

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

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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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2024

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.

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2024

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.

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2024

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.

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2024

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.

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2024

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:


Mark Osman (Jan 26, 2025 12:06 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 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		<u>1,082,765</u>	<u>100,165</u>	<u>3,525</u>	<u>1,186,455</u>	<u>961,337</u>
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		<u>149,475</u>	<u>38,491</u>	<u>-</u>	<u>187,966</u>	<u>120,623</u>
Total		<u>653,540</u>	<u>38,491</u>	<u>-</u>	<u>692,031</u>	<u>517,653</u>
Net gains/(losses) on investments		<u>99,036</u>	<u>-</u>	<u>5,658</u>	<u>104,694</u>	<u>(66,455)</u>
NET INCOME		528,261	61,674	9,183	599,118	377,229
Transfers between funds	15	<u>(42,400)</u>	<u>42,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		485,861	104,074	9,183	599,118	377,229
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>3,720,240</u>	<u>365,219</u>	<u>392,271</u>	<u>4,477,730</u>	<u>4,100,501</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>4,206,101</u></u>	<u><u>469,293</u></u>	<u><u>401,454</u></u>	<u><u>5,076,848</u></u>	<u><u>4,477,730</u></u>

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	<u>1,402,035</u>	<u>-</u>	<u>241,501</u>	<u>1,643,536</u>	<u>624,126</u>
		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		<u>2,236,065</u>	<u>382,714</u>	<u>159,953</u>	<u>2,778,732</u>	<u>3,171,223</u>
		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		<u>2,625,601</u>	<u>469,294</u>	<u>159,953</u>	<u>3,254,848</u>	<u>3,589,219</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,206,100</u>	<u>469,294</u>	<u>401,454</u>	<u>5,076,848</u>	<u>4,477,730</u>
NET ASSETS		<u>4,206,100</u>	<u>469,294</u>	<u>401,454</u>	<u>5,076,848</u>	<u>4,477,730</u>
FUNDS	15					
Unrestricted funds					4,206,100	3,720,240
Restricted funds					469,294	365,219
Endowment funds					<u>401,454</u>	<u>392,271</u>
TOTAL FUNDS					<u>5,076,848</u>	<u>4,477,730</u>

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	<u>464,276</u>	<u>437,412</u>
Net cash provided by operating activities		<u>464,276</u>	<u>437,412</u>
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		<u>54,424</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(860,292)</u>	<u>4,385</u>
Cash flows from financing activities			
Income attributable to endowment		<u>3,525</u>	<u>3,896</u>
Net cash provided by financing activities		<u>3,525</u>	<u>3,896</u>
		<u> </u>	<u> </u>
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		<u>3,171,223</u>	<u>2,725,530</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,778,732</u></u>	<u><u>3,171,223</u></u>

The notes form part of these financial statements

Air Cadet Charity CIO

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	<u>464,276</u>	<u>437,412</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

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

Air Cadet Charity CIO

Notes to the Financial Statements for the Year Ended 31 March 2024

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 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.

Air Cadet Charity CIO

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

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.

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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	<u>117,863</u>	<u>93,810</u>
	<u>1,037,084</u>	<u>874,663</u>

	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	<u>-</u>	<u>1,645</u>	<u>1,645</u>
	<u>100,165</u>	<u>17,698</u>	<u>117,863</u>

3. INVESTMENT INCOME

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

4. INCOME FROM CHARITABLE ACTIVITIES

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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
	<u>465,002</u>	<u>187,966</u>	<u>39,063</u>	<u>692,031</u>

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
	-	<u>68,751</u>	<u>68,751</u>

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
	<u>52,969</u>	<u>290,669</u>	<u>237,700</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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	<u>187,966</u>	<u>120,623</u>

	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
	<u>38,491</u>	<u>149,475</u>	<u>187,966</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

7. SUPPORT COSTS

	Management £
Training Ground Activities	<u>39,063</u>

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	<u>1,563</u>	<u>-</u>
	<u>39,063</u>	<u>8,940</u>

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

	2024	2023
Management and administration	<u>1</u>	<u>1</u>

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	<u>(32,501)</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>720,712</u>	<u>11,543</u>
DEPRECIATION			
At 1 April 2023	32,501	571,511	10,388
Charge for year	-	68,881	1,155
Eliminated on disposal	<u>(32,501)</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>640,392</u>	<u>11,543</u>
NET BOOK VALUE			
At 31 March 2024	<u>-</u>	<u>80,320</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>149,201</u>	<u>1,155</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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	<u>23,014</u>	<u>184,715</u>	<u>939,984</u>
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	<u>18,654</u>	<u>90,931</u>	<u>761,520</u>
NET BOOK VALUE			
At 31 March 2024	<u>4,360</u>	<u>93,784</u>	<u>178,464</u>
At 31 March 2023	<u>5,130</u>	<u>108,899</u>	<u>264,385</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

11. FIXED ASSET INVESTMENTS

Cazenove

	Stan Easton £	Malcolm Club £	J. Singleton £	Unrestricted Funds £
<u>COST</u>				
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
<u>VALUATION</u>				
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 £	
<u>COST</u>				
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	-	-
<u>VALUATION</u>				
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	BAE Millenium Challenge (IACE)	
	Malcolm Club £	£	£
<u>COST</u>			
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
<u>VALUATION</u>			
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

Air Cadet Charity CIO

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

12. STOCKS

	2024	2023
	£	£
IACE Supplies	<u>16,825</u>	<u>23,367</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other debtors	<u>480,197</u>	<u>407,426</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

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
	<u>365,219</u>	<u>61,675</u>	<u>42,400</u>	<u>469,294</u>
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	<u>2,746</u>	<u>64</u>	<u>-</u>	<u>2,810</u>
	<u>392,271</u>	<u>9,183</u>	<u>-</u>	<u>401,454</u>
TOTAL FUNDS	<u>4,477,730</u>	<u>599,118</u>	<u>-</u>	<u>5,076,848</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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	<u>1,186,455</u>	<u>(692,031)</u>	<u>104,694</u>	<u>599,118</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

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	<u>4,100,501</u>	<u>377,229</u>	<u>-</u>	<u>4,477,730</u>

Air Cadet Charity CIO

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

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	<u>961,337</u>	<u>(517,653)</u>	<u>(66,455)</u>	<u>377,229</u>

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.

Air Cadet Charity CIO

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

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 an 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.

Air Cadet Charity CIO

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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.