Company Number 4544532 (England and Wales)
Charity number 1095308 (England and Wales)

Veterans Aid

VA transforms lives every day

Annual Report and Financial Statements
For the year ended 30 September 2021

VETERANS AID

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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VETERANS AID

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	The Dowager Viscountess Rothermere
Honorary Life President	Brigadier J F Rickett CBE FinstD

The Trustees who served during the financial year and to the date that the Report of the Trustees was signed were as follows:

Trustees	A G Wallis MBE OL DL (Chairman) Dr P Dyer BA (Hons) MA DUniv (Kent) FBIPP FIOD ACII (Deputy Chairman, Chairman of the Business Strategy Committee) Colonel Christopher MacKenzie-Beevor CBE LVO (Honorary Treasurer) Field Marshal The Lord Walker of Aldringham GCB, CMG, CBE, DL G J Holbourn FCA FCCA DChA (Member of the Business Strategy Committee) Air Chief Marshal Sir Stephen John Hillier GCB CBE DFC MA
Management	Wg Cdr Dr Hugh Milroy OBE BTh MA PhD DCL (h.c.) (Chief Executive, Member of the Business Strategy Committee) Natalia Dabrowska BA MSc CG (Affiliated) (Company Secretary and Head of Administration) Richard Greenhough BCom ACMA (Head of Financial Services) Pat O'Connor MBE (NBH Manager) Dorothy Jones Dip Eng Law (Open) MCIM MCIOF (Head of Fundraising)
Advisors	Lt Col Ian Palmer, Professor of Military Psychiatry (Honorary Psychiatric Advisor) Robert Emmet FCA (Honorary Compliance Advisor) Amanda Lennon, Solicitor (England & Wales) FCIPD LLB (Hons) (Principal HR Advisor)
Legal Advisers	Spencer West LLP Longbow House 20 Chiswell Street London EC1Y 4TW
Auditors	Saffery Champness LLP Chartered Accountants 71 Queen Victoria Street London EC4V 4BE

Investment Managers & Stockbrokers	S & T Asset Management LLP 42-45 Market Street, Stockport, Cheshire SK6 7AA
Bankers	HSBC Bank 60 Queen Victoria Street London EC4N 4TR Lloyds TSB 1 Butler Place London SW1H 0PR Clydesdale Bank PLC (trading as Virgin Money) 35 Regent Street London SW1Y 4ND
Registered Office	27 Victoria Square London SW1W 0RB
Company No	04544532
Charity No	1095308
Constitution	Veterans Aid is a registered charity and a company limited by guarantee, registered in England. It is governed by its Memorandum and Articles of Association which were revised and adopted by Special Resolution on 3rd April 2014.
Subsidiaries	Veterans Aid (Services) Ltd, company registration number 06096959, is a wholly-owned subsidiary, currently dormant. It has not traded during the year. Hollenden House, charity number 1095308-1, and New Belvedere House, charity number 1095308-2, are wholly owned subsidiary charities, currently dormant. Neither has traded during the year nor holds any assets at the year-end. Under a uniting direction issued by the Charity Commission dated 3rd June 2003, these subsidiary charities are not required to prepare a separate Annual Report and Financial Statements.
Registered Social Landlord	Veterans Aid is registered as a Social Landlord under the reference LH0674

VETERANS AID

CHAIRMAN'S REPORT ON ACTIVITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021

In our 90th year it is absolutely right that we look back with pride at the incredible journey the charity has taken since it was first conceived. Countless lives have been saved and even more positively influenced by VA interventions. However, there is a reason why a rear-view mirror in a car is tiny by comparison to the size of the windscreen – the way ahead is far more important and exciting than where we have been.

Through the outstanding efforts of our Chief Executive and the teams in the Operations Centre and at New Belvedere House, we have proved yet again that 'good things come in small packages'. Some larger, more cumbersome organisations clearly struggled to deliver services during the pandemic whereas the strength and depth of VA's method of operations allowed it to be agile and responsive throughout the crisis. I am inordinately proud of the work put in by every person involved with the charity's work and want to underline our profound and ongoing gratitude to those who make it possible through fund-raising and philanthropy. The last 90 years have trained us for this moment . . .our time is now.

....

Andrew Wallis MBE OL DL
Chairman

28th April 2022

And so we end another year, which has seen Veterans Aid as busy as ever. It is often thought that homelessness is about 'rough sleeping' i.e. those living on the streets; but if the pandemic has shown us anything it is that street dwelling is just the tip of the iceberg.

Nearly every client we became involved with last year exhibited a multitude of social problems, legacies of relationship breakdown, poor mental and physical health, drug abuse, lack of skills, unemployment, and poverty. Unsurprisingly the pandemic impacted hardest on the most vulnerable, worsening existing problems and creating new ones. The move to becoming an almost cashless society worked for many – but not those without a bank account and funds.

Veterans Aid continues to be successful because we tackle client's problems on multiple fronts. We've not abandoned the traditional approaches of providing immediate safety and reassurance, but we have put much more effort into building resilience, which is the key to breaking cycles of dependency and transforming lives. To this end we constantly broaden the range of services that we offer, increasing their quality and embracing innovation.

The pandemic was our Welfare to Wellbeing© model's moment in history. We remained successful because staff redoubled their emphasis on prevention and provision of practical, effective care. The ability to remain fully operational, and thrive, while facing ever more complex and dire problems remains the charity's finest achievement.

Targeted responses, whether in the form of timely advice or swift placement of individuals into detox and rehab, are crucial first steps in overcoming the personal barriers that so many veterans face. Sadly, these barriers are reinforced by continued inertia within the sector – and a tendency for (often wealthy) organisations to pass on our telephone number rather than spend time and money to actually support someone in crisis.

There is far more to the world of care for veterans than simply handing out grants. But the problems are compounded by larger structural problems, like having too little affordable housing, where it is actually needed. According to the Government in 2020 there are more than 600,000 empty dwellings in England, so we need to be very wary of knee-jerk cries to build new homes for veterans.

Roofs alone are not the answer; our experience is that it's better to invest in what actually works for the homeless or those in crisis – what allows them to sustain lives free from the need to rely on constant charitable support and giving.

However, pioneering funding is needed to build and sustain such efforts. In this, our 90th year, we've never needed innovative support more than we do now. As I write we have ground-breaking initiatives underway within the criminal justice system, housing, and NHS, all of which are specifically focused on prevention. No one is funding these efforts, but we know they are critical areas where bureaucracy and ineffective veteran projects make lives worse.

I know our work is unglamorous but supporting us can influence the whole sector. The breadth and depth of the underlying problems in the ex-service community remain troubling. By assisting us in this field, donors can definitely prevent homelessness, get actual homeless people into decent accommodation, give them the support they need to stay there, and help them to rebuild their lives.

....
Wing Commander Dr Hugh Milroy OBE, BTh, MA, PhD DCL (h.c.)
Chief Executive

28th April 2022

The Trustees present their Annual Report on the affairs of Veterans Aid, together with the Financial Statements and Auditor's Report for the year ended 30 September 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Principal objects and activities
The objects of Veterans Aid, as stated in its Memorandum of Association, continue to be to offer support to vulnerable Veterans (ex-British Armed Forces or Merchant Service) who, through homelessness or other adverse circumstances, are in need and who require supported accommodation and skilled help in order to be able to achieve a settled way of life and their future well-being in society.

Aim of Veterans Aid
To help its clients achieve their own maximum potential to live and develop in the community by swift intervention and addressing their needs holistically.

Mission of Veterans Aid
The Charity's mission is to:

- respond effectively to vulnerable Veterans by using best practice and providing quality care;
- make innovative approaches to the problem of homelessness among Veterans;
- recognise the dignity of each person whom we seek to help; and
- develop our staff team to their utmost potential.

Overall statement of public benefit
In setting the objects and activities of the charity, the Trustees have given careful consideration to the Charity Commission's general guidelines concerning public benefit. In particular the Charity has focused on ensuring that levels of recidivism among those who graduate from its facilities are minimised and that, through a policy of swift intervention, the numbers who require longer-term assistance are reduced before they become hardened street-dwellers. The Charity continues to place great emphasis on preventative work. The public benefits of VA's work are multiple and demonstrable. They can be classed as direct (i.e. where the charity prevents or addresses homelessness, social isolation and its consequences for clients) and indirect (i.e. where interventions to restore an individual to health and independence result in a family being reunited and domestic support networks being restored).

Below the line metrics such as 'Savings to society' can be calculated through referencing the lifetime distribution of care and support costs – to the NHS, the Criminal Justice System, and the Department for Work and Pensions, as well as other charities and social enterprises – associated with social isolation.

Overall statement of public benefit (continued)
For example, one of the key findings in the independent Pro Bono Economics Report (2018) on Veterans Aid is that the potential economic value of the successful outcomes in the client sample of 166 veterans is equivalent to £965k per annum. This figure is derived by multiplying the number of successful outcomes in each of the intervention areas by the relevant value estimate in the Unit Cost Database.

- **Substance misuse.**
During the reporting year 62 clients were placed in substance misuse programmes across the country, compared to 70 the previous year. This was frequently done at short notice in marked contrast to the norm within the current care system. The policy of swift intervention recognises that with substance misuse, there is often a window of opportunity for those with addictions and that failure to seize this opportunity and robustly address the addictions will ultimately lead to failure and further financial burdens society-wide.

- **Holistic approach.**
Most clients who approach the Charity have dual or triple-diagnosis problems that overlap and add complexity to the intervention strategies. Few charities or Government agencies are structured to deal with such problems in a holistic manner. The Charity, by contrast, offers a powerhouse of diverse in-house expertise (social workers, substance misuse counsellor, military psychiatrist) that is augmented by access to an even wider network of external specialists (barristers, solicitors, academics etc.) who can be called upon to work in concert and minimise the prospect of VA "graduates" failing. This external network operates on a national basis and embraces all manner of agencies and support services. In 2021 the Charity placed 97 clients into some form of sustainable accommodation (2020: 113), very few of whom returned to their previous existence.

- **Raising awareness and appreciation of the Charity's capability**
Transformative and life-saving services were delivered without interruption during the past year, allowing the Charity to effectively tackle clients' multiple problems, some of which had been exacerbated by the pandemic.

  Media and PR activities remained focused on promoting the Charity's leading role in keeping ex-service personnel and their families off the streets, protecting the health of those already in the Charity's care and putting ever-growing emphasis on prevention.

  The arrival of COVID-19 intensified competition in the sector at a time when preserving public trust was critically important. Our ability to operate at a time when many others could not, stood us in good stead and the 2018 Pro Bono Economics report (The Costs and Benefits of VA's support for veterans) remains a particularly valuable third-party endorsement; it validates the Charity's unique W2WB© model and endorses its 90% success rate. Our tailored (and ever developing) database continues to support our transparent, competence-based and cost-effective methodology.

- **Raising awareness and appreciation of the Charity's capability** (continued)
  This year we modified and upgraded the database's functionality, and it will now allow us to pull out and merge different datasets. Newly added sections are linked to fresh initiatives with a specific focus on prevention in areas relating to the criminal justice system (CJS) and housing.

  With specific regard to external media activity, we continue to be proactive and sensitive to the COVID-19 affected market, responding to topical events (if and when appropriate) as they arise. Editorial content, generated in-house for external and internal publications, remains well-received and gives us the advantage of being in control of the VA brand.

  Our Politics Home item, published on the cusp of the 40th Anniversary of the South Atlantic Conflict, reflected on the universality of 'being a veteran' and how best to deliver support to these very diverse communities. It was timely and well received, generating significant interest among key readers inside the 'Westminster Bubble' (i.e. MPs, lobbyists, civil servants and researchers). The article featured an exclusive interview with Argentinian Ambassador HE Javier Figueroa in which he described his visits to VA and his endorsement of its work. The interview, which also showcased our cross-continental exchange of experiences, knowledge and dialogue, drew over 15,000 impressions which is well above average for the publication.

  Closer to home, our Welfare to Wellbeing© (W2WB©) model attracted a visit from members of the Veterans Advisory Board, who spent a day getting to know our Operations and New Belvedere House teams. The relationship continues and VA was asked for subsequent briefings on veterans' care systems and issues concerning ex-servicemen and women in need.

  A number of remote and face-to-face briefings were led by the CEO this year including a visit of James Sunderland MP, Chairman of the All Party Parliamentary Groups for the Armed Forces Covenant and Veterans, presentations to Blair Boyer the MP for New South Wales, Shadow Minister for Veteran's Affairs in South Australia and members of the Northern Ireland Veterans Commissioner's Office. The latter consisted of three separate consultations on well being support in the ex-military community.

  Our in-house Media and Communications team continues to deliver cost-effective and flexible media coverage for a range of offline and online initiatives. With the Charity's 90th Anniversary in mind, we revamped our website, enhancing the user experience for different stakeholders - clients, donors, volunteers, and supporters. Facebook and Twitter remain an effective tool in raising awareness and engagement, recording increases of 12% and 97% respectively. The largest growth, however, was recorded in the LinkedIn community (an international online platform used for professional networking and workplace development), where page engagement soared by 324%. The number of followers increased from 906 to 1,754 and some of the posts reached 160,000 members.

WHAT WE ACHIEVED – IMPACT IN 2021

ACCOMMODATION

97
APPROPRIATELY HOMED

72
SAVED FROM HOMELESSNESS

164
AVERAGE NUMBER OF NIGHTS SPENT AT NBH

NBH

66
NUMBER OF VETERANS ACCOMMODATED AT NBH

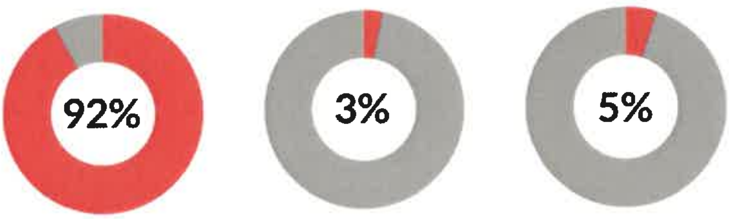
£68,000
ANNUAL TOTAL SPENT ON PURCHASING FURNITURE, CARPETS AND ESSENTIAL ITEMS FOR CLIENTS MOVING INTO LONG-TERM ACCOMMODATION

WEEKLY DATA – ACCOMMODATION

223
AVERAGE NIGHTS OF ACCOMMODATION SECURED EACH WEEK

6
AVERAGE NUMBER OF NIGHTS SPENT IN CRISIS ACCOMMODATION

WHERE WE OPERATE



ENGLAND

SCOTLAND, WALES, NI

OVERSEAS (12 COUNTRIES)

WHAT WE ACHIEVED – IMPACT IN 2021

INTERACTIONS

2,470
CLIENT INTERACTIONS

899
CALLS TAKEN BY OPS TEAM

23-77
CLIENT AGE RANGE

486
CLIENTS AND THEIR FAMILIES ADVISED AND SUPPORTED

216
NEW CLIENTS

92 % MALE
8% FEMALE

WELFARE TO WELLBEING©

180
COUNSELLING SESSIONS FUNDED

1,185
EMERGENCY FINANCIAL ASSISTANCE TRANSACTIONS

62
VETERANS AND SPOUSES SUPPORTED INTO DETOX/REHAB TREATMENT

EMPLOYMENT AND TRAINING

63
INTO WORK OR ONTO TRAINING COURSES

Governance
The Trustees are committed to strong governance and the importance of a robust regime is something that the Chairman regularly emphasises. The Charity is fortunate in that various of its Trustees are engaged on an almost daily basis with the Chief Executive, thus providing both oversight and expertise. The Trustees are able to offer a wealth of experience from the military, business and third sectors and collectively constitute a well-balanced board. Its focus is on doing rather than knowing as this is an action-orientated charity. The CEO is able to seek advice and decision-making contributions daily should it be required. In particular, the CEO has a very strong working relationship with the Deputy Chair, Dr Paul Dyer, who is responsible for governance.

Organisational structure
The Charity is exclusively UK-based. Its Head Office and Operations Centre is situated in Victoria, and its New Belvedere House residential facility is in Stepney, both in London. Although its geographical footprint is in the capital, the Charity supports UK Veterans in London and across the country, as well as providing advice to those living abroad. Trustees determine the general policy of the Charity. The day-to-day management is delegated to the Chief Executive, to whom report the Company Secretary & Head of Administration, Head of Financial Services, NBH Manager and Head of Fundraising.

Strategic plan
In 2019 the Board agreed that during the next 5 years the Charity should marshal its resources, focus on ability to provide tangibles that benefit clients and cultivate VA's successful Welfare to Wellbeing© methodology. The model is exportable and we should continue seizing this historic opportunity to allow others to follow our example and to make lives better and fulfilled in similar situations across the globe. The Board had reiterated at the last Board Meeting that there will be no changes to the business strategic plan. The W2WB© that allowed the Charity to respond remarkably well to the pandemic, is entirely agile and viable. The model also supported our recent expansion in other areas, namely health, criminal justice system and housing.

Recruitment, induction and training of trustees
Veterans Aid seeks to have a Board of Trustees that reflects the community it works in and whose members have the necessary skills and commitment to provide the good governance to achieve its objectives.

Trustees are provided with a handbook which outlines objectives, structure, responsibilities and governance, and which they are required to sign as having understood. Trustees are circulated with, and abide by, articles on good governance and updates on activities as appropriate. Appropriate training is provided where necessary to ensure that trustees are suitably skilled to support the Charity's objectives. Equally, trustees are actively encouraged to engage with the CEO on a regular basis to provide support when necessary and to increase understanding of the Charity's daily business.

Review of activities
As Britain emerged from lockdowns and COVID-19 imposed restrictions, the Charity was fully operational while remaining vigilant and responsive to ever-changing alerts and requirements.

Veterans Aid remains open and interested in building and fostering collaborative programmes and initiatives. Of particular note is the Charity's attendance at the Pro Bono Economics event where a panel drawn from the world of policy, finance and third sector discussed homelessness prevention programmes and data-driven reports on the economic impact of rough sleeping. We are currently exploring new research routes and are pre-examining the database inputs ahead of the planned impact analysis. Another example of a thriving working relationship is that with St Botolph's-without-Bishopsgate, with whom the Charity successfully entered into a formal partnership arrangement that is mutually beneficial and solidifies Veterans Aid's presence in the City of London.

Veterans Aid's reputation as a know-how and advice hub in the post-COVID world grows steadily; this year we answered 317 (2020:127) enquiries from various local and international agencies including researchers, media outlets, businesses, volunteers and fundraisers. Sharing knowledge, advising, and learning from others remains an important aspect of VA's work. Overtures from the Corporate world have included names such as PA Consulting and Deloitte. The Mentoring Programme launched in partnership with CAPCO last year is going from strength to strength and acts as a natural and practical extension of VA's employment and training support service. As ever we look for meaningful exchanges across the sector and met with the Women's Institute (community-based organisation for women in the United Kingdom, Canada, South Africa and New Zealand), via Zoom call. A cross-country engagement was initiated with ONE, Óglaigh Náisiúnta na hÉireann (Organisation of National Ex-service Personnel), where the CEO was asked to brief the Chairperson, Colm Campbell, and CEO, Cormac Kirwan.

The Welfare to Wellbeing© model and its wider application among the socially excluded attracts interest from like-minded frontline organisations and the academic world. In September the CEO delivered a lecture to social work students at the University of East Anglia (UEA) - young people who are the next generation of social, care and charity professionals. The Institute of Psychiatry, Psychology and Neuroscience at the King's College London once again welcomed the CEO's annual speech, which invited students to reconsider assumptions about who Veterans are in modern Britain.

The Charity's holistic approach and ground-breaking methodology extends to New Belvedere House where, despite the added burden of the pandemic, we successfully completed two green projects in collaboration with Biotecture and Waterside UK. The sensory garden and living wall are designed to further enhance the wellbeing of residents.

Our solution-focused and life-saving services attract attention from unexpected quarters, such as the Yeoman Warders Club at the Tower of London, which selected Veterans Aid as one of its chosen charities.

Review of activities (continued)
The Amazon Smile scheme that the Charity belongs to continues to perform well – supporter numbers have increased again, from 4,855 to 5,267. The donations that the Charity receives through this programme have doubled, from £5,382 to £10,316. Accessing this revenue stream requires relatively little effort and helps to diversify our broad base of funding sources. Furthermore, the CEO was interviewed by Major General John T. Quintas at the Warrior Week Speaker Series on Amazon which is accessible world-wide.

Performance
The range of services which are provided by social workers, substance misuse worker, military psychiatrist, outreach specialists and highly trained key-working staff, is enhanced by a mix of skilled volunteers and full-time professionals.

New Belvedere House can accommodate up to 66 residents, with rooms prepared for re-occupancy as soon as they become vacant. (Since the start of the pandemic ten bedrooms have been kept empty to allow self-isolation for any residents displaying symptoms or testing positive for Covid-19).

Accommodation provision is augmented by the temporary use of hotels, B&Bs, small lodgings and, where appropriate, military clubs. Based on an average aggregate the Charity looks after 60-70 clients and their families each night. (NB - not all clients require accommodation).

New Belvedere House, our flagship residential accommodation facility, continues to deal outstandingly well under difficult conditions, with the quality of care provided remaining consistently high. The emergency plans and procedures that had been formed and aligned with the successful modernisation of the facility, enabled us to operate in full swing throughout the pandemic. The experience of working with infectious diseases, and in line with the health and safety standards that the organisation is committed to, allowed us to incorporate COVID-19 protection measures at speed and in accordance with Government and NHS advice.

Since the previous financial year, only one confirmed case of COVID-19 was identified at NBH. Safety protocols - that include self-isolation, deep cleaning, handwashing, wearing of facemasks, testing and vaccination - are observed in full. Advice and support continue to be sought from the London Coronavirus Response Cell (North East London Team), NHS England COVID-19 Team and NHS Tower Hamlets CCG.

Of particular note is the guidance provided by the Health, Adults & Community Services Department at the LBTH which has been very proactive in circulating Action Cards, consulting the Charity on COVID-specific risk assessments and sharing Outbreak Control Plans for Hostel Settings. The Faculty for Homeless and Inclusion Health, remains our close ally, regularly sharing its findings and research on the sector's best practices in providing integrated, inclusive, collaborative and poverty-informed services in post-pandemic times.

The HQ and Ops Centre has been operating as normal, within the parameters of the Charity's ongoing commitment to protecting the health and wellbeing of clients and

Performance (continued)
staff in the post-pandemic environment. Safety protocols remain unchanged but are reviewed regularly and are in keeping with the latest guidance from the Government and the NHS.

Our local links with health agencies in the boroughs of Westminster and Tower Hamlets offer direct access to on-demand vaccines and PCR testing. Another key partner who offered immense support in accessing the vaccines and subsequent boosters was the GLA whom the Charity actively supports in helping Armed Forces communities in London.

Income and investment
The Board has considered its policy on income, investments, reserves and risk management.

As in most organisations, with Veterans Aid's operations, these subjects are interdependent and are addressed as such within this report, which seeks to fulfil the requirements and deals with:

- analysis of the subjects in question and formulation of related policy;
- management and control systems; and
- reviews.

Analysis
Income
Veterans Aid realises its income from rents and housing benefits, grants, donations, events, legacies and investment income. Sufficient income needs to be generated to cover the operating costs of the Charity which are: staff costs, property maintenance, utility charges, insurance, depreciation and other sundry costs.

Investments
Veterans Aid investments stand at £1,119k (2020: £841k), with a further £71k (2020: £72k) in accrued income and uncommitted cash deposits held in the portfolio. With an agreed investment policy and a continual dialogue with the Honorary Treasurer and Chief Executive, the Charity portfolio is managed on a discretionary management basis by S&T Asset Management LLP.

Liquid assets
The liquid assets of Veterans Aid are divided into:

- Unrestricted Funds. The bulk of the charity's net assets are unrestricted, as detailed in note 14 to the Accounts.

- Restricted Funds. A proportion of the Charity's tangible fixed assets are apportioned to the restricted funds, as detailed in note 13 to the accounts.

- Permanent Endowment. The proceeds of the sale of the Hollenden House site in 2005 are held under permanent endowment and are represented by the value of the freehold land on which New Belvedere House stands.

Income and expenditure balance

The annual income of the charity is £1,822k (2020: £1,852k), excluding unrealised gains/(losses) on investments and premises. The intent is that expenditure should match this figure, with an aim to break even in its annual operation. In the year to September 2021, the unrestricted funds showed a surplus of £223k (2020: surplus of £52k) and the restricted funds showed a deficit of £108k (2020: deficit of £111k), the latter arising principally due to depreciation charged on the freehold buildings at New Belvedere House in Stepney. Combined, the funds showed a surplus for the year of £116k (2020: deficit of £58k).

Income Policy

General

The overall policy regarding the income of the Charity is the generation - through the income it obtains via rent and housing benefit payments, grants, donations and legacies it receives - of enough revenue to enable it, in conjunction with its income from investments, to maintain its charitable work without interruption.

Investment income

The aim of the investments of the Charity is to produce the income necessary to narrow any gap between annual income and expenditure that may arise.

Investment Policy

Discretionary management - overall guidelines:

S&T Asset Management LLP has been given discretionary powers of management, with the following overall guidelines, over the portfolios of the Charity:

- 20% of the portfolio shall be invested in bank deposits, short-term money market instruments or investment grade fixed interest securities to enable the Trustees to have access to capital at short notice.
- 80% of the fund shall be invested in high quality international equities of the first rank to produce a growing income to protect the Trust against the long-term effects of inflation.
- The guideline is to achieve a balanced return to preserve and enhance the capital value whilst ensuring a reasonable level of income, as amended by the Trustees from time to time.
- The equity content of the portfolio shall be in S & T's classification of medium to low risk.
- There shall be no investments in any company the aims of which are contrary to the objectives of the Charity and the Trustees shall notify the managers of any specific exclusions which they might wish to apply from time to time.

Investment Policy (continued)
S&T is required to submit an investment report for each meeting of the Board of Trustees, usually held in April and October of every year. Reports are made regularly to the Honorary Treasurer, who presents each report to the Board of Trustees, together with any recommendations for review that may be considered appropriate.

Reserves Policy
The Charity needs to have in reserve sufficient capital to guard against an unforeseen reduction in income, taking account of its need to meet the continuing costs of operating the Charity's main roles in providing accommodation, rehabilitation and emergency care for homeless veterans. The historic consistency in both income streams and expenditure relating to that role, reflects the low risk which attaches to the Charity's income, much of it coming from rent and housing benefits and from its investments. The Trustees regularly review the Charity's reserves policy in relation to the current financial position and degree of risk.

The actual value of unrestricted reserves of the Charity at 30 September 2021 is £1,316k (2020: £1,093k) which represents an estimated nine months operating costs. For this purpose, operating costs represent expenditure on both unrestricted and restricted funds.

Going Concern
The trustees have considered the consequences of the COVID-19 pandemic and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the charity's ability to continue as a going concern.

Remuneration Policy
The remuneration of key management personnel is reviewed by the Remuneration Committee comprising the Honorary Treasurer, Deputy Chair and the Chairman. Their remuneration policy is set during the annual salary review for the whole team and it takes into account the following:

- Benchmarking with similar roles in the sector;
- The Charity's financial position;
- Changes to cost of living and inflation; and
- Changes in roles and responsibilities.

Fundraising
To help guarantee the availability of ongoing funds to solely pay for its work, Veterans Aid seeks to maintain broad and diverse sources of funding. We aim to raise cash income, both restricted and general, source support-in-kind and build strong local, national and international partnerships.

Our fundraising practices follow the provisions of the Charities Act 2016 (Protection and Social Investment), other relevant legislation, and local government by-laws.

Veterans Aid is a member of the Fundraising Regulator, which is an independent self-regulatory organisation. As a member Veterans Aid is committed to the highest standards in fundraising. We strictly adhere to the Fundraising Regulator's Code of Fundraising Practice. The Code is underpinned by the fundraising promise which stipulates that all fundraising must be legal, open, honest and respectful to the public. We use the Fundraising Regulator badge to publicly show that we are following these standards.

We operate the Charity Commission's 'Know your Donor' principle and make reasonable and appropriate attempts to identify any individual or organisation that gives us financial support, especially where significant sums are being donated or the circumstances of the donation give cause for concern. Veterans Aid will not accept anonymous corporate donations. However, we may accept anonymous individual or trust donations where there has been a rigorous third-party due diligence process, to confirm that Veterans Aid's reputation is not potentially compromised. Should a supporter make themselves known to Veterans Aid, but wish to remain anonymous, we will honour these wishes, on the basis that the donation carries no reputational risk to the charity.

Veterans Aid respects the privacy and contact preferences of all supporters and, in line with the GDPR, responds promptly to complaints or requests to cease interaction. There have been no complaints received during the financial year. If any individual or organisation asks to be excluded from fundraising approaches, this is recorded on the database and acted upon immediately so that they are excluded from all forms of solicitation, or those forms from which they have asked to be excluded.

Our in-house fundraising team does not engage in cold-calling, wealth-screening or buying/selling sensitive data. The Charity does not use other agencies in its fundraising activities.

Veterans Aid believes and maintains the principle that, wherever possible:

All gifts should be made without coercion and as a result of an informed decision.
All gifts should be made with full transparency and agreement regarding the use of the gift.

In cases where donations are made at a time when the donor was not able to make an informed decision, donations will be returned.

Donors will be acknowledged and recognised according to their wishes, as defined under the GDPR.

Fundraising (continued)
All relevant donor data is stored securely on our centralised fundraising database which is a web-integrated CRM (Customer Relationship Management) system. Use of this helps us to reduce duplication, minimise the risk of errors and provide an essential and accurate information hub for analysis and reporting.

We are committed to safe data handling practices and have robust security measures in place to protect this highly sensitive information, namely:

- The data is encrypted and stored on the VA Cloud,
- Daily online and offline back-ups are arranged,
- Access to the database is severely restricted (only members of fundraising staff are granted admission and the system cannot be accessed remotely).
- VA's network and PCs have firewalls, anti-virus and anti-malware software installed that monitors and immediately flags up potential and harmful activities 24/7.

Risk management

Risk
The diverse nature of our work naturally exposes us to many risks; some obvious and others less so. Our approach to risk over the last 10 years has been to go beyond a superficial reporting process and to concentrate on building strength and depth into our protective risk minimisation. In particular, the Board member for Governance is actively involved in this process. All standard workplace legislation is adhered to, but we are always seeking to go above and beyond statutory requirements. This year, to take risk management to the next level and mitigate vulnerability in a more intelligent way, we have employed an online-based agency that is flexible and available 24/7. It provides tailored and needs-centred advice to the Administration team, who can rely on expert consultants. This practical and customised support guides us through ad-hoc / minor issues as well as helping us to maintain best practice policies. In addition, we have deliberately focused on Governance to ensure a progressive reduction of risk.

In essence, we have concentrated on 7 main areas:

Damage to reputation
A badly handled PR crisis involving a charity can seriously tarnish its reputation. To mitigate this, we have developed a sophisticated and effective communications process that utilises the skills of a dedicated team that is supported by a professional and experienced Media and Communications Advisor. An example of our preparedness was the Charity's swift and measured response to the Sunday Times' article on Sackler's family philanthropy of which we receive funds for detox. We utilise social media judiciously to optimum effect and have excellent working relationships with key media outlets to get our message across. As a result we are regarded as a transparent, credible and trustworthy organisation. Our reputation-enhancing efforts are allied with major and relevant working agencies, whose operations directly affect the lives of our clients, such as the Greater London Authority, Westminster Council and London Borough of Tower Hamlets.

Risk Management (continued)

Damage to reputation (continued)
Of particular relevance here has been the runaway success of our work with Politics Home which provides timely access to policy makers and key influencers.

Our Board Member for governance was very keen for us to enhance our reputation as a strong delivery-agency with organisations which were distinctively relevant to our future as opposed to courting popularity. We have chosen to work with agencies which have a common goal for the benefit of the Charity. If necessary, we seek legal aid to protect our name, clients and staff.

Robust insurance cover
Accidents can happen, and our charitable status is not enough to stop someone from making a claim against the charity.

An accident involving a member of the public at a fundraising event, or an employee injuring themselves at the charity's premises, could result in legal action being taken against the organisation. We have therefore ensured that our annual insurance review is thorough, far-reaching, comprehensive and reflective of all our activity.

Health & Safety and HR & Employment Law
A decision to contract a market-leading consulting platform that offers comprehensive advice services covering the areas of facilities management, health and safety, human resources and employment legislation has proved to be of invaluable help since the COVID-19 outbreak. This interactive system continues to shape our COVID-19 and post-pandemic policies and work plans that are being constantly monitored. Additionally, with every major update from the Government we seek guidance from an independent health and safety professional. As far as personnel matters are concerned, the charity is privileged to have received expert pro-bono support from a leading UK employment lawyer, who acts as our Principal HR Advisor.

Cyber security & Data Protection
Data security is now a significant risk for all organisations. We understand the importance of taking appropriate steps to safeguard information assets and are committed to protecting sensitive and personal information of all the data subjects. While we do not hold huge volumes of sensitive information, we have adopted sophisticated controls.

Human error can of course be a great danger in respect of data loss but very few members of staff use portable data. It is self-evident that cyber security is directly linked to this issue and as a result we have placed great emphasis on cyber security to minimise our risks using external experts as required. Our approach to information security does not rely merely upon written policies. We maintain the confidentiality, integrity and availability of information through the protection of our technology resources and assets. Encryption, keeping back-ups and installing all the latest protective measures helps us manage these risks.

Risk Management (continued)

Cyber security & Data Protection (continued)
Cyber security and data protection are being closely monitored by the internal working group that consists of the CEO, Honorary Compliance Advisor and Company Secretary who report to the Board in detail on the current position and future plans.

This year we appointed the Cyber Security and Data Protection Advisor who will support the Charity's efforts in maintaining high digital performance, meeting regulatory requirements, and preserving general security of our online systems. This engagement allows us to be in control and on top of fast-moving digital changes as well as enhancing the onsite and remote users experience. As part of this arrangement, an organisation-wide audit of VA's systems, networks, policies, working practices and equipment had been scheduled along with associated improvement works. As ever, we believe in pro-active measures that inspire tailored, relevant and cost-effective solutions that minimise risks to our operations, clients and staff.

In a world of competing demands, with the emphasis on costs and savings, Veterans Aid sees data protection and cyber security expenditure as essential. We will continue investing and reviewing our activities to make sure we have adequate layers of protection and safeguarding procedures.

Funding and donations
The COVID-19 pandemic continues to hamper the sector's ability to raise funds through voluntary income. Veterans Aid has always relied on diversified income streams; our viable business model is largely supported by the housing benefit system and topped-up by our sound reputation.

This year we have invested in and expanded our database to meet the expectations of a growing number of funders who are asking for evidence-based reports and impact evaluations. We have also activated a range of ground-breaking initiatives within the criminal justice system, housing, and NHS that support and are interlinked with our core operations. Our fundraising efforts continue to be centred around effectiveness, transparency and sustainability and we carefully choose partners who can support our independent work.

Fraud
The Trustees and management are aware of the possibilities of fraud, both internally and externally. Strict controls are in place to ensure that no one individual is able to divert large sums via false invoicing or invoicing for works not undertaken, and there is a separation of responsibility between the incurring of expenditure and making payments. The Honorary Treasurer receives regular reports of all significant outgoings. Transparency is the key to our approach.

In addition, we have chosen our auditors, Saffery Champness, as a firm with a substantial reputation and knowledge of the charity sector, which enhances our credibility when prospective funders carry out due diligence.

Risk Management (continued)

Fraud (continued)
The value-added aspect of this relationship is that we are allowed significant interactivity with our auditors throughout the year thereby minimising risk. We have taken a deliberately controlled approach as we understand the impact not only of financial loss but also possible damage to our reputation and a lack of public confidence if fraud were to take place.

Governance
Interaction between the Chief Executive and the board is dynamic, responsive, and constant. It has proved to be a highly effective working model referencing internal and external issues. The former includes HR, organisational structure, charity culture, management issues, oversight of assets and financial strength. The latter references economic conditions, market competition, legislative changes, media, politics, reputation and demographics.

Finance and accounting review
The Charity has net assets of £8,912,615 (2020: £8,797,086), of which £7,644,982 (2020: £7,748,930) are tangible fixed assets.

The charity has £68,253 of cash balances available at one month's notice or less (2020: £172,962). The majority of the cash balances are held in deposit accounts.

Funds
As detailed in notes 12 to 13 of the financial statements, the charity has reserves classified as follows:

- Permanent endowment (note 12)
  This represents the endowment of the former Hollenden House property in East Sussex. Hollenden House itself was sold in 2005, and the remaining proportion of the freehold land, on which Whitworth House stands, was sold in September 2009. Under the terms of the endowment, its primary purpose is for investment in real estate to be held and used by the charity, and it is now represented by the freehold land and buildings at New Belvedere House.

- Restricted funds (note 13)
  Total restricted funds are £5,084,120 (2020: £5,191,629). The decrease is mainly due to the depreciation of the freehold buildings of New Belvedere House.

- Unrestricted Funds
  Unrestricted funds represent an estimated nine months operating costs of the charity.

Statement of Trustees' responsibilities
The Trustees (who are also the Directors of Veterans Aid for the purposes of company law) are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the company 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was prepared under the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The trustees are closely involved and meet formally twice a year to review management accounts, fundraising forecasts and cashflow analyses. The trustees believe that the charity is a going concern and for this reason, the going concern basis of the preparation of the financial statements is considered valid.

Auditors
Saffery Champness have been our auditors for many years and in line with good governance we propose to undertake a tender process later this year.

Approved by the Trustees on 28th April 2022 and signed on their behalf by

....	....
A G Wallis MBE OL DL	G J Holbourn FCA FCCA DChA
Chair of Trustees	Trustee
28th April 2022	28th April 2022

Opinion

We have audited the financial statements of Veterans Aid for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)
Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies exemption in preparing the Trustees' Report.

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

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

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

Auditor's responsibilities for the audit of the financial statements (continued)
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cara Turtington (Senior Statutory Auditor)
For and on behalf of
Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

28 April 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account) FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2021 £	Total 2020 £
Income and Endowments							
Donations & Legacies		823,979	-	-	-	823,979	545,630
Charitable activities							
Rents		563,615	-	-	-	563,615	818,588
Grants		215,941	189,182	-	-	405,123	456,108
Other trading activities		5,182	-	-	-	5,182	9,157
Investments	8	23,689	-	-	-	23,689	22,511
Total income		1,632,406	189,182	-	-	1,821,588	1,851,994
Expenditure							
Raising Funds		150,448	-	-	-	150,448	138,190
Charitable activities		1,360,389	188,532	108,159	-	1,657,080	1,750,805
Total expenditure	2	1,510,837	188,532	108,159	-	1,807,528	1,888,995
Net gains/(losses) on investments	8	101,588	-	-	-	101,588	(20,695)
Net income/(expenditure)		223,157	650	(108,159)	-	115,648	(57,696)
Actuarial losses on defined benefit pension scheme	26	(119)	-	-	-	(119)	(680)
Net movement in funds		223,038	650	(108,159)	-	115,529	(58,376)
Total funds brought forward		1,093,404	-	5,191,629	2,512,053	8,797,086	8,855,462
Total funds carried forward	14	1,316,442	650	5,083,470	2,512,053	8,912,615	8,797,086

The statement of financial activities contains all gains and losses for the year. All activities relate to continuing operations. The notes on pages 31 to 47 form part of these financial statements.

The whole of the charity's permanent endowment is represented by freehold land and no transactions in the property have taken place. Therefore total income and expenditure for the year also represents an income and expenditure account for the purposes of the Companies Act 2006.

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible fixed assets	7		7,644,982		7,748,930
Investments	8		1,190,212		913,429
			8,835,194		8,662,359
Current assets					
Stock	9	7,140		5,984	
Debtors	10	108,542		90,449	
Cash at bank and in hand		68,253		172,962	
		183,935		269,395	
Current liabilities					
Creditors: Amounts falling due in less than one year	11	(78,747)		(99,112)	
Net current assets			105,188		170,283
Less: Pension deficit provision	26		(27,767)		(35,556)
Net assets			8,912,615		8,797,086
Funds					
Property Funds:					
Permanent Endowment	12		2,512,053		2,512,053
Restricted funds	13		5,083,470		5,191,629
Revenue Funds:					
Restricted funds	13		650		-
General funds			1,316,442		1,093,404
Total funds	14		8,912,615		8,797,086

The notes on pages 31 to 47 form part of these financial statements.

Approved by the trustees on 28th April 2022 and signed on their behalf by

G Holbourn
....
G J Holbourn
Trustee
Company Number 4544532

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Net cash provided by operating activities	**22**	88,986	100,070
Cash flows from investing activities			
Dividends, interest and rents from investments		23,689	22,511
Purchase of property, plant and equipment		(42,189)	(12,177)
Proceeds from sale of investments		189,862	244,108
Purchase of investments		(366,498)	(256,391)
Net cash used in investing activities		**(195,136)**	**(1,949)**
Net (decrease)/increase in cash & cash equivalents		(106,150)	98,121
Cash and cash equivalents at the beginning of the year		245,429	147,308
Cash and cash equivalents at end of the year	**23,24**	**139,279**	**245,429**

The notes on pages 31 to 47 form part of these financial statements.

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared under the historical cost convention, as modified for the inclusion of fixed asset investments at market value, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Companies Act 2006 and the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is accounted for as soon as the charity has entitlement to the income and there is the probability of receipt and the amount is quantifiable.

All incoming resources are recognised on a receivable basis and included in the financial statements gross, i.e. before taking account of any associated expenditure.

1.4 Allocation of costs

Premises and associated costs relating to the running of Head Office (which includes the London Relief Centre) are allocated between the various expenditure headings in the SOFA on the basis of the salaries of staff at head office and the estimated time spent by each member of head office staff under each heading.

1.5 Costs of raising funds

Expenses are included as costs of raising funds if they can be directly related to a source of the charity's income or are for publicity intended to raise the profile of the charity.

1.6 Charitable activities

The charity has identified two charitable activities through which it achieves its charitable objectives-

1.6.1 Accommodation and support for Veterans in crisis
The charity runs New Belvedere House for homeless Veterans in the East End of London and provides funding to assist the residents in turning their lives around.

1.6.2 Detox rehabilitation and emergency care for Veterans in crisis
The charity's London Relief Centre in Victoria, Central London, provides a drop-in centre where Veterans in Crisis are given counselling and provided with short-term overnight accommodation while their needs are assessed.

1.7 Governance costs

Governance costs include all costs of maintaining the charity as a legal entity including audit fees, costs of trustees meetings, costs of complying with statutory requirements, and staff costs incurred in connection with meeting these requirements.

1 Accounting policies (continued)

1.8 Tangible fixed assets and depreciation

Tangible fixed assets, except freehold land, are stated at cost or valuation less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	over fifty years straight-line
Fittings and equipment	over three years straight-line

No depreciation is charged on land.

Items purchased are capitalised where their cost is above £100 and they are expected to have an ongoing use in the charity's operations. Purchases costing less than this are charged to expenditure in the Statement of Financial Activities in the year of purchase.

A professional valuation of the freehold land and buildings was undertaken at 30th September 2018 and the accounts reflect this figure (see Note 7). It is intended that a valuation will take place every five years, the next valuation being due in September 2023.

1.9 Investments

Fixed asset investments are valued at the current market value at the balance sheet date. Any unrealised gains or losses are credited/charged to the Statement of Financial Activities. Realised gains or losses on disposal of investments are included in the Statement of Financial Activities as they arise.

1.10 Stock

Stock comprises goods for resale and is valued at the lower of cost or net realisable value (see Note 9).

1.11 Pension costs

The Charity contributes to a defined contribution scheme and The Pensions Trust Growth Plan, a defined benefit multi-employer scheme. The pension costs charged in the SOFA are determined as follows:

(i) The costs relating to the defined contribution scheme are charged to the SOFA when they are incurred.

(ii) The Pensions Trust Growth Plan is an occupational defined benefit scheme. The current service costs are charged to the SOFA within staff costs. The expected return on the scheme assets less the scheme interest costs are credited within other interest. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses. The defined benefit scheme assets are measured at fair value at the balance sheet date. The scheme liabilities are measured on an actual basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet (see Note 26).

1.12 Permanent Endowment

The Permanent Endowment relates to the East Sussex property given to the charity. Part of this property, Hollenden House, was sold in 2005 and the proceeds invested; the remainder of the property, Whitworth House, was sold in 2009 and the funds placed on deposit. Following a review of the terms of the endowment, the trustees have determined that its primary purpose was for investment in real estate to be held by the charity, and that this is represented by the freehold land at New Belvedere House. This is a notional allocation representing a proportion of the property. No income is earned on the endowment.

1 Accounting policies (continued)

1.13 Restricted funds

Restricted funds are those received which are earmarked for a specific purpose by the donors. Expenditure which meets the criteria specified is allocated directly to the fund. (see Note 13)

1.14 Unrestricted funds

Funds received or generated for the objects of the charity without a further specified purpose are treated as unrestricted funds.

Trustees can designate a portion of the unrestricted funds to reflect their intention to invest strategically in future plans.

The balance in the General Fund at 30 September 2021 represents an estimated nine months operating costs (see Note 14).

1.15 Revaluations

Investments are revalued to market value as at 30 September 2021 and the gain or loss is shown on the SOFA as a separate item not forming part of the incoming/(outgoing) resources as the trustees feel that including unrealised gains or losses would not show a true and fair view of the charity's activities during the year.

1.16 Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

1.17 Critical estimate and judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements in applying the Charity's accounting policies

There are no critical accounting judgements in 2021 or 2020.

Critical accounting estimates and assumptions

(i) Defined benefit pension schemes

The Charity has an obligation to pay pension benefits to certain employees and former employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, asset valuations and discount rate on corporate bonds. Management estimates these factors in determining the net pension liability in the Balance Sheet. The assumptions reflect the historical experience and current trends. The valuation is particularly sensitive to the impact of the discount rate on the schemes' liabilities. See note 26 for the disclosures relating to the defined benefit scheme.

1.18 Comparative statements

Under charity accounting requirements comparative statements for the preceding year are required for a number of the notes to the accounts, specifically notes 2, 12, 13, 14 and 16, and these are shown below the information for 2021 in each note.

2 Resources expended

	Direct expenses Staff £	Direct expenses Other £	Support costs Staff £	Support costs Other £	Total 2021 £
Raising Funds					
Fundraising costs	-	7,755	100,135	34,972	142,862
Investment management costs	-	5,330	-	-	5,330
Cost of goods sold	-	-	-	2,256	2,256
Charitable Activities					
Accommodation and support for homeless veterans	313,748	230,201	107,988	171,073	823,010
Rehabilitation and emergency care for homeless veterans	-	231,268	436,427	166,374	834,069
	313,748	474,554	644,550	374,675	1,807,527

	Direct expenses Staff £	Direct expenses Other £	Support costs Staff £	Support costs Other £	Total 2020 £
Raising Funds					
Fundraising costs	-	9,541	94,619	27,243	131,403
Investment management costs	-	5,749	-	-	5,749
Cost of goods sold	-	-	-	1,038	1,038
Charitable Activities					
Accommodation and support for homeless veterans	320,489	199,925	113,426	184,874	818,714
Rehabilitation and emergency care for homeless veterans	-	339,604	456,346	136,141	932,091
	320,489	554,819	664,391	349,296	1,888,995

Total resources expended are stated after charging:

	2021 £	2020 £
Depreciation (see note 1.8 and 7)	146,137	160,950
Auditors remuneration: For audit	17,480	16,320
Amounts payable under operating leases	102,839	104,599

Governance (included in Support Costs above)

	2021 £	2020 £
Audit fees	17,480	16,320
Trustee expenses	-	63
Staff Costs allocation	25,248	24,611
Office Costs allocation	8,248	5,980
Other	344	790
	51,320	47,764

3 Staff costs

	2021 £	2020 £
Wages and salaries	808,638	848,931
Social security	80,418	77,251
Pension costs	42,915	40,003
	931,971	966,185
Other staff costs	26,327	18,695
	958,298	984,880

One member of staff (2020: 1) was provided on full-time secondment. These donations in kind have been valued based on the costs of a staff member undertaking the same role. Salaries of £31,700 (2020 : £31,300) and social security costs of £3,200 (2020 : £3,150) for this secondee are included in the above figures.

Average number of staff:

The average number of staff, based on average head count, working during the year was	2021 Number	2020 Number
NBH staff and care workers	13	14
Administration	10	10

The number of employees whose emoluments (salaries, wages and benefits in kind) fell within the following bands:

£60,000 to £69,999	1	1
£90,000 to £99,999	1	1

During the year the pension contributions on behalf of these members of staff amounted to £12,715 (2020 : £12,270)

	2021 £	2020 £
The total remuneration of key management personnel, who comprise the CEO and the NBH Manager was	174,310	168,712

4 Donations in Kind

	2021 £	2020 £
Donations in Kind	38,966	55,274
	38,966	55,274

In addition to the seconded member of staff (note 3), other organisations and individuals donated food and other items totalling £4,066 (2020 : £20,824) during the year (note 13).

5 Trustees

No trustees received any remuneration in the current or preceding year. Expenses totalling £nil (2020: £63) were reimbursed to no (2020: 1) trustees in respect of travel and accommodation expenses when attending meetings and fundraising events. Donations of £8k (2020: £6k) were received from trustees during the year.

6 Corporation tax

As a registered charity Veterans Aid is not subject to corporation tax on its wholly charitable activities.

7 Tangible fixed assets

	Freehold land and buildings £	Fittings and Equipment £	Total £
Cost			
At 1 October 2020	7,920,000	679,830	8,599,830
Additions	-	42,189	42,189
Transfers	-	-	-
Revaluations	-	-	-
At 30 September 2021	7,920,000	722,019	8,642,019
Depreciation			
At 1 October 2020	216,318	634,582	850,900
Charge for the year	108,159	37,978	146,137
Write-back on revaluation	-	-	-
At 30 September 2021	324,477	672,560	997,037
Net Book value			
At 30 September 2021	7,595,523	49,459	7,644,982
At 30 September 2020	7,703,682	45,248	7,748,930

All fixed assets are used for charitable purposes.

In the year ended 30 September 2018 a professional valuation of the New Belvedere House/Old Rectory freehold premises in Stepney was carried out by Michael Rogers LLP, Chartered Surveyors. This placed an open market value on the premises of £7,920,000 which is reflected in these accounts. The historical cost of the land and buildings is £9,273,653. See Note 1.8.

Capital commitments
The charity had the following capital commitments at 30 September 2021:

	2021 £	2020 £
Authorised, contracted but not provided for	Nil	Nil

8 Investments

	2021 £	2020 £
Quoted securities – UK	482,522	426,610
Quoted securities – Overseas	636,662	414,349
	1,119,184	840,959
Investment in subsidiary	2	2
Accrued investment income	-	-
Cash balances	71,026	72,468
Total	1,190,212	913,429

	Subsidiary £	Listed undertakings £	Total 2021 £	Total 2020 £
Quoted/unquoted securities:				
Market value at 1 October 2020	2	840,959	840,961	849,376
Additions at cost	-	366,498	366,498	256,391
Disposal at market value brought forward	-	(177,895)	(177,895)	(256,454)
Unrealised gains/(losses)	-	89,622	89,622	(8,352)
Market value at 30 September 2021	2	1,119,184	1,119,186	840,961
Historic cost of securities			828,846	640,101

	2021 £	2020 £
Investment income is made up of-		
Bank interest	32	318
Dividends	23,657	22,193
Accrued interest on fixed-interest investments	-	-
	23,689	22,511

The investment in subsidiary represents the charitable company's holding in its wholly-owned subsidiary, Veterans Aid (Services) Ltd, company registration number 06096959. The subsidiary company has not commenced trading and remained dormant throughout the year; it's aggregate capital and reserves at 30 September 2021 were £2.

Veterans Aid also has two subsidiary charities, Hollenden House (charity number 1095308-1) and New Belvedere House (1095308-2) which have remained dormant throughout the year and have no assets. Under a uniting direction issued by the Charity Commission dated 3 June 2003, these subsidiary charities are not required to prepare separate accounts.

9 Stock

	2021 £	2020 £
Clothing stock	5,245	5,984
Christmas cards stock	362	-
Miscellaneous stock	1,533	-
	7,140	5,984

10 Debtors

	2021 £	2020 £
Rent and housing benefits	15,838	18,918
Prepayments	55,541	42,133
Other debtors	37,163	29,398
	108,542	90,449

11 Creditors falling due in less than one year

	2021 £	2020 £
Trade creditors	25,332	28,733
Accruals	17,026	42,672
Other creditors	36,389	27,707
	78,747	99,112

12 Permanent Endowment

This fund of £2,512,053 is represented by the value of the freehold land in Stepney occupied by New Belvedere House. The land was not originally endowed and this represents a notional allocation of the charity's overall funds. There has been no movement in the fund since 1 October 2018.

13 Restricted funds

		At 1 October 2020 £	Income £	Expenditure £	At 30 September 2021 £
a	New Belvedere House Development fund	5,191,629	-	(108,159)	5,083,470
	Property Funds	5,191,629	-	(108,159)	5,083,470
b	Outreach workers (donation in kind)	-	34,900	(34,900)	-
c	Not Forgotten Association (donation in kind)	-	159	(159)	-
d	Grants for individuals	-	45,716	(45,716)	-
e	Substance Misuse	-	100,000	(100,000)	-
f	Clothing & footwear	-	4,500	(3,850)	650
g	Other Donations in kind		3,907	(3,907)	
	Revenue Funds	-	189,182	(188,532)	650
		5,191,629	189,182	(296,691)	5,084,120

		At 1 October 2019 £	Income £	Expenditure £	At 30 September 2020 £
a	New Belvedere House Development fund	5,299,788	-	(108,159)	5,191,629
	Property Funds	5,299,788	-	(108,159)	5,191,629
b	Outreach workers (donation in kind)	-	34,450	(34,450)	-
c	Not Forgotten Association (donation in kind)	-	158	(158)	-
d	Grants for individuals	2,703	54,534	(57,237)	-
e	Substance Misuse		50,000	(50,000)	-
f	Other donations in kind		20,666	(20,666)	-
					-
	Revenue Funds	2,703	159,808	(162,511)	-
		5,302,491	159,808	(270,670)	5,191,629

Funds for the purchase and development of New Belvedere House (Property Funds):

a. The New Belvedere House Development Fund represents monies raised for the purchase and refurbishment of New Belvedere House (NBH) between 1973 and 2018. NBH is an integral part of the charity's operations and long-term plans and it is therefore felt that it is appropriate to show its value as a single consolidated fund including the various phases of its purchase and development. In the event of NBH being sold, grants from the GLA (£155,865) and Housing Association (£400,000) may become repayable. See Note 19.

Funds for operational expenses (Revenue Funds):

b. Support for the Outreach Worker posts has come from SSAFA (donations in kind £34,900).
c. A donation in kind from the Not Forgotten Association of a TV licence for New Belvedere House
d. Grants for individuals represents monies provided for assistance to individual clients and spent by Veterans Aid on their needs during the year.
e. A grant from an anonymous charitable trust for the Substance Misuse programme
f. A grant from the Hedley Foundation for clothing & footwear
g. Donations in kind - food, clothing etc.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted Revenue funds £	Restricted property funds £	Permanent Endowment £	2021 £
Tangible fixed assets	49,459	-	5,083,470	2,512,053	7,644,982
Investments	1,190,212	-	-	-	1,190,212
Pension deficit provision	(27,767)	-	-		(27,767)
Net current assets	14,538	650	-	-	105,188
	1,316,442	650	5,083,470	2,512,053	8,912,615

	Unrestricted funds £	Restricted property funds £	Permanent Endowment £	2020 £
Tangible fixed assets	45,248	5,191,629	2,512,053	7,748,930
Investments	913,429	-	-	913,429
Pension deficit provision	(35,556)	-		(35,556)
Net current assets	170,283	-	-	170,283
	1,093,404	5,191,629	2,512,053	8,797,086

15 Revaluation reserves

	2021 £	2020 £
Quoted securities	290,338	200,858
	290,338	200,858

The revaluation reserves form part of unrestricted funds in both years.

16 Commitment under operating leases

	Land and buildings £	Other £	Total 2021 £
Due within one year	24,698	2,963	27,661
Between 2 and 5 years	-	1,222	1,222
	24,698	4,185	28,883

	Land and buildings £	Other £	Total 2020 £
Due within one year	15,402	3,892	19,294
Between 2 and 5 years	-	4,033	4,033
	15,402	7,925	23,327

The premises at 27 Victoria Square are leased at a cost of £24,698 (including irrecoverable VAT) per quarter. The lease ended on 31 December 2021 and was subsequently renewed.

Photocopiers are leased from BNP Paribas (ending 15 March 2022) and CF Corporate Finance (ending 14 March 2023).

17 Related party transactions

There were no related party transactions in either 2021 or 2020, other than the donations totalling £8,000 from a trustee (note 5) (2020: £6,000 from one Trustee).

18 Legal status

The charity is a company limited by guarantee. In the event of a winding up each member has guaranteed to give a guarantee of not more than £10. At 30 September 2021, the total of these guarantees was £60 (2020: £60).

19 Contingent liabilities

Several grants have been received in prior years to be used on the construction and maintenance of the charity's New Belvedere House freehold premises, including one from the former Greater London Council (GLC). Full historical documentation of the terms of these grants does not exist. If the charity was to cease using these premises for charitable purposes there is a possibility these grants may become repayable.

The effects of such a repayment cannot be quantified and the trustees have no plans to change the use of these premises, and therefore they believe no further disclosure is needed in these financial statements.

20 Housing Corporation disclosure

The Charity is a Registered Provider of Social Housing, registered with the Homes and Communities Agency in England (registration number LH0674). In preparing these accounts the trustees have considered whether the charity ought to prepare its financial statements in accordance with Housing SORP 2014: Statement of Recommended Practice for registered social housing providers (RSL SORP). They consider the activities of the charity to be much wider than the provision of social housing and have considered the status of the occupants of New Belvedere House, who are beneficiaries of the charity rather than tenants with rights under the Landlord and Tenant Act. They have therefore concluded that it is most appropriate for the charity to prepare its financial statements under the Charities SORP. Further details of the changes that would be required were the RSL SORP to be used are not included on the basis that they provide no additional useful information to the users of the financial statements. However, reference is made to the RSL SORP where the charity SORP is silent on any particular issue.

21 Income from government grants

The charity was in receipt of amounts from national and local government sources as follows:

	2021 £	2020 £
Revenue grants (credited to unrestricted funds)	65,941	130,379
	65,941	130,379

22 Reconciliation of net movement in funds to net cash flow from operating activities

Reconciliation of net movement in funds to net cash flow from operating activities	2021 £	2020 £
Net (expenditure)/income	115,529	(57,696)
Depreciation charges	146,137	160,950
Investment income	(23,689)	(22,511)
Loss/(gain) on investments	(101,588)	20,695
Decrease/(increase) in stocks	(1,156)	867
Decrease/(increase) in debtors	(18,093)	309
Increase/(decrease) in creditors	(20,365)	5,133
Movement in pension scheme provision	(7,789)	(7,677)
Net cash provided by operating activities	88,986	100,070

23 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	68,088	172,737
Cash with investment managers	71,026	72,467
Cash equivalents - vouchers	165	225
Total cash and cash equivalents	139,279	245,429

24 Analysis of changes in net debt

	At 1 October 2020	Cashflows	At 30 September 2021
Cash at bank and in hand	172,737	(104,649)	68,088
Cash with investment managers	72,467	(1,441)	71,026
Cash equivalents - vouchers	225	(60)	165
Total	245,429	(106,150)	139,279

25 Comparative statement of financial activities

	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2020 £
Income and Endowments					
Donations & Legacies	545,630	-	-	-	545,630
Charitable activities					
Rents	818,588	-	-	-	818,588
Grants	296,300	159,808	-	-	456,108
Other trading activities	9,157	-	-	-	9,157
Investments	22,511	-	-	-	22,511
Total income	1,692,186	159,808	-	-	1,851,994
Expenditure					
Raising Funds	138,190	-	-	-	138,190
Charitable activities	1,480,135	162,511	108,159	-	1,750,805
Total expenditure	1,618,325	162,511	108,159	-	1,888,995
Net losses on investments	(20,695)	-	-	-	(20,695)
Net income/(expenditure)	53,166	(2,703)	(108,159)	-	(57,696)
Actuarial losses on defined benefit pension scheme	(680)	-	-	-	(680)
Net movement in funds	52,486	(2,703)	(108,159)	-	(58,376)
Total funds brought forward	1,040,918	2,703	5,299,788	2,512,053	8,855,462
Total funds carried forward	1,093,404	-	5,191,629	2,512,053	8,797,086

26 Pension Plans

26.1 The Pensions Trust

Veterans Aid participates in The Pension Trust (TPT)'s Growth Plan, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, TPT has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions		
From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with TPT the term to 30 September 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, TPT has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions		
From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

26 Pension Plans

26.1.1 Reconciliation of opening and closing provisions for Veterans Aid

	2021 £	2020 £
Provision at start of period	35,556	42,553
Unwinding of the discount factor (interest expense)	182	377
Deficit contribution paid by Veterans Aid during the year	(7,907)	(7,677)
Remeasurements - impact of any change in assumptions	(64)	303
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	27,767	35,556

The cost recognised in the Statement of Financial Activities for the year was £119 (2020: £680).

26.1.2 Assumptions

	30 September 2021	30 September 2020
	% per annum	% per annum
Rate of discount	0.72	0.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Members paid contributions at rates between 5% and 30% of gross salary during the accounting period. Veterans Aid matched the members contributions up to a maximum of 10%.

As at the balance sheet date there were 3 (2020: 3) active members of the Plan employed by Veterans Aid. Veterans Aid has closed the Plan to new entrants.

26.2 Royal London

26.2.1 Veterans Aid now offers a plan with Royal London to its employees; at the balance sheet date there were 12 active members (2020: 11) of this plan employed by Veterans Aid.

26.2.2 Members paid contributions at the rate of between 5% and 10% of gross salary during the accounting period. Veterans Aid matched the members contributions.