

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

Contents of the Financial Statements
for the Year Ended 31 March 2021

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 30
Detailed Statement of Financial Activities	31

The Air Training Corps General Purpose
Fund CIO

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.

The Air Training Corps General Purpose
Fund CIO

Report of the Trustees
for the Year Ended 31 March 2021

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.

**The Air Training Corps General Purpose
Fund CIO**

**Report of the Trustees
for the Year Ended 31 March 2021**

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.

The Air Training Corps General Purpose
Fund CIO

Report of the Trustees
for the Year Ended 31 March 2021

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.

The Air Training Corps General Purpose
Fund CIO

Report of the Trustees
for the Year Ended 31 March 2021

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.

**The Air Training Corps General Purpose
Fund CIO**

**Report of the Trustees
for the Year Ended 31 March 2021**

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.

**The Air Training Corps General Purpose
Fund CIO**

**Report of the Trustees
for the Year Ended 31 March 2021**

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.

**The Air Training Corps General Purpose
Fund CIO**

**Report of the Trustees
for the Year Ended 31 March 2021**

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)

**The Air Training Corps General Purpose
Fund CIO**

**Report of the Trustees
for the Year Ended 31 March 2021**

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

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HSBC
8 Canada Square
London
E14 5HQ

M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

STATEMENT OF TRUSTEES' RESPONSIBILITIES

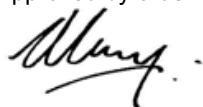
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

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.

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		<u>22,241</u>	<u>22,984</u>	<u>6,022</u>	<u>51,247</u>	<u>1,408,697</u>
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		<u>351,778</u>	<u>22,309</u>	<u>18,000</u>	<u>392,087</u>	<u>1,432,844</u>
Net gains/(losses) on investments		<u>213,924</u>	<u>-</u>	<u>(14,587)</u>	<u>199,337</u>	<u>(143,958)</u>
NET INCOME/(EXPENDITURE)		<u>(115,613)</u>	<u>675</u>	<u>(26,565)</u>	<u>(141,503)</u>	<u>(168,105)</u>
Transfers between funds	13	<u>(27,761)</u>	<u>14,322</u>	<u>13,439</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(143,374)</u>	<u>14,997</u>	<u>(13,126)</u>	<u>(141,503)</u>	<u>(168,105)</u>
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>3,085,517</u>	<u>284,434</u>	<u>458,702</u>	<u>3,828,653</u>	<u>3,996,758</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,942,143</u></u>	<u><u>299,431</u></u>	<u><u>445,576</u></u>	<u><u>3,687,150</u></u>	<u><u>3,828,653</u></u>


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
		<u>1,728,090</u>	<u>-</u>	<u>297,694</u>	<u>2,025,784</u>	<u>1,877,849</u>
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
		<u>1,224,052</u>	<u>299,432</u>	<u>147,882</u>	<u>1,671,366</u>	<u>2,012,291</u>
CREDITORS						
Amounts falling due within one year	12	(10,000)	-	-	(10,000)	(61,487)
NET CURRENT ASSETS		<u>1,214,052</u>	<u>299,432</u>	<u>147,882</u>	<u>1,661,366</u>	<u>1,950,804</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,942,142</u>	<u>299,432</u>	<u>445,576</u>	<u>3,687,150</u>	<u>3,828,653</u>
NET ASSETS		<u>2,942,142</u>	<u>299,432</u>	<u>445,576</u>	<u>3,687,150</u>	<u>3,828,653</u>
FUNDS	13					
Unrestricted funds					2,942,142	3,085,517
Restricted funds					299,432	284,434
Endowment funds					445,576	458,702
TOTAL FUNDS					<u>3,687,150</u>	<u>3,828,653</u>

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 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

The Air Training Corps General Purpose
Fund CIO

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	<u>101,173</u>	<u>155,161</u>

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
	<u>1,560,095</u>	<u>50,539</u>	<u>1,610,634</u>
Total	<u>1,560,095</u>	<u>50,539</u>	<u>1,610,634</u>

The notes form part of these financial statements

**The Air Training Corps General Purpose
Fund CIO**

**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 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.

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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.

**The Air Training Corps General Purpose
Fund CIO**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

2. SUBSCRIPTIONS, DONATIONS AND GRANTS

	2021 £	2020 £
Subscriptions	311	921,706
Grants and donations	20,336	242,058
	<u>20,647</u>	<u>1,163,764</u>

	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
	<u>19,310</u>	<u>1,026</u>	<u>20,336</u>

3. INVESTMENT INCOME

	2021 £	2020 £
Dividend income	16,293	23,598

4. INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Contributions Activity	-	42,088
Contributions Air Fares	3,674	9,362
Contributions Air Cadet Magazine	89	366
Contributions Corps Sports	-	12,525
Contributions Corps Activities	4,190	129,218
Contributions Training Ground Activities	6,354	27,776
Contributions Insurance for Cadet activities	<u>14,307</u>	<u>221,335</u>

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
	<u>331,617</u>	<u>60,470</u>	<u>392,087</u>

**The Air Training Corps General Purpose
Fund CIO**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

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

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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.

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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
	£	£	£	£
<u>COST</u>				
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
<u>VALUATION</u>				
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

	<u>Schroders</u> Fund 2161 Charity Fixed Int	<u>HSBC</u> <u>Portfolio</u>	<u>M&G</u>	<u>Total</u>
	Malcolm Club	Unrestricted Funds	BAE Millenium Challenge (IACE)	
	£	£	£	£
<u>COST</u>				
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
<u>VALUATION</u>				
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

**The Air Training Corps General Purpose
Fund CIO**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

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

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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)

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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)

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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	<u>3,996,758</u>	<u>(309,608)</u>	<u>-</u>	<u>3,687,150</u>

The Air Training Corps General Purpose
Fund CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

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.

**The Air Training Corps General Purpose
Fund CIO**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

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.

**The Air Training Corps General Purpose
Fund CIO**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

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
	<hr/> 20,647	<hr/> 1,163,764
Investment income		
Dividend income	16,293	23,598
Charitable activities		
Contributions	14,307	221,335
	<hr/> 51,247	<hr/> 1,408,697
Total incoming resources		
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
	<hr/> 392,087	<hr/> 1,432,844
Total resources expended	392,087	1,432,844
Net expenditure	<hr/> (340,840)	<hr/> (24,147)