

Royal Engineers Central Charitable Trust

Charity number: 1003032



Trustees' report and financial statements

For the year ended 31 December 2024



EMPLOYER RECOGNITION SCHEME

GOLD AWARD 2022

Proudly supporting those who serve

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HOW
WE PERFORMED

Royal Engineers Central Charitable Trust
Reference and administrative details of the charity

REGISTERED NUMBER

1003032

HEAD OFFICE AND REGISTERED OFFICE

Headquarters Royal Engineers
Brompton Barracks
Chatham
Kent
ME4 4UG

INDEPENDENT AUDITORS

Kreston Reeves LLP
2nd Floor
Maritime Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QZ

BANKERS

Lloyds Bank plc
Coxs & Kings Branch
PO Box 1000
London
BX1 1LT

SOLICITORS

Furley Page LLP
39 St Margaret's Street
Canterbury
Kent
CT1 2TX

INVESTMENT MANAGERS

BlackRock Investment Managers
12 Throgmorton Avenue
London
EC2N 2DL

Royal Engineers Central Charitable Trust

Trustees and advisers

Trustees and advisers who served during the year ending 31 December 2024 were as follows:

Lieutenant General Sir Christopher Tickell KBE
Chief Royal Engineer and Chair

Major General Richard Semple CBE
Chair, Corps Finance Committee

Major General Kev Copsey OBE
Representative Colonel Commandant

Major General Nick Cavanagh CB
President, Institution of Royal Engineers

Major General Alastair Dickinson CBE
Chair, Royal Engineers Association

Major General David Southall CBE
Chair, Royal Engineers Museum

Major General Eldon Millar MBE
Chair, Royal Engineers Regimental Affairs Committee

Brigadier Jim Webster
Commandant Royal School of Military Engineering Group

Brigadier Simon Carvel
Commander, 8 Engineer Brigade

Brigadier Irena Dzisiewska
Chief Engineer & Civil Military Co-operation, HQ Allied Rapid Reaction Corps (tenure complete October 2024)

Brigadier Jason Ainley
Chief Engineer & Civil Military Co-operation, HQ Allied Rapid Reaction Corps (assumed post October 2024)

Colonel Dickie Hawkins MBE ADC
Corps Colonel

Colonel Alastair Cooper QVRM TD
Corps Colonel (Reserves)

Warrant Officer Class 1 Spencer Eardley
Corps Sergeant Major

Mrs Dawn Marriott
Non-Executive Director

Mr Russell Lovell
Corps Secretary

Major (retired) Ian Sidebottom
Corps Treasurer

Chair's Review



I would like to welcome you to the Royal Engineers Central Charitable Trust (RECCT) 2024 Annual Report and Financial Statements. The aim of this report is, as well as meeting our mandated legal requirement for audit, to demonstrate to our stakeholders how we protect, manage, and utilise the charity's funds on your behalf.

The enclosed accounts demonstrate the high standard of financial management and governance required by law, managed and monitored by the Corps Finance Committee, and delivered by your staff in the Corps Funds department of Regimental Headquarters Royal Engineers.

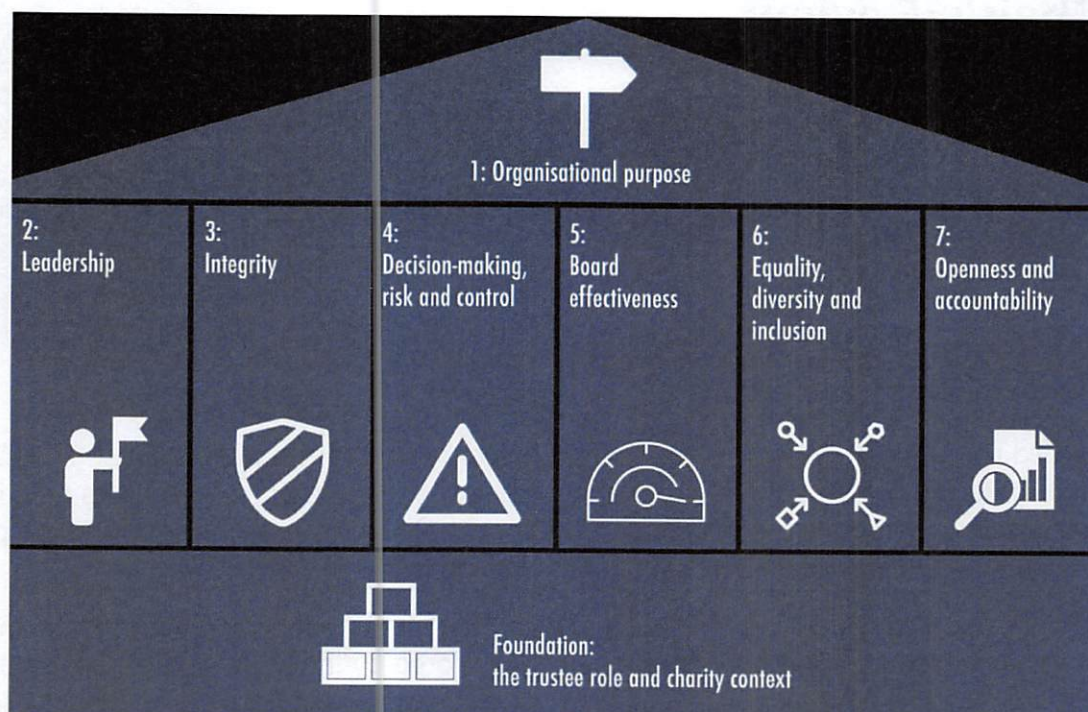
It is pleasing to report that our investments with the BlackRock run Armed Forces Charities Growth & Income Fund have continued to deliver increasing dividend payments. We have therefore been able to continue to increase the level of disbursements in support of the Corps. Our three investment properties continue to add diversity to our portfolio and currently generate around £50,000 per annum, after costs, to be used in support of our charitable aims. We also purchased a fourth property at the end of 2024 which will add to the steady rate of income to supplement our other investments.

Finally, this is my last Annual Report and Financial Statements as Chair of the Corps Finance Committee as I handover to Major General Peter Rowell MBE in 2025. I would like to take this opportunity to record my thanks to the Corps Treasurer and his team, and the Corps Finance Committee, for their hard work and diligence in ensuring the charity remains buoyant and delivers tangible benefits to the Sapper Family.

Once a Sapper, always a Sapper.

Major General Richard Semple CBE

Trustees' Report For the year ended 31 December 2024



The Trustees have reviewed their activities against the criteria set out within the latest (2020) Charity Governance Code (see above) and present their annual report and the audited consolidated financial statements of the charity and its subsidiaries for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out at note 2 to the accounts and comply with the charity's trust deed, the Charities Act 2011, and the Charities SORP FRS 102. Trustees consider that in preparing these financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held). Therefore, the going concern basis of accounting is deemed appropriate and there are no material uncertainties. This is confirmed by the completion of a 'Going Concern Assessment' which was passed to our auditors. The Trustees have appointed professional advisers and other organisations to support them in delivering the charity's objectives. These advisers and organisations are listed on page 1. The Trustees have written agreements in place with each of them.

OBJECTIVES, AIMS AND ACTIVITIES

Armed Forces charities today offer a broad range of services and support to the Armed Forces community which can range from enhancing quality of life through to direct assistance and intervention. Every charity has its own vision, mission, aim, as well as eligibility criteria to support a specific beneficiary group or groups. The objects of the Royal Engineers Central Charitable Trust, which were formally reviewed in 2020, and are reconsidered annually, continue to be:

- *"To promote the efficiency of the Armed Forces and in particular The Corps of Royal Engineers;*
- *To promote the activities of the Royal Engineers Association and the Institution of Royal Engineers, as laid down in their respective Charters;*
- *To foster an esprit de corps in the Royal Engineers;*
- *To relieve either generally or individually necessitous persons being members or former members of the Royal Engineers or the dependants of such persons."*

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

Specific activities for 2024 were set by Trustees against 8 planned budgets. Further details are provided under Achievements and Performance. Trustees achieved their objectives for 2024 through a dedicated secretariat and maintaining annual income from:

- The Day's Pay Scheme (Regular and Reserve);
- Market Investments (dividends) and Investment Properties (rental income);
- Occasional legacies;
- Trading through our subsidiary Limited Company (RECE Ltd).

PUBLIC BENEFIT

The Trustees confirm they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in deciding what activities the charity should undertake. The charity provides public benefit by assisting regular and reserve service personnel in the Corps of Royal Engineers to perform their roles and duties within the British Army more effectively. The charity also supports the veteran community and their families and thus enhances esprit de corps by promoting the concept of support to the Sapper family for life. It does this by providing the support funding for sports, adventurous training, in-house publications, welfare, gatherings, and events. The Charity promotes the efficiency of the armed forces of the Crown by enhancing the British Army's capability to undertake the roles demanded of it including the defence of the UK and its interests. By supporting the wider Sapper family, it assists the Government in fulfilling its promise in the Armed Forces Covenant (which the RECCT signed up to in 2019) to treat Serving personnel, Veterans, and their families fairly. In 2022, for its commitment to serving the Armed Forces community, the RECCT was awarded a Gold Award under the Employer Recognition Scheme (ERS).

In addition to promoting the efficiency of the Army and, in particular, the military efficiency of the Corps of Royal Engineers by promoting Esprit de Corps, the work of the RECCT benefits the public by:

- Allocating 50% of the charitable income it receives from the Day's Pay Scheme to the Royal Engineers Association (REA) whose prime objective is to provide financial assistance to those in need and benevolence cases from serving and former members of the Royal Engineers and their families.
- Providing financial support to the Royal Engineers Museum, which is open to the general public and provides an educational outreach programme.
- Providing financial support to further education via the Institution of Royal Engineers.
- Providing financial support to serving officers and soldiers (Regular and Reserve) participating in sports & games and adventurous training.

ACHIEVEMENTS AND PERFORMANCE

Trustees pursued the following activities against planned and authorised budgets:

1. Continued support to network charities.
2. Promoted esprit de corps throughout the Royal Engineers.
3. The publication of six 'The Sapper' magazines in 2024 (in print and digital format).
4. Financial support to 34 sports and games associations, unions and clubs, and several individuals who participated in high profile sports activities.
5. Maintained the Pension Plan Scheme for private employees compliant with Auto Enrolment legislation.
6. Maintained a 'Regimental Activity' fund of c£120k per annum.
7. Introduced grants to assist the Corps' Female Soldiers (on promotion to Sergeant) to purchase their Mess Kit uniform.
8. Completed the Corps 'flag refresh' programme.
9. Continued grants in support of formal dinners for Senior NCOs attending their Sergeant's Course.
10. Continued grants in support of lunches for Junior NCOs during their Army Leadership Development Programme.
11. Generated income from investments (including investment properties).
12. Provided a retail service (in store, online, and 'on the road') for Corps memorabilia and related items.

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

Supporting Network Charities

The historic Trustee arrangement that allocates a percentage from the Payroll Giving Scheme direct to nominated network charities provided them with the following income:

	2024	2023
	£	£
Royal Engineers Association	429,519	404,923
Institution of Royal Engineers	205,994	198,649
Royal Engineers Museum	50,000	50,000

Grants to Foster Esprit de Corps

Trustees authorised the following grants in 2024:

	2024	2023
	£	£
RE Sports & Games	380,195	333,274
Communications Hub (incl The Sapper Magazine)	70,869	72,920
Esprit de Corps	235,251	226,848

Publishing 'The Sapper' Magazine

Trustees provided £70,869 (2023: £72,920) to fund the Comms Hub publication of an all ranks 'The Sapper' magazine. Some 4,000 copies of The Sapper magazine were published bi-monthly. Free copies of the magazine are sent to Regular Royal Engineer units for the benefit of the officers and soldiers who subscribe to the RECCT. Free copies were also sent to Royal Engineer Reserve units, affiliated Army Cadet units, Royal Engineer officers and soldiers serving in non-Royal Engineer units. The Sapper continues to be well received both by units and individuals, including former members of the Corps and Royal Engineers Association branches, who make a donation. The Sapper provides a focal point in publicising the Corps' activities and in engendering esprit de corps. The Sapper magazine has been remodelled and is now a hybrid, print and digital, publication. The Sapper magazine now sits within the Corps Communications Hub and enhances the Corps' opportunities to deliver consolidated messaging across both social media and print.

Supporting Corps Sports Clubs

Trustees approved financial grants supporting more than 5,000 personnel (serving and veteran) through 34 sports associations, unions, and clubs. The charity also made grants totalling £65,000 in support of the annual Sapper Games, hosted by 39 Engineer Regiment in Kinloss. Sapper Games 2024 attracted 1,500 competitors to take part in 27 sports & Highland Games as well as highlighting wellbeing and mindfulness. Trustees have already approved financial support to Sapper Games 2025 being hosted by 35 Engineer Regiment (EOD&S) in Wimbish.

Optimising Income from the Days Pay Scheme (DPS)

Since 1 April 2007, DPS subscriptions have been collected by a Payroll Giving scheme via the Joint Personnel and Administration (Centre). On 1 April 2007 officers' subscriptions, including an element for their membership of the Institution of Royal Engineers and the Royal Engineers' Association, increased from 150% to 160% of a day's assessable pay per annum. Officers also make a voluntary subscription of 70% of a day's assessable pay to the Royal Engineers Headquarter Mess. Soldiers' subscriptions increased from 100% to 110%. Warrant Officers' and Senior Non-Commissioned Officers' elected to increase their subscriptions from 110% to 115% in August 2010. The 5% increase being used to set up a new designated fund for their use. In 2012 serving soldier subscriptions were increased to 120% and 125%. Reserves officers and soldiers have been able to make annual contributions (12%) via JPA since 2015 which, since 1 October 2023, has been increased to 20%.

**Royal Engineers Central Charitable Trust
Trustees' Report
For the year ended 31 December 2024 (continued)**

Generating Income & Growth from Investments

Investments delivered dividends of £326,923 in 2024 (2023: £333,068). During the period 1 January to 31 December 2024, the performance of the distribution units in the fund was +8.1% (2023: +4.3%) after fees and expenses. Since launch in September 2002, the fund has produced a return of +338.27% cumulative, +6.8% annual (2023: +305.5% cumulative, +6.8% annual). The fund's benchmark since inception has returned +400.0% cumulative and 7.5% annual. Details of the Corps Investment Powers, House and Policy are contained in the Financial Review of this report.

In 2019, the Charity realised investment units and purchased two houses in a local development (previously the site of a Royal Engineers barracks). The rationale being to diversify during a difficult market period whilst generating an additional funding stream, through rental income. Both houses are occupied and generated rental income of £25,546 in 2024 (2023: £25,356). This 4.3% yield is in line with RECCT Trustee direction. The charity completed its purchase of a third property (in the Ebbsfleet Garden City development) in Q1 of 2022 which has, in 2024, generated rental income of £24,350 (a 5.2% yield). Trustees agreed the purchase of a fourth (and final) property in December 2024¹ whilst remaining cognisant of the changes in the property market.

FINANCIAL REVIEW

Summary

The consolidated account generated net expenditure for the charity, before other recognised gains and losses, of £73,931 (2023: net expenditure of £95,239).

The accumulated funds of the Charity increased by £311,686 to £10,474,038 (2023: decreased by £7,426 to £10,162,352). The consolidated funds increased by £300,365 to £10,486,420 (2023 decreased by £8,876 to £10,186,055).

Balance Sheet

Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

Investment Powers

The Trust Deed provides full and unrestricted powers of investment to the Trustees, who sub-delegate investment decisions to a professional Investment House, within the parameters of overall guidance by the Trustees.

Investment House & Policy

RECCT invests in the Armed Forces Charities Growth & Income Fund, managed by BlackRock. The aim of the Fund is to provide a return on investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase to the value of the assets held by the Fund and/or income received from those assets. Further investment details are given in the notes to the financial statements. No additional investment units were purchased in 2024.

Investment Manager's Fund Commentary

This year has been one of transition for BlackRock's Armed Forces Charities Growth & Income Fund, marked by a shift to a global benchmark to capture the broader global opportunity set, and a shift to a total return approach to ensure the long-term security of dividends. We are pleased to see that these changes are already having an increasingly positive effect on the Fund's performance, and we have high conviction in the positioning of the portfolio as we head into 2025. Whilst we are disappointed that the Fund underperformed the benchmark over the course of 2024, the Fund delivered strong absolute returns as well as continued to grow its distribution. In addition, changing the benchmark at the start of the year has been key to improved performance versus peers; already the new benchmark has significantly outperformed the old one.

¹ Contracts exchanged and completed 16 Feb 25.

Royal Engineers Central Charitable Trust
Trustees' Report
For the year ended 31 December 2024 (continued)

More broadly, we continue to take a long-term view when managing the Armed Forces Charities Growth & Income Fund. With this in mind, whilst the fund's underperformance over the short term is disappointing and we have taken steps to address this, our focus remains on safeguarding against permanent losses in capital. We do this by:

- Being diversified across asset classes, sectors, and geographies. We will strive to maintain this diversification even as benchmarks become ever more concentrated;
- Utilizing underlying managers who carry out thorough due diligence and seek to identify companies that have strong balance sheets, competitive advantages, and management teams with a proven track record;
- A strong focus on risk management and downside protection

We were able to maintain our income distribution policy over the course of the year, providing unitholders with a stable and growing income distribution. We increased the distribution in Q1 2024 to 2.25 pence per unit (ppu) and held it constant throughout the year. The Fund will distribute 2.25 ppu for the Q4 2024 distribution (received in January) which would represent 9.0 ppu paid out in 2024, a 5.3% increase in the distribution year-on-year. Our policy going forward, market permitting, is to increase the distribution in respect of the first quarter of every year (in other words, the distribution paid in April) and to then hold it constant for the remainder of the year.

Investment Environment, Social, and Corporate Governance (ESG)

The BlackRock Armed Forces Growth & Income Fund actively seeks out investments they believe are well aligned to the increasing preference for charities to invest in environmentally sustainable companies. These thematic investments not only provide diversification to the Fund but also ensure that client's capital is being used to drive positive change. An example of this within the Fund is the investments in renewable energy and energy efficiency exposures. BlackRock identified renewable energy as a sector that needed capital back in 2013 and which presented a good investment opportunity as well as driving positive environment change. They have also identified energy efficiency as a sector which requires capital in order to help retrofit heating systems in buildings and provide solutions to energy waste, something that will be key to achieving net-zero commitments by 2050. More recently they have allocated to battery storage technology to help address the intermittency issues associated with renewables, in order to facilitate their continued roll-out.

Where BlackRock do hold oil and mining companies, they do so selectively with those companies that have clear and credible plans for a transition to net zero, including investment in renewable energy projects and associated technology. Accelerating the transition to net-zero is critical and will required significant investment in renewables, however, in the interim the world will continue to require fossil fuels to prevent a disorderly transition and the social implications that will have. BlackRock are committed to holding companies to account on issues such as climate change and they leverage their position as a major shareholder to encourage positive environmental and societal change on behalf of their clients.

Reserves Policy

The account posts net expenditure of £73,931 (2023: net expenditure of £95,239) before realised and unrealised gains. Gains on investments amounted to £347,393 (2023: losses of £534), and losses on revaluations of fixed assets were £5,707 (2023: £86,897) giving a positive net movement in funds of £300,365 (2023: negative net movement of £8,876). Trustees review the reserves policy and investments during the annual budgetary cycle.

The Charity is heavily dependent on current members of the Corps supporting the Day's Pay Giving Scheme (c30% of total income). Any major change in the structure or strength of the Corps could impact the levels of future support available to the Sapper Family. The charity relies upon the MoD for administration of the Day's Pay Giving Scheme, provision of infrastructure, utilities, and a proportion of staff costs. If these MoD donated services were to be withdrawn, the charity would suffer an operational shock. The charity's reserves must be able to meet such a shock if it were to occur. With high inflation and deposit rates very low, this year has again highlighted the need to consider ways to mitigate the impact of price and salary increases (wage inflation) on our long-term objectives. The performance of the Charity's investment portfolio is subject to global market movements and, while the present value of the portfolio produces (generally) 30% of total required income, the value and/or dividend income can fluctuate, potentially markedly, due to market volatility. The aim of our Reserves is to ensure the charity thrives and survives.

**Royal Engineers Central Charitable Trust
Trustees' Report
For the year ended 31 December 2024 (continued)**

To mitigate the identified financial risks, adequate reserves are required to meet the Charity's objectives. Reserves should be able to meet potential operational shocks and increases in demands whilst also enabling Trustees to deliver on the Charity's objects. The Charity's commitment is to support the Sapper Family now and particularly in the future. Therefore, Trustees have assessed the level of reserves and related investments required to meet these contingencies and to mitigate against the current risk profile, to be in the range of £10 million. Lastly, high inflation means cash could be losing its value in real terms, so cash reserves are being invested. Current unrestricted reserves are £10,486,420 of which £39,549 is shop stock (2023: £10,186,055 of which £55,173 was shop stock) which Trustees consider is consistent with this policy. £54,555 of our unrestricted reserves are designated funds.

Grant Making Policy

Trustees invite applications from network charities and organisations, external establishments with a past or extant connection to the Corps and from individuals who subscribe to the Days' Pay Scheme who embark on major sporting or challenging pursuits. Details of how to apply for routine or annual grants are communicated in writing to network charities and organisations, briefings to new subscribers or by telephone to the Corps Treasurer. Details of grants made in 2024 are covered under Achievements and Performance.

Remuneration Policy

Privately employed personnel working for the RECCT have their salaries authorised by the appropriate charity committee, agreed by means of an individual employment contract, and are paid from the appropriate charity fund. As far as possible, salary scales are to be linked to the Civil Service pay system with staff placed on the initial 'starters rate' salary for the agreed Civil Service pay band (this to be expressed in their contract of employment). Payment is made through a registered PAYE payroll via the respective charity. Corps Colonel RE is responsible to Trustees for ensuring parity where appropriate. In line with extant Civil Service policy, the charities operate an in-year reward scheme for exceptional performance with Corps Colonel RE as the arbiter for the scheme to ensure parity across all charities. Trustees are not paid by the charity for their services as a Trustee but are reimbursed for expenses incurred during performance of their duties, in accordance with the Trustee's agreed policy.

Equality, Diversity & Inclusion

Our female beneficiaries make up approximately 3% of the serving Corps of Royal Engineers (10% are officers and 2% soldiers) with the Army as a whole being 11.7% female (as at 1 April 2024). Reporting in line with the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017: 63% of RECCT staff are female and 37% male. There is no pay gap between male and female staff who carry out the same job, similar jobs, or work of equal value and there is no ethnicity pay gap. The Corps of Royal Engineers, like the rest of the Army, is proud to be ethnically diverse and inclusive. Lastly, 25% of RECCT employees are veterans or veteran's spouses.

PLANS FOR FUTURE PERIODS

The RECCT plans to:

- Continue to develop the RECCT short, medium, and long-term financial planning and forecasting.
- Continue to maintain the RE Private Pension Plan, in line with Auto Enrolment legislation.
- Monitor, review and refine the RE Days Pay Scheme.
- Assist Royal Engineer units with funds to purchase portraits of Their Majesties King Charles III and Queen Camilla.

SUMMARY

The Trustees remain confident of their ability to continue to meet the Objects of the Charity in the future.

INDEPENDENT AUDITORS

Kreston Reeves LLP remained the Trustees' choice as charity auditor.

**Royal Engineers Central Charitable Trust
Trustees' Report
For the year ended 31 December 2024 (continued)**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trust Deed

The Royal Engineers Central Charitable Trust (RECCT, Charity number 1003032) Trust Deed dated 14 March 1991 was made by the Members of the Chief Royal Engineer's Committee (the Original Trustees). The Trust Deed allowed the Original Trustees to remain as Trustees whilst they continued to serve on the Chief Royal Engineer's Committee. The Original Trustees have been superseded by new Members of the Chief Royal Engineer's Board, all of whom have indicated their willingness and eligibility to serve as Trustees. In 2025, the Trust deed will be revised to reflect the new structure of the Board of Trustees and Finance Committee.

Background

The RECCT combined and superseded the former funds called the 'Royal Engineers Officers' Charitable Fund' and the 'Royal Engineers General Charitable Purposes Fund'. These funds were classified as excepted from registration as charities under the provisions of Statutory Instrument 1965 No.1056 being charities "*wholly or mainly concerned with the promotion of the efficiency of any of the armed forces of the Crown....*" Due to the increasing size of their assets and on advice sought from the Charity Commission, action was taken to draw up a Deed of Trust and to have the RECCT formally registered as a Charity.

ORDERS AND RESOLUTIONS

Based on subsequent resolutions made by the Trustees, the Charity Commissioners have approved:

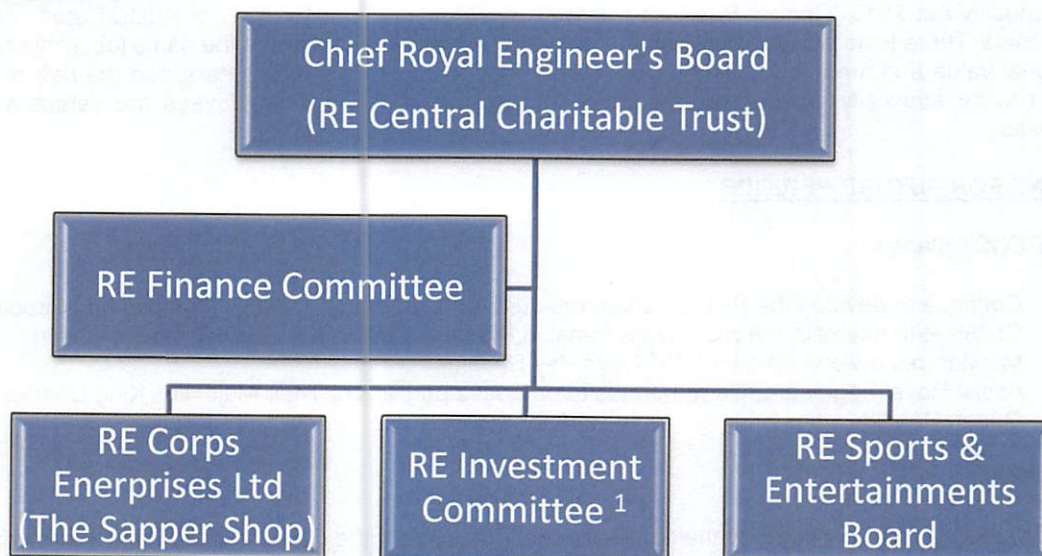
Investment

An Order providing the Trustees power to appoint an investment manager and to delegate to him/her discretionary powers in relation to the Charity's investments.

Indemnity

An order from the Charity Commission authorising the Trustees to provide indemnity insurance for themselves out of the charity funds was issued on 15 September 2001.

ORGANISATION



Note 1: RE Investment Committee dormant (see below).

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

At their quarterly Trustee meetings members of the Chief Royal Engineer's Board agree the broad strategy and areas of activity for the charity, including consideration of grant making, investment, reserves, risk management, HRM policies and performance. The Trustees are served by subordinate committees with delegated responsibility for fulfilling their role, each chaired by a Trustee who is responsible for reporting back to the Chief Royal Engineer's Board. The subordinate committees are:

- RE Finance Committee

In 2009 Trustees approved Terms of Reference for the RE Finance Committee which were reviewed in 2017 as part of The Chief Royal Engineer's governance policy review and again in 2019 as part of the Corps' Quinquennial review. The Committee advises the Trustees on financial policy and the control of funds based on an annual budget system incorporating a five-year forecast.

- RE Investment Committee

This Committee fulfils a combined responsibility together with nominated representative Trustees of the connected charities i.e. The Royal Engineers Association, Charity Nos. 258322 and SC041832, The Institution of Royal Engineers, Charity No. 249882, and the Royal Engineers Vocational Educational Training Trust (REVETT), Charity No. 1068709, to lay down a detailed generic investment policy for the Corps Charities and for informing the investment manager of the extent of the investment powers for each Charity and for all other matters laid down in the Order for the delegation of investment powers. Since joining the Armed Forces Common Investment Fund (AFCIF) the need for regular committee meetings diminished. It is still considered appropriate to remain in the AFCIF (now a CAIF) with future meetings being held at the discretion of the Chair or a convincing request by a committee member.

- RE Sports and Games and Entertainments Board

Responsible for vetting and recommending to Trustees, via the RE Finance Committee, the level of annual grant appropriate to recognised Corps Sports, Games, and other challenging pursuits. Responsible for the annual review and allocation of funds from the Corps entertainment and esprit de corps budgets and for making grant recommendations to Trustees, via the Corps Finance Committee. Responsible for drafting relevant policy (sponsorship etc) for approval by the RE Finance Committee.

RHQ RE

Day to day administration of the RECCT is vested in RHQ RE. Grant applications are processed to the relevant sub-committee by the Corps Treasurer who administers and accounts for approved grants.

TRUSTEES

The Trustees who served during the year are detailed on page 2. Trustees (part of Chief Royal Engineer's Board) held formal meetings in February, July, October, and December 2024. In July they approved the 2023 Statement of Financial Affairs and in December reviewed their 2024 expenditure prior to authorising annual budgets for 2025. The Corps Finance Committee met in June and October.

Appointment of Trustees

New Trustees are invited to hold office after discussion by the appropriate committee and at the personal invitation of the Chief Royal Engineer or his nominated representative. As part of their induction process each Trustee is provided with a copy of the Trust Deed, a copy of the Charity Commission leaflet explaining the responsibilities of Trustees, a locally produced Trustee Handbook and copies of the Charity's fraud policy, conflict of interest policy, whistleblowing policy, and access to previous audited accounts. Each Trustee signs a certificate to confirm their eligibility and willingness to act as a Trustee. In 2024 new Trustees attended formal Charity Trustee Training Programmes (run virtually) and several existing Trustees undertook refresher training. People with Significant Control (PSC) and all Conflicts of Interest (actual or perceived) are recorded in registers held and maintained by the Corps Treasurer.

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

NETWORK CHARITIES

THE ROYAL ENGINEERS ASSOCIATION

The responsibility for undertaking all benevolence work on behalf of the Corps is vested in the Royal Engineers Association (REA). In addition to using their accrued trust funds, investment income and occasional legacies for benevolence purposes, the REA, receive 50% of the Day's Pay Scheme income received by the RECCT for charitable purposes. A separate Trustees' annual report is prepared by the REA together with the Charity's financial statements, Charity Nos. 258332 and SC041832.

THE INSTITUTION OF ROYAL ENGINEERS

The Objects of the Institution of Royal Engineers, as set out in its Royal Charter and Bye-Laws, are to promote and advance the science of military engineering and to promote military efficiency and particularly the military efficiency of the Corps of Royal Engineers. In addition to using their accrued trust funds and investment income for this purpose, the Trustees of the Institution, which routinely includes members of the Chief Royal Engineers Board, receive 71.5% of the income drawn down from serving officer contributions (gathered via payroll giving), and since 2012, received payroll giving scheme contributions from serving WOs & SNCOs (5%) and Junior Ranks (5%). A separate Trustees' Annual Report is prepared by the Institution of Royal Engineers together with the Charity's financial statements, Charity No. 249882.

THE ROYAL ENGINEERS MUSEUM (REM)

Overall control of the Royal Engineers Museum (REM) is vested in the Trustees of the Institution of Royal Engineers. Financial support towards the running costs of the Museum is provided by The Institution of Royal Engineers and the RECCT. Financial control of the Museum is delegated to the Royal Engineers Museum Committee which draws up an annual budget against planned activities for Trustee approval. A separate Trustees' report is included with the Statement of Financial Affairs prepared by the Royal Engineers Museum, Charity No. 295173. In 2024, REM transitioned to a CIO Foundation structure.

TRUST FUNDS OF DISBANDED UNITS AND ESTABLISHMENTS

The Trust Deed dated 8 March 1957 was made by members of the Chief Royal Engineer's Committee (the original Trustees). The Trustees operate under the terms of a Scheme approved and established on 8 March 1957 for the regulation of the Trust Funds of Disbanded Units and Establishments (DUTF) of the Corps of Royal Engineers "Central Charities" comprising:

- Officers' Mess Funds;
- Warrant Officers' and Sergeants' Mess Funds; and
- President of the Regimental Institute (PRI) Funds

On 13 December 2007, the Trustees passed a resolution, subsequently supported by the Charity Commission, to transfer the remaining assets in each fund to a restricted fund within the RECCT. The last separate Trustees' report and statement of financial affairs for the DUTF was issued by the Chief Royal Engineer's Committee in 2007. The final funds from the DUTF were expended in 2023 in support of a Corps-wide (Regular & Reserve) 'flag refresh' programme although the fund will remain open to receive any subsequent income from disbanded RE units.

ROYAL ENGINEERS NETWORK

RE HQ Mess

In 2023, The Royal Engineers HQ Mess was converted from an Excepted Charity (under the provisions of the Charities (Exception from Registration and Accounts) Regulations 1965 (Statutory Instrument 1965 No.1056)) to a Registered Charity, Charity No 1202413.

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

RE Establishments and Units

As well as receiving an annual grant, Royal Engineer establishments and regular/reserve/hybrid units are invited

to seek and justify additional grants to offset the cost of entertainment that they undertake for the benefit of the Corps as opposed to the individual establishment or unit. The Corps Entertainment Committee review each bid and make grant recommendations to Trustees via the Corps Finance Committee. In 2022, to recognise the increased costs involved, the Committee agreed, with effect from 2023, to increase all entertainments grants by 10% and in 2023 agreed to uplift 2024 allocations by a further 10%.

RE Sports Clubs



RHQ RE, through the RE Sports Board, has approved thirty-four Corps Sports & Games Clubs. Each sport and club are managed by a designated Chair, Manager and Treasurer. Club Chairs are invited to seek and justify financial support for their planned activities each year through the RE Sports and Games Board.

RISK MANAGEMENT STATEMENT *What could stop us achieving our aims?*

The Trustees review risks to which the Charity is exposed at each of their meetings. The basis of the review is a Risk Management and Opportunity² Matrix that identifies and defines the risk, its impact and likelihood, and those mitigation measures the Trustees feel need to be applied. The Risk Management Matrix is reviewed annually by the RE Finance Committee and Chief Royal Engineer's Board to satisfy Trustees that appropriate internal controls are in place and remain effective with systems established to mitigate those risks identified.

Key Risks

The two key risks identified to which the charity could be exposed are shown below:

Risk	Consequence	Impact	Likelihood / Trend	Mitigation/Preventative Action
Failure to generate sufficient income to cover planned / known expenditure	<ul style="list-style-type: none">• Failure to deliver outputs• Failure to meet charitable objects• Failure to sustainably finance our people• Members withdrawing from RE Days Pay Scheme (RE DPS)• Loss of credibility and reputation• Degradation of existing capital / investments	Medium	Medium 	<ul style="list-style-type: none">• Robust financial reserves policy and prudent investment• Monitor Corps manning strength and contributions to RE DPS (Regular and Reserves) to identify trends• Produce accurate monthly FOOs• Link budgets to business planning and Charitable Objects• Promote legacy giving and donations• Ensure max long-term occupancy of Corps property portfolio minimising 'void' periods
Significant reduction in Public funding	<ul style="list-style-type: none">• Inability to deliver Chief Royal Engineer's mandated outputs• Corps' charities forced to fund additional staff costs• Inability to preserve and maintain Regimental identity and resilience• Over-reliance on Colonels Commandant	High	Medium 	<ul style="list-style-type: none">• Improve financial planning and forecasting• Promote sponsorship for Sapper Sport• Monitor financial reserves policy• Continue to promote RE Reserves Days Pay Scheme

² Risk and opportunity are two sides of the same coin (Yvan Byajee)

Royal Engineers Central Charitable Trust

Trustees' Report

For the year ended 31 December 2024 (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102) (2019);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Approved by the Trustees
and signed on behalf of the Trustees**



**Colonel RB Hawkins MBE ADC
Trustee**

20th June 2025

Royal Engineers Central Charitable Trust

Independent Auditor's report to the Trustees of the Royal Engineers Central Charitable Trust

We have audited the financial statements of Royal Engineers Central Charitable Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of financial activities, the Consolidated Balance sheet, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2024 and of its income 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 United Kingdom, including the Financial Reporting Council'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. Our opinion on the financial statements does not cover the other information and 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 statement or our knowledge obtained in 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 or a material misstatement of the other information. 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 the fact.

We have nothing to report in this regard.

Royal Engineers Central Charitable Trust

Independent Auditor's report to the Trustees of the Royal Engineers Central Charitable Trust (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 require for our audit.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the 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 the Act and relevant regulations made or having effect thereunder.

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 ISA's (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and sector, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery, and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the audit engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and

Royal Engineers Central Charitable Trust

Independent Auditor's report to the Trustees of the Royal Engineers Central Charitable Trust (continued)

- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

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

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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of 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 my 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 my 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.

Royal Engineers Central Charitable Trust

Independent Auditor's report to the Trustees of the Royal Engineers Central Charitable Trust (continued)

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 anyone other than the charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Samantha Rouse FCCA DChA
for and on behalf of

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chatham Maritime

Date: 20 June 2025

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Royal Engineers Central Charitable Trust

**Consolidated statement of financial activities
For the year ended 31 December 2024**

	Note	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
		£	£	£	£
Income and endowments from:					
Donations and legacies	3	851,469	-	851,469	764,593
Other trading activities	7, 8	199,352	-	199,352	251,581
Investment income	9	381,571	-	381,571	383,501
Charitable activities	10	4,200	-	4,200	4,200
Total income		1,436,592	-	1,436,592	1,403,875
Expenditure on:					
Raising funds	8	206,380	-	206,380	248,256
Charitable activities	11	1,304,143	-	1,304,143	1,250,858
Total expenditure		1,510,523	-	1,510,523	1,499,114
Net income/(expenditure) before gains and losses on investments		(73,931)	-	(73,931)	(95,239)
Net Gain on investments		347,393	-	347,393	(534)
Net gains on revaluations of tangible fixed assets		26,903	-	26,903	86,897
Net movement in funds for the year		300,365	-	300,365	(8,876)
Total funds at 1 January 2024		10,186,055	-	10,186,055	10,194,931
Total funds at 31 December 2024		10,486,420	-	10,486,420	10,186,055

The statement of financial activities includes all gains and losses in the year

All activities relate to continuing operations.

The notes on pages 23 to 38 form part of these financial statements.

Royal Engineers Central Charitable Trust

Consolidated balance sheet

For the year ended 31 December 2024

Charity Number: 1003032

	Note	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	23		211,115		213,129
Investments	24		7,825,425		7,978,032
Investment properties	25		1,316,000		1,295,000
			<u>9,352,540</u>		<u>9,486,161</u>
Current assets					
Stocks	26	39,549		55,173	
Debtors	27	247,290		129,470	
Cash at bank and in hand		887,772		576,550	
		<u>1,174,611</u>		<u>761,192</u>	
Creditors: amounts falling due within one year	28	(40,731)		(61,299)	
Net current assets			<u>1,133,880</u>		<u>699,894</u>
Net assets			<u>10,486,420</u>		<u>10,186,055</u>
Charity Funds					
Unrestricted funds	29		10,486,420		10,186,055
Total funds			<u>10,486,420</u>		<u>10,186,055</u>

The financial statements were approved by the Trustees on 20 June 2025 and signed on their behalf, by:



Major General R J Semple CBE
Trustee



Colonel R B Hawkins MBE ADC
Trustee

The notes on pages 23 to 38 form part of these financial statements.

Royal Engineers Central Charitable Trust

Consolidated balance sheet
For the year ended 31 December 2024
Charity Number: 1003032

	Note	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	23		211,115		213,129
Investments	24		7,825,425		7,978,032
Investment properties	25		1,316,000		1,295,000
			<u>9,352,540</u>		<u>9,486,161</u>
Current assets					
Debtors	27	271,468		158,920	
Cash at bank and in hand		883,922		562,133	
		<u>1,155,390</u>		<u>721,052</u>	
Creditors: amounts falling due within one year	28	(33,892)		(44,861)	
Net current assets			<u>1,121,498</u>		<u>676,191</u>
Net assets			<u>10,474,038</u>	-	<u>10,162,352</u>
Charity Funds					
Restricted funds			-		-
Unrestricted funds			10,474,038		10,162,352
Total funds			<u>10,474,038</u>		<u>10,162,352</u>

The financial statements were approved by the Trustees on 20 June 2025 and signed on their behalf, by:



Major General R J Semple CBE
Trustee



Colonel R B Hawkins MBE ADC
Trustee

The notes on pages 23 to 37 form part of these financial statements.

Royal Engineers Central Charitable Trust

Consolidated Statement of Cash Flows
For the year ended 31 December 2024

	Note	2024	2023
		£	£
Net cash used in operating activities	33	<u>(570,349)</u>	<u>(1,374,711)</u>
Cash flows from investing activities			
Interest and dividends		381,571	383,501
Investment Disposal		500,000	880,000
Cash provided by investing activities		<u>881,571</u>	<u>1,263,501</u>
Cash used in financing activities			
Increase/(Decrease) in cash and cash equivalents in the year		<u>311,222</u>	<u>(99,313)</u>
Cash and cash equivalents at the beginning of the year		576,550	675,863
Total cash and cash equivalents at the end of the year		<u>887,772</u>	<u>576,550</u>

Analysis of changes in net debt

	At 1 Jan 2024 £	Cashflows £	At 31 Dec 2024 £
Cash and cash equivalents			
Cash	<u>576,550</u>	<u>311,222</u>	<u>887,772</u>

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

1 General administrative information

Royal Engineers Central Charitable Trust is an unincorporated charity in England & Wales with the registration number 1003032. The address of the registered office is Headquarters Royal Engineers, Brompton Barracks, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be: to promote the efficiency of the Armed Forces and in particular The Corps of Royal Engineers; to promote the activities of the Royal Engineers Association and the Institution of Royal Engineers, as laid down in their respective Charters; to foster an esprit de corps in the Royal Engineers; and to relieve either generally or individually necessitous persons being members or former members of the Royal Engineers or the dependants of such persons.

2 Accounting policies

2.1 Basis of preparation of financial statements

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).

Royal Engineers Central Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in UK sterling, which is the Charity's financial currency, and rounded to the nearest pound.

No separate SOFA has been presented for the charity alone.

2.2 Preparation of the accounts on a going concern basis

The Trustees assess whether the use of going concern is appropriate, i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Fund accounting

The Charity maintains the following types of funds:

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

General unrestricted funds represent unrestricted funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investment.

Restricted fund for DUTF, which operates under a separate Trust Deed dated 8 March 1957.

2.4 Turnover

Turnover is recognised when counter goods from either the shop or foyer trading are sold or dispatched and invoiced to customers via the company's mail order service.

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

2 Accounting policies (continued)

2.5 Basis of consolidation

The financial statements consolidate the accounts of Royal Engineers Central Charitable Trust and its subsidiary undertaking.

2.6 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The cost of donated services is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. This amount is matched by donated expenditure, apportioned against charitable activities and support.

2.7 Expenditure

Liabilities are recognised as resources as soon as there is an obligation to committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Grants payable to third parties in the furtherance of the charitable objectives of the Trust are always authorised by the Trustees.

2.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and fittings	10% straight line
General Property	10% straight line
Computers	20% straight line

2.9 Investment properties

Investment properties are being long-term assets, which generate income. They are included at market value in accordance with the Statement of Recommended Practice on accounting by charities. Please see note 26 to the financial statements.

2.10 Investments

Investments held as fixed assets are included in the accounts at valuation based on their bid price at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

2 Accounting policies (continued)

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and 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.

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.15 Financial instruments

The charity 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.

2.16 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.17 Tender Policy

Trustees have a tender policy that covers expenditure:

- a. Between £2,500 and £5,000
- b. Between £5,000 and £10,000
- c. Over £10,000

2.18 Taxation

Royal Engineers Central Charitable Trust is a registered charity and accordingly no provision is considered necessary for taxation.

2.19 Critical accounting estimates and areas of judgement

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 Charity does not currently have any significant accounting estimates or areas of judgement.

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
3 Donations and legacies				
Subscriptions (Note 4)	468,333	-	468,333	444,796
Donations (Note 5)	111,608	-	111,608	64,449
Donated services and facilities (Note 6)	271,378	-	271,378	255,348
Government Grants receivable	-	-	-	-
Legacies	150	-	150	-
	851,469	-	851,469	764,593

All Income from Donations and Legacies was unrestricted in 2024 and 2023.

4 Subscriptions

Serving officers' subscriptions	87,696	-	87,696	85,277
Retired officers' subscriptions	11,291	-	11,291	11,807
Soldiers' subscriptions	333,221	-	333,221	314,282
Tax refund - Retired Officers & Reserves	1,520	-	1,520	2,104
Reserves DPS	8,602	-	8,602	5,364
WOs' & SNCOs' (5% subscription)	9,693	-	9,693	9,009
The Sapper Magazine	16,310	-	16,310	16,953
	468,333	-	468,333	444,796

5 Donations & Grants

General	3,033	-	3,033	1,498
WOs' & Sgts' Silver Fund	3,575	-	3,575	2,410
Comms Hub	60,000	-	60,000	60,000
Commercial Donation	-	-	-	541
ASCB Grant	45,000	-	45,000	-
Legacies	150	-	-	-
	111,758	-	111,608	64,449

6 Donated services and facilities

Gas	997	-	997	984
Electricity	1,168	-	1,168	1,154
Water and sewage	472	-	472	466
Community charge	5,915	-	5,915	5,856
Administration utilities	812	-	812	803
MOD salaries	206,606	-	206,606	194,540
Administration salaries	55,408	-	55,408	51,545
	271,378	-	271,378	255,348

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
7 Other trading activities - RECCT				
Advertisements	2,250	-	2,250	2,150
Miscellaneous & graphic sales	12	-	12	333
Project Funding	2,031	-	2,031	2,292
	4,293	-	4,293	4,775

8 Other trading activities - RECE Ltd

	£	£	£	£
Income				
RECE Ltd Sales	195,059	-	195,059	246,806
Expenditure				
Cost of sales	116,567	-	116,567	155,607
Staff costs	60,259	-	60,259	56,556
Postage & telephone	18,101	-	18,101	19,869
Printing & stationery	1,109	-	1,109	2,165
IT costs	3,615	-	3,615	5,841
Miscellaneous	123	-	123	435
Cardnet terminal services	4,392	-	4,392	4,804
Bank charges	231	-	231	587
Professional Fees	104	-	104	-
Depreciation	-	-	-	-
Insurance	1,596	-	1,596	1,342
Audit fee	283	-	283	220
Advertising	-	-	-	830
	206,380	-	206,380	248,256
	(11,321)	-	(11,321)	(1,450)

All income and expenditure on trading activities was unrestricted in 2024 and 2023.

9 Investment income

	£	£	£	£
Dividends	326,923	-	326,923	333,068
Lloyds bank interest	4,752	-	4,752	537
Kitchener & Ebbsfleet Properties	49,896	-	49,896	49,896
	381,571	-	381,571	383,501

Income from investments was £383,571 (2023: £381,501) of which £383,571 was unrestricted (2023: £381,501) and £Nil was restricted (2023: Nil).

10 Income from charitable activities

	£	£	£	£
Burgoyne House	4,200	-	4,200	4,200

All income from charitable activities was unrestricted in 2024 and 2023.

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

	Direct costs 2024	Support costs 2024	Total funds 2024	Total funds 2023
11 Analysis of expenditure by activities	£	£	£	£
Burgoyne House (Note 12)	1,484	-	1,484	1,984
Sports & Games (Note 13)	380,195	84,103	464,298	415,101
Heritage (Note 14)	50,000	-	50,000	50,000
Esprit de Corps (Note 15)	235,251	92,046	327,297	323,756
RE HQ Mess (Note 16)	30,911	-	30,911	29,518
Comms Hub (Note 17)	70,869	183,750	254,619	244,800
WOs' & Sgts' (Note 18)	9,444	24,079	33,523	47,696
RE Corps Enterprises (Note 19)	-	81,735	81,735	77,215
Day's Pay Scheme (Note 20)	-	60,277	60,277	60,788
	778,154	525,989	1,304,143	1,250,858

Expenditure on charitable activities was £1,304,143 (2023: £1,250,858) of which £1,304,143 was unrestricted (2023: £1,250,858) and £Nil was restricted (2023: £Nil).

12 Burgoyne House

Direct costs:	£	£
General Maintenance	1,065	1,165
Land Rent	21	21
Gas contract	398	371
Depreciation	-	427
	1,484	1,984

13 Sports & Games

Direct costs:	£	£
RE Sports Board	383,242	336,268
Refund sports grant from previous year	(3,047)	(2,995)
	380,195	333,273
Support costs:		
Audit Fee	1,364	1,114
Insurance	469	405
Administration	2,041	1,156
IT Support	960	1,227
Depreciation	1,246	6,100
Donated services support costs	8,948	8,385
Donated services MOD Salaries	22,727	21,399
Staff costs	46,348	42,042
	84,103	81,828
	464,298	415,101

14 Heritage

Direct costs:	£	£
RE Museum	50,000	50,000
	50,000	50,000

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

	Total funds 2024	Total funds 2023
15 Esprit de Corps		
Direct costs:	£	£
Donations and presentations	496	1,091
Other Corps events	71,708	86,778
Corps entertainment	52,254	121,530
Colonels Comdt	-	3,286
Clive Beckett Legacy	8,187	1,577
Senior Soldier Uniform Grant	7,008	18,666
Regimental Sctivity Grants	101,784	
Refund of previous years' grant	(6,186)	(6,080)
	235,251	226,848
Support costs:		
Audit fee	2,727	2,228
Insurance	938	809
Administration	4,082	3,860
IT Support	1,920	2,454
Depreciation	2,493	12,200
Donated services support costs	17,896	16,769
Donated services MOD Salaries	45,453	42,799
Staff costs	16,537	15,788
	92,046	96,907
	327,297	323,755
16 HQ Mess		
Direct costs:		
Mess Secretary salary	30,911	29,518

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

	Total funds 2024	Total funds 2023
17 Comms Hub		
Direct costs:		
Printing & distribution	70,567	70,250
Miscellaneous	302	2,669
	70,869	72,919
Support costs:		
Audit fee	1,364	1,114
Insurance	469	405
Administration	3,653	2,664
IT support	8,067	10,370
Depreciation	2,931	1,297
Donated services support costs	9,416	8,848
Donated services MOD Salaries	33,057	31,126
Staff costs	124,793	116,057
	183,750	171,881
	254,619	244,800
18 WOs' & Sgts' Fund		
Direct costs:		
Individual E2 Grants	600	600
Corps Dinner Nights	5,844	1,623
Unit WOs' & Sgts' Mess Nights	3,000	23,000
	9,444	25,223
Support costs:		
Audit Fee	1,364	1,114
Insurance	469	404
Administration	2,041	1,156
Miscellaneous	135	665
IT support	960	1,227
Donated services support costs	8,369	7,813
Donated services MOD salaries	10,330	9,727
Staff costs	411	368
	24,079	22,474
	33,523	47,697
19 RE Corps Enterprises Ltd		
Support costs:		
Donated services support costs	10,821	10,237
Donated services MOD Salaries	64,048	60,307
Staff costs	6,866	6,671
	81,735	77,215

Royal Engineers Central Charitable Trust

**Notes to the financial statements
For the year ended 31 December 2024**

	Total funds 2024	Total funds 2023
20 Day's Pay Scheme		
Support costs:		
Audit Fee	1,364	1,114
Insurance	469	405
Administration	2,041	1,156
IT support	960	1,227
Depreciation	1,246	6,100
Donated services support costs	9,322	8,755
Donated services MOD Salaries	30,991	29,181
Staff costs	13,884	12,850
	60,277	60,788

21 Net Income / (Expenditure)

This is stated after charging:

Depreciation of tangible fixed assets:	£	£
-owned by the charitable group	(80,347)	26,124
Auditor's remuneration	8,182	6,684

During the year, no Trustees received any remuneration (2023: £Nil).

During the year, no Trustees received any benefits in kind (2023: £Nil).

During the year, no Trustees received any re-imbursement of expenses

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

	Total funds 2024	Total funds 2023
22 Staff costs	£	£
Staff costs were as follows:		
Wages and salaries	209,201	195,627
Social security costs	14,260	12,363
Pension costs	16,289	15,304

239,750 223,294

The average number of persons employed by the Charity during the year was as follows:

	No.	No.
Management and administration of the charity	16	17
RECE Ltd	5	6
	21	23

The average headcount expressed as full-time equivalents was:

	No.	No.
Management and administration of the charity	9	9
RECE Ltd	2	2
	11	11

The total employment benefits including employer pension contributions of the key management personnel were £52,617 (2023: £29,518).

No employee received remuneration amounting to more than £60,000 in either year.

23 Tangible fixed assets

Group	Shop fixtures, fittings and equipment £	General fund £	WOs' & Sgts' fund £	Comms Hub property £	Total £
Cost or valuation					
At 1 January 2024	1,074	121,993	186,539	28,814	338,420
Disposals	(1,074)	(73,352)	-	(13,838)	(88,264)
Re-Valuation	-	-	5,903	-	5,903
At 31 December 2024	-	48,641	192,442	14,976	256,059
Depreciation					
At 1 January 2024	1,074	102,342	-	21,875	125,291
Charge for the year	-	4,988	-	2,929	7,917
Disposals	(1,074)	(73,352)	-	(13,838)	(88,264)
At 31 December 2024	-	33,978	-	10,966	44,944
Net book value					
At 31 December 2024	-	14,663	192,442	4,010	211,115
At 31 December 2023	-	19,651	186,539	6,939	213,129

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

23 Tangible fixed assets (continued)

	General fund £	WOs' & Sgts' fund £	Comms Hub property £	Total £
Charity				
Cost or valuation				
At 1 January 2024	121,993	186,539	28,814	337,346
Adjustments	(73,352)	5,903	(13,838)	(81,287)
At 31 December 2024	48,641	192,442	14,976	256,059
Depreciation				
At 1 January 2024	102,342	-	21,875	124,217
Charge for the year	4,988	-	(10,909)	(5,921)
Disposals	(73,352)	-	-	(73,352)
At 31 December 2024	33,978	-	10,966	44,944
Net book value				
At 31 December 2024	14,663	192,442	4,010	211,115
At 31 December 2023	19,651	186,539	6,939	213,129

24 Fixed asset investments

	Listed securities £
Group & Charity	
Market value	
At 1 January 2024	7,978,032
Investment Sold	(500,000)
Revaluations	347,393
At 31 December 2024	7,825,425
Historical cost	7,458,874

Group & charity investments at market value comprise:

	2024 £	2023 £
Listed investments	-	7,978,032

All the fixed asset investments are held i

Material Investments

All invested funds were held in the BLK Armed Forces Charities Growth & Income Fund, managed by Blackrock Investment Managers Ltd.

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

25 Investment properties

	Freehold Investment Property £
Group & Charity	
Valuation	
At 1 January 2024	1,295,000
Re-valuation	21,000
At 31 December 2024	<u>1,316,000</u>
Support Costs	
Annual Fees	<u>1,200</u>
Comprising	
Cost	<u><u>1,316,000</u></u>

During the financial year the Charity incurred costs amounting to £1,200 in the development of the properties held in Chatham & Ebsfleet

The investment properties are valued on an open market value for existing use basis.

	Group		Charity	
26 Stocks:	2024	2023	2024	2023
	£	£	£	£
Finished goods and goods for resale	<u>39,549</u>	<u>55,173</u>	<u>-</u>	<u>-</u>

	Group		Charity	
27 Debtors:	2024	2023	2024	2023
	£	£	£	£
Amounts owed by group undertakings	-	-	25,155	35,002
Other debtors	247,290	129,470	246,313	123,918
	<u>247,290</u>	<u>129,470</u>	<u>271,468</u>	<u>158,920</u>

28 Creditors: Amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Other creditors	<u>40,731</u>	<u>61,299</u>	<u>33,892</u>	<u>44,861</u>

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

29 Statement of funds

Current Year	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Comms Hub	5,642	78,572	(212,146)	131,942	-	4,010
Project Funding	46,973	2,031	-	-	-	49,004
	52,615.00	80,603.00	(212,146)	131,942.00	0.00	53,014
General funds						
RE Central Charitable Trust	9,865,646	1,147,662	(1,082,418)	(131,942)	368,393	10,167,341
WOs' & Sgts' Fund	244,091	13,268	(9,579)	-	5,903	253,683
RECE Ltd	23,703	195,059	(206,380)	-	-	12,382
	10,133,440	1,355,989	(1,298,377)	(131,942)	374,296	10,433,406
Total Unrestricted funds	10,186,055	1,436,592	(1,510,523)	-	374,296	10,486,420
Restricted funds						
DUTF	-	-	-	-	-	-
Total of funds	10,186,055	1,436,592	(1,510,523)	-	374,296	10,486,420

Prior Year	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Comms Hub	8,235	79,436	(204,826)	122,797	-	5,642
Project Fund	44,681	2,292	-	-	-	46,973
	52,916	81,728	(204,826)	122,797	-	52,615
General funds						
RE Central Charitable Trust	9,870,201	1,063,922	(1,020,145)	(122,797)	74,466	9,865,647
WOs' & Sgts' Fund	246,662	11,419	(25,887)	-	11,897	244,091
RECE Ltd	25,153	246,806	(248,256)	-	-	23,703
	10,142,016	1,322,147	(1,294,288)	(122,797)	86,363	10,133,440
Total Unrestricted funds	10,194,932	1,403,875	(1,499,114)	-	86,363	10,186,055
Restricted funds						
DUTF	-	-	-	-	-	-
Total of funds	10,194,932	1,403,875	(1,499,114)	-	86,363	10,186,055

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

30 Analysis of net assets between funds

Current Year	Unrestricted Funds	Restricted Funds	Total funds	Total funds
	2024	2024	2024	2023
	£	£	£	£
Tangible fixed assets	211,115	-	211,115	213,129
Fixed asset investments	7,825,425	-	7,825,425	7,978,032
Investment properties	1,316,000	-	1,316,000	1,295,000
Current assets	1,174,611	-	1,174,611	7,610,192
Creditors due within one year	(40,731)	-	(40,731)	(61,299)
	10,486,420	-	10,486,420	17,035,055

**Analysis of net assets between funds
Prior Year**

	Unrestricted Funds	Restricted Funds	Total funds	Total funds
	2023	2023	2023	2022
	£	£	£	£
Tangible fixed assets	213,129	-	213,129	227,356
Fixed asset investments	7,978,032	-	7,978,032	8,858,566
Investment properties	1,295,000	-	1,295,000	1,220,000
Current assets	761,192	-	761,192	908,295
Creditors due within one year	(61,299)	-	(61,299)	(1,019,286)
	10,186,054	-	10,186,054	10,194,931

Royal Engineers Central Charitable Trust

Notes to the financial statements For the year ended 31 December 2024

31 Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £16,289 (2023: £15,304).

32 Principal subsidiaries

Company name	Country	Percentage Shareholding
Royal Engineers Corps Enterprises	United Kingdom	100

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

	Total funds 2024	Total funds 2023
	£	£
Net movement in funds	300,365	(8,876)
Add back depreciation charge	7,917	26,124
Deduct interest income shown in investing activities	(381,571)	(383,501)
Deduct gains / add back losses on investments	(347,393)	534
Deduct Gain on revaluation of tangible fixed assets	(5,903)	(11,897)
Deduct gain on revaluation of investment property	(21,000)	(86,897)
Decrease (increase) in stock	15,624	7,044
Decrease (increase) in debtors	(117,820)	40,745
Increase (decrease) in creditors	(20,568)	(957,987)
Net cash used in operating activities	(570,349)	(1,374,711)

Royal Engineers Central Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

34 Related party transactions

Brigadier James Webster and Colonel Richard Bouke Hawkins MBE ADC, both Trustees of the Royal Engineers Central Charitable Trust (RECCT) are also Trustees of Royal Engineers Headquarter Mess (RE HQ Mess) for which transactions have taken place during the year. RECCT collected subscriptions income on behalf of RE HQ Mess totalling £160,944 which was transferred during the year. In addition, £2,351 of other reimbursements were made in relation to sundry donations, grants and gift aid. There were also reimbursements to RECCT from RE HQ Mess of £73,849 during the year, relating to recharges of staff salaries and various admin charges. As of 31 December 2024 no balance was owed to RECCT (2023: £nil), and a balance of £23 was owed to RECCT (2023: £nil).

Colonel Richard Bouke Hawkins MBE ADC, CSM Spencer Eardley and Colonel Alastair Cooper QVRM TD, all Trustees of the Royal Engineers Central Charitable Trust (RECCT) are also Trustees of Royal Engineers Vocational Education and Training Trust (REVETT) for which transactions have taken place during the year. RECCT paid £149 relating to sundry recharges and donations, which was transferred during the year. There were also reimbursements to RECCT from REVETT of £49,411 during the year relating to recharges of staff salaries and various admin charges. As of 31 December 2024 no balance was owed from RECCT (2023: £nil), and a balance of £23 was owed to RECCT (2023: £nil).

Brigadier James Webster, Colonel Richard Bouke Hawkins MBE ADC, Colonel Alastair Cooper QVRM TD, Brigadier Simon John Carvel and Major General David W Southall CBE, Trustees of the Royal Engineers Central Charitable Trust (RECCT) are also Trustees of the Institution of Royal Engineers for which transactions have taken place during the year. During the year RECCT collected subscription income on behalf of the Institution of Royal Engineers totalling £443,079 and gift aid of £16,983 which was transferred during the year. A further £276 of other donations and sundry charges were also transferred. As of 31 December 2024 no balance was owed from RECCT (2023: £nil).

During the year, the Institution of Royal Engineers also reimbursed £80,107 to RECCT for recharges relating to salaries and pensions, postage, and other admin costs. As of 31 December 2024 a balance of £23 was owed to RECCT (2023: £nil).

Brigadier James Webster, Colonel Richard Bouke Hawkins MBE ADC, Colonel Alastair Cooper QVRM TD, Brigadier Simon John Carvel and Major General David W Southall CBE, Trustees of the Royal Engineers Central Charitable Trust (RECCT) are also Trustees of the Royal Engineers Museum for which transactions have taken place during the year. During the year RECCT paid The Royal Engineers Museum grants totalling £50,000. In addition RECCT collected subscription income on behalf of the Royal Engineers Museum totalling £7,833 and reimbursed admin charges of £3,750 which was transferred during the year. As of 31 December 2024 no balance was owed from RECCT (2023: £nil).

The Royal Engineers Museum also paid over £75,432 to RECCT during the year in relation to recharges for salaries and pension costs, as well as admin recharges. As of 31 December 2024 no balances were owed to RECCT (2023: £nil).

Colonel Richard Bouke Hawkins MBE ADC and CSM Spencer Eardley, both Trustees of the Royal Engineers Central Charitable Trust (RECCT) are also Trustees of The Royal Engineers Association (REA) for which transactions have taken place during the year. RECCT collected subscription income on behalf of REA totalling £427,394, as well as dividends collected of £21,590 which was transferred to the REA during the year. A further £1,865 of other reimbursements were made to the REA in relation to sundry recharges. As of 31 December 2024, no balance was owed from RECCT (2023: £nil).

The REA also paid £121,916 to RECCT during the year in relation to recharges for salaries and pensions, grants and admin recharges. As of 31 December 2024, no balance was owed to RECCT (2023: £nil).

35 Post balance sheet events

Since the year end the charity has purchased a new investment property for £515,000.