

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



**Annual Report and Financial Statements
For the year ended 30 September 2023**

VETERANS AID

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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VETERANS AID

LEGAL AND ADMINISTRATIVE INFORMATION

Patron The Dowager Viscountess Rothermere

Honorary Life President Brigadier J F Rickett CBE FinstD

Honorary Vice President Field Marshal the Lord Walker of Aldringham GCB CMG CBE DL

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

Trustees A G Wallis MBE OL DL Honorary Colonel for Beds & Herts ACF (Chairman)
Dr P Dyer BA (Hons) MA DUniv (Kent) FBIPP FIOD ACII (Deputy Chairman, Chairman of the Business Strategy Committee)
Colonel Christopher MacKenzie-Beevor CBE LVO (Honorary Treasurer)
Field Marshal The Lord Walker of Aldringham GCB, CMG, CBE, DL (retired on 27th April 2023)
G J Holbourn FCA FCCA DChA (Member of the Business Strategy Committee)

Management Wing Commander Dr Hugh Milroy OBE BTh MA PhD DCL (h.c.) Hon Prof of Social Work UEA (Chief Executive, Member of the Business Strategy Committee)
Natalia Dabrowska BA MSc CG (Affiliated) (Chief of Staff)
Richard Greenhough BCom ACMA (Head of Financial Services)
Pat O'Connor MBE (NBH Manager)
John Boyle Dip SW (Head of Frontline Operations)
Dorothy Jones Dip Eng Law (Open) MCIM MCIOF (Head of Fundraising)

Advisors Lt Col Ian Palmer, Professor of Military Psychiatry (Honorary Psychiatric Advisor)
Amanda Lennon, Solicitor (England & Wales) FCIPD LLB (Hons) (Principal HR Advisor)

Legal Advisers Spencer West LLP
Longbow House
20 Chiswell Street
London EC1Y 4TW

Auditors Saffery LLP
Chartered Accountants
71 Queen Victoria Street
London EC4V 4BE

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 TSB
1 Butler Place
London SW1H 0PR

Clydesdale Bank PLC (trading as Virgin Money)
35 Regent Street
London SW1Y 4ND

Registered Office 27 Victoria Square
London SW1W 0RB

Company No 04544532

Charity No 1095308

Constitution Veterans Aid is a registered charity and a company limited by guarantee, registered in England. It is governed by its Memorandum and Articles of Association which were revised and adopted by Special Resolution on 3rd April 2014.

Subsidiaries Veterans Aid (Services) Ltd, company registration number 06096959, is a wholly-owned subsidiary, currently dormant. It has not traded during the year.

Hollenden House, charity number 1095308-1, and New Belvedere House, charity number 1095308-2, are wholly owned subsidiary charities, currently dormant. Neither has traded during the year nor holds any assets at the year-end.

Under a uniting direction issued by the Charity Commission dated 3rd June 2003, these subsidiary charities are not required to prepare a separate Annual Report and Financial Statements.

Registered Social Landlord Veterans Aid is registered as a Social Landlord under the reference LH0674

VETERANS AID

CHAIRMAN'S REPORT ON ACTIVITY FOR THE YEAR ENDED 30 SEPTEMBER 2023

The production of this report causes me to look back and to look forward. Reflecting on what 2023 was like I have to say, it was hard... *very hard*.

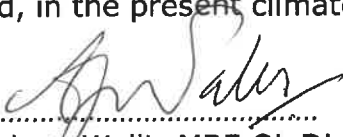
The retrenchment of other charities in this sector saw our traffic increase by over 20%, which is a massive uptick in operations for any institution to handle. Did it break us? No, it did not - because our model works, and its 'scalability' is one of the many strengths that VA has developed over the years.

Sadly, the move towards alleged 'efficiency' has resulted in many charities requiring prospective clients to apply for assistance online; not an easy task if you're living under a bush and you don't own a mobile phone!

Despite the challenges, Veterans Aid ended the year in a good place. Much progress continues to be made in our operations centre and at our residential facility. Our staff continue to be innovative in the way they successfully handle cases that other agencies have deemed 'impossible to resolve'. Our Patron, Lady Rothermere, rightly highlighted their frustration at the upsetting cases they are required to deal with - many of which were entirely preventable.

However, we started 2024 fit for purpose; our governance is tight, and our methodology regarded as exemplary. Thanks to the continued (and increasing) support from our valued benefactors, the diversification of our revenue streams, the dedication of our brilliant and professional staff, we face the year ahead with the mixture of resilience and fortitude that comes from being tested in battle and emerging stronger for the experience.

At Veterans Aid we know EXACTLY how hard it is to survive as a socially excluded veteran and, in the present climate, we are needed more than ever.


.....

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

17th April 2024

VETERANS AID

CHIEF EXECUTIVE'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

Last year was challenging for the charity; difficult, primarily, because many organisations within the sector were not delivering (on many levels) the help required for those who needed it most.

However, it would be wrong to assume that we were victims of our own success. The increase in activity was, in part, directly related to the notable rise of process in the military charity sector.

Benevolence, in particular, has embraced this approach which, for those socially excluded veterans who seek our help, is now clearly out of synch with life in Britain today. Put simply, processes are too long, and sums given simply do not take account of the economic crisis. Delay is often a critical factor. We frequently try to overcome this, but the heavily bureaucratic charities often say that they won't help unless their ponderous processes are followed. My reaction to this is that we rarely have the luxury of time. I would argue that by embracing process to the exclusion of any other way of accessing funds, is fundamentally a backwards step when the context dictates that we should be removing the barriers that delay delivery of help to those most in need. The upshot is delivery of only short-term solutions; 'quick fixes' that inevitably create downstream difficulties and are totally inappropriate for addressing the complex problems that veterans present to us daily. For many of our clients the system isn't working. Sadly, I am of the view that we won't see the changes in the sector that are so badly needed until veterans are put before process. Thankfully, many years ago, we realised that reliance on restricted fund benevolence would lead to single-point failure. Accordingly, through diversification of income streams and wide collaboration, we have both guaranteed our stability and ensured continuity of effective service delivery.

The freedom to act without the restriction of ringfenced funding is critical. I am often asked why, and how, it affects what we do. The answer is that we simply don't know what is needed until our clients tell us.

I'm often told that VA does not collaborate - which couldn't be further from the truth. We typically interact with around 70 agencies a week - but based on the needs of clients, not at the direction of outside agencies! So, we end the year in a strong position which, in the current state of the charity world, is unusual. Our impact continues to be direct and effective.

In the past three years we have delivered over 40,000 nights of accommodation. Our W2WB© model is increasingly being acknowledged for its effectiveness and, in recognition of this, we received the 2023 World Veterans Federation Award for Veteran Rehabilitation. Visitors continue to call and reach out to us from around the globe. They come to learn. Vasey RSL, in Australia, has taken our model to develop an innovative centre which is attracting great interest.

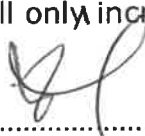
Our wonderful backers, such the The Michael Uren Foundation, continue to believe in our methods, for which we are truly indebted.

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CHIEF EXECUTIVE'S REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

The staff, in our superb New Belvedere House and in the HQ, continue to deliver an exemplary service which has been enhanced by Mr Paul Ellis who volunteered to help us further develop relationships with our support Police Services across the country. Everyone who visits is stunned by our staff's focus and sheer determination to alleviate distress and poverty among our clients. Their practical compassion and ability to see clients' problems in the round enables them to deal with the challenges of complex and multiple issues effectively. This rare ability has much to do with our high success rate.

In sum, by diligent planning and sheer dedication, Veterans Aid has landed firmly on the national stage as the name to call when a veteran is in crisis. As ever, I look forward to a day when we are no longer needed, but with poverty on the increase and an uncertain future facing us all, now is not that time. Indeed, I fear that the need for our services will only increase dramatically in the months ahead.



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

17th April 2024

VETERANS AID

TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 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 2023. 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.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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. Last year we formally approached PBE and completed a scoping phase of the upcoming evaluation project, that included presenting our data collection samples and rationale for further advocacy project. Due to PBE's existing commitments, progress has been paused and is due to restart in May 2024.

- **Substance misuse**

During the reporting year 83 clients were placed in substance misuse programmes across the country, compared to 72 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 2023 the Charity placed 118 clients into some form of sustainable accommodation (2022: 121), 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.

Online editorials and news releases in Politics Home, continued to draw interest and are valuable assets for fundraising and media purposes, recording just under 4k page views and over 9k social media impressions. Integral components of the Charity's efforts in raising awareness are longevity, a clear voice, consistent messaging underpinned by the Welfare to Wellbeing© model and data findings

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

- **Raising awareness and appreciation of the Charity's capability** (continued) from our independent and custom-built database. The latter remains a valuable tool for demonstrating the efficacy of our pioneering methodology and captures compelling insights about trends and service users (for example, the fact that 63% of clients contacted the Charity because of poverty and 60% of those were in some form of employment).

We hosted several domestic and international visits, which were in no small part due to the Rehabilitation Award received from the World Veterans Federation (WVF) the year before. Some prominent visitors included Euromil President Emmanuel Jacob; Rotarian Eileen Hawkins Ferrand from the Rotary Club of La Motte International; General Representative Bart Brosius from Embassy of Belgium and the Argentinian Ambassador, HE Javier Figueroa.

A poignant example of our global reach was a virtual meeting between our CEO and the executive team from the Ukrainian Veterans Foundation. Briefings of such nature are real reminders that veterans are 'true brothers-in-arms'. In line with the strategic plan objectives, we are committed to sharing our understanding of 'wellbeing' as a state that puts veterans first, regardless of their rank, service, or nationality. Our membership and prominent role within WVF, reminds us of the universality of ex-service problems, and the need for collaborative and effective care practice.

The most important academic endorsement of our model, came from Flinders University in Australia, in the recently published paper 'Open Door: Understanding and Supporting Service Personnel and their Families College of Education, Psychology and Social Work for the Royal Commission into Defence and Veteran Suicide', VA's Welfare to Wellbeing© methodology was applauded for its unique understanding and delivery of social care packages for veterans and their families. The co-authors of the research commended our approach as one that moved beyond broken soldier optics towards celebration of the resilience and strengths of service personnel.

The generosity of transatlantic comic book creators Geoff Johns and Gary Franks surprised the Charity once more. After producing a unique and highly collectible Veterans Edition of a mythical military hero - the proceeds of which were shared between VA and its US counterpart, the National Coalition for Homeless Veterans (NCHV) - the superstar duo launched a Junkyard Joe Veteran's Day T-shirt sale. Profits from the merchandise are set to be donated to the two charities.

Closer to home, the Charity secured further funding from Mayor of London Sadiq Khan's Life off the Streets programme. The flourishing partnership between VA and the GLA brings strategic value and reinforces the Charity's position as the only provider of immediate routes off the streets as well as prevention services to veterans in crisis. It is a prime example of delivery agencies working together to make the Capital a safer and fairer place.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

- **Raising awareness and appreciation of the Charity's capability** (continued)
Prioritising primary interventions that address the root causes of poverty and social breakdown, puts our clients in much stronger position to respond to the domestic and international challenges of the 21st Century. One of these, gambling, is now dealt with in partnership with Gamble Aware, the leading national independent charity that commissions research, prevention and treatment services. The relationship, as well as bringing funding, helped us to standardise wrap-around support service for clients harmed by gambling and those in recovery.

Facebook and Instagram remain effective social media tools for raising awareness, recording increases of 86% and 100% content interactions respectively over the past year. Instagram recorded an 18% increase in follower numbers. The Linked In community (an international online platform used for professional networking and workplace development) remains our largest audience with 3.3k followers (up by 7.7%).

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

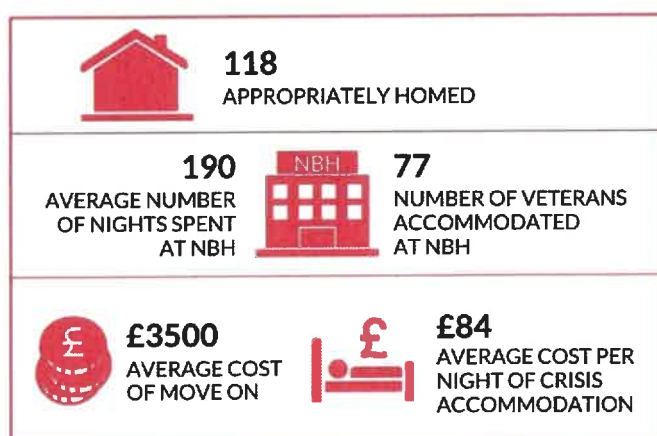
IMPACT



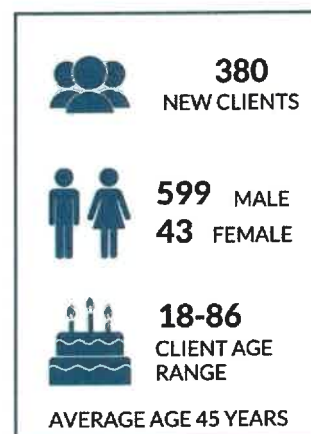
CLIENT INTERACTIONS



ACCOMMODATION



WHO



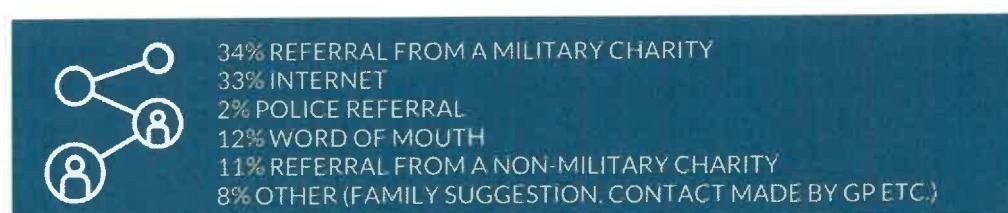
WELFARE TO WELLBEING©



EMPLOYMENT AND TRAINING



REFERRALS



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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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, Head of Frontline Operations 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. It also supported our recent expansion in other areas, namely health, criminal justice system and housing.

The Charity has successfully achieved all elements of the 5-year plan, with executive team exceeding goals set out in relation to brand and reputation, that gained global reach. Strategic Committee will look at the next iteration of the plan over the next 12 months. We wish to preserve relevancy of our streamlined services that are designed to address both - tackle crisis and inspire prevention. The promotion of the model as exemplar of social care for veteran community will remain VA's priority.

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

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Recruitment, induction and training of trustees (continued)

updates on activities as appropriate. Appropriate training is provided where necessary to ensure that trustees are suitably skilled to support the Charity's objectives.

Equally, Trustees are actively encouraged to engage with the CEO on a regular basis to provide support when necessary and to increase understanding of the Charity's daily business.

Review of activities

The increase in daily operational activity was the most notable feature of the year with a 36% increase in number of clients contacting the Charity for the first time and a 39% upsurge in client interactions. Despite a number of ambitious initiatives and programmes launched across the sector to support veterans, 34% of referrals came from other, typically larger, military charities. Our hard work did not go unnoticed - Sir Julian Lewis, Conservative MP for New Forest East, endorsed in the House of Commons what he described as the 'inspirational leadership' of our Chief Executive. He urged others to regard VA as an exemplar and draw on the example of the Charity's vast experience in delivering frontline support to veterans who fall on hard times.

Because VA understands that homelessness and destitution are not issues exclusive to the military community, the Charity continues to actively value and seek out partnerships beyond the military orbit. With some key agencies, such as the Greater London Authority, cooperation based on mutual understanding has grown from strength to strength over the years. As well as receiving additional funding (mentioned earlier in the Report) the Charity actively engaged with GLA on several occasions - attended flag raising ceremony at the City Hall, worked with GLA Rough Sleeping Outreach Team and advised veteran committee panel.

An unexpected and much welcomed letter was received from London Mayor Sadiq Khan in summer, directly thanking the Charity for the innovative approach of its Welfare to Wellbeing© model and acknowledging the impact of the holistic support provided at New Belvedere House, on transforming so many lives.

The Charity's position as the knowledge hub of veteran care continues to be strong. A total of 421 enquiries were registered (2022:393), from the UK and overseas, regarding partnership, information exchanges, research, media collaborations, volunteering and fundraising. Sixty-five percent of those approaches were seeking advice in relation to helping people out of poverty and prevention of homelessness.

Over two years ago, VA formalised its work with the criminal justice system and developed important links with police services in London. In 2023 this initiative was extended beyond the Capital and the charity has partnered with Staffordshire and Warwickshire Police who share our commitment to supporting former service personnel and their families. These partnerships champion delivery of help without delays or the thorny bureaucracy that often prevents communities from accessing support services. A similar relationship was established with Police Care UK, a national charity focused on harm prevention amongst serving and retired police officers.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Review of activities (continued)

In over 90 years of uninterrupted service, VA has retained a lean and relatively small footprint while building global reach. This was achieved largely through the intelligent and targeted collaborations that helped us expand our impact – examples include briefings to the East India Club and Merchant Taylor's Chairmen; meetings with Give Us Time and Wings for Warriors charities, and dealings with the Worshipful Company of Coopers. The latter is a natural extension of our efforts in building a presence in the City and among corporate organisations. In the past twelve months, Veterans Aid has actively nurtured already existing relationships with prominent industry names such as Bloomberg, BA Systems and Concerto.

Another Carol Service was hosted at St Botolph-without-Bishopsgate to mark the beginning of the festive season. With generous support from Knight Frank the charity enjoyed a convivial evening with its supporters, who had the opportunity to meet staff and hear first-hand stories of our life-saving services.

Presence within the world of academia remains an important element of promoting VA's operating model, Welfare to Wellbeing©. Thanks to the Chief Executive's Honorary Professorship and appointment as a member of staff on the Advisory Board at the University of East Anglia Social School of Work, VA has maintained its visibility and links with an academic institution renowned internationally for its role in social work and research. This, combined with the CEO's appointment to Head of the World Veterans Federation's (WVF) newly established Wellbeing Division, consolidates our global position as modern, holistic and relevant veteran care providers.

Performance

The range of services 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, operates outstandingly well, with the quality of care provided remaining consistently high. The emergency plans and procedures that were formed and aligned with the successful modernisation of the facility, can be implemented rapidly and effectively. The experience of working with infectious diseases, and with the health and safety standards that the organisation is committed to, allow us to action changing 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.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Performance (continued)

Since the previous financial year, we recorded no COVID-19 outbreaks at our premises (NB 'outbreak' refers to two cases linked in time and place) and no positive cases of COVID-19 were identified at NBH. Safety protocols - that include self-isolation, deep cleaning, handwashing, wearing of face-masks (if a resident tests positive), lateral testing before moving in, vaccination and boosters (for those who qualify) - are observed in full. Advice and support continue to be sought from the NHS England and NHS Tower Hamlets ICB.

The HQ and Ops Centre have 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 are in place and are reviewed regularly and 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 more targeted vaccine programmes; these are aimed at those at higher risk of developing serious COVID-19 infection and for social care staff. University College London Hospitals Foundation, whose outreach teams work with frontline organisations, has become our new partner in accessing vaccines and subsequent boosters. As ever, the Charity stays proactive in seeking meaningful collaborations and staying close to our working partners.

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 £965k (2022: £916k), with a further £34k (2022: £64k) 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.

VETERANS AID

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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.

Freehold Land & Buildings

Veterans Aid owns the freehold of the New Belvedere House premises in East London, which are an integral part of the Charity's operations. The value of the land is treated as part of the Permanent Endowment, while the value of the buildings is treated as Restricted Funds; together they are identified on the Balance Sheet as Property Funds. Every five years a professional valuation of the site is undertaken and the values adjusted accordingly. As long as the value of the buildings shows an increase, the depreciation for the previous five years is written back, so that the accounts carry forward the full amount of the new valuation.

The 2023 valuation estimated the land value at £2,640,000 (an increase of £264,000) and the buildings at £6,160,000 (an increase of £616,000) so the total capital value in these accounts is £8,800,000 (2022: £7,920,000).

Income and expenditure balance

The annual income of the charity is £1,916k (2022: £1,614k), excluding unrealised gains/(losses) on investments and premises. The intent is that expenditure should match this figure, with an aim to break even in its annual operation. In the year to September 2023, the unrestricted funds showed a surplus of £125k (2022: deficit of £236k) and the restricted funds showed a deficit of £147k (2022: deficit of £56k), which includes £108k depreciation charged on the buildings at New Belvedere House before taking into account the New Belvedere House revaluation. The restricted revenue funds showed a deficit of £39k (2022: surplus of £52k).

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.

VETERANS AID

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Investment Policy

Discretionary management - overall guidelines:

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

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

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.

Free reserves, as defined in the Charity SORP, exclude the value of permanent endowment, restricted funds and assets that are used in fulfilling the charity's purposes and therefore not available for spending.

At 30 September 2023 the charity considers its free reserves to be as follows:

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Reserves policy (continued)

	2023 £	2022 £
Total funds	10,018,251	8,620,126
Less the value of property used for housing	(8,800,000)	(7,487,364)
Less restricted funds not available for spending	(13,335)	(52,642)
Less value of fixed assets used to carry out the charity's purpose	(141,564)	(66,722)
Free reserves available for spending	<u>1,063,332</u>	<u>1,013,398</u>

The actual value of unrestricted reserves of the Charity at 30 September 2023 is £1,205k (2022: £1,080k) which represents an estimated seven months operating costs. For this purpose, operating costs represent expenditure on both unrestricted and restricted funds.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity 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

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Fundraising (continued)

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 regulations, 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 regulations.

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. This year, the database was successfully transferred onto new virtual server to optimise its back-ups, security and general running of the system.

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

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Fundraising (continued)

- 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 three 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. Similarly to last year, we prepared a swift and comprehensive draft when approached by the New York Times, who published our statement as the only agency who responded to their article on Sackler's family philanthropy of which we receive funds for detox. We utilise social media judiciously to optimum effect and have excellent working relationships with key media outlets to get our message across. As a result, we are regarded as a transparent, credible and trustworthy organisation. Our reputation-enhancing efforts are allied with major and relevant working agencies, whose operations directly affect the lives of our clients, such as the Greater London Authority, Westminster Council and London Borough of Tower Hamlets.

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

VETERANS AID

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Risk Management (continued)

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.

Health & Safety and HR & Employment Law (continued)

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. 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.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Risk Management (continued)

Three years ago, 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. A number of investments, based on an organisation wide audit of our IT estate, were made this year – replacement of hosting servers, introduction of smart back-up services that are AI-powered, streamline of network management software. Additionally, telecom services were migrated, allowing charity to operate from virtually any location and with enhanced security. 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. This will always be an ongoing work.

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 attained a global position as leaders in our field. A position which is directly related to the credibility in fundraising.

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.

Saffery LLP continue to be 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.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Risk Management (continued)

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

Governance

Interaction between the Chief Executive and the board is dynamic, responsive, and constant. It has proved to be a highly effective working model referencing internal and external issues. The former includes HR, organisational structure, charity culture, management issues, oversight of assets and financial strength. The latter references economic conditions, market competition, legislative changes, media, politics, reputation and demographics. The Deputy Chair is formally tasked with overseeing the Governance; last year the Deputy Chair and the CEO had 34 interactions.

Finance and accounting review

The Charity has net assets of £10,018,251 (2022: £8,620,126), of which £8,941,564 (2022: £7,554,086) are tangible fixed assets. Much of the increase in the value of the tangible fixed assets is due to the revaluation of the land and buildings at New Belvedere House (£880k) and the associated write-back of depreciation on the buildings (£541k).

At the balance sheet date, the charity had £32,064 (2022: £56,870) of cash balances available at one month's notice or less. 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 at New Belvedere House. The five-year revaluation of the land resulted in an increase in the value of the endowment to £2,640,000 (2022: 2,512,053).
- **Restricted funds (note 13)**
Total restricted funds are £6,173,335 (2022: £5,027,953). The increase is mainly due to the revaluation of the freehold buildings at New Belvedere House and the associated write-back of depreciation.
- **Unrestricted Funds**
Unrestricted funds represent an estimated seven months operating costs of the Charity.

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

Statement of Trustees' responsibilities

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

Company Law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the company for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

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

VETERANS AID

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

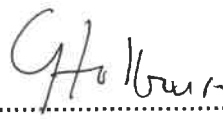
Auditors

A resolution proposing the re-appointment of Saffery LLP will be put to the Annual General Meeting in April 2024.

Approved by the Trustees on 17th April 2024 and signed on their behalf by



A G Wallis MBE OL DL
Honorary Colonel for Beds & Herts ACF
Chair of Trustees
17th April 2024



G J Holbourn FCA FCCA DChA

Trustee
17th April 2024

VETERANS AID

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Veterans Aid for the year ended 30 September 2023 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 2023 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.

VETERANS AID

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

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.

VETERANS AID

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

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.

VETERANS AID

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

71 Queen Victoria Street
London
EC4V 4BE

.....17 April.....2024

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

VETERANS AID

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account) FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2023 £	Total 2022 £
Income and Endowments							
Donations & Legacies		671,608	-	-	-	671,608	620,459
Charitable activities							
Rents		835,634	-	-	-	835,634	539,192
Grants		72,928	296,608	-	-	369,536	417,315
Other trading activities		11,308	-	-	-	11,308	9,524
Investments	8	28,002	-	-	-	28,002	27,565
Total income		1,619,480	296,608	-	-	1,916,088	1,614,055
Expenditure							
Raising Funds		153,284	-	-	-	153,284	153,410
Charitable activities		1,396,508	335,915	108,159	-	1,840,582	1,717,922
Total expenditure	2	1,549,792	335,915	108,159	-	1,993,866	1,871,332
Net gains/(losses) on investments		55,333	-	-	-	53,333	(52,912)
Net (expenditure)/income		125,021	(39,307)	(108,159)	-	(22,445)	(310,189)
Net gain/(loss) on Fixed Assets Revaluation	7	-	-	1,292,848	127,947	1,420,795	-
Actuarial (loss)/gain on defined benefit pension scheme	26	(225)	-	-	-	(225)	17,700
Net movement in funds		124,796	(39,307)	1,184,689	127,947	1,398,125	(292,489)
Total funds brought forward		1,080,120	52,642	4,975,311	2,512,053	8,620,126	8,912,615
Total funds carried forward	14	1,204,916	13,335	6,160,000	2,640,000	10,018,251	8,620,126

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.

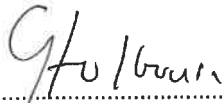
VETERANS AID

BALANCE SHEET AS AT 30 SEPTEMBER 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible fixed assets	7		8,941,564		7,554,086
Investments	8		999,231		979,446
			<u>9,940,795</u>		<u>8,533,532</u>
Current assets					
Stock	9	7,090		7,000	
Debtors	10	141,182		123,430	
Cash at bank and in hand		32,064		56,870	
		<u>180,336</u>		<u>187,300</u>	
Current liabilities					
Creditors: Amounts falling due in less than one year	11	(99,980)		(95,778)	
Net current assets			80,356		91,522
Less: Pension deficit provision	26		(2,900)		(4,928)
Net assets			<u>10,018,251</u>		<u>8,620,126</u>
Funds					
<i>Property Funds:</i>					
Permanent Endowment	12		2,640,000		2,512,053
Restricted funds	13		6,160,000		4,975,311
<i>Revenue Funds:</i>					
Restricted funds	13		13,335		52,642
General funds			1,204,916		1,080,120
Total funds	14		<u>10,018,251</u>		<u>8,620,126</u>

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 17 April 2024 and signed on their behalf by



 G J Holbourn
 Trustee

Company Number 4544532

VETERANS AID

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	<u>2023</u> £	<u>2022</u> £
Net cash provided by/(used in) operating activities	22	<u>27,522</u>	<u>(144,027)</u>
<u>Cash flows from investing activities</u>			
Dividends and interest from investments		28,002	27,565
Purchase of property, plant and equipment	7	(115,877)	(52,775)
Proceeds from sale of investments		142,343	341,574
Purchase of investments	8	(136,406)	(190,826)
Net cash (used in)/provided by investing activities		<u>(81,938)</u>	<u>125,538</u>
Net (decrease) in cash & cash equivalents		<u>(54,416)</u>	<u>(18,489)</u>
Cash and cash equivalents at the beginning of the year		<u>120,790</u>	<u>139,279</u>
Cash and cash equivalents at end of the year	23,24	<u>66,374</u>	<u>120,790</u>

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

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2023

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.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) AS AT 30 SEPTEMBER 2023

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 2023 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 2028.

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.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) AS AT 30 SEPTEMBER 2023

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 2023 represents an estimated seven months operating costs (see Note 14).

1.15 Revaluations

Investments are revalued to market value as at 30 September 2023 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 2023 or 2022.

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 2023 in each note.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Resources expended

2023	Direct Expenses		Support Costs		Total 2023
	Staff £	Other £	Staff £	Other £	
Raising Funds					
Fundraising costs	-	10,688	97,673	32,366	140,727
Investment management costs	-	10,562	-	-	10,562
Cost of goods sold	-	-	-	1,995	1,995
Charitable Activities					
Accommodation and support for homeless veterans	337,082	225,350	115,372	165,377	843,181
Rehabilitation and emergency care for homeless veterans	-	272,010	528,417	196,974	997,401
	337,082	518,610	741,462	396,712	1,993,866
2022	Direct Expenses		Support Costs		Total 2022
	Staff £	Other £	Staff £	Other £	
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
			2023	2022	
			£	£	
Total resources expended are stated after charging					
Depreciation (see notes 1.8 and 7)			149,194	143,671	
Auditors remuneration			21,420	19,175	
Amounts payable under operating leases			102,378	102,485	
Governance (included in Support Costs above)					
Audit fees			21,420	19,175	
Trustee expenses			234	55	
Staff Costs allocation			25,774	25,585	
Office Costs allocation			7,691	7,412	
Other			601	502	
			55,720	52,729	

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

3 Staff costs

	2023 £	2022 £
Wages and salaries	849,306	850,176
Social security	84,859	83,387
Pension costs	54,882	46,733
	<u>989,047</u>	<u>980,296</u>
Other staff costs	<u>90,426</u>	<u>47,955</u>
	<u>1,079,473</u>	<u>1,028,251</u>

One member of staff was made redundant during the year and received redundancy pay of £2,855 (2022 :0).

One member of staff (2022: 1) was provided on full-time secondment until July 2023. These donations in kind have been valued based on the costs of a staff member undertaking the same role. Salaries of £27,300 (2022: £32,150) and social security costs of £2,800 (2022: £3,700) for this secondee are included in the above figures.

Average number of staff:

	2023 Number	2022 Number
The average number of staff, based on average head count, during the year was		
NBH staff and care workers	15	14
Administration	<u>10</u>	<u>10</u>

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

£60,000 to £69,999	2	2
£90,000 to £99,999	<u>1</u>	<u>1</u>

During the year the pension contributions on behalf of these three (2022: three) members of staff amounted to £18,472 (2022 : £18,285)

	2023 £	2022 £
The total remuneration of key management personnel, who comprise the CEO and the New Belvedere House Manager was	<u>176,077</u>	<u>171,957</u>

4 Donations in Kind

	2023 £	2022 £
Donations in Kind	<u>37,689</u>	<u>40,580</u>
	<u>37,689</u>	<u>40,580</u>

In addition to the seconded member of staff (note 3 - £30,100), other organisations and individuals donated food and other items totalling £7,589 (2022: £4,730) during the year (note 13).

5 Trustees

No trustees received any remuneration in the current or preceding year. Expenses totalling £24 (2022: £55) were reimbursed to 1 (2022: 1) trustee in respect of travel and accommodation expenses when

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

5 Trustees (continued)

attending meetings and fundraising events, and expenses of £210 (2022: nil) were incurred in connection with a venue for a trustees' meeting. Donations totalling £1,000 (2022: £2,000) 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 2023 £
Cost			
At 1 October 2022	7,920,000	774,794	8,694,794
Additions	-	115,877	115,877
Revaluations	880,000	-	880,000
At 30 September 2023	8,800,000	890,671	9,690,671
Depreciation			
At 1 October 2022	432,636	708,072	1,140,708
Charge for the year	108,159	41,035	149,194
Depreciation write-back from revaluation	(540,795)	-	(540,795)
At 30 September 2023	-	749,107	749,107
Net Book value			
At 30 September 2022	7,487,364	66,722	7,554,086
At 30 September 2023	8,800,000	141,564	8,941,564

All fixed assets are used for charitable purposes.

In the year ended 30 September 2023 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 £8,800,000 which is reflected in these accounts. The historical cost of the land and buildings is £12,035,561. See Note 1.8.

Capital commitments

The charity had the following capital commitments at 30 September 2023:

	2023 £	2022 £
Authorised, contracted but not provided for	Nil	Nil

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

8 Investments

	2023 £	2022 £
Quoted securities – UK	456,028	461,608
Quoted securities – Overseas	508,892	453,916
	<u>964,920</u>	<u>915,524</u>
Investment in subsidiary	2	2
Accrued interest on fixed-interest investments	97	82
Cash balances	34,212	63,838
	<u>999,231</u>	<u>979,446</u>
Total	999,231	979,446

	Subsidiary £	Listed undertakings £	Total 2023 £	Total 2022 £
Quoted/unquoted securities:				
Market value at 1 October 2022	2	915,524	915,526	1,119,186
Additions at cost	-	136,406	136,406	190,826
Disposal at market value brought forward	-	(140,083)	(140,083)	(351,023)
Unrealised (losses)/gains	-	53,073	53,073	(43,463)
Market value at 30 September 2023	2	964,920	964,922	915,526
Historic cost of securities			708,093	699,077

	2023 £	2022 £
Investment income is made up of-		
Bank interest	2,650	60
Dividends	25,255	27,423
Accrued interest on fixed-interest investments	97	82
	<u>28,002</u>	<u>27,565</u>

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; its aggregate capital and reserves at 30 September 2023 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.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

9	Stock	2023 £	2022 £
	Clothing stock	4,074	4,379
	Christmas cards stock	1,009	843
	Miscellaneous stock	2,007	1,778
		<u>7,090</u>	<u>7,000</u>
10	Debtors	2023 £	2022 £
	Rent and housing benefits	42,044	25,539
	Prepayments	57,573	57,551
	Other debtors	41,565	40,340
		<u>141,182</u>	<u>123,430</u>
11	Creditors falling due in less than one year	2023 £	2022 £
	Trade creditors	36,459	42,116
	Accruals	29,921	23,426
	Other creditors	33,600	30,236
		<u>99,980</u>	<u>95,778</u>

12 Permanent Endowment

This fund of £2,640,000 (2022: £2,512,053) is represented by the value of the freehold land in Stepney occupied by New Belvedere House. Following a valuation in September 2023 the value of the fund has been increased by £127,947.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

13 Restricted funds

	At 1 October 2022			Realised and Unrealised Gains (Losses)	At 30 September 2023
	£	Income £	Expenditure £	£	£
a New Belvedere House Development fund	4,975,311	-	(108,159)	1,292,848	6,160,000
Property Funds	<u>4,975,311</u>	<u>-</u>	<u>(108,159)</u>	<u>1,292,848</u>	<u>6,160,000</u>
Outreach workers (donation in kind)	-	30,100	(30,100)	-	-
Not Forgotten Association (donation in kind)	-	159	(159)	-	-
Grants for individuals	-	124,419	(124,419)	-	-
Substance Misuse	-	55,000	(55,000)	-	-
Clothing & footwear	-	10,000	(10,000)	-	-
Other Donations in kind	-	7,430	(7,430)	-	-
Employment Preparation & Training	52,642	-	(42,733)	-	9,909
Grant for direct assistance to clients	-	11,500	(11,500)	-	-
Grant for NBH fire alarm replacement	-	7,000	(7,000)	-	-
Aftercare Funding Programme	-	51,000	(47,574)	-	3,426
Revenue Funds	<u>52,642</u>	<u>296,608</u>	<u>(335,915)</u>	<u>-</u>	<u>13,335</u>
	<u>5,027,953</u>	<u>296,608</u>	<u>(444,074)</u>	<u>1,292,848</u>	<u>6,173,335</u>
	At 1 October 2021			Realised and unrealised Gains (Losses)	At 30 September 2022
	£	Income £	Expenditure £	£	£
a New Belvedere House Development fund	5,083,470	-	(108,159)	-	4,975,311
Property Funds	<u>5,083,470</u>	<u>-</u>	<u>(108,159)</u>	<u>-</u>	<u>4,975,311</u>
Outreach workers (donation in kind)	-	35,850	(35,850)	-	-
Not Forgotten Association (donation in kind)	-	159	(159)	-	-
Grants for individuals	-	112,687	(112,687)	-	-
Substance Misuse	-	50,000	(50,000)	-	-
Clothing & footwear	650	-	(650)	-	-
Other Donations in kind	-	4,571	(4,571)	-	-
Employment Preparation & Training	-	65,000	(12,358)	-	52,642
Kettles	-	500	(500)	-	-
Revenue Funds	<u>650</u>	<u>268,767</u>	<u>(216,775)</u>	<u>-</u>	<u>52,642</u>
	<u>5,084,120</u>	<u>268,767</u>	<u>(324,934)</u>	<u>-</u>	<u>5,027,953</u>

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

13 Restricted funds (continued)

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 Workers posts has come from SSAFA
- 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
- j. Grants from four trust funds for client assistance
- k. A grant from the John Slater Foundation to contribute to cost of replacing NBH fire alarm system
- l. A grant from Gamble Aware to provide aftercare funding for clients with gambling addictions

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted Revenue funds £	New Belvedere House Development Fund £	Hollenden Endowment Reserve £	2023 £
Tangible fixed assets	141,564	-	6,160,000	2,640,000	8,941,564
Investments	999,232	-	-	-	999,232
Pension deficit provision	(2,900)	-	-	-	(2,900)
Net current assets	67,020	13,335	-	-	80,355
	<u>1,204,916</u>	<u>13,335</u>	<u>6,160,000</u>	<u>2,640,000</u>	<u>10,018,251</u>

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

14 Analysis of net assets between funds (continued)

	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
	<u>1,080,120</u>	<u>52,642</u>	<u>4,975,311</u>	<u>2,512,053</u>	<u>8,620,126</u>

15 Revaluation reserves

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

	2023 £	2022 £
Quoted securities	256,826	216,446
	<u>256,826</u>	<u>216,446</u>

The revaluation reserves form part of unrestricted funds in both years

16 Commitment under operating leases

	Land and buildings £	Other £	Total 2023 £
Due within one year	98,794	3,814	102,608
Between 2 and 5 years	222,286	9,914	232,200
	<u>321,080</u>	<u>13,728</u>	<u>334,808</u>
	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
	<u>419,873</u>	<u>16,077</u>	<u>435,950</u>

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

Photocopiers are leased from CF Corporate Finance (ending June 2027). A franking machine is leased from Pitney Bowes (ending November 2026).

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

17 Related party transactions

The only related party transaction in 2023 was a donation totalling £1k (2022: £2k) 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 2023, the total of these guarantees was £40 (2022: £50).

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:

	2023 £	2022 £
Revenue grants (credited to unrestricted funds)	68,962	60,941
	<u>68,962</u>	<u>60,941</u>

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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	2023 £	2022 £
Net (expenditure)/income	(22,445)	(310,189)
Depreciation charges	149,195	143,671
Investment income	(28,002)	(27,565)
Loss/(gain) on investments	(55,333)	52,912
Decrease/(increase) in stocks	(89)	140
Decrease/(increase) in debtors	(17,751)	(14,888)
Increase/(decrease) in creditors	4,202	17,031
Movement in pension scheme provision	(2,251)	(5,139)
	<u>27,522</u>	<u>(144,027)</u>
Net cash (used in)/provided by operating activities	<u>27,522</u>	<u>(144,027)</u>

23 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	31,820	56,597
Cash with investment managers	34,309	63,920
Cash equivalents - vouchers	245	273
	<u>66,374</u>	<u>120,790</u>
Total cash and cash equivalents	<u>66,374</u>	<u>120,790</u>

24 Analysis of changes in net debt

	At 1 October 2022	Cashflows	At 30 September 2023
Cash at bank and in hand	56,597	(24,777)	31,820
Cash with investment managers	63,920	(29,611)	34,309
Cash equivalents - vouchers	273	(28)	245
	<u>120,790</u>	<u>(54,416)</u>	<u>66,374</u>
Total	<u>120,790</u>	<u>(54,416)</u>	<u>66,374</u>

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

25 Comparative statement of financial activities

	Unrestricted Funds £	Restricted – Revenue £	Restricted – Property £	Permanent Endowment £	Total 2022 £
Income and Endowments					
Donations & Legacies	620,459	-	-	-	620,459
Charitable activities					
Rents	539,192	-	-	-	539,192
Grants	148,548	268,767	-	-	417,315
Other trading activities	9,524	-	-	-	9,524
Investments	27,565	-	-	-	27,565
Total income	1,345,288	268,767			1,614,055
Expenditure					
Raising Funds	153,410	-	-	-	153,410
Charitable activities	1,392,988	216,775	108,159	-	1,717,922
Total expenditure	1,546,398	216,775	108,159	-	1,871,332
Net losses on investments	(52,912)	-	-	-	(52,912)
Net income/(expenditure)	(254,022)	51,992	(108,159)	-	(310,189)
Actuarial losses on defined benefit pension scheme	17,700	-	-	-	17,700
Net movement in funds	(236,322)	51,992	(108,159)	-	(292,489)
Total funds brought forward	1,316,442	650	5,083,470	2,512,053	8,912,615
Total funds carried forward	1,080,120	52,642	4,975,311	2,512,053	8,620,126

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

26 Pension Plans

26.1.1 Present Values of Provision for Veterans Aid

	2023 £	2022 £
Present value of provision	2,900	4,928

26.1.2 Reconciliation of opening and closing provisions for Veterans Aid

	2023 £	2022 £
Provision at start of period	4,928	27,767
Unwinding of the discount factor (interest expense)	223	181
Deficit contribution paid	(2,253)	(5,139)
Remeasurements - impact of any change in assumptions	2	(288)
Remeasurements - amendments to the contribution schedule	-	(17,593)
Provision at end of period	2,900	4,928

26.1.3 Income and Expenditure Impact

The gain recognised in the Statement of Financial Activities for the year was £225 (2022: cost of (£17,700)) made up as follows:

	Period Ending 2023 £	Period Ending 2022 £
Interest expense	223	181
Remeasurements - impact of any change in assumptions	2	(288)
Remeasurements - amendments to the contribution schedule	-	(17,593)
Costs recognised in income and expenditure account	225	(17,700)

26.1.4 Assumptions

	2023 % per annum	2022 % per annum
Rate of discount	5.88	6

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 (2022: 3) active members. Veterans Aid has closed the Plan to new entrants.

VETERANS AID

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

26 Pension Plans

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 17 active members (2022: 12).

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