

The Clocktower Foundation
(a company limited by guarantee)

Report & Financial Statements

Year ended 31 December 2025

Contents

Trustees' Report	2
Independent Auditors' Report	8
Statement of Financial Activities	13
Balance Sheet	14
Cashflow Statement	15
Notes to the Financial Statements	16
Legal and Administrative Details	23

THE CLOCKTOWER FOUNDATION

TRUSTEES' REPORT

The Trustees are pleased to present their eleventh annual trustees' report including the financial statements of The Clocktower Foundation (the Foundation or the Charity), which are prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Our principal charitable objects

In summary, our principal charitable objects, for the public benefit, are to:

- promote the efficiency of the armed forces of the Crown and, in particular, the HQ Hereford Garrison (the Regiment), through such means as the Trustees think fit
- advance the health and save the lives of serving personnel and their dependents, in particular those who are serving in the Regiment, through such means as the Trustees think fit
- provide for the relief of need amongst serving personnel, focusing on those who are serving in the Regiment, and their dependents, where that need has arisen, for example, by reasons of ill-health, disability or financial hardship, by such means as the Trustees think fit
- promote the culture and ethos of the Regiment from the viewpoint of serving soldiers.

Our mission and vision

Our mission is to provide support to, alleviate difficulties for, and improve the prospects of all those members of the Regimental family who are in need.

Our strategic goals are to:

- ensure that our structure, governance and administration enable the Foundation to be highly agile, effective, responsive and accountable;
- optimise net income generation, within the ethos of the Regiment;
- build a sufficient capital base, in order to fund annual grant expenditure, whilst maintaining appropriate reserves for unforeseen events;
- ensure that, within the Regimental family, every serving soldier, officer and their families are aware of The Clocktower Foundation, its aims, objectives and activities and also understand that it provides support at times of real need;
- assist our soldiers and officers to remain fighting fit;
- support and reinforce community cohesion and morale of the Regimental family;
- improve and promote opportunities for education;

- play a role in Regimental capital investment projects in accordance with the Charity's purpose

Fundraising

In 2025, our fundraising activities continued to rely on dinners and sporting events held by or on behalf of the Regiment. We also continued to engage with individuals who are referred to us by existing supporters, and were reasonably successful in attracting a number of those as new donors in 2025.

Our strategic objective of increasing our reserves such that at least half of our income each year can be generated from our investment portfolio was launched towards the end of 2022. This was focused on identifying and attracting a small number of high net worth individuals who would donate £1 million each and become members of the Cornerstone Club. We were successful in bringing the first member of the Club on board towards the end of 2022 and three further members joined this Club in 2023. A further three members joined in 2024. No new members joined in 2025, although there are two individuals who have stated their intentions of joining the Club and are doing so through a number of sizeable donations over a period of years.

The Charity does not engage in any public fundraising activities.

No complaints have been received with respect to fundraising activities.

Grants

Our policy is, to the extent allowed by our financial resources, to meet all reasonable requests of support from the Regiment that fall within our objectives. Our annual budget and forward plans give us confidence that we can identify the broad scale of such grant requests in advance and therefore be able to meet them, barring large unforeseen events. Material grants are approved by the Trustee board as a whole. The authority to award smaller grants is delegated to senior members of the Regiment, but these grants are reported to, and reviewed by, the Trustees at the subsequent Board meetings. No grant requests were turned down in 2025.

In addition to the capital projects, we continue to group grants under the headings of:

- *Fighting fit*, relating to medical and rehabilitation costs, psychological wellbeing and adventure training
- *Community cohesion*, relating to support for dependents (e.g. childcare and life experiences for children), Regiment social events and welfare assistance
- *Education*, relating to in-service learning, resettlement training and education and support for the Regimental Museum

Financial Review of the Year

Income of £2,973k (2024: £4,122k) was received from donations, Regimental fundraising, gift aid and investment income.

Direct costs of raising funds were nil. (2024: £nil). Support costs for the period were £142k (2024: £171k).

Total grants approved during the year were £1,463k (2024: £1,424k).

At the year-end, of the total gross assets of £16,324k (2024: £14,123k), £518k (2024: £4,571k) was held in cash. The balance is represented by holdings in a number of investment funds, as discussed further in the Investment Policy section below.

Unrestricted free reserves rose from £14.0m at the beginning of the year to £16.1m at the end of the year. Restricted reserves were nil in both years.

Financial Outlook

We have reasonable visibility of donation income and of funds from income generating activities. Our fundraising strategy is also being further developed to assist us in establishing a larger and more sustainable platform of donors in accordance with the long term objectives of the Charity, and we have already commented on the early success of our Cornerstone Club initiative. We have confidence that the Charity is well placed to meet its ongoing needs in the short term and beyond.

We believe that demands for support from the Regiment will continue to grow, albeit modestly, from the current level of £1.4m per annum.

So, we are sufficiently funded to meet our current and foreseeable obligations, not just for 2026, but also beyond that period.

In coming to the conclusion that the Charity was entitled to account on a going concern basis, the Board took full account of all of the uncertainties it was facing.

Risk Management

The Trustees recognise the importance of establishing and maintaining an appropriate system of risk management. Although the full Trustee Board is responsible for managing these risks, they have requested the Audit & Risk Committee, which has the most appropriate skills and experience, and the Chief Executive, who is also experienced in this area, to advise them.

There are two risks which are considered to be material, based on the combination of likelihood of occurrence and seriousness of impact was it to occur. One is that of a material and long-lasting fall in the stock market values – since most of our reserves are held in the form of equity investments. There have been substantial fluctuations in recent years, principally due to the outbreak of COVID-19, and the Russian invasion of Ukraine. Based on

the information available to that Committee, it informed the Board that in its opinion the long-term outlook remained positive and that therefore there should be no change in the investment strategy for the time being.

The second material risk is a significant fall in fundraising. We have a reasonably broad donor base, so although we could be adversely impacted by the loss of one or two of our larger donors, overall we believe we have a resilient income base – from dinners, sporting events and individual donations, as well as possible further members of the Cornerstone Club.

Structure, Governance and Management

See page 23 for the legal and administrative details which form part of this report.

The Charity has identified a series of policies which are appropriate for an organisation of its size and purpose, and these are now all in place. Amongst these is the policy for recruitment of trustees. This policy aims to recruit people with the necessary blend of skills and background to enable the charity to meet its aims, with the majority of trustees having had no prior roles with the Regiment.

All new trustees are given an induction programme by the CEO and by the Regiment, and are also given appropriate external material on the roles and responsibilities of trustees.

Jamie Ritblat joined the board in December 2025. Rob Whitehouse resigned as a director on 8 June 2026. The board wishes to acknowledge the service he has given to the Clocktower Foundation over the many years of his service. Simon Davis was appointed to the board on the same date.

The Board met five times in 2025 (2024: five). Most meetings were held face to face and the remainder by videoconference. Agendas and papers are circulated in advance of meetings, with formal minutes being circulated after each meeting. The Chief Executive and representatives from the Regiment are invited to attend all meetings.

The Board is supported by committees, which have written terms of reference. These are:

- Audit & Risk
- Investment
- Nominations

Previously, there were also a grant making and a development committee. However, since all members of the board sat on both committees, their work has now been subsumed within the routine board activities.

Reserves Policy

Reserves are held to ensure that the Charity can meet its commitment to support the Regiment. The trustees have developed a formal policy they review annually. In November 2025, the trustees determined that a minimum level of reserves appropriate to the Charity at

that time was £6.0m. Unrestricted and free reserves at the year-end were £16.1m, so this minimum level was comfortably achieved. The Trustees will continue to review this minimum reserve policy annually, in the light of changing circumstances. As part of our medium term strategy, we are seeking to reach a position whereby a meaningful proportion of our annual increase our reserve level significantly over the next three to five years, to somewhere in the region of £20-25m, such that our reserves can generate half to two thirds of our annual grant expenditure.

Investment Policy

The policy on investment was comprehensively reviewed in 2016, as a result of which BlackRock were reconfirmed as investment managers. We repeated this exercise in late 2024 as a result of which the decision was made to end the relationship with Blackrock. New agreements were entered into with Waverton Investment Management (now w1m) and Cazenove Capital. At the beginning of 2024 we also commenced a relationship with Citadel, via their Kensington Fund. We added substantial funds to this fund at the very end of 2024. We also have a £1 million holding in an unquoted oil and gas fund, which is a result of a donation by a member of the Cornerstone Club. The Investment Committee reviews the performance of each manager on a regular basis, including face to face meetings with them, where appropriate.

No investment management charges are shown in the accounts as these costs are embedded in the performance of the respective funds, so we have no means of knowing the exact amount charged.

The trustees do not have a specific ethical policy with respect to investments held. However, the respective fund managers have certain Environmental, Social and Governance (ESG) criteria that they employ as part of their risk management process

Statement of Trustees' Responsibility

The Trustees (who are also directors of The Clocktower Foundation for the purposes of company law) 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). Company law 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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

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

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

In so far as the Trustees are aware:

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

Appointment of Auditors

SMH Group have indicated their willingness to continue in office and a resolution to reappoint them as auditors will be proposed at the Annual General Meeting.

Approval

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board of Trustees on 9 June 2026 and signed on its behalf by:

Matthew Westerman, Chairman of Trustees

Jamie Ritblat, Trustee

THE CLOCKTOWER FOUNDATION
INDEPENDENT AUDITORS' REPORT
YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of The Clocktower Foundation (the 'charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going

THE CLOCKTOWER FOUNDATION
INDEPENDENT AUDITORS' REPORT
YEAR ENDED 31 DECEMBER 2025

concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

THE CLOCKTOWER FOUNDATION
INDEPENDENT AUDITORS' REPORT
YEAR ENDED 31 DECEMBER 2025

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

THE CLOCKTOWER FOUNDATION
INDEPENDENT AUDITORS' REPORT
YEAR ENDED 31 DECEMBER 2025

Our assessment of the susceptibility to material misstatement, whether by fraud or error, is made in a risk based approach.

In this approach, laws and regulations applicable to the entity, such as the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102, Charities SORP, along with employment law, safeguarding legislation, data protection law and Health and Safety law. The policies and controls the entity has in place to comply with these laws are **reviewed**, by discussion, reviews of correspondence and registrations monitored by external bodies. The engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Policies and controls relating to the risk of material misstatement as a result of fraud, management override of controls, and revenue recognitions are also considered. These are assessed by obtaining an understanding of the company's operations and control environment. The policies and controls have been reviewed by discussion, review and sample testing of accounting entries, including valuation of investments, challenging assumptions and judgements, reviewing and evaluating related parties transactions, and wider background searches. Testing of income recognition and fund accounting is also completed.

We have ensured that the engagement team have appropriate levels of competence and experience to effectively monitor these risks and carry out work relevant to our assessment of each risk, including consideration of the sector the company operates in and its size and complexity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

THE CLOCKTOWER FOUNDATION
INDEPENDENT AUDITORS' REPORT
YEAR ENDED 31 DECEMBER 2025

James Salim FCCA (Senior Statutory Auditor)
for and on behalf of SMH Group Audit
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date:

THE CLOCKTOWER FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and
expenditure account)
YEAR ENDED 31 DECEMBER 2025

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Notes	Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£
		2025	2025	2025	2024	2024	2024
Income from:							
Donations	4	2,967,236	0	2,967,236	4,122,336	0	4,122,336
Investments		6,073	0	6,073	0	0	0
		-----	-----	-----	-----	-----	-----
Total income		2,973,310	0	2,973,310	4,122,336	0	4,122,336
Expenditure On:							
Raising Funds	5a	14,245	0	14,245	17,117	0	17,117
Charitable Activities	5b to 5d	1,590,993	0	1,590,993	1,577,905	0	1,577,905
		-----	-----	-----	-----	-----	-----
Total expenditure		1,605,238	0	1,605,238	1,595,021	0	1,595,021
Net income/(expenditure) before gains/(losses) in investments		1,368,072	0	1,368,072	2,527,315	0	2,527,315
Net (losses)/gains on investments		786,110	0	786,110	983,178	0	983,178
		-----	-----	-----	-----	-----	-----
Net income/(expenditure) and movement in funds		2,154,182	0	2,154,182	3,510,493	0	3,510,493
Total funds brought forward		13,982,851	0	13,982,851	10,472,358	0	10,472,358
		-----	-----	-----	-----	-----	-----
Total funds carried forward		16,137,033	0	16,137,033	13,982,851	0	13,982,851
		=====	=====	=====	=====	=====	=====

The statement of financial activities includes all gains and losses recognised in the accounting period.

All income and expenditure derives from continuing operations.

THE CLOCKTOWER FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2025

	Notes	2025	2024
		£	£
FIXED ASSETS			
Investments	6	15,781,902	9,551,616
CURRENT ASSETS			
Debtors - Donations		24,250	0
Accrued income - Legacies		0	0
Cash at bank and on deposit		518,252	4,571,235
		-----	-----
		542,502	4,571,235
CURRENT LIABILITIES			
Amounts falling due within one year	7	187,371	140,000
		-----	-----
NET CURRENT ASSETS		355,131	4,431,235
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		16,137,033	13,982,851
LIABILITIES			
Amounts falling due after more than one year		0	0
		-----	-----
NET ASSETS	8 & 11	16,137,033	13,982,851
		=====	=====
FUNDS			
Restricted Funds		0	0
Unrestricted Funds		16,137,033	13,982,851
		-----	-----
	8 & 11	16,137,033	13,982,851
		=====	=====

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 9 June 2026
and signed on their behalf by:

Matthew Westerman
Trustee

Jamie Ritblat
Trustee

Company number: 09351193

The notes on pages 16 to 22 form part of the financial statements.

THE CLOCKTOWER FOUNDATION
CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2025

	2025	2024
	£	£
Cashflows from operating activities:		
Net income/ (expenditure)	2,154,182	3,510,493
(Gains)/Losses on investments	(786,110)	(983,178)
Interest and investment income earned	(6,073)	0
(Increase)/ decrease in debtors	(24,250)	10,284
Increase/ (decrease) in creditors	47,371	38,970
	-----	-----
Net cash (outflow)/inflow from operating activities	1,385,120	2,576,569
Cashflows from investing activities:		
Investment Income	6,073	0
Purchase of investments	(12,982,002)	(3,996,651)
Disposal of Investments	7,537,827	3,078,977
	-----	-----
Net cash (outflow)/inflow from investing activities	(5,438,102)	(917,674)
	-----	-----
Change in cash and cash equivalents in reporting period	(4,052,982)	1,658,895
Cash and cash equivalents brought forward	4,571,235	2,912,342
	-----	-----
Cash and cash equivalents carried forward	518,253	4,571,235

THE CLOCKTOWER FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2025

1. Accounting policies

Accounting convention

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of the income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern and the latest management accounts show results are in excess of the budget and with a positive cashflow. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined under FRS 102. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The presentational and functional currency is the British £.

Fund Accounting

Restricted funds represent donations where the donor has specified they are to be used for a particular purpose. All other funds are classified as unrestricted.

Income

Incoming resources are recognised when the Charity is entitled to the income, its receipt is probable and it can be measured with reasonable certainty. Donations, and any related gift aid, are recognised when the Charity has been notified in writing of both the amount and the settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. All of this applies equally to donations received through legacies.

Interest on funds held on deposit and investment income is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest or income being received or receivable.

Where services are provided to the Charity on a pro bono basis, the deemed value is treated as income, with an equal and opposite figure taken as a support cost. The value ascribed is that which the Charity would have paid had it purchased the service from a third party.

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Support costs are allocated to activities based on time spent.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant. The notification gives the recipient a reasonable expectation that they will receive a one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside of the control of the Charity.

Taxation

The Foundation is a registered charity and as such is not liable to corporation tax on its income derived wholly from charitable activities.

Irrecoverable VAT is not separately analysed and is charged to the Statement of Financial Activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Tax recovered from eligible income received under gift aid is recognised when the related income is receivable and is included within donations.

Investments

Fixed asset investments are included at market value at the balance sheet date.

Gains and losses arising on the disposal of investments and the revaluation to market value are charged or credited to the statement of financial activities in the year.

Financial Instruments

The Foundation 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.

Judgements and Estimates

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

The trustees consider the only notable area of judgement to be the value of gifts in kind received. The value of these is provided by the donor where possible or, where not possible, included at a reasonable estimate by the trustees.

2. Trustees' Expenses

No Trustees have been paid any remuneration or received any other benefits from any employment with the Charity (2024: £nil). No trustee received any reimbursement of expenses (2024: £nil). £1,870 was paid for trustee liability insurance (2024: £1,464).

3. Employees and remuneration of key management personnel

There were no employees during the period. The Chief Executive's services, on a part-time basis, were supplied under contract. The total amount paid in respect of the Chief Executive's services in the period was £95,288 (2024: £104,363). The 2024 figure included a one-off bonus of £25,000 in recognition of exceptional performance in 2023 and 2024. All administrative support was provided by consultants or professional advisers.

4	Donations	2025	2024
		£	£
	Donations	2,842,549	3,905,203
	Gift Aid	124,688	217,133
	Donations in Kind	0	0
		-----	-----
		2,967,236	4,122,336
		=====	=====

5a	Analysis of expenditure on raising funds	2025	2024
		£	£
	Direct cost of raising funds	0	0
	Allocated support costs (see 5b below)	14,245	17,117
		-----	-----
		14,245	17,117
		=====	=====

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

5b	Analysis of expenditure on charitable activities	2025	2024
		£	£
	Support costs	142,451	171,165
	Less allocated to costs of raising funds	(14,245)	(17,117)
	Grants	1,462,787	1,423,856
		1,590,993	1,577,905

5c	Analysis of support costs	2025	2024
		£	£
	Audit fee	4,800	4,500
	Chief Executive's services	95,288	104,363
	Other support costs	42,363	62,302
		142,451	171,165

5d	Grants	2025	2024
		£	£
	Grant-making activities		
	Fighting Fit	537,818	524,557
	Community Cohesion	742,003	803,196
	Education	182,966	96,103
		1,462,787	1,423,856

Of the £1,462k of grants approved in the year, £867k were made directly to or on behalf of the Regiment and the remaining £595k related to grants made directly to serving members. In 2024, of the £1,424k grants approved in the year, £825k were made directly to or on behalf of the Regiment and the remaining £599k related to grants made directly to serving members.

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

6	Investments	2025	2024
		£	£
	Balance brought forward	9,551,617	7,650,764
	Realised and unrealised gain/(loss) in year	786,110	983,178
	Disposals	7,537,827	3,078,977
	Additions	12,982,002	3,996,651
		15,781,902	9,551,617

7	Liabilities: Amounts falling due within one year	2025	2024
		£	£
	Grants payable	178,653	110,500
	Accruals	8,719	29,500
		187,371	140,000

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

8	Analysis of Net Assets Between Funds			
	Current year	Unrestricted	Restricted	2025 total
		£	£	£
	Investments	15,781,902	0	15,781,902
	Current Assets	542,502	0	542,502
	Current Liabilities	(187,371)	0	(187,371)
		-----	-----	-----
	Total	16,137,033	0	16,137,033
		-----	-----	-----
	Comparative year	Unrestricted	Restricted	2024 total
		£	£	£
	Investments	9,551,616	0	9,551,616
	Current Assets	4,571,235	0	4,571,235
	Current Liabilities	(140,000)	0	(140,000)
		-----	-----	-----
	Total	13,982,851	0	13,982,851
		-----	-----	-----

9 Members and Liability

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is £1 per member of the Charity. All Trustees, and only Trustees, are members of the Charity.

10 Related Parties

During 2025, there were donations in cash from trustees of £105k (2024: £72k).

THE CLOCKTOWER FOUNDATION
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2025

11 Analysis of Funds

	Opening balance	Income (including investment gains/losses)	Expenditure	Closing balance
	£	£	£	£
	2025	2025	2025	2025
<u>Unrestricted Funds</u>				
Unrestricted - general	13,982,852	3,616,968	1,462,787	16,137,033
	-----	-----	-----	-----
Total unrestricted	13,982,852	3,616,968	1,462,787	16,137,033
<u>Restricted Funds</u>				
	-----	-----	-----	-----
Total restricted Funds	0	0	0	0
	-----	-----	-----	-----
Total funds	13,982,852	3,616,968	1,462,787	16,137,033
	=====	=====	=====	=====
	Opening balance	Income (including investment gains/losses)	Expenditure	Closing balance
	£	£	£	£
	2024	2024	2024	2024
<u>Unrestricted Funds</u>				
Unrestricted - general	10,472,358	4,934,350	1,423,856	13,982,852
	-----	-----	-----	-----
Total unrestricted	10,472,358	4,934,350	1,423,856	13,982,852
<u>Restricted Funds</u>				
	-----	-----	-----	-----
Total restricted Funds	0	0	0	0
	-----	-----	-----	-----
Total funds	10,472,358	4,934,350	1,423,856	13,982,852
	=====	=====	=====	=====

Trustees

The Trustees, who are also directors under company law, who served during the year ended 31 December 2025 and up to the date of this report were as follows:

James Eyre	
Baroness Lorraine Fullbrook	
Hugo Farmer	
Matthew Westerman	Chairman
Robin Whitehouse	(Resigned 8 June 2026)
Jamie Ritblat	(appointed 4 December 2025)
Simon Davis	(appointed 8 June 2026)

The trustees have been selected on the basis of relevant professional expertise and, in some instances, knowledge of the Regiment. All have been appointed on open-ended letters of appointment, with no provision for remuneration.

Chief Executive

Michael Kayser

Administrative Details

Registered and Principal Office

The Clocktower Foundation
7 Bell Yard
London WC2A 2JR

The charity is a private company limited by guarantee in the United Kingdom (number 09351193), governed by its Memorandum and Articles of Association, dated 11 December 2014, and updated on 31 October 2017. It is registered as a charity with the Charity Commission (number 1160041).

Auditors: SMH Group Audit 5 Westbrook Court, Sharrowvale Road, Sheffield, S11 8YZ

Bankers: Barclays Bank, Leicester, LE87 2BB

Solicitors: Trowers & Hamlins, 3 Bunhill Row, London EC1Y 8YZ