

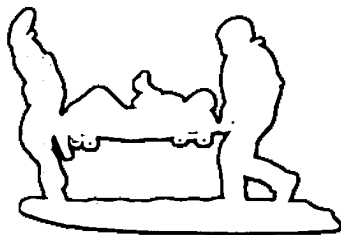
HELP for HEROES

Support For Our Wounded

ANNUAL REPORT 2016



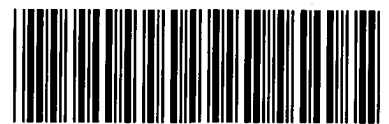
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Corie Mapp, won Gold at the inaugural
World Cup Para Bobsleigh race, 2015



HELP for



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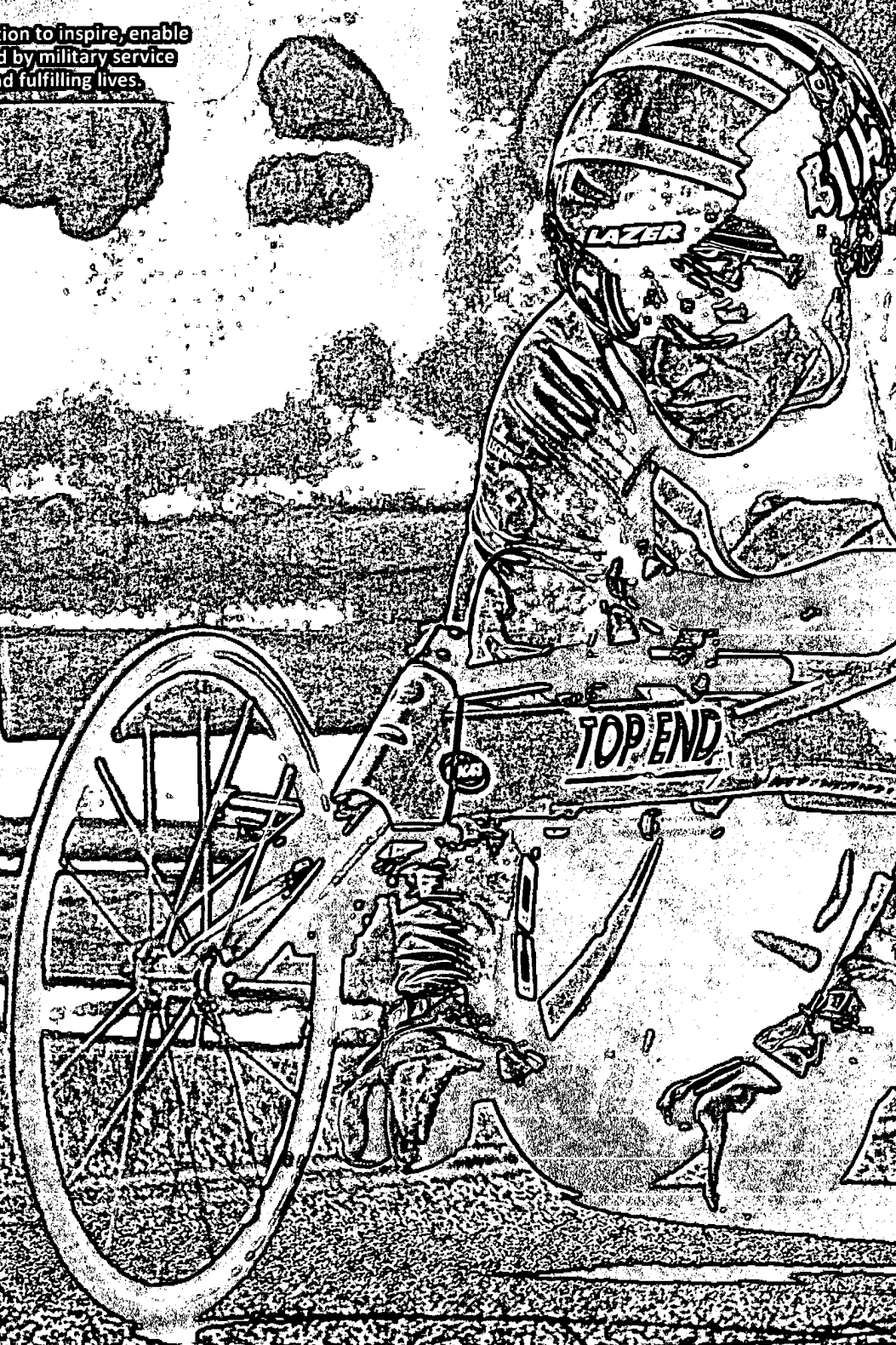
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COMPANIES HOUSE

Vision

Our vision is to engage the nation to inspire, enable and support everyone affected by military service to lead active, independent and fulfilling lives.



Andrew Bracey, H4H beneficiary, Invictus Games 2016

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CHAIRMAN'S REPORT

As Help for Heroes (H4H) enters its tenth year we are focussed on delivering support to our wounded, injured and sick Service Personnel, Veterans and their loved ones as much as ever before.

We firmly believe that, in order to provide the best support, we must be able to adapt quickly to reflect the developing needs of our beneficiaries. As we laid out in 2015, we merged the Help for Heroes Recovery Charity (which operated the Recovery Centres) with the Help for Heroes Charity in 2016, in order to operate as efficiently as possible. This will help us to ensure we meet the highest standards of governance.

The areas of focus for the Charity for 2017/18 are:

- 1 Outreach** – extend the Recovery delivery model further beyond the Help for Heroes Recovery Centres;
- 2 Mental Health** – meet the need for mental health services and fight to break stigmas in society;
- 3 Thought Leadership** – communicate the clear ongoing needs of our beneficiaries and why H4H is the best placed to address them;
- 4 People** – make sure we always have the best staff and volunteers to deliver the highest standards of support to beneficiaries.



1 in 11 will need a helping hand

Thanks to research revealed by King's College London (King's) in January 2016, we have a good understanding of how many Veterans might need our help in the future. We are rising to the challenge. Over the last year, we have supported thousands of beneficiaries. We have funded over £6m, either in grants to our partners or directly to individuals. It is essential that these brave men and women, and their loved ones, know how to get support if, and when, they need it.

£6m
given in grants

Our supporters' dedication to fundraising, through taking on physical challenges or organising events, never ceases to amaze and we are extremely grateful for their continued commitment to the cause.

We were saddened by the death of Captain David Seath during the London Marathon in April 2016. Captain Seath was running the marathon to fundraise for H4H and support his fellow Servicemen and women. In the days and weeks after David's tragic death, the British public paid an astonishing tribute to his life through extraordinary fundraising. These funds will enable H4H to continue providing the support that our wounded need.

After nearly ten years at the helm, Bryn and Emma Parry stepped down in November from their positions as Chief Executive and Executive Chairman Trading. Frequently it is reported that they only intended to lead the Charity for nine months, their aspiration being to raise enough money to build a new swimming pool at the Defence Medical Rehabilitation Centre at Headley Court in Surrey. They soon realised that much more needed to be done. The outpouring of support from the Great British public made this possible, and what began with a pool is now a national Recovery network for those whose lives have been affected by Service. It is no accident of fate that over the last nine years Bryn and Emma have striven endlessly to provide our wounded, injured and sick with the best support available. Without their efforts, the lives of our beneficiaries would be dramatically different. We cannot thank them enough for their tireless work over the last decade and for their future support as H4H Ambassadors.

In October 2016, Richard Constant retired as a Trustee. Our thanks go to Richard for his unwavering support and dedication to our cause over the last nine years.

From November 2016, H4H has been led by Melanie Waters. While we face the ongoing challenge of ensuring our wounded remain at the forefront of public consciousness, trust in the Charity is high and we continue to support and influence the sector, working in the best interests of our beneficiaries. Melanie's task is to look forward to the next ten years. Inevitably, the charity sector faces criticism at times, sometimes fair and sometimes not. We are proud of our reputation as a dynamic and challenging charity. We are committed to ensuring we remain a true cause and do not become another 'faceless' charity institution.

There is always more to be done.

Alex Scott-Barrett

Alex Scott-Barrett
Chairman, Help for Heroes



CHIEF EXECUTIVE'S REPORT



We know that there are many more wounded, injured or sick Service Personnel and Veterans out there that need, or will need, our support. The challenges our beneficiaries face continue to develop and in response, we must strive to advocate their needs in a public arena. Our 2016

Counting the Costs study was the first step towards understanding the scale of the need in the future. Part of our challenge now is to communicate that need better.

We must ensure that our wounded and their loved ones know that help is out there and how to get it. It is our responsibility and the responsibility of the Government, our partners and the public to make sure it is available.

As the needs of our beneficiaries change, so have our methods of delivery evolved. Over the last 18 months we have embedded a number of programmes, particularly focussed on mental wellbeing, which have seen H4H engage with significant numbers of new beneficiaries. Positive awareness of Post-Traumatic Stress Disorder is increasing, but more common issues such as anxiety, depression or an over-dependence on alcohol can be just as damaging and debilitating and we must not neglect tackling these problems at an early stage.

The Help for Heroes Hidden Wounds service, which treats beneficiaries living with anxiety, depression and stress, has attracted over 800 beneficiaries to date, and seen a year-on-year increase in referrals of 66 per cent since 2014/15. We anticipate we will see another increase in 2016/17.

In 2016/17, we are due to start work on a new study, Empowering Heroes, with King's College London, which will enable more beneficiaries struggling with mental health issues to seek help. More than just providing data, the study will give practical training and guidance to the families of Veterans, giving them the tools to help their loved ones get mental health support. We aim to report on the results of this study in 2018/19.

In addition, H4H is represented in Contact, a group of charities who, with the NHS and MOD, aim to improve sign-posting and help-seeking behaviour within the Armed Forces community, specifically

focusing on mental wellbeing. If providers work together in this area, more Veterans will find the support they need and change their lives for the better.

Contact is a core partner of the Heads Together campaign, led by The Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry.

The value of sport and physical activity in the maintenance of health, wellbeing and independence cannot be underestimated. In 2015/16 we provided access to more sporting opportunities than any other charity in the sector, with 6 million hours of physical activity available across more than 50 different sports. In 2016, H4H-supported athletes won 131 medals at the Invictus Games in Orlando. In 2017, we are supporting nearly 100 athletes as they travel to Toronto to compete in the third Invictus Games. Likewise, our athletes experienced fantastic success at the 2016 Rio Paralympics, winning two Gold and two Bronze medals. We hope to inspire and support many more across Sports Recovery to lead active, independent and fulfilling lives. This continues to be at the very heart of what we do.

Our Recovery services continue to be in demand. Last year, we hosted thousands of visits to our four Recovery Centres. We granted 1,182 financial grants to individuals. 1,447 people joined our Band of Brothers and Band of Sisters fellowships bringing total memberships to 7,500.

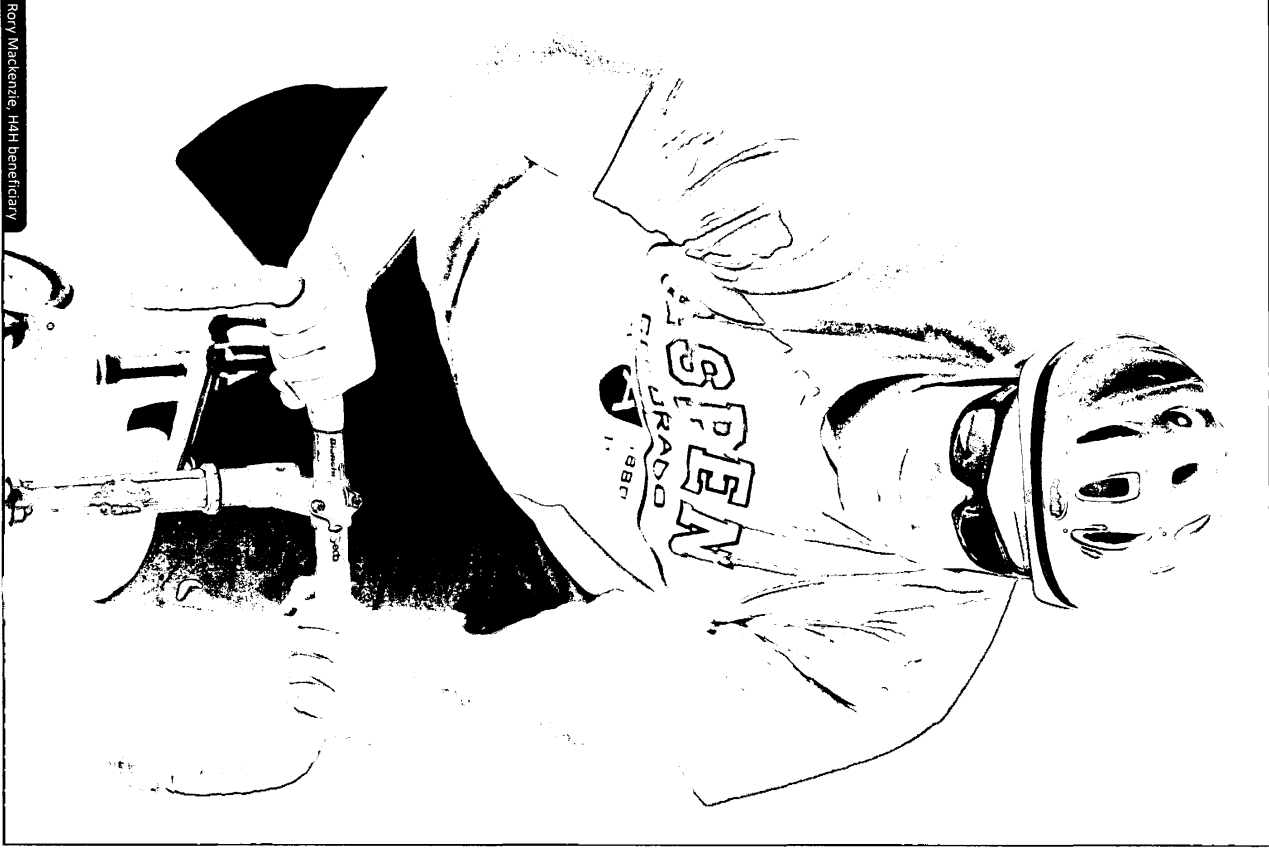
Since 2007, H4H has been building a network of support for those who have suffered life-changing injuries and illnesses. During that time, under the direction of co-founders Bryn and Emma Parry, we have supported thousands of Service Personnel, Veterans and their loved ones. I was honoured to be appointed Chief Executive after Bryn and Emma stepped down in 2016 and relish the opportunity to lead such an important cause.

There are many more who need our help who haven't yet reached out to us. Our focus now is on how we get help to those people. We won't stop until every life is rebuilt.

Melanie Waters
Chief Executive Officer

**To learn how we help
rebuild lives, turn to page 8**





Rory Mackenzie, H4H beneficiary

LETTER FROM THE CO-FOUNDERS



Back in 2007 we met Rory Mackenzie. Rory had lost his leg in Iraq and was fighting to get back to some sort of normal life. We, rather stupidly, asked him what he was looking forward to. Rory told us that life was "pretty shit". He talked to us about what he missed. He missed the wind in his face, he missed speed; life as an amputee was unbearably slow.

A few weeks later Rory was whooping with joy as he raced down a snow slope on a ski. He had joined the first adaptive ski trip run by Colonel Fred Hargreaves. This trip was the start of our great relationship with Colonel Fred, and under the direction of Martin Colclough became Battle Back, and we now run our own Help for Heroes Sports Recovery programme.

We've told Rory's story many times over the last nine years but it has not ended; it goes on. He is living life to the full and looking forward to each day but, although it's been nearly ten years since he was blown up, he still needs help from H4H from time to time. The injury happened years ago yet the need for support continues.

In 2007, after our first visit with Rory, we decided we had to do something to help the wounded. We were joined by an army of decent people who felt the same and together we have been able to help so many rebuild their lives. These were ordinary people, who wanted to make a difference – and they have.

The last nine years have been extraordinary, filled with challenges and hard work. It would have been worthwhile to see just one Rory whoop with joy or one Dean hold his baby but, with your help, H4H has been able to assist thousands and must continue to do so going forward.

The needs of the wounded, injured and sick have changed and will continue to change over time. We are already seeing many more with hidden wounds and the associated burden that falls on their loved ones. We must understand and respond to their changing needs. We must prepare for the future; we must not fail, nor forget those who need our help.

There will be new challenges ahead for our successor, Melanie Waters, as Chief Executive and she is ready to take them on. We wish Melanie and all in Team H4H the very best of good fortune and boundless energy to ensure that this remarkable charity continues to evolve and respond to the changing needs of those we support.

'It's all about the blokes', our men and women of the Armed Forces, and that's how it must continue for as long as they need us.

H4H must stay true to its 'can do' culture and passion for the cause. It must be prepared to find the way over obstacles, drive change and never accept 'no' for an answer.

Above all, H4H must continue to put 'the blokes' first; ordinary men and women who have done the extraordinary and been damaged in the process. We understand that they don't consider themselves to be heroes; they are just ordinary 'blokes' doing a job they love. In doing so they are prepared to risk their lives on our behalf. We think that is heroic, even if they don't. That's why H4H exists and that's why this works.

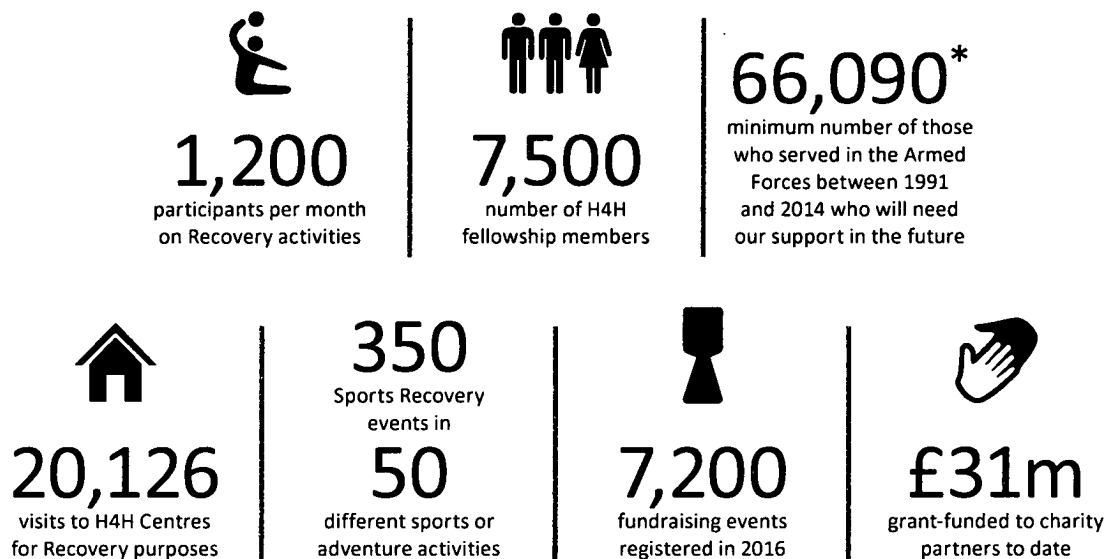
People talk about the success of H4H but we must never forget the ongoing responsibility that we have taken on, or the duty of care we owe to those who volunteer to serve our country. Our support must not end when they are back on their feet. They may fall over again and if they do we must be there for them.

Good luck Team H4H; the supporters and volunteers, partners, Trustees and the staff who make up this wonderful effort. Thanks so much for the last incredible nine years.

Onwards and Upwards!

Bryn and Emma Parry

H4H KEY FACTS AND FIGURES



* King's College London *Counting the Costs* study for Help for Heroes, January 2016. Authors: Professor Neil Greenberg and Dr Julia Diehle.

Where our income comes from

£36.5 million in total income

which came from

£13.8m from donations and grants

£8.9m from legacies

£4.6m from challenges and events

£4.8m from trading activities

£4.4m other

Where our income is spent

£28.9m spent on charitable activities

which was spent on

£21.3m spent on recovery delivery

of which £1.2m was spent on fellowships

£6.4m spent in total on grants

*of which £1.4m was spent
on mental health services*

£1.2m spent on championing the wounded



4,473

times beneficiaries participated in courses and Recovery activities



405

average number of Welfare Cases being managed at any one time



£1.5m

in individual grants awarded in 2015/16



8,000

Good Luck calls made by volunteers

100

wellbeing activities delivered on average each month ranging from Aromatherapy to Yoga

819

beneficiaries engaged in our Hidden Wounds psychological wellbeing programme to date



187

training courses and activities available

During 2015/16 we



Raised £627,000 through the annual Big Battlefield Bike Ride



Saw over 800 beneficiaries access our Hidden Wounds programme



Supported 17 H4H beneficiaries as they travelled to Rio to participate in the Paralympic Games



Supported the 130-strong-team as they represented GB at the 2nd Invictus Games



Launched the results of a major academic study *Counting the Costs* – into the scale of the future need of Veterans



THE VETERANS' MENTAL HEALTH CHARITY

Awarded £1m to Combat Stress



Delivered our 10,000th grant.



Were a founding partner in Contact, a mental health roundtable, in partnership with the Royal Foundation

RECOVERY: HOW WE DO IT

The people we help are often on long and complex journeys to recover from life-changing injuries or illnesses. For many, this means a battle to regain physical fitness and a sense of mental wellbeing.

We believe that our wounded deserve a fair chance to lead active, independent and fulfilling lives. This is why H4H delivers recovery through a support package built around the five pillars needed for general health and happiness: Medical, Mind, Body, Spirit and Family.

These pillars are often intertwined; support cannot end once the initial phase of physical or mental recovery is complete. Our beneficiaries may need our continued support throughout their life.

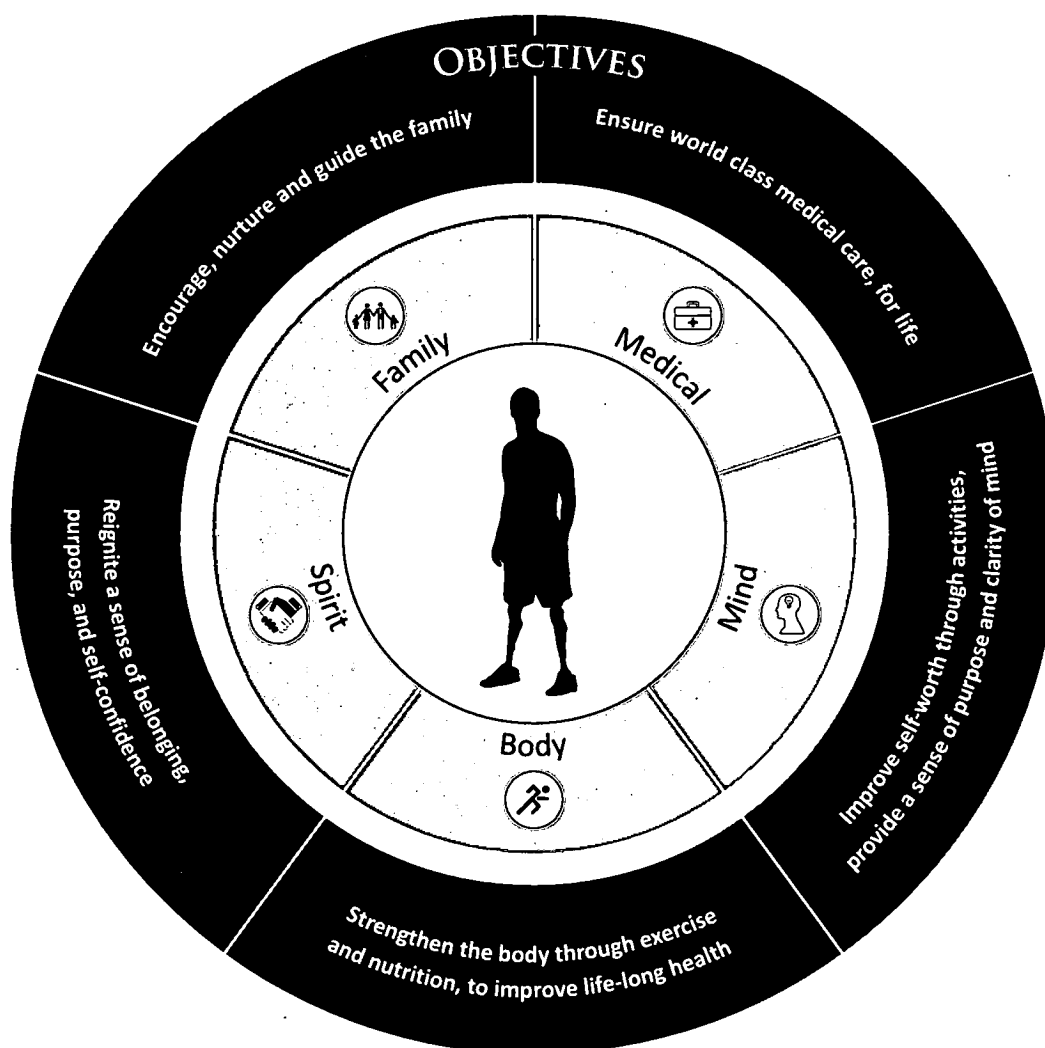
Through our four state-of-the-art Recovery Centres, we deliver a national recovery programme that provides fellowship and companionship, welfare

support, a bespoke careers and retraining service, Sports Recovery opportunities and physical and psychological wellbeing services.

In addition to the support available through the Help for Heroes Recovery Centres, H4H grants funds to specialist charity partners and operates two fellowship networks, which have attracted nearly 8,000 members to date – helping those affected by service to keep in touch, share their experiences and recover together.

"I couldn't see a life beyond injury; I had lost all belief in myself. H4H introduced me to new aspects of life. It opened my eyes and broadened my horizons. It showed me there is life beyond injury."

Jamie Hull, H4H beneficiary



HERO TESTIMONIAL



Ken's Story

Ken Nash joined the Army in 1992, straight out of school. Serving with the 17th/21st Lancers and the Queen's Royal Lancers, Ken saw operational tours of Cyprus, Bosnia, Kosovo and Iraq and also served in Germany and Canada.

Deployed to Iraq in 2004, Ken's unit came under frequent fire. During one attack, Ken's tank was hit 18 times by rocket-propelled grenades. Returning home, he knew those events had left him a changed man:

"I realised I had issues but played really well at hiding them. I kept being told to go and see my GP but I refused to and said there was nothing wrong with me."

The next few years saw Ken posted away from any conflicts, but his mental health continued to deteriorate. Things finally came to a head when he returned to his unit in 2009 and suffered a breakdown.

He was later diagnosed with Post-Traumatic Stress Disorder and Obsessive-Compulsive Disorder. Medically discharged from the Army in 2010, Ken's life fell apart: *"My PTSD was a taboo subject so I just tried to carry on. But I became snappy, moody and jumpy. A car backfiring, a door slamming or fireworks going off was a complete nightmare."*

"I split up with my wife and couldn't hold down a job. I was using foodbanks and ended up living in a caravan. I cut myself off from all my friends and family."

It wasn't until ten years after his deployment to Iraq that Ken felt enough was enough. He went to see his GP who referred him to Veteran's Outreach Support, which in turn got in touch with H4H. Ken then visited the Charity's Recovery Centre in Catterick – Phoenix House, where he has been able to access a variety of support to help him in his ongoing recovery:

"The people there are really friendly and helpful; they don't judge you at all. It's like being back in another unit with friends and family – it's brilliant."

It was through Phoenix House that Ken was able to develop his love of art, specifically charcoal drawings. It provided him with a vital outlet to help him deal with his mental health issues: *"I got stuck in at the art room, which just changed me completely. I find it really relaxing and it takes my mind off everything else."*

"I ended up getting asked to show my drawings at the Army Arts Society in Salisbury and sold two down there. Now I've got my own website and have been invited to sell my artwork elsewhere, so it's grown in leaps and bounds."

Ken's quality of life has also improved outside of the art-room. Through H4H, he was able to take up sport again, and last year completed a half-Ironman.

"H4H got me into sport and grant-funded a road bike, which has been absolutely brilliant."

With help from H4H and other military charities, Ken has also been able to secure a flat, with room for his teenage daughter Grace to stay with him. His relationship with his family has improved dramatically: *"I hadn't spoken to my parents in nearly eight years. I started speaking to them in December 2015 and they came down to Phoenix House. They absolutely love the place and come with me for lunch when they visit. And Grace, who they hadn't seen in those eight years, has been to stay with them in the school holidays and loved it."*

"I went through my really dark times. Getting help is the best thing I've done. Without H4H I don't think I'd be here now."

WELFARE



Our continuing commitment to best practice resulted in the introduction of an Outcomes Star system in April 2016.

The Outcomes Star system is used to measure the progress beneficiaries make in achieving self-reliance in a way that fully engages them in their own recovery planning. The system is fully embedded across H4H. H4H welfare support maintains close relationships and works in partnership with a range of organisations and other charities. Throughout 2015/16, H4H has either received or referred beneficiaries to, or from, over 40 specialist partners for welfare support. During 2015/16 we handled a total of 540 welfare cases, approximately the same number as last year. Widening access to welfare support remains a focus in 2017. As part of our plans to expand Outreach Recovery Centres beyond the regions in which Help for Heroes services are located, efforts will focus on areas of high beneficiary demand and will draw lessons from an Outreach pilot we have established in Wales.

Welfare support is a vital element of recovery, addressing and resolving the practical issues facing beneficiaries and their families, which block their ability to progress.

Through H4H, beneficiaries can access free and confidential support and guidance from our teams of welfare specialists either face-to-face, over the phone or by email. Operating from Help for Heroes Recovery Centre Support Hubs, H4H keyworkers bring together the multidisciplinary support we deliver to beneficiaries. The Help for Heroes Welfare Teams comprise of professional staff drawn from across a range of disciplines including housing and homelessness, drugs and alcohol, money and benefit advice and from the Military's welfare specialists. In 2016, the Charity maintained an average welfare caseload of 405 beneficiaries.

To learn how we are improving outreach turn to page 28



FELLOWSHIPS

The Help for Heroes Band of Brothers and Band of Sisters Fellowships provide the wounded injured and sick, and their loved ones, with an important mutual support network.

The free membership provides individuals with the opportunity to take part in many activities regionally and meet other members who share similar experiences. Members can receive welfare advice and financial support as well as offers of hospitality, holidays and so much more donated by the public.

Through Help for Heroes Fellowships, we also run an Ambassador Programme, which a number of beneficiaries are involved in. Not only do Ambassadors help us understand the challenges faced by, and needs, of our Fellowship members, they also speak publicly about their own personal journeys and how H4H has

helped them. Our Ambassadors have an important role in communicating to our many fundraisers and corporate organisations just how much their support positively impacts the lives of beneficiaries.

The Help for Heroes Fellowship groups have continued to see a steady growth in members – 24 per cent since the last financial year – now standing at over 5,000 Band of Brothers members and nearly 3,000 Band of Sisters members, highlighting the important roles that these support networks perform.



The Fearn family on a trip to the Eden Project

To find out more about how we have delivered recovery services over the last year go to page 27



PSYCHOLOGICAL WELLBEING

Image: Roger Keller

Mark Verner

H4H offers a variety of services designed to restore and maintain psychological wellbeing. These consist of numerous courses, programmes and everyday activities available across our Recovery Centres.

Improving access to mental health services with proven benefits for Veterans and military families has been a significant focus for H4H over the last 18 months. We are finding ways to encourage those in need of support to come forward and ask for help, and working to make it as easy as possible for them to engage with us.

Over the last 12 months, we have taken a number of steps towards achieving this aim.

H4H works in partnership with the Contact group of military mental health charities and State organisations to improve collaboration. This work will continue in 2017.

Through Contact, H4H is part of the Heads Together mental health campaign, led by the Duke and Duchess of Cambridge and Prince Harry, which aims to reduce stigma around mental health.

We provide clinical support through the Help for Heroes Hidden Wounds programme and have seen a 66 per cent increase in the number of beneficiaries accessing the service in 2015/16. We expect this number to continue to rise as we raise awareness of the service.

We have developed new interventions specific to problems with anger and alcohol and provide support for those waiting for more specialist services.

H4H has
funded over
£10m
to mental
health partners
to date

H4H funds partner charities such as Combat Stress to deliver specialist support in areas that H4H does not address directly. This is both efficient and collaborative and avoids duplicating services.

In addition, we work alongside NHS England and in 2015/16 grant-funded £390,000 to the South West Veterans Mental Health Services. This funding will provide two additional mental health clinicians for a three-year period, and will increase access to evidence-based* psychological therapy for Veterans across the south west of England. We are doing this to show where there is a shortfall in provision and to encourage more support from the State and charity sector.

*Evidence-based refers to integrating clinical expertise with external research clinical evidence.

"Everyone I spoke to at Hidden Wounds was discreet, supportive, kind and empathetic; I never felt judged or pressured.

Hidden Wounds found a way to support me that was tailored to my own experiences, arranged at a pace that suited my life."

Hidden Wounds user

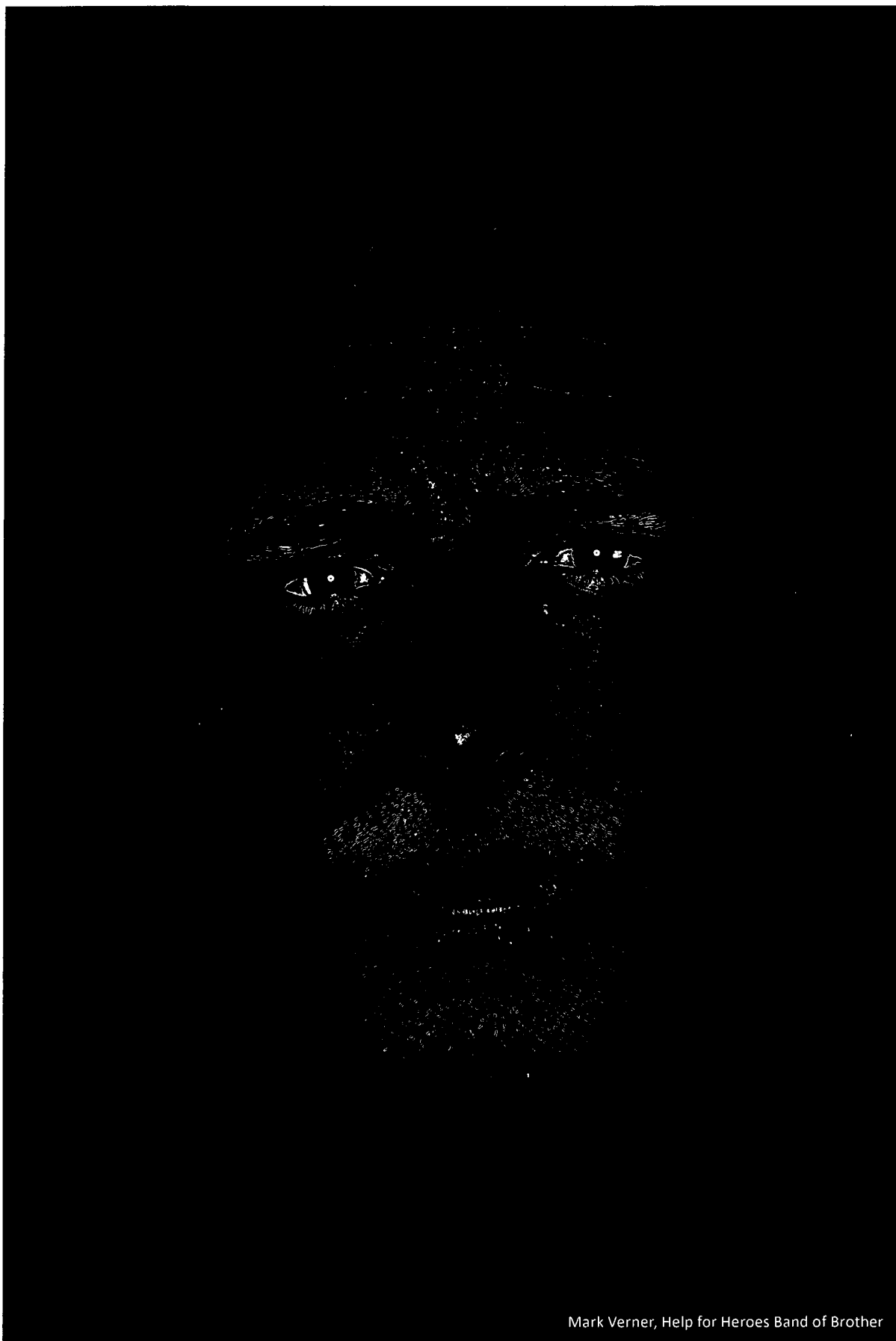


Image: Roger Keller

Mark Verner, Help for Heroes Band of Brother

SPORTS RECOVERY



Sport can deliver four simple but fundamental outcomes: better physical health, an improved sense of mental wellbeing, personal development (setting goals and achieving them), and the wider social benefits that come from being part of a team.

While supporting our beneficiaries through their recovery, the use of sport also champions their achievements inspiring our beneficiaries, inspiring others and showing supporters how their help makes a difference.

Recreational sport

Participation in recreational sport can be a critical first step of recovery. The Help for Heroes Recovery Centres facilitate grass roots sport by giving residents and day visitors access to dozens of different activities that appeal to all interests and skill levels.

Progression into a career

In addition to the benefits provided by physical activity, individuals can gain a number of transferable skills, and some choose to gain qualifications as leaders, coaches or sports officials through H4H supported programmes.



Help for Heroes Sports Academy and talent identification

Through ongoing partnerships with UK Sport, the English Institute of Sport, the British Paralympic Association and sporting National governing bodies, we offer a supported pathway into high

performance sport. This includes talent identification and development for those who want to compete regionally, nationally or internationally.

During 2015/16 H4H delivered over 350 events across various different sports, enabling wounded, injured and sick Service Personnel and Veterans to take part in adaptive sport from grassroots through to high-performance level.

We supported ten individuals at the Rio Paralympics, and a further seven athletes participated in the Paralympic Inspiration Programme, which aims to prepare them for competing at Tokyo 2020.

"Five and a half years ago, I nearly died. I've been through a lot with my friends, and lost a lot along the way. To get something like a bronze medal on the biggest stage is important. It just shows you what you can do and how far you've come." Dave Henson, H4H beneficiary and Paralympic Bronze medallist, Rio 2016.

As part of our commitment to promoting mental wellbeing, in 2016 H4H became a signatory of the Mental Health Charter for Sport and will now develop a Mental Health in Sport Action Plan. We hope to implement this plan by the end of 2017.



Our athletes won four medals at Rio and set six personal bests



Corie Mapp, Helt beneficiary

There are currently 27 Help for Heroes Sports Academy athletes, competing across 14 different sports, and hundreds more enjoying sports at a grass roots level.

CAREER RECOVERY

For thousands of Servicemen and women, having their military career cut short due to injury or illness can be devastating. However, leaving the military does not mean the end of their working potential.

They already have many transferable skills, such as self-discipline, teamwork and planning skills, and simply need a helping hand to point them in the right direction.

The Help for Heroes Career Recovery service offers access to courses, qualifications, work experience, networking, training and volunteering to help our beneficiaries navigate their way through Civvy Street.

Many service leavers were telling us they did not know where to begin when looking for a new career. In response, we established the Help for Heroes Pathfinder Experience; a tailored programme of activities that helps identify and develop career pathways. 186 Veterans actively engaged with a career advisor at the Help for Heroes Recovery Centres during 2015/16 and the careers team worked with 129 Pathfinders, 80 of whom are now either employed, in further education, training or volunteering. This is a success rate in excess of many other schemes working in similar areas.

H4H also works with over 100 vocational partners to provide short and long-term courses to help beneficiaries gain the accreditations and qualifications necessary for their chosen careers.

"If it hadn't have been for Pathfinder, my business would never have taken off. It has changed me for the better and brought me much closer to the man I used to be. I never thought I'd be where I am now. For the first time in a long time, I'm proud of myself."

Tommy Lowther, H4H beneficiary
and founder of Sporting Force


100
vocational courses
on offer

Last year we launched Heritage Heroes, a project in partnership with the Canal and River Trust and funded by the People's Postcode Lottery Dream Fund programme, which offers up to 60 beneficiaries the opportunity to restore historic waterways, while gaining accredited

qualifications. 39 beneficiaries have also completed the Business Xperience in the past 12 months, a course designed in partnership with X-Forces, for those pursuing a future in self-employment.

"It's given me a purpose personally and professionally, which is a huge part in keeping the mind occupied and exercised. Everyone has their own limitations and for me those limitations have motivated me to establish the business which is a huge psychological boost."

James Dixon, H4H beneficiary, set up his own company after completing The Business Xperience.





Danni Hampson-Carol, H4H beneficiary

A PLACE TO RECOVER



Phoenix House
North Yorkshire



Chavasse VC House
Essex

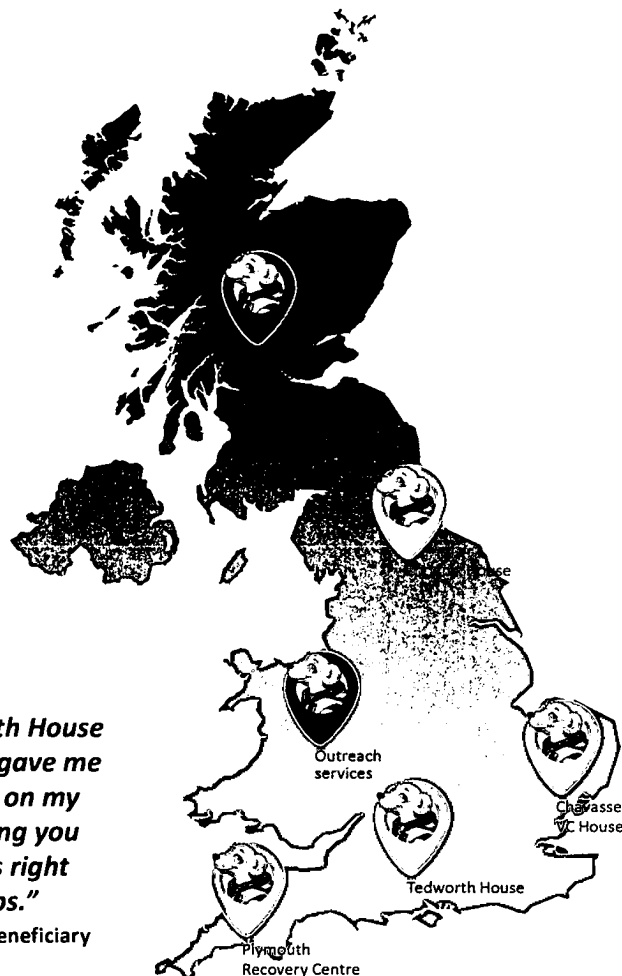


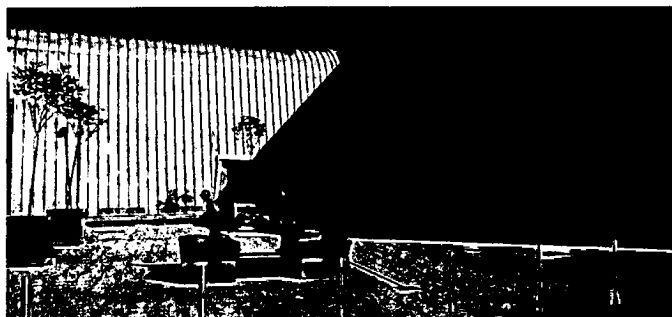
The four Help for Heroes Recovery Centres represent the Charity's holistic approach to recovery. They were officially opened by HRH the Duke of Cambridge and HRH Prince Harry in May 2013. Recovery programmes are delivered via the centres in Tidworth, Catterick, Colchester and Plymouth and they play a central part in a beneficiary's recovery journey. From careers courses and psychological support to welfare advice and sporting activities, every aspect is considered so beneficiaries get the tailored support they need.



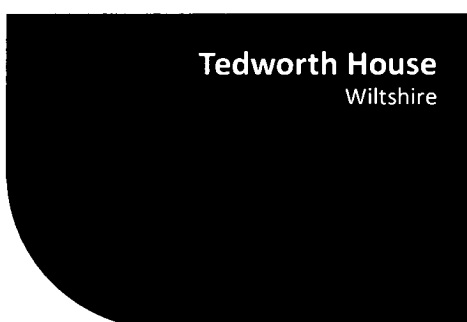
"I think Tedworth House is a godsend, it gave me a place to focus on my future. Everything you need is here, it's right at your fingertips."

Dan Richards, H4H beneficiary





**Plymouth
Recovery Centre**
Devon



Tedworth House
Wiltshire



In the last year, beneficiaries collectively took part in more than 1,200 recovery activities every month, and we delivered over 4,000 places on a variety of courses. Our centres hosted a range of wellbeing activities ranging from yoga to aromatherapy.

The centres offer a place where our wounded and their families can start rebuilding their lives and plan their long-term goals and aspirations, while knowing that should they need it, there is support available for the rest of their lives.

Each visitor's time at a Recovery Centre is different; however, a day might involve:

- setting goals with a Keyworker or Activity Lead, which might include organising training or employment advice

- participating in wellbeing sessions to help with stress or accessing nutritional advice for optimum health
- a session with a Psychological Wellbeing Practitioner; many of our participants need extra support with anxiety, depression, stress or anger. Everything is confidential, enabling them to talk freely
- participating in sport, such as swimming, seated volleyball or cycling
- a Business Xperience course, designed to encourage those who might be contemplating starting their own businesses and giving them essential skills
- participating in a vocational course, such as horticulture or carpentry, to learn new skills
- if staying on for the evening or overnight, visitors can take part in arts and crafts, music nights, quizzes and more. They will meet up with others for fellowship and to share experiences.



Outreach Services

We offer a national network of free recovery services, accessible in person, over the phone, by email or via Skype. Alongside our four dedicated Recovery Centres, we also have local outreach support workers.

Beneficiaries can access support regardless of how far they might live from a Recovery Centre.

OUR SUPPORTERS



Matthew Bamber, the Fridge Hiker

H4H would not be where it is today without its fantastic supporters. Over the last year, we received less than 0.1% of our income from government grants. H4H is incredibly lucky to have so many passionate people who choose to back 'the blokes' time and time again.

Last year almost 2,000 registered volunteers dedicated their time to fundraising, while hundreds more supporters participated in various events and challenges.

From taking part in national collections and cycling thousands of miles to holding cake sales and coordinating events, their spirit and dedication makes them an integral part of Team H4H.

Not only do our supporters ensure H4H can continue to provide essential support to our beneficiaries, they give many of our wounded the moral support they need during their recovery journey.

Matthew Bamber

Taking on a trek with a difference to raise funds for H4H, Matthew Bamber set himself the challenge of climbing Cumbria's three highest peaks with a fridge strapped to his back.

He initially made excellent progress on his 50-mile journey. However, a twisted knee and difficult weather conditions meant he had to reluctantly call a halt at three o'clock in the morning at the 33 mile mark, after 18 hours on the go.

Undeterred, Matthew returned five weeks later, determined to finish. Joined by H4H beneficiaries, he triumphantly reached the top of Skiddaw to complete his challenge, toasting his finish with a beer from his trusty fridge.

Speaking about his colossal effort, Matthew said: *"Usually, I am just your ordinary man in a suit behind a desk but I just decided I had to do something for those guys."*

"This has been one hell of an adventure and I'm sure it's the first of many!"



Captain David Seath

On Sunday 24 April 2016, Captain David Seath died while running the London Marathon in support of H4H, his chosen cause. He was three miles short of the finish when he collapsed. His family, friends and colleagues initially set out to complete what he started, quietly finishing those last three miles. However, moved by David's story, spontaneous donations poured in from the public and people began fundraising in David's memory. The Seath family continue to build on that incredible public support, organising a variety of fundraising events including skydives, runs, quizzes and champagne teas. On behalf of all our beneficiaries, our dedicated staff

and loyal volunteers we would like to offer our sincere thanks to everyone who has rallied behind the Seath family and also behind David's military family, and shown their outstanding support.

In the words of David's mother Libby: *"David lived life to the full. He made the best of every opportunity offered. He loved people and invested in them and as a result, he has left an amazing legacy and we will continue to do all we can to support wounded, injured and sick Personnel and Veterans, to give them the highest quality of life and a real sense of wellbeing."*



Josh Crowley

Seven-year-old Josh took part in the UK Kids Fun Triathlon; a 25m swim,

1k cycle and 500m run. His mum, Tina, was medically discharged from the Army and has since received a grant from H4H to aid her with her studies, which helped her in getting a new job.

"My mum used to be a soldier and I really want to help soldiers in need."



Douglas Hamilton-Cox

71-year-old Douglas Hamilton-Cox has completed

an epic 4,000-mile challenge that has seen him raise over £100,000 for military charities, including H4H, after his nephew was seriously injured in Afghanistan in 2011. Douglas, had originally set out to walk from his home in Devon to Royal Wootton Bassett in Wiltshire, but has since made it as far north as John O'Groats.



Kieron Brogan

Kieron has been volunteering for H4H since 2014, regularly coming to the Tin Hut to help out with a variety of tasks including answering the phones, attending events, writing personalised letters and thanking fundraisers for their support.

"I've been volunteering for H4H for two years and it's such a welcoming and amazing place. I now go in every Friday afternoon and it's the highlight of my week. I've met some truly inspirational people that leave me in no doubt about the work we do. There are so many ways to help and every little thing is greatly appreciated."



David Hiorns

Band of Brothers member David suffered a serious hand injury while on a training exercise and has been involved with several H4H challenges after getting support from the Charity. For his latest challenge, David walked along the Great Wall of China with H4H fundraisers.

"Walking with fundraisers is incredible. I get to tell my story and help to show where the money they raise is going. I've made lifelong friends."

Jodie Kidd

H4H ambassador Jodie Kidd took part in the Charity's Burma Bike Ride and Big Battlefield Bike Ride (BBBR) in 2016 as part of her 'Challenge Kiddo' campaign.

In October 2016 she climbed 5,800 metres to reach the top of Mount Kilimanjaro for her final challenge of the year. As well as raising money, Jodie hopes to increase awareness of the psychological support offered by H4H.

"The thing I love most about H4H challenges is doing them alongside the people the Charity supports. Having the opportunity to take part and raise money to help rebuild their lives is amazing."

Alfie McAnespie

Nine year-old Alfie raised a fantastic £200 after asking for donations to H4H in place of gifts for his ninth birthday this year. Alfie has been fundraising for H4H since he was just 16 months old, when he completed a one-mile walk. His final challenge of the year saw him climb Mount Snowdon, raising £6,000.

"I thought what the Charity has done for people is extraordinary. I felt inspired to raise more money for H4H."

In recognition of his efforts, Veteran and H4H Ambassador, Chris Jones, presented Alfie with one of his paintings.



WORKING WITH OUR PARTNERS

Our corporate partnerships are critical to the success of the H4H brand. We are proud to have the support of over 200 businesses that share our values and desire to support our wounded. Through brand partnerships, corporate donations, and staff and customer fundraising, each business helps us raise vital funds and awareness of our cause.

Our work with our partners offers a compelling way for businesses to engage with their customers and staff through fundraising challenges, volunteering and events. For some, it can also be an opportunity to reinforce links with their local communities, particularly those living or working near to the Help for Heroes Recovery Centres in Devon, Essex, Wiltshire and Yorkshire.

DEBENHAMS

Debenhams and the Debenhams Foundation have been supporting H4H since 2014, raising over £1.3 million in just three years. Debenhams' dedicated colleagues and customers have achieved this incredible milestone by hosting a month of fundraising each year with both collection weekends and in-store fundraising.

Money has also been raised through the sale of H4H merchandise in store and online, and from the launch of a range of co-branded T-shirts.

H4H has also benefited from an annual Gala Ball hosted by the Debenhams Foundation and a Debenhams team has joined our beneficiaries on the Help for Heroes Big Battlefield Bike Ride for the last three years. In total, 38 Debenhams staff have been involved in the Big Battlefield Bike Ride, with many returning year after year.

"We are incredibly proud of the contribution we have been able to make to H4H – a cause that continues to resonate highly with our colleagues and customers alike."

Nikki Zamblera, Chair of Trustees, Debenhams Foundation.

GSK

GSK, one of the world's leading research-based pharmaceutical and healthcare companies, has donated £1 million over the last five years towards the Phoenix Centre at Tedworth House Recovery Centre, including an initial £500,000 donation towards building costs. The ground-breaking centre hosts some of the UK's most advanced adaptive sporting facilities.

Thanks to support from GSK, beneficiaries benefit from the use of a Skiplex, SwimEx, strength and conditioning gym, steam room, sauna and multi-use sports hall.

For those recovering from life-changing physical injuries, these facilities are critical. Through their contributions to the Phoenix Centre, GSK have supported thousands of 'the blokes' on their road to recovery.

DEWALT®

DeWalt, the UK's leading manufacturer of industrial power tools, is now in its third year of association with H4H.

DeWalt began supporting H4H by introducing a limited edition H4H-branded drill kit, launched by British MotoGP rider Bradley Smith at Silverstone in 2014.

The company donates £10 for every set sold. Such was the popularity and success of the product it exceeded all sales and donation targets, raising over £60,000 to date.

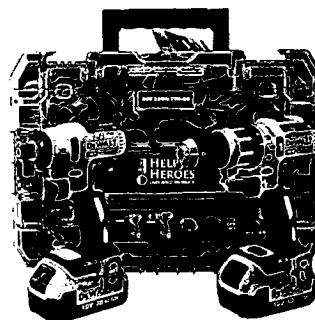
Last year, Stanley Black & Decker launched a limited edition version of their iconic Stanley knife in the H4H tri colours. The company will donate 50p per knife.

"Now into our third year of association with H4H we continue to look for new ways to drive contributions. We feel we have only just begun this journey and people are asking what we are doing next."

"We see opportunities to expand activities across our wider brand portfolio and are looking at ways to include more staff in the central fundraising events delivered by H4H."

"We are delighted to have recently launched our new limited edition Stanley knives in the H4H tri colours. This is an iconic trade and DIY tool and looks set to drive even more donations to this wonderful charity."
Darren Barber, Marketing Director (UK & ROI)

DeWalt has donated a substantial quantity of tools to Tedworth House Recovery Centre, to support the delivery of a number of woodland-based projects. This is part of an ongoing sponsorship and will continue in 2017.



Working With Our Partners

H4H would like to thank all those organisations and individuals who supported our Heroes in 2015/2016. It's impossible to name everyone who has donated or helped in the year, but here's a selection of some of those who have made significant contributions throughout the year and to whom we are very grateful.

Accenture PLC	Hermitage Trust	Paul Cummins Ceramics Ltd
ACS	Heroes for 6 Minutes	Paysafe Group PLC
Aggregate Industries UK Ltd	Heroes for Freedom	Pendleton King
Alf Turner Ltd	Hockey for Heroes (WDHC)	Pickfords
Antler Ltd	Institute of Leadership & Management	Players of the People's
ASDA Stores Ltd	Inverforth Charitable Trust	Postcode Lottery
Ashfield School	James Milner Foundation	Premier Care in Bathing
Barclays Bank PLC	Jo Loves Ltd	RAF Lossiemouth
Barney Stratton	Jodie Kidd	Rathbone Investment Management
Bibendum PLB Group	Jostle Corporation	Roast
Bisto	Kura	Rothschild & Co
Blood Sweat & Gears	L O'real	Scott Bikes
Boom	LeasePlan UK	Sky UK Limited
Border Force	Live Nation UK	Southeastern Railways
Bowyers Office Equipment	LJ Partnership	Stagecoach South Western Trains Ltd
Boxing4Heroes	Lovell Rugby Ltd	Stanton-on-the-Wolds Golf Club
Branston	Lyons Coffee	Stealth UK NW Ltd
Bri-Stor Group Limited	Marston's PLC	Tesco PLC
British Airways PLC	Mayor of Ashbourne	The Brigadier Majendie Charitable Trust
Castle Royle Golf Club	Mayor of Bishop Auckland	The Cadbury Foundation
CeX Ltd	Mayor of Royal Wootton Bassett	The Chemistry Group
Chanel	MBN Events	The Financial Times
Chris Morgan	Mercer Ltd	The John Lewis Partnership PLC
Cisco Systems	Merrell	The Moodie Charitable Trust
Corincraft Ltd	Michael Collins	The Pig at Combe
Cotton Traders Ltd	Mitchells & Butlers PLC	The Royal British Legion
DC Finance Consultancy	Moto in the Community Trust	The Sun
Debenhams PLC	Mount Pleasant Golf Club	The Training Room
DeWalt	Mrs Gladys Bramall	The Tudor Foundation
Di Williamson	National Maritime Museum Cornwall	The Worshipful Company
Disney	Nick Stone – Estate Manager,	of Wheelwrights – Battle Back Appeal
Endeavour Fund	Crichel House	Timberland UK
Expedia	Ninety9 Teamwear Limited	Today's Charitable Trust
Faversham Golf Club	Noble Foods Limited	Tough Mudder Ltd
Fish'n'Chick'n Ltd	Noel Tatt Group	Trillium Trust
Flying Flowers	North Durham Academy	UK Live
GE	North Hants Golf Club	United States Army
GE Healthcare	Notts Sports	Vauxhall Motors
Geoff and Fiona Squire Foundation	O3e Events Services	Vedder Price LLP
Ginsters Ltd	Oakland Park Golf Club	Web Help UK
Gold Key Media Ltd	Old Mutual Wealth Ltd	WH Smith PLC
Glaxo Smith Kline PLC	Orlando 2016 Organising Committee	Wilsons Solicitors LLP
Hendra Holiday Park	Otter House Ltd	Wings & Wheels

PROUD TO WEAR



Trading has made significant progress in a challenging and busy year of consolidation, creating a solid base for the future. In the early part of the year we withdrew from our high street stores, which caused a short period of disruption. Sales and profits achieved expectations and we built a trading model that will serve us in the years ahead.

Marketing

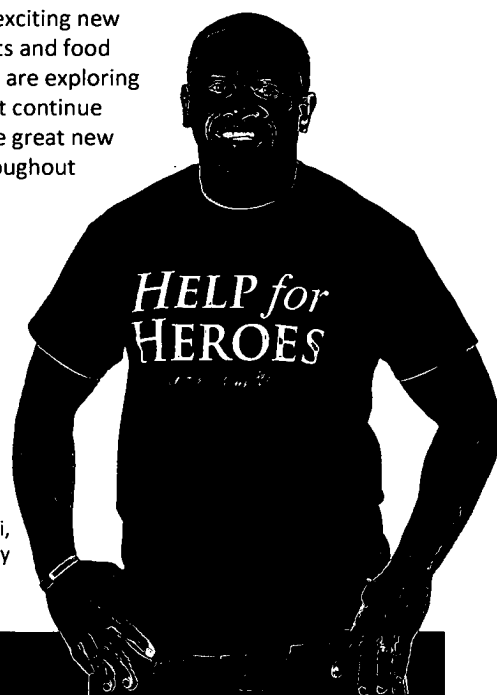
Our well-received catalogues and email updates have ensured regular communication with our existing supporters. We have sought to reach new supporters by increasing our marketing efforts and mobile events team activity, as well as through the use of social media and via our presence on the Debenhams website. We achieved sales in excess of £180,000 during the financial year from orders placed on the Debenhams website.

Over the year we received in excess of one million individual visits to the trading website. We continue to explore ways of increasing our visibility to our supporters through our presence on social media and by considering how we might work more closely with brand partners.

Products

Our traditional core products continue to form the bedrock of the trading offer and we sold more than 55,000 hoodies and 17,000 car stickers in 2015/16. Therefore, we have focussed on ensuring that these products are always in stock and available for purchase.

We are also exploring ways of expanding our product offer. In 2016 we launched an exciting new Christmas gifts and food range and we are exploring how we might continue some of these great new products throughout the year.



Derek Derenalagi,
H4H ambassador and beneficiary

Jack Wills launched a new product range during the year and will donate 40 per cent from the sale of each product to H4H.



Reaching Supporters

The trading website not only offers our supporters the opportunity to purchase H4H merchandise, but also to donate. We saw £74,000 in donations in 2015/16 from supporters who donated as they purchased products.

During 2015/16, we supplied product for sale or return to more than 800 volunteers. We launched a number of new product ranges and are continually looking for ways to improve our product offer.



TRUSTEES' REPORT

Strategic Report

The sections 'Our Charitable Objects' through to 'Risk Management' represent our Strategic Report.

Our Charitable Objects

Our charitable objects remain unchanged and are:

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

For the purposes of clause two, 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 are working during combined operations.

Public benefit statement

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

Activities in Scotland

Help for Heroes is registered as a charity in Scotland (number SC044984).

H4H provides support to wounded, injured and sick beneficiaries wherever they may be in the UK.

For Veterans and Serving Personnel located in Scotland and their dependents, this may be through the provision of specialised medical equipment, telephone counselling services, or support provided through grants to partner organisations. In 2016, H4H granted funds to Scottish-based charity Horseback UK, which supports wounded Servicemen and women through their recovery.

We have a representative of our Help for Heroes Fellowships and a representative of Help for Heroes Sports Recovery in Scotland, who run fellowship and sporting programmes respectively. We are recruiting an Outreach Project Officer for Scotland with a view to improving our delivery of services to beneficiaries in the future.

H4H also carries out fundraising activities in Scotland and the Group's subsidiary, Help for Heroes Trading Limited, undertakes frequent profile-raising visits to Scotland.

Mission, aims and statements

Our mission is to inspire, enable and support our wounded, injured and sick Servicemen, women, and Veterans, to lead active, independent and fulfilling lives. We want them to be able to fulfil their potential and then to be there for them and their loved ones for as long as they need us to be.

Our aim is to deliver a recovery-focussed service supported with grants to individuals and organisations working to our charitable objects. Our mission and aims require key underpinning infrastructure including Recovery Centres and highly trained staff to deliver services.

Following the completion of the four Recovery Centres, the Group has focused on operating those centres to deliver support and recovery services to our wounded, injured and sick, as well as continuing to provide support to individuals and organisations through our various grant funds. Our progress in meeting key aims during the year is reported under the three key areas of Recovery Delivery, Grants and Championing the Wounded. Our progress in generating the necessary funds to allow us to meet those aims is reported under the headings of Fundraising, Help for Heroes Trading Limited and BmyHero Limited.

Delivering on Our Promise

H4H is planning for the future. We need to support a growing number of wounded, injured and sick Service Personnel, Veterans and their loved ones, many of whom are coping day-in, day-out with increasingly complicated mental and physical conditions.

Between the Gulf War in 1991 and the drawdown of troops from Afghanistan in 2014, more than 36,000 individuals were medically discharged from service in the British Armed Forces.*

Research conducted by King's College London revealed that the total number of men and women who will need some form of support following service since 1991 is over 66,090.** This figure takes account of the fact that mental wellbeing issues often take months or years to emerge, and may as a result prove to be significantly higher.

These brave Servicemen and women will not suddenly recover because their wars have come to an end. In many cases, it will take years to rebuild their lives and H4H is proud to be facing up to this problem. It would be wrong to promise long-term support for retraining, careers, mental wellbeing, direct financial assistance, or physical and sporting development if we were not sure we could deliver on it.

The Group has tangible fixed assets of £47.6m. This is predominantly our purpose-built nationwide recovery infrastructure capable of assisting Service Personnel, Veterans, and their loved ones for years to come. This includes three of the four H4H-led Recovery Centres which are one of the main ways in which we deliver support (Colchester Recovery Centre is not held in the Group's assets).

The Trustees have designated £7m for future capital works and expenditure needed to meet future major repair and maintenance projects.

The Trustees must balance the desire to spend on immediate needs with that of meeting H4H's long-term promise to the wounded, injured and sick. Therefore, the Trustees continually review and challenge how much money should be designated in reserves.

The Trustees have designated £46.5m to helping this growing group of vulnerable people (being all of the Group's designated funds except the Capital Fund) which comprises the following:

- the money held to cover the future running costs of the Charity are less than 12 months' costs. When it comes to the costs of providing Recovery Centres and Recovery Services, two years' running costs (£33.0m) are held. This is to give a guarantee to our beneficiaries that they will still be supported should income fall until alternative support can be put in place

- a mental health designated reserve of £3.5m is held to recognise our commitment to specific projects and grants that the Trustees believe are critical to developing the support that H4H and the wider charity sector deliver
- a Recovery Projects reserve of £10.0m is held for special major projects that the Trustees wish to invest in, but that cannot be met from a single year's income.

We want our beneficiaries to be reassured we are focussed on both their immediate and future needs. That is why we have designated this money to funding journeys of recovery that are often long and demanding.

We respect the generosity of the Great British public, and put all funds received to work to ensure we deliver the best support we can, both now and in the future.

Every pound has a purpose.

Recovery Delivery

Our aims during the year:

- to assist the co-ordination of recovery efforts across the sector, partnering with other charities and organisations
- to ensure that H4H achieves optimum impact in the Veterans' mental health arena through collaborative working and the ongoing roll-out of Hidden Wounds
- to continue to critically review and improve policies and procedures of our recovery activities including embedding a model of multidisciplinary team working across recovery
- to continue to improve the delivery of recovery throughout the regions of the UK. To put in place, and effectively market, a comprehensive training curriculum that clearly sets out the training opportunities available to our beneficiaries at each Centre
- to support H4H beneficiaries competing at Rio in 2016 to ensure their stories inspire the next generation of wounded, injured and sick serving and Veteran athletes
- to ensure we continue to get the best at the fairest price while maintaining the quality of our delivery and the dynamism and innovation in our team.

Please go to our Reserves Policy on page 40 for more information.



* Help for Heroes Freedom of Information Act 2000 request to Ministry of Defence, 2015. Total number of personnel medically discharged from the British Armed Forces between January 1991 and October 2014: 36,506.

** King's College London *Counting the Costs* study for Help for Heroes, September 2015. Authors: Professor Neil Greenberg and Dr Julia Diehle.

Delivering on our Aims

To assist the co-ordination of recovery efforts across the Sector

Throughout the year we have worked closely with many of our partners in Cobseo, the Confederation of Service Charities, to ensure that our beneficiaries benefit from the best services available. We have developed a model across Welfare, Career Recovery, Psychological Wellbeing and Sports Recovery to grant-fund partners to deliver services which give our beneficiaries access to coordinated recovery activities, including education and training, to enable them to live independent and fulfilling lives for the foreseeable future.

Mental Health Arena and Hidden Wounds

The Contact group*, previously known as the Mental Health Roundtable, has been formed to reduce barriers associated with mental health and wellbeing to ensure that the Armed Forces community has access to the best possible support to meet their needs. The Contact Group is currently chaired by the Help for Heroes Director of Recovery and is a core partner in the new Heads Together Campaign, led by The Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry.

The Contact group is carrying out a service mapping exercise to develop a clear and concise pathway for all beneficiaries. This will allow us to ensure that beneficiaries are accessing the most constructive support in a timely manner on their road to recovery.

Contact continues to strive to improve the mental health services available to our beneficiary community.

An Anti-Stigma campaign linked to Contact, is chaired by H4H beneficiary David Wiseman, of The Royal Foundation, and complements the work of the Contact Group.

Our Help for Heroes Hidden Wounds Programme is designed for ex-Service Personnel, their families and the families of those still serving. The service is free and confidential and provides support to those who are living with anxiety, depression, stress or anger, or who wish to change their drinking habits. The service is now fully implemented at the Help for Heroes Recovery Centres in Tidworth and Catterick, and can be accessed face-to-face, by skype or by telephone. To date more than 800 individuals have accessed this service since its launch. Since 2015, we have seen a 66 percent increase in referrals to the programme, which is a good indication that we are starting to achieve our objective of destigmatising military mental health.

Critically review and improve policies and procedures

We are continually reviewing and improving policies and procedures to ensure we remain agile and meet the needs of our beneficiaries. A Charity Commission regulatory visit during the year recognised that both Recovery and Help for Heroes had appropriate policies in place and that staff within both charities were aware of these. As noted in the Charity Commission's report, prior to their visit the trustees had begun a full programme of review of policies and procedures

including their implementation in consultation with third party experts, a review which was supported by the Charity Commission. In addition, our ways of working in multidisciplinary teams have been audited and we are grateful to GE Healthcare for helping us to develop a critical audit process to identify best practice.

The delivery of recovery throughout the regions of the UK and a training curriculum

In 2016 we trialled an outreach model in Wales, designed to spread the delivery of recovery beyond the Recovery Centres. Additionally, teams from the Naval Service Recovery Centre in Plymouth have conducted clinics across the South West of England to reach out to beneficiaries who need our support. We are in the process of reviewing the impact of this trial but early evidence suggests that more beneficiaries have been able to access our services as a result.

One of our strategic aims for this year is to continue broadening our outreach capability in order to further improve the delivery of recovery throughout the UK. In April 2016, we published the Recovery Programme, a comprehensive training curriculum which details all the recovery opportunities available to our beneficiaries at each Centre. The programme can be accessed through our website and since publication we have received hundreds of expressions of interest from beneficiaries.

Help for Heroes' Sports Academy and the Road to Rio 2016

Help for Heroes' Sports Academy is proud to have worked with the British Paralympic Association, UK Sport, the English Institute of Sport and National governing bodies to help our wounded, injured and sick make the transition from the frontline of service to the start line of the Rio Paralympic Games in Brazil and beyond.

H4H provides a bespoke, holistic package of support tailored to each individual. We work with our partners at every step to help military athletes progress through their sport as they strive to represent ParalympicsGB and to ensure their stories inspire the next generation of wounded, injured and sick serving and Veteran athletes.

The Rio 2016 Paralympic Games saw ten supported individuals travel to the Games, eight as athletes and two as Channel 4 presenters. Our athletes won four Paralympic medals: two gold and two bronze, and set a number of personal bests.

In addition, through partnership with the British Paralympic Association, the Charity delivered the Paralympic Inspiration Programme, which saw seven H4H supported military athletes attend an education programme in Rio. The programme aims to best prepare them for either the Winter Olympics in Pyeongchang 2018 or the summer Games in Tokyo 2020. The Paralympic Inspiration Programme provides motivation, an opportunity to experience a Paralympic event so they will not be overwhelmed at a future Games, and education into the training, diet and the drugs-testing regimes of a Paralympian.

*www.contactarmedforces.org.uk

Maintaining the quality of delivery and the dynamism and innovation in our team

Recovery is structured so that the appropriate subject-matter experts set the policy and monitor standards for delivery across the Recovery Centres and elsewhere. A coaching culture approach has been embraced across Recovery and a number of staff have benefitted from Institute of Leadership and Management courses facilitated by the Charity. The Recovery Core Operating Model is fully developed and the Multi-Disciplinary Team audit is highlighting good practice and areas for further development, which will shape our delivery of recovery over the next 12 months. A Theory of Change and an evaluation model have been developed with support from the Charities Evaluation Services. This allows us to self-evaluate to measure beneficiary outcomes across our Welfare, Fellowship and Career Recovery services, with the others to follow shortly. We aim to complete the roll out of the evaluation model across all Recovery services during 2017.

We have responded to beneficiary needs by devising and delivering new offerings within our existing services to ensure we remain relevant to our beneficiaries. Examples include:

- development weeks to introduce or develop an interest in recovery activities;
- a City and Guilds Level 2 course in Horticulture
- the first disabled and the first all-women's teams ever to finish the Arch to Arc Enduroman Triathlon from London to Paris
- the first disabled team to complete the Megavalanche Extreme Mountain Bike Challenge, one of the longest downhill races in the world
- Veteran involvement in the award-winning Chelsea Flower Show "Welcome to Yorkshire" garden.

Aims for the following year:

- to extend the Recovery Delivery model further beyond the Help for Heroes Recovery Centres
- to further enhance our psychological wellbeing and mental health support through the introduction of 'pre-step 3' services* and increasingly effective working relationships and agreements with the NHS and partner charities
- to have worked with the Contact Group to continually improve the mental health support to veterans and their families through better and more transparent communication between, and among, group members and closer collaboration in the development of support services

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

- to build on the successes of Invictus Games 2014 and 2016 to recruit, train, select, prepare and manage the UK Invictus Games team for the 2017 games in Toronto, while working in partnership with MOD and TRBL to support the UK delegation
- to embed the evaluation of services and outcomes across our Welfare, Fellowship, Sports Recovery, Psychological Wellbeing, Health and Physical Wellbeing, and Career Recovery services.

Grants

Our aims during the year:

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

Delivering on our aims

Our support of beneficiaries continues to develop in terms of grant awards and strategic reach. We look to award grant funds to partners who can complement and enhance the services offered at the Recovery Centres.

Support to our charity partners is wide and varied as illustrated below:

The Prince's Trust – £495,000 grant to support wounded, injured and sick personnel placements on the trust's team programme

H4H renewed its partnership with The Prince's Trust as it reached its 40th year, with a three-year grant commitment to fund a number of national team placements. During this period, 135 wounded will, as employed participants and Assistant Team Leaders, complete Team Leader training and other sector-related qualifications. The programme will allow participants to develop their leadership skills and employability, while also supporting the delivery of 135 community projects and supporting over 1,620 young people as part of a Prince's Trust Team. The programme will run from 2016 to 2019.

Sporting Force – Getting into employment through football

This innovative project arose out of a beneficiary's participation in the Help for Heroes Pathfinder and Business Xperience courses, delivered through Career Recovery. It aims to provide work experience placements with Premier and Champions League Football teams, with a further possibility of employment. The project targets harder to reach wounded, injured and sick Veterans and intends to decrease social isolation, as well as offering participants opportunities to learn new skills. H4H has granted the programme £80,000 in funding for the first 18 months of this exciting project.

Wiltshire and Somerset colleges partnership – functional skills tutor

H4H has granted £50,000 to support the role of a Functional Skills Tutor for Serving Personnel, Veterans and their families. As well as providing outreach support to Veterans and their partners working towards their Level 2 Maths and English, the service is available to all Service Personnel and Veterans undertaking transitional programmes at Help for Heroes Recovery Centres.

South West Veterans Mental Health Service – funding additional services for our beneficiaries with complex needs

The work of South West Veterans Mental Health Service (SWVMHS) fully complements H4H's own psychological wellbeing service, Hidden Wounds, by supporting those with more complex mental health issues. The three-year grant award of £390,000 will increase access to appropriate evidence-based psychological therapy for Veterans across the south west of England. Furthermore, it will provide information about the numbers of Veterans taken on for assessment/treatment and the outcome of such treatment. We hope that this information will highlight the need for these posts to be funded by statutory services. This is consistent with our approach to date, which seeks to drive change and improve lives.

The Quick Reaction Fund

In addition to grants to other charities we continue to award grants to individuals through our Quick Reaction Fund (QRF).

The QRF is centred on meeting an immediate need, quickly, and this remains a key focus for H4H. Between 1 October 2015 and 30 September 2016 we have supported 1,182 cases totalling in excess of £1.44m (2014/15: 1,120 cases totalling £1.52m) and in September granted our 10,000th award to individuals.

Our individual grant giving is focused on supporting our beneficiaries during their ongoing recovery journey. Of grants awarded in 2016, 85 per cent were to unique individuals, compared with 76 per cent the previous year. There was a significant increase in awards for vocational training since the previous year – to 237 from 128 – and in Financial Hardship and Welfare, which saw an increase to 576 from 497.

The designated Recovery Services reserve includes 2 years of anticipated future grants to provide protection against any short-term income volatility.

Our aims for the coming year

These remain unchanged from the previous year as:

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

Championing the Wounded

In addition to the practical delivery of recovery programmes and financial grants, charitable activity also includes championing the wounded.

From the outset, H4H has given a voice to thousands of men and women whose needs and concerns may not have been recognised by wider society or those in authority.

The Charity's ability to speak up for the wounded, injured and sick and their loved ones is increasingly important at a time when many of them feel the world has moved on, and public attention is diverted.

Our overriding aims:

- to represent the needs of the wounded to the public, to organisations and to authority
- to make use of the Charity's profile and resources to raise awareness of needs and issues that are not being adequately addressed
- maintain H4H's non-political position by focussing on the needs of the wounded.

Our additional aims in 2015/16

In addition to our overriding aims, in 2015/16 we aimed to:

- form a coalition of those willing to take forward the *Counting the Costs* work we started with King's College London
- begin a project to de-stigmatise the area of military mental health, alongside our charity partners.



To learn more about our reserves go to page 40

Delivering on those aims**Giving our Heroes a voice**

In the last year, over 100 beneficiaries were supported by the Help for Heroes Communications team in telling their stories of recovery, often in print, broadcast or online media outlets. It is both a privilege and a big responsibility to be trusted to convey the experiences and feelings of those H4H helps. It is also acknowledged that the act of sharing a story and – of critical importance – being listened to, can be of benefit to those who have come to harm while serving their country.

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

In 2016, H4H conducted a survey of 2,000 adults in the UK. Three quarters (76%) think Service Personnel and Veterans are forgotten about when they return from overseas deployments. The survey also showed that many did not know that almost 290,000 troops had served in Iraq or Afghanistan, or that the British Armed Forces are currently deployed in 80 locations around the globe. Most believe that the number of deployments at any one time is lower than 20.*

This suggests that only two years after the end of our major deployment to Afghanistan, there is limited understanding of the scale of our recent conflicts. This can make it more difficult for Veterans and those still serving to get the support they need.

The nation continues to place high demands on our Armed Forces at home and abroad, while the true consequences of our recent conflicts are not fully understood.

Working in partnership

In 2014/15 H4H funded a year-long academic study from King's College London entitled *Counting the Costs*. The study, which has been made freely available to charities, the Government and partners, quantified for the first time the total number of men and women who will need our support in the years to come as a result of their Service between the 1991 Gulf War and the start of the battle against ISIS in October 2014.

This work, presented to politicians, charity partners and supporters in January 2016, established that:

- between 1991 and 2014, 757,805 men and women served as regulars in the British Armed Forces
- of these, a minimum of 66,090 will definitely need support with physical, mental or welfare needs
- 36,506 have already been Medically Discharged between 1991 and 2014 **

This work was shared with key partners and presented in collaboration with Cobseo, the Confederation of Service Charities, of which H4H is a member.

In 2015/16, H4H was a founding member of a Mental Health Round Table group (subsequently renamed Contact). Contact brings together the NHS, MOD, Combat Stress, Walking With the Wounded, Big White Wall, Cobseo and the Royal Foundation in addition to others working in military mental health. The aim is to ensure that those in need of help acknowledge their need, and know where to turn to for support in what can be a confusing landscape.

Through Contact, H4H is also proud to support the Heads Together campaign initiated in 2016 by the Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry. Heads Together aims to help people feel much more comfortable with their everyday mental wellbeing and to have the practical tools to support their friends and family. H4H has seen an increase in beneficiaries coming forward with psychological wellbeing issues, specifically to our Hidden Wounds programme, which has received over 800 referrals. We will continue working to destigmatise mental health needs and to give those struggling with their mental health a sense of parity with beneficiaries coping with physical issues.

Additional aims for the coming year:

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

* Survey conducted by SWNS and One Poll, August, 2016.

** A full copy of the King's College London *Counting the Costs* report is available from H4H. We are using the findings to campaign for the needs of our beneficiaries, to continue planning the scale of support we seek to provide and to coordinate Recovery work with partners based on a common view of the number of people who need our help now and in the future.

Fundraising

Our aims during the year:

- to accelerate the pro-active approach in business development to attract new, large, long-term corporate partnerships, whilst deepening and expanding existing relationships with closer working and collaborative partnership development. To develop The Friendly Forces Club into a sustainable philanthropy income stream, with support at various levels. To begin to focus on larger, six-figure grants from Trusts and Foundations
- to continue engaging with high-profile people and build on our Ambassador Programme
- continue to promote the Sign up and Support campaign across all supporter channels to proactively recruit Friends. Embedding Friends as the underpinning income theme across the Charity. Concurrently work on the growth of payroll giving and raise awareness of the importance of legacy income to the Charity by developing our messaging around Give Later
- Events and Challenges will continue to review and evaluate effective fundraising opportunities that support our wide support base, retain a high profile and unique edge, whilst striving for excellence within the participant journey
- maintain the significant efforts to develop and nurture our highly successful and committed volunteer base, encourage new volunteers and support our fundraising efforts.

Delivering on those aims

We never cease to be amazed at the enthusiasm of the public in their support of H4H. Whether they are giving their time, their money or significant effort, when given the opportunity to show their support, their generosity is overwhelming. During 2016, our volunteers and supporters held 806 Bake for Heroes sales, 187 BBQ for Heroes events and 106 Heroes Breakfasts up and down the country, as well as participating in countless challenges to raise funds for the Charity.

Fundraising is fundamental to the success of H4H and the Charity has taken the positive decision to stay true to our origins. We are careful and take steps to avoid the aggressive tactics employed elsewhere in the sector. We do not employ 'chuggers' or cold callers.

Reviewing the Charity's fundraising structure has been a key priority over the last 18 months. This has ensured that we have the appropriate people, teams and processes in place at a time when it is harder to raise money. We are developing a commercial strategy to secure long-term relevant and sustainable income.

It is of critical importance to the future success of H4H that public trust in the Charity is maintained. We continue to monitor public perceptions of the charity sector, as well as the evolving regulatory landscape for fundraising. This now includes a Fundraising Regulator and a Fundraising

Preference Service. We have signed up and paid our subscription to the Regulator. We believe it is not only important to do the right thing for our beneficiaries but also for those who are kind enough to support us.

During 2016, the Charity embedded new mandatory consent and preference procedures for marketing communications, as all charities were required to do by the Charity Commission and under Data Protection legislation. This absorbed resource which would otherwise be focused purely on fundraising. During 2017 we will begin the process of introducing 'supporter journeys' and associated communications for all those who back our cause.

Corporate fundraising

The High Value Partnerships team – responsible for managing relationships with Corporates, High Net Worth Individuals (HNWI) and Trusts and Foundations – has been increasingly working with our beneficiaries to develop robust and meaningful cases for support. This will act as the cornerstone for developing new, long-term, corporate partnerships and seeking six figure grants from Trusts and Foundations. During the last year we worked to strengthen existing partnerships and establish the best team structure to fit the maturing income mix. As a result, we are now in a much stronger position to develop sustainable, multi-faceted, three to five-year partnerships.

We reinforced our existing Trusts and Foundation activity, and a research and planning phase began in Q4 2016 to assess the potential for income from Major Donors and Philanthropists. We aim to launch this new initiative in 2016/17.

We continue to focus on growing our network of both Industry Ambassadors and City Heroes. Developing this network is essential to achieve sustainable income in the future.

Our Corporate Partnerships team (part of H4H Trading Limited) has continued to deliver commercial partnerships with household brands and retailers. These partnerships not only generate income, but also raise awareness of the Charity, which will support income generation overall. The strength of our Brand portfolio is unique to the sector. Successful partnerships developed during 2015/16 include Brantstön, Hildon Water, Jack Wills, Antler, and Ginsters. Marston's has sold over 1 million pints, raising over £60,000 for Help for Heroes.

Our strategy of developing existing relationships in order to increase support for the Charity, combined with a focus on brands that truly resonate with H4H, continues to bear fruit, despite a difficult retail climate. We work closely with partners across the Charity to leverage mutually beneficial merchandise opportunities, and are continually looking for opportunities to build new commercial partnerships.

Community fundraising

Since the Help for Heroes Individual Giving team was created in 2013, our supporters have been able to choose the size and shape of their support. We take care to send materials solely to those who wish to receive them. Our number of 'Friends' (regular supporters and those who pledge a gift in their Will) has grown steadily and organically, seeing an increase in the last two years. Individual Giving accounts for 30 per cent of overall Charity income. 'Friends' engagement days take place throughout the year at Help for Heroes Recovery Centres and are unique opportunities to showcase our Recovery efforts, communicate our gratitude to loyal supporters, and enable them to hear directly from some of the beneficiaries their support has helped.

The Charity will continue to develop a number of other income sources over the next 12 to 18 months, including Payroll Giving and 'In Memory' Giving. Legacies continued to be a growth area for us in 2015/16, with benchmarks indicating we are likely to be one of the top charities for both notifications and income over the coming years.

2016 saw the Help for Heroes Events and Challenges team deliver a broader range of events than ever before. Notable highlights include a fundraising dinner at the Tower of London, which raised over £350,000 and 'Hot Barrels': a clay pigeon shooting event in partnership with EJ Churchill. The team continue to support key events for the Charity such as the 'Together Rebuilding Lives' event at the Imperial War Museum.

Challenge events continue to be a key fundraising channel and H4H is proud to support those who commit so much time and energy into fundraising and training for their challenge. The annual Big Battlefield Bike Ride, which last year retraced the World War I route along the Western Front, raised £627,000. We introduced a new route for the Dawn Raid, from HMS *Victory* in Portsmouth to London, and saw the Great North Run and our charity partnership with Tough Mudder continue to generate huge supporter engagement.

During 2015/16 we registered 92 new 'Charities of the Year', a 21 per cent increase on 2014/15. Total income from Charities of the Year was £310,000, equalling a 34 per cent increase on 2014/15. We conducted an analysis of this income stream in Q4 2016, allowing us to better understand where the sector and geographical potential is for 2017.

Events during 2016 demonstrated that the Mobile Events team can often highlight how the Charity makes a difference. The team fundraises, recruits new volunteers and also signposts potential beneficiaries to Help for Heroes Recovery Centres. For some of our supporters this is the only touchpoint with the Charity. Consequently, developing the team will be a focus for 2017.

During 2015/16 the Help for Heroes National Volunteer team managed and coordinated the activities of close to 2,000 volunteers across the UK. The team received 1,924 requests to supply volunteers for fundraising and charity events, and despite gaps in the volunteer network and intensity of events at peak times of the year, we covered 95 per cent of requests.

Our outreach in certain geographical areas is affected by a lack of even distribution of our volunteer network. To mitigate this we used regional media outlets and social media to gain support and spread the word about how the public can continue to support the ongoing needs of wounded Veterans.

Volunteer numbers over the last six months of the year have increased by 200, with an ambitious growth target set over the next 12 to 18 months to support our National Collections and Corporate opportunities across the UK.

Our aims for the coming year:

- agree the optimal blend for relevant and sustainable income for Corporate and Community Fundraising, which will underpin the commercial model for 2017 and beyond
- develop sustainable, strategic three to five-year corporate partnerships
- develop the Major Donor, Philanthropy and Trusts and Foundations income streams
- create an acquisition and retention strategy for H4H donors and fundraisers, underpinned by best-in-class supporter engagement and consumer journeys
- continue to grow Gifts in Wills, In-Memory and Payroll Giving
- recruit, retain and train volunteers with relevant skills and experience which correspond with our fundraising opportunities across the UK.

Help for Heroes Trading Limited

Our aims during the year:

Continue to increase Charity income and awareness by:

- continued focus on ensuring our business model is as efficient and profitable as possible, necessitating a shop closure programme and focussing on other ways to raise awareness and funds through trading activity
- ensuring that our product offer continues to meet the needs of our supporters, while capitalising on the key Christmas trading period with a strong gift offer
- continuing to talk to our existing supporters about new and relevant product lines, and encouraging new customers to sign-up to our newsletters.

Delivering on those aims:

The standalone stores and Debenhams concessions were closed by the end of January, and the resulting head office team restructure was completed by mid-February. The remaining sales outlets have traded in line with forecasts since the store closures. The head office Trading team have remained positive, committed and forward looking. This has been supported by weekly team updates and a team build day.

In 2016 we spent time exploring future opportunities resulting in, amongst other things, the development of a stronger Christmas gift range and launched a project to implement a new updated trading website in 2017.

As described under Fundraising on page 32, our Corporate Partnerships team have continued to deliver commercial partnerships. Our new partnership with Jack Wills, which launched in September 2016, allows us an opportunity to reach a new base of supporters. The limited-edition line consists of three products, with 40 per cent from each sale going to H4H. We are confident that this is the beginning of an exciting and fruitful relationship with a fantastic brand.

We have implemented a volunteer discount of 10 per cent on all products bought from the website as a demonstration of our appreciation of the great work of our volunteers. This launched at the national conference at the start of October 2016.

Our aims for the coming year:

- continue to work on making our business model as efficient and profitable as possible
- ensure that our product offer continues to meet the needs of our supporters, whether they are buying from the website, sale or return, or the Mobile Events team
- continue to explore ways of reaching out to potential supporters, e.g., by having a presence on brand partners' websites and through increased social media presence.

BmyHero Limited

Our aims during the year:

- To complete the closure of BMyCharity on 31 December 2015.

Delivering on those aims

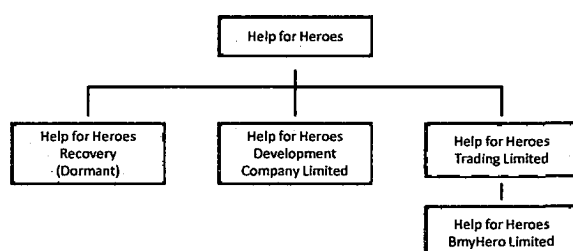
The main business of BMyCharity was closed on 31 December. However, BmyHero Limited continued to provide credit card services to the group beyond that date until a transfer of all banking and credit card services could be completed. This transfer is substantially complete at 30 September 2016 and it is anticipated that the company will be dormant by 30 September 2017.

Our aims for the coming year:

- For BmyHero Limited to be dormant by 30 September 2017.

Financial Review of The Year

On 1 April 2016, the activities, assets and liabilities of Help for Heroes Recovery were transferred to the parent charity, Help for Heroes. This was done to simplify the organisation, improve governance and improve value for money. The Group structure as at the date of signing the accounts is shown below. It is anticipated that Help for Heroes Recovery will be de-registered as a charity in the year ended 30 September 2017:



During the year under review the Group generated total income of £36.5m (2015: £41.0m) and expenditure on raising funds was £11.6m (2015: £13.3m) leaving resources available for charitable activities of £24.9m (2015: £27.7m).

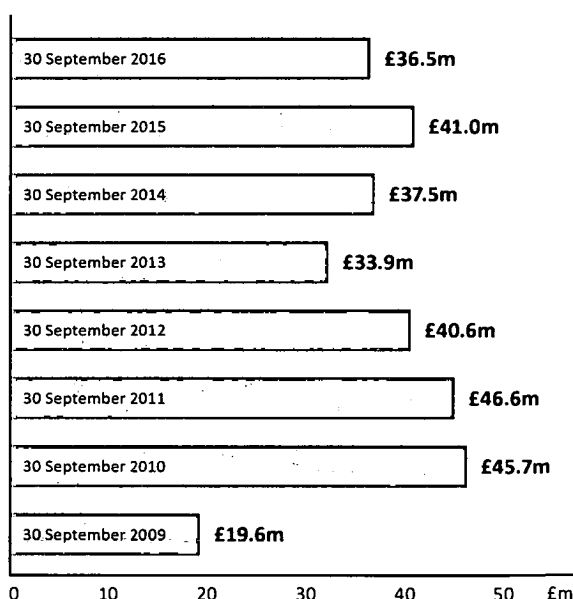
Income

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

Income showed an decrease of £4.5m to £36.5m (2015: £41.0m). The most significant aspect of the fall is the closure of the retail stores in January 2016. This has reduced the cost base of the trading company and improved longer term profitability. As observed in previous years, the intense fighting of 2009 and 2010 coincided with the Charity receiving unprecedented support from the British public. This reduced before rising again in 2014/15 and 2015/16 in response to an investment in the Income Operations team. In the year ended 30 September 2016, income from Donations, Legacies and Charitable Activities fell by 5.2% to £31.0m (2015: £32.7m). Within this, there were increases in Major Donations and Grants, Legacies and Donated Services and Facilities. However these increases were offset by decreases in income from Challenges and Events and Other Donations. This pattern of an increase in 'prompted' but a decrease in 'unprompted' donations is in line with expectations and is reflected in the ongoing increased investment in generating income.

The Trustees are particularly grateful to The Royal British Legion who donated £4.2m in the year towards a proportion of the running costs of the Help for Heroes Recovery Centres at Tidworth and Catterick incurred between 2010 and 2016. It is hoped that The Royal British Legion will continue to support these Recovery Centres and the Colchester Recovery Centre in future years.

As noted above, trading income fell by £3.0m to £4.8m following the closure of the retail stores in January 2016. Sales of merchandise from the website continued successfully. Commercial partnerships remained a valuable source of profitable income in the year.



To discover some of the challenges our supporters took on this year, go to page 20



Expenditure on raising funds

Total costs of raising funds for the year were £11.7m (2015: £13.3m). The constituent parts of this were £5.1m (2015: £4.8m) for raising donations and legacies, £4.1m (2015: £6.5m) of trading costs, £0.4m (2015: £0.3m) of Investment management costs and £2.1m (2015: £1.7m) of support costs.

As detailed in the Value For Money section on page 37, the fundraising ratio has changed in 2016. This is because, like many military charities, we are finding it harder to raise the funds we need to extend our support to a growing number of beneficiaries. The increased cost of raising income represents ongoing investment in generating 'prompted' rather than 'unprompted' income, which has fallen. The Trustees see this as an investment in generating future income. Over the last year, H4H received less than 0.1% of its income from government grants. We depend on the Great British public fundraising. We receive no statutory Government funding. The cost of raising income is explained further below under Value for Money and Fundraising Ratio.

The trading business continues to generate a substantial profit for the Charity both from the sale of goods and from Commercial Partnerships. Generating those profits incurs costs: principally in buying high-quality products to sell and in running our trading operation. The restructuring and subsequent reduction of the cost base in the year has improved focus on generating profit for the charity. As a result, the trading business continues to be profitable and to contribute its profits to the Charity.

After consolidation, incoming resources (i.e. turnover) from trading activities was £4.8m (2015: £7.7m), generating a net contribution of £0.7m (2015: £1.2m).

The Group's support functions as detailed in note 4, remain a vital resource to both generating funds and to delivering against our Charitable Objects. The cost of support has risen in the year as the sophistication of the charity's infrastructure has increased to match the needs of our beneficiaries.

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

Cost of charitable activities

As explained above, charitable activities are split into three areas in line with our Charitable Objects. These are reflected within the Cost of Charitable Activities as £6.4m (2015: £3.3m) of grants made, £21.3m (2015: £20.7m) of Recovery Delivery and £1.2m (2015: £0.9m) of Championing the Wounded. Note 8 of the accounts provides further detail of the Cost of Charitable Activities.

Details of Grants are given in the Grants section on page 29. Of particular note in the year were three-year grants to the Prince's Trust (£0.5m) and to SW Veterans Mental Health (£0.4m), plus a new grant to Combat Stress of £1.0m.

Although Group income has diminished in the year, the amount spent on supporting beneficiaries through Recovery activities has increased significantly.

Championing the Wounded is also explained in its section on page 30.

As noted above within Expenditure on Raising Funds, the Group's support functions provide essential resources to enable the delivery of Charitable Activities. The complex needs of beneficiaries, which are different for every individual, demand complex IT solutions to coordinate and manage. Similarly, as the Recovery functions have grown, so have their demands on Group facilities, HR, finance and management. These are essential to deliver to our beneficiaries in a professional way.

Subsidiaries

Summary results of all consolidated entities are shown in note 12 of the accounts, Investments in Subsidiaries.

Help for Heroes Development Co Ltd managed the remaining capital works for the Charity's Recovery Centre development programme and also delivered some preliminary works for anticipated capital projects in 2016/17.



It costs 25.3p to generate £1 of income for H4H

Value for Money

To ensure that every pound is put to the best possible purpose, H4H carefully considers which initiatives will deliver the best outcomes for our beneficiaries. We also take into account that H4H's growing responsibilities mean the Charity must also invest in staff and infrastructure. By way of example, the increase in Band of Brother and Band of Sister memberships means we are actively engaged with 7,500 beneficiaries at any given time.

Our wounded and their loved ones have given up so much – they deserve the best support, and H4H needs the very best people to provide it. As a result, we must pay enough to attract and retain skilled staff, many of whom have a range of professional qualifications in areas as diverse as psychological support, adaptive sports coaching and occupational therapy. Similarly, in order to raise enough money to deliver everything required to the appropriate high standard, we need the right calibre of people and the right IT systems in place.

We employ many Veterans or people who have close links to the military. Approximately one third of our staff have links to the military or are from military families.

We believe this helps us better understand the needs of our beneficiaries.

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

Fundraising ratio

It is becoming harder to raise money. We rely entirely on the goodwill of the British public and businesses. As a result we have been obliged to invest further in our capability to fundraise in order to maintain the recovery network we have built from scratch. Therefore, the table below shows the fundraising ratio of the Charity has risen to 25.3% from 20.0%.

The details of the ratio are shown below:

	2016 £'000	2015 £'000 (Restated)
Total income	30,995	33,659
less Investment income	(764)	(574)
Net income	30,231	33,085
Expenditure on raising funds	8,021	6,943
less Investment management costs	(373)	(329)
Net expenditure	7,648	6,614
Income less expenditure	22,583	26,471
Fundraising ratio	25.3%	20.0%

When compared against the Top 10 YouGov Charity Brand Index charities, H4H is once again in the targeted bracket of the second or third quartile. Put simply, we have an efficiency ratio which puts us in the middle ground alongside considerably larger charities. Few charities publish this ratio, or charity only statements of financial activity. Therefore, calculating reliable benchmarks is often difficult and can be complicated by different fundraising methods. The inclusion of trading activity in consolidated accounts means that the costs of that activity (which generate a profit) impact on the total amount raised. The Trustees have again published this ratio but remain of the view that in isolation, this ratio does not give a full picture of the efficiency of income generation. The overall efficiency of the Charity cannot be judged on the fundraising ratio alone.

Initiatives in the year

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

- bringing together the two group charities into one charity on 1 April 2016, as referenced in the Chairman's report, creating clearer governance and opportunities for efficiencies
- closure of Retail Stores to concentrate on the more profitable web sales business
- increased analysis of income streams to allocate resources to the most profitable activities
- ongoing analysis of spend on Charitable Activities to gain improved understanding of the areas of Recovery that need focus, whether that be via H4Hs' own activity, or others via grant funding
- greater focus on Gifts in Kind and Pro Bono opportunities to offset expenditure
- increased focus on measuring outcomes for all beneficiaries
- ongoing investment in research to ensure that expenditure and any growth in activity is targeted effectively.

For more information
on how we are delivering on
our promises go to page 27



Remuneration

We recruit people who are passionate about the cause and this allows us to get the right people at a fair level of remuneration. However, while salary is not the main driver for our people, we cannot ignore the fact that we must recognise the skills and abilities of professional, qualified recovery staff, and charity staff, or we will be unable to continue to deliver the level of support we provide to our wounded, injured and sick.

The Remuneration Committee is responsible for setting senior management salaries, having taken into account the dynamics of the local area and similar organisations. The Remuneration Committee is also responsible for ensuring a similar process is undertaken by the Human Resources department for all staff.

The pay and grading exercise that was started in the year ended September 2015 has continued in the year. Trustees agreed that within an overall budget of 2% of payroll, non-senior management salaries were adjusted towards market rates from 1 October 2015. This approach of targeted pay increases has continued to ensure that salaries remain competitive but value for money.

The salary levels of those paid above £60,000 per annum are benchmarked against other charities. When compared against the other top 10 charities in the YouGov Charity Brand Index, H4H are in the bottom half (calculated by number of people paid above £60,000 and the average salary per employee over £60,000). The number of people paid above £60,000 has fallen.

The outgoing Chief Executive Officer has once again waived his right to royalties for artwork, design and logos that he owns. The value of the waived royalties are £40,699 (2015: £59,300).

Financial Outlook

The generosity of donors to H4H continues, although as explained above there is an increased need to prompt donations which has had an impact on the cost of raising income. It is anticipated that 2016/17 will continue to see a decline in 'unprompted' income and therefore investment in 'prompted' income will continue.

Income in the year ended 30 September 2016 included a number of large one-off donations, including the donation from The Royal British Legion towards a proportion of the running costs of the Help for Heroes Recovery Centres for the last three years. While it is hoped that this support will continue, income from The Royal British Legion in 2016/17 will be lower.

Given the likely reduction in 'unprompted' income and the one-off nature of some 2015/16 income, it is possible that income will fall again in 2016/17. The Trustees' investment in the Income team will focus on ensuring that sufficient income is raised to deliver the services our beneficiaries depend on.

The reserves policy as set out on page 40 demonstrates that the charity has the resources to weather a short term challenge to its income and allow the Trustees time to make the appropriate decisions should income fall further.

Risk Management

Good governance is vital and is a continued focus for the Trustees. Last year, the Trustees decided to bring together the work of the Risk committee with that of the Finance, Audit and Legal committee.

A Group Risk Register is maintained by management and this is prioritised and presented to the Risk Committee for further review including an assessment of any controls in place to address risks. Risks are prioritised according to their probability and potential impact, and then adjusted for the effect of mitigating controls. A member of senior management is assigned to each risk area.

Significant areas of risk continue to be reviewed and updated and are deemed to include:

- health and safety risks arising from recovery delivery particularly at our Recovery Centres. These are managed through detailed policies and procedures with the implementation being monitored both actively (compliance/audits) and reactively (accidents and near misses) by a competent employee
- the need to ensure that beneficiaries are safe from harm. This is done via extensive safeguarding procedures and policies (created with external advisor input). The capability of staff as well as the adequacy of operating procedures and training is regularly reviewed. All activities are risk assessed, and assured against the criteria of: safe place; safe people; safe equipment and safe subject
- 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 lawsuit following death or serious injury as a consequence of their participation. The identification, elimination or management of risks at events is given priority by our Supporter Relations Team. In addition, substantial public liability insurance is maintained
- fraud risk, that the Charity suffers financial loss as a result of fraudulent activity. Strong internal controls are maintained, including the control of donations and management of who may represent H4H. In addition, dedicated Internal Audit and Income Protection teams ensure controls are regularly reviewed and that any areas of suspicion are swiftly investigated.

- adverse publicity (regardless of its accuracy or fairness) may lead to fewer beneficiaries coming forward to receive support, or a reduction in future donations which enable us to deliver support. This is primarily managed by continually checking to ensure that everything that H4H does is in accordance with our Charitable Objects. Additionally this is achieved by a formal process of approval for eligibility, grants and new areas of activity. The Charity tries to ensure that our beneficiaries' voices are heard and that reporting of the Charity's work is fair and accurate.

As the complexity of our work has increased, following the year end we have refocused our management of risk, particularly in respect of new and developing areas.

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.

The Trustees have considered how the Group should be structured to best deliver on our promises. From 1 April 2016, the activities of Help for Heroes Recovery were transferred into Help for Heroes (the parent charity).

The following sections explain how the Charity and the Group are governed:

Governance structure

The Charity currently has a board of 11 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 Trustee Committees, of which seven operated during the year:

- Operations
- Recovery and Grants (from 1 April 2016. Prior to this date, Recovery and Grants operated as separate committees)
- Income
- Finance, Risk and Audit (from September 2016. Prior to this date, Risk operated as a separate committee)
- Remuneration
- Investments
- Nominations.

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

The boards of the other members of the Group, including Help for Heroes Recovery, met through the year and provide reports to the Charity board.

The Senior Management Team of the Group meets monthly. Its structure and composition is reviewed by Trustees at their board meetings and it comprises the senior functional heads of key areas within the Group, as shown in the diagram on page 70. These Senior Management Team meetings are minuted with actions and decisions documented for scrutiny by Trustees if required.

The Trustees ensure regular communication with the Senior Management Team and monitor the performance of the Senior Management Team by:

- at least weekly conversations between the Chief Executive and the Chairman
- attendance at board meetings by the Senior Management Team as appropriate
- Senior management attendance at Trustee committees in line with their responsibilities
- Trustee visits to H4H facilities.

Following the end of the year, the Chairman has initiated a governance review. External advisors have been appointed who will assist the Chairman and Trustees in ensuring that H4H's governance structure remains the most effective possible and fits with the future strategic direction of the Charity.

Strategy

As the needs of our beneficiaries evolve over time, focus is being given to H4H's strategy, something we must constantly do. Melanie Waters, the new Chief Executive, is taking time to understand our Charity, those it helps, our beneficiaries changing needs and how H4H can continue to meet those needs to the best of its ability. Our strategy will set the direction for the future so that we remain relevant to our beneficiaries and continue to engage our supporters. Our objective is to make sure that all those affected by service have a fair chance to rebuild their lives.

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

As noted on page 38 (Remuneration), the grading and salary review undertaken in 2014/15 was followed up in the year with some corrections to salaries on 1 October 2015 to ensure salaries remained competitive but also represented value for money. Ongoing reviews of roles, salaries and grades continues with any pay increases being targeted to specific roles. Throughout the year, employee numbers and therefore the wage bill have decreased.

The Trustees tasked management to focus on staff welfare and development. As a result, staff training and development has been increased as well as a greater focus on staff wellbeing.

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 who 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 2016 we had:

- over 250 County and Local Coordinators who give six to eight hours per person per week on average
- approximately 50 volunteers in the Wiltshire/Hampshire area who regularly give their time at the Tin Hut
- over 1,800 registered volunteers across the UK.

Grants Policy

The Charity's grant-making policy aims to achieve its charitable objects. It is underpinned by what H4H has termed the '360 Degrees of Support' that places the wounded at the very heart of what the Charity does (see page 8). Accordingly, H4H is working to:

- provide the ongoing physical infrastructure to support our wounded, injured and sick and their loved ones
- provide further support through our strategic Armed Forces Charity partners.

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. All grants awarded have agreed outcomes so that the Charity is able to effectively measure the impact of our funding.

In addition to making grants to other charities, H4H also provides grants to individuals and their loved ones directly, through our Quick Reaction Fund. This fund is managed by the Grants team at H4H. All grant requests for individual support are assessed on a case-by-case basis. This enables us to work with the individual to understand the wider needs behind the request. Using our experts within Help for Heroes Recovery Services, we ensure that our grant funding is not just a 'quick fix' but enables increased resilience along the recovery journey.

We also work closely with our partner charities to share the costs of these grants where possible.

Requests for grant funding from third party organisations are made through the online Grants Management System available on the H4H website. The Grants team manages the applications, produces papers for the Recovery and Grants Committee meetings and ensures that grant recipients are reporting regularly on the outcomes and impact of our funding.

Reserves Policy

Reserves are held in order to make sure we can deliver on our promises to the wounded and their loved ones. The majority of our reserves are in designated funds for specific charitable activities. Trustees believe that given the ongoing needs of our beneficiaries, it is essential to consider what would happen were income to fall. H4H has committed to what is often long-term support and this demands a degree of reassurance that we can honour that commitment.

The Trustees have reviewed the reserves policy in the year and have concluded that the designated funds brought forward remain an appropriate basis for considering future demands on funds. However, the Trustees have made some amendments to the level at which each designated fund should be held, the details of which are given below:

Restricted funds

Restricted funds comprise funds which are to be used in accordance with specific restrictions imposed by the donors of the funds. Generally, restrictions relate to a specific Recovery Centre or area of Recovery.

Designated funds

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

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

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



For more information on how our reserves help us deliver on our promise, turn to page 27

Specifically designated reserves are as follows:

Recovery Centres

H4H has made a commitment to provide facilities at the four centres for a minimum of 10 years.

The Trustees have judged it would take two years to transfer these facilities to other providers should the Charity no longer have the income to run them. This reserve is therefore set at a level of two years' running costs, plus anticipated legal and one-off costs associated with such a transfer.

Recovery services

In addition to the running of the centres themselves, a number of recovery services operate on a national level and are considered critical to delivering on our promise. These include Sports Recovery, Band of Brothers, Band of Sisters, Welfare, Grants, Psychological Wellbeing and Health and Physical Development. Many of these services have projects and activities that include arrangements with external parties. The Trustees have judged that it would take two years to transfer these facilities to other providers should the Charity no longer have the income to run them. This reserve is therefore set at a level of two years' running costs.

Mental health

Mental Health is of strategic importance to H4H. Much of the work that the Charity does in this area is included within Recovery Services and therefore that reserve covers this work. However, there are specific projects and grants that the Trustees believe are critical to developing the support that H4H and the wider charity sector deliver. The Trustees therefore maintain a separate reserve for these specific activities to ensure they can be completed.

Capital fund

The Charity has a number of facilities that will require future expenditure. This reserve represents the level of funds needed to meet future major repair and maintenance projects plus one to two years' forward capital spend. The level was determined by reference to a professional advisor.

Recovery projects

This represents money that has been earmarked for special major projects whose expenditure cannot be met from a single year's income alone and is not covered by any other fund.

Fixed assets

Fixed Assets, the Recovery Centres in particular, are not easily realisable assets. For that reason, the Trustees feel that it is appropriate to designate a reserve reflecting the net book value of the tangible and intangible fixed assets. We cannot deliver support without the places and means with which to do so.

General funds

The General Fund represents free reserves and is held in recognition of the risks (and opportunities) that may impact the operation of the Charity itself. Our policy is to hold between six and 12 months of anticipated fixed (non-Recovery) running costs of the Charity. This sets the requirement between £6.75m and £13.5m. The Trustees are satisfied that the level of free reserves (£11.4m) is therefore adequate.

Investment Policy

The Charity's 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. This has historically resulted in a need to maintain a high degree of liquidity, in addition to stability, security and achieving a reasonable return. Accordingly, our investment policy necessitates that a sizeable proportion of funds are kept on short/medium-term deposit. Both the Investments and the Audit, Risk and Finance committees regularly review anticipated cashflow and the allocation of funds between investment types.

H4H considers social, environmental and ethical issues before making investment decisions. Our ethical investment policy requires that investments held must be sensitive to the cause of the Charity that provides care and support for wounded British Military personnel. Investments should not be held in any company or country whose intentions are contrary to those of such a charity.

Two fund managers are in place to manage our ring-fenced funds in respect of future running costs. A conservative approach has been taken with regard to risk and capital preservation by investing in real return funds with Veritas Investment Management LLP and Ruffer LLP. The performance of those funds is reviewed quarterly.

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

We monitor our external investment policy on a regular basis.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of H4H for the purposes of company law) are responsible for preparing the Trustees' Annual Report, including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

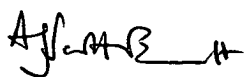
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity's SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed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

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

Approval

The Trustees' Report, incorporating the Strategic Report, was approved by the board of Trustees on 06 April 2017 and signed on its behalf by:

Alex Scott-Barrett, Chairman



Date: 06 April 2017

INDEPENDENT AUDITOR'S REPORT

to the Members and Trustees of Help for Heroes

We have audited the financial statements of H4H for the year ended 30 September 2016 which comprise the Group and Charity Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the company'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 Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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 Ethical Standards for Auditors.

Scope of The Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic Report and the Trustees' Annual Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 charitable company's affairs as at 30 September 2016 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 FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

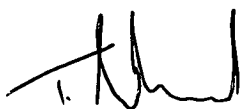
Opinion on Other Matters Prescribed by The Companies Act 2006

In our opinion the information given in the Strategic Report and 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 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records; 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.



Tim Redwood
Senior Statutory Auditor

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

Date 6 APRIL 2017

FINANCIAL STATEMENTS 2016

Consolidated Statement of Financial Activities

For the year ended 30 September 2016 (incorporating an income and expenditure account)

	Notes	2016 General Funds £'000	2016 Designated Funds £'000	2016 Restricted Funds £'000	2016 Total Funds £'000	2015 Total Funds £'000
Income from						
Donations and legacies	2	24,264	–	6,104	30,368	32,448
Charitable activities		613	–	–	613	220
Other trading activities		4,768	–	–	4,768	7,719
Investments		766	–	–	766	576
Total		30,411	–	6,104	36,515	40,963
Expenditure on						
Raising funds	3	11,441	211	–	11,652	13,321
Charitable activities	8	17,463	4,981	6,396	28,840	24,809
Total		28,904	5,192	6,396	40,492	38,130
Net income/(expenditure) before gains and losses on investments		1,507	(5,192)	(292)	(3,977)	2,833
Net gains on investments		4,786	–	–	4,786	122
Net income/(expenditure)	5	6,293	(5,192)	(292)	809	2,955
Transfers between funds	16	(3,590)	3,590	–	–	–
Net movement in funds		2,703	(1,602)	(292)	809	2,955
Reconciliation of funds						
Total funds brought forward	16	8,680	102,671	2,921	114,272	111,317
Total funds carried forward	16	11,383	101,069	2,629	115,081	114,272

FINANCIAL STATEMENTS 2016

Charity Statement of Financial Activities

For the year ended 30 September 2016 (incorporating an income and expenditure account)

	2016 General Funds £'000	2016 Designated Funds £'000	2016 Restricted Funds £'000	2016 Total Funds £'000	2015 Total Funds £'000
Income from					
Donations and legacies	23,599	–	6,104	29,703	33,067
Charitable activities	528	–	–	528	18
Investments	764	–	–	764	574
Total	24,891	–	6,104	30,995	33,659
Expenditure on					
Raising funds	7,797	224	–	8,021	6,943
Charitable activities	15,656	4,981	6,396	27,033	24,010
Total	23,453	5,205	6,396	35,054	30,953
Net income/(expenditure) before gains and losses on investments	1,438	(5,205)	(292)	(4,059)	2,706
Net gains on investments	4,786	–	–	4,786	122
Net income/(expenditure)	6,224	(5,205)	(292)	727	2,828
Transfers between funds	(3,631)	3,631	–	–	–
Net movement in funds	2,593	(1,574)	(292)	727	2,828
Reconciliation of funds					
Total funds brought forward	8,784	103,497	2,921	115,202	112,374
Total funds carried forward	11,377	101,923	2,629	115,929	115,202

FINANCIAL STATEMENTS 2016

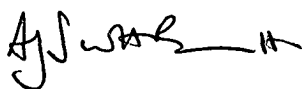
Consolidated and Charity Balance Sheets Company Number 6363256

As at 30 September 2016

	Notes	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Fixed assets					
Intangible assets	9	93	83	181	141
Tangible assets	10	47,496	48,360	52,010	52,876
Investments	11	42,360	42,360	34,399	34,399
		89,949	90,803	86,590	87,416
Current assets					
Stock		789	–	1,029	–
Debtors	13	8,494	9,300	6,575	7,368
Cash at bank and in hand	14	23,567	23,020	26,191	24,555
Current liabilities					
Creditors: amounts falling due within one year	15	(6,223)	(5,699)	(6,113)	(4,137)
Net current assets		26,627	26,621	27,682	27,786
Total assets less current liabilities		116,576	117,424	114,272	115,202
Creditors: amounts falling due after more than one year	15	(1,495)	(1,495)	–	–
Net assets		115,081	115,929	114,272	115,202
Funds					
Restricted funds	16	2,629	2,629	2,921	2,921
Unrestricted funds					
Designated funds	16	101,069	101,923	102,671	103,497
General fund	16	11,383	11,377	8,680	8,784
Total funds		115,081	115,929	114,272	115,202

The financial statements on pages 45 to 67 were approved and authorised for issue by the Trustees on 06 April 2017 and signed on their behalf by:

Alex Scott-Barrett, Chairman



Date: 06 April 2017

This money is here to ensure we deliver on our promises. Please go to page 27 to see how this money is being put to good use.



FINANCIAL STATEMENTS 2016

Consolidated and Charity Statements of Cash Flow

For the year ended 30 September 2016

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Cash flows from operating activities				
Net cash provided by operating activities	764	1,904	5,873	5,965
Cash flows from investing activities				
Dividends and interest from investments	194	192	307	305
Proceeds from the sale of property, plant and equipment	8	–	–	–
Purchase of property, plant and equipment	(590)	(631)	(1,310)	(1,162)
Proceeds from sale of investments	–	–	16,596	16,596
Purchase of investments	(3,000)	(3,000)	(16,596)	(16,596)
Net cash used in investing activities	(3,388)	(3,439)	(1,003)	(857)
Change in cash and cash equivalents in the reporting period	(2,624)	(1,535)	4,870	5,108
Cash and cash equivalents at the beginning of the reporting period	26,191	24,555	21,321	19,447
Cash and cash equivalents at the end of the reporting period	23,567	23,020	26,191	24,555
Reconciliation of net income/(expenditure) to net cash flow from operating activities				
Net income for the reporting period (as per the statement of financial activities)	809	727	2,955	2,828
Adjustments for				
Depreciation and amortisation charges	5,191	5,205	6,119	6,122
Gains on investments	(4,753)	(4,753)	(122)	(122)
Dividends and interest from investments	(766)	(764)	(576)	(574)
Management charges deducted from investments	364	364	264	267
Loss on the sale of fixed assets	(7)	–	–	–
Decrease in stock	240	–	201	–
Increase in debtors	(1,919)	(1,932)	(1,315)	(817)
Increase/(decrease) in creditors	1,605	3,057	(1,653)	(1,739)
Net cash provided by operating activities	764	1,904	5,873	5,965

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

Accounting convention

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

The date of transition to FRS 102 was 1 October 2014 and in preparing the financial statements, the Trustees have considered whether the accounting policies required by the standard require the restatement of comparative information. The only impact from transition was to incorporate governance costs into total support costs, resulting in allocated support costs being £49k higher than previously reported. This reallocation of expenditure had no impact on the overall financial performance or position of the Group on transition to FRS 102.

After reviewing the Group's forecasts and projections, the Trustees consider that the Group is well placed to manage the business risks it faces. The Trustees therefore have a reasonable expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the Group to continue as a going concern. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. Significant areas of estimate and judgement include the remaining useful life of assets, valuation of gifts in kind and valuation of legacies. Related accounting policies for these items are noted below. The principle accounting policies adopted, judgements and key sources of estimation uncertainty are noted below.

Basis of consolidation

The accounts are consolidated on a line by line basis and incorporate the results of Help for Heroes ('the Charity'); its subsidiary undertakings Help for Heroes Trading Limited (Help for Heroes Trading), Help for Heroes Development Company Limited (DevCo) and Help for Heroes Recovery (a Registered Charity). Help for Heroes Trading has one subsidiary undertaking being BMyHero Limited (BMyHero), also consolidated. The consolidated entity is referred to as 'the Group'.

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

Fund accounting

General funds are funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charities. Designated funds represent funds that have been earmarked by the Trustees for specific purposes and are therefore held separately from general unrestricted funds. Details of designated funds are provided in the funds note 16.

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

Income

Income from donations, grants and other sources is recognised on an accruals basis and included in the SOFA when the Group is entitled to the income, when receipt is probable, and when it can be measured reliably.

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

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

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

Income from the sale of goods and services is recognised in the year of sale or to the extent that the service was delivered during the year.

Income from dividends and interest is recognised in the financial statements during the year it is earned by the Group.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Support costs are allocated on the basis of staff time and include finance, human resources, IT, marketing, administration, and governance costs.

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

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

Expenditure on raising funds

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

Expenditure on charitable activities

This comprises Grants Made, Recovery Delivery and Championing the Wounded.

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

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

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

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

Stock

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Year end stock is valued at the lower of cost or net realisable value.

Tangible fixed assets

Tangible fixed assets are held at cost. Items in excess of £5k are capitalised and written off evenly over their useful economic life. The following rates are being applied:

Leasehold Property Improvements	Structural works are depreciated until the expiry of the lease, or the first breakpoint not at the sole discretion of the Group, or the expiry of 20 years. Non-structural works connected to bringing the leasehold property into working use are depreciated over 10 or 15 years.
Office equipment (including IT)	5 years
Plant and Machinery	5 years
Vehicles	4 years

Investments

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

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

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs

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

Currency

The functional currency of the Group is sterling.

Financial instruments

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

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

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

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

2. Donations and Legacies: Group

	2016 Unrestricted Funds £'000	2016 Restricted Funds £'000	2016 Total Funds £'000	2015 Total Funds £'000
Major donations and grants	4,014	5,018	9,032	8,231
Other donations	4,168	650	4,818	6,296
Legacies	8,835	26	8,861	7,578
Challenges and events	4,207	410	4,617	7,802
Donated services and facilities	2,198	–	2,198	1,556
Gift Aid receivable	842	–	842	985
	24,264	6,104	30,368	32,448

3. Expenditure on Raising Funds

	2016 Group £'000	2015 Group £'000
Cost of donations and legacies	5,099	4,781
Cost of trading activities	4,110	6,487
Investment management costs	373	329
Support costs	2,070	1,724
	11,652	13,321

4. Allocated Support Costs: Group

Support costs have been allocated to SOFA categories as shown below

	Raising funds £'000	Charitable Activities			2016 Total £'000	2015 Total £'000
		Grants £'000	Recovery Delivery costs £'000	Championing the Wounded £'000		
Administration, Legal and Management	768	1	1,068	298	2,135	1,662
Finance	221	7	320	29	577	929
Information Technology	789	7	646	15	1,457	2,123
Human Resources	218	31	409	3	661	499
Governance costs	74	–	69	35	178	49
Total	2,070	46	2,512	380	5,008	5,262

The basis of the allocation is staff time.

5. Net Income for the Year

	2016 Group £'000	2015 Group £'000
This is stated after charging		
Depreciation for the year	5,103	5,999
Amortisation for the year	88	120
Rentals payable under operating leases		
Land and buildings	314	539
Equipment	57	12
Vehicles	84	84
Auditor's remuneration (inclusive of VAT)		
Audit services		
BDO LLP	8	38
Crowe Clark Whitehill LLP	32	—
Non-audit services (BDO LLP)	18	16

6. Employee Costs

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Wages and salaries	10,497	7,442	10,847	4,850
Social security	1,064	764	1,039	491
Pension	207	148	205	93
	11,768	8,354	12,091	5,434

The average number of employees (headcount) employed by the Group during the year was 380 (2015: 395).

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

Remuneration of higher paid staff	2016 Group	2016 Charity	2015 Group	2015 Charity
£60,001–£70,000	6	2	5	2
£70,001–£80,000	2	—	4	1
£80,001–£90,000	2	2	5	4
£90,001–£100,000	3	2	2	1
£100,001–£110,000	1	1	1	1

Our team is passionate about the cause. This allows us to recruit the right people below market rates. For more information go to page 38



Pension contributions of £22,000 (2015: £27,000) were made on their behalf. Taxable remuneration for the year includes benefits in kind.

During the year, the Charity made payments in respect of compromise agreements with staff leaving the Charity totalling £9,600 (2015: £69,700). Redundancy payments of £15,900 (2015: £4,200) have been paid as well as £10,600 (2015: £25,500) of pay in lieu of notice. All amounts were expensed in the year.

The Key Management Personnel of H4H comprise of the Trustees and the Senior Management Team described on page 70. Trustees received no employee benefits during the period or the prior period. The total employee benefits paid for the Senior Management Team (including pension contributions made on their behalf) amounted to £897k (2015: £801k).

7. Governance Costs

	2016 Group £'000	2015 Group £'000
External audit	40	38
Internal audit	40	–
Accounts printing and distribution	3	4
Company Secretarial function	46	–
Finance support	48	–
Trustees' advice	–	4
Trustees' liability insurance	1	3
	178	49

The Group reimbursed travel expenses of £1,620 (2015: £1,577) to 4 (2015: 5) Trustees for attendance at Trustee meetings. A further £161 (2015: £nil) remained outstanding year end.

8. Cost of Charitable Activities

	2016 Group £'000	2015 Group £'000
Grants made		
Institutional Grants		
Prince's Trust	495	122
Sports Recovery	–	329
Combat Stress	1,049	–
RFEA	217	–
SW Veterans Mental Health	390	–
Adventure Quest	348	–
Horseback UK	150	150
Haig Housing Trust	500	218
Mission Motorsport	876	120
Other institutional grants	510	789
Total institutional grants	4,535	1,728
Individual Support	1,513	961
Total grants	6,048	2,689
Direct costs	267	146
Allocated Support costs	46	427
Total grant expenditure	6,361	3,262
Recovery Delivery Costs		
Plymouth	1,562	1,404
Catterick	2,450	2,204
Colchester	657	523
Tedworth House	2,840	2,680
Band of Brothers/Sisters	1,167	690
Sports Recovery/Battle Back	1,400	1,147
Recovery Career Service	530	185
National Delivery Team	171	2,218
Hidden Wounds	447	599
Invictus Games	400	–
Heritage Heroes	45	–
Allocated Support costs	2,512	3,023
Other direct costs	2,285	–
Depreciation	4,795	5,976
Total recovery delivery costs	21,261	20,649
Championing the Wounded		
Direct costs	838	810
Allocated Support costs	380	88
Total championing the wounded costs	1,218	898
Total costs of Charitable Activities	28,840	24,809

9. Intangible Fixed Assets

Computer Software	Group £'000	Charity £'000
Cost or valuation		
At 1 October 2015	521	454
Additions during the year	–	–
At 30 September 2016	521	454
Amortisation		
At 1 October 2015	(340)	(313)
Charge for the year	(88)	(58)
At 30 September 2016	(428)	(371)
Net book value at 30 September 2016	93	83
Net book value at 1 October 2015	181	141

10. Tangible Fixed Assets

Group	Assets in the course of Construction £'000	Leasehold Property Improvements £'000	Office Equipment £'000	Plant and Machinery £'000	Vehicles £'000	Total £'000
Cost or valuation						
At 1 October 2015	–	59,406	5,484	161	175	65,226
Additions during the year	287	248	15	40	–	590
Disposals during the year	–	(267)	(27)	–	–	(294)
Transfers	–	(193)	(27)	193	27	–
At 30 September 2016	287	59,194	5,445	394	202	65,522
Depreciation						
At 1 October 2015	–	(10,670)	(2,357)	(107)	(82)	(13,216)
Charge for the year	–	(3,616)	(1,379)	(60)	(48)	(5,103)
Disposals for the year	–	266	27	–	–	293
Transfers	–	87	14	(87)	(14)	–
At 30 September 2016	–	(13,933)	(3,695)	(254)	(144)	(18,026)
Net book value at 30 September 2016	287	45,261	1,750	140	58	47,496
Net book value at 1 October 2015	–	48,736	3,127	54	93	52,010

Charity	Assets in the course of Construction £'000	Leasehold Property Improvements £'000	Office Equipment £'000	Plant and Machinery £'000	Vehicles £'000	Total £'000
Cost of valuation						
At 1 October 2015	–	60,123	5,619	161	160	66,063
Additions during the year	297	249	19	40	26	631
Disposals during the year	–	–	–	–	–	–
Transfers	–	(193)	–	193	–	–
At 30 September 2016	297	60,179	5,638	394	186	66,694
Depreciation						
At 1 October 2015	–	(10,567)	(2,433)	(107)	(80)	(13,187)
Charge for the year	–	(3,648)	(1,391)	(60)	(48)	(5,147)
Disposals for the year	–	–	–	–	–	–
Transfers	–	87	–	(87)	–	–
At 30 September 2016	–	(14,128)	(3,824)	(254)	(128)	(18,334)
Net book value at 30 September 2016	297	46,051	1,814	140	58	48,360
Net book value at 1 October 2015	–	49,556	3,186	54	80	52,876

11. Investments: Group and Charity

	Consolidated Total £'000
Market value at 1 October 2015	34,399
Add: additions to investments at cost	3,000
Add: dividends and interest received and reinvested	572
Less: sales proceeds	–
Add: net gain on revaluation	4,753
Add: investment charges deducted from gain	(364)
Market value at 30 September 2016	42,360
 Historic cost as at 30 September 2016	 37,126
Historic cost as at 30 September 2015	34,370
	Consolidated Total £'000
Market value at 30 September 2016	£'000
Equities	20,722
Fixed Interest	17,899
Forwards	(136)
Cash	3,875
	42,360

12. Investments in Subsidiaries

Name	Control	Charity Interest	Other Group Companies Interest	Activities
Help for Heroes Trading Ltd	Share Capital	100%	–	Retail and Corporate Licensing
Help for Heroes Recovery	Deemed	100%	–	Recovery Delivery
Help for Heroes Development Company Ltd ('DevCo')	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

	2016 H4H Trading £'000	2016 BmyHero £'000	2016 H4H Recovery £'000	2016 DevCo £'000	2016 Total £'000	2015 Total £'000
Turnover	4,768	47	6,710	336	11,861	20,485
Direct costs	(2,064)	–	(877)	(323)	(3,264)	(3,677)
Employee costs	(801)	–	(2,450)	–	(3,251)	(6,204)
Overheads	(1,230)	(11)	(3,383)	(4)	(4,628)	(9,319)
Net income before donation to the Charity	673	36	–	9	718	1,285
Donated to the Charity	(675)	(36)	–	(9)	(720)	(1,391)

BALANCE SHEETS OF THE CONSOLIDATED TRADING ENTITIES

	2016 H4H Trading £'000	2016 BmyHero £'000	2016 H4H Recovery £'000	2016 DevCo £'000	2016 Total £'000	2015 Total £'000
Fixed Assets	10	–	–	–	10	138
Stock	789	–	–	–	789	1,028
Debtors	617	71	–	272	960	1,394
Cash	313	205	–	30	548	1,636
Total assets	1,729	276	–	302	2,307	4,196
Liabilities	(1,028)	(240)	–	(293)	(1,561)	(2,772)
Donation due to the charity	(685)	(36)	–	(9)	(730)	(1,391)
Net assets	16	–	–	–	16	33
Reserves/funds	16	–	–	–	16	33

13. Debtors

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Trade debtors	836	645	248	36
Other debtors	648	229	524	167
Taxation recoverable	46	–	–	–
Gift Aid receivable	164	164	115	115
Amounts owed from Group undertakings	–	1,525	–	1,680
Prepayments and accrued income	6,800	6,737	5,688	5,370
	8,494	9,300	6,575	7,368

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

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Short-term fixed deposits	18,259	18,259	19,241	19,241
Cash	5,308	4,761	6,950	5,314
	23,567	23,020	26,191	24,555

15. Creditors

AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Grants payable	2,395	2,395	1,910	1,910
Trade creditors	630	337	1,239	531
Other creditors	729	725	870	774
Other taxes and Social Security	307	269	447	165
Amounts owed to Group undertakings	–	226	–	466
Accruals	2,162	1,747	1,647	291
	6,223	5,699	6,113	4,137

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Other grants	1,495	1,495	–	–
	1,495	1,495	–	–

16. Funds

(A) Analysis of movement in funds

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

The reserves policy is described on page 40.

16. Funds

(A) Analysis of movement in funds (continued)

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

16. Funds

(B) Analysis of net assets between funds

GROUP

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

CHARITY

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

17. Operating Leases

At 30 September 2016 the Group had future minimum operating lease commitments under non-cancellable operating leases as follows:

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Land and buildings				
Within one year	349	305	197	76
Between one and five years	880	880	53	53
After five years	–	–	–	–
	1,229	1,185	250	129

During the year the Group's subsidiary, Help for Heroes Trading negotiated revised terms on its store portfolio. In recalculating the Group's commitments in respect of these stores in accordance with FRS 102, the revised terms have been used.

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Equipment				
Within one year	2	2	2	–
	2	2	2	–

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Vehicles				
Within one year	62	62	94	46
Between one and five years	19	19	79	32
	81	81	173	78

18. Comparative Information

GROUP

	2015 General Funds £'000	2015 Designated Funds £'000	2015 Restricted Funds £'000	2015 Total Funds £'000
Income from				
Donations and legacies	25,749	–	6,699	32,448
Charitable activities	220	–	–	220
Other trading activities	7,719	–	–	7,719
Investments	576	–	–	576
Total	34,264	–	6,699	40,963
Expenditure on				
Raising funds	13,310	–	11	13,321
Charitable activities	4,348	15,661	4,800	24,809
Other	–	–	–	–
Total	17,658	15,661	4,811	38,130
Net gains/(losses) on investments	–	122	–	122
Net income/(expenditure)	16,606	(15,539)	1,888	2,955
Transfers between funds	(12,733)	13,794	(1,061)	–
Net movement in funds	3,873	(1,745)	827	2,955
Funds brought forward	4,807	104,416	2,094	111,317
Funds carried forward	8,680	102,671	2,921	114,272

19. Related Party Transactions

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

As a charity, H4H cannot recover VAT and the costs of related party transactions therefore include irrecoverable VAT where appropriate. The sales value to the related party may therefore be less.

H4H has made lease payments to entities controlled by, or managed for the benefit of, Bryn Parry in respect of 14 Parkers Close, Downton. The annual rent for this property is £18,105 plus irrecoverable VAT (2015: £17,500) and at 30 September 2016, the Group owed £1,027 (2015: £nil) in respect of this property. The Group also reimbursed £768 (2015: £nil) in respect of insurance premiums on this property. The industrial unit at 14 Parkers Close is rented at an arm's-length market rent, externally benchmarked by independent surveyors.

Bryn Parry carries out regular graphic design work for the Charity and gives all intellectual property rights to any graphic design performed in line with his role to the Charity free of charge. The graphic design work given to the Charity by Bryn Parry include the H4H logo, 'Support For Our Wounded' strapline, stretcher bearers logo, Band of Brothers logo, medal logo (and derivatives), the Phoenix logo, design work relating to the Battle Back and Frontline to Startline initiatives plus product design work in relation to the Trading Company. The bear designs (and derivatives) are owned by Bryn Parry and the use of these assets is provided to the Charity and approved partners through a licence at nil cost with all royalties waived. The value of royalties waived on the bear designs based on a notional 10% of sales would be £40,699 (2015: £59,300).

Stephen Oxley was Chairman of Trustees until 11 December 2015 and is also a senior partner of Wilsons Solicitors LLP. During the year, until the date of his resignation, the Group was charged £43,286 (2015: £233,000 of which £10,000 was outstanding at the year end) by Wilsons Solicitors LLP, including amounts charged to the Charity of £37,450 (2015: £154,000 of which £8,000 was outstanding at the year end). In addition, Wilsons Solicitors LLP provided pro bono legal services to the Charity of £5,828 in the period to 11 December 2015 (2015: £14,372).

Robert Watsham is a Trustee of H4H Recovery and he became a Trustee of H4H on 1 April 2016. He is also a partner at Eric Salmon and Partners. During the year H4H paid £6,000 (2015: £9,000) to Eric Salmon and Partners in respect of recruitment advice. No transactions have occurred since Robert Watsham became a Trustee of H4H.

During 2015/16, H4H made a grant of £3,000 to Major Peter Norton GC, a wounded veteran and accordingly one of our beneficiaries for the purposes of acquiring a new mobility vehicle (2015: £9,550 for wheelchair and access improvements). Peter Norton is a H4H trustee.

During the year the spouse of a member of the Senior Management Team was paid £813 for transcription services supplied to H4H.

Total funds raised for the Charity by Trustees and members of the Senior Management Team during the year was £13,414 (2015: £500).

Transactions between Group Companies

During the year, significant numbers of transactions took place between Group companies. Most of these transactions were effected through intra-Group working capital and were not cash settled in the year.

Profits earned by trading subsidiaries were donated to the parent Charity as described in note 12.

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

- Amounts settled by H4H on behalf of Help for Heroes Trading Limited resulted in a net cost to H4H of £222,000 in the year (2015: £198,000 net cost to Help for Heroes Trading Limited). At 30 September 2016, H4H had an intercompany receivable from Help for Heroes Trading Limited of £571,000 (2015: £349,000). Help for Heroes Trading Limited held sufficient cash and current assets to settle this liability.
- Until the transfer of its activities to H4H on 1 April 2016 (see note 20), Help for Heroes Recovery was almost entirely grant-funded by H4H. The grant payments combined with settlement for goods and services transferred between companies resulted in a net cost to H4H of £4,113,000 (2015: £7,518,000). At 30 September 2016, no amounts were outstanding (2015: H4H Recovery had an intercompany receivable from H4H of £466,000).
- Help for Heroes Development Company Limited undertakes construction and development work on behalf of the Group and sells these services to H4H. Payment for these services combined with settlement for goods and services transferred between companies resulted in a net cost to H4H of £542,000 (2015: £751,000). At 30 September 2016, Help for Heroes Development Company Limited had an intercompany receivable from H4H of £235,000 (2015: H4H had an intercompany receivable of £12,000 from Help for Heroes Development Company Limited). H4H held sufficient cash and current assets to settle this liability.

- BMyHero Limited received donations for the parent Charity, net of service costs, of £296,000 (2015: £67,000). At 30 September 2016, H4H had an intercompany receivable from BMyHero Limited of £232,000 (2015: BMyHero Limited had an intercompany receivable of £64,000 from H4H). BMyHero Limited held sufficient cash and current assets to settle this liability.
- Amounts settled by Help for Heroes Recovery on behalf of Help for Heroes Trading Limited resulted in a net cost to Help for Heroes Trading Limited of £18,000 (2015: £27,000 net cost to Help for Heroes Recovery). At 30 September 2016, no amounts were outstanding (2015: Help for Heroes Trading Limited had an intercompany receivable from Help for Heroes Recovery of £33,000).

20. Help for Heroes Recovery

On 31 March 2016 the Trustees of Help for Heroes Recovery signed an asset purchase agreement whereby Help for Heroes Recovery in substance donated the net assets of that charity to H4H and H4H agreed to assume responsibility for all the liabilities of Help for Heroes Recovery. The fair value of net assets and liabilities donated on 1 April 2016 to H4H was £nil.

21. Financial Instruments

Carrying value of financial assets and liabilities at 30 September

	2016 Group £'000	2016 Charity £'000	2015 Group £'000	2015 Charity £'000
Financial assets measured at amortised cost (a)	30,656	31,025	31,404	30,879
Financial assets measured at fair value (b)	42,360	42,360	34,399	34,399
Financial liabilities measured at amortised cost (c)	(7,239)	(6,755)	(5,770)	(3,948)
	65,777	66,630	60,033	61,330

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

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

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

LEGAL AND ADMINISTRATIVE DETAILS

Help for Heroes

Charity Status

Help for Heroes (H4H) is a public benefit entity, registered in England and Wales as a Charity, number 1120920 and as a company limited by guarantee, number 6363256. H4H is also registered as a charity in Scotland, number SC044984. The Charity has no maximum permitted membership and membership is open to any individual interested in promoting the objects of the Charity. There are currently 11 members, all of whom are Trustees. Each member guarantees to contribute up to one pound sterling (£1) to the Charity's debts, liabilities and costs in the event of the Charity being wound up and for one year after ceasing to be a Member. H4H is governed by its Memorandum and Articles of Association.

The Annual Report is filed with the Charities Commission, Companies House and the Office of the Scottish Charity Regulator.

Honorary President

General The Lord Dannatt GCB CBE MC DL

Trustees

The Trustees who are also directors under company law, who served during the year ending 30 September 2016 and up to the date of this report were as follows:

Stephen Oxley – Chairman (Resigned as Chairman and Trustee on 11 December 2015)

Alex Scott-Barrett ACA – Chairman and Treasurer (Appointed as Chairman on 11 December 2015)

Lieutenant General Sir Philip Trousdell KBE CB – Vice Chairman (Appointed as Trustee and Vice Chairman on 1 April 2016)

His Honour Judge Jeff Blackett

Richard Constant MBE (Retired as Trustee on 5 October 2016)

Lieutenant General Sir Robert Fry KCB CBE

Steve Harman

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

Air Vice-Marshal Aroop Mozumder (resigned as Trustee on 9 December 2016)

Thomas Wright

Robert Watsham (Appointed 1 April 2016)

Tony Schofield (Appointed 1 April 2016)

Major Peter Norton GC MSc MCGI CEng FIExpE (Appointed 1 April 2016)

Rod Dunn MB DS DMCC FRCS (Appointed 1 April 2016)

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

The Trustee Sub Committees and the Trustees that have served on them during the year are as follows:

Sub-Committees

Audit, Finance and Legal (up to August 2016)

Stephen Oxley

Steve Harman

Alex Scott-Barrett ACA

Finance, Risk and Audit (from September 2016)

Steve Harman

Lieutenant General Sir Robert Fry KCB CBE

Alex Scott-Barrett ACA

Grants Committee (up to March 2016)

Alex Scott-Barrett ACA

Lieutenant General Sir Philip Trousdell KBE CB

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

Recovery and Grants (from April 2016)

Lieutenant General Sir Philip Trousdell KBE CB
 Rod Dunn MB DS DMCC FRCS
 Major Peter Norton GC MSc MCGI CEng FIExpE
 Steve Harman
 Air Vice-Marshal Aroop Mozumder

Operations Committee

Thomas Wright
 Alex Scott-Barrett ACA
 Robert Watsham

Income Committee

Tony Schofield
 His Honour Judge Jeff Blackett
 Thomas Wright

Investment Committee

Richard Constant
 Thomas Wright

Remuneration

Richard Constant MBE
 Alex Scott-Barrett ACA
 Thomas Wright

Nominations Committee

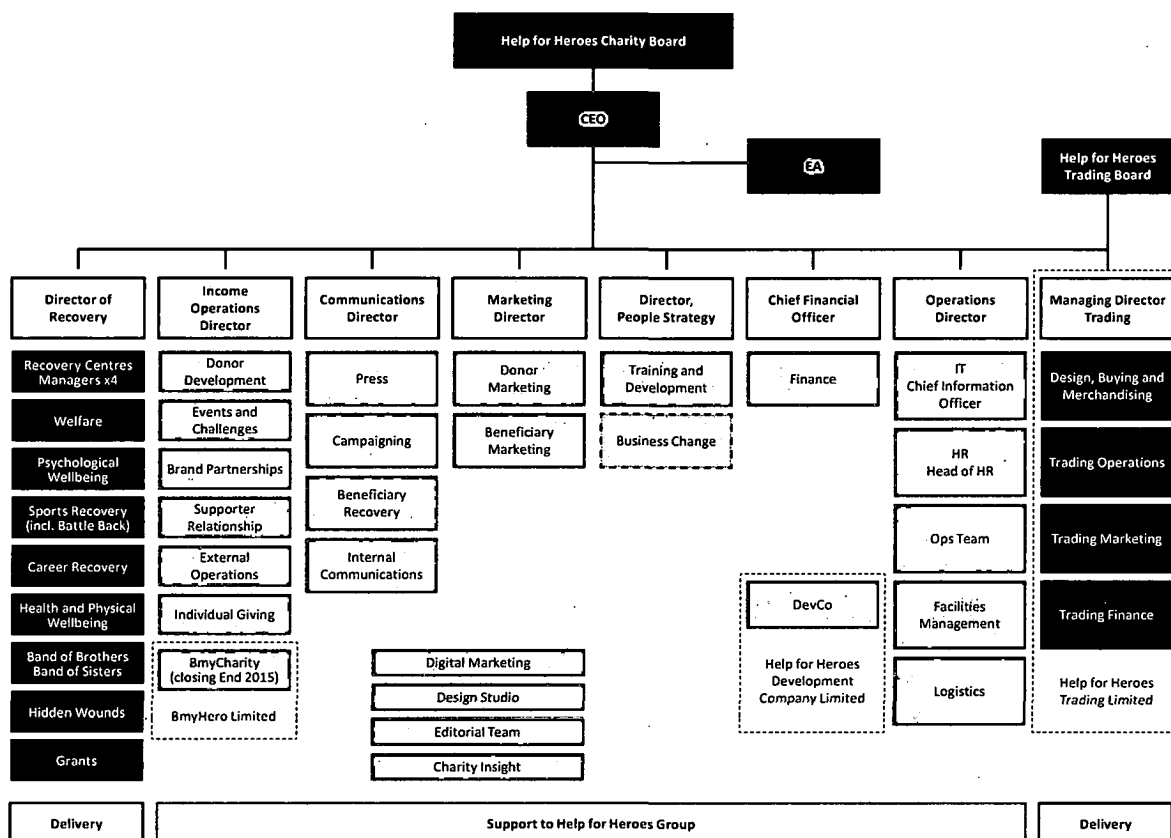
Alex Scott-Barrett ACA
 Lieutenant General Sir Philip Trousdell KBE CB
 His Honour Judge Jeff Blackett
 Professor Veronica Hope Hailey, BA, MSc, Ph.D., MCIPD

Trustee meetings are also attended by:

Melanie Waters – Chief Executive (from 21 November 2016)
 Bryn Parry OBE – Chief Executive and Co-Founder (to 21 November 2016)
 Emma Parry OBE – Executive Vice-Chairman of Help for Heroes for Heroes Trading and Co-Founder (to 21 November 2016)
 Clive Emerson ACA – Chief Financial Officer
 Richard Sharp – Director of Support Operations
 General The Lord Dannatt GCB CBE MC DL – Honorary President
 Lieutenant General Sir Phillip Trousdell (to 1 April 2016, thereafter as a Trustee)

Management Structure

The day-to-day management of the Group is conducted by the Senior Management Team as shown in the diagram below:



Help for Heroes Recovery

Charity status

Help for Heroes Recovery 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 two members, both 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. Help for Heroes Recovery is governed by its Memorandum and Articles of Association.

Following the transfer of all activities, assets and liabilities to Help for Heroes (the parent charity) on 1 April 2016, Help for Heroes Recovery ceased to be active. It is anticipated that the charity will be dissolved in the year ended 30 September 2017.

Trustees

The Trustees who are also directors under company law, who served during the year ending 30 September 2016 and up to the date of this report were as follows:

Lieutenant General Sir Philip Trousdell KBE CB	Chairman
Rod Dunn MB DS DMCC FRCS	(Resigned 1 April 2016 and sits on Charity Board)
Steve Harman	(Resigned 1 April 2016 and sits on Charity Board)
Major Peter Norton GC MSc MCGI CEng FIExpE	(Resigned 1 April 2016 and sits on Charity Board)
Tony Schofield	(Resigned 1 April 2016 and sits on Charity Board)
Robert Watsham	

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:

- 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, injured or become sick.
- Meeting charitable needs of beneficiaries and assisting H4H 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.

Administrative Details of Help for Heroes

Registered Office

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

Company Secretary

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

Auditor

Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London EC4Y 8EH

Bankers

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

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

Handelsbanken, 3 Thomas More Square, London E1W 1WY

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

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

Natwest, 135 Bishopsgate, London EC2M 3UR

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

Investment Fund Managers

Ruffer LLP, 80 Victoria Street, London SW1E 5JL

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

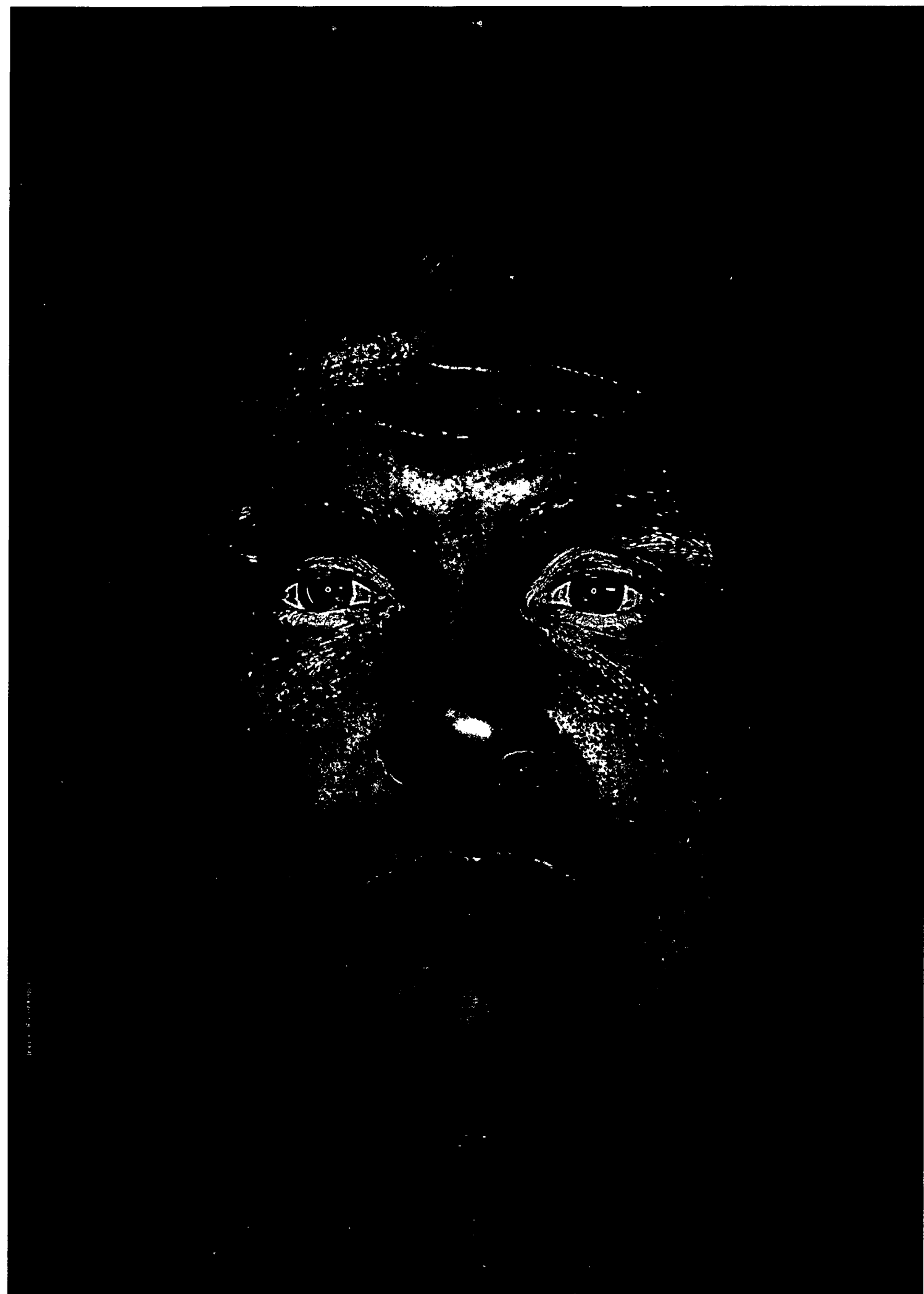
Solicitors

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

CHAPTER II

I was that which others did not wish to be. I went where others feared to go, and did what others failed to do. I asked nothing from those who gave nothing and reluctantly accepted the thought of eternal loneliness should I fail. I have seen the face of terror, felt the stinging cold fear, and known the sudden bite of a moment's pain. The most of my life has lived times that I could say are not forgotten. I know that some day I will be able to say, I was there of what I have seen and all that I have been a...

DEAN MIDDLETON





- 🖱 helpforheroes.org.uk
- ✉ prcomms@helpforheroes.org.uk
- ☎ 01725 513212
- 📘 @HelpforHeroes
- 🐦 /HelpforHeroesOfficial

KILIMANJARO
TREK
2016

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Registered with
**FUNDRAISING
REGULATOR**

Help for Heroes is a charity registered in England
and Wales (1120920) and Scotland (SC044984)