



THE ARMED FORCES
COVENANT FUND TRUST

Annual Report and Accounts 2022/23



www.covenantfund.org.uk



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An introduction from our Chair of Trustees, Helen Helliwell



This has been another busy year across the Trust, where we have delivered significant programmes through five distinct Funds that are driving change and improvement to the lives of people within our Armed Forces communities. Working in collaboration with government, our grant holders and the wider Armed Forces charitable sector, we have supported sustainable, long-term change.

Working for the first time with the Children's and Families' team within the MOD, we have delivered over £3.5 million to projects that meet the aims of their Families' Strategy. This includes grants supporting Service children in education, grants towards developing high quality outdoor learning environments for the youngest children, and grants towards finding new ways to offer better support to the partners of our serving personnel.

We have continued to work with the Office for Veterans' Affairs, managing the 51 grants awarded in 2021/22 under the Afghanistan Veterans' Fund. The Afghanistan Veterans' Fund sought to increase capacity in services and initiatives that offer supportive comradeship, engagement and wellbeing efforts for those in the Armed Forces community impacted by events in Afghanistan, and the wider veterans' community. These grants are delivering projects designed to improve wellbeing, resilience and promote good mental health. They respond to increased needs in veterans who have served in Afghanistan and other recent conflicts, and the wider veterans' community, and are reaching a significant number of veterans and importantly their families and carers too.

Over the past three years we have worked with Royal NAAFI to establish the NAAFI Fund, funding projects supporting our Armed Forces personnel located across the globe. We are delighted to have helped to develop the NAAFI Fund, which from April 2023 will be delivered directly by our colleagues at Royal NAAFI. Between March 2021 and August 2022, we made 250 awards worth more than £2.7 million. This year the NAAFI Fund has awarded 80 grants, with 30 awarded to overseas projects, which have had a focus on being healthier and active off duty and during time with families. More than ever, there is an increased desire for sociable outside spaces with Armed Forces bases and units wanting to create, refurbish and improve.

Collaboration is at the core of what we do. Nowhere has this been more evident than in the delivery this year of projects under the Veterans' Mental Health and Wellbeing fund, where major projects which were awarded grants in the previous financial year have been delivering innovative and much needed work. Ten portfolio projects throughout the UK have been expanding the reach of support to veterans and their families, offering safe places in their local area where they can access help and treatment that supports their mental health needs. They have ensured that the people supporting veterans through these projects, both paid staff and volunteers, can access good quality training and are equipped to better connect veterans into appropriate pathways and wider support networks. There is evidence of strong collaboration among the portfolios, with a 20% growth in the numbers of organisations engaging in partnership activity and delivery.

The work achieved through the One Is Too Many grants that seek to reduce suicide risks in veterans is continuing to deliver strong outcomes. We will publish the external evaluation in Autumn 2023 and it will provide recommendations to help improve health outcomes and reduce determinants of poor mental health for military veterans.

At the heart of our work is the Covenant Fund. With the twin challenges of emerging from the Covid pandemic and cost-of-living pressures impacting on Armed Forces communities, the Armed Forces Covenant Fund Trust engaged with the wider community to help shape our funding programmes for the year. We offered flexible small and medium grants to projects aiming to reach vulnerable Armed Forces communities and help to respond to cost of living challenges being faced within the Armed Forces charity sector and the communities they support.

"At the heart of our work is the Covenant Fund. With the twin challenges of emerging from the Covid pandemic and cost-of-living pressures impacting on Armed Forces communities, the Armed Forces Covenant Fund Trust engaged with the wider community to help shape our funding programmes for the year. "

Our Transformational Grants programme awarded 10 grants of around £300,000 each to address specific and pressing challenges within the Armed Forces community. Each of the projects supported targets specific groups within the Armed Forces community to deliver systemic change long-beyond the initial work funded under this programme. The funded projects were able to demonstrate the added value that joined up working will bring and how this will shape their work and the positive outcomes for their beneficiaries.

The projects supported in the Transformational programme varied widely, from reducing barriers faced by female veterans, to supporting veterans with addiction and mental health problems. Some projects targeted Service children and young people, seeking to improve educational outcomes, while others support and empower young carers within the Armed Forces community. We look forward to reporting on the progress of these ambitious and important projects.

As we look to the year ahead, we will continue to deliver impact. We will keep learning from the grants we have awarded and will keep listening, with the launch of a major consultation in summer of 2023 to shape how we spend the Covenant Fund from 2024-2027.

I hope that you enjoy reading this report, and of course you can find much more about our projects and their evaluation on our website. Once again, a huge thank you to our Chief Executive, Anna Wright, our three Directors, Sonia, Carol and Liz, and the teams with which they lead who work tirelessly on our behalf to celebrate, nurture and support the lives in our Armed Forces community.





What we do

The Armed Forces Covenant Fund Trust (the Trust) is a grant making organisation that funds projects that support the delivery of the Nation's Covenant promise to our Armed Forces, their families, and veterans.

Our Vision is a thriving Armed Forces community that is valued and supported within our society.

We are a charity and are classified as a Non-Departmental Public Body, or NDPB. We look after the Armed Forces Covenant Fund, worth £10 million each year; and we work with HM Government to run other funding programmes that have a positive impact on Armed Forces communities.

OUR MISSION



To fund projects that support the delivery of the Nation's Covenant promise to our Armed Forces, veterans and their families

OUR VISION



A thriving Armed Forces community that is valued and supported within our society

OUR VALUES

FAIR

We ensure our funding is transparent and evidenced based. Organisations who apply for a grant, or have a grant through us, are treated fairly.

COLLABORATIVE

We work with others to ensure our grants have the biggest possible impact; and we encourage organisations we fund to do this too. We use our resources to be an intelligent funder and are not afraid to try new approaches if it will make a positive difference.

INCLUSIVE

We want to make a difference to all Armed Forces communities that are experiencing needs; and we recognise that there can be barriers to accessing support.

"Belonging to the AFC for the last 25 years has really opened my eyes to the needs people, just like me, are facing daily. When I read the reports that come in from successful grant holders and they share case studies, it genuinely warms my heart to see the difference a project has made to the lives of those in my community."

Kerry Newham, Grants Officer

We're inclusive

All our grants are awarded through specific funding programmes. Each programme has an aim, which describes the change or impact that we would like the funded projects to achieve. We develop our funding programmes based on evidence of challenges that people within the Armed Forces community face, and where we think that funding from us would be able to make a significant difference to the problem.

We offer support depending on the types of outcomes that we are trying to achieve through the programme. This might include access to our Impact Hub to help organisations gather better data on the impact that their work is having. We can also offer access to mentors, or support grant holders to engage with each other via digital platforms, to help them share ideas, solve problems and learn from each other's work.

We're fair

We make grants carefully and fairly, publishing open and transparent programme guidance, which sets out how we will assess the applications we receive and what we are looking for from a 'good' application. Applications are assessed by our experienced Grants Team using standardised forms and processes to ensure equity amongst our applicants and an inclusive grant making process.

We're collaborative

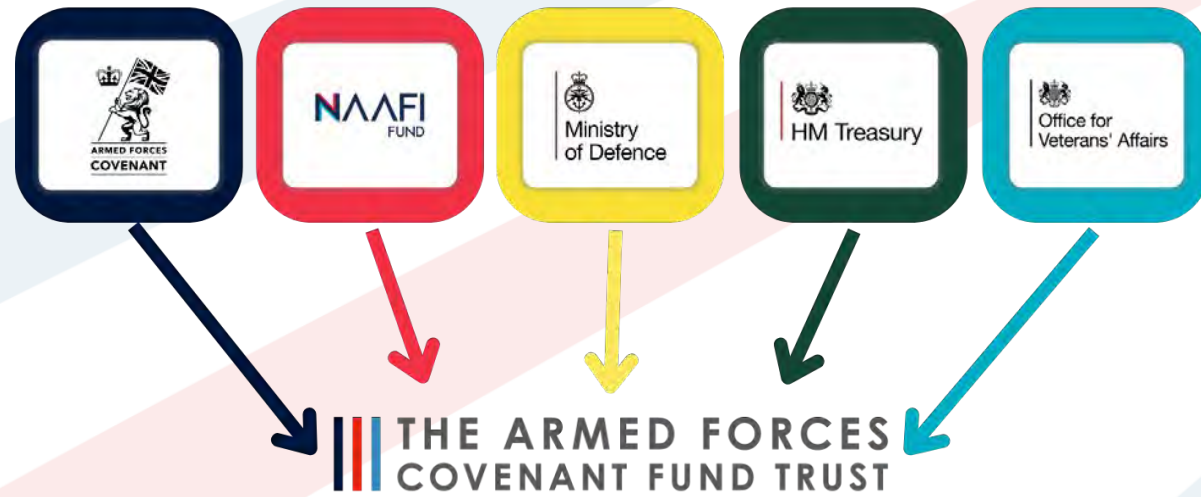
We work with partners in Government and in the charity sector to develop our programmes. We collaborate with others to design grant making programmes that organisations can apply to; enabling them to run projects that bring solutions to significant challenges.

We care about the impact of the grants that we fund and ensure that the grants we make do give clear and sustained benefits to Armed Forces communities. We also share the learning from grants that we've made, particularly through our Knowledge Network, reporting and via open webinars.



The Funds 2022/23

Our funders:



New funding awarded in 2022/23:

Covenant Fund

Reaching & Supporting Armed Forces Communities programme

Transformational Grants programme

FORCE FOR CHANGE PROGRAMME

Armed Forces Families Fund

The MOD Education Support Fund (SEP) 2022/23

Supporting Partners: Innovation Grants

Overseas support

NAAFI



Continued delivery of programmes featured in this report:



The Armed Forces Covenant Fund

With the twin challenges of emerging from the Covid pandemic and cost-of-living pressures impacting on Armed Forces communities; the Armed Forces Covenant Fund Trust engaged with the wider community to help shape our funding programmes for the year.

In January 2022, we launched an online survey to gather views from the Forces community, relating to funding our programmes. We explored the themes of grant size, grant length, impact and sustainability. The findings from this consultation helped to shape our Reaching and Supporting Armed Forces Communities and Force for Change programmes, which launched in April 2022.

The survey resulted in the highest ever response to a survey or consultation run by the Trust, with 465 responses. Responses were evenly split between people taking part as individuals (49%) and organisations (51%). Veterans and local charities had strong representation in the data.

Our survey showed overall support for grants in all size categories, particularly for small and, at the other end of the scale, very large grants. There was a very slight preference overall for smaller grants to enable more awards to be made.

Our respondents showed the strongest support for grants over a two-year period, and distinct views that the Trust should not fund projects less than a year in length. We listened to this feedback and under our Reaching and Supporting Armed Forces Communities programme, we've made grants of up to three years. Under our Transformational Grants programme, we offered five-year grants.

We undertook further consultation activity in May 2022, with a series of round table discussions to inform the development of our Transformational Grants programme. We launched this programme in July 2022.

These discussions highlighted that it was important for grants of up to five years to be offered; that projects should be highly specific; should work collaboratively across sectors; and that enabling projects to be transformational requires higher levels of resource.



Covenant Fund programmes delivered this year

The Force for Change programme

Under this programme we supported 101 projects with grants of up to £10,000 to support ideas that need small amounts of funding to deliver changes or improvements for Armed Forces communities. We awarded a total of £950,000.

We supported projects across the UK, ranging from gardening and woodworking projects, to sporting projects and community wellbeing projects; offering opportunities for members of the Armed Forces community to come together and connect with others.

A common theme we were keen to address through this funding was the continuing cost-of-living crisis. We've ensured that our funding programmes for next year will continue to address these challenges.

The Rhondda Hub for Veterans

"In finding stable accommodation for veterans who are ex-offenders, we are achieving two objectives — helping this often-neglected group of veterans turn their life around and helping the community by reducing re-offending."

-Annys Darkwa CEO/Founder of Rhondda Hub for Veterans CIO

The Rhondda Hub for Veterans were awarded £10,000 in October 2022 for their Housing as the Pathway Back project. This project supports veterans within the criminal justice system by promoting healthier lifestyles and providing suitable accommodation, to bring about a successful return to civilian life in the community; a reduction in re-offending; sustainable employment opportunities; continuity and an improved quality of life.

On release from prison, it's important for prisoners to have somewhere to live, otherwise they may be left to fend for themselves, which can be a recipe for re-offending. Housing as the Pathway Back assesses veteran prisoners prior to release and arranges a tenancy for them on the day of release.

They also refer the veteran to other local organisations to ensure any other needs they are facing are met and ensure they get the support they need. They offer veterans support with completing forms for benefits or other financial assistance; for driving licences, rail cards and replacement medals. The project deals with any problems that may arise with their tenancy or their benefits and encourages them to go on training courses and to take part in sport and local activities. This support continues throughout the veteran's tenancy.

"We are halfway through the project and are well on the way to meeting the target for finding tenancies that we set ourselves", said Annys Darkwa, who is in charge of the project.



Reaching and Supporting Armed Forces Communities

Under this programme, we awarded £6 million to 65 projects that address hidden or complex needs within Armed Forces communities, and where evidence has highlighted gaps in support and provision. Grants of up to £100,000 over a period of up to three years were made.

For exceptional projects, we made larger grants available, and we awarded an additional grant to two projects to help them achieve even more with their work.



Bulldog Veterans

Based at the Bulldogs Boxing & Community Development Centre Port Talbot, Bulldogs Veterans supports veterans to integrate into civilian life by supporting them to make positive relationships within the community. The project was awarded £90,000 in February 2023 to facilitate physical and mental health support, delivered through a multi-agency approach with NHS Veterans Wales, ChangeStep, Adferiad Recovery, SSAFA and DWP.

Project Manager Sam Fox said: "The Bulldogs has been referred to by several Armed Forces veterans as their 'Safe Place'. The funding received from the Armed Forces Covenant Fund Trust has and will continue to allow us to grow and to help Armed Forces veterans with their mental and physical wellbeing.

Our onsite First Point of Contact will be able to work with individuals to help them integrate back into civvy life and signpost them, and if needed, their family members to a network of close partnership organisations to help meet their needs as well as enabling us to provide a variety of wellbeing services and social activities to the Armed Forces Community."

Transformational Grants Programme

The Trust developed this programme to deliver systemic change, through long-term transformation, following consultation work we undertook with the Armed Forces charity sector.

This programme was heavily oversubscribed, and not all good ideas could be supported. We awarded 10 grants of up to five years in length, to address complex challenges and deliver sustainable change.

The Women's Royal Army Corps Association



The Women's Royal Army Corps Association were awarded £300,000 to deliver long-term systemic change for female veterans by working collaboratively across the Armed Forces charity sector. Long term, this project aims to increase the uptake of veteran-focused services by female veterans, and significantly improve outcomes for women in areas including mental/physical health, employment, housing and financial stability.

The project will be delivered over three years and will focus on a number of outcomes to achieve enduring change. One of these will be the design and delivery of a Female Veterans Toolkit, which will be tri-Service and implemented across the UK.

Paula Rogers, Chief Executive at the Association, told us: "This funding allows us, in partnership with the Cobseo Female Veterans' Cluster Group, to take forward this much needed work designing and sustaining the provision of support services for all female veterans.

We will translate our strong understanding of the female veteran cohort to develop a toolkit tackling the key themes of mental and physical healthcare, pensions and financial advice, care provision, housing provision, employment services, self-identification as a veteran and combatting loneliness.

Working to deliver long term systematic change, we will ensure that the particular needs of female veterans are firmly embedded in the design and delivery of support services, thus diluting and, in time, removing the many barriers to access now identified through published research."

The funding awarded by the Trust has enabled the Women's Royal Army Corps and the Cobseo Female Veterans Cluster to work together to translate the Cluster's developed thematic plan into action and sustainable change is now possible. This work will ensure that female veterans will be visible across the charitable sector and their issues and needs will be better understood with support services designed to meet those needs.

The Transformational Grants projects

Brooke House £276,663: Transformational Nature-based Prescriptions

Brooke House will work with the Defence Gardens Scheme to deliver the Transformational Natural Prescriptions (TNP); with activities for veterans underway in all four nations of the UK.

The project will trial and evaluate new ways of providing evidence-based Nature Based Therapy (NBT) programmes for military veterans. The project aims to develop new future pathways to nature-based support for veterans, where this may make a significant difference to their recovery. Through this project they seek to better understand the impact and cost effectiveness for NBT programmes for veterans, and the role that NBT can play within future Social Prescribing Policy.

FearLess £297,750: The Military DVPP programme

This project provides transformational behavioural change support and skills for the perpetrators of domestic abuse (DA).

The project will work with Army Welfare and specialist children's and mental health organisations. They will develop a pilot approach in a community with a significant military population, which will enable perpetrators to address and stop their abusive behaviours and rebuild their lives and that of their family. The findings from this pilot project, which will be evaluated, will be shared more widely with the aim of developing better pathways of care in future for Armed Forces families.

The Children's Society £300,000: Young Carers Champions for Change

This project will work with young carers from the Armed Forces community to make significant long-term changes to how young carers within serving families can access support. The project will work directly with a group of young carers over the life of the project, who will bring their lived experience to build a deeper understanding of the specific challenges faced by young carers with Service families. They will develop resources that could lead to better future support for young people who provide care to others in their family. The project will disseminate the tools and learning from this project widely. This work will complement related provision for families already in place and bridge gaps between Forces families, Armed Forces Welfare Services, local authority and voluntary sector support and local young carers services.

Supporting Wounded Veterans Ltd £288,299: Transforming Negative Transition

SWV, working with HighGround, will develop new forms of support for veterans under 30 who have left the Armed Forces within the last five years and are experiencing additional challenges that could lead to long term negative outcomes.

They will look to develop mentoring, with an outdoor-focused approach that will lead them into land-based employment, which complements other forms of support on offer - particularly in the transition and post transition space. The first part of the delivery of this complex project will include detailed scoping and engagement work. Veterans will help to shape aspects of the project using their lived experiences.

Swansea University £299,971: Look Back to Move Forward

This project seeks to develop new and better ways of identifying and supporting veterans whose lives are impacted by harmful gambling.

The project will work with veterans to develop a new timeline-based assessment of harmful gambling, alcohol use and mental health. It will identify when in a veteran's Service journey their addictive and mental health challenges arose and help chart progress through treatment and support. This work aims to develop an assessment toolkit, which can be used in non-clinical settings to help veterans to identify when gambling has become harmful; and to support veterans to receive the right help.

Women's Royal Army Corps Association (WRACA) £300,000: Female Veterans Transformation Programme

This project aims to deliver long-term systemic change for female veterans by working collaboratively across the Armed Forces charity sector. It will develop good practice through a toolkit to reduce barriers for female veterans accessing services and ensure that specific needs of female veterans are considered in future service design. This project aims, in the longer term, to increase uptake of veteran-focused services by female veterans, and significantly improve outcomes for women in areas including mental/physical health, employment, housing and financial stability. Their work will encompass both newly transitioned and older female veterans.

RMA - The Royal Marines Charity £300,000: Building Collaboration and Consensus

Building on their earlier 'Lifting the Lid' project, this new work seeks to work collaboratively across the Armed Forces charity sector, to develop a Common Assessment Framework that helps identify the holistic needs of the beneficiary and their family.

This project will build on their findings from the One Is Too Many project and will also encapsulate the Northumbria University findings and recommendations from their narrative study. An agreed Common Assessment Framework will enable earlier interventions as well as identify those at risk of suicidal thoughts or feelings; and ensure that veterans can get the right help when they need it.

The project will build collaborative partnerships across organisations supporting the veteran community. Through sharing data, current best practice and evidence-based findings with partners, they intend to develop a consensus and a template that can be used to fully understand the complexity of need and support veterans through earlier intervention, enhancing positive outcomes and promoting recovery, belonging and purpose

Naval Children's Charity £299,569: Thriving through childhood and beyond

This project, delivered in partnership with The Service Children's Progression (SCiP) Alliance will deliver tri-Service benefits for all Armed Forces families with children in Early Years education or higher education.

It builds on the Alliance's earlier work, which developed the Thriving Lives Toolkit - widely used to support improved educational outcomes for Service pupils in primary and secondary education. It will develop and share further toolkits for younger and older age groups and ensure wide reach throughout the UK. They will develop a coherent quality standard for the entire sector and create a rigorous evidence base for policy and practice development.

RNRMC £300,000: Strengthening Families: Neuro-diversity

This project will work with Armed Forces families who have neuro-diverse children, where their needs may be hidden and the support that they receive can be experienced as inconsistent.

It will transform the way Royal Navy and Royal Marine families are supported, by developing a 'community of experience', peer-to-peer support, navigation, practical support backed by a collaborative partnership using knowledge, evidence and the lived experience to drive ongoing, enduring improvement. They will work with others to share the learning of their work, especially where this can help to improve outcomes for neuro-diverse children within the wider Service community.

Tom Harrison House £300,000: Female Veterans Project

The grant will support a pilot project designed to lead to better treatment and care for female veterans with addictions. This project will test new models for engagement and support and will inform the development of new health services for female veterans. In the longer term, this project aims to make a significant contribution to the understanding of specific issues that affect female veterans' recovery from addiction; and will develop good practice that will be shared more widely.



The Naval Children's Charity

The Naval Children's Charity were awarded £299,568 for their 'Thriving through childhood and beyond' project, which will be delivered in partnership with The Service Children's Progression (SCiP) Alliance to bring tri-Service benefits for all Armed Forces families with children in early years education or higher education.

This project builds on the Alliance's earlier work, which developed the Thriving Lives Toolkit - widely used to support improved educational outcomes for Service Pupils in primary and secondary education. It will develop and share further toolkits for younger and older age groups and ensure wide reach throughout the UK. It will also develop a coherent quality standard for the entire sector and create a rigorous evidence-base for policy and practice development.

Clare Scherer, Chief Executive of the charity, said: "We are deeply grateful to the AFCFT for their support of this important work. For children whose parents have made the choice to serve in the Armed Forces there can be a number of challenges. It is vitally important that we find ways to support them and extending the SCiP Alliances Thriving Lives Toolkit to those all-important early years and into further and higher education will strengthen that support significantly."

Clare added: "The development of the Thriving Lives project to Early Years and Further/Higher education will greatly enhance the support that schools, nurseries and educational establishments can offer to children and young people. As an organisation dedicated to providing support to Naval children and young people in times of crisis and throughout their lives as they deal with the impact and potential disadvantages that can come with their parent's life in Service, we will find it invaluable to support this toolkit for professionals. By providing the toolkit, the children and young people will receive enhanced support through their schools and establishments, identify any issues early and help them to find the support they need proactively, thus preventing issues and problems from escalating."



Continued Support of Covenant Fund Awards in Grant Management

Tackling Serious Stress in Veterans, Their Families and Carers

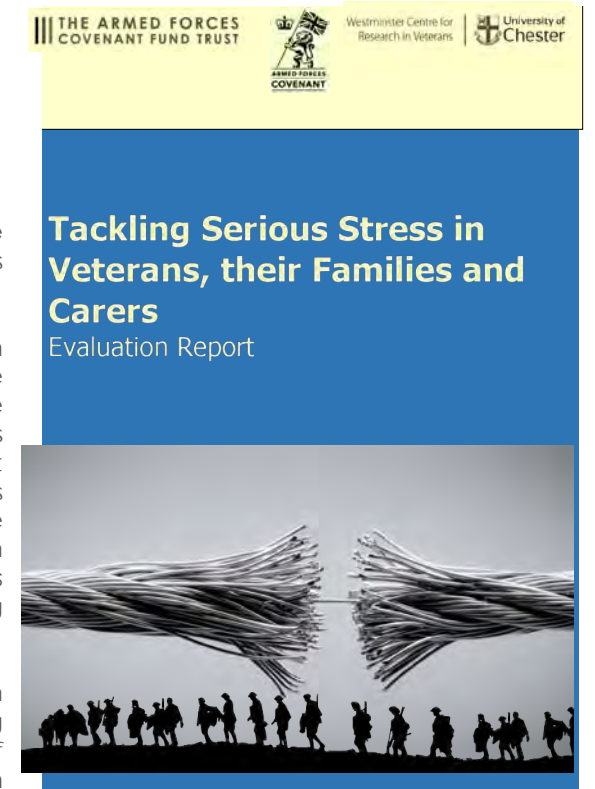
In 2019, the Trust designed and delivered an innovative programme with £4 million in funding aimed at tackling serious stress in veterans, their families and carers.

The programme launch started with an open consultation and in total seven key organisations were funded. These organisations offered coverage of the whole UK and were required to bring together a portfolio of delivery organisations experienced in supporting the veteran community. Throughout the life of the grant there were regular collaborative webinars aimed at sharing learning and best practice so as to capture impact and create true value for investment. Collaboration was key amongst all grant holders in the programme, as was the commitment to question, learn and share findings along the way.

The University of Chester evaluated the programme in real time, working with grant holders to develop a strong collaborative process. The programme offered new ways of working, incorporating a mix of interventions ranging from psychotherapeutic actions such as Cognitive Behavioural Therapy, group activities, social prescribing events such as Equine Therapy, mentoring and educational courses, as well as practical support with a range of issues such as housing, addiction and employment.

Our independent evaluation of this programme has shown that the projects delivered significant benefits for veterans while offering good value for money.

The mixture of different intervention options including psychotherapeutic, social prescribing and practical support produced significantly positive results. The evaluation has shown that veterans who took part in the projects funded by the programme were effective in reducing reported depression, anxiety and alcohol misuse. Veterans also benefited from improved health and wellbeing. Through addressing complex needs, veterans and their families were supported back into employment and could make improvements to their lifestyles and quality of life, physical, mental health and wellbeing.



"It's a privilege to read the case studies of those impacted by the funding, and to be a part of making a difference to the Armed Forces Community that I too belong to."

Rachael Storr, Grants Officer

Supporting Armed Forces in Acute Hospital Settings

Jointly funded by the Covenant Fund (through the Armed Forces Covenant Fund Trust) and NHS England and NHS Improvement, the Supporting Armed Forces in Acute Hospital Settings programme supports a small number of pilot projects trying better ways of supporting veterans and their families when they are in a hospital setting.

Applications were open to hospitals that could show they had already worked with others to improve support for veterans who access their services. Almost £2 million was awarded to 17 projects across the UK - 12 NHS Trusts in England, two in Wales, two health boards in Scotland and one organisation in Northern Ireland - with hospitals creating a role of Armed Forces Advocate to provide additional support and co-ordinate services and organisations' involvement.

From the pilot programme, it has emerged that the different projects around the UK focus on the needs specific to their regional areas, resulting in several different models being delivered.

During 2022/23, we held a well-received webinar focusing on the key progress made through the Acute Hospitals programme. The webinar provided an update on some of the latest emerging data and trends from the programme, as well an opportunity to hear from four of the funded projects. You can access the webinar recording on our website: www.covenantfund.org.uk

"Coming from the Armed Forces community myself, being a part of a project such as the Acute Hospitals Programme is so rewarding seeing the difference the support on offer is having on our Armed Forces community within the hospital setting. To be able to support our Veterans at a time in their lives where they need us the most is the biggest 'thank you' for their service that we could possibly give and that is something I'm incredibly proud of within my line of work".

Gemma Calvert, Project Officer

The Somme Nursing Home

A different approach was taken to support veterans living in Northern Ireland.

The Somme Nursing Home were awarded £120,000 to establish an out-of-hours help and advice line manned by a suitably qualified and experienced person, who can advise on holistic support services available throughout NI to the veterans' community.



The Veterans' Advice Line for Statutory Professionals (VASP) went live in June 2022 and continues to grow, with continuous promotion to organisations such as the police, dentistry and criminal justice system. As of March 2023, VASP has received 363 calls raising 521 queries. This has led to 655 signposts to further information and pathways.

Top issues so far have included mental health, physical injury and information about what services are available. In many cases, the VASP Project Manager, funded through the Acute Hospitals programme, advocates for the individual callers to the relevant service or organisation as, due to poor mental or emotional health, the callers are unable to complete referrals for themselves.

Mark Ewing, Project Manager, tells us: "The VASP Service has enabled veterans to obtain Service-related pensions, grants and state benefit entitlements, which they were otherwise unaware of, as well as signposting veterans to a range of other support services."

So far, Mark has delivered 37 outreach events which lead to a further 151 individuals being signposted to further support.

James Paget University Hospitals NHS Foundation Trust

The James Paget University Hospitals (JPUH) NHS Foundation Trust were one of the recipients of this funding and recruited Chris Blyth as their dedicated Armed Forces Advocate. The project focus was to support inpatients who are members of the Armed Service community, offering and sourcing additional support to those who need it on discharge. However, during development, they soon found the service could offer a lot more.

JPUH now identifies veterans as part of the inpatient booking in process to ensure they receive appropriate care. Admission reports are generated daily and shared with the Armed Forces Advocate. In addition, posters encouraging patients to self-identify are displayed around the hospital and every ward has a copy of the Armed Forces Advocate's contact details.

More than 225 Armed Forces community patients have been identified so far and over 60 referrals have been made for further support to 20 different support organisations. More than 20 patients and family have been supported by Armed Forces Advocate, including follow up appointments after discharge.

The support the project offers has been wide ranging, from hosting coffee mornings to combat loneliness, to securing emergency funding on patients' behalf and helping with housing problems. The project has reached out beyond the hospital patients into Armed Forces communities, with the hospital as the centre point. JPUH have developed a website which forms a 'one stop shop' providing information about the support available. They hand out information and welfare packs and have trained over 750 staff members in supporting the Armed Forces community.

The programme has highlighted that support for veterans in a hospital setting is much needed. The assumption is that people know where to go to access services, often this isn't the case. A lot of support organisations now operate online only, many veterans are elderly and struggle to access online only services.

Isolation is one of the biggest issues they have identified. Many veterans feel isolated and want opportunities to talk to like-minded people. The Armed Forces Advocate hosts regular coffee mornings at



the hospital which help bring people together and combat loneliness. They also signpost to other local organisations who run befriending programmes.

The Armed Forces Advocate has developed good links with partner organisations and is able to signpost patients to the most useful services available to them, often advocating on the patients' behalf and ensuring they receive the support they need quickly. Chris is a member of all Royal British Legion branches in their area and has a direct line of contact with all their welfare officers. He can put patients in touch with the relevant welfare officer who can then provide much needed support. Chris also works closely with Walking With The Wounded, Red Cross and many local/community support organisations.

Following successful funding from the Trust, Betsi Cadwaladr University Health Board (BCUHB) has established the North Wales Veteran Healthcare Collaborative (NWWHC) to improve NHS care for the Armed Forces community across North Wales; trying out new and innovative approaches.

The project has achieved several successes since the appointment of their dedicated Armed Forces Advocate, Zoe Roberts in April 2022.

BCUHB has established a dedicated information hub for all staff members outlining available support for the Armed Forces community to ensure they are not disadvantaged in terms of access to healthcare. They have also communicated a wealth of information to the patient population of North Wales about accessing appropriate veteran healthcare services.

Ahead of Remembrance day, BCUHB implemented a new process to identify patients from the Armed Forces community on admission. The Poppy Programme ensures that all patients are asked whether they have served in HM Forces and their Armed Forces status is recorded on the hospital's electronic Patient Administration System. Those Armed Forces community patients who are admitted into hospital will have a palm-sized poppy magnet placed at their bedside to ensure

they receive appropriate onward referral to external veteran support services before they are discharged. Having started with a pilot on the Surgical Assessment Unit (SAU), the Poppy programme is now set to be implemented across all acute admission areas across the health board.

The health board's three acute hospitals: Wrexham Maelor, Ysbyty Glan Clwyd and Ysbyty Gwynedd, recently received accreditation as 'Veteran Aware' hospitals from the Veteran Covenant Healthcare Alliance (VCHA). This accreditation recognises that they are raising veteran awareness, identifying veterans being referred for treatment, and striving to improve the recruitment and retention of veterans across the health board's workforce.

The health board's Armed Forces Lead, Zoe Roberts, said: "I am delighted to be the VCHA pathfinder for Wales. Leading the health board through the VCHA accreditation process and achieving 'Veteran Aware' status for our hospitals, makes me so proud.



"Knowing that the work we are doing within BCUHB and across North Wales is positively impacting the lives of the AFC members makes me truly happy. Becoming Veteran Aware accredited will ensure that those who serve, or who have served within our Armed Forces, including their families, will feel appropriately supported and allow us as a health board, to offer some much-deserved recognition for their Service to our country."

The Tackling Loneliness Programme

In February 2021, we awarded 60 grants through the Tackling Loneliness programme. These were fixed grants of £70,000 for a two-year period, that sought to reduce social isolation in Armed Forces communities. The projects were all working with traditionally 'harder to reach' groups of beneficiaries, to encourage more people to engage in their community, access services and provision and build stronger networks with peers, support organisations and service providers.

We commissioned an external evaluation of this programme with Neighbourly Lab, the Campaign to End Loneliness and the King's Centre for Military Health Research, and this showed that the programme has been successful in meeting its aims.

Tackling Loneliness projects have just completed their third progress report and are on track to have completed spending their two-year funding by the end of April 2023. Reporting shows how socio-economic, cultural and mental barriers are being addressed through this diverse range of projects across the UK and providing effective support to those most vulnerable veterans.

Across the total number of projects, 47% have put plans in place to continue popular activities beyond

the life of the award. One example of this is Help for Heroes, who are developing a standalone 'Buddy Scheme' following a pilot they conducted during the original award in Wales - with the aim of rolling out a sustainable service across the UK beyond the life of the continuation project.

The Trust ran an experimental programme, offering additional tapered grants to eligible grant holders, to support longer term impact. We offered a small grant towards an additional year of activity, with a requirement for match funding. 19 continuation grants were awarded.

Kent Coast Volunteering committed to working alongside the Folkestone Nepalese/Ghurka community. Their positive outcomes include beneficiaries openly celebrating their customs and practices within the wider Folkestone community, by wearing traditional attire - something they did not feel comfortable doing before engaging with the project.

They are looking at future income generation to sustain the project further and have recruited a qualified English teacher to support beneficiaries in learning English (language was identified as a barrier to integration).



Hull FC Community Foundation

Hull FC Community Foundation's project, 'Part of the Team', utilised personal development, social, and wellbeing activities for members of the Armed Forces and their families to reduce isolation and loneliness. The project involved a three-dimensional, community-based approach aimed at helping those veterans who were struggling with loneliness and isolation as well as other comorbid issues to receive bespoke support to help reduce isolation and loneliness.

To help illustrate the impact of this project, James Price, Head of Hull FC, Community Foundation shared this story with us:

Barry *, an 83-year-old veteran, found out about the programme 'Part of the Team', through the Foundation's work with the Armed Forces Community Hub in Hull. He attended the weekly coffee morning and cook house sessions, as well as volunteering.

Upon meeting Brian, the Foundation learnt that he had been extremely affected by the Covid pandemic. Like a lot of people, he found himself isolated during the pandemic and sadly lost his wife to Covid-19 after a short stay in hospital.

Barry* said of the project: "My whole world changed when I lost my wife, so I started attending the veteran's coffee mornings every Wednesday which has really helped me with my mental health. I guess it fills a gap in my life. Without the veteran's coffee mornings, I'd be sat about at home doing nothing. It's good to speak to other veterans and hear their stories, I've made new friends at the coffee morning and it's now one of the highlights of my week. Cook house has been great, and I can't thank the Foundation enough for the support they have given me to be involved. I love cooking, and updating my qualifications has been good too. I even cooked for some of the players which was great. I love being able to plan menus, teach other veterans to cook and feel great seeing some people take food away from the sessions and knowing they will be having a good meal that night. I'm so happy the Hull FC can continue this programme".

Feedback from beneficiaries like *Barry have helped to inform the continuation of the 'Part of the Team' project, through the Tackling Loneliness Continuation programme which aims to provide bespoke interventions, to empower Forces and veteran personnel at high-risk of loneliness and other inequalities with greater emotional resilience and improved physical wellbeing. Forces families, young people, and older veterans will access physical activity, group learning, and other holistic activities that instil social connections.

The Tackling Loneliness Continuation Programme will help sustain current, and develop new, approaches that secure better long-term health and social outcomes for beneficiaries and will include activities for Armed Forces families, young people, and older veterans to help them build physical and mental resilience.

James Price said this of the project, "As Head of Hull FC Community Foundation, I am immensely proud of every colleague, volunteer, partner, and veteran who has contributed to the success of the 'Part of the Team' project over the last two years.

Established during the pandemic period, the approach was simple; to use the power of rugby league to connect with veterans facing challenges with loneliness and social isolation and offer personalised support that instilled them with the skills, confidence, and knowledge to reconnect with their peers and community. It has been great to hear the stories of success, and in-particular how 'Part of the Team' has inspired veterans to overcome both personal and shared challenges to create new, sustainable activities for all to enjoy.

For us an organisation, having the opportunity to collaborate with colleagues at the Armed Forces Covenant Fund through the Impact Fund has been very useful. It has enabled us to reflect on our approach, understand what we are good at and, most importantly, where we can improve. I'm looking forward to taking these learnings forward into future activities focused on improving the lives of our armed forces and veteran community".



Sustaining Support for Armed Forces Communities

The Trust awarded grants of up to £100,000 under the Sustaining Support for Armed Forces Communities programme, for existing charitable projects to help charities to sustain activities and services that people from Armed Forces communities use and value – particularly where there have been additional difficulties as a result of the Covid pandemic.

The programme had two funding tracks. The first was project based, designed to support the costs of existing, well-used activities. The second track, for Armed Forces charities only, supported core costs, enabling these organisations to keep delivering their vital services.

Erskine were awarded £99,959 from the project funding track, for their 'social support for vulnerable veterans' project which allowed them to continue running their Activities Centre, which provides support and social engagement to over 120 vulnerable veterans.



Broughton House

Broughton House received an award of £100,000 under the core costs funding track. As the only veteran care home in North-West England, Broughton House serves the Forces community who wish to spend their final days in the company of veterans with shared experiences and appreciation of the importance of military Service. They faced a significant income loss due to the Covid-19 pandemic and, without support, faced closure or substantial cuts to their services. Care homes receive income based on the number of residents they care for. Unfortunately, the restrictions placed on care homes during Covid-19 meant that, for long periods, they were unable to welcome new veterans to Broughton House and income from local authority-funded care home fees fell significantly.

Their Sustaining Support grant allowed them to implement a transformation plan to secure their long-term future, ensuring they can continue to support veterans for years to come. This plan included completing redevelopment of Broughton House, securing emergency support from Greater Manchester Combined Authority and developing fundraising applications to close the gap between income

and expenditure. The funding was instrumental in ensuring Broughton House could continue to provide veterans with a high standard of care and, where possible, provide additional support to reduce the isolation veterans have suffered from being unable to see family/visitors for extended periods during the pandemic.

The Covid-19 crisis hit in the middle of a project to transform Broughton House from a traditional 32-bed care home, to a completely rebuilt, state-of-the-art Veteran Care Village, with a 64-bed care home including a specialist dementia unit, six independent living apartments, and an Armed Forces Support Hub providing mental health support to younger veterans. The funding enabled them to complete this redevelopment, which went on to win the Community Benefit honour award from the Royal Institution of Chartered Surveyors in the North West.

Broughton House is now going from strength to strength. Following the extreme difficulty of the pandemic, they now have 48 residents and are looking forward to welcoming four more in the very near future.

The Veterans' Mental Health and Wellbeing Fund

In 2022/23, we have continued to deliver major projects under the Veterans' Mental Health and Wellbeing Fund.

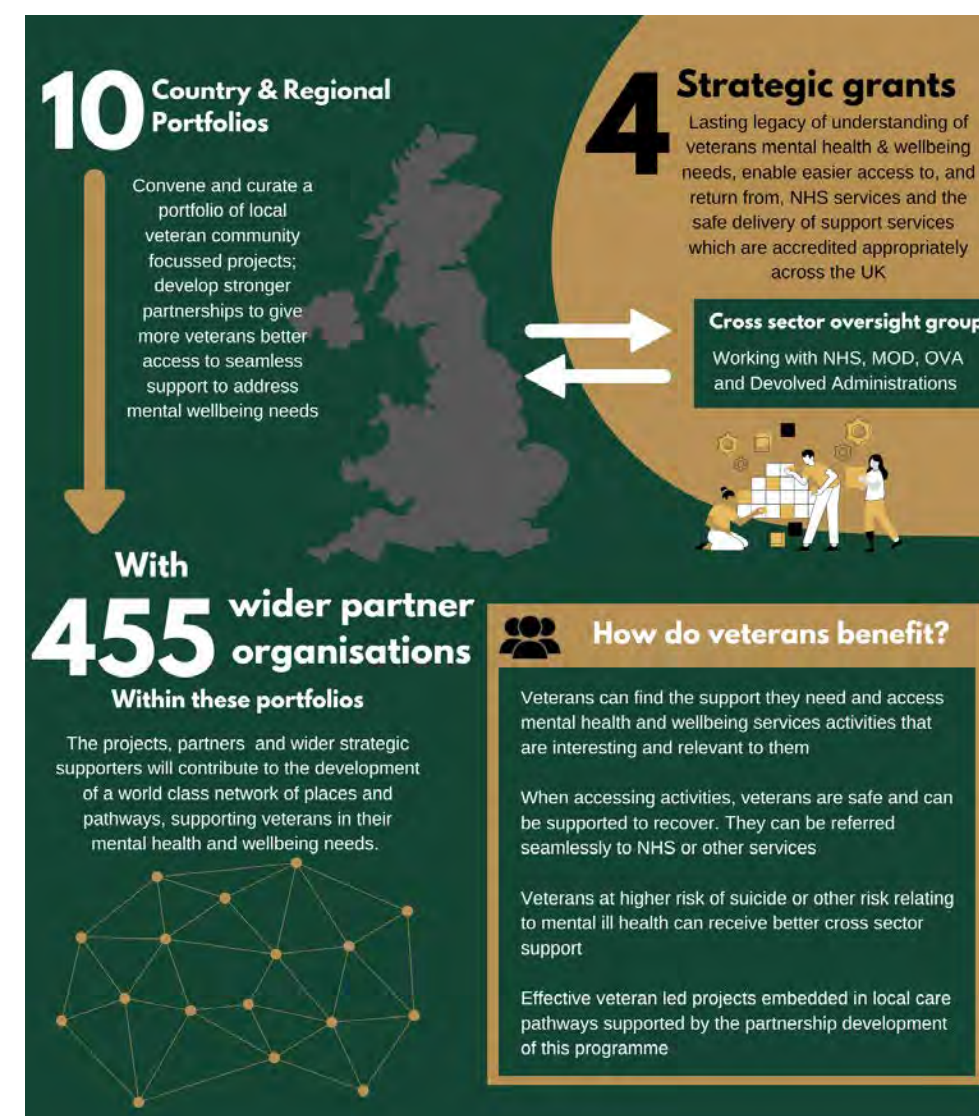
Veterans' Places, Pathways & People (VPPP) Programme

Our learning from running successful programmes to address the needs of older veterans through collaborative partnership working; combined with our learning from programmes that support veterans with mental health needs, lead to the innovative and collaborative Veterans' Places, People and Pathways programme (VPPP).

The VPPP programme aims to give veterans safe places in their local area where they can access help and treatment that supports their mental health needs.

It also aims to ensure that the people supporting veterans through these projects, both paid staff and volunteers, can access good quality training and are equipped to better connect veterans into appropriate pathways and wider support networks.

Ten portfolio projects throughout the UK received a share of almost £8 million, with around 88 individual funded organisations and projects delivering work within those portfolios to achieve the programme aims - many of whom are working across multiple regions.



We also awarded grants totalling £1 million to four Strategic Lead organisations, which work with a cross-sector oversight group.

Each member organisation within the portfolios brings their own expertise and specialisms, with some organisations being involved in several portfolios. This further enhances the joined-up approach that is at the heart of the programme and what it seeks to achieve.

The projects within these portfolios will contribute to the development of a world class network of places and pathways, supporting veterans in their mental health and wellbeing needs.

VPPP in focus

“We have seen new cohorts of veterans accessing services for the first time, such as the LGBT+ community, by increasing the partners’ awareness of the needs of these individuals. The funding has been key to enable a community worker to actively seek out LGBT+ veterans, supporting and encouraging them in accessing services.”

(Poppy Factory, VPPP London)

The Trust awarded one portfolio grant each in Scotland, Wales and Northern Ireland, and seven grants across regions in England (as designated by Op Courage) as part of the VPPP programme. Portfolio lead and funded partner organisations are working with statutory and voluntary organisations within that country or region that supports veterans. Portfolio lead organisations already had a strong presence within their country or region.

As well as the 88 core funded delivery partners within the programme, there are approximately 251 additional organisations and agencies which receive no direct funding from the programme and help to support veterans and their families in a range of ways.

These ‘non-funded partners’ or ‘associate members’ are diverse entities from the public, private and voluntary and community sectors, including registered charities; CICs; companies; government departments such as DWP and the MOD; local authorities; NHS; educational institutions; and the police and other emergency services.

This means that at the end of the first year, there are about 339 organisations and agencies collaborating and working in partnership to deliver support and services for the veteran community through the VPPP programme. Around 53% of these are specifically focused on supporting the Armed Forces community, and 47% bring their specialist knowledge and expertise to veteran-specific projects and services. The number of organisations involved is likely to increase in year two, with some regions planning further active recruitment into their portfolios.

An important feature of the VPPP programme and what it aims to achieve for veterans is the broad definition of ‘mental health support’, and the wide range of services and activities offered by grant holders, non-funded partners and projects within it. These cover the full spectrum, from ‘banter and brew’ sessions to social prescribing, psychotherapy, and suicide prevention. Needs addressed range from loneliness and isolation to severe PTSD.

“Support and access to mental health services has seen a steady increase since the start of the VPPP programme here in the South West. The key is collaboration and information sharing.”
(Invictus Games Foundation, VPPP South West)

Each member organisation within the portfolios brings their own expertise and specialisms, with some organisations being involved in several portfolios. This further enhances the joined-up approach that is at the heart of the programme and what it seeks to achieve.

Many veterans in need have benefited so far from the projects and services funded through the programme and have enjoyed significant and sustainable improvements to their mental health and quality of life.

“At a time when I didn’t know who to turn to, Mission Motorsport welcomed me with open arms, helped and supported me in my darkest moments. Without the support they gave me, I would never have been able to pick myself up, much less complete a qualification which allows me to do a job that I love. The opportunities they have provided have been life changing and for that I will be forever grateful. I also have peace of mind that should I need help in the future, they will always be there.”
(Veteran)

Year two of the programme promises to build and capitalise on the achievements and developments so far. Regional portfolios are becoming more interconnected; services and referral pathways are more joined up; communication has been strengthened; new safe places delivering services for veterans have been established and existing places have received vital funding. Accessing and engaging with previously hard to reach veterans has become that bit easier and will become more so. Lives have been saved.



Tanvally & Anaghlone Project (VPPP Northern Ireland)

As part of the Northern Ireland Veterans' Places, Pathways and People Programme (NI VPPP) the Northern Ireland Veterans' Support Office manages the delivery of a comprehensive veteran support programme across the region.

Known as the Northern Ireland Vital Veterans' Network, the programme ensures that the existing veteran support network is utilised to maximum effect by further empowering delivery organisations, veterans and volunteers to thrive through new and innovative schemes.

As well as high level mental health support, activity-based programmes and volunteer training, the role of the peer support and mental health navigators have been sustained through this programme. These navigators help guide veterans from complex mental health support into and between peer support pathways.

NIVSO has been working collaboratively with eight project partners through the NI VPPP programme, including local and national delivery organisations such as Brooke House, Combat Stress and Inspire Wellbeing. As part of this portfolio of support, NIVSO is delighted to welcome Fighting With Pride to deliver their work in Northern Ireland for the first time.

Veteran X had been discharged from hospital, having been treated for suicidal ideation due to a chronic health condition. He was supported by his parents, albeit very isolated and anxious. In-depth assessment by Brooke House identified a rare medical condition causing chronic pain that hadn't been properly diagnosed by the statutory sector, but which had led to him being made medically redundant from work, despite his young age. Chronic pain led to drug addiction to manage his condition, leading to a very significant impact on his mental health last year. Following assessment by Brooke House, counselling and psychological support was provided, together with support from their clinical psychologist and associate pharmacist to agree a pain management plan with his GP. The veteran went on to join Defence Gardens Scheme horticultural therapy sessions to improve his self-esteem, confidence, and socialisation. He discussed how he could work with his GP to safely manage his pain in the future. After six months at Brooke House, the veteran is now self-sufficient and living in his own home, regularly taking part in other activities, and organising his own fishing trips.

He gave the following feedback: "Thanks very much for putting the time into getting that letter made up by the different people who helped me, means a lot to not be faced with hostility for a change and get genuine effort towards help."



Links Combined Forces Project (VPPP Wales)

Veteran X has been coming to Links for several years now but had not been in for a couple of months. He kept in touch by phone calls. He is always encouraged to come in by staff, even just for a coffee and a catch up.

Veteran X started to engage more this year, but staff noticed a change in his conversation, repeating stories, mumbling, forgetfulness. This was monitored and staff would sit and have a chat with him whenever he came in, but as he attended sporadically this was hard to take note of. A face-to-face referral was made to the Help for Heroes clinical nurse with the veteran's permission for them to re-engage. Then in February, he came into Links in quite some distress. The veteran project coordinator sat with him and listened as he broke down explaining he was having increased flashbacks, his PTSD was at an all-time high, he was constantly thinking of those in his regiment that were lost in the Falklands/Northern Ireland when he served there during the conflicts, and how he was having relationship problems and he couldn't sleep, waking up hiding under the bedroom window.

The staff member reassured the veteran, allowed him to talk and gave the options that were available to support the veteran to get professional help. He did not want to go to A&E or the GP but was willing to speak to Combat Stress or Veterans NHS with the support of the project coordinator. The phone call to both was made, and Combat Stress took on the referral and would contact the veteran within a couple of days for an appointment.



The veteran went home and was encouraged by the project coordinator to talk to his family and explain how he was feeling. Two days later he came back to Links saying he had spoken to his family and all the support organisations and felt that a huge weight had been lifted. He explained that he was constantly forgetting that he had appointments and support already in place and then getting confused about what was going on and getting into a panic. It was discussed with the veteran if there should be a plan in place that Links staff could follow on these panic days, and the veteran agreed this would be a good idea. He thanks Links staff, explaining that Links was "his safe place" and that he would engage more as he knew there was staff here to talk to.

Veteran X continues to be supported by Links – he began coming in most days and sitting in sessions and socialising. A change in his mood has been seen but he is fully supported now. The support network around him is strong and has been very successful in reducing his poor mental health. He appears happier and less stressed, and if he calls or comes in and is in distress, there are plans in place to support him.

"It's great to see the amazing work done by so many grant holders in the VPPP programme, and brilliant people who support veterans and the armed forces community, and I'm proud to be able to play a part in telling the story of the impact they are having on people's lives!"

Tom Traynor, Head of Impact

Continued Support of Veterans' Mental Health and Wellbeing Fund Awards in Grant Management

One Is Too Many Programme

In 2021, the Trust awarded £2.1 million under the One is Too Many programme, to projects providing specialist and co-ordinated services that reduce suicide risk in veterans. We awarded two additional grants this year to help reduce suicide risks for veterans in Scotland.

In all, we have made nine awards of up to £300,000 to organisations across the UK who have experience in working with individuals who are at an increased risk of suicide.

The approaches taken by the organisations all differ. Some are undertaking a partnership approach with another specialist organisation that has experience in suicide prevention.

The One Is Too Many programme external evaluation, delivered by the University of Chester, will provide insights into social isolation and help-seeking behaviour and provide indicators of the situational factors causing distress and potential self-harm/suicide. The evaluation intends to provide recommendations to help improve health outcomes and reduce determinants of poor health for military veterans. The results of the evaluation may help inform recommendations for policy changes and practice in health, local authorities, the MOD and charities. It is due to be published in 2023. The Trust held a webinar exploring the reach and impact of the projects, which drew our highest ever webinar audience with 300 participants.



Lifting the Lid - Suicide Prevention Pathways

The Royal Marines Association's (RMA) project 'Lifting the Lid - Suicide Prevention Pathways' has created improved access to support for both vulnerable veterans and their families through various modes of media and communication; in conjunction with improved access to training opportunities for those supporting vulnerable veterans.

Nearly 400 veterans, with often complex needs, have directly benefitted from the holistic, wrap-around support offered through this project. Furthermore, a high impact social media campaign, coupled with support for indirect beneficiaries, including family members, have further added to the reach and impact achieved through One is Too Many - Lifting the Lid.

The initial aims of the project focused on three key objectives.

- To promote positive mental health and advocate help-seeking at an early juncture. Detect those most at risk through holistic assessment and enabling them to seek support.
- Prevent those that might be at risk of suicide by helping them with employment advice, financial and benevolence support.
- Provide assistance with mental health management or substance misuse challenges.

This was achieved through the provision of training and the development of clear pathways into recognised and approved support. As this project progressed, vital learning was achieved regarding the identification of possible help seeking behaviours, for hidden mental health issues, and stressors were identified, including:

- Loss of job/identity
- Financial challenges
- Future employment struggles
- Relationship challenges
- Substance misuse
- Enduring mental health problems
- Adverse childhood experiences

Through One is Too Many and Lifting the Lid, help seeking behaviours, for hidden mental health issues and access to mainstream support, were developed. True collaboration and forged partnerships are the principal legacy of this project. With strong working relationships formed across, not only other projects involved within the One is Too Many programme, but also with suicide prevention charities and the NHS.

The learning, resources, training and support established through 'Lifting the Lid' will help to not only create a sustainable, lasting impact on the mental health, wellbeing and support available to vulnerable veterans with complex needs; but will continue through our Transformational Grants programme.

The RMA's project: 'Building Collaboration and Consensus', was built on the back of the One is Too Many, 'Lifting the Lid' project by building collaborative partnerships across organisations supporting the Veteran community. Through sharing data, best practice, and evidence-based findings with partners a consensus and a template will be developed that can be used to identify, detect, promote, treat, and support Veterans' needs through earlier intervention, enhancing positive outcomes.

Positive Pathways Programme

Under the Positive Pathways programme, the Trust awarded fixed grants for projects developed by and for veterans that focused on improving veterans' mental health and wellbeing by getting veterans out and active.

The Trust initially approached this programme in a slightly different way to our other programmes, in that applicants were able to apply for one of two fixed amounts, thereby helping to build an understanding from the very start.

In all, we funded a total of 230 projects, across five rounds of funding, totalling over £11.5 million.

In 2020/21, the programme funded one-year projects which, in conjunction with the financial support a grant award brings, offered all awardees, and some applicants, further support thanks to our Strategic Partners, a group of valued organisations awarded funding to specifically support this programme with their wealth of knowledge and experience of the sector.

As of March 2023, majority of the Positive Pathways funding is coming to an end. We are delighted to see the positive outcomes from this innovative programme, and we continue to use the successful mentor model in our other programmes, including our Tackling Loneliness and Veterans' Places, Pathways and People programmes.

Northern Ireland Veterans' Sports and Outdoors Navigation

AA Veterans' Support were awarded £70,000 under the Positive Pathways programme for their Northern Ireland Veterans' Sports and Outdoors Navigation (NIVSO) project. The project identifies, locates, promotes and supports social prescription and wellbeing activities for Positive Pathways veterans, specifically sports and outdoor-related activities, across Northern Ireland.

The overarching aim of the navigator post is to ensure that a greater number of veterans in NI have knowledge of, and access to, a wider range of sports and outdoor activities in their local area and that opportunities are offered across NI. The role focuses on hard-to-reach veterans, thereby tackling social isolation in a safe, welcoming and trusted environment.

The navigator works in collaboration with the NIVSO in ensuring that the activities on offer are demand led, highly accessible to veterans and particularly that trust is built between Positive Pathways delivery partners and veteran groups.



The Sports and Outdoor navigator took up the post on 1 April 2020 during a period of uncertainty with COVID-19. While the navigator's ability to 'get out' and meet with organisations, groups and veterans was impacted, the time was used to introduce the role, using virtual means to the many veterans' support organisations and veterans across the province. The navigator quickly identified gaps in the Veteran's Gateway, which he worked collaboratively with the NIVSO to ensure the information was updated and accurate for the veteran's community in Northern Ireland.

During this period, the navigator contacted a vast number of groups and organisations, whom he was able to meet up with once restrictions permitted. A database of over 180 organisations, clubs and groups has since been created, who are veteran friendly. He has also been able to actively signpost many veterans to these opportunities across the province, which includes fishing, walking, archery, indoor skiing, football and much more.

Strong links have been established with Northern Ireland Cross Community Anglers, Ballymacash Rangers Football Club, Be Well, Be Safe Men's Sheds, Belfast Exposed Photography, The Irish Football Association, Lisburn Cricket Club and the Armagh, Banbridge and Craigavon Council among others to deliver and promote sports and outdoor opportunities for veterans.

The navigator has supported several organisations with their projects which include let's do veterans' support, project life and was instrumental in bringing together the Armed Forces Ahead of the Game project in partnership with the Irish Football Association.

They have actively engaged veterans through a sports and outdoor survey to identify the opportunities they wish to engage with – using this information the navigator has been able to signpost veterans to opportunities, which are already available in their area or work with organisations to develop opportunities. 115 veterans have engaged with the survey to date.

The Armed Forces Families Fund



The Trust is delighted to be working with the MOD to deliver the Armed Forces Families Fund (AF3).

In January 2022, the MOD published the Armed Forces Families Strategy 2022-2032; its 10-year strategy for improving support to Armed Forces families. Following the launch of the strategy, the MOD created the AF3, a dedicated fund to deliver against the eight themes of the strategy:

- Family Life
- Service Life
- Family Home
- Education
- Health and Wellbeing
- Childcare
- Support to Partners and Spouses
- Non-UK families.

MOD launched the Fund in September 2022 and amalgamated existing education-focused funds under one umbrella, broadening their scope in support of the delivery of the Strategy in its entirety, through the AF3 programmes.

The MOD partnered with the Trust to administer the MOD Education Support Fund (ESF) within the AF3 programme; along with two new programmes to support Armed Forces families. These were the Early Years programme for pre-school aged Service children; and specialist grants to support partners of Forces personnel.

In 2022/23, we awarded the following grants under the AF3.

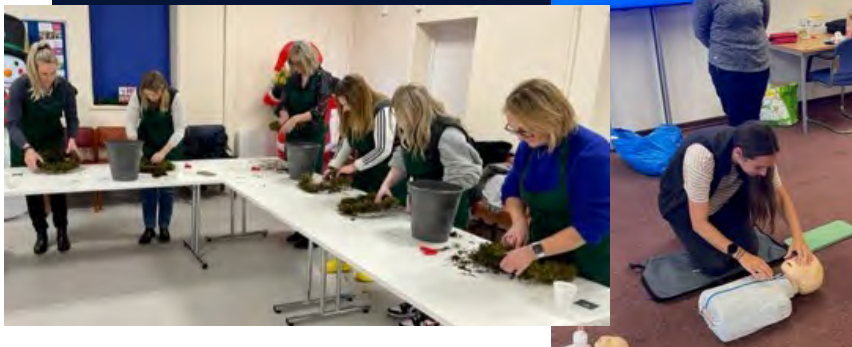
- £2 million awarded to 54 projects specifically for Service pupils across the UK to deliver real change for Armed Forces communities.
- £900K for 18 projects enhancing Early Years learning for Service children aged 0-5 years.
- £500K for 12 projects that will make a difference for the partners of our serving personnel, addressing their particular needs and challenges.
- An additional grant of £119,647 for a project supporting Armed Forces families based overseas to have access to better electronic child health records.

Supporting Partners: Innovation Fund RAF Valley

'Spouses and Partners Support' project will provide needs-led support activities targeted at spouses and partners of Service personnel at RAF Valley.

The project will reduce isolation, develop key employability skills, increase confidence and create opportunities for self and personnel development skills, whilst fostering positive peer support networks.

A staff member, who is also a Service partner, told us:
"This funding and delivery of these support activities will make such a difference in this isolated location. Being posted and losing your support network overnight makes it hard to settle in and activities like these will make a big difference."



Early Years Programme White Rabbit Pre-School

The 'Achieving Really Magical Military Years' project, run by White Rabbit Pre-School in Catterick, will improve the lives of Service children by facilitating the growth of the holistic child.

Service children will be provided with opportunities to make sense of the world around them, learning about the important seasonal changes as they explore the areas throughout the year, especially with the introduction of the new resources, with sheltered nooks ideal for DIG In's! (Dinner in the Garden).

Children will learn to respect the environment, with tools and equipment that offer them the chance to independently make their choices and select resources from the well supplied units and learning to take responsibility by returning them when they are finished using them. The ability to self-select may be crucial in the early days, as Service children transition into a new nursery, as they may not have the confidence to ask to get things out. They can build this by getting support from their peers and begin to settle and gain much needed stability.

Cathy Roberts, the Manager of White Rabbit Pre-School said: "The long-term effect for the children of serving soldiers is that they learn to become resilient. Learning the key skill of bouncing back from adversity in a positive manner will come to good use throughout their whole lives."

Overseas Employment Resource Partner Employment Working Group CIC

'The Overseas Employment Guide' run by the Partner Employment Working Group CIC (PEWG) will help Armed Forces families posted overseas, gain access to, and develop an understanding of, the requirements of being able to work in their new location.

This could include working for themselves, their current UK employer, or for a host nation company.

Sarah Walker, PEWG CICs Director, says:

"We are really excited about this project and being able to provide information to families to help to continue to work whilst posted overseas. Work whilst overseas has been difficult for families and we want to help start to breakdown some of those barriers for our guide."



Oxfordshire County Council's Learning & School Improvement Service seeks to increase Service pupils' attainment, by the end of Key Stage 2, and to support the county's schools in strengthening their provision for their Armed Forces children.

They were awarded £50,000 for their 'Maximising outcomes for Service Pupils' project, which contains four key outcomes aimed at having a significant impact on improving both academic and wider outcomes for Service pupils and builds on a track record of success in this area.

Kim James MBE, Head of Service, Learning & School Improvement, Children, Education & Families (CEF) at Oxfordshire County Council described the project's outcomes:

"The first outcome will involve providing quality assurance for up to ten schools, drawing on evidence-based materials developed by the national Service Children's Progression (SCiP) Alliance. As well as providing clear steps for improvement for each of the schools involved. Examples of good practice will be gathered and shared across the wider network of schools.

Outcome two will focus specifically on commissioning additional support in the teaching of writing to Service children who have been identified as being below National Curriculum 'age-related expectations' in Years 2 and 6 from targeted schools.

The third outcome will involve undertaking a school-to-school transition assessment project, which it is hoped will be supported by researchers within Higher Education. This will support the challenging issue facing so many of the nation's Service children, namely the risk of learning loss and educational disruption because of regularly moving schools due to military postings.

Finally, outcome number four will involve training for, and sharing good practice with, school leaders (including Governors) through:

- the production of termly newsletters for all Oxfordshire schools
- developing an up-to-date toolkit of support materials
- providing website guidance for schools and parents
- hosting two conferences."

In Scotland, Kinloss Primary School (The Moray Council) will utilise an evidence base of research, experience and data, to embed previous learning and employ five pupil support workers to target the specific needs of Service children.

They will provide targeted, responsive one-to-one, emotional and social support to increase Service pupils' learning, and to help ensure attainment is raised. Targeted group work with a clear focus on providing nurture, social interactions, developing emotional regulation, self-esteem and resilience will further enable Service pupils to cope with the additional challenges that Service children can face.

Parents and families will also benefit from the project with increased opportunities to celebrate dedicated events, whilst also enabling positive communications with the deployed parent. Families will also receive additional support through monthly drop-in sessions which will further enhance school and parent partnerships. Further support will be provided to the families for the transition to the Curriculum for Excellence, the Scottish Curriculum, which not all families are familiar with, to ensure that all children continue to attain and achieve whilst living in Scotland.

This project will raise awareness of the unique needs of Service pupils across the school via training and resources, for pupils and staff, which will have a lasting impact. One Service parent said:

"As you can appreciate, leaving a young kid to go away for weeks/months is very hard, but I felt I needed to raise what an amazing job the school are doing to support the kids of serving parents locally. While this may be a normal thing for Garrison towns, I haven't come across this type of extra support in small 'standalone' military bases and the experience/support Kinloss Primary provide is phenomenal!

I really hope other families can benefit from this for a long time as I can truthfully say it's been a lifesaver for me! Deploying knowing my daughter is happy and supported in school with these extra initiatives makes my time away more enjoyable."



The Afghanistan Veterans' Fund



This year, the Trust has continued to manage the 51 grants awarded in 2021/22 under the Afghanistan Veterans' Fund.

The Afghanistan Veterans' Fund sought to increase capacity in services and initiatives that offer supportive comradeship, engagement and wellbeing efforts for those in the Armed Forces community impacted by events in Afghanistan, and the wider veterans' community.

The Office for Veterans' Affairs asked the Trust to run programmes that would award grants to improve wellbeing, resilience and promote good mental health, responding to increased needs in veterans who have served in Afghanistan and other recent conflicts and the wider veterans community.

The Afghanistan Veterans' Fund also awarded grants to eight Armed Forces charities to enable them to increase their capacity to meet the additional needs in terms of both increased ask for help, and the increased complexity of those already receiving support in a timely manner. These organisations evidenced collaboration and membership within the contact group, who are working alongside the Royal College of Psychiatrists to develop the first sector-specific quality network and accreditation programme for military mental healthcare providers; thus, ensuring clinical governance and risk management structures are in place with appropriate governance oversight.

Grant holders are reporting that they are reaching a significant number of veterans and their families and carers. Quantitative and qualitative data is being collected from beneficiaries and indicates an increase in wellbeing and mental health, with projects looking towards sustainability and increased resilience.

King's Centre for Military Health Research, King's College London and Imperial War Museums

King's Centre for Military Health Research (KCMHR at King's College London) and Imperial War Museums (IWM) were awarded £280,731 in 2022 to interview approximately 100 UK Armed Forces personnel and family members who deployed to Afghanistan during the 2001-2021 conflict and the subsequent withdrawal, to record and recognise their experiences, increase public awareness of their Service and make recommendations for support needs.

Afghanistan: Voices of Service began in August 2022. During the first six months, IWM have set up a designated recording space at IWM London to record the oral history interviews for this project.

IWM and KCMHR collaborated to develop a structure for the oral history interviews and identified suitable prompts to ask interviewees to draw out their experiences for the recordings. They also worked together to produce an information sheet to give to interviewees prior to their interview, which provides further details about the project in addition to the potential research outcomes.

IWM has used their existing network and links to recruit potential participants as well as setting up a webpage allowing visitors to find out more about the project and get involved. Around 100 individuals have been contacted about the project in addition to various organisations such as regimental associations.

IWM has started to arrange interviews with interviewees and in November 2022 began the first phase of interviews. In the period of November 2022-January 2023, IWM staff have recorded nine oral history interviews with Service personnel (currently serving and ex-Service personnel), with further interviews arranged.



Participants have valued the experience of visiting IWM London and recording their experiences for the museum's collection, with many individuals taking time off work to get involved. Whilst anecdotal, participants have told IWM staff that they have enjoyed talking about their experiences in Afghanistan, with some individuals stating that they have not discussed their experiences in detail with their family or civilian friends.

Participants have been particularly keen to not only visit IWM to record their oral history but also to have their recording used as part of KCL's wider research on the impact of deploying to Afghanistan and the subsequent withdrawal.

Professor Nicola Fear, Co-Director of KCMHR said: "One of the best ways to learn more about the support needs of those who have fought in conflicts is to speak directly to them and their families. This project, which we are proud to conduct alongside IWM, will collect a series of testimonies which will be hugely valuable in helping to shape the future support provided to those who have been deployed."

For more information about the project, or to sign up, visit: www.iwm.org.uk/voices

Veterans' Outreach Support: Strand 1 project

Veterans' Outreach Support were awarded £100,000 to enable them to meet the increased demand for, and complexity of, mental health support for veterans and families.

Their project 'reinforcing success in mind' is now half-way through and they have started to develop a more sustainable long term plan for their clinical output. Overall, this has been more successful in some areas than others, with notable success in engaging with stakeholders.

VOS has engaged in a varied and rigorous recruitment drive to fulfil the roles of Psychiatrist, Clinical Psychologist and Clinical Administrator to assist in the delivery of the project, however, with the employee market post-COVID becoming increasingly more competitive in an already limited pool of talent it has been challenging to find suitable candidates. In October 2022, they successfully recruited an experienced Clinical Administrator with 17 years NHS experience, who has already demonstrated improved capability in delivering the clinical services within VOS.

The organisation has continued with therapies on a weekly basis, working as an integrated team to match requests for support to a more holistic model of wellbeing, welfare and clinical support. They continue to welcome over 70 veterans monthly to their drop-in events in Portsmouth and the Isle of Wight and currently offer 1:1 therapy to service users when referral onwards to Operation Courage or other providers is not suitable.

Their project beneficiaries cover all three Services, including the merchant navy, and including some partners and spouses. A recent partner who has come forward to seek triage and potential therapy needs personal support to best support her Service veteran partner who is suffering from dementia. On completion of therapy to support substance misuse, another service user emailed the following during this reporting period:

'Just a quick note, to let you know I am now fully fit for work, just need a few blood tests. I just want to thank you for all your help in my case, as I know at times it must of been hard, as I did not follow the advice all of the time. I feel the only reason I am still here, is because of all the work you, and the alcohol team at QA [Hospital] gave me. Many thanks, and keep up the good work, it works.'



Afghanistan Veteran Fund

Grants to improve wellbeing, resilience and promote good mental health, responding to increased needs in veterans who have served in Afghanistan and other recent conflicts and the wider veterans community



51
awards
made in
2021/22

"We are forever grateful to those who served in Afghanistan and members of the Afghan community who worked with them. Their courage and commitment to this country will never be forgotten."

"This targeted funding for charities across the country will ensure that, regardless of location, those who have served and their families can access services easily."

- Minister for Defence People and Veterans Leo Docherty

The NAAFI Fund



The Armed Forces Covenant Fund Trust worked with Royal NAAFI for the first three years of the NAAFI Fund, establishing the grant programme and funding projects supporting our Armed Forces personnel located across the globe.

Between March 2021 and August 2022, we made 250 awards worth more than £2.7 million.

The Trust has been delighted to help develop the NAAFI Fund, which from April 2023 will be delivered directly by our colleagues at Royal NAAFI.

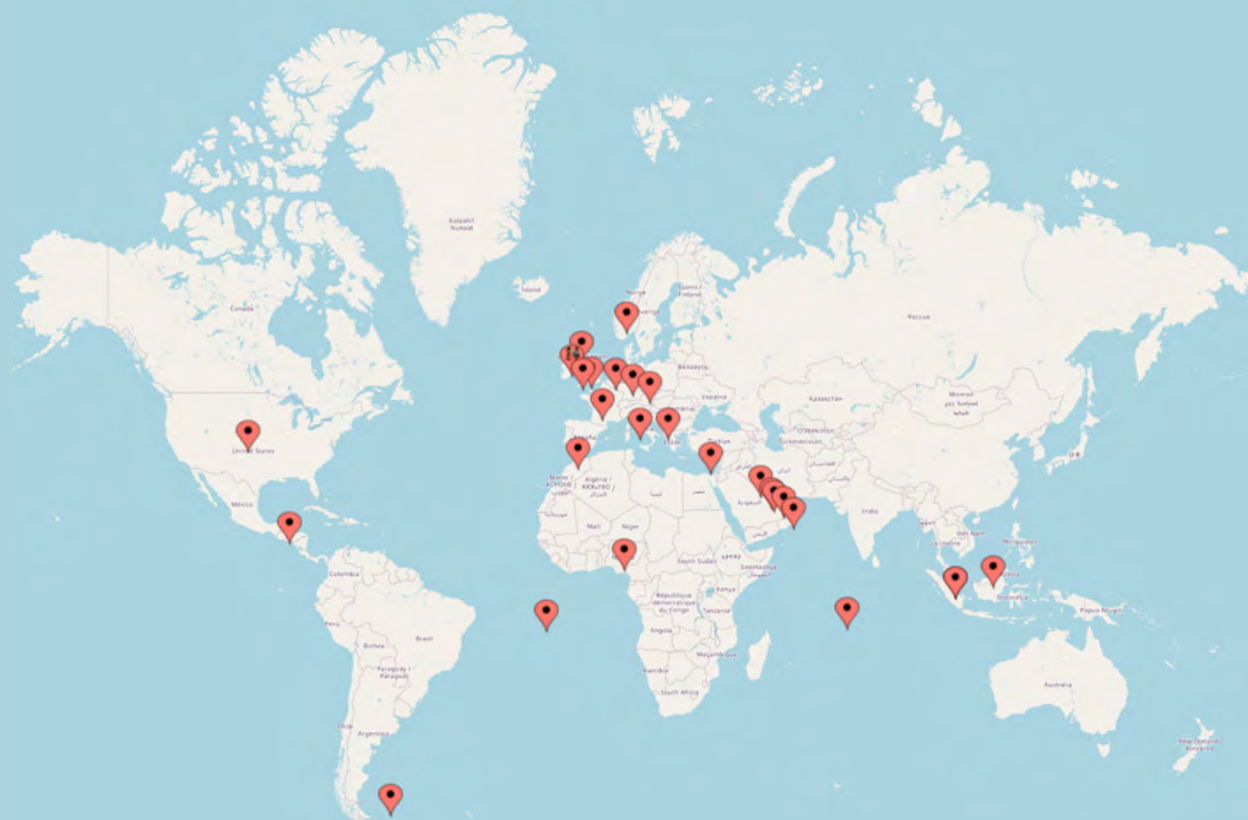
This year the NAAFI Fund has awarded 80 grants to projects all over the world. These awards support the British Armed Forces and Armed Forces communities.

Grants this year have had a focus on being healthier and active. More than ever, there is an increased need for sociable outside spaces with projects wanting to create, refurbish and improve. The NAAFI Fund has met project requests for fun and enjoyable sporting equipment, such as mountain bikes and stand-up paddle boards. These will improve mental health through exercise and activity.

Over thirty of the eighty grants have been awarded to overseas projects.



Where in the world...?



27 Reg RLC Try a Tri project

27 Regt RLC were awarded £9,000 to purchase bikes, wetsuits, triathlon team race suits and numerous smaller items for the benefit of all 751 soldiers and officers within the regiment.

The team have since conducted many training sessions and attended two Army Triathlon Races so far this season. Many Service personnel of all ranks have already benefited and there is rapidly building interest by many others with the success of the team.

Sgt Marc Callaway added: "Additionally, I as the unit Triathlon Officer In Command, have just been awarded the Regimental Sports Colours award due to the success of the Tri Team. Much of this has been aided by the AFCFT Grant, which has taken away the main barrier of stopping Service Personnel from taking part in the sport- the equipment! So again, thank you NAAFI/AFCFT!"



Prince William of Gloucester Barracks Station

Prince William of Gloucester Barracks Station, sought funding to provide a recreational area for their Service personnel and Armed Forces families.

The project 'Station Welfare Area Refurbishment' aims to cultivate an indoor and outdoor space that is safe, inclusive and modern, hoping that this will encourage socialising, whilst enhancing morale and team cohesion. The NAAFI Fund awarded the project

'Station Welfare Area Refurbishment' £20,000 to support the purchase of a new sound system and much more.

Major Guy Page explained how the money will help improve family and forces life on base.

"The Army Training Regiment (Grantham) is delighted to receive a grant from the Armed Forces Covenant Trust Fund this year. The funding will have an exponential impact on the lives of all service personnel and their families by refurbishing the Station Welfare Facility. We're very grateful to the NAAFI Trust for their continued support and look forward to working with them to deliver this amazing facility." Maj Guy Page AGC(SPS).



Impact and Sustainability

The Impact Hub

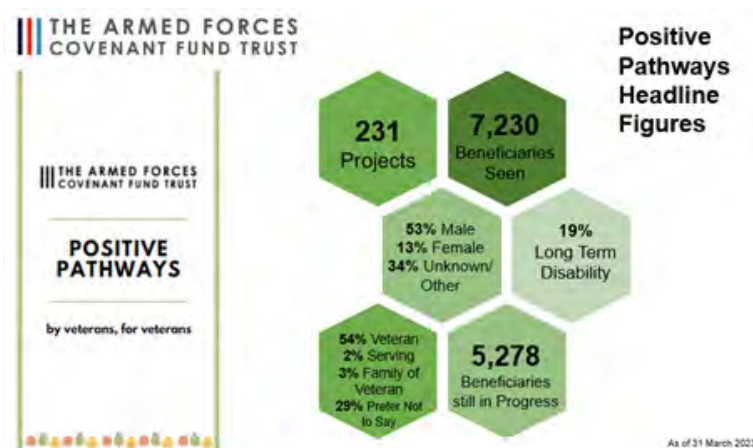
The Trust is committed to evaluating its programmes in a consistent manner to ensure that the funding we distribute provides maximum benefit for project beneficiaries, but at the same time provides demonstrable value for money for the public purse.

In this way, we were keen to invest in a GDPR-compliant impact and evaluation measuring tool that was simple to use and could be used across its programmes to provide comparable data to demonstrate the impact of our funding programmes.

Originally developed in conjunction with Anglia Ruskin University via a grant award, and now owned and developed by the Trust, the Impact Hub (formerly known as the Outcomes Measurement Framework or OMF), is a browser-based portal that provides data directly from beneficiaries. Its simplicity means that it can be used on any device that can connect to the internet, including tablets and smartphones. Grant holders register beneficiaries (with verbal consent), and beneficiaries are then sent a link to complete registration (which includes full consent as required by UK GDPR). Grant holders can also register beneficiaries manually if they do not wish to, or do not have confidence in using IT (this has been particularly relevant for older beneficiaries).

When a person accessing a project uses the Impact Hub, they first complete a registration which includes demographic questions including details of military Service. Once registered, the system asks the beneficiary to complete a short wellbeing survey. The Trust uses the ONS4 as its primary survey set, which comprises of four questions about how a person is feeling at that moment in time. The survey is asked at the beginning and at the end of the beneficiary's interaction with the project, and the change in score is used to calculate the impact the project has had on the beneficiary's life. The ONS4 is used widely by the research community and its datasets are comparable with others, so the aggregated anonymous data that we will gather over time may also be valuable to academics, researchers and other interested stakeholders.

The first of our programmes to use The Impact Hub as part of its terms and conditions of grant was the Positive Pathways programme. Working with the Strategic Partners, we collected impact data from 231 different projects, working with over 7,000 individual beneficiaries. Below are headline figures taken directly from the Hub on 31 March 2023.



The Positive Pathways programme utilised the Veterans Wellbeing Index, an interlinked series of four surveys which measured veterans' wellbeing in four areas:

- finance
- interpersonal relationships
- health
- employment.

Many grant holders told us that this survey set enabled them to look at a veterans' life holistically, and maybe signpost to different areas of support as a result.

The Trusts' Tackling Loneliness programme also used The Impact Hub as a mandatory part of its impact and evaluation gathering activities. Utilising the UCLA Loneliness Scale (on the recommendation of the programmes' external evaluation team), we were particularly interested in the effects that these unique projects had in relieving loneliness in the most isolated and hard to reach individuals.

The project reached 1,300 beneficiaries over 60 projects, and below are headline figures taken directly from the Hub on 31 March 2023.

Current statistics show the Impact Hub is very much 'work in progress' in collecting valuable impact data from our beneficiaries.

We continue to work with grant holders to provide tailored training and support, either via our online training on our website, or via direct support from the Trust team on a group or 1:1 basis.



Overall Impact Hub Figures



Publications and evaluations

During the year, the Trust has published two key evaluation publications. Our evaluations are published with the aim of highlighting our programmes' long-term impact on Armed Forces communities, leading us towards our vision of a thriving Armed Forces community that is valued and supported within our society.

Tackling Loneliness Programme evaluation

The Tackling Loneliness Programme was designed following a consultation run by the Trust in early 2020, whereby we sought to understand how important it was to reduce social isolation and improve integration and engagement with provision from within the Armed Forces community. 90% of respondents told us that we should focus on social isolation in our future grant making.

The Tackling Loneliness programme awards focused on at least one of the following key themes:

- Building stronger social networks and friendships.
- Improving access to local activities and provision.
- Building emotional resilience to overcome the causes of loneliness.
- Empowering Armed Forces communities to become more independent.

The Trust commissioned an evaluation of the 60 funded projects with Neighbourly Lab, Campaign to End Loneliness and The King's Centre for Military Health Research (KCMHR), King's College London. This focused on 'Reach' and 'Service Design' in the creation of services to support Armed Forces individuals experiencing loneliness.

The in-depth evaluation looked at the success of the programme, including identification of best practices while also exploring loneliness and its effect of the Armed Forces community.

The evaluation report identified key themes and good practice, throughout the Tackling Loneliness projects that helped to tackle loneliness in Armed Forces communities.

Sustainability

Following the launch of the evaluation report, the Trust conducted a webinar showcasing not only the evaluation report, in conjunction with some of the successful projects, but also to highlight the resulting 'Tackling Loneliness Toolkit'. The webinar was held in November 2022 and proved to be very popular, with positive feedback received from the audience. You can access the webinar recording on our website at: www.covenantfund.org.uk

The toolkit for Tackling Loneliness can be found on our Knowledge Network on our website www.covenantfund.org.uk/resources

It contains an exploration of Armed Forces loneliness as well as a snapshot of what works to reach Armed Forces individuals experiencing loneliness and a snapshot of the service design that works to support Armed Forces individuals experiencing loneliness. It serves as a framework for projects to implement to tackle loneliness most effectively, whilst acknowledging that loneliness is a subjective feeling and is not experienced in the same way for everyone.

Robin Hewings of the Campaign to End Loneliness said of the Tackling Loneliness programme: "The work done to tackle loneliness in Armed Forces communities has been impressive. We've seen great examples of services reaching out to under-represented groups, targeting specific problems such as the transition to civilian life and building networks through the strong sense of identity that people have through their connection to the Armed Forces. This is vital work helping people in sometimes very challenging situations."

Loneliness and Armed Forces Communities:

Some aspects of being in the Armed Forces community make people more likely to be lonely

Depression and anxiety disorders, alcohol misuse and post-traumatic stress disorder are more common in Forces communities

LGBT+ communities, women, and UK Commonwealth soldiers, particularly Gurkhas, have faced different forms of discrimination

Forces communities also have protective factors including a strong sense of camaraderie, which can last for decades after Service and includes family members, which can provide people with strong networks after their Service

On top of this, being in the Armed Forces gives people increased access to support from both charities and the public sector

Reaching Out:

Tackling loneliness is best done through services that help bring people together around shared interests rather than loneliness itself.

The projects provided multiple ways of reaching out, supporting people, and creating engaging activities that are meaningful and interesting.

Organisations worked best when they had clarity about who they were targeting and were creative in their outreach and service delivery, including the development of trusting, collaborative relationships with local partners.

Improving Social Connections:

The services that made the biggest difference in people's loneliness had several common characteristics.

They were knowledgeable about how loneliness feels, when it can strike and what can make it better in conjunction with a deep appreciation and knowledge of military culture.

They also had ways of measuring need and collecting evidence about how to improve and adapt their work.

Tackling Serious Stress in Veterans, their families and carers

In 2018, the Trust awarded £4 million in grant funding to seven portfolio projects to address the problems caused by serious stress in veterans, their carers, and families.

The seven organisations awarded grant funding worked with 69 regional delivery partners. Through these, nearly 1,000 participants accepted entry into the Tackling Serious Stress (TSS) programmes. Referral partners included charities and statutory bodies; however, it was found that many of the beneficiaries self-referred to services. TSS projects started between May and October 2019 and concluded in September 2021.

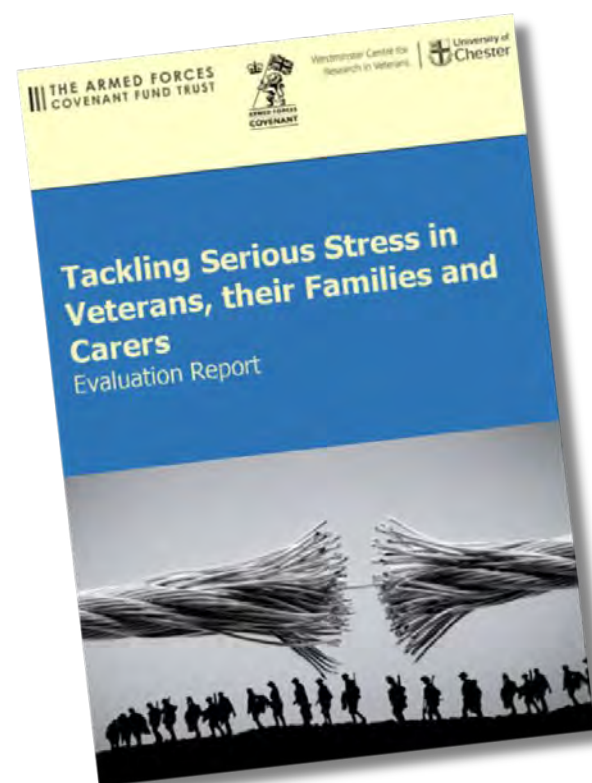
The Trust commissioned the University of Chester's (UoC) Westminster Centre for Research in Veterans to conduct an independent evaluation report of the TSS programme. Findings have revealed innovative and cost-effective ways to reduce depression, anxiety and alcohol misuse in UK military veterans and their families. The evaluation report findings were unveiled at the Centre's Veterans and their Families Research Symposium, which was held at Chester University on 13 October 2022.

Professor Alan Finnegan stated: "This evaluation provided a reservoir of information; the combination of all data sets provided the AFCT with a resource to demonstrate success. We are delighted to have been able to demonstrate via a cost benefits analysis how the projects delivered significant benefits for veterans but also provided value for money. The evaluation demonstrates that these projects had a significantly positive impact on those engaged."

Key Findings from the evaluation

The study showed that participants self-reported high levels of mental health problems including anxiety (67%), depression (67%), PTSD (62%) and physical problems, with the most common being musculoskeletal / back injuries (47%).

The evaluation data provides much valuable evidence to demonstrate success, and some insight into projects where improvements were required and how these issues were going to be tackled. The full report is available on our website www.covenantfund.org.uk



Anna Wright CEO, Armed Forces Covenant Fund Trust:

"The University of Chester's Westminster Centre for Research in Veterans' analysis of the projects funded by the Trust offers significant learning opportunities and points to the TSS protocol providing a platform for lasting partnerships with governmental agencies, professional bodies, charities, businesses and appropriate networks."

Over 60% of participants reported having previously accessed recognised statutory services, such as their GP or other mental health services.

However, they either did not receive the help they required, or they were discharged only for their problems to resurface.

Significantly, 31% of veterans who needed help did not seek assistance, and many found it hard to look for help or were unaware of the available support.

UoC asked programme participants to complete regular detailed questionnaires about their life, lifestyle, Service history and, importantly, why they had decided to take part in this programme.

The evaluation team identified certain distinguishing factors that would affect someone's life and cause them to experience serious stress.

One of these factors was the reporting of physical health symptoms. On average, each respondent reported 10 symptoms at the beginning of their interaction with the programme, reducing to an average of four at the end.

The questionnaires also showed that over 95% of participants were satisfied across all the programmes, and 94% were happy with the support they had received.

The participants provided strong feedback regarding the support they received,

showing the positive impact on their health, wellbeing and improved social networks.

A Look Ahead

Throughout the year, the Trust has continued to grow and develop. As part of this work, we have developed a new Mission, Vision and Values to guide us. They are being integrated into all areas of the Trust's work.



The Trust continues to be an ethical grant maker - encouraging our grant holders to align their work with our ethical Code of Conduct. To behave ethically, we need to consider what is the 'right' way to behave towards others – how we can do no harm, and how we can achieve good outcomes through the work we support. There are two broad and overlapping ethical principles which govern our work: 'Do Good' and 'Do No Harm'.

Our people...

The Trust also undertook its first ever culture audit, with the key finding that, overall, the experience of working for the Trust is positive, it is easy to get work done, and people enjoy the work they do for the Trust and the Armed Forces community; there is a sense of fulfilment in working for the Trust.

Our programmes...

We have received high levels of applications to our funding programmes this year; and have noticed particular themes relating to cost-of-living challenges being raised by applicants and grant holders. Our Covenant Fund programmes for 2023/24 will repeat the popular and oversubscribed Force for Change, Reaching and Supporting Armed Forces Communities and Transformational Grants programmes, ensuring funding is accessible and available for those who need it in our ever-changing economic climate and the current cost-of living challenges.

Our Force for Change programme will now offer grants up to £15,000 for one-year projects. This is in recognition of the increased cost of living, and we will focus funding on vulnerable Armed Forces communities that are being most impacted.

In 2023/24 we will also undertake a consultation to shape the delivery of the Covenant Fund from 2024 to 2027. This will be a wide-ranging consultation and represents a move from Annual Priority setting to a three-year strategic delivery plan; giving more certainty to our stakeholders about the funding programmes on offer and ensuring that we can deliver high impact across our work.

Small Grants Research

The Trust has run small grants programmes since its inception, making grants of £20,000 or less to a wide range of organisations supporting the Armed Forces community. We originally made small grants through the Local Grants programme, then through Forces Communities Together, and most recently through the Force for Change programme.

In early 2022, we opened the first of three new rounds of Force for Change, with subsequent rounds later in 2022. We made grants of up to £10,000 over one year for community projects that reduce social isolation and promote integration, supporting post-Covid recovery in local Armed Forces communities. Through these latest rounds of funding, we've made 100 grants to the value of just over £950,500.

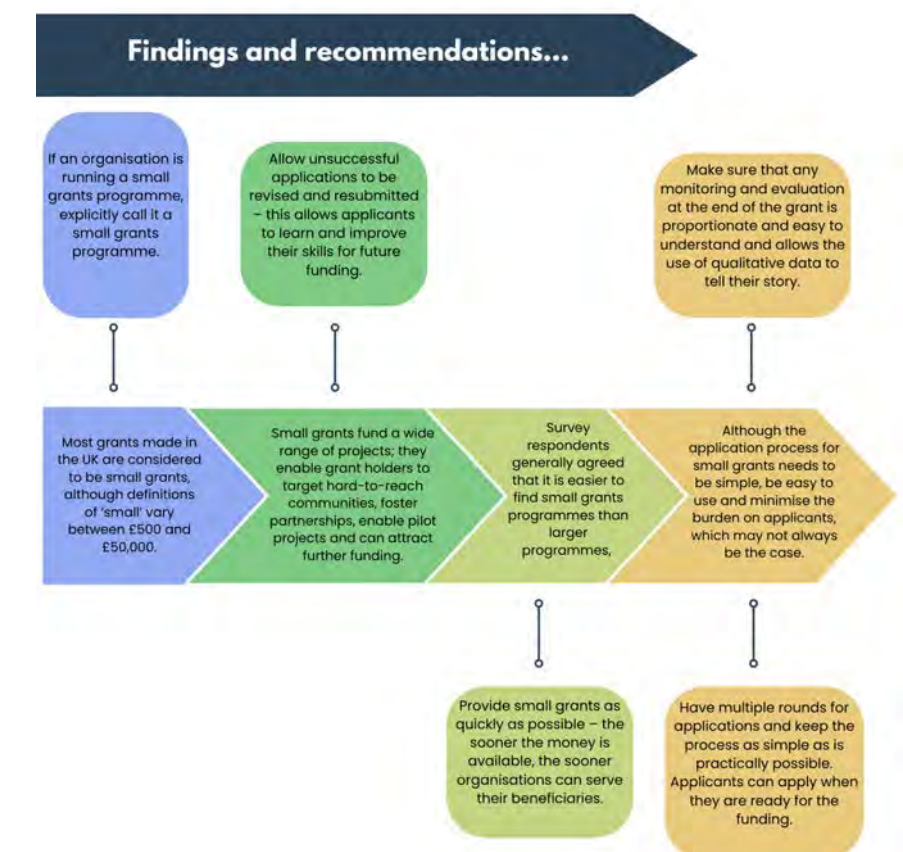
By early 2023, the Trust has awarded over 1,100 small grants totalling more than £17.5 million.

Through monitoring and evaluation, we recognise and have shown that small grants are important to a wide range of organisations supporting a wide variety of beneficiaries, in the Armed Forces community and beyond. To learn and understand more about the role and impact of small grants and small grants programmes in the wider voluntary and community sector, and more specifically in the context of supporting the Armed Forces community, we sought independent evidence to further inform policy and practice.

Following an open tender process, in July 2022 the Trust commissioned the Directory of Social Change (DSC) to conduct an in-depth investigation into small grants and small grants programmes.

The aims and objectives of this research include revealing the breadth and depth of the small grants landscape in the UK, learning from other grant makers' best practice, insights and recommendations, and comparing and contrasting the Trust's practices and small grants programmes to enable the Trust to continue to strive for excellence in supporting the Armed Forces community in the UK and abroad.

The subsequent report, Small Grants, Big Changes: An Overview and Analysis, sets out a number of key findings and recommendations which provide insight and evidence to further inform our practices, and which are also made available to the wider sector on our Knowledge Network.



Financial review

Our income

During 2022/23, the trust's income comprised £15.6 million for the specified purposes of supporting the Armed Forces community, as follows.

- Covenant Fund: £10.4 million.
- MOD Families Fund: £3.75 million.
- NAAFI Fund: £975,000.
- Office for Veterans' Affairs Homelessness Fund: £499,000.

We also received a small amount of income for administering the Headfit website on behalf of MOD.

Our expenditure

In 2022/23, we spent £14.5m on grants and direct expenditure on programme evaluation and research, to assist us in understanding the impact of both individual projects and programmes. Awards from each of the four Funds were made throughout the financial year. Some grants are for multi year projects, where organisations draw down their grants over two or three years. Staff costs in 2022/23 were £999k, an increase of £253k from 2021/22. The increase is a direct consequence of taking on additional staff as our funding programmes have grown in number, to enable the Trust to remain an efficient and effective grant making body. Our other costs also grew slightly, reflecting upgrading of IT and increased staff travel.

Reserves policy and going concern

The Trust holds limited reserves, which comprises both refunded grants and interest earned before it had access to a non-interest bearing government bank account, which was a requirement of NDPB status. Trustees have continued to engage with the Cabinet Office and the Ministry of Defence during 2022/23, to ensure that prudent planning and compliance with the Charities SORP can be achieved. Our working reserves policy has been to ensure that we hold sufficient funds to maintain liquidity, to cover unforeseen short term cash requirements and to cover planned future expenditure. Our unrestricted reserves at 31 March 2023 were £105k. The Trustees have presented the accounts on a going concern basis. This assumes that the Trust can meet its liabilities as they fall due for the foreseeable future and that current and future funding will be adequate for the Trust's needs. We have considered a period of twelve months from the date of approval of the financial statements in accordance with accounting conventions. In coming to their conclusion, the Trustees have considered monthly forecast levels of income and expenditure and underlying assumptions. The overriding assumption is that the Covenant Fund funding of £10 million from the Ministry of Defence continues for the foreseeable future. Having carefully considered the forecasts and assumptions, the Trustees are content to present the accounts on a going concern basis.

Fundraising

Unlike other funders, the Trust does not fundraise to produce a grants income. The Trust will not normally accept unsolicited donations. The trust may consider donated income for the establishment of grant making schemes that are aligned to the charitable objectives of the Trust. Under its policy, Trustees can turn down a donation where accepting the donation would be detrimental to the achievement of the purposes of the organisation, as set out in its constitution.

Auditor

Moor Kingston Smith have provided our financial audit services since 2021/22. So far as I, as Accounting Officer of the trust, and as we, as its Trustees, are aware:

- a) There is no relevant information of which the Trust's auditors are unaware
- b) We have taken all steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information

The Trustee's annual report has been approved by the Trustee Board in their September 2023 meeting and signed on their behalf by

Anna Wright

Chief Executive Officer and Accounting Officer
22 September 2023

Helen Helliwell

Chair of Trustees
22 September 2023

Governance statement 2022/23

Scope of responsibility

As Accounting Officer and Trustees of the Armed Forces Covenant Fund Trust, we have responsibility for putting in place and maintaining proper arrangements for the governance of the Trust's affairs together with a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding the public funds and assets for which the Accounting Officer is personally responsible, in accordance with the responsibilities assigned in Managing Public Money and ensuring compliance with the requirements of the Management Statement and Financial Memorandum.

The purpose of the governance framework

The governance framework comprises the systems and processes by which the Trust is directed and controlled. It enables the Board to monitor achievement of its strategic objectives. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place throughout the year ended 31 March 2023.

The governance framework

The Trust is an unincorporated charity and non-departmental public body (NDPB). The Armed Forces Covenant Fund Trustee Limited is a company and was registered at Companies House on 2 February 2018 to act as the Trustee of the Armed Forces Covenant Fund, which was registered with the Charity Commission on 7 February 2018.

The individuals referred to as Trustees are directors of the limited company under company law.

The limited company was established under a memorandum of association, which established the objects and powers of the Trust and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the Trust. Any expenses reclaimed from the Trust are set out in note 6 to the accounts.

There is a Financial Framework document in place which defines the arrangements between the Trust and its sponsor department, the Ministry of Defence, relating to the receipt of the £10m Covenant Fund and the conditions for its expenditure. The current Financial Framework was issued in the year ended 31 March 2022. For other funding streams, Memorandums of Understanding are in place with the funding sources, such as the Office of Veterans Affairs.

The Trustees and the committee structure

The Armed Forces Covenant Fund Trust is governed by a Board of Trustees chaired by Helen Helliwell. The Charities Act 2011 requires the Trustees to exercise proper stewardship over the Trust.

The Chief Executive Officer of the Trust is the Accounting Officer responsible to Parliament for the day-to-day management of the Trust as set out in Chapter 3 of Managing Public Money. Our current Chief Executive, Anna Wright has been in post since January 2022.

The majority of the founding Trustees of the Trust had previously served as members of the National Panel for the Covenant Fund when it was operating within the MOD, and new members were brought in to ensure that the range of skills required to manage an independent trust were available to the Board.

There have been three new appointments in 22/23- Peter Kellam, Collette Musgrave and Major General Jon Swift.

Who appoints the Trustees?

Trustees are appointed by the Secretary of State for Defence in accordance with the provisions of the public appointments process set out in the Office of the Commissioner of Public Appointments Code of Practice. They are appointed for a term of five years and can be appointed for a second term of equivalent length. The Board of Trustees may appoint up to three additional co-opted Trustees by majority approval to serve on the Board and both co-opted Trustees and other individuals may serve on specific sub-committees to supplement the experience of Board members.

The Trustees receive a governance manual on appointment, and attend induction training with the Chief Executive Officer and Senior Leadership Team (SLT). They are also encouraged to familiarise themselves with the Trust’s priorities through work in sub-committees.

The Board of Trustees sub-committees

The Board of Trustees have established three sub-committees for specific purposes and to ensure that effective conduct of business. The Board of Trustees is responsible for appointing to the sub-committees from within its membership and all sub committee actions are taken on behalf of the Trustees as a whole, with recommendations made to the Board as appropriate.

These sub-committees comprise:

- Audit and Risk Committee- to consider the annual audit and publication of annual Trust accounts. In 2022-23 this committee has expanded it's remit to include risk and finance.
- Remuneration and Nominations- to consider all staff terms and conditions including performance management and pay, as well as future appointments to the Board and to senior posts.
- Ethics Advisory Panel- to support the team in maintaining high ethical standards
- Grants Committee- On 12 August 2022 the Trustees delegated to the Grants Sub-Committee the authority to make decisions on the awarding of grants in respect of specified grant programmes. For 2022/23 these were
 - o Covenant Fund: Force for Change
 - o NAAFI Fund: all grants programmes
 - o Armed Forces Families Fund: all grants programmes

The terms of reference of each of these sub-committees have been approved by the Full Board. The table below shows the number of meetings and attendance. Minutes of all Board and sub-committee meetings are maintained.

Trustee attendance is shown as the number of meetings attended in relation to the number of meetings held whilst each individual was a member of the relevant committee.

	Board	Audit	Remuneration Committee	Ethics Advisory Panel	Grants Committee
Helen Helliwell	5/5		3/3		
Rear Admiral Vice Commodore Rex Cox	4/5	2/4			2/3
Major General David Eastman (resigned May 22)	0/1				
Gerald Oppenheim	5/5			2/2	3/3
John Pitt-Brooke	5/5	4/4			
Wendy Cartwright	5/5	4/4	3/3		
Professor David Rose	4/5		3/3	4/4	
John Mooney	5/5		2/3		
Jessie Owen	4/5				
Captain Chris Shepherd	2/4	4/4			
Maria Lyle (resigned February 23)	4/4		2/2		1/2
Stephen Squire-Law	3/5				
Lieutenant General Sir Nick Pope KCB CBE	4/5	3/3	3/3		2/3
Collette Musgrave (appointed February 23)	1/1		1/1		1/1
Major General Jon Swift (appointed June 22)	3/5				1/3
Peter Kellam (appointed August 22)	4/4			4/4	

* Gerald Oppenheim resigned EAP to chair Grants Committee

Register of interests

The Trust's funding plans are developed in close dialogue with the Covenant Team at the MOD, to ensure its programmes are informed by and complementary to, the MOD's support for serving personnel, veterans and their families.

All funding decisions are made by the Trustees, with Trustees acting independently of their other professional roles. Declarations of interest are requested and recorded at each of the Board meetings, in relation to applications for funding being requested, contracts being considered or funded project updates, with relevant Trustees withdrawing from discussions and decision making as appropriate. Related Parties are disclosed in Note 8 of the Financial Statements.

The Board of Trustees' performance

The Board has supported the Trust to successfully award grants in line with its four broad funding themes as outlined above.

Sub Committee minutes are circulated to all Trustees with routine papers for the quarterly meetings of the Full Board, and sub committee chairs highlight any matters of particular interest or concern for the attention of the full Board. There is a wide range of information and data routinely available to the Board, in particular in relation of grant applicants, but also including management accounts monthly to EMB and summary management accounts to the full Board when relevant, which the Board considers to be adequate management information.

Personal data loss

The Trust has not identified any personal data related incidents during 2022-23 or in the previous years since its establishment. An incident is defined as a loss, unauthorised disclosure or insecure disposal. Protected personal data is information that links an identifiable living person with information about them which, if related, would put the individual at significant risk of harm or distress; the definition includes sources of information that because of the nature of the individuals or the nature, source or extent of the information, is treated as protected personal data by the Trust.

Internal audit

BDO have continued to provide our internal audit services for 2022/23.

The Trust's Audit and Risk Committee approved the 2022/23 internal audit plan, and BDO carried out audits on our cyber security, our organisational culture and counter fraud and whistleblowing.

Internal audit reports and recommendations were agreed with the Senior Management Team, and progress on implementing audit recommendations is monitored by both Senior Management Team and the Audit and Risk Committee.

For 2022/23, the opinion provided by our internal auditors on the Trust's governance is Tier 2 (of four potential tiers). This states that "There is some risk that management's objectives may not be fully achieved. Improvements are required in those areas to enhance the adequacy and / or effectiveness of governance, risk management and internal control."

This means that some recommendations have been made to us, but that we have moderate assurance over our internal controls. This is an improvement on last year and recognises the work the Trust has done to address the recommendations previously raised, and the opinions provided in the reports this year. It means that while some recommendations have been made, we have experienced a period of enormous growth in the last few years and recognises that some of our structures need to be brought up to date to support our current operations and the maturity level of our organisation. We will continue to work with BDO to support their internal audit programme and show how we are implementing the recommendations already made.

External audit

The external auditor of the Trust is Moore Kingston Smith, who were appointed in 2021/22.

Risk management

The Trust's internal control system is designed to manage risk to a reasonable level, rather than eradicate all risk of failure. Therefore, it can only provide reasonable and not absolute assurance of effectiveness. In managing risk, we identify the opportunities and risks in achieving our strategic objectives, evaluate the likelihood of those risks being realised, the impact should they be realised and the controls in place to manage them efficiently and effectively. The Trust's approach to risk management and the process for implementation are documented in a Risk Management Strategy.

The strategy is supported by our strategic risk register, which groups our highest priority risk areas into key strategic risks which is reviewed regularly by the senior leadership team. The Executive Management Board review strategic risks at each meeting and the Board review annually.

Risk management overall is viewed as a dynamic process which actively seeks to incorporate good practice. It is responsive and current and is managed through regular review of both internal developments and external factors – the political, social, economic, demographic, technological, environmental and legal developments that may influence our exposure to risks or opportunities.

As an NDPB the Trust has a low risk appetite in relation to compliance, regulation and to our key strategic risks. In areas where we aim to be relevant and influential, we are prepared to take calculated risks. Risk appetite has been set by the Trustees and is reviewed annually for appropriateness by the senior leadership team and the Audit and Risk Committee. The senior leadership team monitor whether our overall risk profile is commensurate with our risk appetite on an ongoing basis.

Principle risks for the Trust relate to the importance of the Trust maintaining a strong relationship with Government, the Armed Forces charity sector and core stakeholders and the challenges of delivering an intelligent grantmaking approach while maximising the operational budget for grantmaking and business continuity.

Controls to mitigate these risks include the development and delivery of a communications strategy based on transparency, as well as a commitment to support grant applicants and grant holders. The Trust's governance and executive structures, and its internal controls, have been developed, tested and reviewed to keep best use of resources in focus within all decision making. On transfer of the responsibilities from the MOD to the Trust, a 'cap' on expenditure of support costs of no more than 5% of funds was agreed. In 2023-24 this will increase to 8%. Support costs percentages for each of the additional Funds that the Trust is administering are set according to the complexity of the programme.

Assurance statement by the audit committee

The Audit and Risk Committee are reasonably confident that the reliability, integrity, quality and comprehensiveness of the assurances provided by management over the Trust's internal processes and by external auditors, are presently sufficient to support the Board and Accounting Officer in their decision making and in the fulfilment of their accountability obligations. Internal controls are monitored during the year by the Trust's senior management team and independent audit review and findings reported to the Audit Committee. The Audit Committee will continue to draw to the Board's and Accounting Officer's attention any matters of concern.

Statement of responsibilities of the Trustees

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the Trust's financial activities during the period and of its financial position at the end of the period. In preparing financial statements to give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice 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 Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Remuneration and staff report

In accordance with the HM Treasury Financial Reporting Manual the Armed Forces Covenant Fund Trust has prepared this report containing certain information about directors' remuneration. 'Directors' is interpreted to mean persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. The figures in the remuneration and staff report are subject to audit.

The total number of employees whose emoluments for the year exceeded £60,000 is given in Notes 6 and 7, together with information on staff numbers and costs.

Two of the directors are members of the PCSPS, for which further details are provided below. The Trust made employer's contributions to one pension under the auto-enrolment scheme (NEST), at the rate of 8% of salary. The directors received no other benefits. Performance bonuses paid to directors are non-contractual. The directors have contracts of employment carrying a period of notice of one months notice.

	Salary 2022-23 (2021-22) £'000	Performance Related pay and bonuses 2022-23 (2021-22) £'000	Benefits in kind (to nearest £100) 2022- 23 (2021-22) £'000	Pensions Benefits 2022-23 (2021-22) £'000	Total 2022-23 £'000	Total 2021-22 £'000
Melloney Poole MBE, Chief Executive	- (30-35)	- (0-5)	-	-	0	30-35
Anna Wright, Chief Executive	70-75 (15-20)	0-5 (0-5)	-	-	70-75	15-20
Carol Stone, Director of Grants	65-70 (60-65)	0-5 (0-5)	-	24 (24)	90-95	85-90
Sonia Howe, Director of Policy and Communications	65-70 (60-65)	0-5 (0-5)	-	11 (16)	80-85	80-85
Liz Rankin, Director of Finance and Operations	50-55 (35-40)	0-5 (0-5)	-	-	50-55	35-40

	Accrued pension at pension age as at 31 March 2023 and related lump sum £'000	Real increase in pension and lump sum at pension age £'000	CETV at 31/03/23 £'000	CETV at 31/03/22 £'000	Real increase in CETV £'000	Employer contribution to Nest pension Nearest £100
Melloney Poole MBE, Chief Executive	-	-	-	-	-	-
Anna Wright, Chief Executive	-	-	-	-	-	9,700
Carol Stone, Director of Grants	5-10	0-2.5	145	117	17	-
Sonia Howe, Director of Policy and Comms	15-20	0-2.5	242	217	0	-
Liz Rankin, Director of Finance and Operations	-	-	-	-	-	8,300

Fair Pay Disclosures

In 2022-23, 0 (2021-22: 0) employees received remuneration in excess of the highest paid director. Remuneration ranged from £25-£30k to £65-70k, excluding the highest paid director.

Year	25th Percentile Ratio	50th Percentile Ratio	75th Percentile Ratio
Total Remuneration	£29,869	£34,650	£53,427
Salary Component of above	100%	100%	100%
22/23	2.76	2.38	1.54
21/22	2.77	2.34	1.46

Percentile total remuneration is calculated by excluding the remuneration of the highest paid director on an annualised basis and by including full time equivalent remuneration for all staff.

The average salary within the Trust is £47,051 (2021-22: £43,914). This is calculated as the total for all employees on an annualised basis, excluding the highest paid director, divided by the FTE number of employees (also excluding the highest paid director).

The Trust believes that the median pay ratio for 2022-23 is consistent with the pay, reward and progression policies for the Trust’s employees taken as a whole.

Any performance awards are made under the Trust appraisal linked system which applied to all staff. The directors are all employed on standard terms and conditions.

The Board of Trustees comprised 11 members at 31 March 2023, none of whom were full time employees of the Trust and they were reimbursed with £245.50 in expenses (2022: £93).

Sickness Absence

The Armed Forces Covenant Fund Trust employed 23 members of staff as at 31 March 2023. Periods of sickness absence are recorded in half days. The average number of days of sickness absence was 3.75 days per person. (2022: 2.26) There were two long term absences in this financial year. This paragraph is not subject to audit.

Pension Costs and Benefits

The Trust’s accounting policy in relation to Pensions is provided at Note 1 to the Financial Statements. From October 2018 the Trust has automatically enrolled all employees into a National Employment Savings Trust (NEST) pension scheme unless the employees choose to opt out. The NEST pension scheme is a defined contribution pension scheme that was created as part of government’s workplace pensions reform under the Pensions Act 2008. The assets of the scheme are held separately from those of the Trust and the Trust is unable to identify our share of the liability, employer’s contributions are charged to the Statement of Financial Activities as they occur.

Pension benefits for a small number of longer serving staff are provided through the Civil Service pension arrangements. The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Trust is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2016. Details can be found in the resource account of the Cabinet Office Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2022-23 employer’s contributions of £47,651 were payable (2022: £45,203) through the PCSPS. The applicable rates for the PCSPS are shown below:

Gross Salary	Rate %
77,001 and over	30.3%
45,501-77,000	27.9%
23,001-45,500	27.1%
Up to 23,000	26.6%

The contribution rates reflect benefits are they are accrued, not when costs are actually incurred, and reflect past experience of the scheme, Pension benefits are provided through the Civil Service pension arrangements in place prior to 30 July 2007, with the unfunded cost of benefits met by monies voted by Parliament each year. Further details about the Civil Service pension arrangements can be found at the website www.civilservice.gov.uk/pensions

The real increase in Cash Equivalent Transfer Value (CETV) reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Reporting of civil service and other compensation schemes- exit packages

No redundancy or other departure costs were incurred in the 2022-23 financial year (2022: 0).

Staff Report

Further details relating to the Trust’s staff numbers and staff costs can be found in Notes 6 and 7 to the financial statements.

Trade Union Facility Time

No employees are union officials and no time was spent on union activity.

Parliamentary accountability and audit report

All expenditure has been applied as intended by the Trust’s sponsor body. There are no contingent liabilities, gifts, fees, charges or losses and special payments requiring further disclosures that have not been reported elsewhere in these financial statements. This paragraph is subject to audit.

Anna Wright

Chief Executive Officer and Accounting Officer
22 September 2023

Helen Helliwell

Chair of Trustees
22 September 2023

Audit Certificate

INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF ARMED FORCES COVENANT FUND TRUST

Opinion

We have audited the financial statements of the Armed Forces Covenant Fund Trust (the ‘Trust’) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 ‘The Financial Reporting Standard Applicable in the UK and Republic of Ireland’ (United Kingdom Generally Accepted Accounting Practice). We have also audited the information in the Remuneration and staff report and Parliamentary accountability report that are described as having been audited.

In our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 March 2023, and of its incoming resources and application of resources, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity’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 other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The Trustees are responsible for the other information contained within the annual report. 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.

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 there is 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.

Opinion on other matters

In our opinion, the parts of the Remuneration and staff report and Parliamentary accountability report, which have been identified as subject to audit, have been properly prepared in accordance with Chapter 6 of the Government Financial Reporting Manual 2022-23.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees’ Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees’ responsibilities statement set out on page 56, the Trustees 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.

In preparing the financial statements, the Trustees are responsible for assessing the charity’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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, the HM Treasury Financial Reporting Manual and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees 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 any party other than the charity and charity's Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

4 October 2023

.....
Moore Kingston Smith LLP, Statutory auditor

Date:
6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Statement of financial activities for the year ended 31 March 2023

	Note	Unrestricted	Restricted	2023	Unrestricted	Restricted	2022
		£	£	Total	£	£	Total
				£			£
Income from:							
Charitable activities	2	-	15,600,234	15,600,234	-	27,959,788	27,959,788
Investments		1,308	-	1,308	76	-	76
Other		-	-	-	193,010	-	193,010
Total Income		1,308	15,600,234	15,601,542	193,086	27,959,788	28,152,874
Expenditure on:							
Charitable activities	3	19,000	15,845,713	15,864,713	28,894	27,545,064	27,573,958
Total Expenditure		-	15,845,713	15,864,713	28,894	27,545,064	27,573,958
Net income/(expenditure) for the year	5	-	(245,479)	(263,171)	164,192	414,724	578,916
Transfers between funds		-	-	-	(208,192)	208,192	-
Net movement in funds		-	(245,479)	(263,171)	(44,000)	622,916	578,916
Reconciliation of funds:							
Total funds brought forward		104,692	1,804,046	1,908,738	148,692	1,181,130	1,329,822
Total funds carried forward		104,692	1,558,567	1,645,567	104,692	1,804,046	1,908,738

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Balance sheet as at 31 March 2023

	Note	2023	2022
		£	£
Current assets:			
Debtors	10	544,531	1,742,611
Cash at bank and in hand		22,102,408	24,998,631
		22,646,939	26,741,242
Liabilities:			
Creditors: amounts falling due within one year	11	(13,936,762)	(18,700,376)
Net current assets		8,710,177	8,040,866
Total assets less current liabilities		8,710,177	8,040,866
Creditors: amounts falling due after one year	12	(7,064,610)	(6,132,738)
Total net assets		1,645,567	1,908,738
The funds of the charity:	15		
Restricted income funds		1,558,567	1,804,046
Unrestricted income funds			
Designated funds		0	-
General funds		87,000	104,692
Total unrestricted funds		87,000	104,692
Total charity funds		1,645,567	1,908,738

Approved by the Trustees on 22 September 2023 and signed on their behalf by

Helen Helliwell
Chair of Trustees

Anna Wright
Chief Executive

Cash flow statement for the year ended 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	16	(2,897,531)	4,006,516
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,308	76
Net cash provided by/(used in) equivalents in the year		1,308	76
Change in cash and cash equivalents in the year		(2,896,223)	4,006,592
Cash and cash equivalents at the beginning of the year		24,998,631	20,992,039
Cash and cash equivalents at the end of the year		22,102,408	24,998,631

Notes to the financial statements

Armed Forces Covenant Fund Trust Notes to the financial statements For the year ended 31 March 2023

- 1
Accounting Policies
- a)
Statutory information

Armed Forces Covenant Fund is a charitable trust located in England, with charity number 1177627. The registered office address (and principal place of business) is 95 Horseferry Road, London, SW1P 2DX.
- b)
Basis of preparation

The Trust was established by a trust deed dated 7 February 2018 and commenced it's activities on this date.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), charity regulations and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the Trust has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.
- c)
Public benefit entity

The Trust meets the definition of a public benefit entity under FRS 102.
- d)
Going concern

The Trustees consider that there are no material uncertainties about the charitable company’s ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

<p>e) Income Income is recognised when the Trust has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.</p> <p>Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the Trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.</p> <p>Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.</p> <p>f) Interest receivable Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank.</p> <p>g) Fund accounting Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.</p> <p>Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.</p> <p>Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.</p> <p>h) Expenditure and irrecoverable VAT Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:</p> <ul style="list-style-type: none"> Expenditure on charitable activities includes the costs of grantmaking, research & evaluation and other grant related activities undertaken to further the purposes of the Trust and their associated support costs Other expenditure represents those items not falling into any other heading Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. <p>i) Grants payable Grants payable are made to third parties in furtherance of the Trust’s objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the recipient.</p> <p>Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.</p> <p>j) Allocation of support costs Resources expended are allocated to the particular activity where the cost relates directly to that activity.</p> <p>Where information about the aims, objectives and projects of the Trust is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Fixed support and governance costs are re-allocated to the Covenant Fund, and variable costs are re-allocated to each of the activities on the basis of an estimate, based on staff time, of the amount attributable to each activity.</p>	<p>Governance costs are the costs associated with the governance arrangements of the Trust. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Trust’s activities.</p> <p>k) Operating leases Rental charges are charged on a straight line basis over the term of the lease.</p> <p>l) Tangible fixed assets Items of equipment are capitalised where the purchase price exceeds £5,000.</p> <p>m) Debtors Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.</p> <p>n) Short term deposits Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.</p> <p>o) Cash at bank and in hand Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.</p> <p>p) Creditors and provisions Creditors and provisions are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.</p> <p>q) Financial instruments The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.</p> <p>r) Pensions Employees of the Trust are eligible to receive contributions to their selected pension scheme - either their personal pension account or if they wish to join the Trust's selected pension provider NEST. Three employees are members of the Civil Service Pension Scheme, which is a defined benefit scheme. However, the Trust is only responsible for paying contributions so it is accounted for as a defined contribution scheme. Further information about this scheme is provided in note 13.</p>
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2 Income from charitable activities

			2023			2022
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
MOD - £10M Covenant Fund	-	10,416,450	10,416,450	-	10,200,000	10,200,000
MOD Families Fund	-	3,752,000	3,752,000	-	-	-
HMT - £10M Veterans' Mental Health and Wellbeing Fund	-	-	-	-	10,000,000	10,000,000
NAAFI Fund	-	917,183	917,183	-	1,251,308	1,251,308
Headfit	-	15,130	15,130	-	8,480	8,480
Supporting Armed Forces in Acute Hospitals	-	-	-	-	1,500,000	1,500,000
OVA Homelessness Fund	-	499,471	499,471	-	-	-
Afghanistan Veterans' Fund	-	-	-	-	5,000,000	5,000,000
Donations	-	-	-	-	-	-
Total income from charitable activities	-	15,600,234	15,600,234	-	27,959,788	27,959,788

Government grants received were for specific purposes. The Covenant Fund comprises £10M per year to fund projects that support the Armed Forces community.

Armed Forces Families Fund: The Trust distributes the Armed Forces Families Fund (AF3) on behalf on the MOD. This fund was created following the launch of the Families Strategy in January 2022.

Reducing Homelessness Programme: The Trust is delivering funding on behalf of the Office for Veterans Affairs towards projects that contribute to the aims of the government's ambition to reduce veteran homelessness and end rough sleeping.

3a Charitable activities

	Direct			2023
	Charitable			Total
	Activity	Staff Costs	Other Costs	Expenditure
	£	£	£	£
MOD - £10M Covenant Fund	9,619,179	193,593	332,178	10,144,950
HMT - £10M Veterans' Mental Health and Wellbeing Fund	-14,056	523,446		509,390
HMT - £3M Veterans' Community Centres Fund		33,246		33,246
Aged Veterans' Fund				0
Programme evaluation and research	125,505			125,505
MOD Families Fund	3,551,930	158,350		3,710,280
Afghanistan Veterans' Fund		57,804		57,804
OVA Homelessness Fund	499,471			499,471
NAAFI Fund	822,863	38,030		860,893
Refunds from previous years	-76,821			-76,821
Total	14,528,071	1,004,469	332,178	15,864,718

In 2022-2023 expenditure of £19,000 was unrestricted and £16,120,602 was restricted. All expenditure was restricted in 2021 -2022 .

3b Support costs

	HMT Vets'	HMT Vets'	NAAFI	MOD	OVA	Afghanistan	2023
	Covenant	Mental	Community	Fund	Families	Homelessness	Veterans'
	Fund £10m	Health £10m	Centre £3m		Fund	Fund	Fund
	£	£	£	£	£	£	£
Staff remuneration	193,593	523,446	33,246	38,030	158,350	-	57,804
Other staff costs							
Professional fees	38,115						
Premises and office costs	11,658						
Other	29,852						
Audit (could be included in other but excluded from apportionment)	55,776						
Communications and marketing	47,738						
GMS and IT	124,122						
Total	525,771	523,446	33,246	38,030	158,359	0	57,804
							1,336,647

3c Charitable activities

	Direct			2022
	Charitable			Total
	Activity	Staff Costs	Other Costs	Expenditure
	£	£	£	£
MOD - £10M Covenant Fund	9,477,922	242,882	259,148	9,979,952
HMT - £10M Veterans' Mental Health and Wellbeing Fund	9,083,456	368,001		9,451,457
HMT - £3M Veterans' Community Centres Fund		35,334		35,334
Aged Veterans' Fund				0
Programme evaluation and research	607,186			607,186
Supporting Armed Forces in Acute Hospitals	1,414,779			1,414,779
Afghanistan Veterans' Fund	4,750,000	57,806		4,807,804
NAAFI Fund	1,199,047	41,962		1,241,009
OVA/MOD Covid Impact Fund	36,437			36,437
Total	26,568,827	745,983	259,148	27,573,958

All expenditure was restricted in 2021-2022. In 2020-2021 expenditure of £334,710 was unrestricted and £26,121,708 was restricted.

3d Support costs

	HMT Vets'		HMT Vets'	NAAFI	OVA/MOD	Afghanistan	2022
	Covenant	Mental Health	Community	Fund	Covid Impact	Veterans'	Total
	Fund £10m	£10m	Centre £3m		Fund	Fund	Expenditure
	£	£	£	£	£	£	£
Staff remuneration	242,882	368,001	35,334	41,962	-	57,805	582,872
Other staff costs	857						857
Professional fees	68,091						68,091
Premises and office costs	45,831						45,831
Other	5,650						5,650
Audit	14,410						14,410
Governance costs	32,912						32,912
Communications and marketing	29,235						29,235
GMS and IT	62,162						62,162
Total	502,030	368,001	35,334	41,962	-	57,804	1,005,131

4 Grant expenditure

	2023	2022
	£	£
MOD - £10M Covenant Fund	9,619,179	9,477,922
HMT - £10M Veterans' Mental Health and Wellbeing Fund	-14,056	9,083,456
OVA/MOD Covid Impact Fund	0	36,437
NAAFI Fund	822,863	1,199,047
Returns/withdrawals	-76,821	-
Afghanistan Veterans' Fund		4,750,000
Supporting Armed Forces in Acute Hospitals		1,414,779
MOD Families Fund	-3,551,930	
OVA Homelessness Fund	499,471	
Total grants awarded during the year	7,298,706	25,961,641
Total grant expenditure	7,298,706	25,961,641

All grants were made to institutions. For details, please see the website at www.covenantfund.org.uk/grants-weve-funded/
All grant expenditure was restricted.

5 Net (expenditure)/income for the year

This is stated after charging/(crediting):

	2023	2022
	£	£
Operating lease rentals payable:		
Property	6,481	34,543
Auditors' remuneration (excluding VAT):		
Current year audit fee	14,700	12,000
Under accrual for prior year audit fee	-	
Non-audit fee	-	

6 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023	2022
		£
Salaries and wages	812,018	597,009
Social security costs	80,513	60,954
Employer's contribution to defined contribution pension schemes	44,873	30,792
Civil Service Pension Scheme	47,651	45,203
Other forms of employee benefits	19,414	12,025
	1,004,469	745,983

Other forms of staff benefits include an employee assistance programme, medical cash plan, death in service cover and staff training.

6 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (continued)

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
	No.	No.
£60,000 - £69,999	4	2

The total employee benefits (including pension contributions and employer's National Insurance) of the key management personnel were £365,615 (2022: £301,493).

Excluding the Chief Executive and Directors, 1 employee received remuneration for 2022-23 excluding pension contributions, greater than £60,000 (2021-22: no employees).

The Trustees were neither paid nor received any other benefits from employment with the Trust in the year (2023 £Nil). No Trustee received payment for professional or other services supplied to the Trust (2022: £Nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs relating to attendance at meetings of the Trustees. There were £245.50 of Trustee expenses incurred (2022: £93) by one Trustee.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 20.1 (2022: 15.9).

Staff are split across the activities of the Trust as follows:

	2023	2022
	No.	No.
Grant making	13.5	13.5
Support	4.83	1.9
Governance	1	0.5
	19.33	15.9

At 31 March 2023, 24 staff were in post. 18 (2021-22) 18 of these staff are female and 5 male (2021-22) 13 staff were female and 5 male. (2022-23: 7) staff member are employed on fixed term contracts with all other staff employed on permanent contracts. The above includes an average of 7 (2021-22: 4) part time staff members for the year.

8 Related party transactions

The Armed Forces Covenant Fund Trustee Limited (company number 11185188) is the Trustee of the Armed Forces Covenant Fund Trust. It holds a number of contracts on behalf of the Trust, as a separate legal entity. There have been no transactions between the parties. The corporate Trustee implements the decisions of the directors of the Armed Forces Covenant Fund Trustee Limited.

Lieutenant General Sir Nicholas Pope is a Trustee of the Trust and is Chair of Cobseo. Details of grants awarded to Cobseo are as follows:

- During 2021/22, £285,000 was paid to Cobseo in respect of two grants awarded in 2021/22 under the Veterans Mental Health Strategic Leads & Strategic Leads continuation programmes. The outstanding balance at year end was £68,500.
- During the course of 2021/22, £60,000 was paid to Cobseo in respect of a grant awarded in 2017/18 to Build Capacity in Northern Ireland. The outstanding balance of £30,000 was paid in July 2022 .
- During 2020/2021 Cobseo was also the beneficiary of a further £45,000 grant under the Strategic Pathways Programme. The outstanding balance of £5,000 was paid in January 2023.
- In addition, the Trust was responsible for managing HMT LIBOR Fund grants of which Cobseo was a recipient. Payments in respect of LIBOR grants were made from the MOD, on recommendation from the Trust and fully drawn down during the year.
- In line with the Trusts policy, Lieutenant General Sir Nicholas was not involved in the decision making process of the awards made to Cobseo.

9 Taxation

The Trust is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Debtors

	2023	2022
	£	£
Accrued income	499,471	1,701,766
Other debtors	45,060	40,845
	544,531	1,742,611

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	54,923	4,686
Evaluation creditors	418,048	598,181
Grants payable	12,930,956	17,743,216
Returns to donors	0	30,000
PAYE	22,972	11,069
Accruals	72,063	45,378
Other creditors	12,484	7,747
Deferred income	425,316	260,100
	13,936,762	18,700,376

12 Creditors: amounts falling due after one year

	2023	2022
	£	£
Trade creditors	-	-
Evaluation creditors	101,003	224,304
Grants payable	6,963,607	5,907,824
	7,064,610	6,132,128

13 Pension scheme

The Trust contributes to employees' pensions in three different ways. i) some staff are members of a defined benefit scheme which is the Civil Service Pension Scheme; ii) others can join a defined contribution pension scheme with NEST; iii) or the Trust will make contributions to the employee's choice of provider. Contributions to each pension scheme are shown in note 6.

Civil Service Pension Scheme

As part of their transfer arrangements from the MOD, some of the staff members of the Trust remained as members of the Civil Service Pension Scheme under the New Fair Deal Policy. This is a non-statutory policy that sets out how pensions issues are dealt with when staff are compulsorily transferred from the public sector to independent providers delivering public services.

The CSPS is an unfunded multi-employer defined benefit scheme and therefore as long as the required employer (and employee) contributions are paid over each month there is no further liability on the employer in respect of pension benefits for members. Under its Admission Agreement, the Trust has no share of the underlying assets and liabilities.

The scheme actuary valued the CSPS as at 31st March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation at <http://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/>

For 2022/23, employers' contributions of £47,651 (2022: £45,203) were payable to the CSPS at one of four rates in the range 20.0% to 24.5% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2020/21 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Other pensions

Staff members who joined the Trust after 1 April 2018 have the choice of joining NEST, or having employer and employee contributions made to their own existing private pension. Either way, the Trust will make a contribution of 8% of pensionable earnings if the employee contributes 5%. Employers' contributions of £44,873 (2022: £30,792) were paid to other pension providers.

Contributions due to the pension providers at the balance sheet date were £8,150 (2022: £13,808). Contributions prepaid at that date were £nil (2022: £nil).

14a Analysis of net assets between funds (current year)

	General	Designated	Restricted	Total funds
	£	£	£	£
Net current assets	87,000	-	8,623,177	8,710,177
Long term liabilities	-	-	(7,064,610)	(7,064,610)
Net assets at 31 March 2023	87,000	-	1,558,567	1,645,567

14b Analysis of net assets between funds (prior year)

	General	Designated	Restricted	Total funds
	£	£	£	£
Net current assets	104,692	0	7,936,174	8,040,866
Long term liabilities	-	-	(6,132,128)	(6,132,128)
Net assets at 31 March 2022	104,692	0	1,804,046	1,908,738

15a Movements in funds (current year)

	at 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
MOD - £10M Covenant Fund					
MOD - £10M Covenant Fund Central Fund	-17,983	10,416,450	(9,893,916)	(188,000)	316,551
LGBT+ Community Programme				200,000	200,000
Outcomes Measurement Framework	55,818	-	(39,402)	-	16,416
Veterans Trauma Network	161,518	-	-6,728	-60,000	94,790
Evaluation of Covenant Fund programmes	47,627	-	-	-	47,627
Small grants research	70,000	-	-	(65,505)	4,495
Programme evaluation and research	-	-	-125,505	125,505	0
HMT - £10M Veterans' Mental Health and Wellbeing Fund					
HMT - £10M Veterans' Mental Health and Wellbeing Fund Central Fund	828,551	-	(509,390)	-	319,161
Social Prescribing for the Armed Forces community	42,532	-	(35,275)	-	7,257
One Is To Many evaluation	-	-	-	-	-
Evaluation of Veterans' Mental Health and Wellbeing Fund programming	368,730	-	(72,808)	(12,000)	283,922
HMT - £3M Veterans' Community Centres Fund	33,246	-	(33,246)	-	0
Programme evaluation & research			-	-	0
NAAFI Fund	21,208	917,183	(860,893)	-	77,498
OVA Homelessness Fund	-	499,471	(499,471)	-	0
Afghanistan Veterans' Fund	192,196	-	-57,804	-	134,392
Headfit	603	15,130	(995)	-	14,738
MOD Families Fund	-	3,752,000	(3,710,280)	-	41,720
Total restricted funds	1,804,046	15,600,234	(15,845,713)	-	1,558,567
Unrestricted funds:					
Designated funds					
Total designated funds	-	-	-	-	0
General funds	104,692	1,308	(19,000)	-	87,000
Total unrestricted funds	104,692	1,308	(19,000)	-	87,000
Total funds	1,908,738	15,601,542	(15,864,713)	-	1,645,567

15b Movements in funds (prior year)

	at 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
MOD - £10M Covenant Fund					
MOD - £10M Covenant Fund Central Fund	13,742	10,200,000	(10,238,113)	6,388	-17,983
Tackling Loneliness evaluation	106,000	-	(106,000)	-	0
Outcomes Measurement Framework	10,000	-	(4,182)	50,000	55,818
Veterans Trauma Network	-	-	-	161,518	161,518
Evaluation of Covenant Fund programmes	47,627	-	-	-	47,627
Small Grant Research	-	-	-	70,000	70,000
Acute Hospital Settings Data Collection and Evaluation Services	-	-	348,079	-348,079	0
HMT - £10M Veterans' Mental Health and Wellbeing Fund					
HMT - £10M Veterans' Mental Health and Wellbeing Fund Central Fund	655,008	10,000,000	(9,451,457)	(375,000)	828,551
Social Prescribing for the Armed Forces community	70,000	-	(27,468)	-	42,532
One Is To Many evaluation	147,600	-	(147,600)	-	-
Evaluation of Veterans' Mental Health and Wellbeing Fund Programming	-	-	(6,270)	375,000	368,730
HMT - £3M Veterans' Community Centres Fund	68,580	-	(35,334)	-	33,246
Programme Evaluation and Research	-	-	(353,586)	353,586	0
NAAFI Fund	10,909	1,251,308	(1,241,009)	-	21,208
OVA/MOD Covid-19 Impact Fund	36,437	-	-36,437	-	0
Afghanistan Veterans' Fund	-	5,000,000	(4,807,804)	-	192,196
Supporting Armed Forces in Acute Hospitals	-	1,500,000	(1,414,779)	(85,221)	0
Headfit	-	8,480	(7,877)	-	603
Aged Veterans' Fund	15,227	-	(15,227)	-	-
Total restricted funds	1,181,130	27,959,788	(27,545,064)	208,192	1,804,046
Unrestricted funds:					
Designated funds					
Tackling Serious Stress engagement event	5,000	-	(5,000)	-	0
Local Government Delivery of the Covenant Digital Resources - now Strengthening and empowering delivery of the Covenant evaluation and support services	15,290	-	-	(15,290)	0
LIBOR Fund evaluation	23,894	-	(23,894)	-	0
Total designated funds	44,184	-	(28,894)	(15,290)	0
General funds	104,508	193,086	-	(192,902)	104,692
Total unrestricted funds	148,692	193,086	(28,894)	(208,192)	104,692
Total funds	1,329,822	28,152,874	27,573,958	-	1,908,738

15 Movements in funds (continued)

Purposes of restricted funds

Covenant Fund: The Covenant Fund is delivered by the Armed Forces Covenant Fund Trust. It has £10M a year to fund projects that support the Armed Forces community and delivers programmes that align to four core themes of: Removing barriers to family life; Extra support after service for those that need help; Measures to integrate military and civilian communities and allow the Armed Forces community to participate as citizens; and Non-core healthcare services for veterans.

LGBT+ Veteran Community Capacity Building: Designated budget to support transformational approaches to developing support and capacity within the LGBT+ veteran community.

Veterans' Mental Health and Wellbeing Fund: In the Autumn Budget 2018, the Chancellor of the Exchequer announced £10M to support Veterans' Mental Health and Wellbeing needs. The Veterans' Mental Health and Wellbeing Fund has two programmes: the Positive Pathways programme, and the Strategic Pathways programme. Grants were awarded during 2019/20 to projects which will be monitored over three subsequent years.

Veterans' Community Centres Fund: In the October 2018 Budget, the Chancellor of the Exchequer awarded £3M to the MOD to support the repair and refurbishment of community centres run by Armed Forces organisations which continue to provide a focus for veterans and support improvements to health and social outcomes. The MOD asked the Trust to run this programme on their behalf. Grants were awarded during 2019/20 to projects which will be monitored over two subsequent years.

The NAAFI Fund makes grants to UK Armed Forces bases, located in the UK or overseas, for projects that improve the quality of life for serving personnel and serving families living on or near a Forces base or station. The NAAFI Fund comes from funding made available by the Navy, Army and Air Force Institutes (NAAFI). The Armed Forces Covenant Fund Trust is administering the NAAFI Fund on behalf of NAAFI.

OVA/MOD COVID Impact Fund: The Trust administered a £6M funding programme to enable access to services for people from Armed Forces communities through the Covid Pandemic. A panel comprising MOD, the Cabinet Office and Cobseo representatives made decisions on applications.

Afghanistan Veterans Fund: The Trust delivered the £5M Afghanistan Veterans Fund which supports projects for veterans affected by recent conflicts on behalf of the Office for Veterans' Affairs.

Supporting Armed Forces in Acute Hospitals: This programme supports a small number of pilot projects that will try better ways of supporting veterans and their families when they are in a hospital setting. The programme is jointly funded by the Covenant Fund (through the Armed Forces Covenant Fund Trust) and NHS England and NHS Improvement.

Evaluation of Covenant Fund Programmes are funds committed for this purpose but not yet spent.

Social Prescribing For The Armed Forces Community: Funded from Positive Pathways, the Trust has seconded an employee to Northumbria University to develop and deliver resources to support social prescribing for the armed forces and veteran community.

Tackling Loneliness Evaluation: Neighbourly Lab are evaluating the impact of the £4M Tackling Loneliness Programme which funded 60 projects across the UK.

Outcomes Measurement Framework: The Trust works with grantholders to gather impact data using the Outcomes Measurement Framework (also known as the Impact Hub). A further 50k was awarded during 2021/2022.

OVA Families Fund The Trust distributes the Armed Forces Families Fund (AF3) on behalf on the MOD. This fund was created following the launch of the Families Strategy in January 2022.

15 Movements in funds (prior year)

Purposes of designated funds

Covenant Fund: LIBOR Fund evaluation for the continuing work to evaluate the impact of this Fund.

Covenant Fund: Local Government Delivery of the Covenant digital resources. Project delayed until 2020/21.

Covenant Fund: Phase two development of the Trust's website to enable interactivity and hosting of additional resources, postponed to 2020/21.

Covenant Fund: Tackling Serious Stress Engagement Event for grant holders was a key element of the grant monitoring and evaluation programme but was postponed due to the impact of Covid-19 and has now been fully drawn down.

Transfer of funds

The transfer of funds from the Covenant Fund to be used for the purposes of programme evaluation and related programme spend.

16 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023	2022
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	-263,171	578,916
Dividends, interest and rent from investments	(1,308)	(76)
Increase/(decrease) in debtors	1,198,080	-1,357,790
(Decrease)/increase in creditors	(3,831,742)	4,785,465
Net cash provided by operating activities	(2,898,141)	4,006,516

17 Legal status of the Trust

The Armed Forces Covenant Fund Trust is an unincorporated Trust governed by it's trust deed dated 7th February 2018. The Trust has a sole corporate Trustee, Armed Forces Covenant Fund Trustee Limited, company number 11185188. In 2019 the Trust commenced discussions with MOD and Cabinet Office in relation to the Trust becoming a Non Departmental Public Body, this status was confirmed with effect from 1 April 2019.

On behalf of The Armed Forces Covenant Fund Trust we would like to thank all the projects for contributing to this publication.

www.covenantfund.org.uk

Awarding grants that support the Armed Forces community

Armed Forces Covenant Fund Trust | Chair: Helen Helliwell Chief Executive: Anna Wright

The Armed Forces Covenant Fund Trust Limited (CRN11185188) acting as the trustee of the Armed Forces Covenant Fund (CC1177627)

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