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

VA transforms lives every day

Veterans Aid

Annual Report and Financial Statements
For the year ended 30 September 2022

VETERANS AID

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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VETERANS AID

LEGAL AND ADMINISTRATIVE INFORMATION

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 Bank 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 2022

Time and tide wait for no-one, so once again we find ourselves reflecting on the year past and the one in prospect. If anyone reading this is wondering why they should support our marvellous charity I urge them to read our Chief Executive's Message. The big charities in this sector are well supported and have fundraising mechanisms fully deployed, but in truth many are actually drifting away from delivering services to veterans in favour of referring them to us.

These are hard times, yet we are being asked to do more and more with less and less. The fantastic teams at our Ops Centre and New Belvedere House continue to innovate and to be highly creative in their use of limited resources; indeed, they are actively taking the fight to the enemy and fully engaged in shifting the focus from rehabilitation to prevention.

Early intervention, before a life spirals out of control, is far preferable to remediation and is highly cost effective. Assistance with managing debt is far cheaper than having to sort out substance abuse after it all becomes 'too much' to handle. You will see in the CEOs Report that we spent well over £500k on combating addiction last year. It's a hugely expensive process - but it saves lives.

Our Welfare to Wellbeing© model continues to receive acclaim, both at home and abroad and its singular success was acknowledged most recently by presentation of The World Veterans Federation's first Award for Rehabilitation. Due in no small part to the efforts of our CEO and his team, health and wellness (i.e. 'wellbeing') has become a major element of this international organisation's work. As special advisor, and author of its newly adopted Veterans Wellbeing Strategy, Dr Milroy has taken its work to a new level.

He must also be congratulated on having had the title of 'Professor' conferred upon him by the University of East Anglia where he lectures about the issues surrounding adversity and homelessness in the veterans' community. Not only is this welcome recognition for his outstanding work, but it also adds immeasurable gravitas to the Veterans Aid 'voice' in the sector. Increasing numbers of politicians, practitioners and academics of all persuasions are finding their way to VA to hear the unvarnished truth about how practice trumps process in terms of successful outcomes. It's not easy to swim against the tide and one politician described his fact-finding session at VA as necessary but 'highly uncomfortable'.

In a world where 'fake news' is very much present, it is deeply comforting to know that our charity is utterly transparent in how it operates and accounts for its activities. Having been independently audited both at home and abroad, found 'fit for purpose' and given awards for our work, I am confident that we are without parallel in the sector. Sadly, accolades rarely translate into practical support. So, we face the forthcoming year scarred and bloody but up for the fight! Please help us if you are able.

A Wallis

....

Andrew Wallis MBE OL DL Honorary Colonel for Beds & Herts ACF
Chairman

27th April 2023

CHIEF EXECUTIVE'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

If the global pandemic and the world we now find ourselves in has taught us a single lesson it is that care for veterans is an evolutionary and increasingly complex process. But the big changes in the field of social care have been in context. Costs are rising all around us, to an extent that is eye-watering. This, coupled with the speed of change, is making life at Veterans Aid very difficult. However, the impact on our clients has been profound. Debt and lack of savings are driving our veterans to the edge.

In every sense, the rise of destitution in an almost Dickensian manner, is with us. Systems of support which are well-intentioned seem to be leaving the ex-servicemen and women who are our clients singularly disenfranchised. Processes for financial support in particular simply do not relate to life in Britain today and the gulf between resource and need is ever widening.

So how big is the problem we are facing? Over 60% of the veterans who seek our help come because of enduring and debilitating destitution. What is worse is that 50% of them are working. Poverty, the real elephant in the room, is largely being ignored and increasing numbers of clients are being 'dumped' on us because the military charity they have approached either is incapable or, even worse, has no intention of getting involved in the enduring nature of the individual's problems. It is a daily occurrence in Ops to hear new clients say, "I rang *** for help and they just gave me your telephone number."

Addiction is alive and well among our clients – we've spent over £500k in recent times providing critical interventions. Lives have been saved. We are not rich so, as is standard practice, we try to recover some of our expenditure from the immensely wealthy charities in our sector. We managed to get back just 5% of our £500k outlay. Thank goodness for the wonderful and continuous support of the Uren Foundation. This stalwart funding continues to be life-changing for us.

How do we cope? A wellbeing approach is the key. We can't remove the societal context from the equation, but what we can do is aim to enable our clients to deal as well as they can with adversity. This is a completely innovative approach because it acknowledges and embraces complexity and moves at speed.

Despite our success this approach isn't in tune with the great funding organisations. In short, we have a true working model. It is very frustrating to watch a sector that, for the most part, only functions reactively when we know - and have *proven* - that prevention is crucial. Our staff, both in the Ops Team and at New Belvedere House, understand the critical nature of this approach. There is a lot of talk about veterans and the Armed Forces Covenant, but it seems to be singularly out of synch with the societal context of our clients' lives.

Finally, I must make two critical points. Vast sums exist in the sector, yet we are seeing clients in real poverty, unable to find support for basic needs or treatment for vital recovery blockers like addiction. Somehow this has to change because poverty isn't going to disappear anytime soon.

We see a support scenario for veterans that looks archaically 'top-down' when the actual needs hierarchy which should be 'bottom-up'. That must change if the flow of veterans seeking our help, in utter desperation, is to be stemmed.

....
Wing Commander Dr Hugh Milroy OBE BTh MA PhD DCL (h.c.) Hon Prof of Social Work UEA
Chief Executive

27th April 2023

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 2022. 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. We are negotiating further research with PBE that is planned to be formally launched in summer 2023.

- **Substance misuse.**
  During the reporting year 72 clients were placed in substance misuse programmes across the country, compared to 62 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 2022 the Charity placed 121 clients into some form of sustainable accommodation (2021: 97), 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 and cost of living crisis.

  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 wellbeing of those already in the Charity's care and putting ever-growing emphasis on prevention.

  The post-pandemic economic outlook sharpened 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.

- **Raising awareness and appreciation of the Charity's capability** (continued)
  Our tailored (and ever developing) database continues to support our transparent, competence-based and cost-effective methodology - for instance, thanks to segments that were built-in last year, we could confirm that 61% of clients contacted the Charity because of poverty and that 50% of those were in some form of employment.

  Visitors welcomed at VA's HQ included the Shadow Minister for Veterans and Defence People, Rachel Hopkins MP; the Conservative MP for Bolsover, Mark Fletcher; the Independent Veterans Advisor to the Government, David Richmond; the Argentinian Ambassador, HE Javier Figueroa; serving members of the Coldstream Guards; representatives of the homeless charity One Dublin; the Chief Executive of Vasey RSL Care (Australia), Janna Voloshin and a group of colleagues from the Danish Veterancenter (part of the Danish Ministry of Defence).

  Briefings to these local and international counterparts focused on illustrating our expertise in providing integrated and long-lasting solutions to socially excluded ex-servicemen and women. The CEO also contributed to a series of Parliamentary consultations (notably to Lord Coaker and Lord Sharpe of Epsom) that were well received inside the 'Westminster Bubble'.

  The most valuable and prestigious endorsement received this year resulted from VA's membership of the World Veterans Federation (WVF) which the Charity joined in 2019. In the late spring, WVF President Mr Dan-Viggo Bertgun paid an unexpected visit to our HQ & Ops Centre in Victoria where he met staff and learned first-hand about VA's ground-breaking model. A trip to Oslo followed and soon afterwards VA's CEO accepted appointments as a Vice-President of the WVF and Acting Chair of its Standing Committee on European Affairs. The final piece of VA's remarkable and rapid success within this international organisation was the award of its special Rehabilitation Prize, officially presented at the recent World Veterans Federation Congress in Belgrade. These multi-layered endorsements, from an organisation that represents 60 million veterans worldwide and consists of over 172 veterans' organisations from 121 countries, is a global affirmation of VA's tried and tested prevention model.

  Additional affirmation of the Welfare to Wellbeing© (W2WB) model's success came in the form of further academic recognition for the man who introduced it when an Honorary Professorship in Social Work, at the University of East Anglia's prestigious School of Social Work, was awarded to our CEO. His ground-breaking PhD and subsequent successful work transforming the lives of homeless veterans, was hailed as echoing UEA's commitment to 'Do different'. This appointment acknowledges his significant role in raising the profile of veterans' wellbeing issues in the academic community and further enhances VA's reputation as a frontline charity delivering uniquely effective care.

- **Raising awareness and appreciation of the Charity's capability** (continued)
  An unusually high profile in the digital and printed media came about when VA and its nearest US counterpart, the National Coalition for Homeless Veterans (NCHV) were jointly selected to be exclusive beneficiaries of a unique transatlantic funding collaboration between two of the world's top comic book creators. Award-winning
  illustrator Gary Frank and bestselling writer Geoff Johns produced a highly collectible Veterans Edition of their mythical military superhero, Junkyard Joe. The publication attracted substantial interest and excitement among comic book aficionados while raising the profile of VA and the NCHV. All proceeds of the limited-edition sale will be shared between VA and the NCHV in honour of Gary's grandparents and Geoff's grandfather, all of whom were veterans.

  Facebook and Instagram remain effective tools in raising awareness, recording increases of 186% and 72% respectively. The largest growth, similar to previous year however, was recorded in the LinkedIn community (an international online platform used for professional networking and workplace development), where the number of followers increased from 1,754 to 3,000 and some of the posts reached 442,000 members.

WHAT WE ACHIEVED – IMPACT IN 2022

INTERACTIONS

2,059
CLIENT INTERACTIONS

930
CALLS TAKEN BY OPS TEAM

21-87
CLIENT AGE RANGE
AVERAGE AGE 46 YEARS

538
CLIENTS AND THEIR FAMILIES ADVISED AND SUPPORTED

276
NEW CLIENTS

93 % MALE
7% FEMALE

WHERE WE OPERATE

94%
ENGLAND

2%
SCOTLAND, WALES, NI

4%
OVERSEAS (12 COUNTRIES)

ACCOMMODATION

121
APPROPRIATELY HOMED

79
SAVED FROM HOMELESSNESS

193
AVERAGE NUMBER OF NIGHTS SPENT AT NBH

NBH

68
NUMBER OF VETERANS ACCOMMODATED AT NBH

WHAT WE ACHIEVED – IMPACT IN 2022

Veterans Aid

WELFARE TO WELLBEING©

153
COUNSELLING SESSIONS FUNDED

72
VETERANS AND SPOUSES SUPPORTED INTO DETOX/REHAB TREATMENT

EMPLOYMENT AND TRAINING

62
INTO WORK OR ON TO TRAINING COURSES

REFERRALS

- MILITARY CHARITY – 52%
- NON-MILITARY CHARITY – 21%
- WORD OF MOUTH – 20%
- INTERNET – 5%
- POLICE REFERRAL – 1%
- OTHER – 1%

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 Chief of Staff, 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.

As referred to earlier on in this report, we can confirm that the last item set out by the Strategic Committee 'to continue to build the brand and model as exemplars for the wider veteran community' was achieved this year via high-profile endorsements and awards; most importantly the Rehabilitation Prize presented to the Charity at the World Veterans Federation Congress in Belgrade. The model is now formally recommended by the WVF and the CEO was asked to draft a wellbeing strategy in his new advisory role. We have become the global lead for the veteran community.

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.

Recruitment, induction and training of trustees (continued)
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
Lockdowns and COVID19-imposed constraints no longer dominated the headlines, but the Charity remained alert and responsive to published guidelines and updates, while remaining fully operational.

Veterans Aid stayed focused on its daily operations, tackling the complex and multiple problems of its clients, 52% of whom reached out for help because of two or more of the following issues – poverty, unemployment, relationship breakdown, poor health or substance misuse.

Thanks to VA's formal partnership with St Botolph-without-Bishopsgate, two important events were hosted within the gates of the City of London – a Carol Service and a 90th Anniversary Service of Thanksgiving. Those occasions offered an opportunity to pay tribute to the Charity's staff and supporters and honour its rich history of providing uninterrupted sanctuary and relief to destitute veterans.

A range of contacts and enquiries were answered from UK and overseas agencies including research, partnership, media, volunteering and fundraising, totalling 393 (2021:317); 64% of those were seeking advice in relation to helping people out of poverty and prevention of homelessness.

Nurturing existing working relationships and building new connections remains important to VA, including cross-industry engagements with corporate organisations. We hosted several volunteers at the HQ/Operations Centre, most notably from Capita, whose visitors met our staff and learned about our frontline homeless services.

The Criminal Justice System initiative that was launched last year through partnerships with the City of London Police, British Transport Police and the Metropolitan Police, grew steadily, aided by the poster campaign 'Approach, Engage and Advise'. Through timely referrals by police officers this partnership saves a great deal of time in finding solutions and answering crisis-calls from veterans at risk. The value of this scheme is particularly important in relation to identification of former service personnel via the Charity's co-ordinated and rapid response system.

We maintained our links and visibility within academic institutions by on-site visits and presentations that were delivered at the University of East Anglia and the Institute of Psychiatry, Psychology and Neuroscience at King's College London. As part of his lecture programme to these institutions the CEO challenges assumptions about life after military service and educates the next generation of social policy makers about the multidimensional nature of poverty.

Review of activities (continued)
The Charity was selected as the Master's Charity for 2022/23 by the Merchant Taylors' Company, one of the Great Twelve Livery Companies. Our immediate and practical support services, focused on solutions and long-lasting transformations, have attracted interest from a community that is dedicated to fellowship, education and philanthropy. We are honoured to be associated with a fraternity with origins dating back to the early 1300's and whose works stretch across education, philanthropy, and fraternity.

The Fundraising scheme that the Charity belonged to was unexpectedly terminated but an alternative and equally safe platform - Give as you Live - was quickly identified. This is a digital fundraising solution, free of charge and registered with the Fundraising Regulator. It generates donations through online shopping and allows supporters to participate in raising funds for their charity of choice. Our Media and Comms team have been promoting this online solution across our social media platforms.

Performance
The range of services which are provided by our substance misuse worker, military psychiatrist, social workers, 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.

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 effectively throughout the pandemic. The experience of working with infectious diseases, and 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. Specifically, our policies are underpinned and reviewed in line with the Infection Prevention and Control (IPC) principles for Adult Social Care Settings in England.

Since the previous financial year, we recorded no outbreaks at our premises (NB 'outbreak' refers to two cases linked in time and place); however one positive case of COVID-19 was identified at NBH. Safety protocols - that include self-isolation, deep cleaning, handwashing, wearing of face-masks, 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.

Performance (continued)
We are particularly grateful for the training and guidance provided by the LBTH Covid-19 Hub team (Integrated Commissioning, CCG and Council) who, irrespective of our non-commission status, included our staff in free webinars. Following one of the online training sessions, (Public Health Infection Prevention and Control & Outbreak Management training), a visit was arranged at NBH. A senior representative from the LBTH Health, Adults & Community Services attended NBH to learn about the ongoing safety measures and support services offered to our residents. As ever, the Charity stays proactive in seeking meaningful collaborations and staying close to our working partners.

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 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. 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 £916k (2021: £1,119k), with a further £64k (2021: £71k) 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.

Income and investments (continued)
Analysis (continued)
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 £1,614k (2021: £1,822k), 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 but this year it was not to be. In the year to September 2022, the unrestricted funds showed a deficit of £236k (2021: surplus of £223k) and the restricted funds showed a deficit of £56k (2021: deficit of £108k), the latter arising principally due to depreciation charged on the freehold buildings at New Belvedere House in Stepney. Combined, the funds showed a deficit for the year of £292k (2021: surplus of £116k).

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 Charity against the long-term effects of inflation.

Investment Policy (continued)

- 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.

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 2022 is £1,080k (2021: £1,316k) which represents an estimated six months operating costs. For this purpose, operating costs represent expenditure on both unrestricted and restricted funds.

Going Concern

The trustees have considered the post-pandemic consequences 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 monitor and immediately flag 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. Over two years ago, 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. The Charity is prepared to draft a swift and measured response, as demonstrated last year when the Sunday Times published an article on Sackler's family philanthropy from 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 professional legal services 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 post-pandemic and infection control 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 mentioned earlier in this report, key members of staff responsible for oversight of Health and Safety matters regularly attend training and workshops, particularly those arranged by the LBTH Public Health Team. 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 and proactive 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.

Risk Management (continued)

Cyber security & Data Protection (continued)
Encryption, keeping back-ups and installing all the latest protective measures helps us manage these risks.

Cyber security and data protection are being closely monitored by the internal working group led by the Deputy Chair that consists of the CEO and Chief of Staff who report to the Board in detail on the current position and future plans.

Last year we appointed the Cyber Security and Data Protection Advisor to support the Charity's efforts in maintaining high digital performance, meeting regulatory requirements, and preserving general security of our online systems. This engagement has allowed 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 took place 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 sector's ability to raise funds through voluntary income continues to be hampered by the economic outlook and cost of living crisis. 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. Our successful and credible brand brought us international recognition and Rehabilitation Prize at the recent World Veterans Congress in Belgrade.
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. As referred to earlier in the report, newly built segments allow us to draw comprehensive data reports that are consistent and in line with the W2WB© model. 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.

Risk Management (continued)

Fraud (continued)
Following a tendering process overseen by the Chief Executive and two Trustees, we reappointed Saffery Champness as our auditors, a firm with a substantial reputation and knowledge of the charity sector, which enhances our credibility when prospective funders carry out due diligence.

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. The Deputy Chair is formally tasked with overseeing the Governance; last year the Deputy Chair and the CEO had 32 interactions.

Finance and accounting review
The Charity has net assets of £8,620,126 (2021: £8,912,615), of which £7,554,086 (2021: £7,644,982) are tangible fixed assets.

The charity has £56,870 of cash balances available at one month's notice or less (2021: £68,253). 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 stood, 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 £5,027,953 (2021: £5,084,120). The decrease is mainly due to the depreciation of the freehold buildings of New Belvedere House.

- Unrestricted Funds
  Unrestricted funds represent an estimated six 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.

Statement of Trustees' responsibilities (continued)
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
Following the tendering process which was referred to earlier in this report, Saffery Champness have been retained as our auditors, and are willing to continue in office next year.

Approved by the Trustees on 27th April 2023 and signed on their behalf by

....
A G Wallis MBE OL DL
Honorary Colonel for Beds & Herts ACF
Chair of Trustees
27th April 2023

....
G J Holbourn FCA FCCA DChA

Trustee
27th April 2023

Opinion
We have audited the financial statements of Veterans Aid for the year ended 30 September 2022 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 2022 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.

C Turtington

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

71 Queen Victoria Street
London
EC4V 4BE

27 April 2023

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 2022

	Note	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2022 £	Total 2021 £
Income and Endowments							
Donations & Legacies		620,459	-	-	-	620,459	823,979
Charitable activities							
Rents		539,192	-	-	-	539,192	563,615
Grants		148,548	268,767	-	-	417,315	405,123
Other trading activities		9,524	-	-	-	9,524	5,182
Investments	8	27,565	-	-	-	27,565	23,689
Total income		1,345,288	268,767	-	-	1,614,055	1,821,588
Expenditure							
Raising Funds		153,410	-	-	-	153,410	150,448
Charitable activities		1,392,988	216,775	108,159	-	1,717,922	1,657,080
Total expenditure	2	1,546,398	216,775	108,159	-	1,871,332	1,807,528
Net (losses)/gains on investments		(52,912)	-	-	-	(52,912)	101,588
Net (expenditure)/income		(254,022)	51,992	(108,159)	-	(310,189)	115,648
Actuarial gain/(loss) on defined benefit pension scheme	26	17,700	-	-	-	17,700	(119)
Net movement in funds		(236,322)	51,992	(108,159)	-	(292,489)	115,529
Total funds brought forward		1,316,442	650	5,083,470	2,512,053	8,912,615	8,797,086
Total funds carried forward	14	1,080,120	52,642	4,975,311	2,512,053	8,620,126	8,912,615

The statement of financial activities contains all gains and losses for the year. All activities relate to continuing operations. The notes on pages 32 to 48 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.

VETERANS AID

BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible fixed assets	**7**		7,554,086		7,644,982
Investments	**8**		979,446		1,190,212
			8,533,532		8,835,194
Current assets					
Stock	**9**	7,000		7,140	
Debtors	**10**	123,430		108,542	
Cash at bank and in hand		56,870		68,253	
		187,300		183,935	
Current liabilities					
Creditors: Amounts falling due in less than one year	**11**	(95,778)		(78,747)	
Net current assets			91,522		105,188
Less: Pension deficit provision	**26**		(4,928)		(27,767)
Net assets			8,620,126		8,912,615
Funds					
Property Funds:					
Permanent Endowment	**12**		2,512,053		2,512,053
Restricted funds	**13**		4,975,311		5,083,470
Revenue Funds:					
Restricted funds	**14**		52,642		650
General funds			1,080,120		1,316,442
Total funds	**14**		8,620,126		8,912,615

The notes on pages 32 to 48 form part of these financial statements.

The financial statements on pages 29 to 48 were approved by the trustees on 27 April 2023 and signed on their behalf by

GHolbourn

....

G J Holbourn
Trustee
Company Number 4544532

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Net cash (used in)/provided by operating activities	**22**	**(144,027)**	**88,986**
Cash flows from investing activities			
Dividends and interest from investments		27,565	23,689
Purchase of property, plant and equipment	**7**	(52,775)	(42,189)
Proceeds from sale of investments		341,574	189,862
Purchase of investments	**8**	(190,826)	(366,498)
Net cash provided by/(used in) investing activities		**125,538**	**(195,136)**
Net (decrease)/increase in cash & cash equivalents		(18,489)	(106,150)
Cash and cash equivalents at the beginning of the year		139,279	245,429
Cash and cash equivalents at end of the year	**23,24**	**120,790**	**139,279**

The notes on pages 32 to 48 form part of these financial statements.

1 Accounting policies

1.1 Accounting convention

These accounts have been prepared under the historical cost convention, as modified by 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 gifted 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.

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 2022 represents an estimated six months operating costs (see Note 14).

1.15 Revaluations

Investments are revalued to market value as at 30 September 2022 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 2022 or 2021.

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 15, and these are shown below the information for 2022 in each note.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Resources expended

2022	Direct Expenses Staff	Direct Expenses Other	Support Costs Staff	Support Costs Other	Total 2022
	£	£	£	£	£
Raising Funds					
Fundraising costs	-	11,392	101,081	32,150	144,623
Investment management costs	-	6,544	-	-	6,544
Cost of goods sold	-	-	-	2,243	2,243
Charitable Activities					
Accommodation and support for homeless veterans	316,295	214,061	113,362	161,235	804,953
Rehabilitation and emergency care for homeless veterans	-	251,423	497,513	164,033	912,969
	316,295	**483,420**	**711,956**	**359,661**	**1,871,332**

2021	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	166,375	834,070
	313,748	**474,554**	**644,550**	**374,676**	**1,807,528**

	2022	2021
Total resources expended are stated after charging	£	£
Depreciation (see notes 1.8 and 7)	143,671	146,137
Auditors remuneration	19,175	17,480
Amounts payable under operating leases	102,485	102,839

Governance (included in Support Costs above)		
Audit fees	19,175	17,480
Trustee expenses	55	-
Staff Costs allocation	25,585	25,248
Office Costs allocation	7,412	8,248
Other	502	344
	52,729	**51,320**

3 Staff costs

	2022 £	2021 £
Wages and salaries	850,176	808,638
Social security	83,387	80,418
Pension costs	46,733	42,915
	980,296	931,971
Other staff costs	47,955	26,327
	1,028,251	958,298

One member of staff (2021: 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 £32,150 (2021: £31,700) and social security costs of £3,700 (2021 : £3,200) for this secondee are included in the above figures.

Average number of staff:

The average number of staff, based on average head count, during the year was	2022 Number	2021 Number
NBH staff and care workers	14	13
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	2	1
£90,000 to £99,999	1	1

During the year the pension contributions on behalf of these three (2021: two) members of staff amounted to £18,285 (2021 : £12,715)

	2022 £	2021 £
The total remuneration of key management personnel, who comprise the CEO and the New Belvedere House Manager was	171,957	174,310

4 Donations in Kind

	2022 £	2021 £
Donations in Kind	40,580	38,966
	40,580	38,966

In addition to the seconded member of staff (note 3), other organisations and individuals donated food and other items totalling £4,730 (2021: £4,066) during the year (note 13).

5 Trustees

No trustees received any remuneration in the current or preceding year. Expenses totalling £55 (2021: £nil) were reimbursed to 1 (2021: 0) trustees in respect of travel and accommodation expenses when attending meetings and fundraising events. Donations totalling £2,000 (2021: £8,000) 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 2022 £
Cost			
At 1 October 2021	7,920,000	722,019	8,642,019
Additions	-	52,775	52,775
At 30 September 2022	7,920,000	774,794	8,694,794
Depreciation			
At 1 October 2021	324,477	672,560	997,037
Charge for the year	108,159	35,512	143,671
At 30 September 2022	432,636	708,072	1,140,708
Net Book value			
At 30 September 2021	7,595,523	49,459	7,644,982
At 30 September 2022	7,487,364	66,722	7,554,086

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 2022:

	2022 £	2021 £
Authorised, contracted but not provided for	Nil	Nil

8 Investments

	2022 £	**2021** £
Quoted securities – UK	461,608	482,522
Quoted securities – Overseas	453,916	636,662
	915,524	1,119,184
Investment in subsidiary	2	2
Accrued interest on fixed-interest investments	82	-
Cash balances	63,838	71,026
Total	**979,446**	**1,190,212**

	Subsidiary £	**Listed undertakings** £	**Total 2022** £	**Total 2021** £
Quoted/unquoted securities:				
Market value at 1 October 2021	2	1,119,184	1,119,186	840,961
Additions at cost	-	190,826	190,826	366,498
Disposal at market value brought forward	-	(351,023)	(351,023)	(177,895)
Unrealised (losses)/gains	-	(43,463)	(43,463)	89,622
Market value at 30 September 2022	**2**	**915,524**	**915,526**	**1,119,186**
Historic cost of securities			699,077	828,846

	2022 £	**2021** £
Investment income is made up of-		
Bank interest	60	32
Dividends	27,423	23,657
Accrued interest on fixed-interest investments	82	-
	27,565	23,689

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 2022 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

	2022 £	2021 £
Clothing stock	4,379	5,245
Christmas cards stock	843	362
Miscellaneous stock	1,778	1,533
	7,000	7,140

10 Debtors

	2022 £	2021 £
Rent and housing benefits	25,539	15,838
Prepayments	57,551	55,541
Other debtors	40,340	37,163
	123,430	108,542

11 Creditors falling due in less than one year

	2022 £	2021 £
Trade creditors	42,116	25,332
Accruals	23,426	17,026
Other creditors	30,236	36,389
	95,778	78,747

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. There has been no movement in the fund since 1 October 2018.

13 Restricted funds

		At 1 October 2021 £	Income £	Expenditure £	At 30 September 2022 £
a	New Belvedere House Development fund	5,083,470	-	(108,159)	4,975,311
	Property Funds	5,083,470	-	(108,159)	4,975,311
b	Outreach workers (donation in kind)	-	35,850	(35,850)	-
c	Not Forgotten Association (donation in kind)	-	159	(159)	-
d	Grants for individuals	-	112,687	(112,687)	-
e	Substance Misuse	-	50,000	(50,000)	-
f	Clothing & footwear	650	-	(650)	-
g	Other Donations in kind	-	4,571	(4,571)	-
h	Employment Preparation & Training	-	65,000	(12,358)	52,642
i	Kettles	-	500	(500)	-
	Revenue Funds	650	268,767	(216,775)	52,642
		5,084,120	268,767	(324,934)	5,027,953

		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 on kind		3,907	(3,907)	-
	Revenue Funds	-	189,182	(188,532)	650
		5,191,629	189,182	(296,691)	5,084,120

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 £35,850)
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
h. Grants to help clients with training leading to employment
i. A grant from the G S Plaut Charitable Trust to purchase kettles for NBH residents

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted Revenue funds £	New Belvedere House Development Fund £	Hollenden Endowment Reserve £	2022 £
Tangible fixed assets	66,722	-	4,975,311	2,512,053	7,554,086
Investments	979,446	-	-	-	979,446
Pension deficit provision	(4,928)	-	-	-	(4,928)
Net current assets	38,880	52,642	-	-	91,522
	1,080,120	52,642	4,975,311	2,512,053	8,620,126

	Unrestricted funds	Restricted Revenue funds £	New Belvedere House Development Fund £	Hollenden Endowment Reserve £	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	104,538	650	-	-	105,188
	1,316,442	650	5,083,470	2,512,053	8,912,615

15 Revaluation reserves

Included within the funds explained in notes 12 to 14 are revaluation reserves with the following values:

	2022 £	2021 £
Quoted securities	216,446	290,338
	216,446	290,338

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

16 Commitment under operating leases

	Land and buildings	Other	Total 2022
	£	£	£
Due within one year	98,794	3,505	102,299
Between 2 and 5 years	321,079	12,572	333,651
	419,873	16,077	435,950

	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

The premises at 27 Victoria Square are leased at a cost of £24,698 (including irrecoverable VAT) per quarter. The lease was renewed on 1 January 2022 for a five year period.

Photocopiers are leased from CF Corporate Finance (ending June 2027).

17 Related party transactions

The only related party transaction in 2022 was a donation totalling £2k (2021: £8k) from a trustee (see note 5).

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 2022, the total of these guarantees was £50 (2021: £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. See Note 13.

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 2018: 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.

In addition private registered providers of social housing are required by section 127 of the Housing and Regeneration Act 2008 to comply with a direction of the Regulator of Social Housing about the preparation of their accounts – The Accounting Direction for registered providers of social housing. The Trustees have considered the information that is required by the Direction that is not already in the accounts and have concluded that further disclosure would not be useful to the users of the accounts and therefore these accounts do not comply with the Accounting Direction for registered providers of social housing.

21 Income from government grants

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

	2022 £	2021 £
Revenue grants (credited to unrestricted funds)	60,941	65,941
	60,941	65,941

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	**2022** **£**	**2021** **£**
Net (expenditure)/income	(310,189)	115,648
Depreciation charges	143,671	146,137
Investment income	(27,565)	(23,689)
Loss/(gain) on investments	52,912	(101,588)
Decrease/(increase) in stocks	140	(1,156)
Decrease/(increase) in debtors	(14,888)	(18,093)
Increase/(decrease) in creditors	17,031	(20,365)
Movement in pension scheme provision	(5,139)	(7,908)
Net cash (used in)/provided by operating activities	(144,027)	88,986

23 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	56,597	68,088
Cash with investment managers	63,920	71,026
Cash equivalents - vouchers	273	165
Total cash and cash equivalents	120,790	139,279

24 Analysis of changes in net debt

	At 1 October 2021	Cashflows	At 30 September 2022
Cash at bank and in hand	68,088	(11,491)	56,597
Cash with investment managers	71,026	(7,106)	63,920
Cash equivalents - vouchers	165	108	273
Total	139,279	(18,489)	120,790

25 Comparative statement of financial activities

	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2021 £
Income and Endowments					
Donations & Legacies	823,979	-	-	-	823,979
Charitable activities					
Rents	563,615	-	-	-	563,615
Grants	215,941	189,182	-	-	405,123
Other trading activities	5,182	-	-	-	5,182
Investments	23,689	-	-	-	23,689
Total income	1,632,406	189,182	-	-	1,821,588
Expenditure					
Raising Funds	150,448	-	-	-	150,448
Charitable activities	1,360,389	188,532	108,159	-	1,657,080
Total expenditure	1,510,837	188,532	108,159	-	1,807,528
Net losses on investments	101,588	-	-	-	101,588
Net income/(expenditure)	223,157	650	(108,159)	-	115,648
Actuarial losses on defined benefit pension scheme	(119)	-	-	-	(119)
Net movement in funds	223,038	650	(108,159)	-	115,529
Total funds brought forward	1,093,404	-	5,191,629	2,512,053	8,797,086
Total funds carried forward	1,316,442	650	5,083,470	2,512,053	8,912,615

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 638 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. 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 2022 to 31 January 2025:	£3,312,000 annum	per	(payable monthly)

Unless a concession has been agreed with TPT the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 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 annum	per	(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 (continued)

26.1.1 Present Values of Provision for Veterans Aid

	2022 £	2021 £
Present value of provision	4,928	27,767

26.1.2 Reconciliation of opening and closing provisions for Veterans Aid

	2022 £	2021 £
Provision at start of period	27,767	35,556
Unwinding of the discount factor (interest expense)	181	183
Deficit contribution paid	(5,139)	(7,908)
Remeasurements - impact of any change in assumptions	(288)	(64)
Remeasurements - amendments to the contribution schedule	(17,593)	-
Provision at end of period	4,928	27,767

26.1.3 Income and Expenditure Impact

The gain recognised in the Statement of Financial Activities for the year was £17,700 (2021: cost of £119) made up as follows:

	Period Ending 2022 £	Period Ending 2021 £
Interest expense	181	183
Remeasurements – impact of any change in assumptions	(288)	(64)
Remeasurements – amendments to the contribution schedule	(17,593)	-
Costs recognised in income and expenditure account	(17,700)	119

26.1.4 Assumptions

	2022 % per annum	2021 % per annum
Rate of discount	6	0.72

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 (2021: 3) active members. Veterans Aid has closed the Plan to new entrants.

26 Pension Plans (continued)

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 (2021: 12).

26.2.2 Members paid contributions at rates between 5% and 15% of gross salary during the accounting period. Veterans Aid matched the members contributions up to a maximum of 10%.