Air Cadet Charity CIO

England & Wales · Charity number 1160910

Details

Other names	THE AIR TRAINING CORPS GENERAL PURPOSES FUND CHARITABLE INCORPORATED TRUST CIO, AIR CADETS CORPS GENERAL PURPOSES FUND
Status	Registered
Legal form	CIO
Registered	2015-03-16
Register	View on the Charity Commission register

Contact

Address	Royal Air Force Cranwell Sleaford NG34 8HB
Phone	01400 214021
Email	info@aircadetcharity.org.uk
Website	www.aircadetcharity.org.uk

Activities

Objects: THE OBJECTS OF THE CIO ARE TO CARRY ON SUCH CHARITABLE PURPOSES AS THE CHARITY TRUSTEES FROM TIME TO TIME THINK FIT FOR THE BENEFIT OF AIR TRAINING CORPS AND CADETS; AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING TO PROVIDE SUPPORT AND ACTIVITIES FOR YOUNG PEOPLE WHICH DEVELOP THEIR SKILLS, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS MATURE AND RESPONSIBLE INDIVIDUALS.

Activities: The charity supports charitable purposes for the benefit of cadets and personnel of the Air Training Corps by providing grants and funding for activities that fall within the following categories and align to the RAF Air Cadets vision: Aviation, Adventure training, Exploiting technology, Immersive training, Enhance education, Improve employability, Health and wellbeing, Welfare.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Amateur Sport, Armed Forces/emergency Service Efficiency, Other Charitable Purposes
- **Who:** Children/young People, The General Public/mankind

Geography

- Cyprus
- Germany
- Gibraltar
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,108,567	£1,033,199	£5,178,017	2
2024-03-31	£1,186,455	£692,031	£5,076,848	1
2023-03-31	£961,337	£517,653	£4,477,730	1
2022-03-31	£792,817	£438,480	£4,100,501	0
2021-03-31	£51,247	£392,087	-	-

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Trustees

Name	Role	Appointed
Mark Osman	Chair	2022-11-09
Abigail Lamb		2025-09-25
Darryn Rawlins OBE		2025-09-25
Hemma Gooljar		2025-09-25
Hetna Patel		2024-10-13
Julian Van Loxton		2025-09-25
Kevin Limbert		2025-09-25
Martin Hoare		2026-03-18
Norman Murray CBE		2024-03-27
Oliver Jones-Davies		2022-11-09
Sally Fernandes		2025-09-25
Victoria Sarah Gridley		2023-11-24

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Air Cadet Charity CIO

England & Wales - Charity number 1160910

Accounts

REGISTERED CHARITY NUMBER: 1160910

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2025

for

Air Cadet Charity CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Air Cadet Charity CIO

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Air Cadet Charity CIO

Report of the Trustees
for the Year Ended 31 March 2025

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2025. The Trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The Objects of the Air Cadet Charity are to carry out such charitable purposes as the Charity Trustees from time-to-time think fit for the benefit of personnel of the Air Training Corps (ATC) and Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

Activities for Achieving Charitable Purpose

As an independent grant-making charity, the Air Cadet Charity supports the Royal Air Force Air Cadets (RAFAC or RAF Air Cadets) to deliver activities and projects that contribute to the development of young people. During the financial year ended 31 March 2025, grants were awarded to the Air Cadet Organisation, as well as its Regions, Wings, and Squadrons, to fund projects within the following key areas:

• **Aviation**: Grants funded projects focused on developing aviation skills, including the procurement of Remotely Piloted Aircraft Systems (Drones).

• **Adventure Training:** Funds were provided for a variety of adventure training activities, including activity centre fees and licences, overseas and UK expeditions, and the purchase of essential equipment and water sports activities.

• **Exploiting Technology:** The Charity provided grants to enable the acquisition of digital enablement licences for Chrome OS and new IT equipment for Squadrons.

• **Immersive Training**: Funding was provided for immersive and interactive training equipment, such as Xboxes and VR headsets, to be used at Squadron visits, Wing camps, national specialist training events, and public-facing air shows.

• **Enhance Education**: Grants supported a wide range of educational initiatives, including music training and equipment, Scottish qualification awards (SQA), Business and Technology Education Council qualification (BTEC) awards, Crest awards, Level 3 extended project qualifications (EPQs), Level 2 sustainability qualifications, as well as first aid training and equipment, and educational visits.

• **Improve Employability**: We provided funding for a variety of qualifications and leadership development programmes, including Duke of Edinburgh's Award Scheme (DofE) costs, Cadet Force Adult Volunteer (CFAV) training, the International Air Cadet Exchange (IACE) programme, and the National Air and Space Camp.

• **Health and Wellbeing**: Grants supported initiatives that promote physical and mental wellbeing, including RAFAC Sports Leaders courses, Regional sports grants, RAFAC trophies and awards, and shooting association memberships and competitions.

• **Welfare**: The Charity funded essential welfare initiatives, including Personal Accident and overseas insurance cover for all adults and cadets, the provision of Starlink capability for all Regions, Cadet Centre improvements, clothing for RAFAC activities, and subsistence for Squadron visits.

VISION, VALUES AND PUBLIC BENEFIT

The Air Cadet Charity Vision is:

• **Access for all** - to ensure opportunities are accessible to all ATC personnel and Cadets, regardless of their background or circumstances.

• **Enhanced self-confidence and responsibility** - to help young people build self-confidence, resilience, and a sense of responsibility through challenging and rewarding experiences.

• **Enhanced interpersonal skills** - to support the development of strong interpersonal skills, teamwork, and leadership abilities through collaborative projects and shared experiences.

The Air Cadet Charity Values:

• **Committed** - dedicated to fulfilling our promises and ensuring that cadet funds are used to benefit cadets.

• **Inclusive** - promoting equity and ensuring that everyone has equal opportunities to participate and benefit.

• **Responsive** - responding effectively to changing needs and using insights to inform our decisions.

• **Transparent** - open and honest in our communication, providing clear information about our activities and the use of funds.

• **Innovative** - forward-thinking and committed to exploring new ideas to enhance our support efforts.

• **Integrity and Moral Courage** - committed to doing the right thing, always.

Public benefit
The Air Cadet Charity operates for the public benefit in accordance with the Charity Commission's guidance. Our core purpose is to provide financial support to the RAF Air Cadets, enabling them to deliver a wide range of beneficial activities and projects that foster the personal development of young people aged 12 to 19.

By providing grants for activities in areas such as aviation, adventure training, education, and health and wellbeing, the Charity directly contributes to a clear and tangible public benefit. This support also extends to the dedicated adult volunteers who are crucial to the delivery of these activities. These activities cultivate confidence, leadership, teamwork, and resilience, equipping young people with valuable skills for life and work.

The Trustees are confident that the Charity's investment in the RAF Air Cadets' mission is a direct and powerful contribution to developing well-rounded, community-minded individuals who are prepared to make a positive impact on society.

ACHIEVEMENTS AND PERFORMANCE

Review

The financial year 2024-2025 was a period of significant growth and development for the Air Cadet Charity, marked by our official launch on 1 April 2024. Following the name change from the ATC General Purposes Fund, we solidified our position as an independent grant-making charity. This year, we focused on strengthening our foundation and operational capacity to better serve our beneficiaries. To that end, we successfully designed and implemented a comprehensive grant programme with clear guidelines and eligibility criteria and established a streamlined application process to facilitate access to funding. To improve our visibility and communication, we developed a strong brand identity and launched a user-friendly website. Our operational capacity was further enhanced through an increase in staffing, with key appointments made to support our expanded grant programme, improve financial controls, and enhance our overall fundraising efforts. A key achievement was also broadening the scope of our insurance coverage to include personal accident and overseas insurance for cadets and adult volunteers, ensuring they are protected during all ATC activities, including overseas trips.

During this year, our support for the RAF Air Cadet organisation significantly expanded. We were able to extend our grant-making beyond national activities to provide direct grants to Regions, Wings, and Squadrons. This critical step allowed us to empower local units to deliver their own activities and projects that directly benefit their cadets. We have also improved communication with our beneficiaries through the continued development of our social media channels and website, ensuring we are sharing the positive impact of our funding.

The RAF Air Cadet Development Scheme was conceived as part of the ATC's 75th Anniversary celebrations in 2016 and provides a legacy for current and future generations of cadets and junior adult volunteers by supporting them in transitioning to full time employment. This remains a key activity for the Charity. We have established a robust application and awarding process to ensure that funding is allocated effectively for this scheme, and we continue to explore opportunities to expand its reach.

FINANCIAL REVIEW

Principal funding sources

The Air Cadet Charity's primary source of funding is derived from contributions provided by RAF Air Cadets. During the financial year ended 31 March 2025, with a total of 34,181 cadets, the Charity received contributions based on a recommended rate of £2.50 per month, with a reduced rate of £1.25 for cadets in overseas units. Additional income is generated through a portfolio of long-term investments managed by professional investment managers and overseen by the Trustees, as well as donations and specific designated funds.

The investment portfolio includes several notable designated funds. The Malcolm Club Fund is used to fund flying scholarships and expeditions, known as Scarman Scholarships. The BAE Millennium Fund is allocated to subsidise the International Air Cadet Exchange (IACE) programme. The Joseph Singleton Memorial Fund provides two annual cash prizes awarded alongside the Lees and Morris Trophies, which are competed for biennially by squadrons. Finally, the Stan Easton Memorial Fund provides a cash award to the cadet who produces the best aviation-themed article.

Investment policy and objectives

Funds may be invested in any type of investment, except for partly paid shares or investments involving continuing liability, unless for taxes, rates, or rents.

FINANCIAL REVIEW

Reserves Policy

The Charity generates income through investments. This income is currently reinvested to grow the fund, with the intention of using the earnings to support the Charity's activities in the future.

At of 31 March 2025, the charity held total funds of £5,178,017 (2024: £5,076,848) which was made up of unrestricted funds of £4,440,926 (2024: £4,206,100), restricted funds of £335,237 (2024: £469,294) and endowment funds of £401,854 (2024: £401,454).

The charity maintains a healthy reserve of £2,913,133 (2024: £2,625,601) which represents the unrestricted funds available for operations after accounting for fixed assets and long-term investments. This reserve is sufficient to cover at least one year's operating costs, providing a financial buffer in case of unexpected income declines or the need to wind down operations.

Commentary on Accounts

During the 12 months to 31st March 2025 the Fund had total receipts of £1,108,567 (2024: £1,186,455) comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £1,033,199 (2024: £692,031); therefore net income before transfers and net gains/(losses) on investments was £75,368 (2024: £494,424).

Net gains on investments of £25,801 (2024: £104,694) led to an overall surplus in fund movements of £101,169 (2024: £599,118).

The Trustees are satisfied that the Charity is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising Practices

The Charity's income is primarily generated from contributions provided by RAF Air Cadets, complemented by donations and returns from its long-term investment portfolio.

While the Charity has not historically engaged in public fundraising or street collections, the appointment of a professional fundraiser has enabled us to begin developing a robust and ethical fundraising strategy. This strategy is designed to diversify our funding streams and will be implemented in adherence with all relevant legal and regulatory requirements. We are committed to ensuring our fundraising activities reflect the values of the Charity and maintain the highest standards of practice.

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, a period defined as at least 12 months from the date of approval of these accounts. This assessment is based on the Charity's current financial position, a diversified funding base, and sustained support from key stakeholders.

During the financial year 1 April 2024 to 31 March 2025, the Charity successfully completed the first part of its transformation from the ATC General Purposes Fund and officially launched as the Air Cadet Charity, an independent grant-making charity supporting the RAF Air Cadets on 1 April 2024. To accommodate growing grant requests from beneficiaries, the staff team has been increased with key appointments, including a Finance Manager to strengthen financial controls and a Fundraiser to proactively diversify our funding streams.

The Charity's robust financial position, combined with its strong governance structure and experienced leadership, provides a solid foundation for future growth and impact. The Trustees remain confident that the Charity will continue to support the RAF Air Cadets and contribute positively to the development of young people for many years to come.

PLANS FOR FUTURE PERIODS

Accomplishments for 2024-2025

During the 2024-2025 financial year, the Charity has:

• **Grant programme development:** Designed and implemented a comprehensive grant programme, including guidelines, eligibility criteria, and evaluation procedures.

• **Streamlined grant application process:** Implemented a streamlined grant application process to facilitate access to funding.

• **Established branding and digital presence:** Developed a strong brand identity and established a user-friendly website.

• **Strengthened operational capacity:** Increased staffing to support the expanded grant programme, improve financial controls, and enhance fundraising efforts.

• **Expanded insurance funding:** Broadened the scope of insurance coverage for cadets and volunteers to include overseas trips and activities.

• **Aviation package:** The Charity made a significant commitment to the RAF Air Cadets' aviation package by approving the funding for remotely piloted aircraft (drones), new gliding control units, and our intent to fund flight simulators in the future.

Plans for 2025-2026

The Charity's key priorities for the 2025-2026 financial year include:

• **Strategic Growth:** We will set an ambitious 5-year strategy aimed at achieving a total of £1.5 million in grants awarded to our beneficiaries.

• **Improving Technology and Systems:** We will introduce new systems, including a Customer Relationship Management System (CRM) to manage contacts and donors, as well as an online platform for grant applicants. These systems will further improve the grant process, streamline reporting, and enhance communication.

• **Expanding the Team and Strengthening Governance**: We will expand the staff team with the recruitment of a dedicated Marketing and Communications professional and a Grants Manager.

• **Strengthening operational capacity:** Increasing staffing to support the expanded grant programme, improve financial controls, and enhance fundraising efforts. We will also begin the recruitment of seven new Trustees to strengthen the governance and expertise of the Board in the areas of growth planned for the next three years. These new roles will improve the visibility of our activities and the impact of our funding, while also enhancing communications with beneficiaries and stakeholders and exploring new partnerships with supporters of the RAF Air Cadets mission.

• **Further development of the grant programme:** We will continue to evolve our grant-making activities to better align with beneficiary needs and to ensure we are reaching all parts of the organisation.

• **Streamlining of processes:** We plan to build on the progress made in 2024-2025 by continuing to optimise our operational procedures, particularly within the grant application and award process, to further increase efficiency.

• **Diversifying and growing funding streams:** The Charity will actively seek new opportunities to diversify our funding base, moving beyond traditional sources to secure a sustainable future.

• **Risk Management:** We will conduct a thorough review of the Charity's strategic risk register to ensure it accurately reflects our current operations and external environment. This will allow us to maintain a proactive and relevant approach to risk mitigation.

We will also expand the Trustee Board to ensure that we have relevant skills and experience on the Board. We will establish a Code of Conduct and ensure all relevant policies are reviewed and implemented to support good governance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

With effect from 1 July 2015 the ATC General Purposes Fund (GPF) became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the ATC and Cadets. A resolution was passed on 24 November 2023 for the ATC General Purposes Fund to formally change its name to the Air Cadet Charity CIO. This was approved by the Charity Commission on 1 December 2023.

Trustees

The Charity's constitution mandates a minimum of two Trustees, and during the reporting period, the Board was comprised of eight Trustees. To ensure effective governance and a robust selection process for future appointments, a Nominations Committee has been established, comprising at least three current Trustees, to propose new candidates for Board ratification.

The Charity's financial year runs from 1 April to 31 March. The Trustees meet twice during this period to oversee the policies, strategy, and governance of the Charity. To support this framework, several Trustee-led committees have also been established, which meet twice a year to focus on key areas such as grant awarding, finances, and welfare. The day-to-day management of the Charity is delegated to the Charity Director.

Induction and training of new Trustees

New Trustees undergo a formal induction process to familiarise them with the Charity's work, the RAF Air Cadets, and their specific role and responsibilities. This training includes an overview of relevant Charity Law and key governance guidelines.

Related parties

The Air Cadet Charity operates as an independent organisation, but it maintains a strong and essential relationship with the RAF Air Cadets and the wider RAF family. The Charity provides vital financial support for activities that fall outside the scope of public funding, such as cadet qualifications, equipment, and international exchanges. These grants directly benefit both cadets and adult volunteers, enhancing their development and experiences.

The Royal Air Force provides crucial support to the Charity's operations. This includes providing office space and facilitating regular meetings for the Board of Trustees, which helps to ensure efficient governance and decision-making. These relationships are fundamental to the Charity's ability to achieve its mission of empowering young people.

Risk management

The Trustees are responsible for the ongoing assessment and management of the Charity's key risks.

These risks are regularly reviewed and are mitigated through robust policies, procedures, and controls. The main risks identified and managed by the Trustees during the year ended 31 March 2025 were as follows:

• **Financial and Operational Risks**: The Charity is mindful of the risk of a decline in cadet contributions, which is our primary source of funding. This is mitigated by our efforts to diversify our income streams through the development of a professional fundraising strategy. We also maintain strong financial controls and policies to prevent fraud and malpractice, and to manage the risk of financial loss from adverse investment conditions.

• **Reputational Risks**: The Board actively manages reputational risk, which could be impacted by a failure to meet our charitable objectives or through a negative change in public perception. This is mitigated through our focus on demonstrating impact and improving communication with beneficiaries and stakeholders.

• **Governance and IT Risks**: We have focused on strengthening our governance practices and enhancing our IT systems to mitigate the risk of poor decision-making and data loss. This includes a robust disaster recovery plan and the upcoming implementation of new systems.

• **Safeguarding Risks**: Safeguarding is a key priority. We have implemented clear policies and procedures to ensure the proper use of grants and to protect our beneficiaries from harm.

The Trustees are committed to ensuring these risks are managed effectively to secure the Charity's long-term sustainability and to protect our mission and reputation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number		1160910
Principal address		HQ RAF Air Cadets Royal Air force College Cranwell Sleaford Lincolnshire NG34 8HB

Trustees

Chair of Trustees	G N R	Mark Osman
	G	Gp Capt (Ret'd) Graham Bowerman OBE (Resigned 24 Sep 24)
	G F N R	Michael Neville CBE
	F	Sir David Tweedie CVO (Resigned 24 Sep 24)
	G	Stuart Ensor OBE (Resigned 31 Dec 24)
	F N R	Oliver Jones-Davies
	G	Victoria Gridley
	F N R	Norman Murray CBE
	F	Hetna Patel (Appointed 13 Oct 24)
	G	denotes membership of the Grants and Welfare Committees
	F	denotes membership of the Finance Committee
	N	denotes membership of the Nominations Committee
	R	denotes membership of the Remuneration Committee

Key Management Personnel	Jessica Gilbert	Charity Director
Auditors	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln LN1 1XG	
Bankers	Lloyds Bank plc 2 Northgate Sleaford Lincolnshire NG34 7BL	
Investment Managers	Schroder & Co Ltd 31 Gresham Street London EC2V 7QA M&G Investments PO Box 9038 Chelmsford CM99 2XF Cazenove Capital Shroder & Co Ltd 1 London Wall Place London EC2Y 5AU CCLA One Angel Lane London EC4R 3AB	

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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.

The Trustees acknowledge that they have been assisted in preparation of the financial statements by the accounting department of the audit firm, in line with the terms of engagement and confirm that safeguards are in place to ensure that an independent audit has been carried out.

Approved by order of the board of trustees on 24 October 2025 and signed on its behalf by:

Mark Osman

Mark Osman (Oct 29, 2025 15:22:11 GMT)

M Osman - Trustee

Report of the Independent Auditors to the Trustees of Air Cadet Charity CIO

Opinion
We have audited the financial statements of Air Cadet Charity CIO (the 'charity') for the year ended 31 March 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 charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

The Trustees acknowledge that they have been assisted in preparation of the financial statements by the accounting department of the audit firm, in line with the terms of engagement and confirm that safeguards are in place to ensure that an independent audit has been carried out.

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.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors 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 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wright Vigar Limited
Wright Vigar Limited (Oct 29, 2025 16:18:29 GMT)

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

24 October 2025

Air Cadet Charity CIO

Statement of Financial Activities
for the Year Ended 31 March 2025

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
INCOME FROM						
Subscriptions, donations and grants	3	959,315	16,885	-	976,200	1,037,084
Charitable activities	5					
Adventure Training		-	-	-	-	8,900
Enhance Education		-	-	-	-	20,978
Improve Employability		-	-	-	-	1,521
Welfare		-	-	-	-	43,536
Investment income	4	131,335	-	1,032	132,367	74,436
Total		1,090,650	16,885	1,032	1,108,567	1,186,455
EXPENDITURE ON						
Charitable activities	6					
Aviation		67,441	-	-	67,441	-
Adventure Training		31,429	-	-	31,429	32,999
Exploiting Technology		47,231	300	-	47,531	-
Immersive Training		13,975	84,010	-	97,985	16,291
Enhance Education		103,409	51,098	-	154,507	126,468
Improve Employability		142,696	15,426	-	158,122	113,617
Health and Wellbeing		128,327	-	-	128,327	99,006
Welfare		105,777	100	-	105,877	136,872
Operational costs		241,980	-	-	241,980	166,778
Total		882,265	150,934	-	1,033,199	692,031
Net gains/(losses) on investments		26,433	-	(632)	25,801	104,694
NET INCOME/(EXPENDITURE)		234,818	(134,049)	400	101,169	599,118
Transfers between funds	18	8	(8)	-	-	-
Net movement in funds		234,826	(134,057)	400	101,169	599,118
RECONCILIATION OF FUNDS						
Total funds brought forward		4,206,100	469,294	401,454	5,076,848	4,477,730
TOTAL FUNDS CARRIED FORWARD		4,440,926	335,237	401,854	5,178,017	5,076,848

The notes form part of these financial statements

Air Cadet Charity CIO

Balance Sheet
31 March 2025

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS						
Intangible assets	11	10,735	-	-	10,735	-
Tangible assets	12	88,590	-	-	88,590	178,464
Investments	13	1,428,468	-	240,870	1,669,338	1,643,536
		1,527,793	-	240,870	1,768,663	1,822,000
CURRENT ASSETS						
Stocks	14	7,791	-	-	7,791	16,825
Debtors	15	419,646	-	-	419,646	480,197
Cash at bank	16	2,627,596	335,237	160,984	3,123,817	2,778,732
		3,055,033	335,237	160,984	3,551,254	3,275,754
CREDITORS						
Amounts falling due within one year	17	(141,900)	-	-	(141,900)	(20,906)
NET CURRENT ASSETS		2,913,133	335,237	160,984	3,409,354	3,254,848
TOTAL ASSETS LESS CURRENT LIABILITIES		4,440,926	335,237	401,854	5,178,017	5,076,848
NET ASSETS		4,440,926	335,237	401,854	5,178,017	5,076,848
FUNDS	18					
Unrestricted funds					4,440,926	4,206,100
Restricted funds					335,237	469,294
Endowment funds					401,854	401,454
TOTAL FUNDS					5,178,017	5,076,848

The financial statements were approved by the Board of Trustees and authorised for issue on 21 October 2025 and were signed on its behalf by:

Mark Osman

Mark Osman (Oct 29, 2025 15:22:11 GMT)

M Osman - Trustee

The notes form part of these financial statements

Air Cadet Charity CIO

Cash Flow Statement
for the Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	225,436	464,276
Net cash provided by operating activities		225,436	464,276
Cash flows from investing activities			
Purchase of intangible fixed assets		(10,735)	-
Purchase of fixed asset investments		-	(1,180,477)
Sale of tangible fixed assets		4,699	-
Sale of fixed asset investments		-	265,761
Interest received		124,653	54,424
Net cash provided by/(used in) investing activities		118,617	(860,292)
Cash flows from financing activities			
Income attributable to endowment		1,032	3,525
Net cash provided by financing activities		1,032	3,525
Change in cash and cash equivalents in the reporting period		345,085	(392,491)
Cash and cash equivalents at the beginning of the reporting period		2,778,732	3,171,223
Cash and cash equivalents at the end of the reporting period		3,123,817	2,778,732

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the reporting period (as per the Statement of Financial Activities)	101,169	599,118
Adjustments for:		
Depreciation charges	82,168	85,921
Gain on investments	(25,801)	(104,694)
Loss on disposal of fixed assets	3,007	-
Interest received	(124,653)	(54,424)
Income attributable to endowment	(1,032)	(3,525)
Decrease in stocks	9,034	6,542
Decrease/(increase) in debtors	60,551	(72,771)
Increase in creditors	120,993	8,109
Net cash provided by operations	225,436	464,276

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank	2,778,732	345,085	3,123,817
	2,778,732	345,085	3,123,817
Total	2,778,732	345,085	3,123,817

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Cadet Contributions
Cadet contributions as remitted by Squadrons via Wings are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity. The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
The RAF provides office space to the charity. No charge has been made for the support and services from the RAF and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	10% on cost and 5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £5,000 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in the notes to the accounts.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Financial instruments
The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Charity would receive for the asset if it were to be sold at the balance sheet date.

Pension costs and other post-retirement benefits
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

continued...

2. ACTIVITIES RECLASSIFICATIONS AND PRIOR YEAR ADJUSTMENT

During the current year Air Cadet Charity CIO made changes to the classification of Activities within the financial statements to bring them in line with internal reporting. The new categories show the charitable activities be intended purpose to meet the Charitable objectives.

The new Activities groups being:

- Aviation
- Adventure Training
- Exploiting Technology
- Immersive Training
- Enhance Education
- Improve Employability
- Health and Wellbeing
- Welfare

The previous year Activity categories of Air Fares, Adventure Training, Sports, Corps Activities, Training Ground Activities, Insurance, Air Cadet Engagement Platform costs and Engagement have been updated in the comparatives to bring in line with the new Activities groups to allow easier comparison.

3. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2025	2024
	£	£
Subscriptions	954,497	919,221
Grants and donations	21,703	117,863
	976,200	1,037,084

The summary below provides additional details of the grants and donations in the year to 31 March 2025.

	Restricted	Unrestricted	31.03.25
	£	£	£
Miscellaneous donations	-	4,818	4,818
Arkwright Scholarships	2,250	-	2,250
Digital Enablement - Serco	300	-	300
Staff Matched Giving Scheme	1,000	-	1,000
Other restricted donations	2,600	-	2,600
Lockhead Licence donations	10,735	-	10,735
	16,885	4,818	21,703

4. INVESTMENT INCOME

	2025	2024
	£	£
Dividend income	7,714	20,012
Deposit account interest	124,653	54,424
	132,367	74,436

continued...

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2025 £	2024 £
Contributions	Adventure Training	-	8,900
Contributions	Enhance Education	-	20,978
Contributions	Improve Employability	-	1,521
Contributions	Welfare	-	43,536
		-	74,935

As noted in note 2 the Activities of the Air Cadet Charity have been amended for the current year and the analysis above reflects the new categories applied to last years contributions, There is no equivalent income for the current year as activities are funded entirely from other income sources.

6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Aviation	67,441	-	67,441
Adventure Training	31,429	-	31,429
Exploiting Technology	47,531	-	47,531
Immersive Training	97,985	-	97,985
Enhance Education	154,507	-	154,507
Improve Employability	158,122	-	158,122
Health and Wellbeing	128,327	-	128,327
Welfare	105,877	-	105,877
Operational costs	-	241,980	241,980
	791,219	241,980	1,033,199

7. GRANTS PAYABLE

	2025 £	2024 £
Aviation	67,441	-
Adventure Training	31,429	32,999
Exploiting Technology	47,531	-
Immersive Training	97,985	16,291
Enhance Education	154,507	126,468
Improve Employability	158,122	113,617
Health and Wellbeing	128,327	99,006
Welfare	105,877	136,872
	791,219	525,253

continued...

7. GRANTS PAYABLE - continued

Details of specific grants payable for the 31 March 2025 are set out below:

	Restricted	Unrestricted	31.03.25
	£	£	£
Remotely Piloted Aircraft (RPAS) Drones	-	62,250	62,250
Flight Simulators Grant	-	5,190	5,190
Adventure Training Grant	-	14,807	14,807
Overseas/UK Expedition Grant	-	1,000	1,000
Digital Enablement - Chrome-Operating System Licences Grant	-	30,000	30,000
IT Equipment Grant	-	17,231	17,231
Digital Enablement - Serco Grant	300	-	300
Interactive Equipment Grant	-	10.576	10,576
RAFCT Xboxes and VR Headsets Grant	84,010	-	84,010
Extended Project Qualification (EPQ) Awards Grant	-	4,266	4,266
First Aid Training Equipment Grant	-	3,994	3,994
Leadership Equipment Grant	-	1,228	1,228
Music Grant	-	17,609	17,609
Crest Awards	-	145	145
Recruiting and Education Grant	-	5,000	5,000
Scottish Qualifications Authority (SQA) Assessment Centre Grant	-	12,000	12,000
SQA Awards	-	14,000	14,000
Sustainability Awards Grant	-	21,062	21,062
UK Educational Visits Grants	-	24,000	24,000
UK Space Agency Grant	44,172	-	44,172
RAFCT (Space BTEC) Grant	6,926	-	6,926
Digital Enablement - CFAV Training	-	9,000	9,000
RAFAC Development Bursaries	15,426	-	15,426
Shooting Grant	-	8,060	8,060
Cadet Experience Improvement Grant	-	10,000	10,000
Regional/Wing Activity Centre Grants	-	11,699	11,699
Starlink Grant	-	5,376	5,376
Squadron Fundraising Grant	100	-	100
Interactive Smart Screen donations	-	3,400	3,400
Overseas visits and expeditions grants	-	4,950	4,950
Watersports equipment and sailing grants	-	10,673	10,673
Music Performing Right Society(PRS) licence grant for HQ RAFAC	-	105	105
International Air Cadet Exchange (IACE) grant	-	21,821	21,821
National Air and Space Camp grant	-	29,867	29,867
DofE Participation fee grants	-	81,403	81,403
Junior Leaders Exped corporate clothing grant	-	606	606
Sports Grants to regions	-	96,031	96,031
Shooting Council for Cadet Rifle Shooting membership grant	-	816	816
Lees and Morris Trophy Grants for HQ RAFAC	-	3,000	3,000
RAFAC Trophies grants	-	548	548
Sports leader course grants	-	19,871	19,871
IACE Clothing grant	-	2,934	2,934
Squadron Visits subsistence grants	-	347	347
Cadet and volunteer HQ RAFAC insurance	-	75,420	75,420
	150,934	640,285	791,219

continued...

8. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Operational costs	211,780	30,200	241,980

As referred to in the trustees responsibilities the non-audit fees included in governance costs are in respect of preparation of the statutory accounts from client trial balance and underlying records. This work is undertaken in line with the agreed terms of engagement and appropriate safeguards are in place to ensure that an independent audit has been carried out.

Support costs, included in the above, are as follows:

	2025 Operational costs	2024 Total activities
	£	£
Trustee expenses	1,709	591
Wages	86,625	37,500
Pensions	6,110	1,563
Insurance	718	-
Advertising	4,065	-
Office equipment purchases	3,140	-
Website and computer costs	7,666	6,552
Payroll support costs	1,403	-
Admin and support costs	4,223	8,533
Bank charges	174	142
Recruitment & training	1,316	-
Trustee gifts	421	-
Stock write down	9,035	6,542
Depreciation of tangible fixed assets	82,168	85,921
Loss on sale of tangible fixed assets	3,007	-
Auditors' remuneration	10,000	7,950
Auditors' remuneration for non audit work	20,200	11,484
	241,980	166,778

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

During the year ended 31 March 2025, Trustees claimed expenses of £1,709 (2024: £1,072) for costs incurred which were necessary to fulfil their role within the Charity.

10. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	86,625	37,500
Other pension costs	6,110	1,563
	92,735	39,063

The average monthly number of employees during the year was as follows:

	2025	2024
Management and administration	2	1

No employees received emoluments in excess of £60,000.

continued...

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	10,735
NET BOOK VALUE	
At 31 March 2025	10,735
At 31 March 2024	-

The asset addition in the current year represents the value of 230 Lockhead P3D V6 Personal software licences that have been gifted to the CIO.

12. TANGIBLE FIXED ASSETS

	Simulators £	Radio Comms £	Motor vehicles £	Target Rifles £	Totals £
COST					
At 1 April 2024	720,712	11,543	23,014	184,715	939,984
Disposals	-	-	(23,014)	(19,660)	(42,674)
At 31 March 2025	720,712	11,543	-	165,055	897,310
DEPRECIATION					
At 1 April 2024	640,392	11,543	18,654	90,931	761,520
Charge for year	66,459	-	654	15,055	82,168
Eliminated on disposal	-	-	(19,308)	(15,660)	(34,968)
At 31 March 2025	706,851	11,543	-	90,326	808,720
NET BOOK VALUE					
At 31 March 2025	13,861	-	-	74,729	88,590
At 31 March 2024	80,320	-	4,360	93,784	178,464

13. FIXED ASSET INVESTMENTS

The summary below sets out the Investments held by fund provider with a total valuation of £1,669,337 (2024: £1,643,536) in bold below.

	Cazenove			
	Stan Easton	Malcolm Club	J. Singleton	Unrestricted Funds
COST	**£**	**£**	**£**	**£**
At 1 April 2024	1,657	170,371	8,450	1,000,000
Introduced	-	-	-	328,539
Withdrawn	-	-	-	-
At 31 March 2025	1,657	170,371	8,450	1,328,539
VALUATION				
At 1 April 2024	1,812	186,624	9,240	1,095,393
Purchases	-	-	-	328,539
Sales	-	-	-	-
Change in Value	21	1,595	105	4,535
At 31 March 2025	1,833	188,219	9,345	1,428,467

continued...

13. FIXED ASSET INVESTMENTS - continued

	Cazenove	Schroders	M&G	Total
	BAE Millenium Challenge Fund	Fund 514 Charity Equity Inc Unrestricted Fund	BAE Millenium Challenge (IACE)	
COST	**£**	**£**	**£**	**£**
At 1 April 2024	-	101,618	50,000	**1,332,096**
Introduced	43,548	-	-	**372,087**
Withdrawn	-	(101,618)	(50,000)	**(151,618)**
At 31 March 2025	43,548	-	-	**1,552,565**
VALUATION				
At 1 April 2024	-	306,641	43,826	**1,643,536**
Purchases	43,548	-	-	**372,087**
Sales	-	(328,539)	(43,548)	**(372,087)**
Change in Value	(2,075)	21,898	(278)	**25,801**
At 31 March 2025	41,473	-	-	**1,669,337**

14. STOCKS

	2025	2024
	£	£
IACE Supplies	7,791	16,825

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other debtors	419,646	480,197

16. CASH AT BANK

	2025	2024
	£	£
CCLA & Cazenove Money Market Deposits	2,884,335	2,654,424
Other bank accounts	239,482	124,608
	3,123,817	2,778,732

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	24,473	-
Other creditors	117,427	20,906
	141,900	20,906

continued...

18. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
Unrestricted funds				
Unrestricted Fund	4,206,100	234,818	8	4,440,926
Restricted funds				
BAE	91,264	-	(91,264)	-
Anne & John Singleton	97,103	-	-	97,103
Lloyds TSB Foundation	2,997	-	-	2,997
RAFAC - Development Bursaries	2,294	(11,000)	195,264	186,558
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	(4,426)	-	3,889
Worshipful Company of Coachmakers	80,000	-	(80,000)	-
RAFCT - Astra Space	29,000	(6,926)	-	22,074
S&OTS Limited	24,000	-	(24,000)	-
Arkwright Scholarships	5,341	2,250	-	7,591
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	44,180	(44,172)	(8)	-
RAFCT - Air, Space, Cyber Cadet Programme Package	84,800	(84,010)	-	790
Staff Matched Giving Schemes Donation	-	1,000	-	1,000
Restricted Donation	-	2,500	-	2,500
Lockhead licence donation	-	10,735	-	10,735
	469,294	(134,049)	(8)	335,237
Endowment funds				
BAE Millenium Fund	193,793	(1,321)	-	192,472
Joseph Singleton	10,266	105	-	10,371
Malcolm Club	194,585	1,595	-	196,180
Stan Easton	2,810	21	-	2,831
	401,454	400	-	401,854
TOTAL FUNDS	5,076,848	101,169	-	5,178,017

continued...

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	1,090,650	(882,265)	26,433	234,818
Restricted funds				
RAFAC - Development Bursaries	-	(11,000)	-	(11,000)
Reserve Forces & Cadets West Midlands - Development Bursaries	-	(4,426)	-	(4,426)
RAFCT - Astra Space	-	(6,926)	-	(6,926)
Arkwright Scholarships	2,250	-	-	2,250
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	-	(44,172)	-	(44,172)
RAFCT - Air, Space, Cyber Cadet Programme Package	-	(84,010)	-	(84,010)
Staff Matched Giving Schemes Donation	1,000	-	-	1,000
Restricted Donation	2,600	(100)	-	2,500
Serco - Digital Enablement - Chrome OS	300	(300)	-	-
Lockhead licence donation	10,735	-	-	10,735
	16,885	(150,934)	-	(134,049)
Endowment funds				
BAE Millenium Fund	1,032	-	(2,353)	(1,321)
Joseph Singleton	-	-	105	105
Malcolm Club	-	-	1,595	1,595
Stan Easton	-	-	21	21
	1,032	-	(632)	400
TOTAL FUNDS	1,108,567	(1,033,199)	25,801	101,169

continued...

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
Unrestricted Fund	3,720,240	528,260	(42,400)	4,206,100
Restricted funds				
BAE	91,264	-	-	91,264
Anne & John Singleton	98,423	(1,320)	-	97,103
Lloyds TSB Foundation	2,997	-	-	2,997
RAFAC - Development Bursaries	22,004	(19,710)	-	2,294
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	34,000	(5,000)	-	29,000
S&OTS Limited	24,000	-	-	24,000
Arkwright Scholarships	4,216	1,125	-	5,341
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	-	44,180	-	44,180
RAFCT - Air, Space, Cyber Cadet Programme Package	-	42,400	42,400	84,800
	365,219	61,675	42,400	469,294
Endowment funds				
BAE Millenium Fund	191,852	1,941	-	193,793
Joseph Singleton	9,940	326	-	10,266
Malcolm Club	187,733	6,852	-	194,585
Stan Easton	2,746	64	-	2,810
	392,271	9,183	-	401,454
TOTAL FUNDS	4,477,730	599,118	-	5,076,848

continued...

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	1,082,765	(653,541)	99,036	528,260
Restricted funds				
Anne & John Singleton	-	(1,320)	-	(1,320)
Lloyds TSB Foundation	880	(880)	-	-
RAFAC - Development Bursaries	-	(19,710)	-	(19,710)
RAFCT - Astra Space	-	(5,000)	-	(5,000)
Arkwright Scholarships	1,125	-	-	1,125
DofE Access without Limits	11,580	(11,580)	-	-
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	44,180	-	-	44,180
RAFCT - Air, Space, Cyber Cadet Programme Package	42,400	-	-	42,400
	100,165	(38,490)	-	61,675
Endowment funds				
BAE Millenium Fund	1,588	-	353	1,941
Joseph Singleton	93	-	233	326
Malcolm Club	1,826	-	5,026	6,852
Stan Easton	18	-	46	64
	3,525	-	5,658	9,183
TOTAL FUNDS	1,186,455	(692,031)	104,694	599,118

Funds of the Charity

Restricted Funds

BAE

BAE have pledged donations which will be managed by Trustees for the RAF Cadet Development Bursaries. During the year the BAE fund has been transferred into the RAFAC - Development Bursaries restricted fund.

Anne and John Singleton Trust

The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the ATC, as at 31 March 2024 £66,872 has been spent from this fund.

Lloyds TSB Foundation

Matched giving achieved by Corps members which is then transferred to the Sqn Civilian Committee concerned.

The RAF Cadet Development Bursaries

The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

During the year the BAE Fund (£91,264), The Worshipful Company of Coachmakers fund (£80,000) and the S&OTS Limited fund (£24,000) were all transferred into the RAFC - Development Bursaries Fund.

Reserve Forces & Cadets West Midlands Development Bursaries

Development Bursaries for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

continued...

18. MOVEMENT IN FUNDS - continued

Worshipful Company of Coachmakers

Donation received to assist with the RAFAC Development Fund. During the year this fund was transferred to the restricted RAFAC - Development Bursaries fund.

RAFCT Astra Space

The grant from the RAF Charitable Trust is for the purchase of training resources to support the RAFAC Astra Space Syllabus. So far, the grant has been used to purchase practical hands-on resources, for Lead Space Instructors to provide train-the-trainer sessions in every Region and at camps. Each set of resources consists of 41 types of resources and the plan is to provide up to 20 sets.

S&OTS Limited
Emma Wolstenholme's solo Atlantic charity challenge raised money for RAF Air Cadets and included a donation of £24,000 in April 2022 from S&OTS Limited for RAFAC Development Bursaries. During the year this fund was transferred to the restricted RAFAC - Development Bursaries fund.

Arkwright Scholarships
Funds donated to support Air Cadets undertaking an Arkwright engineering scholarship through the Smallpeice Trust. During the year, a further £2,250 was donated by The Company of Actuaries Charitable Trust bringing the total as at 31 March 2025 to £7,591.

UK Space Agency - Air Cadet National Air & Space Hub - Inskip
The grant from the UK Space Agency will help to develop the RAF Air Cadets National Activity Centre at Inskip into a centre of excellence for exploring Air and Space topics through STEM activities. It will allow the RAF Air Cadets to turn their existing BTEC Level 2 in Space Studies into an interactive and exciting programme, to capture the imagination of the next generation of air and space-minded individuals, from all walks of life. The grant will be used to create a learning space, 'train the trainer', 'train the assessor', and make the experiential learning element open to all Air Cadet Squadrons, nationally.

RAFCT - Air, Space, Cyber Cadet Programme Package
This grant from the RAFCT along with match funding from the Air Cadet Charity will be used to invest in a pioneering project of an Air, Space, and Cyber Cadet Programme Package for the RAF Air Cadets. It will integrate laptops, Xbox devices, and Virtual Reality (VR) applications as a strategic response to address the evolving training and educational needs of the cadets. The project aims to bridge the gap between theoretical knowledge and practical application, fostering critical skills and preparing cadets for the challenges of the digital age, with a particular focus on space.

Restricted Endowments

The BAE Millennium Fund's

Income is used to subsidise International Air Cadet Exchange (IACE) airfares.

The Joseph Singleton Memorial Fund

The Joseph Singleton Memorial Fund's income is used to fund two cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a annual basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund

The investment fund generates interest income to provide flying scholarships and/or 4 overseas expeditions. Any shortfall between the income and the cost is made up by the Charity.

The Stan Easton Memorial Fund

Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Transfers between funds

As referred to above the restricted donations specifically for development bursaries have been transferred into the one fund known as RAFAC - Development Bursaries.

continued...

19. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. In the year ended 31 March 2025, the charity received £nil (2024: £42,400) in grants from the Charitable Trust.

Air Training Corps

The Air Cadet Charity exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the Air Cadet Charity.

Air Cadet Charity CIO

England & Wales - Charity number 1160910

Accounts

REGISTERED CHARITY NUMBER: 1160910

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2024

for

Air Cadet Charity CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Air Cadet Charity CIO

Contents of the Financial Statements
for the Year Ended 31 March 2024

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Air Cadet Charity CIO

Report of the Trustees
for the Year Ended 31 March 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1160910

Principal address
HQ RAF Air Cadets
Royal Air Force College
Cranwell
Sleaford
Lincolnshire
NG34 8HB

Trustees
Gp Capt (Ret'd) Bowerman OBE
M Neville CBE
Sir David Tweedie CVO (resigned 30.9.24)
S Ensor
O Jones-Davies
M Osman
V S Gridley (appointed 24.11.23)
N Murray CBE (appointed 27.3.24)

Auditors
Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Bankers
Lloyds TSB Plc
2 Northgate
Sleaford
Lincolnshire, NG34 7BL

Investment Managers
Schroder & Co Ltd
31 Gresham Street
London
EC2V 7QA

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

Cazenove Capital
Shroder & Co Ltd
1 London Wall Place
London
EC2Y 5AU

CCLA
One Angel Lane
London
EC4R 3AB

OBJECTIVES AND ACTIVITIES

Objectives

The Objects of the Air Cadet Charity are to carry out such charitable purposes as the Charity Trustees from time-to-time think fit for the benefit of personnel of the Air Training Corps (ATC) and Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

Activities for Achieving Charitable Purpose

Activities Funded in the Year Ended 31 March 2024 included:

• **Air Fares**: Sponsoring overseas camps and IACE flight tickets and insurance. The experience of an overseas camp or taking part in IACE representing UK Air Cadets provides significant personal development opportunities.

• **Adventure Training:** Funding for equipment, maintenance and external instructors for the AT Centres located at Windermere and Fairbourne as well as a vehicle held at Windermere. These centres provide Adventure Training for adult volunteers and cadets.

• **Sports:** Funding for cadet participation in sports.

• **Corps Activities**: Support for recognised Corps Activities, sports leadership courses, water activities, and overseas expeditions. Challenging activities which physically and mentally develop cadets.

• **Training Ground Activities**: Funding for BTEC and SQA Awards, Duke of Edinburgh Award Scheme (DofE) costs for bronze, silver and gold, International Air Cadet Exchange (IACE) program, shooting competitions, music training and development, STEM activities, and cyber training.

• **Insurance for Cadet Activities**: The Charity funded Personal Accident cover for all adults and cadets for all ATC activities. Additionally, overseas insurance could be purchased by volunteers and cadets as required.

• **Air Cadet Engagement Platform Costs**: Providing basic costs for maintenance and servicing of three trailers which are used as classrooms for flight simulator and air traffic control, space communications and cyber training at no2 Flying Training School, RAF Syerston. The Charity also supports the maintenance of 25 Part Task Trainer (PTT) flight simulators at the various Volunteer Gliding Squadrons locations around the UK.

• **Engagement**: Funding cadet awards and finalists along with initial deposits for the RAF Air Cadet National events.

• **Donations and Grants**: Grants for sports kit, sports facilities, and Regional Activity Centres (RAC) to ensure cadet sport at Corps level can be achieved and the RACs are fully functional to support the cadet syllabus.

VISION, VALUES AND PUBLIC BENEFIT

The Air Cadet Charity Vision is:

• **Access for all** - to ensure opportunities are accessible to all ATC personnel and Cadets, regardless of their background or circumstances.

• **Enhanced self-confidence and responsibility** - to help young people build self-confidence, resilience, and a sense of responsibility through challenging and rewarding experiences.

• **Enhanced interpersonal skills** - to support the development of strong interpersonal skills, teamwork, and leadership abilities through collaborative projects and shared experiences.

The Air Cadet Charity Values:

• **Committed** - dedicated to fulfilling our promises and ensuring that cadet funds are used to benefit cadets.

• **Inclusive** - promoting equity and ensuring that everyone has equal opportunities to participate and benefit.

• **Responsive** - responding effectively to changing needs and using insights to inform our decisions.

• **Transparent** - open and honest in our communication, providing clear information about our activities and the use of funds.

• **Innovative** - forward-thinking and committed to exploring new ideas to enhance our support efforts.

• **Integrity and Moral Courage** - committed to doing the right thing, always.

Public benefit
The Air Cadet Charity operates as an independent charity, ensuring its activities align with the Charity Commission's guidelines on public benefit. By providing financial support to the RAF Air Cadets, the Charity enables the organisation to offer a wide range of activities that benefit young people. These activities foster personal development, leadership skills, and a sense of community.

The Charity's support is crucial in enabling the RAF Air Cadets to continue its mission of inspiring young people and preparing them for future challenges. By investing in the RAF Air Cadets, the Charity contributes to the development of well-rounded individuals who are ready to make a positive impact on society.

ACHIEVEMENT AND PERFORMANCE

Review
The Air Cadet Charity has undergone a significant transformation, solidifying its position as an independent grant-making charity. In December 2023, the charity rebranded, changing its name to the Air Cadet Charity to better reflect its purpose and beneficiaries. The new logo and website are planned for launch in April 2024.

To ensure effective governance, the charity has established a committee structure, with Trustees and volunteers serving on committees focused on finance, grants, welfare, nominations and remuneration. These committees play a crucial role in decision-making and grant funding.

In the past year, the Charity has provided significant support to cadets and volunteers. This includes funding national activities, supporting Regional Activity Centres, and funding programs like the International Air Cadet Exchange and The Duke of Edinburgh's Award Scheme. The Charity has also addressed challenges faced by Adventure Training centres and continues to fund Personal Accident insurance coverage for cadets and volunteers.

The RAF Air Cadet Development Scheme, which supports cadets and junior adult volunteers transitioning to full-time employment, remains a key activity for the Charity. The Charity has established a robust application and awarding process to ensure that funding is allocated effectively. While the Charity is committed to this scheme, it recognises the need for additional external support to expand its reach.

FINANCIAL REVIEW

Principal funding sources

The Air Cadet Charity's primary source of funding is from contributions made by ATC cadets. A recommended contribution of £2.50 per month, with a reduced rate of £1.25 for cadets in overseas units to reflect the limited access to certain cadet experiences available outside the UK. ATC Cadet numbers as of 31 March 2024 were 34,181. Additional income is generated through donations, specific funds with designated purposes, and a portfolio of long-term investments managed by the Trustees.

These funds include:

• The Malcolm Club Fund - Used to fund flying scholarships and expeditions, known as Scarman Scholarships.

• The BAE Millennium Fund - Used to subsidise the International Air Cadet Exchange program.

• The Joseph Singleton Memorial Fund - Used to fund two cash prizes awarded alongside the Lees and Morris Trophies. These trophies are competed for annually by large and small squadrons.

• The Stan Easton Memorial Fund - Used to provide a cash award to the ATC cadet who produces the best aviation-themed article. This competition is held periodically, depending on the number of participants.

Investment policy and objectives

Funds may be invested in any type of investment, except for partly paid shares or investments involving continuing liability, unless for taxes, rates, or rents.

Reserves Policy

The Charity generates income through investments. This income is currently reinvested to grow the fund, with the intention of using the earnings to support the Charity's activities in the future.

At the year end, the charity had total funds of £5,076,848 which was made up of unrestricted funds of £4,206,100, restricted funds of £469,294 and endowment funds of £401,454.

The level of free reserves at 31 March 2024 was £2,625,601. 'Free reserves' are the level of funds readily available to the Charity and are made up from the unrestricted funds less amounts tied up in fixed assets and long-term investments.

This reserve is sufficient to cover at least one year's operating costs, providing a financial buffer in case of unexpected income declines or the need to wind down operations.

Commentary on Accounts

During the 12 months to 31st March 2024 the Fund had total receipts of £1,186,455 comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £692,031; therefore net income before transfers and net gains/(losses) on investments was £494,424.

Net gains on investments of £104,694 led to an overall surplus in fund movements of £599,118.

The Trustees are satisfied that the Charity is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising Practices

The Charity primarily generates income through cadet contributions, donations, and investment returns. While the Charity does not currently engage in public fundraising or street collections, it plans to hire a professional fundraiser in the next financial year. The Trustees are committed to developing a robust fundraising strategy that adheres to all relevant legal and regulatory requirements.

FINANCIAL REVIEW

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. This assessment is based on the Charity's current financial position, future funding plans, and ongoing support from key stakeholders.

The recent transformation of the Air Training Corps General Purposes Fund into the Air Cadet Charity has significantly strengthened the Charity's operational capacity and financial position. The appointment of a dedicated Charity Director and the revitalisation of the Board of Trustees have enabled the Charity to streamline processes, enhance decision-making, and better align its activities with the evolving needs of the Cadets.

The Charity's robust financial position, combined with its strong governance structure and experienced team, provides a solid foundation for future growth and impact. The Trustees are confident that the Charity will continue to support the RAF Air Cadets and contribute positively to the development of young people.

PLANS FOR FUTURE PERIODS

In 2023-2024 the Charity:

• **Consolidated investments:** Further consolidated investments and cash at the bank into the Cazenove Sustainable Multi-Asset Fund and Cash fund.

• **Optimised cash management:** Invested cash in a higher-interest deposit account with CCLA to maximise returns while maintaining cash flow.

• **Initiated transformation:** Began the transition into a grant-making charity and changed the Charity's name to better represent the purposes of the charity and its beneficiaries.

• **Enhanced governance:** Implemented a new governance structure to strengthen governance practices through regular sub-committee meetings and a robust decision-making framework.

Plans for 2024-2025 include:

• **Grant program development:** Designing and implementing a comprehensive grant program, including guidelines, eligibility criteria, and evaluation procedures.

• **Streamlining grant application process:** Implementing a streamlined grant application process to facilitate access to funding.

• **Enhancing branding and digital presence:** Developing a strong brand identity and establishing a user-friendly website.

• **Strengthening operational capacity:** Increasing staffing to support the expanded grant program, improve financial controls, and enhance fundraising efforts.

• **Expanding insurance funding to include overseas trips:** Broadening the scope of insurance coverage for cadets and volunteers to include overseas trips and activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

With effect from 1 July 2015 the ATC General Purposes Fund (GPF) became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the Air Training Corps and Cadets. A resolution was passed on 24 November 2023 for the ATC General Purposes Fund to formally change its name to the Air Cadet Charity CIO. This was approved by the Charity Commission on 1 December 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Charity's constitution requires a minimum of two Trustees, with no maximum limit. During the reporting period, the Board comprised eight Trustees. Trustees may appoint additional Trustees through a resolution at a duly convened meeting. A Nominations Committee, comprising at least three current Trustees, will be established to oversee the selection process and propose candidates for Board ratification.

The Charity's financial year runs from 1 April to 31 March and the Trustees meet twice a year to oversee policies, strategy, governance and investments of the Charity. Trustee-led committees also meet twice a year to discuss grant awarding, finances, staff remuneration and welfare when required. The day-to-day running of the Charity is delegated to the Charity Director.

Induction and training of new trustees

New Trustees receive formal induction training to familiarise themselves with the Charity's work, the RAF Air Cadets, and their specific role and responsibilities as Trustees, including relevant Charity Law and governance guidelines.

Related parties

The Air Cadet Charity provides financial support for activities that are not covered by Public funding, such as cadet qualifications, equipment, and international exchanges. These activities benefit ATC personnel and Cadets, enhancing their development and experiences. While independent, the Charity maintains a strong connection with the RAF Air Cadets and the broader RAF family. The RAF provides essential support by offering office space and facilitating regular meetings for the Charity's Trustees.

Risk management

The Trustees regularly assess the Charity's risks and the mitigation strategies in place. Key risks include:

- Decline in cadet contributions
- Financial or administrative fraud or malpractice
- Loss of funds due to inappropriate investments or adverse market conditions
- Safeguarding concerns
- IT failures leading to data loss
- Reputational damage due to a failure to achieve the Charity's objectives

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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 order of the board of trustees on 14 January 2025 and signed on its behalf by:



M Osman - Trustee

Report of the Independent Auditors to the Trustees of Air Cadet Charity CIO

Opinion
We have audited the financial statements of Air Cadet Charity CIO (the 'charity') for the year ended 31 March 2024 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 charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 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.

Report of the Independent Auditors to the Trustees of Air Cadet Charity CIO

Our responsibilities for the audit of the financial statements
We have been appointed as auditors 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 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wright Vigar Limited
Wright Vigar Limited (Jan 26, 2025 19:00 GMT)

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

14 January 2025

Air Cadet Charity CIO

Statement of Financial Activities for the Year Ended 31 March 2024

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2024 Total funds £	2023 Total funds £
INCOME FROM						
Subscriptions, donations and grants	2	936,919	100,165	-	1,037,084	874,663
Charitable activities	4					
Air Fares		-	-	-	-	13,439
Adventure Training		-	-	-	-	92
Corps Sports		-	-	-	-	2,919
Corps Activities		8,901	-	-	8,901	5,900
Training Ground Activities		52,969	-	-	52,969	26,895
Insurance for Cadet activities		13,065	-	-	13,065	13,540
Investment income	3	70,911	-	3,525	74,436	20,787
Other income		-	-	-	-	3,102
Total		1,082,765	100,165	3,525	1,186,455	961,337
EXPENDITURE ON						
Charitable activities	5					
Air Fares		49,313	-	-	49,313	19,878
Adventure Training		18,515	-	-	18,515	12,178
Corps Sports		68,751	-	-	68,751	42,765
Corps Activities		13,165	-	-	13,165	12,580
Training Ground Activities		290,669	-	-	290,669	263,108
Insurance for Cadet activities		58,350	-	-	58,350	45,095
ACE Platform costs		5,160	-	-	5,160	1,320
Engagement		142	-	-	142	106
Donations and Grants		149,475	38,491	-	187,966	120,623
Total		653,540	38,491	-	692,031	517,653
Net gains/(losses) on investments		99,036	-	5,658	104,694	(66,455)
NET INCOME		528,261	61,674	9,183	599,118	377,229
Transfers between funds	15	(42,400)	42,400	-	-	-
Net movement in funds		485,861	104,074	9,183	599,118	377,229
RECONCILIATION OF FUNDS						
Total funds brought forward		3,720,240	365,219	392,271	4,477,730	4,100,501
TOTAL FUNDS CARRIED FORWARD		4,206,101	469,293	401,454	5,076,848	4,477,730

The notes form part of these financial statements

Air Cadet Charity CIO

Balance Sheet
31 March 2024

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS						
Tangible assets	10	178,464	-	-	178,464	264,385
Investments	11	1,402,035	-	241,501	1,643,536	624,126
		1,580,499	-	241,501	1,822,000	888,511
CURRENT ASSETS						
Stocks	12	16,825	-	-	16,825	23,367
Debtors	13	393,617	86,580	-	480,197	407,426
Cash at bank		2,236,065	382,714	159,953	2,778,732	3,171,223
		2,646,507	469,294	159,953	3,275,754	3,602,016
CREDITORS						
Amounts falling due within one year	14	(20,906)	-	-	(20,906)	(12,797)
NET CURRENT ASSETS		2,625,601	469,294	159,953	3,254,848	3,589,219
TOTAL ASSETS LESS CURRENT LIABILITIES		4,206,100	469,294	401,454	5,076,848	4,477,730
NET ASSETS		4,206,100	469,294	401,454	5,076,848	4,477,730
FUNDS	15					
Unrestricted funds					4,206,100	3,720,240
Restricted funds					469,294	365,219
Endowment funds					401,454	392,271
TOTAL FUNDS					5,076,848	4,477,730

The financial statements were approved by the Board of Trustees and authorised for issue on 14 January 2025 and were signed on its behalf by:

Mark Osman
Mark Osman (Jan 26, 2025 12:06 GMT)

M Osman - Trustee

The notes form part of these financial statements

Air Cadet Charity CIO

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	464,276	437,412
Net cash provided by operating activities		464,276	437,412
Cash flows from investing activities			
Purchase of fixed asset investments		(1,180,477)	-
Sale of tangible fixed assets		-	4,385
Sale of fixed asset investments		265,761	-
Interest received		54,424	-
Net cash (used in)/provided by investing activities		(860,292)	4,385
Cash flows from financing activities			
Income attributable to endowment		3,525	3,896
Net cash provided by financing activities		3,525	3,896
Change in cash and cash equivalents in the reporting period		(392,491)	445,693
Cash and cash equivalents at the beginning of the reporting period		3,171,223	2,725,530
Cash and cash equivalents at the end of the reporting period		2,778,732	3,171,223

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	599,118	377,229
Adjustments for:		
Depreciation charges	85,921	89,307
(Gain)/losses on investments	(104,694)	66,455
Profit on disposal of fixed assets	-	(3,102)
Interest received	(54,424)	-
Income attributable to endowment	(3,525)	(3,896)
Decrease in stocks	6,542	7,052
Increase in debtors	(72,771)	(98,491)
Increase in creditors	8,109	2,858
Net cash provided by operations	464,276	437,412

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	3,171,223	(392,491)	2,778,732
	3,171,223	(392,491)	2,778,732
Total	3,171,223	(392,491)	2,778,732

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Cadet Contributions
Cadet contributions as remitted by Squadrons via Wings are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity.The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
From 1 Jan 23 the Charity employed a Charity Manager to administer the fund, with effect from 1 Apr 23 responsibility transferred to the new role. No charge has been made for the support and services from the RAF and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with. The central administrative costs are fully apportioned to the training ground activities charitable activity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Camping equipment	-	33% on cost
Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	10% on cost and 5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £100 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in note 15.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Financial instruments
The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Charity would receive for the asset if it were to be sold at the balance sheet date.

Pension costs and other post-retirement benefits
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

continued...

1. ACCOUNTING POLICIES - continued

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2024	2023
	£	£
Subscriptions	919,221	780,853
Grants and donations	117,863	93,810
	1,037,084	874,663

	Restricted	Unrestricted	31.03.24
	£	£	£
Lloyds TSB Matched Giving	880	-	880
DofE Access without Limits	11,580	-	11,580
BAE Systems	-	15,000	15,000
AGS/VGS - return	-	353	353
Facilities Grant - Return	-	700	700
Arkwright Scholarships	1,125	-	1,125
RAFCT - Air, Space, Cyber Cadet Program Package	42,400	-	42,400
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	44,180	-	44,180
Miscellaneous Donations	-	1,645	1,645
	100,165	17,698	117,863

3. INVESTMENT INCOME

	2024	2023
	£	£
Dividend income	20,012	20,787
Deposit account interest	54,424	-
	74,436	20,787

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Contributions	Air Fares	-	13,439
Contributions	Adventure Training	-	92
Contributions	Corps Sports	-	2,919
Contributions	Corps Activities	8,901	5,900
Contributions	Training Ground Activities	52,969	26,895
Contributions	Insurance for Cadet activities	13,065	13,540
		74,935	62,785

continued...

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Air Fares	49,313	-	-	49,313
Adventure Training	18,515	-	-	18,515
Corps Sports	68,751	-	-	68,751
Corps Activities	13,165	-	-	13,165
Training Ground Activities	251,606	-	39,063	290,669
Insurance for Cadet activities	58,350	-	-	58,350
ACE Platform costs	5,160	-	-	5,160
Engagement	142	-	-	142
Donations and Grants	-	187,966	-	187,966
	465,002	187,966	39,063	692,031

FURTHER ANALYSIS OF CHARITABLE ACTIVITIES FOR THE PERIOD

Corps Sports

	Contributions £	Expenditure £	Cost to the Charity £
Sport Travel	-	44,708	44,708
Sport Facilities	-	2,656	2,656
Sport Support	-	5,003	5,003
Sport Medals	-	16,384	16,384
	-	68,751	68,751

Training Ground Activities

	Contributions £	Expenditure £	Cost to the Charity £
BTEC	-	2,974	2,974
Duke of Edinburgh Bronze, Silver & Gold Awards	713	14,213	13,500
Shooting	-	2,136	2,136
Music	5,580	7,539	1,959
IACE (Memorabilia & Clothing)	133	8,342	8,209
IACE Programme	220	32,103	31,883
IACE (Air Fares)	540	-	(540)
IACE (Horizons Royalties)	48	-	(48)
IACE (Fees)	-	225	225
SQA	-	10,320	10,320
Junior Leaders	15,398	17,041	1,643
Sports Leaders Course	-	3,720	3.720
Drill & Ceremonial Camp	15,150	16,835	1.685
Nijmegen/Road Marching	14,618	14,618	-
Cyber	-	135	135
QAIC	-	1,894	1,894
Miscellaneous	569	569	-
Website/Branding	-	6,552	6,552
Admin	-	2,429	2,429
Support Costs - general	-	2,545	2,545
Support Costs - management	-	39,063	39,063
Trustee Expenses	-	1,072	1,072
Auditors' Remuneration	-	7,950	7,950
Auditors' Remuneration - non-audit	-	12,473	12,473
Depreciation on Tangible Fixed Assets	-	85,921	85,921
	52,969	290,669	237,700

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

Engagement

	Contributions £	Expenditure £	Cost to the Charity £
Bank charges	-	142	142
	-	142	142

Insurance for Cadet Activities

Insurance cover is provided for personal accident. Personal accident (entitled members) and overseas cover is provided on the payment of the appropriate premium by the individual or unit.

Auditors' Remuneration

	Cost to the Charity £
Auditors' Remuneration	7,950

6. GRANTS PAYABLE

	2024 £	2023 £
Donations and Grants	187,966	120,623

	Restricted £	Unrestricted £	31.03.24 £
Gift of BTEC Equipment to RAFAC	-	79,740	79,740
Miscellaneous Grants	-	475	475
Comdts Fund	-	473	473
Anne & John Singleton	1,320	-	1,320
Administration	-	142	142
Sports Grants to Regions	-	12,000	12,000
Regional/Wing Activity Centres	-	12,633	12,633
Facilities Grants	-	24,500	24,500
Staff Matched Giving Scheme	880	-	880
DBS Checks	-	5,750	5,750
AGS/VGS	-	9,973	9,973
VGS PTT	-	559	559
ESports	-	600	600
Starlink	-	1,149	1,149
RAFCT - Space BTEC	5,000	-	5,000
RAFAC Development Bursaries	19,711	-	19,710
Duke of Edinburgh Award - AWL	11,580	-	11,580
Trophy Maintenance	-	332	332
Duke of Edinburgh Kickstarter Award	-	1,000	1,000
RAFAC Environmental Award	-	150	150
	38,491	149,475	187,966

continued...

7. SUPPORT COSTS

	Management £
Training Ground Activities	39,063

Further analysis can be found per note 9.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

During the year ended 31 March 2024, Trustees claimed expenses of £1,072 (2023: £320) for costs incurred which were necessary to fulfill their role within the Charity.

9. STAFF COSTS

	2024 £	2023 £
Wages and salaries	37,500	8,940
Other pension costs	1,563	-
	39,063	8,940

The average monthly number of employees during the year was as follows:

	2024	2023
Management and administration	1	1

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Camping equipment £	Simulators £	Radio Comms £
COST			
At 1 April 2023	32,501	720,712	11,543
Disposals	(32,501)	-	-
At 31 March 2024	-	720,712	11,543
DEPRECIATION			
At 1 April 2023	32,501	571,511	10,388
Charge for year	-	68,881	1,155
Eliminated on disposal	(32,501)	-	-
At 31 March 2024	-	640,392	11,543
NET BOOK VALUE			
At 31 March 2024	-	80,320	-
At 31 March 2023	-	149,201	1,155

continued...

10. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Target Rifles £	Totals £
COST			
At 1 April 2023	23,014	184,715	972,485
Disposals	-	-	(32,501)
At 31 March 2024	23,014	184,715	939,984
DEPRECIATION			
At 1 April 2023	17,884	75,816	708,100
Charge for year	770	15,115	85,921
Eliminated on disposal	-	-	(32,501)
At 31 March 2024	18,654	90,931	761,520
NET BOOK VALUE			
At 31 March 2024	4,360	93,784	178,464
At 31 March 2023	5,130	108,899	264,385

continued...

11. FIXED ASSET INVESTMENTS

	Cazenove			
	Stan Easton	Malcolm Club	J. Singleton	Unrestricted Funds
COST	**£**	**£**	**£**	**£**
At 1 April 2023	-	-	-	-
Introduced	1,657	170,371	8,450	1,000,000
Withdrawn	-	-	-	-
At 31 March 2024	1,657	170,371	8,450	1,000,000
VALUATION				
At 1 April 2023	-	-	-	-
Purchases	1,657	170,371	8,450	1,000,000
Sales	-	-	-	-
Change in Value	155	16.253	790	95,393
At 31 March 2024	1,812	186,624	9,240	1,095,393

	Schroders			
	Fund 513 Charity Fixed Int	Fund 514 Charity Equity Inc	Fund 514 Charity Fixed Int	Fund 1066 Charity Fixed Int
	Stan Easton	Unrestricted Funds		J. Singleton
COST	**£**	**£**	**£**	**£**
At 1 April 2023	1,884	101,618	97,694	10,092
Introduced	-	-	-	-
Withdrawn	(1,884)	-	(97,694)	(10,092)
At 31 March 2024	-	101,618	-	-
VALUATION				
At 1 April 2023	1,766	297,379	90,903	9,007
Purchases	-	-	-	-
Sales	(1,410)	-	(90,903)	(8,450)
Change in Value	(356)	9,262	-	(557)
At 31 March 2024	-	306,641	--	-

	Schroders	M&G	Total
	Fund 2161 Charity Fixed Int		
	Malcolm Club	BAE Millenium Challenge (IACE)	
COST	**£**	**£**	**£**
At 1 April 2023	200,000	50,000	461,288
Introduced	-	-	1,180,478
Withdrawn	(200,000)	-	(309,670)
At 31 March 2024	-	50,000	1,332,096
VALUATION			
At 1 April 2023	181,599	43,472	624,126
Purchases	-	-	1,180,478
Sales	(170,371)	-	(271,134)
Change in Value	(11,228)	354	110,066
At 31 March 2024	-	43,826	1,643,536

continued...

12. STOCKS

	2024	2023
	£	£
IACE Supplies	16,825	23,367

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other debtors	480,197	407,426

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	-	(61)
Other creditors	20,906	12,858
	20,906	12,797

15. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	Transfers between funds	At 31.3.24
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	3,720,240	528,260	(42,400)	4,206,100
Restricted funds				
BAE	91,264	-	-	91,264
Anne & John Singleton	98,423	(1,320)	-	97,103
Lloyds TSB Foundation	2,997	-	-	2,997
RAFAC - Development Bursaries	22,004	(19,710)	-	2,294
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	34,000	(5,000)	-	29,000
S&OTS Limited	24,000	-	-	24,000
Arkwright Scholarships	4,216	1,125	-	5,341
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	-	44,180	-	44,180
RAFCT - Air, Space, Cyber Cadet Program Package	-	42,400	42,400	84,800
	365,219	61,675	42,400	469,294
Endowment funds				
BAE Millenium Fund	191,852	1,941	-	193,793
Joseph Singleton	9,940	326	-	10,266
Malcolm Club	187,733	6,852	-	194,585
Stan Easton	2,746	64	-	2,810
	392,271	9,183	-	401,454
TOTAL FUNDS	4,477,730	599,118	-	5,076,848

continued...

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	1,082,765	(653,541)	99,036	528,260
Restricted funds				
Anne & John Singleton	-	(1,320)	-	(1,320)
Lloyds TSB Foundation	880	(880)	-	-
RAFAC - Development Bursaries	-	(19,710)	-	(19,710)
RAFCT - Astra Space	-	(5,000)	-	(5,000)
Arkwright Scholarships	1,125	-	-	1,125
DofE Access without Limits	11,580	(11,580)	-	-
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	44,180	-	-	44,180
RAFCT - Air, Space, Cyber Cadet Program Package	42,400	-	-	42,400
	100,165	(38,490)	-	61,675
Endowment funds				
BAE Millenium Fund	1,588	-	353	1,941
Joseph Singleton	93	-	233	326
Malcolm Club	1,826	-	5,026	6,852
Stan Easton	18	-	46	64
	3,525	-	5,658	9,183
TOTAL FUNDS	1,186,455	(692,031)	104,694	599,118

continued...

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
Unrestricted Fund	3,360,192	360,048	-	3,720,240
Restricted funds				
BAE	76,264	15,000	-	91,264
Anne & John Singleton	99,523	(1,100)	-	98,423
Lloyds TSB Foundation	2,015	982	-	2,997
Convention	2,500	-	(2,500)	-
RAFAC - Development Bursaries	21,249	(1,745)	2,500	22,004
RAFCT - Motivational Flying	15,902	(15,902)	-	-
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
MOD Libor	4,000	(4,000)	-	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	-	34,000	-	34,000
S&OTS Limited	-	24,000	-	24,000
Arkwright Scholarships	-	4,216	-	4,216
	309,768	55,451	-	365,219
Endowment funds				
BAE Millenium Fund	194,165	(2,313)	-	191,852
Joseph Singleton	11,574	(1,634)	-	9,940
Malcolm Club	221,736	(34,003)	-	187,733
Stan Easton	3,066	(320)	-	2,746
	430,541	(38,270)	-	392,271
TOTAL FUNDS	4,100,501	377,229	-	4,477,730

continued...

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	864,115	(479,778)	(24,289)	360,048
Restricted funds				
BAE	15,000	-	-	15,000
Anne & John Singleton	-	(1,100)	-	(1,100)
Lloyds TSB Foundation	4,610	(3,628)	-	982
RAFAC - Development Bursaries	2,500	(4,245)	-	(1,745)
RAFCT - Motivational Flying	-	(15,902)	-	(15,902)
MOD Libor	-	(4,000)	-	(4,000)
RAFCT - Astra Space	40,000	(6,000)	-	34,000
S&OTS Limited	24,000	-	-	24,000
RAF Lodge	3,000	(3,000)	-	-
Arkwright Scholarships	4,216	-	-	4,216
	93,326	(37,875)	-	55,451
Endowment funds				
BAE Millenium Fund	1,052	-	(3,365)	(2,313)
Joseph Singleton	183	-	(1,817)	(1,634)
Malcolm Club	2,625	-	(36,628)	(34,003)
Stan Easton	36	-	(356)	(320)
	3,896	-	(42,166)	(38,270)
TOTAL FUNDS	961,337	(517,653)	(66,455)	377,229

Funds of the Charity

BAE

BAE have pledged donations which will be managed by Trustees for the RAF Cadet Development Bursaries.

Anne and John Singleton Trust - Restricted Donation

The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the Air Training Corps, as at 31 March 2024 £66,872 has been spent from this fund.

Lloyds TSB Foundation

Matched giving achieved by Corps members which is then transferred to the sqn Civilian Committee concerned.

The RAF Cadet Development Bursaries

The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

RFCA WM

Development Bursaries for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

Worshipful Company of Coachmakers

Donation received to assist with the RAFAC Development Fund.

continued...

15. MOVEMENT IN FUNDS - continued

RAFCT Astra Space

The grant from the RAF Charitable Trust is for the purchase of training resources to support the RAFAC Astra Space Syllabus. So far, the grant has been used to purchase practical hands-on resources, for Lead Space Instructors to provide train-the-trainer sessions in every Region and at camps. Each set of resources consists of 41 types of resources and the plan is to provide up to 20 sets. Additionally, the grant will be used to purchase IT tablets, to support delivery, as agreed with the RAFCT.

The BAE Millennium Fund's - Restricted Endowment

Income is used to subsidise International Air Cadet Exchange airfares.

The Joseph Singleton Memorial Fund - Restricted Endowment

The Joseph Singleton Memorial Fund's income is used to fund two cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a annual basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund

The investment fund generates interest income to provide flying scholarships and/or 4 overseas expeditions. Any shortfall between the income and the cost is made up by the Charity.

The Stan Easton Memorial Fund - Restricted Endowment

Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

DofE Access with Limits

Funding is designed to make the DofE program accessible to all young people, especially those facing difficult circumstances or financial barriers. Funds received are allocated to Squadrons who submitted a successful application to the fund.

UK Space Agency - Air Cadet National Air & Space Hub - Inskip
The grant from the UK Space Agency will help to develop the RAF Air Cadets National Activity Centre at Inskip into a centre of excellence for exploring Air and Space topics through STEM activities. It will allow the RAF Air Cadets to turn their existing BTEC Level 2 in Space Studies into an interactive and exciting programme, to capture the imagination of the next generation of air and space-minded individuals, from all walks of life. The grant will be used to create a learning space, 'train the trainer', 'train the assessor', and make the experiential learning element open to all Air Cadet Squadrons, nationally.

RAFCT - Air, Space, Cyber Cadet Program Package
This grant from the RAFCT along with match funding from the Air Cadet Charity will be used to invest in a pioneering project of an Air, Space, and Cyber Cadet Program Package for the RAF Air Cadets. It will integrate laptops, Xbox devices, and Virtual Reality (VR) applications as a strategic response to address the evolving training and educational needs of the cadets. The project aims to bridge the gap between theoretical knowledge and practical application, fostering critical skills and preparing cadets for the challenges of the digital age, with a particular focus on space.

Transfers between funds

During the year, there was probable income identified in relation to the Air, Space, Cyber Cadet Program Package. For this grant to be provided by the donor, the charity also had to match the level of the grant in order for the project to go ahead. On this basis, a transfer between funds of £42,400 was made to show this future commitment of funds towards the project.

continued...

16. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. In the year ended 31 March, the charity received £42,400 (2023: £40,000) in grants from the Charitable Trust.

Air Training Corps

The Air Cadet Charity exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the Air Cadet Charity.

Air Cadet Charity CIO

England & Wales - Charity number 1160910

Accounts

REGISTERED CHARITY NUMBER: 1160910

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2023

for

Air Cadet Charity CIO

Previously known as
The Air Training Corps General Purpose Fund CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Contents of the Financial Statements for the Year Ended 31 March 2023

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Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Report of the Trustees
for the Year Ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The objectives of the Charity are to carry on such charitable purposes as the Charity Trustees from time-to-time think fit for the benefit of personnel of the Air Training Corps and Air Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

The charitable activities of the Charity are as follows:

Sports - Enabling cadets to achieve high standards in the 7 Corps Sports at Corps Level (athletics, football, swimming, cross-country, rugby, hockey and netball).

Corps Activities - Including costs for the recognised Corps Activities, Sports Leadership Courses, water activities, Ten Tors and overseas expeditions, challenging activities which develop cadets.

Adventure Training Centres - Equipment, vehicles and maintenance for both AT Centres located at Windermere and Fairbourne. These centres provide Adventure Training for adult volunteers and cadets.

Training Ground Activities - These includes the BTEC in Aviation Studies open to every cadet, DofE award costs for bronze, silver and gold, volunteer training including the Leadership for Life Course, cadet messing costs, shooting competitions for cadets and music - encouraging training and development supported by nationally recognised qualifications. Recent developments include a renewed focus on STEM activities and the launch of a new space syllabus as well as continuing development of cyber training in line with Government objectives to increase skills in these key areas.

Air Cadet Engagement Platform Costs - Basic costs for maintenance and servicing of the three trailers which are now used as classrooms for cadet flight simulator and air traffic control, space communications and cyber training at RAF Syerston. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators.

Air Fares - For overseas camps and International Air Cadet Exchange (IACE) flight tickets and insurance. The experience of an overseas camp or taking part in IACE representing the Air Cadets provides significant personal development opportunities.

Engagement - Cadet awards and finalists along with initial deposits for the National events.

Insurance for Cadet Activities - The Fund provides Personal Accident cover for all adults and cadets for all approved Air Training Corps activities. Additionally, Overseas Insurance can be purchased by volunteers and cadets as required.

Donations and Grants - Grants for sports kit, sports facilities, squadron administration and Regional Activity Centres (RAC) to ensure cadet sport at Corps level can be achieved and the RAC equipment is fully functional to support the cadet syllabus.

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Report of the Trustees
for the Year Ended 31 March 2023

Aims

The aims of the Royal Air Force Air Cadets, whose Royal Patron is HRH the Princess of Wales as the Honorary Air Commandant, which this Charity supports are: to promote and encourage among young men and women a practical interest in aviation and the Royal Air Force; to provide training which will be useful both in Service and civilian life; to foster the spirit of adventure; and to develop the qualities of leadership and good citizenship. These aims are reflected in our purpose, which is coherent with Air Officer Commanding No 22 Group's directive, the Cadet Forces 2025 Strategy and the Royal Air Force Project ASTRA.

In summary:

- **Core Purpose.** We are an Air, Space and Cyber focused uniformed youth organisation whose purpose is to grow young people's potential while fostering an interest in the Royal Air Force.
- **Core Values.** Within a safe, secure and enjoyable environment we will live by our core values of: Respect, Integrity, Service and Excellence.
- **2040 Ambition.** A leading, progressive, diverse and inclusive organisation delivering life-enhancing Air Cadet experiences that will equip our people to contribute to every aspect of the national Air, Space and Cyber enterprise.
- **The 2040 Vision.** The Air Cadets will transform as an Air and Space focussed uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart. To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to exercise influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

Public benefit

In deciding its activities, the Fund has had due regard to the Charity Commission guidance in relation to public benefit. The Fund satisfies this as it ensures that the Air Training Corps continues to flourish and to remain true to the ideals laid down in its charters, particularly the provision of challenging activities to enable it to attract and retain membership and thereby providing example and leadership for the Nation's youth. This Fund is necessary to support the modern, dynamic, sustainable air-minded youth organisation that offers fun and challenging opportunities for all. As a result, public benefit is provided by the Fund as it assists in providing opportunities for today's youth to develop personal qualities and a sense of community and citizenship valued by employers, both military and civilian, creating a positive contribution to adulthood and the good of the Nation. Recent studies by the University of Northampton have been able to demonstrate the value of the Cadet Forces to wider society.

ACHIEVEMENT AND PERFORMANCE

Review

The Air Training Corp's 80th Anniversary was a major milestone during 2021, but unfortunately the last 2 year's saw only intermittent cadet activity set against a backdrop of restrictions owing to the COVID19 Pandemic. Despite this, volunteers and cadets worked through the challenges and, whilst limited at times, found innovative solutions to deliver aspects of the cadet experience which this charity supports.

The past year, 2022, has seen squadrons return fully to face-to-face activities and there is once again a strong focus on recruitment and retention seeking to mitigate the impact of the Pandemic on cadet and adult volunteer numbers. Two excellent national recruiting campaigns for adult volunteers and cadets have been very successful and record numbers of cadets are now joining. This sends out a positive message about the quality of the Air Cadet offer.

There continues to be significant accomplishments over the past year with auditing of equipment, storage, security and maintenance being more firmly applied; all maintenance of equipment and statutory requirements continue to be met. The Trustees have continued to support the 13 Regional Activity Centres with the purchase and replacement of IT equipment along with maintenance, insurance and internet lines aiming to ensure that the cadets have a first-class effective training opportunity in their area of the country. The Fund also supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators (purchased from the significant RAF Charitable Trust donation in 2016/17) at various Volunteer Gliding Squadron locations around the UK. The PTT training is incorporated into the Air Cadet progressive aviation syllabus and cadets are very much enjoying the experience of learning the basics of flight. The Trustees have agreed to continue to fund successful projects such as making registration available to all cadets wishing to undertake a BTEC Certificate in Aviation Studies. Home-based activities have also continued successfully such as The Duke of Edinburgh Awards Scheme at all levels. The Adventure Training Centres, which saw a major reduction in activities throughout the Pandemic as well as a loss of instructors, have now regained momentum and the Trustees have been proactive in funding external support from qualified activity instructors alongside a recruitment campaign for adult volunteers.

Following the exceptional success of the Progressive Training Syllabus (PTS), the achievement badges are flourishing. They are much prized indicators of merit as the cadets work through the blue, bronze, silver and gold levels. The Trustees are pleased that their agreement to fund the purchase of these badges for the initial stock centrally and their subsequent issue directly to the cadets has been well received. Stocks of these have been replenished and are now funded locally.

ATC Personal Accident insurance cover is purchased by the Charity for the benefit of cadets and all adult volunteers. This is provided to ensure that all personnel taking part in cadet activities have an appropriate level of insurance cover. It remains an option for personnel to purchase cover with increased benefits if they so wish. It should be noted that there was no increase in premium costs this past year.

The Air Training Corps published its own in-house magazine entitled "The Air Cadet". The significant production costs of the magazine were met by the Fund, and it was provided free of charge to all squadrons and other elements of the Organisation; it was also published on the website. However, a wide-ranging review of the Magazine's utility and popularity across the Corps indicated that it was no longer a primary means of imparting information. The website was a far more popular means and able to be updated easily and regularly; it is the primary means by which young people seek and gain information. The magazine has passed into history and the savings will now be available to fund additional air cadet orientated activities.

The Junior Leaders' course continues to be supported by the Fund, which strives to develop the following attributes amongst participating cadets - leadership, general life skills and an understanding of Air Power and the other Regular Services. It is recognised as the zenith of Air Cadet leadership training and retains a high profile. The benefits of these types of activity develop the powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance and a sense of service in the community. The ATC continues to deliver enjoyable, well-organised, military-themed activities in a challenging and safely managed environment to over 40,000 young people.

The RAF Cadet Development bursaries were conceived as part of the ATC's 75th anniversary and have taken a higher profile since RAF100. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via college or university education, work placements or apprenticeships. An application process, structure and award panel have been formed so that awards can be made on a periodical basis to those who fulfil the eligibility criteria. The Trustees remain keen to support this venture and acknowledge that external sponsorship would boost funding for this exceptionally altruistic and well received scheme. The RAF Benevolent Fund led a fundraising campaign with RAFAC 2 years ago, to provide welfare support to air cadets and make a life-changing difference where and when it was needed the most. A proportion of the proceeds were donated to be used for the RAF Cadet Development bursary scheme.

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Principal funding sources

Owing to the effects of the COVID19 Pandemic the Trustees made the decision to suspend the collection of subscriptions from 1 Apr 20 to 31 Mar 21; this was restarted wef 1 Apr 21. The Fund's working capital has now rebuilt to pre-Pandemic levels. The Fund is supported primarily by subscriptions of Air Training Corps cadets. The level of subscriptions is £2.50 per cadet, except for the month of August. The rate of subscriptions for cadets at overseas units is £1.25 per cadet per month, except August, to reflect the reduced access elements of the cadet experience that are available on the UK mainland. Additional income is derived from donations and a portfolio of long-term investments, held in accordance with the Trustees' powers. A number of funds are held where the income is used for specific purposes.

a. The Malcolm Club Fund's income is used to fund flying scholarships and grants for expeditions (known as Scarman Scholarships).

b. The BAE Millennium Fund's income is used to subsidise International Air Cadet Exchange airfares.

c. The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy. 2018 was the Lees Trophy year, with finalists receiving a cash award from the Fund in addition to the Joseph Singleton awards to the winner and runner up.

d. The Stan Easton Memorial Fund is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Investment policy and objectives

Funds may be invested in any type of Investment other than partly paid shares or any other form of investment involving continuing liability to make contributions or payments in respect thereof, except for liabilities in respect of taxes, rates or rents.

FINANCIAL REVIEW

Reserves policy

The General Purposes Fund operates by holding investments to generate sufficient income to enable it to support its activities.

At the year end, the charity had total funds of £4,477,730 which was made up of unrestricted funds of £3,720,240, restricted funds of £365,219 and endowment funds of £392,271.

The level of free reserves at 31 March 2023 was £3,067,572. 'Free reserves' are the level of funds readily available to the Charity and are made up from the unrestricted funds less amounts tied up in fixed assets and long-term investments.

The Trustees aim to maintain sufficient cash reserves to provide a minimum of one year's operating costs. This is to provide sufficient time to identify alternative funding streams in the event of a material decline in income, or in a 'worst case' scenario, to wind up the Organisation's affairs and commitments in an orderly manner. At the year end, the Charity has sufficient free reserves to meet one year's operating costs.

Commentary on accounts

During the 12 months to 31st March 2023 the Fund had total receipts of £961,337 comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £517,653; therefore net income before transfers and net gains/(losses) on investments was £443,684.

Net losses on investments of £66,455 led to an overall surplus in fund movements of £377,229.

The Trustees are satisfied that the Fund is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising policy

The majority of income into the ATC GPF is from cadet subscriptions, investments and donations. Whilst there is currently no overt fundraising from members of the public, the Trustees are considering a fundraising policy, should this be required in the future. The Trustees plan to have effective systems in place so that the Charity complies fully with any legal regulations which would apply to its fundraising. There are no plans to engage a professional fundraiser or participate in street collections, door-to-door or other methods at this time. A detailed policy will be formulated for the Fund.

FUTURE PLANS

RAFAC has embarked on a programme of transformation called RAF Air Cadets Astra, which is designed to take us on a journey of modernisation with its parent Service. The RAF Air Cadets is on a journey to transform to an Air and Space focused uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart.

To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

RAFAC's journey with the Royal Air Force is a strategy planned to 2040. It is envisaged that immersive technologies will increasingly feature in the Youth Aviation Programme as it gears into delivering the next generation of powered air experience flying, in turn playing an important part in the Air Cadet offer by enhancing the benefits of live flying and gliding. That technology will also catalyse an evolution of the Air Cadet Progressive Training Syllabus in the increasingly important areas of space, cyber, coding, aerospace technology and sustainability, alongside other challenging pursuits such as leadership, adventurous training, Duke of Edinburgh Awards, and small arms shooting. RAFAC seeks to create residential Air & Space Ground Schools at each gliding location, equipped with immersive technology to maximise the Air & Space training opportunities for Air Cadets. In parallel, RAFAC will need to find an inexpensive way of flowing such technology into the unit setting, so that training content and delivery can evolve at pace alongside the RAF's transformational journey, retaining RAFAC's world class status, enhancing the range of BTEC qualifications on offer, and creating highly employable air and space-minded citizens. The Air Training Corps General Purposes Fund supports the cadet element of this vision.

It is envisaged that funding may be directed towards various Astra scholarships and projects for example Air Cadet Astra Music Scholarships, Air Cadet Astra Science, Technology, Engineering and Mathematics (STEM) Scholarships and ambition for similar scholarship offers in Cyber, Coding and Space.

Looking forward and taking into account the impact of the pandemic on activity levels and methods of training delivery, the Trustees wish to continue with a full programme of activities and be prepared to fund Astra requirements. This important milestone will present engagement opportunities in a number of areas and provide extra occasions for Air Cadets to link with the Regular RAF. Additionally, as a progressive organisation the Trustees will continue to look for new opportunities to develop and enhance the cadet experience and help to enhance the aviation spirit in the Air Cadets. The Trustees wish to ensure that they provide the support to making the cadet experience more attractive, accessible and consistent regardless of location or unit attended and personal circumstances.

The Trustees intend to continue to allocate funding to the traditional key activities which include support for BTEC in Aviation Studies, Duke of Edinburgh Awards, the International Air Cadet Exchange programme, grants for squadrons and the continuation of funding for the ATC insurance scheme.

The priorities have been reviewed and funding for one-off projects continue to be considered. The Trustees are determined to augment aviation positively with consideration for scholarships, simulators and other aerospace activity to help fulfil the minimum offer to cadets. Other areas of the curriculum have been developed to incorporate modern and fun activities such as Cyber and STEM training courses. Commandant RAFAC is developing the RAF Air Cadets Astra Ambition, to take the Organisation to 2040 and beyond. This will have an impact on the Fund, but the Commandant continues seek Public funding for those activities and enhancements deemed essential for the betterment of the cadet experience. The Strategy is aimed at ensuring that the RAF Air Cadets endures as a world class uniformed youth organisation, closely connected to its parent Service the Royal Air Force and will review every aspect of the Royal Air Force Air Cadets enterprise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

With effect from 1 July 2015 the ATC General Purposes Fund became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund Trust Charity (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the Air Training Corps.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Formerly, the Charity's Constitution required the appointment of a total of five Trustees, (two Ex-Officio and three Appointed). The Ex-Officio members (Commandant Air Cadets & Chief of Staff Air Cadets) were appointed for the duration of their term of office and the appointed Trustees (one nominated by Comdt RAFAC to act as a Financial Trustee, one by the ATC Finance & General Purposes Committee of the Air Cadet Council & one nominated by the Corps) for so long as the appointing body decides.

On 9 November 2022 it was decided that the Constitutional construct of the Trustees was incorrect. Having the Commandant and the Chief of Staff as ex-officio Trustees meant they were voting for funding for the organisation they represented; there was a significant Conflict of Interest. They resigned and a revised Constitution was agreed. It was apparent that under the developing transformation programme of Air Cadet Astra and the expected growth of the GPF as an entity as smaller unit funds moved under more centralised management, that there was a need to ensure specialist financial advice from within. One ideally two Trustees would fulfil that role and that has been achieved. In addition, a Charity Manager was engaged in January 2023, and this has assisted greatly in ensuring a greater degree of independence from the ATC accounts staff.

Organisational structure

The Fund is managed at HQ RAF Air Cadets and is overseen by the Board of Trustees (incorporated as a body), which meets formerly twice a year; this is under review. At the meetings, Trustees review the Fund's Audited Accounts and its general financial condition. In so doing, they consider forecast expenditure against anticipated income to determine, for example, whether or not increased contributions in the form of subscriptions are required to sustain the fund. Sub-committees have now been constituted and they will meet on an ad hoc basis as situations emerge; virtual meetings will enable more frequent meetings as required.

Induction and training of new trustees

When new Trustees are appointed they are given a formal induction to the work of the Charity and the Air Training Corps and provided with the information they need to fulfil their roles including Terms of Reference, which includes information about the role of trustees and charity law.

Related parties

The Finance and General Purposes Committee of the Air Cadet Council is the working group that meets a minimum of twice per year to agree the focus of activities to meet the Corps' objectives. The Committee has responsibility for vetting and proposing bids from the Fund for both repeat and non-regular activities. It can also bid for welfare grants for individuals or units, sporting activities at Regional level and other specific Corps activities. The Chair is the National Chair, there are six Regional Chairpersons and in attendance a nominated Regional Commandant and the Corps Chaplain.

The Air Training Corps General Purposes Fund (GPF) exists to provide financial support for purposes that the Trustees think fit for the benefit of personnel of the ATC. The GPF provides funding to the ATC which is applied to activities not covered by Public funds (i.e. funds from the RAF). Such activities include travel and subsistence for sports, BTEC in Aviation Studies, Duke of Edinburgh Bronze, Silver and Gold Awards and support for the International Air Cadet Exchange (IACE) programme. Thus, the Charity while being an independent organisation, is firmly related to the ATC. It is also related to the RAF i.e. part of the 'RAF Family' in modern terminology. The RAF supports the GPF by providing office accommodation for the GPF Charity Manager and for periodic meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have assessed the major risks to which the ATC General Purposes Fund is exposed, in particular, those relating to the finances of the Charity. The six major risks identified by the Trustees are:

a. A reduction in MOD funding and general support for RAF Air Cadets. Government funding covers a majority of the costs to the ATC. A reduction of public funding would result in a significant increase in GPF expenditure if activity levels were to be maintained.
b. A reduction in the number of air cadets. The major contribution to the Fund comes from cadet subscriptions, although it is accepted that this would also result in a decrease in demand for funding.
c. Overseas camp Airfare Loans from the Fund.
d. Reduced investment return.
e. Disaster Recovery and Planning in the event of IT failure.
f. Fraud or error to the Fund.

A system has been put in place to monitor the risks to the Fund and assess possible mitigating actions. Currently, public funding remains sufficient for delivery of core activity. As aviation opportunities are now improving it is hoped that cadet numbers will continue to increase. The HQ has a cadet exit survey to identify trends and the Air Cadet Council endorsed a reduction in the cadet entry age which has enhanced recruitment.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1160910

Principal address

HQ RAF Air Cadets
Royal Air Force College
Cranwell
Sleaford
Lincolnshire
NG34 8HB

Trustees

A Irvine (resigned 9.11.22)
Gp Capt (Ret'd) Bowerman OBE
M Neville CBE
Sir David Tweedie CVO
Air Cdre A C Keeling OBE (resigned 9.11.22)
S Ensor
Gp Capt M Adcock (resigned 9.11.22)
O Jones-Davies (appointed 9.11.22)
M Osman (appointed 9.11.22)

Auditors

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Bankers

Lloyds TSB Plc
2 Northgate
Sleaford
Lincolnshire, NG34 7BL

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Managers

Schroder & Co Ltd
31 Gresham Street
London
EC2V 7QA

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

CHANGE OF NAME

The charity passed a special resolution on 1 December 2023 changing its name from The Air Training Corps General Purpose Fund CIO to Air Cadet Charity CIO.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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 order of the board of trustees on 10 January 2024 and signed on its behalf by:

G A Bowerman (Jan 10, 2024 15:57 GMT)

Gp Capt (Ret'd) Bowerman OBE - Trustee

Report of the Independent Auditors to the Trustees of Air Cadet Charity CIO previously known as The Air Training Corps General Purpose Fund CIO

Opinion
We have audited the financial statements of Air Cadet Charity CIO (the 'charity') for the year ended 31 March 2023 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 charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 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.

Report of the Independent Auditors to the Trustees of
Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose
Fund CIO

Our responsibilities for the audit of the financial statements
We have been appointed as auditors 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 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wright Vigar Limited
Wright Vigar Limited (Jan 10, 2024 19:48 GMT)

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

10 January 2024

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Statement of Financial Activities for the Year Ended 31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
INCOME FROM						
Subscriptions, donations and grants	2	781,337	93,326	-	874,663	761,546
Charitable activities	4					
Air Fares		13,439	-	-	13,439	-
Adventure Training		92	-	-	92	-
Air Cadet Magazine		-	-	-	-	4,050
Corps Sports		2,919	-	-	2,919	331
Corps Activities		5,900	-	-	5,900	210
Training Ground Activities		26,895	-	-	26,895	6,084
Insurance for Cadet activities		13,540	-	-	13,540	4,913
Investment income	3	16,891	-	3,896	20,787	15,683
Other income		3,102	-	-	3,102	-
Total		864,115	93,326	3,896	961,337	792,817
EXPENDITURE ON						
Charitable activities	5					
Air Fares		19,878	-	-	19,878	-
Adventure Training		12,178	-	-	12,178	8,575
Air Cadet Magazine		-	-	-	-	4,371
Corps Sports		42,765	-	-	42,765	7,202
Corps Activities		12,580	-	-	12,580	240
Training Ground Activities		263,108	-	-	263,108	288,104
Insurance for Cadet activities		45,095	-	-	45,095	40,359
ACE Platform costs		1,320	-	-	1,320	1,040
Engagement		106	-	-	106	105
Donations and Grants		82,748	37,875	-	120,623	88,484
Total		479,778	37,875	-	517,653	438,480
Net gains/(losses) on investments		(24,289)	-	(42,166)	(66,455)	59,014
NET INCOME/(EXPENDITURE)		360,048	55,451	(38,270)	377,229	413,351
RECONCILIATION OF FUNDS						
Total funds brought forward		3,360,192	309,768	430,541	4,100,501	3,687,150
TOTAL FUNDS CARRIED FORWARD		3,720,240	365,219	392,271	4,477,730	4,100,501

The notes form part of these financial statements

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Balance Sheet
31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	10	264,385	-	-	264,385	354,975
Investments	11	388,283	-	235,843	624,126	690,582
		652,668	-	235,843	888,511	1,045,557
CURRENT ASSETS						
Stocks	12	23,367	-	-	23,367	30,419
Debtors	13	407,426	-	-	407,426	308,934
Cash at bank		2,649,576	365,219	156,428	3,171,223	2,725,530
		3,080,369	365,219	156,428	3,602,016	3,064,883
CREDITORS						
Amounts falling due within one year	14	(12,797)	-	-	(12,797)	(9,939)
NET CURRENT ASSETS		3,067,572	365,219	156,428	3,589,219	3,054,944
TOTAL ASSETS LESS CURRENT LIABILITIES		3,720,240	365,219	392,271	4,477,730	4,100,501
NET ASSETS		3,720,240	365,219	392,271	4,477,730	4,100,501
FUNDS	15					
Unrestricted funds					3,720,240	3,360,192
Restricted funds					365,219	309,768
Endowment funds					392,271	430,541
TOTAL FUNDS					4,477,730	4,100,501

The financial statements were approved by the Board of Trustees and authorised for issue on 10 January 2024 and were signed on its behalf by:



S Ensor - Trustee

The notes form part of these financial statements

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Cash Flow Statement for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	437,412	160,766
Net cash provided by operating activities		437,412	160,766
Cash flows from investing activities			
Sale of tangible fixed assets		4,385	-
Sale of fixed asset investments		-	949,480
Net cash provided by investing activities		4,385	949,480
Cash flows from financing activities			
Income attributable to endowment		3,896	4,650
Net cash provided by financing activities		3,896	4,650
Change in cash and cash equivalents in the reporting period		445,693	1,114,896
Cash and cash equivalents at the beginning of the reporting period		2,725,530	1,610,634
Cash and cash equivalents at the end of the reporting period		3,171,223	2,725,530

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	377,229	413,351
Adjustments for:		
Depreciation charges	89,307	89,761
Losses/(gain) on investments	66,455	(59,014)
Profit on disposal of fixed assets	(3,102)	-
Income attributable to endowment	(3,896)	(4,650)
Decrease in stocks	7,052	-
Increase in debtors	(98,492)	(278,621)
Increase/(decrease) in creditors	2,859	(61)
Net cash provided by operations	437,412	160,766

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	2,725,530	445,693	3,171,223
	2,725,530	445,693	3,171,223
Total	2,725,530	445,693	3,171,223

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Subscriptions
Cadet subscriptions as remitted by Wings via Regions are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity.The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
From 1 Jan 23 the Charity employed a Charity Manager to administer the fund, with effect from 1 Apr 23 responsibility transferred to the new role. No charge has been made for the support and services from the RAF and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with. The central administrative costs are fully apportioned to the training ground activities charitable activity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Camping equipment	-	33% on cost
Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	10% on cost and 5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £100 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in note 15.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

continued...

2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2023	2022
	£	£
Subscriptions	780,853	714,001
Grants and donations	93,810	47,545
	874,663	761,546

	Restricted	Unrestricted	31.03.23
	£	£	£
Lloyds TSB Matched Giving	4,610	-	4,610
RAFAC Development Bursaries	2,500	-	2,500
BAE Systems	15,000	-	15,000
S&OTS Limited	24,000	-	24,000
RAF Lodge	3,000	-	3,000
RAFCT (Space BTEC)	40,000	-	40,000
Arkwright Scholarships	4,216	-	4,216
Miscellaneous Donations	-	484	484
	93,326	484	93,810

3. INVESTMENT INCOME

	2023	2022
	£	£
Dividend income	20,787	15,683

4. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Contributions	Air Fares	13,439	-
Contributions	Adventure Training	92	-
Contributions	Air Cadet Magazine	-	4,050
Contributions	Corps Sports	2,919	331
Contributions	Corps Activities	5,900	210
Contributions	Training Ground Activities	26,895	6,084
Contributions	Insurance for Cadet activities	13,540	4,913
		62,785	15,588

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Air Fares	19,878	-	-	19,878
Adventure Training	12,178	-	-	12,178
Corps Sports	42,765	-	-	42,765
Corps Activities	12,580	-	-	12,580
Training Ground Activities	254,168	-	8,940	263,108
Insurance for Cadet activities	45,095	-	-	45,095
ACE Platform costs	1,320	-	-	1,320
Engagement	106	-	-	106
Donations and Grants	-	120,623	-	120,623
	388,090	120,623	8,940	517,653

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5. CHARITABLE ACTIVITIES COSTS - continued

FURTHER ANALYSIS OF CHARITABLE ACTIVITIES FOR THE PERIOD

Corps Sports

	Contributions £	Expenditure £	Cost to the Charity £
Athletics	-	7,475	7,475
Soccer	1,685	12,305	10,620
Swimming	550	7,322	6,772
Cross Country	-	5,839	5,839
Rugby	-	2,594	2,594
Netball	-	4,966	4,966
Hockey	684	2,264	1,580
	2,919	42,765	39,846

Training Ground Activities

	Contributions £	Expenditure £	Cost to the Charity £
RIAT	-	158	158
Corporate Clothing	-	251	251
SQA	-	4,680	4,680
BTEC	-	8,352	8,352
Duke of Edinburgh Bronze, Silver & Gold Awards	24	21,762	21,738
Shooting	695	6,212	5,517
Music	1,977	10,477	8,500
Radios	-	50	50
IACE (Memorabilia & Clothing)	3,400	15,172	11,772
IACE Programme	4,767	23,990	19,223
IACE (Accomodation Costs)	-	298	298
IACE (Horizons Royalties)	147	-	(147)
IACE (Fees)	-	340	340
DACRE Finalists	5,393	5,300	(93)
Junior Leaders	8,807	8,342	(465)
Drill & Ceremonial Camp	1,685	-	(1,685)
Cyber	-	330	330
QAIC	-	1,122	1,122
Space Instructor	-	507	507
PTS Badges	-	39,192	39,192
Admin/Equipment	-	2,071	2,071
Support Costs	-	9,455	9,455
Trustee Expenses	-	320	320
Auditors' Remuneration	-	7,250	7,250
Auditors' Remuneration - non-audit	-	8,170	8,170
Depreciation on Tangible Fixed Assets	-	89,307	89,307
	26,895	263,108	236,213

Engagement

	Contributions £	Expenditure £	Cost to the Charity £
Bank charges	-	106	106
	-	106	106

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

Insurance for Cadet Activities

Insurance cover is provided for personal accident, Regional Activity Centres (RAC) contents, Trustee Indemnity Insurance (TII) and Corps Trophies. Personal accident (entitled members) and overseas cover is provided on the payment of the appropriate premium by the individual or unit.

Auditors' Remuneration

	Cost to the Charity
	£
Auditors' Remuneration	7,250

6. GRANTS PAYABLE

	2023	2022
	£	£
Donations and Grants	120,623	88,484

	Restricted	Unrestricted	31.03.23
	£	£	£
RAFAC - Development Bursaries	4,245	-	4,245
Comdts Fund	-	1,436	1,436
Anne & John Singleton	1,100	-	1,100
Administration	-	380	380
Sports Grants to Regions	-	12,000	12,000
Regional/Wing Activity Centres	-	12,948	12,948
Facilities Grants	-	26,804	26,804
Staff Matched Giving Scheme	3,628	-	3,628
DBS Checks	-	5,750	5,750
AGS/VGS	-	6,430	6,430
STEM Scholarships	-	17,000	17,000
MOD Libor	4,000	-	4,000
RAF Lodge	3,000	-	3,000
RAFCT - Space BTEC	6,000	-	6,000
RAFCT (Motivational Flying)	15,902	-	15,902
	37,875	82,748	120,623

continued...

7. SUPPORT COSTS

	Management £
Training Ground Activities	8,940

Further analysis can be found per note 9.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year ended 31 March 2023, Trustees claimed expenses of £320 (2022: £nil) for costs incurred which were necessary to fulfill their role within the Charity.

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	8,940	-
	8,940	-

The average monthly number of employees during the year was as follows:

	2023	2022
Management and administration	1	-

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Camping equipment £	Simulators £	Radio Comms £
COST			
At 1 April 2022	32,501	720,712	11,543
Disposals	-	-	-
At 31 March 2023	32,501	720,712	11,543
DEPRECIATION			
At 1 April 2022	32,501	499,440	9,234
Charge for year	-	72,071	1,154
Eliminated on disposal	-	-	-
At 31 March 2023	32,501	571,511	10,388
NET BOOK VALUE			
At 31 March 2023	-	149,201	1,155
At 31 March 2022	-	221,272	2,309

continued...

10. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Target Rifles £	Totals £
COST			
At 1 April 2022	45,230	184,715	994,701
Disposals	(22,216)	-	(22,216)
At 31 March 2023	23,014	184,715	972,485
DEPRECIATION			
At 1 April 2022	37,912	60,639	639,726
Charge for year	905	15,177	89,307
Eliminated on disposal	(20,933)	-	(20,933)
At 31 March 2023	17,884	75,816	708,100
NET BOOK VALUE			
At 31 March 2023	5,130	108,899	264,385
At 31 March 2022	7,318	124,076	354,975

continued...

11. FIXED ASSET INVESTMENTS

	Schroders			
	Fund 513 Charity Fixed Int	Fund 514 Charity Equity Inc	Fund 514 Charity Fixed Int	Fund 1066 Charity Fixed Int
	Stan Easton	Unrestricted Funds		J. Singleton
COST	£	£	£	£
At 1 April 2022	1,884	101,618	97,694	10,092
Introduced	-	-	-	-
Withdrawn	-	-	-	-
At 31 March 2023	1,884	101,618	97,694	10,092
VALUATION				
At 1 April 2022	2,122	303,333	109,238	10,823
Purchases	-	-	-	-
Sales	-	-	-	-
Change in Value	(356)	(5,954)	(18,335)	(1,816)
At 31 March 2023	1,766	297,379	90,903	9,007

	Schroders	M&G	Total
	Fund 2161 Charity Fixed Int		
	Malcolm Club	BAE Millenium Challenge (IACE)	
COST	£	£	£
At 1 April 2022	200,000	50,000	964,893
Introduced	-	-	-
Withdrawn	-	-	-
At 31 March 2023	200,000	50,000	964,893
VALUATION			
At 1 April 2022	218,227	46,838	690,581
Purchases	-	-	-
Sales	-	-	-
Change in Value	(36,628)	(3,366)	(66,455)
At 31 March 2023	181,599	43,472	624,126

12. STOCKS

	2023	2022
	£	£
IACE Supplies	23,367	30,419

continued...

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	407,426	308,934

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	(61)	(61)
Other creditors	12,858	10,000
	12,797	9,939

15. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	3,360,192	360,048	-	3,720,240
Restricted funds				
BAE	76,264	15,000	-	91,264
Anne & John Singleton	99,523	(1,100)	-	98,423
Lloyds TSB Foundation	2,015	982	-	2,997
Convention	2,500	-	(2,500)	-
RAFAC - Development Bursaries	21,249	(1,745)	2,500	22,004
RAFCT - Motivational Flying	15,902	(15,902)	-	-
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
MOD Libor	4,000	(4,000)	-	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	-	34,000	-	34,000
S&OTS Limited	-	24,000	-	24,000
Arkwright Scholarships	-	4,216	-	4,216
	309,768	55,451	-	365,219
Endowment funds				
BAE Millenium Fund	194,165	(2,313)	-	191,852
Joseph Singleton	11,574	(1,634)	-	9,940
Malcolm Club	221,736	(34,003)	-	187,733
Stan Easton	3,066	(320)	-	2,746
	430,541	(38,270)	-	392,271
TOTAL FUNDS	4,100,501	377,229	-	4,477,730

continued...

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	864,115	(479,778)	(24,289)	360,048
Restricted funds				
BAE	15,000	-	-	15,000
Anne & John Singleton	-	(1,100)	-	(1,100)
Lloyds TSB Foundation	4,610	(3,628)	-	982
RAFAC - Development Bursaries	2,500	(4,245)	-	(1,745)
RAFCT - Motivational Flying	-	(15,902)	-	(15,902)
MOD Libor	-	(4,000)	-	(4,000)
RAFCT - Astra Space	40,000	(6,000)	-	34,000
S&OTS Limited	24,000	-	-	24,000
RAF Lodge	3,000	(3,000)	-	-
Arkwright Scholarships	4,216	-	-	4,216
	93,326	(37,875)	-	55,451
Endowment funds				
BAE Millenium Fund	1,052	-	(3,365)	(2,313)
Joseph Singleton	183	-	(1,817)	(1,634)
Malcolm Club	2,625	-	(36,628)	(34,003)
Stan Easton	36	-	(356)	(320)
	3,896	-	(42,166)	(38,270)
TOTAL FUNDS	961,337	(517,653)	(66,455)	377,229

continued...

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
Unrestricted Fund	2,942,142	430,545	(12,495)	3,360,192
Restricted funds				
Air Cadet Magazine	-	(321)	321	-
BAE	76,264	-	-	76,264
Anne & John Singleton	99,523	-	-	99,523
Lloyds TSB Foundation	350	1,665	-	2,015
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	21,249	-	21,249
RAFCT - Motivational Flying	17,402	(1,500)	-	15,902
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
RAFCT - STEM	8,764	(8,764)	-	-
MOD Libor	6,314	(2,314)	-	4,000
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	12,174	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
	299,432	(2,159)	12,495	309,768
Endowment funds				
BAE Millenium Fund	195,411	(1,246)	-	194,165
Joseph Singleton	12,220	(646)	-	11,574
Malcolm Club	234,752	(13,016)	-	221,736
Stan Easton	3,193	(127)	-	3,066
	445,576	(15,035)	-	430,541
TOTAL FUNDS	3,687,150	413,351	-	4,100,501

continued...

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	741,399	(389,553)	78,699	430,545
Restricted funds				
Air Cadet Magazine	4,050	(4,371)	-	(321)
Lloyds TSB Foundation	1,665	-	-	1,665
RAFAC - Development Bursaries	34,172	(12,923)	-	21,249
RAFCT - Motivational Flying	-	(1,500)	-	(1,500)
RAFCT - STEM	-	(8,764)	-	(8,764)
MOD Libor	6,881	(9,195)	-	(2,314)
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	-	(12,174)
	46,768	(48,927)	-	(2,159)
Endowment funds				
BAE Millenium Fund	933	-	(2,179)	(1,246)
Joseph Singleton	174	-	(820)	(646)
Malcolm Club	3,509	-	(16,525)	(13,016)
Stan Easton	34	-	(161)	(127)
	4,650	-	(19,685)	(15,035)
TOTAL FUNDS	792,817	(438,480)	59,014	413,351

Funds of the Charity

BAE

BAE have pledged donations which will be managed by Trustees for the RAF Cadet Development Bursaries.

Anne and John Singleton Trust - Restricted Donation

The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the Air Training Corps, as at 31 March 2023 £65,552 has been spent from this fund.

Lloyds TSB Foundation

Matched giving achieved by Corps members which is then transferred to the sqn Civilian Committee concerned.

RAFAC Convention

The funding for the annual RAFAC Convention.

The RAF Cadet Development Bursaries

The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

RAFCT Motivational Flying

Motivational flying packages.

continued...

15. MOVEMENT IN FUNDS - continued

RFCA WM

Development Bursaries for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

RAFCT STEM

Support of equipment for cadet STEM.

MOD Libor

This funding is now finalised.

Duke of Edinburgh Award

Support from The Award Scheme Limited for cadets completing the Duke of Edinburgh Award.

Worshipful Company of Coachmakers

Donation received to assist with the RAFAC Development Fund.

RAF Lodge

The RAF Lodge donated £3,000 to provide three £1,000 grants which were awarded as a Development Grant to the winners of the top RAF Air Cadets (DACRE Sword Winner, ATC 75 Sword Winner & Sir John Thomson Memorial Sword (SJTM Winner)) to be put towards their personal and/or professional development.

RAFCT Astra Space

The grant from the RAF Charitable Trust is for the purchase of training resources to support the RAFAC Astra Space Syllabus. So far, the grant has been used to purchase practical hands-on resources, for Lead Space Instructors to provide train-the-trainer sessions in every Region and at camps. Each set of resources consists of 41 types of resources and the plan is to provide up to 20 sets. Additionally, the grant will be used to purchase IT tablets, to support delivery, as agreed with the RAFCT.

The BAE Millennium Fund's - Restricted Endowment

Income is used to subsidise International Air Cadet Exchange airfares.

The Joseph Singleton Memorial Fund - Restricted Endowment

The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund

The investment fund generates interest income to provide flying scholarships and/or 4 overseas expeditions. Any shortfall between the income and the cost is made up by the General Purposes Fund.

The Stan Easton Memorial Fund - Restricted Endowment

Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

continued...

15. MOVEMENT IN FUNDS - continued

Transfers between funds

During the period, the Trustees decided to move the remaining balance within the Convention fund to the RAFAC Development Bursaries fund. A transfer of £2,500 was completed between the funds to reflect this decision.

16. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. In the year ended 31 March, the charity received £40,000 (2022: £nil) in grants from the Charitable Trust.

Air Training Corps

The General Purposes Fund exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the General Purposes Fund.

REGISTERED CHARITY NUMBER: 1160910

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2023

for

Air Cadet Charity CIO

Previously known as
The Air Training Corps General Purpose Fund CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

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Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Report of the Trustees
for the Year Ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The objectives of the Charity are to carry on such charitable purposes as the Charity Trustees from time-to-time think fit for the benefit of personnel of the Air Training Corps and Air Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

The charitable activities of the Charity are as follows:

Sports - Enabling cadets to achieve high standards in the 7 Corps Sports at Corps Level (athletics, football, swimming, cross-country, rugby, hockey and netball).

Corps Activities - Including costs for the recognised Corps Activities, Sports Leadership Courses, water activities, Ten Tors and overseas expeditions, challenging activities which develop cadets.

Adventure Training Centres - Equipment, vehicles and maintenance for both AT Centres located at Windermere and Fairbourne. These centres provide Adventure Training for adult volunteers and cadets.

Training Ground Activities - These includes the BTEC in Aviation Studies open to every cadet, DofE award costs for bronze, silver and gold, volunteer training including the Leadership for Life Course, cadet messing costs, shooting competitions for cadets and music - encouraging training and development supported by nationally recognised qualifications. Recent developments include a renewed focus on STEM activities and the launch of a new space syllabus as well as continuing development of cyber training in line with Government objectives to increase skills in these key areas.

Air Cadet Engagement Platform Costs - Basic costs for maintenance and servicing of the three trailers which are now used as classrooms for cadet flight simulator and air traffic control, space communications and cyber training at RAF Syerston. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators.

Air Fares - For overseas camps and International Air Cadet Exchange (IACE) flight tickets and insurance. The experience of an overseas camp or taking part in IACE representing the Air Cadets provides significant personal development opportunities.

Engagement - Cadet awards and finalists along with initial deposits for the National events.

Insurance for Cadet Activities - The Fund provides Personal Accident cover for all adults and cadets for all approved Air Training Corps activities. Additionally, Overseas Insurance can be purchased by volunteers and cadets as required.

Donations and Grants - Grants for sports kit, sports facilities, squadron administration and Regional Activity Centres (RAC) to ensure cadet sport at Corps level can be achieved and the RAC equipment is fully functional to support the cadet syllabus.

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Report of the Trustees
for the Year Ended 31 March 2023

Aims

The aims of the Royal Air Force Air Cadets, whose Royal Patron is HRH the Princess of Wales as the Honorary Air Commandant, which this Charity supports are: to promote and encourage among young men and women a practical interest in aviation and the Royal Air Force; to provide training which will be useful both in Service and civilian life; to foster the spirit of adventure; and to develop the qualities of leadership and good citizenship. These aims are reflected in our purpose, which is coherent with Air Officer Commanding No 22 Group's directive, the Cadet Forces 2025 Strategy and the Royal Air Force Project ASTRA.

In summary:

- **Core Purpose.** We are an Air, Space and Cyber focused uniformed youth organisation whose purpose is to grow young people's potential while fostering an interest in the Royal Air Force.
- **Core Values.** Within a safe, secure and enjoyable environment we will live by our core values of: Respect, Integrity, Service and Excellence.
- **2040 Ambition.** A leading, progressive, diverse and inclusive organisation delivering life-enhancing Air Cadet experiences that will equip our people to contribute to every aspect of the national Air, Space and Cyber enterprise.
- **The 2040 Vision.** The Air Cadets will transform as an Air and Space focussed uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart. To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to exercise influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

Public benefit

In deciding its activities, the Fund has had due regard to the Charity Commission guidance in relation to public benefit. The Fund satisfies this as it ensures that the Air Training Corps continues to flourish and to remain true to the ideals laid down in its charters, particularly the provision of challenging activities to enable it to attract and retain membership and thereby providing example and leadership for the Nation's youth. This Fund is necessary to support the modern, dynamic, sustainable air-minded youth organisation that offers fun and challenging opportunities for all. As a result, public benefit is provided by the Fund as it assists in providing opportunities for today's youth to develop personal qualities and a sense of community and citizenship valued by employers, both military and civilian, creating a positive contribution to adulthood and the good of the Nation. Recent studies by the University of Northampton have been able to demonstrate the value of the Cadet Forces to wider society.

ACHIEVEMENT AND PERFORMANCE

Review

The Air Training Corp's 80th Anniversary was a major milestone during 2021, but unfortunately the last 2 year's saw only intermittent cadet activity set against a backdrop of restrictions owing to the COVID19 Pandemic. Despite this, volunteers and cadets worked through the challenges and, whilst limited at times, found innovative solutions to deliver aspects of the cadet experience which this charity supports.

The past year, 2022, has seen squadrons return fully to face-to-face activities and there is once again a strong focus on recruitment and retention seeking to mitigate the impact of the Pandemic on cadet and adult volunteer numbers. Two excellent national recruiting campaigns for adult volunteers and cadets have been very successful and record numbers of cadets are now joining. This sends out a positive message about the quality of the Air Cadet offer.

There continues to be significant accomplishments over the past year with auditing of equipment, storage, security and maintenance being more firmly applied; all maintenance of equipment and statutory requirements continue to be met. The Trustees have continued to support the 13 Regional Activity Centres with the purchase and replacement of IT equipment along with maintenance, insurance and internet lines aiming to ensure that the cadets have a first-class effective training opportunity in their area of the country. The Fund also supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators (purchased from the significant RAF Charitable Trust donation in 2016/17) at various Volunteer Gliding Squadron locations around the UK. The PTT training is incorporated into the Air Cadet progressive aviation syllabus and cadets are very much enjoying the experience of learning the basics of flight. The Trustees have agreed to continue to fund successful projects such as making registration available to all cadets wishing to undertake a BTEC Certificate in Aviation Studies. Home-based activities have also continued successfully such as The Duke of Edinburgh Awards Scheme at all levels. The Adventure Training Centres, which saw a major reduction in activities throughout the Pandemic as well as a loss of instructors, have now regained momentum and the Trustees have been proactive in funding external support from qualified activity instructors alongside a recruitment campaign for adult volunteers.

Following the exceptional success of the Progressive Training Syllabus (PTS), the achievement badges are flourishing. They are much prized indicators of merit as the cadets work through the blue, bronze, silver and gold levels. The Trustees are pleased that their agreement to fund the purchase of these badges for the initial stock centrally and their subsequent issue directly to the cadets has been well received. Stocks of these have been replenished and are now funded locally.

ATC Personal Accident insurance cover is purchased by the Charity for the benefit of cadets and all adult volunteers. This is provided to ensure that all personnel taking part in cadet activities have an appropriate level of insurance cover. It remains an option for personnel to purchase cover with increased benefits if they so wish. It should be noted that there was no increase in premium costs this past year.

The Air Training Corps published its own in-house magazine entitled "The Air Cadet". The significant production costs of the magazine were met by the Fund, and it was provided free of charge to all squadrons and other elements of the Organisation; it was also published on the website. However, a wide-ranging review of the Magazine's utility and popularity across the Corps indicated that it was no longer a primary means of imparting information. The website was a far more popular means and able to be updated easily and regularly; it is the primary means by which young people seek and gain information. The magazine has passed into history and the savings will now be available to fund additional air cadet orientated activities.

The Junior Leaders' course continues to be supported by the Fund, which strives to develop the following attributes amongst participating cadets - leadership, general life skills and an understanding of Air Power and the other Regular Services. It is recognised as the zenith of Air Cadet leadership training and retains a high profile. The benefits of these types of activity develop the powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance and a sense of service in the community. The ATC continues to deliver enjoyable, well-organised, military-themed activities in a challenging and safely managed environment to over 40,000 young people.

The RAF Cadet Development bursaries were conceived as part of the ATC's 75th anniversary and have taken a higher profile since RAF100. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via college or university education, work placements or apprenticeships. An application process, structure and award panel have been formed so that awards can be made on a periodical basis to those who fulfil the eligibility criteria. The Trustees remain keen to support this venture and acknowledge that external sponsorship would boost funding for this exceptionally altruistic and well received scheme. The RAF Benevolent Fund led a fundraising campaign with RAFAC 2 years ago, to provide welfare support to air cadets and make a life-changing difference where and when it was needed the most. A proportion of the proceeds were donated to be used for the RAF Cadet Development bursary scheme.

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Principal funding sources

Owing to the effects of the COVID19 Pandemic the Trustees made the decision to suspend the collection of subscriptions from 1 Apr 20 to 31 Mar 21; this was restarted wef 1 Apr 21. The Fund's working capital has now rebuilt to pre-Pandemic levels. The Fund is supported primarily by subscriptions of Air Training Corps cadets. The level of subscriptions is £2.50 per cadet, except for the month of August. The rate of subscriptions for cadets at overseas units is £1.25 per cadet per month, except August, to reflect the reduced access elements of the cadet experience that are available on the UK mainland. Additional income is derived from donations and a portfolio of long-term investments, held in accordance with the Trustees' powers. A number of funds are held where the income is used for specific purposes.

a. The Malcolm Club Fund's income is used to fund flying scholarships and grants for expeditions (known as Scarman Scholarships).

b. The BAE Millennium Fund's income is used to subsidise International Air Cadet Exchange airfares.

c. The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy. 2018 was the Lees Trophy year, with finalists receiving a cash award from the Fund in addition to the Joseph Singleton awards to the winner and runner up.

d. The Stan Easton Memorial Fund is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Investment policy and objectives

Funds may be invested in any type of Investment other than partly paid shares or any other form of investment involving continuing liability to make contributions or payments in respect thereof, except for liabilities in respect of taxes, rates or rents.

FINANCIAL REVIEW

Reserves policy

The General Purposes Fund operates by holding investments to generate sufficient income to enable it to support its activities.

At the year end, the charity had total funds of £4,477,730 which was made up of unrestricted funds of £3,720,240, restricted funds of £365,219 and endowment funds of £392,271.

The level of free reserves at 31 March 2023 was £3,067,572. 'Free reserves' are the level of funds readily available to the Charity and are made up from the unrestricted funds less amounts tied up in fixed assets and long-term investments.

The Trustees aim to maintain sufficient cash reserves to provide a minimum of one year's operating costs. This is to provide sufficient time to identify alternative funding streams in the event of a material decline in income, or in a 'worst case' scenario, to wind up the Organisation's affairs and commitments in an orderly manner. At the year end, the Charity has sufficient free reserves to meet one year's operating costs.

Commentary on accounts

During the 12 months to 31st March 2023 the Fund had total receipts of £961,337 comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £517,653; therefore net income before transfers and net gains/(losses) on investments was £443,684.

Net losses on investments of £66,455 led to an overall surplus in fund movements of £377,229.

The Trustees are satisfied that the Fund is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising policy

The majority of income into the ATC GPF is from cadet subscriptions, investments and donations. Whilst there is currently no overt fundraising from members of the public, the Trustees are considering a fundraising policy, should this be required in the future. The Trustees plan to have effective systems in place so that the Charity complies fully with any legal regulations which would apply to its fundraising. There are no plans to engage a professional fundraiser or participate in street collections, door-to-door or other methods at this time. A detailed policy will be formulated for the Fund.

FUTURE PLANS

RAFAC has embarked on a programme of transformation called RAF Air Cadets Astra, which is designed to take us on a journey of modernisation with its parent Service. The RAF Air Cadets is on a journey to transform to an Air and Space focused uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart.

To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

RAFAC's journey with the Royal Air Force is a strategy planned to 2040. It is envisaged that immersive technologies will increasingly feature in the Youth Aviation Programme as it gears into delivering the next generation of powered air experience flying, in turn playing an important part in the Air Cadet offer by enhancing the benefits of live flying and gliding. That technology will also catalyse an evolution of the Air Cadet Progressive Training Syllabus in the increasingly important areas of space, cyber, coding, aerospace technology and sustainability, alongside other challenging pursuits such as leadership, adventurous training, Duke of Edinburgh Awards, and small arms shooting. RAFAC seeks to create residential Air & Space Ground Schools at each gliding location, equipped with immersive technology to maximise the Air & Space training opportunities for Air Cadets. In parallel, RAFAC will need to find an inexpensive way of flowing such technology into the unit setting, so that training content and delivery can evolve at pace alongside the RAF's transformational journey, retaining RAFAC's world class status, enhancing the range of BTEC qualifications on offer, and creating highly employable air and space-minded citizens. The Air Training Corps General Purposes Fund supports the cadet element of this vision.

It is envisaged that funding may be directed towards various Astra scholarships and projects for example Air Cadet Astra Music Scholarships, Air Cadet Astra Science, Technology, Engineering and Mathematics (STEM) Scholarships and ambition for similar scholarship offers in Cyber, Coding and Space.

Looking forward and taking into account the impact of the pandemic on activity levels and methods of training delivery, the Trustees wish to continue with a full programme of activities and be prepared to fund Astra requirements. This important milestone will present engagement opportunities in a number of areas and provide extra occasions for Air Cadets to link with the Regular RAF. Additionally, as a progressive organisation the Trustees will continue to look for new opportunities to develop and enhance the cadet experience and help to enhance the aviation spirit in the Air Cadets. The Trustees wish to ensure that they provide the support to making the cadet experience more attractive, accessible and consistent regardless of location or unit attended and personal circumstances.

The Trustees intend to continue to allocate funding to the traditional key activities which include support for BTEC in Aviation Studies, Duke of Edinburgh Awards, the International Air Cadet Exchange programme, grants for squadrons and the continuation of funding for the ATC insurance scheme.

The priorities have been reviewed and funding for one-off projects continue to be considered. The Trustees are determined to augment aviation positively with consideration for scholarships, simulators and other aerospace activity to help fulfil the minimum offer to cadets. Other areas of the curriculum have been developed to incorporate modern and fun activities such as Cyber and STEM training courses. Commandant RAFAC is developing the RAF Air Cadets Astra Ambition, to take the Organisation to 2040 and beyond. This will have an impact on the Fund, but the Commandant continues seek Public funding for those activities and enhancements deemed essential for the betterment of the cadet experience. The Strategy is aimed at ensuring that the RAF Air Cadets endures as a world class uniformed youth organisation, closely connected to its parent Service the Royal Air Force and will review every aspect of the Royal Air Force Air Cadets enterprise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

With effect from 1 July 2015 the ATC General Purposes Fund became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund Trust Charity (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the Air Training Corps.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Formerly, the Charity's Constitution required the appointment of a total of five Trustees, (two Ex-Officio and three Appointed). The Ex-Officio members (Commandant Air Cadets & Chief of Staff Air Cadets) were appointed for the duration of their term of office and the appointed Trustees (one nominated by Comdt RAFAC to act as a Financial Trustee, one by the ATC Finance & General Purposes Committee of the Air Cadet Council & one nominated by the Corps) for so long as the appointing body decides.

On 9 November 2022 it was decided that the Constitutional construct of the Trustees was incorrect. Having the Commandant and the Chief of Staff as ex-officio Trustees meant they were voting for funding for the organisation they represented; there was a significant Conflict of Interest. They resigned and a revised Constitution was agreed. It was apparent that under the developing transformation programme of Air Cadet Astra and the expected growth of the GPF as an entity as smaller unit funds moved under more centralised management, that there was a need to ensure specialist financial advice from within. One ideally two Trustees would fulfil that role and that has been achieved. In addition, a Charity Manager was engaged in January 2023, and this has assisted greatly in ensuring a greater degree of independence from the ATC accounts staff.

Organisational structure

The Fund is managed at HQ RAF Air Cadets and is overseen by the Board of Trustees (incorporated as a body), which meets formerly twice a year; this is under review. At the meetings, Trustees review the Fund's Audited Accounts and its general financial condition. In so doing, they consider forecast expenditure against anticipated income to determine, for example, whether or not increased contributions in the form of subscriptions are required to sustain the fund. Sub-committees have now been constituted and they will meet on an ad hoc basis as situations emerge; virtual meetings will enable more frequent meetings as required.

Induction and training of new trustees

When new Trustees are appointed they are given a formal induction to the work of the Charity and the Air Training Corps and provided with the information they need to fulfil their roles including Terms of Reference, which includes information about the role of trustees and charity law.

Related parties

The Finance and General Purposes Committee of the Air Cadet Council is the working group that meets a minimum of twice per year to agree the focus of activities to meet the Corps' objectives. The Committee has responsibility for vetting and proposing bids from the Fund for both repeat and non-regular activities. It can also bid for welfare grants for individuals or units, sporting activities at Regional level and other specific Corps activities. The Chair is the National Chair, there are six Regional Chairpersons and in attendance a nominated Regional Commandant and the Corps Chaplain.

The Air Training Corps General Purposes Fund (GPF) exists to provide financial support for purposes that the Trustees think fit for the benefit of personnel of the ATC. The GPF provides funding to the ATC which is applied to activities not covered by Public funds (i.e. funds from the RAF). Such activities include travel and subsistence for sports, BTEC in Aviation Studies, Duke of Edinburgh Bronze, Silver and Gold Awards and support for the International Air Cadet Exchange (IACE) programme. Thus, the Charity while being an independent organisation, is firmly related to the ATC. It is also related to the RAF i.e. part of the 'RAF Family' in modern terminology. The RAF supports the GPF by providing office accommodation for the GPF Charity Manager and for periodic meetings.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have assessed the major risks to which the ATC General Purposes Fund is exposed, in particular, those relating to the finances of the Charity. The six major risks identified by the Trustees are:

a. A reduction in MOD funding and general support for RAF Air Cadets. Government funding covers a majority of the costs to the ATC. A reduction of public funding would result in a significant increase in GPF expenditure if activity levels were to be maintained.
b. A reduction in the number of air cadets. The major contribution to the Fund comes from cadet subscriptions, although it is accepted that this would also result in a decrease in demand for funding.
c. Overseas camp Airfare Loans from the Fund.
d. Reduced investment return.
e. Disaster Recovery and Planning in the event of IT failure.
f. Fraud or error to the Fund.

A system has been put in place to monitor the risks to the Fund and assess possible mitigating actions. Currently, public funding remains sufficient for delivery of core activity. As aviation opportunities are now improving it is hoped that cadet numbers will continue to increase. The HQ has a cadet exit survey to identify trends and the Air Cadet Council endorsed a reduction in the cadet entry age which has enhanced recruitment.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1160910

Principal address

HQ RAF Air Cadets
Royal Air Force College
Cranwell
Sleaford
Lincolnshire
NG34 8HB

Trustees

A Irvine (resigned 9.11.22)
Gp Capt (Ret'd) Bowerman OBE
M Neville CBE
Sir David Tweedie CVO
Air Cdre A C Keeling OBE (resigned 9.11.22)
S Ensor
Gp Capt M Adcock (resigned 9.11.22)
O Jones-Davies (appointed 9.11.22)
M Osman (appointed 9.11.22)

Auditors

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Bankers

Lloyds TSB Plc
2 Northgate
Sleaford
Lincolnshire, NG34 7BL

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Managers

Schroder & Co Ltd
31 Gresham Street
London
EC2V 7QA

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

CHANGE OF NAME

The charity passed a special resolution on 1 December 2023 changing its name from The Air Training Corps General Purpose Fund CIO to Air Cadet Charity CIO.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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 order of the board of trustees on 10 January 2024 and signed on its behalf by:

G A Bowerman (Jan 10, 2024 15:57 GMT)

Gp Capt (Ret'd) Bowerman OBE - Trustee

Report of the Independent Auditors to the Trustees of Air Cadet Charity CIO previously known as The Air Training Corps General Purpose Fund CIO

Opinion
We have audited the financial statements of Air Cadet Charity CIO (the 'charity') for the year ended 31 March 2023 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 charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 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.

Report of the Independent Auditors to the Trustees of
Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose
Fund CIO

Our responsibilities for the audit of the financial statements
We have been appointed as auditors 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 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:
- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wright Vigar Limited
Wright Vigar Limited (Jan 10, 2024 19:48 GMT)

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

10 January 2024

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Statement of Financial Activities for the Year Ended 31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
INCOME FROM						
Subscriptions, donations and grants	2	781,337	93,326	-	874,663	761,546
Charitable activities	4					
Air Fares		13,439	-	-	13,439	-
Adventure Training		92	-	-	92	-
Air Cadet Magazine		-	-	-	-	4,050
Corps Sports		2,919	-	-	2,919	331
Corps Activities		5,900	-	-	5,900	210
Training Ground Activities		26,895	-	-	26,895	6,084
Insurance for Cadet activities		13,540	-	-	13,540	4,913
Investment income	3	16,891	-	3,896	20,787	15,683
Other income		3,102	-	-	3,102	-
Total		864,115	93,326	3,896	961,337	792,817
EXPENDITURE ON						
Charitable activities	5					
Air Fares		19,878	-	-	19,878	-
Adventure Training		12,178	-	-	12,178	8,575
Air Cadet Magazine		-	-	-	-	4,371
Corps Sports		42,765	-	-	42,765	7,202
Corps Activities		12,580	-	-	12,580	240
Training Ground Activities		263,108	-	-	263,108	288,104
Insurance for Cadet activities		45,095	-	-	45,095	40,359
ACE Platform costs		1,320	-	-	1,320	1,040
Engagement		106	-	-	106	105
Donations and Grants		82,748	37,875	-	120,623	88,484
Total		479,778	37,875	-	517,653	438,480
Net gains/(losses) on investments		(24,289)	-	(42,166)	(66,455)	59,014
NET INCOME/(EXPENDITURE)		360,048	55,451	(38,270)	377,229	413,351
RECONCILIATION OF FUNDS						
Total funds brought forward		3,360,192	309,768	430,541	4,100,501	3,687,150
TOTAL FUNDS CARRIED FORWARD		3,720,240	365,219	392,271	4,477,730	4,100,501

The notes form part of these financial statements

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Balance Sheet
31 March 2023

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	10	264,385	-	-	264,385	354,975
Investments	11	388,283	-	235,843	624,126	690,582
		652,668	-	235,843	888,511	1,045,557
CURRENT ASSETS						
Stocks	12	23,367	-	-	23,367	30,419
Debtors	13	407,426	-	-	407,426	308,934
Cash at bank		2,649,576	365,219	156,428	3,171,223	2,725,530
		3,080,369	365,219	156,428	3,602,016	3,064,883
CREDITORS						
Amounts falling due within one year	14	(12,797)	-	-	(12,797)	(9,939)
NET CURRENT ASSETS		3,067,572	365,219	156,428	3,589,219	3,054,944
TOTAL ASSETS LESS CURRENT LIABILITIES		3,720,240	365,219	392,271	4,477,730	4,100,501
NET ASSETS		3,720,240	365,219	392,271	4,477,730	4,100,501
FUNDS	15					
Unrestricted funds					3,720,240	3,360,192
Restricted funds					365,219	309,768
Endowment funds					392,271	430,541
TOTAL FUNDS					4,477,730	4,100,501

The financial statements were approved by the Board of Trustees and authorised for issue on 10 January 2024 and were signed on its behalf by:



S Ensor - Trustee

The notes form part of these financial statements

Air Cadet Charity CIO
previously known as
The Air Training Corps General Purpose Fund CIO

Cash Flow Statement for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	437,412	160,766
Net cash provided by operating activities		437,412	160,766
Cash flows from investing activities			
Sale of tangible fixed assets		4,385	-
Sale of fixed asset investments		-	949,480
Net cash provided by investing activities		4,385	949,480
Cash flows from financing activities			
Income attributable to endowment		3,896	4,650
Net cash provided by financing activities		3,896	4,650
Change in cash and cash equivalents in the reporting period		445,693	1,114,896
Cash and cash equivalents at the beginning of the reporting period		2,725,530	1,610,634
Cash and cash equivalents at the end of the reporting period		3,171,223	2,725,530

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	377,229	413,351
Adjustments for:		
Depreciation charges	89,307	89,761
Losses/(gain) on investments	66,455	(59,014)
Profit on disposal of fixed assets	(3,102)	-
Income attributable to endowment	(3,896)	(4,650)
Decrease in stocks	7,052	-
Increase in debtors	(98,492)	(278,621)
Increase/(decrease) in creditors	2,859	(61)
Net cash provided by operations	437,412	160,766

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	2,725,530	445,693	3,171,223
	2,725,530	445,693	3,171,223
Total	2,725,530	445,693	3,171,223

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Subscriptions
Cadet subscriptions as remitted by Wings via Regions are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity.The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
From 1 Jan 23 the Charity employed a Charity Manager to administer the fund, with effect from 1 Apr 23 responsibility transferred to the new role. No charge has been made for the support and services from the RAF and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

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1. ACCOUNTING POLICIES - continued

Expenditure
The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with. The central administrative costs are fully apportioned to the training ground activities charitable activity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Camping equipment	-	33% on cost
Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	10% on cost and 5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £100 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in note 15.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

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2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2023	2022
	£	£
Subscriptions	780,853	714,001
Grants and donations	93,810	47,545
	874,663	761,546

	Restricted	Unrestricted	31.03.23
	£	£	£
Lloyds TSB Matched Giving	4,610	-	4,610
RAFAC Development Bursaries	2,500	-	2,500
BAE Systems	15,000	-	15,000
S&OTS Limited	24,000	-	24,000
RAF Lodge	3,000	-	3,000
RAFCT (Space BTEC)	40,000	-	40,000
Arkwright Scholarships	4,216	-	4,216
Miscellaneous Donations	-	484	484
	93,326	484	93,810

3. INVESTMENT INCOME

	2023	2022
	£	£
Dividend income	20,787	15,683

4. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Contributions	Air Fares	13,439	-
Contributions	Adventure Training	92	-
Contributions	Air Cadet Magazine	-	4,050
Contributions	Corps Sports	2,919	331
Contributions	Corps Activities	5,900	210
Contributions	Training Ground Activities	26,895	6,084
Contributions	Insurance for Cadet activities	13,540	4,913
		62,785	15,588

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Air Fares	19,878	-	-	19,878
Adventure Training	12,178	-	-	12,178
Corps Sports	42,765	-	-	42,765
Corps Activities	12,580	-	-	12,580
Training Ground Activities	254,168	-	8,940	263,108
Insurance for Cadet activities	45,095	-	-	45,095
ACE Platform costs	1,320	-	-	1,320
Engagement	106	-	-	106
Donations and Grants	-	120,623	-	120,623
	388,090	120,623	8,940	517,653

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5. CHARITABLE ACTIVITIES COSTS - continued

FURTHER ANALYSIS OF CHARITABLE ACTIVITIES FOR THE PERIOD

Corps Sports

	Contributions £	Expenditure £	Cost to the Charity £
Athletics	-	7,475	7,475
Soccer	1,685	12,305	10,620
Swimming	550	7,322	6,772
Cross Country	-	5,839	5,839
Rugby	-	2,594	2,594
Netball	-	4,966	4,966
Hockey	684	2,264	1,580
	2,919	42,765	39,846

Training Ground Activities

	Contributions £	Expenditure £	Cost to the Charity £
RIAT	-	158	158
Corporate Clothing	-	251	251
SQA	-	4,680	4,680
BTEC	-	8,352	8,352
Duke of Edinburgh Bronze, Silver & Gold Awards	24	21,762	21,738
Shooting	695	6,212	5,517
Music	1,977	10,477	8,500
Radios	-	50	50
IACE (Memorabilia & Clothing)	3,400	15,172	11,772
IACE Programme	4,767	23,990	19,223
IACE (Accomodation Costs)	-	298	298
IACE (Horizons Royalties)	147	-	(147)
IACE (Fees)	-	340	340
DACRE Finalists	5,393	5,300	(93)
Junior Leaders	8,807	8,342	(465)
Drill & Ceremonial Camp	1,685	-	(1,685)
Cyber	-	330	330
QAIC	-	1,122	1,122
Space Instructor	-	507	507
PTS Badges	-	39,192	39,192
Admin/Equipment	-	2,071	2,071
Support Costs	-	9,455	9,455
Trustee Expenses	-	320	320
Auditors' Remuneration	-	7,250	7,250
Auditors' Remuneration - non-audit	-	8,170	8,170
Depreciation on Tangible Fixed Assets	-	89,307	89,307
	26,895	263,108	236,213

Engagement

	Contributions £	Expenditure £	Cost to the Charity £
Bank charges	-	106	106
	-	106	106

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

Insurance for Cadet Activities

Insurance cover is provided for personal accident, Regional Activity Centres (RAC) contents, Trustee Indemnity Insurance (TII) and Corps Trophies. Personal accident (entitled members) and overseas cover is provided on the payment of the appropriate premium by the individual or unit.

Auditors' Remuneration

	Cost to the Charity
	£
Auditors' Remuneration	7,250

6. GRANTS PAYABLE

	2023	2022
	£	£
Donations and Grants	120,623	88,484

	Restricted	Unrestricted	31.03.23
	£	£	£
RAFAC - Development Bursaries	4,245	-	4,245
Comdts Fund	-	1,436	1,436
Anne & John Singleton	1,100	-	1,100
Administration	-	380	380
Sports Grants to Regions	-	12,000	12,000
Regional/Wing Activity Centres	-	12,948	12,948
Facilities Grants	-	26,804	26,804
Staff Matched Giving Scheme	3,628	-	3,628
DBS Checks	-	5,750	5,750
AGS/VGS	-	6,430	6,430
STEM Scholarships	-	17,000	17,000
MOD Libor	4,000	-	4,000
RAF Lodge	3,000	-	3,000
RAFCT - Space BTEC	6,000	-	6,000
RAFCT (Motivational Flying)	15,902	-	15,902
	37,875	82,748	120,623

continued...

7. SUPPORT COSTS

	Management £
Training Ground Activities	8,940

Further analysis can be found per note 9.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year ended 31 March 2023, Trustees claimed expenses of £320 (2022: £nil) for costs incurred which were necessary to fulfill their role within the Charity.

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	8,940	-
	8,940	-

The average monthly number of employees during the year was as follows:

	2023	2022
Management and administration	1	-

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Camping equipment £	Simulators £	Radio Comms £
COST			
At 1 April 2022	32,501	720,712	11,543
Disposals	-	-	-
At 31 March 2023	32,501	720,712	11,543
DEPRECIATION			
At 1 April 2022	32,501	499,440	9,234
Charge for year	-	72,071	1,154
Eliminated on disposal	-	-	-
At 31 March 2023	32,501	571,511	10,388
NET BOOK VALUE			
At 31 March 2023	-	149,201	1,155
At 31 March 2022	-	221,272	2,309

continued...

10. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Target Rifles £	Totals £
COST			
At 1 April 2022	45,230	184,715	994,701
Disposals	(22,216)	-	(22,216)
At 31 March 2023	23,014	184,715	972,485
DEPRECIATION			
At 1 April 2022	37,912	60,639	639,726
Charge for year	905	15,177	89,307
Eliminated on disposal	(20,933)	-	(20,933)
At 31 March 2023	17,884	75,816	708,100
NET BOOK VALUE			
At 31 March 2023	5,130	108,899	264,385
At 31 March 2022	7,318	124,076	354,975

continued...

11. FIXED ASSET INVESTMENTS

	Schroders			
	Fund 513 Charity Fixed Int	Fund 514 Charity Equity Inc	Fund 514 Charity Fixed Int	Fund 1066 Charity Fixed Int
	Stan Easton	Unrestricted Funds		J. Singleton
COST	£	£	£	£
At 1 April 2022	1,884	101,618	97,694	10,092
Introduced	-	-	-	-
Withdrawn	-	-	-	-
At 31 March 2023	1,884	101,618	97,694	10,092
VALUATION				
At 1 April 2022	2,122	303,333	109,238	10,823
Purchases	-	-	-	-
Sales	-	-	-	-
Change in Value	(356)	(5,954)	(18,335)	(1,816)
At 31 March 2023	1,766	297,379	90,903	9,007

	Schroders	M&G	Total
	Fund 2161 Charity Fixed Int		
	Malcolm Club	BAE Millenium Challenge (IACE)	
COST	£	£	£
At 1 April 2022	200,000	50,000	964,893
Introduced	-	-	-
Withdrawn	-	-	-
At 31 March 2023	200,000	50,000	964,893
VALUATION			
At 1 April 2022	218,227	46,838	690,581
Purchases	-	-	-
Sales	-	-	-
Change in Value	(36,628)	(3,366)	(66,455)
At 31 March 2023	181,599	43,472	624,126

12. STOCKS

	2023	2022
	£	£
IACE Supplies	23,367	30,419

continued...

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	407,426	308,934

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	(61)	(61)
Other creditors	12,858	10,000
	12,797	9,939

15. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	3,360,192	360,048	-	3,720,240
Restricted funds				
BAE	76,264	15,000	-	91,264
Anne & John Singleton	99,523	(1,100)	-	98,423
Lloyds TSB Foundation	2,015	982	-	2,997
Convention	2,500	-	(2,500)	-
RAFAC - Development Bursaries	21,249	(1,745)	2,500	22,004
RAFCT - Motivational Flying	15,902	(15,902)	-	-
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
MOD Libor	4,000	(4,000)	-	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	-	34,000	-	34,000
S&OTS Limited	-	24,000	-	24,000
Arkwright Scholarships	-	4,216	-	4,216
	309,768	55,451	-	365,219
Endowment funds				
BAE Millenium Fund	194,165	(2,313)	-	191,852
Joseph Singleton	11,574	(1,634)	-	9,940
Malcolm Club	221,736	(34,003)	-	187,733
Stan Easton	3,066	(320)	-	2,746
	430,541	(38,270)	-	392,271
TOTAL FUNDS	4,100,501	377,229	-	4,477,730

continued...

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	864,115	(479,778)	(24,289)	360,048
Restricted funds				
BAE	15,000	-	-	15,000
Anne & John Singleton	-	(1,100)	-	(1,100)
Lloyds TSB Foundation	4,610	(3,628)	-	982
RAFAC - Development Bursaries	2,500	(4,245)	-	(1,745)
RAFCT - Motivational Flying	-	(15,902)	-	(15,902)
MOD Libor	-	(4,000)	-	(4,000)
RAFCT - Astra Space	40,000	(6,000)	-	34,000
S&OTS Limited	24,000	-	-	24,000
RAF Lodge	3,000	(3,000)	-	-
Arkwright Scholarships	4,216	-	-	4,216
	93,326	(37,875)	-	55,451
Endowment funds				
BAE Millenium Fund	1,052	-	(3,365)	(2,313)
Joseph Singleton	183	-	(1,817)	(1,634)
Malcolm Club	2,625	-	(36,628)	(34,003)
Stan Easton	36	-	(356)	(320)
	3,896	-	(42,166)	(38,270)
TOTAL FUNDS	961,337	(517,653)	(66,455)	377,229

continued...

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
Unrestricted Fund	2,942,142	430,545	(12,495)	3,360,192
Restricted funds				
Air Cadet Magazine	-	(321)	321	-
BAE	76,264	-	-	76,264
Anne & John Singleton	99,523	-	-	99,523
Lloyds TSB Foundation	350	1,665	-	2,015
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	21,249	-	21,249
RAFCT - Motivational Flying	17,402	(1,500)	-	15,902
Reserve Forces & Cadets West Midlands - Development Bursaries	8,315	-	-	8,315
RAFCT - STEM	8,764	(8,764)	-	-
MOD Libor	6,314	(2,314)	-	4,000
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	12,174	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
	299,432	(2,159)	12,495	309,768
Endowment funds				
BAE Millenium Fund	195,411	(1,246)	-	194,165
Joseph Singleton	12,220	(646)	-	11,574
Malcolm Club	234,752	(13,016)	-	221,736
Stan Easton	3,193	(127)	-	3,066
	445,576	(15,035)	-	430,541
TOTAL FUNDS	3,687,150	413,351	-	4,100,501

continued...

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	741,399	(389,553)	78,699	430,545
Restricted funds				
Air Cadet Magazine	4,050	(4,371)	-	(321)
Lloyds TSB Foundation	1,665	-	-	1,665
RAFAC - Development Bursaries	34,172	(12,923)	-	21,249
RAFCT - Motivational Flying	-	(1,500)	-	(1,500)
RAFCT - STEM	-	(8,764)	-	(8,764)
MOD Libor	6,881	(9,195)	-	(2,314)
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	-	(12,174)
	46,768	(48,927)	-	(2,159)
Endowment funds				
BAE Millenium Fund	933	-	(2,179)	(1,246)
Joseph Singleton	174	-	(820)	(646)
Malcolm Club	3,509	-	(16,525)	(13,016)
Stan Easton	34	-	(161)	(127)
	4,650	-	(19,685)	(15,035)
TOTAL FUNDS	792,817	(438,480)	59,014	413,351

Funds of the Charity

BAE

BAE have pledged donations which will be managed by Trustees for the RAF Cadet Development Bursaries.

Anne and John Singleton Trust - Restricted Donation

The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the Air Training Corps, as at 31 March 2023 £65,552 has been spent from this fund.

Lloyds TSB Foundation

Matched giving achieved by Corps members which is then transferred to the sqn Civilian Committee concerned.

RAFAC Convention

The funding for the annual RAFAC Convention.

The RAF Cadet Development Bursaries

The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

RAFCT Motivational Flying

Motivational flying packages.

continued...

15. MOVEMENT IN FUNDS - continued

RFCA WM

Development Bursaries for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

RAFCT STEM

Support of equipment for cadet STEM.

MOD Libor

This funding is now finalised.

Duke of Edinburgh Award

Support from The Award Scheme Limited for cadets completing the Duke of Edinburgh Award.

Worshipful Company of Coachmakers

Donation received to assist with the RAFAC Development Fund.

RAF Lodge

The RAF Lodge donated £3,000 to provide three £1,000 grants which were awarded as a Development Grant to the winners of the top RAF Air Cadets (DACRE Sword Winner, ATC 75 Sword Winner & Sir John Thomson Memorial Sword (SJTM Winner)) to be put towards their personal and/or professional development.

RAFCT Astra Space

The grant from the RAF Charitable Trust is for the purchase of training resources to support the RAFAC Astra Space Syllabus. So far, the grant has been used to purchase practical hands-on resources, for Lead Space Instructors to provide train-the-trainer sessions in every Region and at camps. Each set of resources consists of 41 types of resources and the plan is to provide up to 20 sets. Additionally, the grant will be used to purchase IT tablets, to support delivery, as agreed with the RAFCT.

The BAE Millennium Fund's - Restricted Endowment

Income is used to subsidise International Air Cadet Exchange airfares.

The Joseph Singleton Memorial Fund - Restricted Endowment

The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund

The investment fund generates interest income to provide flying scholarships and/or 4 overseas expeditions. Any shortfall between the income and the cost is made up by the General Purposes Fund.

The Stan Easton Memorial Fund - Restricted Endowment

Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

continued...

15. MOVEMENT IN FUNDS - continued

Transfers between funds

During the period, the Trustees decided to move the remaining balance within the Convention fund to the RAFAC Development Bursaries fund. A transfer of £2,500 was completed between the funds to reflect this decision.

16. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. In the year ended 31 March, the charity received £40,000 (2022: £nil) in grants from the Charitable Trust.

Air Training Corps

The General Purposes Fund exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the General Purposes Fund.

AIR CADET CHARITY CIO
Headquarters Air Cadets
RAF College Cranwell
Sleaford
Lincolnshire
NG34 8HB
(Charity Number: 1160910)

Wright Vigar Limited
Chartered Accountants &
Business Advisers
15 Newland
Lincoln
LN1 1XG

10 January 2024

Dear Sirs

Accounts and audit of Air Cadet Charity CIO for the year ended 31 March 2023

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1. We have fulfilled our responsibilities as directors / trustees as set out in the terms of your engagement letter dated 22 May 2023, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

2. All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.

3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.

4. The financial statements are free of material misstatements, including omissions.

5. The effects of uncorrected misstatements (as set out in management report) are immaterial both individually and in total.

Internal control and fraud

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.

7. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.

8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

Assets and liabilities

9. The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.

10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

11. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Loans and arrangements

13. The charitable company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

14. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

15. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

16. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

17. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

18. We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We also confirm our plans for future action(s) required to enable the charitable company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

19. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully



G A Bowerman (Jan 10, 2024 15:57 GMT)

.....

Mr G Bowerman
Chair
Signed on behalf of the board of trustees

Air Cadet Charity CIO

England & Wales - Charity number 1160910

Accounts

REGISTERED CHARITY NUMBER: 1160910

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2022

for

The Air Training Corps General Purpose Fund CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

The Air Training Corps General Purpose Fund CIO

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The Air Training Corps General Purpose Fund CIO

Report of the Trustees for the Year Ended 31 March 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The objectives of the Charity are to carry on such charitable purposes as the Charity Trustees from time-to-time think fit for the benefit of personnel of the Air Training Corps and Air Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

The charitable activities of the Charity are as follows:

Sports - Enabling cadets to achieve high standards in the 7 Corps Sports at Corps Level (athletics, football, swimming, cross-country, rugby, hockey and netball).

Corps Activities - Including costs for the recognised Corps Activities, Sports Leadership Courses, water activities, Ten Tors and overseas expeditions, challenging activities which develop cadets.

Adventure Training Centres - Equipment, vehicles and maintenance for both AT Centres located at Windermere and Fairbourne. These centres provide Adventure Training for adult volunteers and cadets.

Training Ground Activities - These includes the BTEC in Aviation Studies open to every cadet, DofE award costs for bronze, silver and gold, volunteer training including the Leadership for Life Course, cadet messing costs, shooting competitions for cadets and music - encouraging training and development supported by nationally recognised qualifications. Recent developments include a renewed focus on STEM activities and the launch of a new space syllabus as well as continuing development of cyber training in line with Government objectives to increase skills in these key areas.

Air Cadet Engagement Platform Costs - Basic costs for maintenance and servicing of the three trailers which are now used as classrooms for cadet flight simulator and air traffic control, space communications and cyber training at RAF Syerston. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators.

Air Fares - For overseas camps and International Air Cadet Exchange (IACE) flight tickets and insurance. The experience of an overseas camp or taking part in IACE representing the Air Cadets provides significant personal development opportunities.

Engagement - Cadet awards and finalists along with initial deposits for the National events.

Air Cadet magazine - Costs for the production, printing and distribution of the magazine partially offset by donations. The magazine can be accessed on-line or paper versions are available as required. Articles within the magazine aim to recognise the achievements of cadets and volunteer staff of the RAF Air Cadets and to provide a record of major events throughout the organisation.

Insurance for Cadet Activities - The Fund provides Personal Accident cover for all adults and cadets for all approved Air Training Corps activities. Additionally, Overseas Insurance can be purchased by volunteers and cadets as required.

Donations and Grants - Grants for sports kit, sports facilities, Squadron administration and Regional Activity Centres (RAC) to ensure cadet sport at Corps level can be achieved and the RAC equipment is fully functional to support the cadet syllabus.

Report of the Trustees
for the Year Ended 31 March 2022

Aims

The aims of the Royal Air Force Air Cadets, whose Royal Patron is HRH the Duchess of Cambridge as the Honorary Air Commandant, which this Charity supports are: to promote and encourage among young men and women a practical interest in aviation and the Royal Air Force; to provide training which will be useful both in Service and civilian life; to foster the spirit of adventure; and to develop the qualities of leadership and good citizenship. These aims are reflected in our purpose, which is coherent with Air Officer Commanding No 22 Group's directive and the Cadet Forces 2025 Strategy.

In summary:

- **Core Purpose.** We are an Air, Space and Cyber focused uniformed youth organisation whose purpose is to grow young people's potential while fostering an interest in the Royal Air Force.
- **Core Values.** Within a safe, secure and enjoyable environment we will live by our core values of: Respect, Integrity, Service and Excellence.
- **2040 Ambition.** A leading, progressive, diverse and inclusive organisation delivering life-enhancing Air Cadet experiences that will equip our people to contribute to every aspect of the national Air, Space and Cyber enterprise.
- **The 2040 Vision.** The Air Cadets will transform as an Air and Space focussed uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart. To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to exercise influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

Public benefit

In deciding its activities, the Fund has had due regard to the Charity Commission guidance in relation to public benefit. The Fund satisfies this as it ensures that the Air Training Corps continues to flourish and to remain true to the ideals laid down in its charters, particularly the provision of challenging activities to enable it to attract and retain membership and thereby providing example and leadership for the Nation's youth. This Fund is necessary to support the modern, dynamic, sustainable air-minded youth organisation that offers fun and challenging opportunities for all. As a result, public benefit is provided by the Fund as it assists in providing opportunities for today's youth to develop personal qualities and a sense of community and citizenship valued by employers, both military and civilian, creating a positive contribution to adulthood and the good of the Nation. Recent studies by the University of Northampton have been able to demonstrate the value of the Cadet Forces to wider society.

ACHIEVEMENT AND PERFORMANCE

Review

The Air Cadets Air Training Corps 80th Anniversary was a major milestone during 2021, whilst the last 2 years has seen intermittent cadet activity set against backdrop of restrictions owing to the pandemic, the volunteers and cadets have worked through the challenges and whilst limited at times have found innovative solutions to deliver aspects of the cadet experience of which this charity supports.

Squadrons are now back to face-to-face parading and activity and there is a strong focus on recruitment and retention and mitigation of the impact of the pandemic on cadet and CFAV numbers. To help rebuild at pace, there have been two excellent national recruiting campaigns for CFAV and cadets. Record numbers of cadets are now joining, which is great news and sends a positive message about the quality of the offer.

Subscriptions were not collected from 1 Apr 20 to 31 Mar 21 and were restarted wef 1 Apr 21. As payments are collected in arrears the first funding was received in Aug 21, showing a partial year's income, but as activity was limited the impact has been managed.

There have been accomplishments over the last year despite the limited activity. All maintenance of equipment and statutory requirements have been met. The Trustees have continued to support the 13 Regional Activity Centres for purchase and replacement of computer equipment along with maintenance, insurance and internet lines to ensure the cadets have an excellent training opportunity in their area of the country. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators (purchased from a significant RAF Charitable Trust donation in 2016/17) at various Volunteer Gliding Squadron locations around the UK. The PTT training is incorporated into the Air Cadet progressive aviation syllabus and cadets are not only learning the basics of flight but also really enjoying the experience. The Trustees agreed to fund various projects, including the revitalised system for BTEC (Certificate in Aviation Studies) registration for all ATC cadets.

Home-based activities have continued where possible such as Duke of Edinburgh Awards (at bronze, silver and gold levels), however, the Adventure Training Centre's activity has been reduced this year.

Following the exceptional success of the Progressive Training Syllabus (PTS) badges that show some of the cadet achievements on the brassard as they work through the blue, bronze, silver and gold levels, the Trustees continue to grant purchase these badges centrally for issue directly to the cadets. Stocks of these have been replenished.

ATC Personal Accident insurance cover is purchased by the Charity for the benefit of cadets and adult volunteers; this is provided to ensure that all personnel taking part in cadet activities have appropriate insurance cover. It remains an option for personnel to purchase cover with increased benefits if they so wish. It should be noted that there was no increase to the premium costs during this year.

The Air Training Corps publishes its own in-house magazine entitled "The Air Cadet". The magazine is provided free of charge to all squadrons together with publication on the website. The production costs of the magazine are met by the Fund. All Air Training Corps squadrons and individual cadets are encouraged to submit articles for publication in order that the magazine represents a broad spectrum of views from across the Organisation.

The Junior Leaders' course continues to be supported by the Fund, which strives to develop the following attributes amongst participating cadets - leadership, general life skills and an understanding of Air Power and the other Regular Services. It is recognised as the zenith of Air Cadet leadership training and retains a high profile. The benefits of these types of activity develop the powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance and a sense of service in the community. The ATC continues to deliver enjoyable, well-organised, military-themed activities in a challenging and safely managed environment to over 30,000 young people.

The RAF Cadet Development bursaries were conceived as part of the ATC's 75th anniversary and will take a higher profile following the success of RAF100. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via college or university education, work placements or apprenticeships. An application process, structure and award panel have been formed so that awards can be made on an annual basis to those who fulfil the eligibility criteria. The Trustees are keen to support this venture and acknowledge that, in the future if external sponsorship is received, it may be necessary to set up a separate charity with its own Constitution and Trustees, albeit still linked to the ATC GPF for administrative purposes.

To celebrate the 80th Anniversary the RAF Benevolent Fund led a fundraising campaign with RAFAC, to mark the milestone and publicise their welfare support for the RAF Air Cadets to be there to make a life-changing difference when it is needed the most. A proportion of the proceeds were donated for the RAFAC Development Bursaries.

FINANCIAL REVIEW

Principal funding sources

The Fund is supported primarily by subscriptions of Air Training Corps cadets. Owing to the effects of the pandemic the Trustees made the decision to suspend the collection of subscriptions for 12 months (1 Apr 20 to 31 Mar 21) and reinstated them with effect from 1 Apr 22. The level of subscriptions is £2.50 per cadet (per month except August, with effect from 1 Jan 2011. The rate of subscriptions for cadets at overseas units is £1.25 per cadet per month, except August, to reflect the reduced access elements of the cadet experience available on the UK mainland. Additional income is derived from donations and a portfolio of long-term investments, held in accordance with the Trustees' powers. A number of funds are held where the income is used for specific purposes.

a. The Malcolm Club Fund's income is used to fund flying scholarships and grants for expeditions (known as Scarman Scholarships).

b. The BAE Millennium Fund's income is used to subsidise International Air Cadet Exchange airfares.

c. The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy. 2018 was the Lees Trophy year, with finalists receiving a cash award from the Fund in addition to the Joseph Singleton awards to the winner and runner up.

d. The Stan Easton Memorial Fund is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Investment policy and objectives

Funds may be invested in any type of Investment other than partly paid shares or any other form of investment involving continuing liability to make contributions or payments in respect thereof, except for liabilities in respect of taxes, rates or rents.

FINANCIAL REVIEW

Reserves policy

The General Purposes Fund operates by holding investments to generate sufficient income to enable it to support its activities.

At the year end, the charity had total funds of £4,100,501 which was made up of unrestricted funds of £3,360,192, restricted funds of £309,768 and endowment funds of £430,541.

The level of free reserves at 31 March 2022 was £2,592,645. 'Free reserves' are the level of funds readily available to the Charity and are made up from the unrestricted funds less amounts tied up in fixed assets and long-term investments.

The Trustees aim to maintain sufficient cash reserves to provide a minimum of one year's operating costs. This is to provide sufficient time to identify alternative funding streams in the event of a material decline in income, or in a 'worst case' scenario, to wind up the Organisation's affairs and commitments in an orderly manner. At the year end, the Charity has sufficient free reserves to meet one year's operating costs.

Commentary on accounts

During the 12 months to 31st March 2022 the Fund had total receipts of £792,817 comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £438,480; therefore net income before transfers and net gains/(losses) on investments was £354,337.

Net gains on investments of £59,014 led to an overall surplus in fund movements of £413,351.

No new investments were acquired; however, during the year the HSBC portfolio was disposed of and the proceeds included in cash at bank at the year end and awaiting reinvestment in the next financial period.

The Trustees are satisfied that the Fund is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising policy

The majority of income into the ATC GPF is from cadet subscriptions, investments and donations. Whilst there is currently no overt fundraising from members of the public, the Trustees have considered a fundraising policy, should this be required in the future. The Trustees plan to have effective systems in place so that the Charity complies fully with any legal regulations which would apply to its fundraising. There are no plans to engage a professional fundraiser or participate in street collections, door-to-door or other methods at this time. A detailed policy will be formulated for the Fund.

FUTURE PLANS

RAFAC has embarked on a programme of transformation called RAF Air Cadets Astra, which is designed to take us on a journey of modernisation with our parent Service. The Air Cadets is on a journey to transform to an Air and Space focussed uniformed youth organisation, providing innovative and inclusive life-enhancing experiences for young people, reflecting the needs of the Royal Air Force, education, industry and wider society. While continuing to fly our cadets Royal Air Force aircraft, we will immerse ourselves in technology to deliver exciting challenges, immersive training, and skills that will enhance education and improve employability. All this will be conducted in a safe, secure and sustainable environment with enjoyment, personal development and recognisable achievement at its heart.

To do this we must continuously improve, developing and empowering our committed staff and volunteers to maximise their own potential. Improvements in well-being, resilience, confidence and self-efficacy for all members of the Air Cadets family will be our measure of success. In 2040 those who have benefitted from our endeavour will be better equipped to influence across education, industry and the Armed Forces, creating a circle of support that contributes to the future success of the organisation.

RAFAC's journey with the Royal Air Force is a strategy planned to 2040. It is envisaged that immersive technologies will increasingly feature in the Youth Aviation Programme as it gears into delivering the next generation of powered air experience flying, in turn playing an important part in the Air Cadet offer by enhancing the benefits of live flying and gliding. That technology will also catalyse an evolution of the Air Cadet Progressive Training Syllabus in the increasingly important areas of space, cyber, coding, aerospace technology and sustainability, alongside other challenging pursuits such as leadership, adventurous training, Duke of Edinburgh Awards, and small arms shooting. RAFAC seeks to create residential Air & Space Ground Schools at each gliding location, equipped with immersive technology to maximise the Air & Space training opportunities for Air Cadets. In parallel, RAFAC will need to find an inexpensive way of flowing such technology into the unit setting, so that training content and delivery can evolve at pace alongside the RAF's transformational journey, retaining RAFAC's world class status, enhancing the range of BTEC qualifications on offer, and creating highly employable air- and space-minded citizens. The Air Training Corps General Purposes Fund supports the cadet element of this vision.

It is envisaged that funding may be directed towards various Astra scholarships and projects for example Air Cadet Astra Music Scholarships, Air Cadet Astra STEM Scholarships and ambition for similar scholarship offer in Cyber, Coding and Space.

Looking forward and taking into account the impact of the pandemic on activity levels and methods of training delivery, the Trustees wish to continue with a full programme of activities and prepare for Astra requirements. This important milestone will present engagement opportunities in a number of areas and provide extra occasions for Air Cadets to link with the Regular RAF. Additionally, as a progressive organisation the Trustees are always looking for new opportunities to develop and enhance the cadet experience and help to restore the aviation spirit in the Air Cadets. Therefore, the Trustees wish to ensure that they provide the support to making the cadet experience more attractive, accessible and consistent regardless of location or unit attended and personal circumstances.

The Trustees intend to continue to allocate funding to the traditional key activities which include support for BTEC in Aviation Studies, Duke of Edinburgh Awards, the International Air Cadet Exchange programme, Royal International Air Tattoo catering for cadets, grants for squadrons, the continuation of the funding of the "Air Cadet" magazine and the ATC insurance schemes.

The priorities have been reviewed and funding for one-off projects continue to be considered. The Trustees are determined to augment aviation positively with consideration for scholarships, simulators and other aerospace activity to help fulfil the minimum offer to cadets. Other areas of the curriculum have been developed to incorporate modern and fun activities such as Cyber and Science, Technology, Engineering and Maths (STEM) training courses. Commandant RAFAC is developing the RAF Air Cadets Astra Ambition, to take the Organisation to 2040 and beyond and this will have an impact on the Fund. The Strategy is aimed at ensuring that the RAF Air Cadets endures as a world class uniformed youth organisation, closely connected to its parent Service the Royal Air Force and will review every aspect of the Royal Air Force Air Cadets enterprise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

With effect from 1 July 2015 the ATC General Purposes Fund became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund Trust Charity (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the Air Training Corps.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Charity's constitution requires the appointment of a total of five Trustees, (two Ex-Officio and three Appointed). The Ex-Officio members (Commandant Air Cadets & Chief of Staff Air Cadets) are appointed for the duration of their term of office and the appointed Trustees (one nominated by Comdt RAFAC to act as a Financial Trustee, one by the ATC Finance & General Purposes Committee of the Air Cadet Council & one nominated by the Corps) for so long as the appointing body decides. The constitution also allows for the recruitment of a further two independent nominated Trustees has also been enacted to increase the strength from five to seven.

Organisational structure

The Fund is managed at HQ RAF Air Cadets and is overseen by the Board of Trustees (incorporated as a body), which meets twice a year. At their meetings, Trustees consider the Fund's Audited Accounts and its general financial condition. In so doing, they consider forecast expenditure against anticipated income to determine whether or not increased contributions in the form of subscriptions are required from cadets to sustain the fund.

The Finance and General Purposes Committee of the Air Cadet Council is the working group that meets a minimum of twice per year to agree the focus of activities to meet the Corps' objectives. The Committee has particular responsibility for maintaining the income of the Fund and allocating it in support of extra mural welfare, Corps activities and sporting activities at Regional and Corps level. The members are Commandant Air Cadets (Chairperson), Chief of Staff Air Cadets (Chairman of the Air Training Corps Sports Council), 6 Regional Chairmen and in attendance a Regional Commandant (appointed by Commandant Air Cadets) and the Corps Chaplain.

Induction and training of new trustees

When new Trustees are appointed they are given a formal induction to the work of the Charity and the Air Training Corps and provided with the information they need to fulfil their roles including Terms of Reference, which includes information about the role of trustees and charity law.

Related parties

The Air Training Corps (ATC) General Purposes Fund (GPF) exists to provide financial support for purposes that the Trustees think fit for the benefit of personnel of the ATC. The GPF provides funding to the ATC which is applied to activities not covered by public funds (i.e. funds from the RAF). Such activities include travel and subsistence for sports, BTEC in Aviation Studies, Duke of Edinburgh Bronze, Silver and Gold Awards, "Air Cadet" magazine and support for the International Air Cadet Exchange (IACE) programme. Thus, the Charity is related to the ATC. It is also related to the RAF (i.e. in modern terminology is part of the RAF Family), although it is an independent organisation. The RAF supports the GPF by providing accommodation, personnel and expertise at no charge, without which the Charity could not function.

Risk management

The Trustees have assessed the major risks to which the ATC General Purposes Fund is exposed, in particular, those relating to the finances of the Charity. The six major risks identified by the Trustees are:

a. A reduction in MOD funding and general support for RAF Air Cadets. Government funding covers a majority of the costs to the ATC. A reduction of public funding would result in a significant increase in GPF expenditure if activity levels were to be maintained.
b. A reduction in the number of air cadets. The major contribution to the Fund comes from cadet subscriptions, although it is accepted that this would also result in a decrease in demand for funding.
c. Overseas camp Airfare Loans from the Fund.
d. Reduced investment return.
e. Disaster Recovery and Planning in the event of IT failure.
f. Fraud or error to the Fund.

A system has been put in place to monitor the risks to the Fund and assess possible mitigating actions. Currently, public funding remains sufficient for delivery of core activity. As aviation opportunities are now improving it is hoped that cadet numbers will continue to increase. The HQ has a cadet exit survey to identify trends and the Air Cadet Council endorsed a reduction in the cadet entry age which has enhanced recruitment.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1160910

Principal address
HQ RAF Air Cadets
Royal Air Force College
Cranwell
Sleaford
Lincolnshire
NG34 8HB

Trustees
Gp Capt J Lawlor (resigned 31.8.21)
A Irvine
Gp Capt (Ret'd) Bowerman OBE
M Neville CBE
Sir David Tweedie CVO
Air Cdre A C Keeling OBE (Chair)
S Ensor (appointed 9.11.21)
Gp Capt M Adcock (appointed 9.11.21)

Auditors
Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Bankers
Lloyds TSB Plc
2 Northgate
Sleaford
Lincolnshire, NG34 7BL

Investment Managers
Schroder & Co Ltd
31 Gresham Street
London
EC2V 7QA

HSBC
8 Canada Square
London
E14 5HQ

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

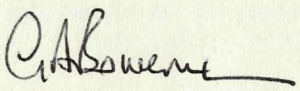
STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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 order of the board of trustees on 9 November 2022 and signed on its behalf by:



Gp Capt (Ret'd) Bowerman OBE - Trustee

Report of the Independent Auditors to the Trustees of The Air Training Corps General Purpose Fund CIO

Opinion
We have audited the financial statements of The Air Training Corps General Purpose Fund CIO (the 'charity') for the year ended 31 March 2022 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 charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 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.

Report of the Independent Auditors to the Trustees of The Air Training Corps General Purpose Fund CIO

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Wright Vigar Limited

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

9 November 2022

The Air Training Corps General Purpose Fund CIO

Statement of Financial Activities for the Year Ended 31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
INCOME FROM						
Subscriptions, donations and grants	2	718,829	42,717	-	761,546	20,647
Charitable activities						
Air Cadet Magazine		-	4,050	-	4,050	3,674
Corps Sports		331	-	-	331	89
Corps Activities		210	-	-	210	-
Training Ground Activities		6,084	-	-	6,084	4,190
Insurance for Cadet activities		4,913	-	-	4,913	6,354
Investment income	3	11,032	1	4,650	15,683	16,293
Total		741,399	46,768	4,650	792,817	51,247
EXPENDITURE ON						
Charitable activities	5					
Adventure Training		8,575	-	-	8,575	9,605
Air Cadet Magazine		-	4,371	-	4,371	11,747
Corps Sports		7,202	-	-	7,202	27,172
Corps Activities		240	-	-	240	710
Training Ground Activities		288,104	-	-	288,104	222,249
Insurance for Cadet activities		40,359	-	-	40,359	60,034
ACE Platform costs		1,040	-	-	1,040	-
Engagement		105	-	-	105	100
Donations and Grants		43,929	44,555	-	88,484	60,470
Total		389,554	48,926	-	438,480	392,087
Net gains/(losses) on investments		78,699	-	(19,685)	59,014	199,337
NET INCOME/(EXPENDITURE)		430,544	(2,158)	(15,035)	413,351	(141,503)
Transfers between funds	13	(12,495)	12,495	-	-	-
Net movement in funds		418,049	10,337	(15,035)	413,351	(141,503)
RECONCILIATION OF FUNDS						
Total funds brought forward		2,942,142	299,432	445,576	3,687,150	3,828,653
TOTAL FUNDS CARRIED FORWARD		3,360,191	309,769	430,541	4,100,501	3,687,150

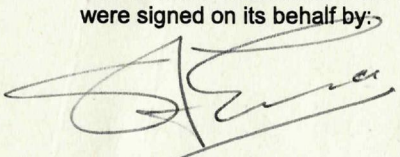
The notes form part of these financial statements

The Air Training Corps General Purpose Fund CIO

Balance Sheet
31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
Tangible assets	8	354,975	-	-	354,975	444,736
Investments	9	412,572	-	278,010	690,582	1,581,048
		767,547	-	278,010	1,045,557	2,025,784
CURRENT ASSETS						
Stocks	10	30,419	-	-	30,419	30,419
Debtors	11	308,934	-	-	308,934	30,313
Cash at bank		2,263,231	309,768	152,531	2,725,530	1,610,634
		2,602,584	309,768	152,531	3,064,883	1,671,366
CREDITORS						
Amounts falling due within one year	12	(9,939)	-	-	(9,939)	(10,000)
NET CURRENT ASSETS		2,592,645	309,768	152,531	3,054,944	1,661,366
TOTAL ASSETS LESS CURRENT LIABILITIES		3,360,192	309,768	430,541	4,100,501	3,687,150
NET ASSETS		3,360,192	309,768	430,541	4,100,501	3,687,150
FUNDS	13					
Unrestricted funds					3,360,192	2,942,142
Restricted funds					309,768	299,432
Endowment funds					430,541	445,576
TOTAL FUNDS					4,100,501	3,687,150

The financial statements were approved by the Board of Trustees and authorised for issue on 9 November 2022 and were signed on its behalf by:



S Ensor - Trustee

The notes form part of these financial statements

The Air Training Corps General Purpose Fund CIO

Cash Flow Statement for the Year Ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	160,766	101,173
Net cash provided by operating activities		160,766	101,173
Cash flows from investing activities			
Sale of fixed asset investments		949,480	(38,656)
Net cash provided by/(used in) investing activities		949,480	(38,656)
Cash flows from financing activities			
Income attributable to endowment		4,650	6,022
Expenditure attributable to endowment		-	(18,000)
Net cash provided by/(used in) financing activities		4,650	(11,978)
Change in cash and cash equivalents in the reporting period		1,114,896	50,539
Cash and cash equivalents at the beginning of the reporting period		1,610,634	1,560,095
Cash and cash equivalents at the end of the reporting period		2,725,530	1,610,634

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	413,351	(141,503)
Adjustments for:		
Depreciation charges	89,761	90,058
Gain on investments	(59,014)	(199,337)
Income attributable to endowment	(4,650)	(6,022)
Expenditure attributable to endowment	-	18,000
Increase in stocks	-	(8,116)
(Increase)/decrease in debtors	(278,621)	399,580
Decrease in creditors	(61)	(51,487)
Net cash provided by operations	160,766	101,173

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	1,610,634	1,114,896	2,725,530
	1,610,634	1,114,896	2,725,530
Total	1,610,634	1,114,896	2,725,530

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Subscriptions
Cadet subscriptions as remitted by Wings via Regions are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity.The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
The administration of the General Purposes Fund is undertaken by staff paid from RAF Public funds. No charge is made for these services and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with. The central administrative costs are fully apportioned to the training ground activities charitable activity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Camping equipment	-	33% on cost
Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	10% on cost and 5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £100 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in note 13.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

continued...

2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2022	2021
	£	£
Subscriptions	714,001	311
Grants and donations	47,545	20,336
	761,546	20,647

	Restricted	Unrestricted	31.03.22
	£	£	£
Lloyds TSB Matched Giving	1,665	-	1,665
RAFAC Development Bursaries	34,172	-	34,172
MOD Libor	6,880	-	6,880
Miscellaneous Legacies	-	1,450	1,450
Miscellaneous Donations	-	3,378	3,378
	42,717	4,828	47,545

3. INVESTMENT INCOME

	2022	2021
	£	£
Dividend income	15,683	16,293

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Contributions	Air Cadet Magazine	4,050	3,674
Contributions	Corps Sports	331	89
Contributions	Corps Activities	210	-
Contributions	Training Ground Activities	6,084	4,190
Contributions	Insurance for Cadet activities	4,913	6,354
		15,588	14,307

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Totals
	£	£	£
Adventure Training	8,575	-	8,575
Air Cadet Magazine	4,371	-	4,371
Corps Sports	7,202	-	7,202
Corps Activities	240	-	240
Training Ground Activities	288,104	-	288,104
Insurance for Cadet activities	40,359	-	40,359
ACE Platform costs	1,040	-	1,040
Engagement	105	-	105
Donations and Grants	-	88,484	88,484
	349,996	88,484	438,480

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

FURTHER ANALYSIS OF CHARITABLE ACTIVITIES FOR THE PERIOD

Corps Sports

	Contributions £	Expenditure £	Cost to the Charity £
Soccer	181	1,469	1,288
Swimming	115	838	723
Cross Country	-	1.605	1,605
Rugby	-	985	985
Netball	-	985	985
Hockey	35	1,320	1,285
	331	7,202	6,871

Training Ground Activities

	Contributions £	Expenditure £	Cost to the Charity £
Projects	134	199	65
BTEC	116	81,589	81,473
Duke of Edinburgh Bronze, Silver & Gold Awards	50	15,248	15,198
Shooting	-	4,708	4,708
Music	2,726	3,496	770
Radios	-	20	20
IACE (Memorabilia & Clothing)	2,995	164	(2,831)
IACE (Horizons Royalties)	63	-	(63)
CVQO Limited	-	14,000	14.000
Junior Leaders	-	6,428	6.428
Drill & Ceremonial Camp	-	7,290	7.290
Duke of Edinburgh Instructors	-	961	961
QAIC	-	1,594	1.594
Nijmegen/Road Marching Kit	-	1,550	1.550
PTS Badges	-	46,816	46.816
Auditors' Remuneration	-	6,500	6.500
Auditors' Remuneration - non-audit	-	7,780	7.780
Depreciation on Tangible Fixed Assets	-	89,761	89,761
	6,084	288,104	282,020

Engagement

	Contributions £	Expenditure £	Cost to the Charity £
Bank charges	-	105	105
	-	105	105

Insurance for Cadet Activities

Insurance cover is provided for personal accident, Regional Activity Centres (RAC) contents, Trustee Indemnity Insurance (TII) and Corps Trophies. Personal accident (entitled members) and overseas cover is provided on the payment of the appropriate premium by the individual or unit.

Auditors' Remuneration

	Cost to the Charity £
Auditors' Remuneration	6,500

continued...

6. GRANTS PAYABLE

	2022	2021
	£	£
Donations and Grants	88,484	60,470

	Restricted	Unrestricted	31.03.22
	£	£	£
RAFAC - Development Bursaries	12,923	-	12,923
Comdts Fund	-	828	828
Engagement	-	3,638	3,638
Administration	-	360	360
Volunteer Gliding Squadron Part Task Trainers (VGS PTT)	-	245	245
Regional/Wing Activity Centres	-	14,069	14,069
BAE Systems	-	866	866
Staff Matched Giving Scheme	-	1,000	1,000
DBS Checks	-	8,077	8,077
AGS/VGS	-	5,596	5,596
STEM Scholarships	-	5,500	5,500
eSports	-	3,750	3,750
MOD Libor	9,194	-	9,194
Duke of Edinburgh's Award - Diamond Fund	12,174	-	12,174
RAFCT - STEM	8,764	-	8,764
RAFCT (Motivational Flying)	1,500	-	1,500
	44,555	43,929	88,484

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

8. TANGIBLE FIXED ASSETS

	Camping equipment	Simulators	Radio Comms
	£	£	£
COST			
At 1 April 2021 and 31 March 2022	32,501	720,712	11,543
DEPRECIATION			
At 1 April 2021	32,501	427,369	8,079
Charge for year	-	72,071	1,155
At 31 March 2022	32,501	499,440	9,234
NET BOOK VALUE			
At 31 March 2022	-	221,272	2,309
At 31 March 2021	-	293,343	3,464

continued...

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Target Rifles £	Totals £
COST			
At 1 April 2021 and 31 March 2022	45,230	184,715	994,701
DEPRECIATION			
At 1 April 2021	36,620	45,396	549,965
Charge for year	1,292	15,243	89,761
At 31 March 2022	37,912	60,639	639,726
NET BOOK VALUE			
At 31 March 2022	7,318	124,076	354,975
At 31 March 2021	8,610	139,319	444,736

9. FIXED ASSET INVESTMENTS

	Schroders			
	Fund 513 Charity Fixed Int	Fund 514 Charity Equity Inc	Fund 514 Charity Fixed Int	Fund 1066 Charity Fixed Int
	Stan Easton	Unrestricted Funds		J. Singleton
COST	£	£	£	£
At 1 April 2021	1,884	101,618	97,694	10,092
Introduced	-	-	-	-
Withdrawn	-	-	-	-
At 31 March 2022	1,884	101,618	97,694	10,092
VALUATION				
At 1 April 2021	2,283	262,315	117,510	11,643
Purchases	-	-	-	-
Sales	-	-	-	-
Change in Value	(161)	41,018	(8,272)	(820)
At 31 March 2022	2,122	303,333	109,238	10,823

	Schroders Fund 2161 Charity Fixed Int	HSBC Portfolio	M&G	Total
	Malcolm Club	Unrestricted Funds	BAE Millenium Challenge (IACE)	
COST	£	£	£	£
At 1 April 2021	200,000	503,605	50,000	964,893
Introduced	-	-	-	-
Withdrawn	-	(503,605)	-	-
At 31 March 2022	200,000	-	50,000	964,893
VALUATION				
At 1 April 2021	234,752	903,528	49,017	1,581,048
Purchases	-	235,335	-	235,335
Sales	-	(1,215,793)	-	(1,215,793)
Change in Value	(16,525)	76,930	(2,179)	89,991
At 31 March 2022	218,227	-	46,838	690,581

continued...

10. STOCKS

	2022	2021
	£	£
IACE Supplies	30,419	30,419

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other debtors	308,934	30,313

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	(61)	-
Other creditors	10,000	10,000
	9,939	10,000

13. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	2,942,142	430,545	(12,495)	3,360,192
Restricted funds				
Air Cadet Magazine	-	(321)	321	-
BAE	76,264	-	-	76,264
Anne & John Singleton	99,523	-	-	99,523
Lloyds TSB Foundation	350	1,665	-	2,015
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	21,249	-	21,249
RAFCT - Motivational Flying	17,402	(1,500)	-	15,902
Reserve Forces & Cadets West Midlands	8,315	-	-	8,315
RAFCT - STEM	8,764	(8,764)	-	-
MOD Libor	6,314	(2,314)	-	4,000
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	12,174	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
	299,432	(2,159)	12,495	309,768
Endowment funds				
BAE Millenium Fund	195,411	(1,246)	-	194,165
Joseph Singleton	12,220	(646)	-	11,574
Malcolm Club	234,752	(13,016)	-	221,736
Stan Easton	3,193	(127)	-	3,066
	445,576	(15,035)	-	430,541
TOTAL FUNDS	3,687,150	413,351	-	4,100,501

continued...

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	741,399	(389,553)	78,699	430,545
Restricted funds				
Air Cadet Magazine	4,050	(4,371)	-	(321)
Lloyds TSB Foundation	1,665	-	-	1,665
RAFAC - Development Bursaries	34,172	(12,923)	-	21,249
RAFCT - Motivational Flying	-	(1,500)	-	(1,500)
RAFCT - STEM	-	(8,764)	-	(8,764)
MOD Libor	6,881	(9,195)	-	(2,314)
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	-	(12,174)
	46,768	(48,927)	-	(2,159)
Endowment funds				
BAE Millenium Fund	933	-	(2,179)	(1,246)
Joseph Singleton	174	-	(820)	(646)
Malcolm Club	3,509	-	(16,525)	(13,016)
Stan Easton	34	-	(161)	(127)
	4,650	-	(19,685)	(15,035)
TOTAL FUNDS	792,817	(438,480)	59,014	413,351

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
Unrestricted Fund	3,085,517	(115,614)	(27,761)	2,942,142
Restricted funds				
Air Cadet Magazine	-	(8,072)	8,072	-
BAE	76,264	-	-	76,264
Anne & John Singleton	97,523	2,000	-	99,523
Lloyds TSB Foundation	850	(500)	-	350
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	(6,250)	6,250	-
RAFCT - Motivational Flying	18,982	(1,580)	-	17,402
Reserve Forces & Cadets West Midlands	8,315	-	-	8,315
RAFCT - STEM	-	8,764	-	8,764
MOD Libor	-	6,314	-	6,314
Worshipful Company of Coachmakers	80,000	-	-	80,000
	284,434	676	14,322	299,432
Endowment funds				
BAE Millenium Fund	194,090	1,321	-	195,411
Joseph Singleton	12,683	(463)	-	12,220
Malcolm Club	248,645	(27,332)	13,439	234,752
Stan Easton	3,284	(91)	-	3,193
	458,702	(26,565)	13,439	445,576
TOTAL FUNDS	3,828,653	(141,503)	-	3,687,150

continued...

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	22,240	(351,778)	213,924	(115,614)
Restricted funds				
Air Cadet Magazine	3,675	(11,747)	-	(8,072)
Anne & John Singleton	2,000	-	-	2,000
Lloyds TSB Foundation	2,232	(2,732)	-	(500)
RAFAC - Development Bursaries	-	(6,250)	-	(6,250)
RAFCT - Motivational Flying	-	(1,580)	-	(1,580)
RAFCT - STEM	8,764	-	-	8,764
MOD Libor	6,314	-	-	6,314
	22,985	(22,309)	-	676
Endowment funds				
BAE Millenium Fund	1,190	-	131	1,321
Joseph Singleton	226	-	(689)	(463)
Malcolm Club	4,562	(18,000)	(13,894)	(27,332)
Stan Easton	44	-	(135)	(91)
	6,022	(18,000)	(14,587)	(26,565)
TOTAL FUNDS	51,247	(392,087)	199,337	(141,503)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
Unrestricted Fund	3,085,517	314,931	(40,256)	3,360,192
Restricted funds				
Air Cadet Magazine	-	(8,393)	8,393	-
BAE	76,264	-	-	76,264
Anne & John Singleton	97,523	2,000	-	99,523
Lloyds TSB Foundation	850	1,165	-	2,015
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	14,999	6,250	21,249
RAFCT - Motivational Flying	18,982	(3,080)	-	15,902
Reserve Forces & Cadets West Midlands	8,315	-	-	8,315
MOD Libor	-	4,000	-	4,000
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	12,174	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
	284,434	(1,483)	26,817	309,768
Endowment funds				
BAE Millenium Fund	194,090	75	-	194,165
Joseph Singleton	12,683	(1,109)	-	11,574
Malcolm Club	248,645	(40,348)	13,439	221,736
Stan Easton	3,284	(218)	-	3,066
	458,702	(41,600)	13,439	430,541
TOTAL FUNDS	3,828,653	271,848	-	4,100,501

continued...

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	763,639	(741,331)	292,623	314,931
Restricted funds				
Air Cadet Magazine	7,725	(16,118)	-	(8,393)
Anne & John Singleton	2,000	-	-	2,000
Lloyds TSB Foundation	3,897	(2,732)	-	1,165
RAFAC - Development Bursaries	34,172	(19,173)	-	14,999
RAFCT - Motivational Flying	-	(3,080)	-	(3,080)
RAFCT - STEM	8,764	(8,764)	-	-
MOD Libor	13,195	(9,195)	-	4,000
The Award Scheme Limited - Duke of Edinburgh Award	-	(12,174)	-	(12,174)
	69,753	(71,236)	-	(1,483)
Endowment funds				
BAE Millenium Fund	2,123	-	(2,048)	75
Joseph Singleton	400	-	(1,509)	(1,109)
Malcolm Club	8,071	(18,000)	(30,419)	(40,348)
Stan Easton	78	-	(296)	(218)
	10,672	(18,000)	(34,272)	(41,600)
TOTAL FUNDS	844,064	(830,567)	258,351	271,848

Funds of the charity

Air Cadet Magazine
Donations are made towards the production costs of the magazine along with income from advertising revenue and support from the fund. There are 3 magazines a year for cadets, to use as a recruitment tool and to advertise the breadth of activities undertaken by the Corps.

BAE
BAE have pledged donations which will be managed by Hd MC for recruitment and advertising equipment.

Anne and John Singleton Trust - Restricted Donation
The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the Air Training Corps, as at 31 March 2022 £64,452 has been spent from this fund.

Lloyds TSB Foundation
Matched giving achieved by Corps members which is then transferred to the sqn Civilian Committee concerned.

RAFAC Convention
The funding for the annual RAFAC Convention.

The RAF Cadet Development Bursaries
The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

continued...

13. MOVEMENT IN FUNDS - continued

Funds of the charity - continued

RAFCT Motivational Flying
Motivational flying packages.

RFCA WM
Gliding experience for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

RAFCT STEM
Support of equipment for cadet STEM.

MOD Libor
This fund was previously fully spent, however a small amount of monies were unspent and returned back to the charity. These monies will be redistributed in the next financial period.

Duke of Edinburgh Award
Support from The Award Scheme Limited for cadets completing the Duke of Edinburgh Award.

Worshipful Company of Coachmakers
Donation received to assist with the RAFAC Development Trust.

The BAE Millennium Fund's - Restricted Endowment
Income is used to subsidise International Air Cadet Exchange airfares.

The Joseph Singleton Memorial Fund - Restricted Endowment
The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund
The investment fund generates interest income which aims to provide six 12 hour flying scholarships and 4 overseas expeditions. Any shortfall between the income and the cost is made up by the general purposes fund.

The Stan Easton Memorial Fund - Restricted Endowment
Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Transfers between Funds

The general fund supports the of producing of the Air Cadet Magazine. A transfer was made during the year to support the shortfall.

A transfer was made to offset the overspend in the Duke of Edinburgh Award fund. The payment was returning unspent monies which was originally included as general fund income.

14. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. As Covid-19 significantly disrupted the financial year, there were no grants received in the period nor in the prior period..

Air Training Corps

The General Purposes Fund exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the General Purposes Fund.

The Air Training Corps General Purpose Fund CIO

Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	2022 £	2021 £
INCOME		
Subscriptions, donations and grants		
Subscriptions	714,001	311
Grants and donations	47,545	20,336
	761,546	20,647
Investment income		
Dividend income	15,683	16,293
Charitable activities		
Contributions	15,588	14,307
Total incoming resources	792,817	51,247
EXPENDITURE		
Charitable activities		
Costs of charitable activities		
Insurance	205,491	167,805
Auditors' remuneration	40,359	60,034
Auditors' remn - non-audit	6,500	5,950
Bank charges	7,780	7,670
Depn of simulators	105	100
Depn of radio comms	72,071	72,071
Motor vehicles	1,155	1,154
Depn of target rifles	1,292	1,520
Grants to individuals	15,243	15,313
	88,484	60,470
	438,480	392,087
Total resources expended	438,480	392,087
Net income/(expenditure) before gains and losses	354,337	(340,840)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	45,953	-
Net income/(expenditure)	400,290	(340,840)

Air Cadet Charity CIO

England & Wales - Charity number 1160910

Accounts

Report of the Trustees and

Financial Statements

for the Year Ended 31 March 2021

for

The Air Training Corps General Purpose Fund CIO

Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

The Air Training Corps General Purpose Fund CIO

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Report of the Trustees for the Year Ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The objectives of the Charity are to carry on such charitable purposes as the Charity Trustees from time to time think fit for the benefit of personnel of the Air Training Corps and Air Cadets. This is without limiting the generality of the foregoing to provide support and activities for young people which develop their skills, capacities, and capabilities to enable them to participate in society as mature and responsible individuals.

The charitable activities of the Charity are as follows:

Corps Sports - Enabling cadets to achieve high standards in the 7 Corps Sports at Corps Level (athletics, soccer, swimming, cross-country, rugby, hockey and netball).

Corps Activities - Includes costs for the recognised Corps Activities as well as water activities, Sports Leadership Courses, Ten Tors and overseas expeditions, again challenging activities which develop cadets.

Adventure Training Centres - Vehicles, equipment and maintenance for both AT Centres located at Windermere and Fairbourne. These centres provide Adventure Training for adult volunteers and cadets.

Training Ground Activities - Includes the BTEC in Aviation Studies open to every cadet, DofE award costs for bronze, silver and gold, volunteer training including the Leadership for Life Course, cadet messing costs, shooting competitions for cadets and music - encouraging training and development supported by nationally recognised qualifications. Recent developments include a renewed focus on STEM activities and the launch of a new space syllabus as well as continuing development of cyber training in line with Govt objectives to increase skills in these key areas.

Air Cadet Engagement Platform Costs - Basic costs for maintenance and servicing of the three trailers which are now used as classrooms for cadet flight simulator and air traffic control, space communications and cyber training at RAF Syerston. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators.

Air Fares - For overseas camps and International Air Cadet Exchange (IACE) flight tickets and insurance - collection of a proportion from the cadets and offset by the Fund. The experience of an overseas camp or taking part in IACE representing the Air Cadets provides significant personal development opportunities.

Engagement - Cadet awards and finalists along with initial deposits for the National events.

Air Cadet magazine - Costs for the production, printing and distribution of the magazine partially offset by donations. The magazine can be accessed on-line or paper versions are available as required. Articles within the magazine aim to recognise the achievements of cadets and volunteer staff of the RAF Air Cadets and to provide a record of major events throughout the organisation.

Insurance for Cadet Activities - The Fund provides Personal Accident cover for all adults and cadets for all approved Air Training Corps activities. Additionally, Overseas Insurance can be purchased by volunteers and cadets as required.

Donations and Grants - Grants for sports kit, sports facilities, Squadron admin and Regional Activity Centres (RAC) to ensure cadet sport at Corps level can be achieved and the RAC equipment is fully functional to support the cadet syllabus.

Aims

The aims of the Air Training Corps, whose Royal Patron is HRH the Duchess of Cambridge as the Honorary Air Commandant, which this Charity supports are: to promote and encourage among young men and women a practical interest in aviation and the Royal Air Force; to provide training which will be useful both in Service and civilian life; to foster the spirit of adventure; and to develop the qualities of leadership and good citizenship. Our mission is to be a modern, dynamic, sustainable, air-minded youth organisation of choice that offers fun and challenging opportunities to young people and adult volunteers alike and develops citizens with valuable skills for the future. Our mission underpins the No 22 Group Mission, the RAF Youth Strategy, the RAF Engagement Strategy and the Cadet Forces 2025 Strategy.

OBJECTIVES AND ACTIVITIES

Public benefit

In deciding its activities, the Fund has had due regard to the Charity Commission guidance in relation to public benefit. The Fund satisfies this as it ensures that the Air Training Corps continues to flourish and to remain true to the ideals laid down in its charters, particularly the provision of challenging activities to enable it to attract and retain membership and thereby providing example and leadership for the Nation's youth. This Fund is necessary to support the modern, dynamic, sustainable air-minded youth organisation that offers fun and challenging opportunities for all. As a result, the Fund derives public benefit as it assists in providing opportunities for today's youth to develop personal qualities and a sense of community and citizenship valued by employers, both military and civilian, creating a positive contribution to adulthood and the good of the Nation. Recent studies by the University of Northampton have been able to demonstrate the value of the Cadet Forces to wider society.

ACHIEVEMENT AND PERFORMANCE

Review

In common with all youth organizations across the UK, COVID19 has presented RAFAC with a number of exceptional challenges both in the HQ and more significantly in the Air Training Corps community setting. The rapid implementation of an on-line cadet experience has been an outstanding achievement by a small but determined team of staff and CFAVs, keeping the majority of Air Cadets digitally connected to their units. The challenge continued through to the end of the reporting year, nevertheless, planning and some home-based activities have continued. Face-to-face cadet activities, Duke of Edinburgh Awards (at Bronze, Silver and Gold levels) and the Adventure Training Centre's activity have been severely reduced this year.

The Trustees made the decision to pause the collection of cadet subscriptions for the reporting year, to resume with effect 1 Apr 21, and accordingly there has been limited expenditure compared to previous years.

It is envisaged that the financial impact to the fund will be managed as cadets return to activity and as income resumes. The Trustees have managed, so far, to avoid using the charities reserves held in investments but cash reserves have reduced. There have been accomplishments over the last year despite the limited activity. All maintenance of equipment and statutory requirements have been met. The Trustees have continued to support the 13 Regional Activity Centres for purchase and replacement of computer equipment along with maintenance, insurance and internet lines to ensure the cadets have an excellent training opportunity in their area of the country. The Fund supports the maintenance of the 25 Part Task Trainers (PTTs) flight simulators (purchased from a significant RAF Charitable Trust donation in 2016/17) at various Volunteer Gliding Squadron locations around the UK. The PTT training is incorporated into the Air Cadet progressive aviation syllabus and cadets are not only learning the basics of flight but also really enjoying the experience. The Trustees have agreed to maintain and upgrade as necessary, throughout the life of the equipment to ensure full operation at all times. The Trustees agreed to fund various projects, including the revitalised system for BTEC (Certificate in Aviation Studies) registration for all ATC cadets, the provision of Bronze, Silver and Gold Duke of Edinburgh award registration fees for all cadets, along with the delivery of Corporate Clothing (polo shirts) for Civilian Instructors and Chaplains.

Following the exceptional success of the Progressive Training Syllabus (PTS) badges that show some of the cadet achievements on the brassard as they work through the blue, bronze, silver and gold levels, the Trustees agreed to grant purchase these badges centrally for issue directly to the cadets. Stocks of these have been replenished.

ATC Personal Accident insurance cover is purchased by the Charity for the benefit of cadets and adult volunteers; this is provided to ensure that all personnel taking part in cadet activities have appropriate insurance cover. It remains an option for personnel to purchase cover with increased benefits if they so wish. It should be noted that there was no increase to the premium costs during this year, and the policy was also extended to 1 Jul at no extra cost.

The Air Training Corps publishes its own in-house magazine entitled "The Air Cadet". The magazine is provided free of charge to all squadrons together with publication on the website. The production costs of the magazine are met by the Fund. All Air Training Corps squadrons and individual cadets are encouraged to submit articles for publication in order that the magazine represents a broad spectrum of views from across the Organisation.

The Junior Leaders' course continues to be supported by the Fund, which strives to develop the following attributes amongst participating cadets - leadership, general life skills and an understanding of Air Power and the other Regular Services. It is recognised as the zenith of Air Cadet leadership training and retains a high profile. The benefits of these types of activity develop the powers of leadership by means of training to promote the qualities of responsibility, self-reliance, resourcefulness, endurance and perseverance and a sense of service in the community. The ATC continues to deliver enjoyable, well-organised, military-themed activities in a challenging and safely managed environment to over 30,000 young people.

The RAF Cadet Development bursaries were conceived as part of the ATC's 75th anniversary and will take a higher profile following the success of RAF100. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via college or university education, work placements or apprenticeships. An application process, structure and award panel have been formed so that awards can be made on an annual basis to those who fulfil the eligibility criteria. The Trustees are keen to support this venture and acknowledge that, in the future if external sponsorship is received, it may be necessary to set up a separate charity with its own Constitution and Trustees, albeit still linked to the ATC GPF for administrative purposes.

FINANCIAL REVIEW

Principal funding sources

The Fund is supported primarily by subscriptions of Air Training Corps cadets. Owing to the effects of COVID 19 the Trustees made the decision to suspend the collection of subscriptions for 12 months (1 Apr 20 to 31 Mar 21) consequently no subscriptions were collected during this reporting period. The level of subscriptions is £2.50 per cadet (per month except August, with effect from 1 Jan 2011. The rate of subscriptions for cadets at overseas units is £1.25 per cadet per month, except August, to reflect the reduced access elements of the cadet experience available on the UK mainland. Additional income is derived from donations and a portfolio of long-term investments, held in accordance with the Trustees' powers. A number of funds are held where the income is used for specific purposes.

a. The Malcolm Club Fund's income is used to fund flying scholarships and grants for expeditions (known as Scarman Scholarships).

b. The BAE Millennium Fund's income is used to subsidise International Air Cadet Exchange airfares.

c. The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy. 2018 was the Lees Trophy year, with finalists receiving a cash award from the Fund in addition to the Joseph Singleton awards to the winner and runner up.

d. The Stan Easton Memorial Fund is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Investment policy and objectives

Funds may be invested in any type of Investment other than partly paid shares or any other form of investment involving continuing liability to make contributions or payments in respect thereof, except for liabilities in respect of taxes, rates or rents.

FINANCIAL REVIEW

Reserves policy

The General Purposes Fund operates by holding investments to generate sufficient income to enable it to support its activities.

At the year end, the charity had total funds of £3,687,150 which was made up of unrestricted funds of £2,942,143, restricted funds of £299,431 and endowment funds of £445,576.

The level of free reserves at 31 March 2021 was £1,214,052. 'Free reserves' are the level of funds readily available to the Charity and are made up from the unrestricted funds less amounts tied up in fixed assets and long-term investments.

The Trustees aim to maintain sufficient cash reserves to provide a minimum of one year's operating costs. This is to provide sufficient time to identify alternative funding streams in the event of a material decline in income, or in a 'worst case' scenario, to wind up the Organisation's affairs and commitments in an orderly manner. At the year end, the Charity almost has sufficient free reserves to meet one year's operating costs.

Commentary on accounts

During the 12 months to 31st March 2021 the Fund had total receipts of £51,247 comprising cadet subscriptions, investment income, donations and sundry receipts.

Expenditure from the Fund totalled £392,087; therefore net expenditure before transfers and net gains/(losses) on investments was £340,840.

Net gains on investments of £199,337 led to an overall deficit in fund movements of £141,503.

No new investments were acquired; however, there were additions and disposals in the HSBC portfolio during the period.

The Trustees are satisfied that the Fund is in a healthy financial position and continues to meet the purposes for which it was established.

Fundraising policy

The majority of income into the ATC GPF is from cadet subscriptions, investments and donations. Whilst there is currently no overt fundraising from members of the public, the Trustees have considered a fundraising policy, should this be required in the future. The Trustees plan to have effective systems in place so that the Charity complies fully with any legal regulations which would apply to its fundraising. There are no plans to engage a professional fundraiser or participate in street collections, door-to-door or other methods at this time. A detailed policy will be formulated for the Fund.

FUTURE PLANS

With an independent review of the RAFAC now complete, and with the new Comdt having high ambition for the organisation, work is now underway to design RAFAC's journey with the Royal Air Force out to 2040. It is envisaged that immersive technologies will increasingly feature in the Youth Aviation Programme as it gears into delivering the next generation of powered air experience flying, in turn playing an important part in the Air Cadet offer by enhancing the benefits of live flying and gliding. That technology will also catalyse an evolution of the Air Cadet Progressive Training Syllabus in the increasingly important areas of space, cyber, coding, aerospace technology and sustainability, alongside other challenging pursuits such as leadership, adventurous training, Duke of Edinburgh Awards, and small arms shooting. RAFAC seeks to create residential Air & Space Ground Schools at each gliding location, equipped with immersive technology to maximise the Air & Space training opportunities for Air Cadets. In parallel, RAFAC will need to find an inexpensive way of flowing such technology into the unit setting, so that training content and delivery can evolve at pace alongside the RAF's transformational journey, retaining RAFAC's world class status, enhancing the range of BTEC qualifications on offer, and creating highly employable air- and space-minded citizens. The Air Training Corps General Purposes Fund supports the cadet element of this vision.

The RAF introduced a new vision in 2020, named Astra and it is the Trustees intention to support this initiative and align to the overall objective. Astra is the name chosen for the Royal Air Force's (RAF) journey towards our Next Generation Air Force. It's taken from our Latin motto, 'Per ardua ad astra' - 'through adversity to the stars,' which defines the character of the first 100 years and anticipates a future where the sky is no longer the limit of ambition. Astra will facilitate the journey for the next 20 years to meet the challenges and threats of a rapidly changing world, where huge sets of data and information - 'Big Data' - will be the norm. How to use that information to the best advantage is fundamental to continued success. Astra is built on strong foundations that encompass People, Training, Infrastructure and Equipment. The delivery of measurable effects against these four elements will be our collective focus over the next 20 years and beyond.

It is envisaged that funding may be directed towards various Astra scholarships and projects for example Air Cadet Astra Music Scholarships, Air Cadet Astra STEM Scholarships and ambition for similar scholarship offer in Cyber, Coding and Space.

Looking forward and taking into account the impact of COVID19 on activity levels and methods of training delivery, the Trustees wish to continue with a full programme of activities and prepare for Astra requirements. This important milestone will present engagement opportunities in a number of areas and provide extra occasions for Air Cadets to link with the Regular RAF. Additionally, as a progressive organisation the Trustees are always looking for new opportunities to develop and enhance the cadet experience and help to restore the aviation spirit in the Air Cadets. Therefore, the Trustees wish to ensure that they provide the support to making the cadet experience more attractive, accessible and consistent regardless of location or unit attended and personal circumstances.

The Trustees intend to continue to allocate funding to the traditional activities which include support for BTEC in Aviation Studies, Duke of Edinburgh Awards, the International Air Cadet Exchange programme, Royal International Air Tattoo catering for cadets, grants for squadrons, the continuation of the funding of the "Air Cadet" magazine and the ATC insurance schemes remain key outputs for the Fund.

The priorities have been reviewed and funding for one-off projects continue to be considered. The Trustees are determined to augment aviation positively with consideration for scholarships, simulators and other aerospace activity to help fulfil the minimum offer to cadets. Other areas of the curriculum have been developed to incorporate modern and fun activities such as Cyber and Science, Technology, Engineering and Maths (STEM) training courses. The RAF Charitable Trust is committed to supplementing available resources subject to the impact of COVID 19 on their income streams, and will continue to support cadet activity.

Commandant RAFAC is developing the RAF Air Cadets Astra Ambition, to take the Organisation to 2040 and beyond and this will have an impact on the Fund. The Strategy is aimed at ensuring that the RAF Air Cadets endures as a world class uniformed youth organisation, closely connected to its parent Service the Royal Air Force and will review every aspect of the Royal Air Force Air Cadets enterprise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

With effect from 1 July 2015 the ATC General Purposes Fund became a Charitable Incorporated Organisation, (Registered Charity Number: 1160910). Historically, the ATC General Purposes Fund Trust Charity (Registered Charity Number: 256391) was established under a Trust Deed dated 19 December 1960 and was approved by the Inland Revenue Charity Division on 28 February 1968. The Trust was registered with the Charity Commission on 29 March 1969 (with various amendments) as a charity whose primary purpose is to provide for the benefit of personnel of the Air Training Corps.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Charity's constitution requires the appointment of a total of five Trustees, (two Ex-Officio and three Appointed). The Ex-Officio members (Commandant Air Cadets & Chief of Staff Air Cadets) are appointed for the duration of their term of office and the appointed Trustees (one nominated by Comdt RAFAC to act as a Financial Trustee, one by the ATC Finance & General Purposes Committee of the Air Cadet Council & one nominated by the Corps) for so long as the appointing body decides. The constitution also allows for the recruitment of a further two independent nominated Trustees has also been enacted to increase the strength from five to seven.

Organisational structure

The Fund is managed at HQ RAF Air Cadets and is overseen by the Board of Trustees (incorporated as a body), which meets twice a year. At their meetings, Trustees consider the Fund's Audited Accounts and its general financial condition. In so doing, they consider forecast expenditure against anticipated income to determine whether or not increased contributions in the form of subscriptions are required from cadets to sustain the fund.

The Finance and General Purposes Committee of the Air Cadet Council is the working group that meets a minimum of twice per year to agree the focus of activities to meet the Corps' objectives. The Committee has particular responsibility for maintaining the income of the Fund and allocating it in support of extra mural welfare, Corps activities and sporting activities at Regional and Corps level. The members are Commandant Air Cadets (Chairperson), Chief of Staff Air Cadets (Chairman of the Air Training Corps Sports Council), 6 Regional Chairmen and in attendance a Regional Commandant (appointed by Commandant Air Cadets) and the Corps Chaplain.

Induction and training of new trustees

When new Trustees are appointed they are given a formal induction to the work of the Charity and the Air Training Corps and provided with the information they need to fulfil their roles including Terms of Reference, which includes information about the role of trustees and charity law.

Related parties

The Air Training Corps (ATC) General Purposes Fund (GPF) exists to provide financial support for purposes that the Trustees think fit for the benefit of personnel of the ATC. The GPF provides funding to the ATC which is applied to activities not covered by public funds (i.e. funds from the RAF). Such activities include travel and subsistence for sports, BTEC in Aviation Studies, Duke of Edinburgh Bronze, Silver and Gold Awards, "Air Cadet" magazine and support for the International Air Cadet Exchange (IACE) programme. Thus, the Charity is related to the ATC. It is also related to the RAF (i.e. in modern terminology is part of the RAF Family), although it is an independent organisation. The RAF supports the GPF by providing accommodation, personnel and expertise at no charge, without which the Charity could not function. The RAF Charitable Trust has made substantial donations and grants to the GPF with further consideration for the coming years. although all plans are now under review due to the COVID19 pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have assessed the major risks to which the ATC General Purposes Fund is exposed, in particular, those relating to the finances of the Charity. The six major risks identified by the Trustees are:

a. A reduction in MOD funding and general support for RAF Air Cadets. Government funding covers a majority of the costs to the ATC. A reduction of public funding would result in a significant increase in GPF expenditure if activity levels were to be maintained.
b. A reduction in the number of air cadets. The major contribution to the Fund comes from cadet subscriptions, although it is accepted that this would also result in a decrease in demand for funding.
c. Overseas camp Airfare Loans from the Fund.
d. Reduced investment return.
e. Disaster Recovery and Planning in the event of IT failure.
f. Fraud or error to the Fund.

A system has been put in place to monitor the risks to the Fund and assess possible mitigating actions. Currently, public funding remains sufficient for delivery of core activity. Cadet numbers have fallen over the last few years, probably as a consequence of reduced Air Experience Flying and gliding and the impact of a recognised demographic trough in the age range from which we recruit cadets. Early signs are that we are now slowly increasing cadet numbers as gliding begins to return to some areas of the UK, and Air Experience Flying, whilst still not achieving the full target, is helping to keep the air in air cadets. As aviation opportunities are now improving it is hoped that cadet numbers will increase. The HQ has a cadet exit survey to identify trends and the Air Cadet Council endorsed a reduction in the cadet entry age which has enhanced recruitment.

The Fund is managed at HQ RAF Air Cadets and is overseen by the Board of Trustees (incorporated as a body), which meets twice a year. At their meetings, Trustees consider the Fund's Audited Accounts and its general financial condition. In so doing, they consider forecast expenditure against anticipated income to determine whether or not increased contributions in the form of subscriptions are required from cadets to sustain the fund. The Finance and General Purposes Committee of the Air Cadet Council is the working group that meets a minimum of twice per year to agree the focus of activities to meet the Corps' objectives. The Committee has particular responsibility for maintaining the income of the Fund and allocating it in support of extra mural welfare, Corps activities and sporting activities at Regional and Corps level. The members are Commandant Air Cadets (Chairperson), Chief of Staff Air Cadets (Chairman of the Air Training Corps Sports Council), 6 Regional Chairmen and in attendance a Regional Commandant appointed by Commandant Air Cadets, and the Corps Chaplain.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1160910

Principal address

HQ RAF Air Cadets
Royal Air Force College
Cranwell
Sleaford
Lincolnshire
NG34 8HB

Trustees

Air Cdre D McCafferty CBE (resigned 21.9.20)
Gp Capt J Lawlor (resigned 31.8.21)
A Irvine
Gp Capt G Bowerman OBE
Air Cdre M Neville CBE
Sir David Tweedie CVU
J Lee (resigned 17.11.20)
Air Cdre A Keeling OBE (appointed 17.11.20)

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors
Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Bankers
Lloyds TSB Plc
2 Northgate
Sleaford
Lincolnshire, NG34 7BL

Investment Managers
Schroder & Co Ltd
31 Gresham Street
London
EC2V 7QA

HSBC
8 Canada Square
London
E14 5HQ

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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 and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 trust deed. 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 order of the board of trustees on 18 January 2022 and signed on its behalf by:



Air Cdre A Keeling OBE - Trustee

Report of the Independent Auditors to the Trustees of The Air Training Corps General Purpose Fund CIO

Opinion
We have audited the financial statements of The Air Training Corps General Purpose Fund CIO (the 'charity') for the year ended 31 March 2021 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information
The 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.

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 Report of the Trustees 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.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 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.

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:

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
Northgate House
Northgate
Sleaford
Lincolnshire
NG34 7BZ

Date: 18 January 2022

The Air Training Corps General Purpose Fund CIO

Statement of Financial Activities for the Year Ended 31 March 2021

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
INCOME FROM						
Subscriptions, donations and grants	2	1,337	19,310	-	20,647	1,163,764
Charitable activities	4					
Air Fares		-	-	-	-	42,088
Air Cadet Magazine		-	3,674	-	3,674	9,362
Corps Sports		89	-	-	89	366
Corps Activities		-	-	-	-	12,525
Training Ground Activities		4,190	-	-	4,190	129,218
Insurance for Cadet activities		6,354	-	-	6,354	27,776
Investment income	3	10,271	-	6,022	16,293	23,598
Total		22,241	22,984	6,022	51,247	1,408,697
EXPENDITURE ON						
Charitable activities	5					
Air Fares		-	-	-	-	31,758
Adventure Training		9,605	-	-	9,605	9,403
Air Cadet Magazine		-	11,747	-	11,747	23,286
Corps Sports		27,172	-	-	27,172	175,878
Corps Activities		710	-	-	710	13,877
Training Ground Activities		222,249	-	-	222,249	550,669
Insurance for Cadet activities		60,034	-	-	60,034	77,355
Engagement		100	-	-	100	50
Donations and Grants		31,908	10,562	18,000	60,470	550,568
Total		351,778	22,309	18,000	392,087	1,432,844
Net gains/(losses) on investments		213,924	-	(14,587)	199,337	(143,958)
NET INCOME/(EXPENDITURE)		(115,613)	675	(26,565)	(141,503)	(168,105)
Transfers between funds	13	(27,761)	14,322	13,439	-	-
Net movement in funds		(143,374)	14,997	(13,126)	(141,503)	(168,105)
RECONCILIATION OF FUNDS						
Total funds brought forward		3,085,517	284,434	458,702	3,828,653	3,996,758
TOTAL FUNDS CARRIED FORWARD		2,942,143	299,431	445,576	3,687,150	3,828,653

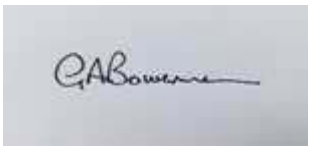
The notes form part of these financial statements

The Air Training Corps General Purpose Fund CIO

Balance Sheet
31 March 2021

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	8	444,736	-	-	444,736	534,794
Investments	9	1,283,354	-	297,694	1,581,048	1,343,055
		1,728,090	-	297,694	2,025,784	1,877,849
CURRENT ASSETS						
Stocks	10	30,419	-	-	30,419	22,303
Debtors	11	15,313	15,000	-	30,313	429,893
Cash at bank		1,178,320	284,432	147,882	1,610,634	1,560,095
		1,224,052	299,432	147,882	1,671,366	2,012,291
CREDITORS						
Amounts falling due within one year	12	(10,000)	-	-	(10,000)	(61,487)
NET CURRENT ASSETS		1,214,052	299,432	147,882	1,661,366	1,950,804
TOTAL ASSETS LESS CURRENT LIABILITIES		2,942,142	299,432	445,576	3,687,150	3,828,653
NET ASSETS		2,942,142	299,432	445,576	3,687,150	3,828,653
FUNDS	13					
Unrestricted funds					2,942,142	3,085,517
Restricted funds					299,432	284,434
Endowment funds					445,576	458,702
TOTAL FUNDS					3,687,150	3,828,653

The financial statements were approved by the Board of Trustees and authorised for issue on 18 January 2022 and were signed on its behalf by:



Gp Capt G Bowerman OBE - Trustee

The notes form part of these financial statements

The Air Training Corps General Purpose Fund CIO

Cash Flow Statement for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	101,173	155,161
Net cash provided by operating activities		101,173	155,161
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(70,599)
Sale of fixed asset investments		(38,656)	7,648
Disposal of mobile challenge course		-	95,000
Net cash (used in)/provided by investing activities		(38,656)	32,049
Cash flows from financing activities			
Income attributable to endowment		6,022	7,059
Expenditure attributable to endowment		(18,000)	(18,200)
Net cash used in financing activities		(11,978)	(11,141)
Change in cash and cash equivalents in the reporting period		50,539	176,069
Cash and cash equivalents at the beginning of the reporting period		1,560,095	1,384,026
Cash and cash equivalents at the end of the reporting period		1,610,634	1,560,095

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2021

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(141,503)	(168,105)
Adjustments for:		
Depreciation charges	90,058	89,942
(Gain)/losses on investments	(199,337)	143,958
Income attributable to endowment	(6,022)	(7,059)
Expenditure attributable to endowment	18,000	18,200
Increase in stocks	(8,116)	(1,221)
Decrease in debtors	399,580	60,754
(Decrease)/increase in creditors	(51,487)	18,692
Net cash provided by operations	101,173	155,161

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank	1,560,095	50,539	1,610,634
	1,560,095	50,539	1,610,634
Total	1,560,095	50,539	1,610,634

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity is a Charitable Incorporated Organisation registered with the Charity Commission in England and Wales.

Incoming resources
Subscriptions
Cadet subscriptions as remitted by Wings via Regions are recognised in the period to which they relate.

Voluntary Income
Cash donations and gifts are recognised in the Statement of Financial Activities when they can be accurately valued, the right to the income has been transferred and it is probable that the income will be received. Cash collected at special fund raising events is included gross.

Significant non-cash donations are included in the Statement of Financial Activities at the Trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts as it can not be accurately valued.

Investment Income
Investment income is included when receivable and the amount can be measured reliably by the charity.The charity has both Restricted and Unrestricted Endowment Funds. Income from these funds has been classified accordingly.

Grants
Grant income is recognised when there is sufficient probability of receipt, therefore being more likely than not. Grant income is only deferred where the specific conditions of the grant stipulate that it relates to a later period.

Support from the RAF
The administration of the General Purposes Fund is undertaken by staff paid from RAF Public funds. No charge is made for these services and they have not been valued in the accounts.

Legacies
For legacies, entitlement is taken as the earlier of:
- the date on which 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.

Recognition of a legacy, in whole or in part, is only considered when receipt is 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 a treated as a contingent asset and disclosed if material.

Expenditure
Expenditure is included on an accruals basis.

Section expenditure is applied in accordance with the charity's objects. Section income and expenditure have been included gross in the Statement of Financial Activities (SOFA). The analysis is shown in the notes as referenced. Income represents contributions to the costs of the activities and any surplus arising will be applied in furthering the objects of the charity. In the Trustees' opinion this treatment provides clarity and gives a true and fair view of the Income and Expenditure of the Charity in the year.

The allocation of expenditure across the different headings shown in the SOFA reflects how costs are incurred by the individual sections which run independently.

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1. ACCOUNTING POLICIES - continued

Expenditure
Administration expenditure comprises those costs for the running of the charity itself as an organisation, and ensuring that its objects are complied with. The central administrative costs are fully apportioned to the training ground activities charitable activity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Camping equipment	-	33% on cost
Simulators	-	10% on cost
Radio Comms	-	10% on cost
Motor vehicles	-	15% on reducing balance
Target Rifles	-	5% on reducing balance

Fixed Assets whose original cost, (or if donated, value at the date of receipt) was more than £100 have been capitalised.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from tax on its charitable activities.

Fund accounting
Details of the nature and purpose of each fund are set out in note 13.

Unrestricted Funds comprise those funds which the trustees are free to use in accordance with the charitable objects of the Fund.

Restricted Funds are funds which have been given for a particular purpose or project. The fund and income arising therefrom can only be used for that specific purpose.

Endowment Funds represent investments that must be held permanently by the charity. Income arising on an endowment fund can be used in accordance with the objects of the charity, provided no restriction has been applied to the fund.

Capital gains or losses relating to these investments form part of the fund.

Restricted Endowment Funds represent permanent investments whose uses are specifically restricted to the purposes for which they were intended.

Investments
Investments have been valued at market value as at the financial year end. The change in market valuation is reflected in the Statement of Financial Activities as an Unrealised Gain or Loss on Investment Assets.

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2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2021	2020
	£	£
Subscriptions	311	921,706
Grants and donations	20,336	242,058
	20,647	1,163,764

	Restricted	Unrestricted	31.03.21
	£	£	£
The Anne & John Singleton Will Trust	2,000	-	2,000
RAFCT - STEM	8,764	-	8,764
The Edinburgh Trust	-	1,000	1,000
MOD Libor	6,314	-	6,314
Lloyds TSB Matched Giving	2,232	-	2,232
Miscellaneous Donations	-	26	26
	19,310	1,026	20,336

3. INVESTMENT INCOME

	2021	2020
	£	£
Dividend income	16,293	23,598

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Contributions	Air Fares	-	42,088
Contributions	Air Cadet Magazine	3,674	9,362
Contributions	Corps Sports	89	366
Contributions	Corps Activities	-	12,525
Contributions	Training Ground Activities	4,190	129,218
Contributions	Insurance for Cadet activities	6,354	27,776
		14,307	221,335

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Totals
	£	£	£
Adventure Training	9,605	-	9,605
Air Cadet Magazine	11,747	-	11,747
Corps Sports	27,172	-	27,172
Corps Activities	710	-	710
Training Ground Activities	222,249	-	222,249
Insurance for Cadet activities	60,034	-	60,034
Engagement	100	-	100
Donations and Grants	-	60,470	60,470
	331,617	60,470	392,087

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5. CHARITABLE ACTIVITIES COSTS - continued

FURTHER ANALYSIS OF CHARITABLE ACTIVITIES FOR THE PERIOD

Air Fares

	Contributions £	Expenditure £	Cost to the Charity £
Germany Camp	-	-	-
	-	-	-

Corps Sports

	Contributions £	Expenditure £	Cost to the Charity £
Soccer	-	5,656	5,656
Swimming	-	2,467	2,467
Cross Country	89	8,739	8,650
Rugby	-	2,267	2,267
Netball	-	2,344	2,344
Hockey	-	5,465	5,465
Rail Costs	-	234	234
	89	27,172	27,083

Training Ground Activities

	Contributions £	Expenditure £	Cost to the Charity £
Projects	-	1,921	1,921
BTEC	-	20,525	20,525
Duke of Edinburgh Bronze, Silver & Gold Awards	173	8,307	8,134
Shooting	-	7,990	7,990
Music	327	9,190	8,863
Radios	-	1,302	1,302
IACE (Memorabilia & Clothing)	-	2,297	2,297
IACE (Horizons Royalties)	-	100	100
CVQO Limited	-	14,000	14,000
Junior Leaders	3,690	5,155	1,465
Fundraising	-	216	216
National Concert Band	-	2,009	2,009
DACRE Finalists Leadership Camp	-	439	439
Duke of Edinburgh Instructors	-	1,136	1,136
QAIC	-	455	455
Cyber Kit	-	880	880
PTS Badges	-	41,540	41,540
Miscellaneous	-	1,109	1,109
Auditors' Remuneration	-	5,950	5,950
Auditors' Remuneration - non-audit	-	7,670	7,670
Depreciation on Tangible Fixed Assets	-	90,058	90,058
	4,190	222,249	218,059

Engagement

	Contributions £	Expenditure £	Cost to the Charity £
Bank charges	-	100	100
	-	100	100

continued...

5. CHARITABLE ACTIVITIES COSTS - continued

Insurance for Cadet Activities

Insurance cover is provided for personal accident, RAC contents, TII and Corps Trophies. Personal accident (entitled members) and overseas cover is provided on the payment of the appropriate premium by the individual or unit. Germany and Gibraltar camps and IACE insurance costs are included in the appropriate activity costs.

Auditors' Remuneration

	2021	2020
	£	£
Auditors' Remuneration	5,950	5,950

6. GRANTS PAYABLE

	2021	2020
	£	£
Donations and Grants	60,470	550,568

	Restricted	Unrestricted	31.03.21
	£	£	£
RAFAC - Development Bursaries	6,250	-	6,250
Lees & Morris Trophy	-	5,999	5,999
Lloyds TSB Foundation	2,732	-	2,732
Malcolm Club Endowment	18,000	-	18,000
Engagement	-	2,624	2,624
Administration	-	160	160
VGS PTT	-	2,660	2,660
Regional/Wing Activity Centres	-	19,465	19,465
BAE Systems		1,000	1,000
RAFCT (Motivational Flying)	1,580	-	1,580
	28,562	31,908	60,470

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

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8. TANGIBLE FIXED ASSETS

	Camping equipment £	Simulators £	Radio Comms £
COST			
At 1 April 2020 and 31 March 2021	32,501	720,712	11,543
DEPRECIATION			
At 1 April 2020	32,501	355,298	6,925
Charge for year	-	72,071	1,154
At 31 March 2021	32,501	427,369	8,079
NET BOOK VALUE			
At 31 March 2021	-	293,343	3,464
At 31 March 2020	-	365,414	4,618

	Motor vehicles £	Target Rifles £	Totals £
COST			
At 1 April 2020 and 31 March 2021	45,230	184,715	994,701
DEPRECIATION			
At 1 April 2020	35,100	30,083	459,907
Charge for year	1,520	15,313	90,058
At 31 March 2021	36,620	45,396	549,965
NET BOOK VALUE			
At 31 March 2021	8,610	139,319	444,736
At 31 March 2020	10,130	154,632	534,794

continued...

9. FIXED ASSET INVESTMENTS

	Schroders			
	Fund 513 Charity Fixed Int	Fund 514 Charity Equity Inc	Fund 514 Charity Fixed Int	Fund 1066 Charity Fixed Int
	Stan Easton	Unrestricted Funds		J. Singleton
	£	£	£	£
COST				
At 1 April 2020	1,884	101,618	97,694	10,092
Introduced	-	-	-	-
Withdrawn	-	-	-	-
At 31 March 2021	1,884	101,618	97,694	10,092
VALUATION				
At 1 April 2020	2,418	189,740	124,465	12,332
Purchases	-	-	-	-
Sales	-	-	-	-
Change in Value	(135)	72,575	(6,955)	(689)
At 31 March 2021	2,283	262,315	117,510	11,643

	Schroders Fund 2161 Charity Fixed Int	HSBC Portfolio	M&G	Total
	Malcolm Club	Unrestricted Funds	BAE Millenium Challenge (IACE)	
	£	£	£	£
COST				
At 1 April 2020	200,000	503,605	50,000	964,893
Introduced	-	-	-	-
Withdrawn	-	-	-	-
At 31 March 2021	200,000	503,605	50,000	964,893
VALUATION				
At 1 April 2020	248,645	716,569	48,886	1,343,055
Purchases	-	203,618	-	203,618
Sales	-	(260,222)	-	(260,222)
Change in Value	(13,893)	243,563	131	294,597
At 31 March 2021	234,752	903,528	49,017	1,581,048

10. STOCKS

	2021	2020
	£	£
IACE Supplies	30,419	22,303

continued...

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	30,313	429,893

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other creditors	10,000	61,487

13. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	Transfers between funds	At 31.3.21
	£	£	£	£
Unrestricted funds				
Unrestricted Fund	3,085,517	(115,614)	(27,761)	2,942,142
Restricted funds				
Air Cadet Magazine	-	(8,072)	8,072	-
BAE	76,264	-	-	76,264
Anne & John Singleton	97,523	2,000	-	99,523
Lloyds TSB Foundation	850	(500)	-	350
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	-	(6,250)	6,250	-
RAFCT - Motivational Flying	18,982	(1,580)	-	17,402
RFCA - WM	8,315	-	-	8,315
RAFCT - STEM	-	8,764	-	8,764
MOD Libor	-	6,314	-	6,314
Worshipful Company of Coachmakers	80,000	-	-	80,000
	284,434	676	14,322	299,432
Endowment funds				
BAE Millenium Fund	194,090	1,321	-	195,411
Joseph Singleton	12,683	(463)	-	12,220
Malcolm Club	248,645	(27,332)	13,439	234,752
Stan Easton	3,284	(91)	-	3,193
	458,702	(26,565)	13,439	445,576
TOTAL FUNDS	3,828,653	(141,503)	-	3,687,150

continued...

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	22,240	(351,778)	213,924	(115,614)
Restricted funds				
Air Cadet Magazine	3,675	(11,747)	-	(8,072)
Anne & John Singleton	2,000	-	-	2,000
Lloyds TSB Foundation	2,232	(2,732)	-	(500)
RAFAC - Development Bursaries	-	(6,250)	-	(6,250)
RAFCT - Motivational Flying	-	(1,580)	-	(1,580)
RAFCT - STEM	8,764	-	-	8,764
MOD Libor	6,314	-	-	6,314
	22,985	(22,309)	-	676
Endowment funds				
BAE Millenium Fund	1,190	-	131	1,321
Joseph Singleton	226	-	(689)	(463)
Malcolm Club	4,562	(18,000)	(13,894)	(27,332)
Stan Easton	44	-	(135)	(91)
	6,022	(18,000)	(14,587)	(26,565)
TOTAL FUNDS	51,247	(392,087)	199,337	(141,503)

continued...

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
Unrestricted Fund	3,233,777	(156,035)	7,775	3,085,517
Restricted funds				
Air Cadet Magazine	-	(13,924)	13,924	-
RAFCT - Shooting ranges	-	35,000	(35,000)	-
BAE	31,264	45,000	-	76,264
Anne & John Singleton	100,723	(3,200)	-	97,523
Lloyds TSB Foundation	350	500	-	850
Marshall Trophy	-	(475)	475	-
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	7,465	(7,626)	161	-
RAFCT - Motivational Flying	20,773	(1,791)	-	18,982
RFCA - WM	8,315	-	-	8,315
Sir Michael Knight Scholarship	-	(279)	279	-
RAF 100 Bag Pack Prizes	2,500	(2,500)	-	-
MOD Libor	67,521	(67,521)	-	-
Worshipful Company of Coachmakers	80,000	-	-	80,000
	321,411	(16,816)	(20,161)	284,434
Endowment funds				
BAE Millenium Fund	193,034	1,056	-	194,090
Joseph Singleton	11,859	824	-	12,683
Malcolm Club	233,594	2,665	12,386	248,645
Stan Easton	3,083	201	-	3,284
	441,570	4,746	12,386	458,702
TOTAL FUNDS	3,996,758	(168,105)	-	3,828,653

continued...

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	1,153,391	(1,149,581)	(159,845)	(156,035)
Restricted funds				
Air Cadet Magazine	9,362	(23,286)	-	(13,924)
RAFCT - Shooting ranges	35,000	-	-	35,000
BAE	45,000	-	-	45,000
Anne & John Singleton	-	(3,200)	-	(3,200)
Lloyds TSB Foundation	12,962	(12,462)	-	500
Marshall Trophy	475	(950)	-	(475)
RAFAC - Development Bursaries	2,924	(10,550)	-	(7,626)
RAFCT - Flying Excellence Award	10,000	(10,000)	-	-
RAFCT - Motivational Flying	-	(1,791)	-	(1,791)
Sir Michael Knight Scholarship	99,000	(99,279)	-	(279)
RAFCT - STEM	25,000	(25,000)	-	-
RAF 100 Bag Pack Prizes	-	(2,500)	-	(2,500)
MOD Libor	-	(67,521)	-	(67,521)
The Award Scheme Limited - Duke of Edinburgh Award	8,524	(8,524)	-	-
	248,247	(265,063)	-	(16,816)
Endowment funds				
BAE Millenium Fund	1,112	-	(56)	1,056
Joseph Singleton	278	(200)	746	824
Malcolm Club	5,614	(18,000)	15,051	2,665
Stan Easton	55	-	146	201
	7,059	(18,200)	15,887	4,746
TOTAL FUNDS	1,408,697	(1,432,844)	(143,958)	(168,105)

continued...

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
Unrestricted Fund	3,233,777	(271,649)	(19,986)	2,942,142
Restricted funds				
Air Cadet Magazine	-	(21,996)	21,996	-
RAFCT - Shooting ranges	-	35,000	(35,000)	-
BAE	31,264	45,000	-	76,264
Anne & John Singleton	100,723	(1,200)	-	99,523
Lloyds TSB Foundation	350	-	-	350
Marshall Trophy	-	(475)	475	-
Convention	2,500	-	-	2,500
RAFAC - Development Bursaries	7,465	(13,876)	6,411	-
RAFCT - Motivational Flying	20,773	(3,371)	-	17,402
RFCA - WM	8,315	-	-	8,315
Sir Michael Knight Scholarship	-	(279)	279	-
RAFCT - STEM	-	8,764	-	8,764
RAF 100 Bag Pack Prizes	2,500	(2,500)	-	-
MOD Libor	67,521	(61,207)	-	6,314
Worshipful Company of Coachmakers	80,000	-	-	80,000
	321,411	(16,140)	(5,839)	299,432
Endowment funds				
BAE Millenium Fund	193,034	2,377	-	195,411
Joseph Singleton	11,859	361	-	12,220
Malcolm Club	233,594	(24,667)	25,825	234,752
Stan Easton	3,083	110	-	3,193
	441,570	(21,819)	25,825	445,576
TOTAL FUNDS	3,996,758	(309,608)	-	3,687,150

continued...

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	1,175,631	(1,501,359)	54,079	(271,649)
Restricted funds				
Air Cadet Magazine	13,037	(35,033)	-	(21,996)
RAFCT - Shooting ranges	35,000	-	-	35,000
BAE	45,000	-	-	45,000
Anne & John Singleton	2,000	(3,200)	-	(1,200)
Lloyds TSB Foundation	15,194	(15,194)	-	-
Marshall Trophy	475	(950)	-	(475)
RAFAC - Development Bursaries	2,924	(16,800)	-	(13,876)
RAFCT - Flying Excellence Award	10,000	(10,000)	-	-
RAFCT - Motivational Flying	-	(3,371)	-	(3,371)
Sir Michael Knight Scholarship	99,000	(99,279)	-	(279)
RAFCT - STEM	33,764	(25,000)	-	8,764
RAF 100 Bag Pack Prizes	-	(2,500)	-	(2,500)
MOD Libor	6,314	(67,521)	-	(61,207)
The Award Scheme Limited - Duke of Edinburgh Award	8,524	(8,524)	-	-
	271,232	(287,372)	-	(16,140)
Endowment funds				
BAE Millenium Fund	2,302	-	75	2,377
Joseph Singleton	504	(200)	57	361
Malcolm Club	10,176	(36,000)	1,157	(24,667)
Stan Easton	99	-	11	110
	13,081	(36,200)	1,300	(21,819)
TOTAL FUNDS	1,459,944	(1,824,931)	55,379	(309,608)

Funds of the charity

Air Cadet Magazine
The RAFCT donate towards the production costs of the magazine along with income from advertising revenue and support from the fund. There are 3 magazines a year for cadets, to use as a recruitment tool and to advertise the breadth of activities undertaken by the Corps.

RAFCT - Shooting Ranges
RAFCT donations under Project Aura, SO1 TG administering the purchase of various shooting ranges to be located around the UK.

BAE
BAE have pledged donations which will be managed by Hd MC for recruitment and advertising equipment.

Anne and John Singleton Trust - Restricted Donation
The Air Cadet Organisation has undertaken to use the funds donated to provide assistance to young people between the ages of 16-20 to undertake expeditions in both the British Isles and abroad with a community service aspect, especially where handicapped people are involved, either male or female, who are members of the Air Cadets. On 13 Oct 09 £163,975 was donated to the Air Training Corps, as at 31 March 2021 £64,452 has been spent from this fund.

Lloyds TSB Foundation
Matched giving achieved by Corps members which is then transferred to the sqn Civilian Committee concerned.

RAFAC Convention
The funding for the annual RAFAC Convention.

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13. MOVEMENT IN FUNDS - continued

Funds of the charity - continued

ATC 80th Anniversary in 2021
2021 marks the ATC 80th Anniversary. There will be a number of events held to promote the RAFAC, the charity and the RAF.

The RAF Cadet Development Bursaries
The RAF Cadet Development Bursaries were conceived as part of the ATC's 75th anniversary celebrations in 2016. The aim is to provide a legacy for current and future generations of cadets and junior adult volunteers which will support their transition into full time employment, be that via university education, work placements or apprenticeships.

RAFCT Motivational Flying
Motivational flying packages.

RAFCT Aerospace Camp
Support of equipment for the Cadet Aerospace camps.

RAFCT Sir Michael Knight Scholarship
Cadet Flying Scholarships.

RFCA WM
Gliding experience for cadets in 3 wings, West Mercian, Staffordshire and Warwick and Birmingham.

RAFCT - Regional Leadership Equipment
Purchase of Air Cadet Leadership Field Equipment.

The BAE Millennium Fund's - Restricted Endowment
Income is used to subsidise International Air Cadet Exchange airfares.

The Joseph Singleton Memorial Fund - Restricted Endowment
The Joseph Singleton Memorial Fund's income is used to fund two annual cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on a biennial basis, with large squadrons competing for the Morris Trophy and the smaller squadrons competing for the Lees Trophy.

The Malcolm Club Fund
The investment fund generates interest income which aims to provide six 12 hour flying scholarships and 4 overseas expeditions. Any shortfall between the income and the cost is made up by the general purposes fund.

The Stan Easton Memorial Fund - Restricted Endowment
Income is used to provide a cash award to an ATC cadet producing the best article linked to an aviation theme. This competition is not run annually and is dependent on having enough interested competitors.

Transfers between Funds

The Malcolm Club Fund was established to support the IACE and flying scholarships. Each year an amount equivalent to the average income on the fund is transferred to Unrestricted Funds (from which the expenditure is incurred) to reflect this.

The general fund supports the of producing of the Air Cadet Magazine. A transfer was made during the year to support the shortfall.

A transfer was made within the RAFAC Development Bursaries fund in order to offset the overspend.

All other transfers related to overspend in restricted funds and this has been supported by the general fund.

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14. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

The Charity is independent of the Royal Air Force Charitable Trust but has a close relationship with it and receives significant support as explained in the Trustees' Report. As Covid-19 significantly disrupted the financial year, there were no grants received in the period (2020: £169,000).

Air Training Corps

The General Purposes Fund exists to support members of the Air Training Corps (ATC) and further its objects. Hence the ATC is considered a related party of the charity. All charitable expenditure in these financial statements is incurred with these objects in mind. Payment of grants directly to the squadrons, wings and regions of the ATC and purchases of equipment for them are shown in note 6 above. Other costs are borne directly by the General Purposes Fund.

The Air Training Corps General Purpose Fund CIO

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	2021 £	2020 £
INCOME		
Subscriptions, donations and grants		
Subscriptions	311	921,706
Grants and donations	20,336	242,058
	20,647	1,163,764
Investment income		
Dividend income	16,293	23,598
Charitable activities		
Contributions	14,307	221,335
Total incoming resources	51,247	1,408,697
EXPENDITURE		
Charitable activities		
Costs of charitable activities	167,805	704,787
Insurance	60,034	74,417
Auditors' remuneration	5,950	5,950
Auditors' remn - non-audit	7,670	7,130
Bank charges	100	50
Depn of camping equipment	-	1,895
Depn of simulators	72,071	72,071
Depn of radio comms	1,154	1,154
Motor vehicles	1,520	1,788
Depn of target rifles	15,313	13,034
Grants to individuals	60,470	550,568
	392,087	1,432,844
Total resources expended	392,087	1,432,844
Net expenditure	(340,840)	(24,147)