds					
Restricted funds	19	104	104	432	432
Unrestricted funds					
- Designated funds	19	88,054	87,099	62,812	58,370
- General funds	19	4,581	3,259	2,716	2,501
Total funds		92,739	90,462	65,960	61,303

Prior year consolidated funds have been restated to reclassify designated funds for Tedworth House of £4.5m from undesignated funds and to reclassify creditors falling due after more than one year

The financial statements on pages 41 to 63 were approved by Trustees on 17 June 2013 and signed on their behalf by



Hadyn Parry, Chairman



Alex Scott-Barrett, Treasurer

CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

FINANCIAL STATEMENTS 2012

CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

	Notes	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Net cash flow from operating activities					
Net incoming resources before other recognised gains/losses		26,779	28,796	63,754	59,013
Adjustments for non-cash items					
Interest earned		(996)	(982)	(1,002)	(1,002)
Depreciation		132	45	103	69
Other non-cash items		(106)	257	-	-
Decrease/(increase) in stock		214	117	138	(91)
(Increase)/decrease in debtors		(4,134)	(4,528)	(141)	993
(Decrease) in creditors		(5,961)	(7,468)	(34,332)	(30,534)
Net cash inflow from operating activities		15,928	16,237	28,520	28,448
Investment income		996	982	1,002	1,002
Capital expenditure					
Purchase of fixed assets	13	(29,406)	(29,827)	(7,783)	(7,979)
Financial investments					
Purchase of fixed asset investments	14	(15,186)	(15,186)	(9,205)	(9,205)
Proceeds from sale of fixed asset investments	14	6,676	6,676		
Net cash outflow from investing activities		(37,916)	(38,337)	(16,988)	(17,184)
Management of liquid resources					
Decrease in short term deposits and net cash inflow from liquid resources	20	4,000	4,000	15,010	15,010
(Decrease)/Increase in cash	20	(16,992)	(17,118)	27,544	27,276

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Accounting convention

These accounts have been prepared on the 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' as revised in 2005 ('the SORP'), together with the reporting requirements of the Companies Act 2006 and applicable accounting standards in the United Kingdom. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities.

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 (H4H Trading), Help for Heroes Development Company Limited (DevCo) and The Tedworth House Charity (a Registered Charity). H4H Trading has one subsidiary undertaking being BMyHero Limited (BMyHero), also consolidated. The consolidated entity is referred to as 'the Group'. No separate company Statement of Financial Activities ('SOFA') has been prepared for the Charity as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

Fund accounting

Designated funds represent funds that have been earmarked by the Trustees for specific purposes and are therefore held separately from general unrestricted funds. Included within designated funds are:

- Asset reserves representing the value of fixed assets held at 30 September 2012
- RC capital reserves representing amounts designated for future construction costs relating to RCs
- RC running costs reserves representing amounts designated to the future running costs of the RCs

Restricted funds represent donations which are allocated by the donor for a specific purpose.

Incoming resources

Income received in advance is included in deferred income. Incoming resources are accrued and included in the SOFA when the Group is entitled to the income and it can be quantified with reasonable certainty. No amounts are included for services donated by volunteers.

Incoming resources comprise:

Grants Receivable		Recognised on notification when there is certainty, entitlement and the amount can be measured
Major Donations		Donations are considered major if they have a value of £50,000 or more. Donations from events organised in support of the Charity are recognised at the date the event occurs.
Voluntary Income	Other Donations	Accounted for as received
	Gifts in Kind and Donated Services and Facilities	Recognised on notification
	Gift Aid	Amounts receivable
	Legacies	Accounted for as received or if, before receipt, there is sufficient evidence as to the entitlement, measurement and certainty of the receipt. Pecuniary legacies are recognised when the legacy has been received, or if before receipt, when there is sufficient evidence to provide necessary certainty that the legacy will be received. Residual legacies are recognised on the same basis.
Generating Funds	Challenges Organised	Recognised in the period in which the events take place
	Merchandise	Accounted for when transaction occurs

Gifts in kind and donated services and facilities

Incoming resources in the form of gifts in kind are included in the SOFA when they are seen as having a value in excess of £1,000. 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. Commercial discounts are not recognised as incoming resource except where they clearly represent a donation.

NOTES TO THE FINANCIAL STATEMENTS

Where donated services or facilities are recognised, an equivalent amount is included as expenditure under the appropriate heading in the SOFA

Resources expended

- All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category
- Cost of Generating Voluntary Income includes all the costs attributable to raising voluntary income
- Cost of Activities for Generating Funds includes all the costs attributable to that event, specifically the fees paid to event organisers and staff costs
- Support Costs are allocated on the basis of staff time
- Trading Costs include all the costs attributable to the trading subsidiaries
- Grants Payable 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 the recipient receives the conditional offer of the grant unless it cannot be determined with certainty that the recipient will meet these conditions
- Recovery Delivery Costs are the costs incurred in delivering services direct to beneficiaries. This includes the running costs of the Recovery Centres and related activities
- Governance Costs include costs associated with the governance arrangements of the Charity including external audit and costs of complying with constitutional and statutory requirements, such as professional fees and Trustees liability insurance

Stock

Stock is measured at the lower of cost or net realisable value

Fixed assets

Tangible fixed assets are held at cost. Items with a cost in excess of £250 are capitalised and written off evenly over their useful economic life. The following rates have been applied:

Office Equipment & Plant and Machinery	3 years
Leasehold Improvements	Depreciated over the life of the lease or to the first break point if earlier
Vehicles	10 years

No depreciation has been charged on the RC capital works as the assets are in the course of construction

Investments

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

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end

Leases

Rentals payable under operating leases are charged to the SOFA over the period of the lease

Taxation

Help for Heroes is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly it is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

No tax charge arose in the period

The subsidiary companies make qualifying donations of all taxable profit to Help for Heroes. No corporation tax liability on the subsidiaries arises in the accounts

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

Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates

NOTES TO THE FINANCIAL STATEMENTS

2 VOLUNTARY INCOME

	2012 Unrestricted Funds £'000	2012 Restricted Funds £'000	2012 Total Funds £'000	2011 Total Funds £'000
Major donations and Grants	1,921	494	2,415	3,821
Other donations	23,618	832	24,450	31,223
Legacies	3,040	-	3,040	2,113
Gifts in kind and donated services and facilities	1,465	-	1,465	545
Gift aid receivable	1,215	-	1,215	1,068
	31,259	1,326	32,585	38,770

Major donations and grants include a grant of £207k (2011 £200k) received from the Army Central Fund and is to be used towards funding sports facility related equipment at the RCs

3 ACTIVITIES FOR GENERATING FUNDS

	2012 £'000	2011 £'000
Major Bike Rides	714	772
Open Challenges	205	205
Overseas Treks	274	75
Other Challenges	669	510
	1,862	1,562

See note 5 for the related costs of activities

4 COST OF GENERATING VOLUNTARY INCOME

	2012 £'000	2011 £'000
Intermediary charges	75	101
Consultancy fees	277	428
Other direct costs	1,395	1,385
Allocated support costs	589	897
	2,336	2,811

5 COST OF ACTIVITIES FOR GENERATING FUNDS

	2012 £'000	2011 £'000
Major Bike Rides	202	232
Open Challenges	24	64
Overseas Treks	48	74
Other Challenges	250	170
Other direct costs	131	115
	655	655

NOTES TO THE FINANCIAL STATEMENTS

6 ALLOCATED SUPPORT COSTS

Support costs have been allocated to SOFA categories as shown below

	Cost of generating voluntary income £'000	Grants Made £'000	Recovery Delivery costs £'000	2012 Total £'000	2011 Total £'000
Administration, Legal and Management	239	92	1,098	1,429	960
Finance	173	78	715	966	650
Information Technology	145	57	670	872	587
Human Resources	32	12	146	190	128
	589	239	2,629	3,457	2,325

The basis of the allocation is staff time

7 NET EXPENDITURE FOR THE YEAR

	2012 Group £'000	2012 Charity £'000
This is stated after charging		
Depreciation for the year	132	103
Rentals payable under operating leases		
- Land and Buildings	168	152
- Equipment	3	3
Irrecoverable VAT	144	428
Auditor's remuneration		
- Audit services	28	29
- Non-audit services	14	21

8 INCOMING RESOURCES AND NET MOVEMENT IN FUNDS - CHARITY ONLY

The consolidated Statement of Financial Activities is for the Group as a whole. The figures below are the equivalent figures for the Charity only

Charity only total incoming resources for the year were £32.6m (2011 £38.8m)

Charity only net increase in funds in the year totalled £29m (2011 £59m)

NOTES TO THE FINANCIAL STATEMENTS

9 EMPLOYEE COSTS

	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Wages and salaries	4,249	2,410	2,638	1,570
Social security	438	246	214	119
	4,687	2,656	2,852	1,689

Average Number of Employees

Charity (excluding Recovery Delivery)	72	72	42	42
Recovery Delivery	46	17	23	7
Trading	52	-	36	-
	170	89	101	49

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

Banding	2012 Number	2011 Number
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	2	2

Total remuneration for the year includes taxable benefits in kind. No pension contributions were made for employees.

10 GOVERNANCE COSTS

	2012 £'000	2011 £'000
Audit	28	29
Accounts printing and distribution	10	5
Trustees' advice	33	2
Trustees' Liability Insurance	1	5
	72	41

Trustees' advice relates to ongoing work with respect to the Group structure and risk management. Expenses of £41 (2011: £nil) for travel were reimbursed to the Trustees.

11 SURPLUS AVAILABLE FOR DIRECT CHARITABLE ACTIVITY

	2012 £'000	2011 Restated £'000
Voluntary income earned	32,585	38,770
Profit from activities for generating funds	1,207	907
Profit from Consolidated Trading Activities	1,153	979
All other costs including inter-company costs, (net of interest and excluding grants and recovery delivery costs)	(4,259)	(3,278)
	30,686	37,378

Prior year is restated to reclassify £115k of costs to costs of generating funds previously included in costs of activities for generating voluntary income.

NOTES TO THE FINANCIAL STATEMENTS

12 COST OF CHARITABLE ACTIVITIES

Help for Heroes undertake two distinct types of charitable activities, services delivered directly by Help for Heroes or Tedworth House Charity 'Recovery Delivery Costs' and grants made to other individuals or organisations, detailed below as Grants Made and Recovery Delivery Costs

	2012 £'000	2011 Restated £'000
Grants Made		
Combat Stress - "The Enemy Within"	1,000	1,075
Headley Court	75	500
Aeromed Packs	100	200
Skill Force	-	150
Winston's Wish	88	100
Not Forgotten Association	150	150
Horseback UK	315	-
Band of Brothers/Sisters beneficiaries	350	-
The Princes Trust	230	-
Fisher House	2,000	-
Royal Marines Association	140	-
Haig Housing Trust	750	-
SBSA Families Centre	100	-
Big White Wall	100	-
Individual Recovery Plan Fund	(2,982)	(3,174)
Other (including Patient Welfare Funds and Alabare Christian Care)	540	371
Allocated Support Costs	239	200
Total grants	3,195	(428)
Recovery Delivery Costs (including allocated support costs)		
Plymouth	261	-
Catterick	754	-
Colchester	367	-
Tedworth House	3,706	1,226
Band of Brothers/Sisters (excluding grants to beneficiaries)	155	77
Battle Back (excluding grants to beneficiaries)	110	105
Total recovery delivery costs	5,353	1,408
RC lease adjustments	(1,688)	(25,791)
Total costs of charitable activities	6,860	(24,811)

Prior year grants made and costs in support of RCs have been restated to reclassify £25.8m of costs provided and costs written back as RC lease adjustments

Prior year is restated to include allocated support costs

NOTES TO THE FINANCIAL STATEMENTS

During 2010 the Individual Recovery Plan (IRP) and the Quick Reaction Funds (QRF) were established and funded at £11m and £6m respectively. We continued to draw down on these funds during 2011/12.

The IRP Fund was established to provide support to individuals through an annual allocation. Any amount of the annual £3.75m fund not utilised is written back to the Statement of Financial Activities. It is this write back that reduces the overall charge of grants made.

Grants made from these funds are deducted from liabilities as the full charge had been made in the Statement of Financial Activities in previous years. Grants made from the IRP and QRF were £0.8m (2011: £0.6m) and £1.3m (2011: £1.7m) respectively.

In addition in year we made grants in respect of Battle Back, Aeromed packs and the Band of Brothers/Sisters and grants, large and small, to other organisations working with us to achieve our charitable objects.

Recovery delivery costs relate to the costs incurred by Help for Heroes in delivering recovery and other services. These costs are in addition to any grants made.

RC lease adjustments relate to changes in accounting treatment following progress made on the underlying legal structures to build and operate the Recovery Centres.

The transition of moving from granting funds to delivering services directly has resulted in significant adjustments to the Statement of Financial Activities in the last two years. Help for Heroes has entered into leases to build and operate three Recovery Centres at Tedworth House, Catterick and Plymouth. The leases commenced between February 2011 and March 2012. Prior to entering into these leases, Help for Heroes had granted funds to the MOD to build these centres. These grants were reversed last year as costs are now to be directly incurred by Help for Heroes. As a result £27.5m of grants made were reversed and placed in designated funds or spent on construction and running costs. Not all leases had been signed at 30 September 2011. As a result £1.6m capital costs incurred were provided against in 2011 and treated as a cost. As all relevant leases have now been signed the £1.6m provision has been released and the capital costs have now been taken to fixed assets.

H4H intends to enter into a lease to operate Colchester and discussions with the MOD are well advanced.

NOTES TO THE FINANCIAL STATEMENTS

13 FIXED ASSETS

GROUP	Assets in the course of Construction £'000	Leasehold Improvements £'000	Office Equipment £'000	Plant and Machinery £'000	Vehicles £'000	2012 Total £'000
Cost or valuation						
At 1 October 2011	7,637	72	289	34	41	8,073
Additions during the year	29,028	78	257	1	42	29,406
At 30 September 2012	36,665	150	546	35	83	37,479
Depreciation						
At 1 October 2011	-	(32)	(135)	(21)	(8)	(196)
Charge for the Year	-	(10)	(106)	(10)	(6)	(132)
At 30 September 2012	-	(42)	(241)	(31)	(14)	(328)
Net book value at 30 September 2012	36,665	108	305	4	69	37,151
Net book value at 1 October 2011	7,637	40	154	13	33	7,877
CHARITY	Assets in the course of Construction £'000	Leasehold Improvements £'000	Office Equipment £'000	Vehicles £'000	2012 Total £'000	
Cost or valuation						
At 1 October 2011	7,877	25	101	-	8,003	
Additions during the year	29,509	48	228	42	29,827	
At 30 September 2012	37,386	73	329	42	37,830	
Depreciation						
At 1 October 2011	-	(7)	(62)	-	(69)	
Charge for the Year	-	(3)	(41)	(1)	(45)	
At 30 September 2012	-	(10)	(103)	(1)	(114)	
-						
Net book value at 30 September 2012	37,386	63	226	41	37,716	
Net book value at 1 October 2011	7,877	18	39	-	7,934	

The Group assets in the course of construction relate to Tedworth House £21.5m, Catterick £7.5m, Plymouth £7.7m

£1.6m of costs provided for last year were capitalised this year and relate to assets in the course of construction

The difference in values of assets in the course of construction between Group and Charity is due to a profit mark up charged to the Charity by the Development Company which is eliminated in the Group consolidated figures

NOTES TO THE FINANCIAL STATEMENTS

14 INVESTMENTS

	Listed Investments £'000	Other £'000	Cash & Settlement Pending £'000	Consolidated Total £'000
Market Value at 1 October 2011	4,903	165	4,137	9,205
Add Additions to investments at cost	9,248	89	5,849	15,186
Less Sales proceeds	(4,093)	-	(2,583)	(6,676)
Add Net gain on revaluation	106	-	-	106
Market value at 30 September 2012	10,164	254	7,403	17,821
Historic cost as at 30 September 2012	9,920	276	7,403	17,599
Historic cost as at 30 September 2011	4,766	165	4,137	9,068

	2012 Group £'000	2011 Group £'000
Listed Investments		
UK	16,924	8,470
Non UK	897	735
	17,821	9,205

Investments representing more than 5% of the portfolio of the Group by market value

	2012	2011
UK Treasury Gilts	36.7%	34.4%
Cash funds	39.0%	49.9%

NOTES TO THE FINANCIAL STATEMENTS

15 INVESTMENTS IN SUBSIDIARIES

Name	Control	Charity Interest	Other Group Companies Interest	Activities
Help for Heroes Trading Ltd	Share Capital	100%	-	Retail and Corporate Licensing
The Tedworth House Charity	Deemed	100%	-	Recovery Delivery
Help for Heroes Development Company Ltd	Share Capital	100%	-	Design and build
BMyHero Ltd	Share Capital	-	100%	Online donations

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

	2012 H4H Trading £'000	2012 BmyHero £'000	2012 Tedworth House Charity £'000	2012 DevCo £'000	2012 Total £'000	2011 Total Restated £'000
Turnover	5,027	329	2,028	13,413	20,797	13,771
Direct costs	(1,689)	(98)	-	(13,114)	(14,901)	(9,218)
Employee costs	(1,198)	(57)	(878)	(26)	(2,159)	(1,162)
Overheads	(945)	(56)	(1,136)	-	(2,137)	(1,535)
Net income before donation to the Charity	1,195	118	14	273	1,600	1,856
Donated to the Charity	(1,195)	(88)	-	(273)	(1,556)	(1,813)

BALANCE SHEETS OF THE CONSOLIDATED TRADING ENTITIES

	2012 H4H Trading £'000	2012 BmyHero £'000	2012 Tedworth House Charity £'000	2012 DevCo £'000	2012 Total £'000	2011 Total Restated £'000
Fixed assets	154	2	-	-	156	210
Stock	719	-	14	-	733	830
Debtors	1,055	171	343	881	2,450	2,650
Cash	142	1,227	163	957	2,489	2,133
Total assets	2,070	1,400	520	1,838	5,828	5,823
Liabilities	(866)	(1,312)	(521)	(1,565)	(4,264)	(4,054)
Donation due to the charity	(1,205)	(88)	-	(273)	(1,566)	(1,813)
Net assets	(1)	-	(1)	-	(2)	(44)
Profit and loss account	(1)	-	(1)	-	(2)	(44)

Prior year results have been restated due to a change in the recognition of the grant made from Help for Heroes to Tedworth House Charity and the amount donated by DevCo to Help for Heroes

NOTES TO THE FINANCIAL STATEMENTS

16 DEBTORS

	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Trade debtors	283	7	401	-
Other debtors	4,849	4,488	885	384
Taxation recoverable	710	-	393	-
Gift Aid receivable	72	72	309	309
Amounts owed from Group undertakings	-	1,863	-	1,471
Prepayments and accrued income	2,143	2,063	1,935	1,801
	8,057	8,493	3,923	3,965

Other debtors includes monies of £3.4m (2011: £nil) held in an escrow bank account for the construction of Catterick RC

Some accrued legacy income may be received after more than one year, but this has not been estimated to include in debtors receivable after more than one year due to uncertainty in the timing of the receipt of such income

17 CASH, CASH EQUIVALENTS AND SHORT-TERM FIXED DEPOSITS

	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Short-term fixed deposits	23,000	23,000	27,000	27,000
Same day deposit account	166	166	5,541	5,541
Cash	19,922	17,662	31,539	29,405
	43,088	40,828	64,080	61,946

Short-term fixed deposits were held with Lloyds TSB, Coutts & Co and C Hoare & Co (with Santander and Barclays). This is consistent with the policy not to hold more than two-thirds of funds with any one institution.

Cash balances are held with Lloyds TSB, Barclays and HSBC to provide liquid funds to complete the construction of the Recovery Centres, as well as providing working capital for normal Group activities.

NOTES TO THE FINANCIAL STATEMENTS

18 CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 Group £'000	2012 Charity £'000	2011 Group Restated £'000	2011 Charity Restated £'000
Grant payable re Individual Recovery Plans (IRPs)	3,740	3,740	3,750	3,750
Grant payable re Quick Reaction Fund (QRF)	1,493	1,493	1,500	1,500
Other grants	3,659	3,659	6,099	6,099
Trade creditors	2,339	1,462	1,288	193
Other creditors	1,080	51	339	249
Other taxes and Social Security	433	87	694	47
Amounts owed to Group undertakings	-	1,951	-	1,998
Accruals and deferred income	1,367	453	1,456	82
	14,111	12,896	15,126	13,918

Included within creditors is deferred income of £349k (2011 £17k) This relates to monies received for Challenges which will take place in the next financial year

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012 Group £'000	2012 Charity £'000	2011 Group Restated £'000	2011 Charity Restated £'000
Grant payable re Individual Recovery Plan (IRP)	-	-	3,500	3,500
Grant payable re Quick Reaction Fund (QRF)	-	-	1,446	1,446
Intercompany creditors	-	1,500	-	3,000
	-	1,500	4,946	7,946

Prior year is restated to reflect commitments due after more than one year

NOTES TO THE FINANCIAL STATEMENTS

19 FUNDS

(A)

ANALYSIS OF MOVEMENT IN FUNDS

GROUP	At 1 October 2011 £'000	Incoming Resources £'000	Operating Expenditure £'000	Transfers within funds		At 30 September 2012 £'000
				Capital Expenditure £'000	General Expenditure £'000	
Restricted						
Catterick RC	-	210	-	(210)	-	-
Colchester RC	141	25	(166)	-	-	-
Tedworth House RC	111	815	-	(925)	-	1
Plymouth RC	-	206	(115)	-	-	91
Provision of gardens at RCs	-	50	-	(50)	-	-
Other	180	20	(188)	-	-	12
Total restricted	432	1,326	(469)	(1,185)	-	104
Designated						
RC Capital	43,311	-	-	(25,376)	(210)	17,725
RC running costs	11,624	-	(2,724)	-	24,278	33,178
Sub total RCs	54,935	-	(2,724)	(25,376)	24,068	50,903
Asset reserves	7,877	-	-	29,274	-	37,151
Total designated	62,812	-	(2,724)	3,898	24,068	88,054
General	2,716	39,225	(10,579)	(2,713)	(24,068)	4,581
Total funds	65,960	40,551	(13,772)	-	-	92,739

CHARITY	At 1 October 2011 £'000	Incoming Resources £'000	Operating Expenditure £'000	Transfers within funds		At 30 September 2012 £'000
				Capital Expenditure £'000	General Expenditure £'000	
Restricted						
Catterick RC	-	210	-	(210)	-	-
Colchester RC	141	25	(166)	-	-	-
Tedworth House RC	111	815	-	(925)	-	1
Plymouth RC	-	206	(115)	-	-	91
Provision of gardens at RCs	-	50	-	(50)	-	-
Other	180	20	(188)	-	-	12
Total restricted	432	1,326	(469)	(1,185)	-	104
Designated						
RC Capital	43,311	-	-	(25,376)	(210)	17,725
RC Running costs	7,125	-	(737)	-	25,270	31,658
Sub total RCs	50,436	-	(737)	(25,376)	25,060	49,383
Asset reserves	7,934	-	-	29,782	-	37,716
Total designated	58,370	-	(737)	4,406	25,060	87,099
General	2,501	35,698	(6,659)	(3,221)	(25,060)	3,259
Total funds	61,303	37,024	(7,865)	-	-	90,462

Restricted funds comprise those funds received that are restricted in nature. Generally, restrictions relate to a specific RC and amounts are shown for each RC. There are a number of other smaller funds that are restricted and these are included within Other.

NOTES TO THE FINANCIAL STATEMENTS

There are three types of designated funds,

Type	Purpose
RC Capital	The construction of the RCs due to complete in 2013 when the fund balance should become nil
RC Running	Future running costs of the RCs This is a long term fund held to protect against the uncertain nature of incoming resources
Fixed Assets	To reflect the value of fixed assets held

Two significant transfers happened during the year, £25.3m was transferred from General to RC Running Cost Funds and £29.8m transferred into Fixed Asset Funds from Restricted (£1.2m), RC Capital (£25.4m) and General (£3.2m)

(B)

ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted £'000	Designated £'000	Restricted £'000	2012 Total £'000
Fixed assets				
Asset reserves	-	37,151	-	37,151
Investments	-	17,821	-	17,821
	-	54,972	-	54,972
Net current assets	4,581	33,082	104	37,767
Total net assets	4,581	88,054	104	92,739

Charity	Unrestricted £'000	Designated £'000	Restricted £'000	2012 Total £'000
Fixed assets				
Asset reserves	-	37,716	-	37,716
Investments	-	17,821	-	17,821
	-	55,537	-	55,537
Net current assets	3,259	31,562	104	34,925
Total net assets	3,259	87,099	104	90,462

NOTES TO THE FINANCIAL STATEMENTS

20 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH FUNDS

	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Cash and short term deposits at 1 October 2011	64,080	61,946	51,546	49,680
Decrease in short term deposits	(4,000)	(4,000)	(15,010)	(15,010)
(Decrease)/Increase in cash	(16,992)	(17,118)	27,544	27,276
Cash and short term deposits at 30 September 2012	43,088	40,828	64,080	61,946

21 ANALYSIS OF NET CASH FUNDS

	At 1 October 2011 £'000	Cash flow £'000	At 30 September 2012 £'000
Cash	37,080	(16,992)	20,088
Cash on short term deposit	27,000	(4,000)	23,000
Cash and short term deposits	64,080	(20,992)	43,088

22 OPERATING LEASES

At 30 September 2012 the Group was committed to payments during the next year in respect of operating leases which expire -

	2012 Group £'000	2012 Charity £'000	2011 Group £'000	2011 Charity £'000
Land and Buildings				
Within one year	6	6	15	-
Between one and five years	145	55	138	59
After five years	14	14	-	-
	165	75	153	59

NOTES TO THE FINANCIAL STATEMENTS

23 COMMITMENTS

As at the year end, the Group had contracted but not provided for future capital expenditure on specific projects of £20.8m (2011 £41.9m). This relates to the construction of the RCs at Tedworth House, Catterick and Plymouth.

24 RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption available under FRS8 'Related Party Transactions' that permits non-disclosure of transactions with wholly owned group undertakings that are eliminated on consolidation. No Trustees have been remunerated for their role as a Trustee.

An arms length lease agreement for 14 Parker's Close, Downton between Help for Heroes Trading and Bryn Parry Properties Ltd (BPP), a company owned by Bryn Parry, commenced on 22nd February 2010. BPP were able to provide this property free of charge to the Charity up to the point of sale of Bryn Parry Studios. Three independent rental valuations were carried out in relation to 14 Parker's Close and the lowest was adopted. Rent paid to BPP during the year amounted to £17.5k (2011 £17.5k). At 30th September 2012 the company owed BPP £Nil (2011 £Nil).

Stephen Oxley, a Trustee, is also a senior partner of Wilsons Solicitors LLP which provides legal services to the Charity. During the year the Group was charged £374k including Charity £315k (2011 £262k, Charity £152k) primarily in support of negotiations on leases for the RCs. £19k (2011 £Nil) was outstanding by the Group and £Nil (2011 £Nil) by the Charity at the year end.

Tony Schofield, a Trustee of Tedworth House Charity, is also a partner at Deloitte who generously provides services to the Group on a Pro Bono basis. During the year Help for Heroes Group received Pro Bono services from Deloitte with a value of £364k (2011 £505k) including Charity with a value of £364k (2011 £295k).

The Blue Ballroom Ltd provide design and editing services for Heroes Magazine. Sheila Parry, a director, is the wife of Hadyn Parry, a trustee. During the year the group was charged £16k (2011 £16k) including Charity £16k (2011 £16k). £Nil (2011 £Nil) was outstanding by the Group at the year end, Charity £Nil (2011 £Nil).

The Help for Heroes logo, "Support For Our Wounded" strapline, bear designs (and derivatives), stretcher bearers logo, medal logo (and derivatives), and Phoenix logo are owned by Bryn Parry, and the use of these assets is provided to the Charity and approved partners through a licence at £Nil with all royalties waived. Similarly, the rights to design work relating to the Battle Back initiative, Frontline to Startline initiative and product design work in relation to the Trading Company are retained by Bryn Parry and this work is made available free of charge. Bryn Parry also carries out regular graphic design consultancy for the Charity, Group and Trading Company on a pro bono basis, and grants a licence to the intellectual property rights arising from this activity, again at no cost.

25 GUARANTEES

The Charity is party to a Group registration for VAT purposes. As the representative member, the Charity is jointly and severally liable for any VAT liabilities of the subsidiary companies that are part of the same VAT registration.

LEGAL AND ADMINISTRATIVE DETAILS

HELP FOR HEROES

CHARITY STATUS

Help for Heroes (H4H) is registered in England and Wales as a Charity, number 1120920, and as a company limited by guarantee, number 6363256. 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 eight 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. H4H is governed by its Memorandum and Articles of Association.

HONORARY PRESIDENT

General The Lord Richard Dannatt GCB CBE MC DL

TRUSTEES

The Trustees who are also directors under company law, who served during the year ended 30 September 2012 and up to the date of this report were as follows:

Hadyn Parry *Chairman*

Alex Scott-Barrett ACA *Treasurer*

Richard Constant MBE

Stephen Oxley

Lieutenant General Sir Robert Fry KCB CBE

His Honour Judge Jeff Blackett

Steve Harman

Alex Northcott

Biographies of our Trustees can be found on the [Trustees](#) section of our website.

LEGAL AND ADMINISTRATIVE DETAILS

SUB-COMMITTEES

AUDIT, FINANCE AND LEGAL

Alex Scott-Barrett	<i>Chairman</i>
Stephen Oxley	
Hadyn Parry	
Jonathan Ballin BA FCA (in attendance)	

REMUNERATION

Richard Constant	<i>Chairman</i>
Stephen Oxley	
Alex Scott-Barrett	

GRANTS

Hadyn Parry	<i>Chairman</i>
Stephen Oxley	

RECOVERY CENTRES

Chris Davies (Drivers Jonas Deloitte) MA MRICS	<i>Chairman</i>
Warren Glaister (Construction Expert) MBA MCIOB	
Alex Scott-Barrett	
David Dickinson (Gardiner & Theobald) MRICS	
Jonathan Ballin	
John Desmond	

LEGAL AND ADMINISTRATIVE DETAILS

THE TEDWORTH HOUSE CHARITY

CHARITY STATUS

The Tedworth House Charity is registered in England and Wales as a Charity, number 1143004, and as a company limited by guarantee, number 07647921. 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 six members, all of whom are Trustees. Each member guarantees to contribute up to one pound sterling 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. Tedworth House Charity is governed by its Memorandum and Articles of Association.

TRUSTEES

The Trustees who are also directors under company law, who served during the year ended 30 September 2012 and up to the date of this report were as follows:

Stephen Oxley

Chairman

Rod Dunn MB DS DMCC FRCS (Plast)

Steve Harman

Lieutenant General Sir Philip Trousdell KBE CB

Major Peter Norton GC MSc MCGI CEng FIExpE

Tony Schofield

Appointed 25 November 2011

Biographies of our Trustees can be found on the Trustees section of our website.

CHARITY OBJECTS

The objects for which the Charity is established are restricted to the assistance of persons who are currently serving or have served in the Armed Forces and their dependents and persons connected to the Armed Forces ("Beneficiaries") by

- 1 The provision of facilities, equipment and Services at Tedworth House and any location in order to promote the health of Beneficiaries and assist in the recovery of those who have been wounded or injured, and
- 2 Meeting charitable needs of beneficiaries and assisting Help for Heroes and other charities or bodies which are engaged in meeting those needs in each case for the benefit of the public.

For the purposes of this clause, persons are connected to the Armed Forces if they have been wounded or injured whilst providing Services to, or in conjunction with, and in either case under the direction of the Commander of the Armed Forces and his officers or, where relevant, of any military body with whom Her Majesty's Armed Forces are working during combined operations.

TRUSTEES MEETINGS ARE ALSO ATTENDED BY

Bryn Parry OBE

Chief Executive Officer

Emma Parry OBE

Chairman of H4H Trading

Jonathan Ballin

Chief Financial Officer

David Richmond CBE

Chief Operating Officer of the Tedworth House Charity (attends Tedworth House Charity trustee meetings only)

FINANCIAL STATEMENTS

The financial statements comply with the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities as revised in 2005, the Charities Act (1993) and the Companies Act (2006).

LEGAL AND ADMINISTRATIVE DETAILS

REGISTERED OFFICE

14 Parker's Close, Downton Business Centre, Salisbury, Wiltshire,
SP5 3RB

COMPANY SECRETARY

Wilsons Solicitors LLP, Alexandra House, St Johns Street, Salisbury,
Wiltshire SP1 2SB

AUDITORS

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex,
RH6 0PA

BANKERS

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

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

HSBC Bank PLC, Harry Weston Road, Binley, Coventry CV3 2TQ

Co-operative Banking PLC, PO Box 101, 1 Balloon Street,
Manchester M60 4EP

Coutts & Co, 440 Strand, London WC2R 0QS

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

SOLICITORS

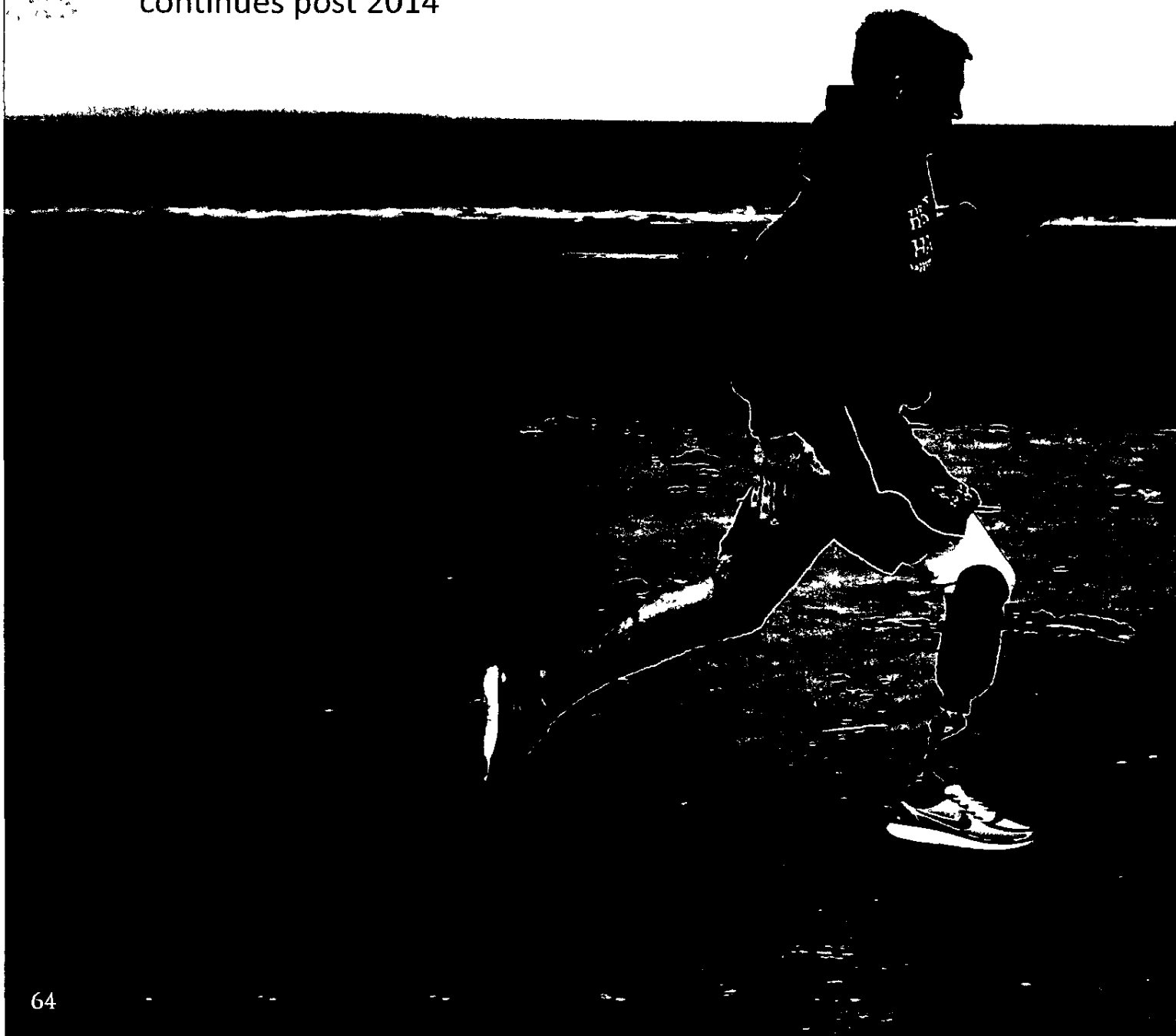
Wilsons Solicitors LLP, Alexandra House, St Johns Street, Salisbury,
Wiltshire SP1 2SB

GOVERNANCE AND RISK MANAGEMENT

Baker Tilly UK Audit LLP, Hartwell House, 55-61 Victoria Street,
Bristol BS1 6AD

LAST YEAR WE AIMED TO:

- **Deliver four H4H Recovery Centres** ✓
All Centres will be officially opened in 2013/14
- **Make further grants to other charities** ✓
Recent charities to receive H4H grants include:
Finchale Training College, Patient Welfare Fund
Queen Elizabeth Hospital and Mission Motorsport
- **Plan for the withdrawal of troops from Afghanistan** ✓
The Charity is working hard to ensure fundraising support continues post 2014



NEXT YEAR WE WILL:

Improve employment prospects for those leaving the military

Open Fisher House, a family accommodation unit for those whose loved ones are being treated at Queen Elizabeth Hospital

Continue to support other charities

Continue support for life

For further details see page 35-36

"H4H has been there for me from the start and throughout. Not just personally, supporting recovery activities and adaptations to my new home but also in a more general way. Without the national support and awareness that they have created, I feel sure that I and every other soldier would be much worse off – both financially and in terms of the outlook for ongoing care and support for a happy and worthwhile future."

Captain Bernie Bambury



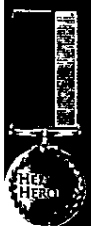
/HELPPFORHEROESOFFICIAL



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**HELP for
HEROES**

Support For Our Wounded

FOR MORE INFORMATION:

ONLINE: www.helpforheroes.org.uk BY TELEPHONE: 01725 513212

BY POST: Help for Heroes, 14 Parker's Close, Downton Business Centre, Salisbury, Wiltshire SP5 3RB