

Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2025
for
Air Cadet Charity CIO

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

Air Cadet Charity CIO

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for the Year Ended 31 March 2025

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Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2025. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives

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

Activities for Achieving Charitable Purpose

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

- **Aviation:** Grants funded projects focused on developing aviation skills, including the procurement of Remotely Piloted Aircraft Systems (Drones).
- **Adventure Training:** Funds were provided for a variety of adventure training activities, including activity centre fees and licences, overseas and UK expeditions, and the purchase of essential equipment and water sports activities.
- **Exploiting Technology:** The Charity provided grants to enable the acquisition of digital enablement licences for Chrome OS and new IT equipment for Squadrons.
- **Immersive Training:** Funding was provided for immersive and interactive training equipment, such as Xboxes and VR headsets, to be used at Squadron visits, Wing camps, national specialist training events, and public-facing air shows.
- **Enhance Education:** Grants supported a wide range of educational initiatives, including music training and equipment, Scottish qualification awards (SQA), Business and Technology Education Council qualification (BTEC) awards, Crest awards, Level 3 extended project qualifications (EPQs), Level 2 sustainability qualifications, as well as first aid training and equipment, and educational visits.
- **Improve Employability:** We provided funding for a variety of qualifications and leadership development programmes, including Duke of Edinburgh's Award Scheme (DofE) costs, Cadet Force Adult Volunteer (CFAV) training, the International Air Cadet Exchange (IACE) programme, and the National Air and Space Camp.
- **Health and Wellbeing:** Grants supported initiatives that promote physical and mental wellbeing, including RAFAC Sports Leaders courses, Regional sports grants, RAFAC trophies and awards, and shooting association memberships and competitions.
- **Welfare:** The Charity funded essential welfare initiatives, including Personal Accident and overseas insurance cover for all adults and cadets, the provision of Starlink capability for all Regions, Cadet Centre improvements, clothing for RAFAC activities, and subsistence for Squadron visits.

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

VISION, VALUES AND PUBLIC BENEFIT

The Air Cadet Charity Vision is:

- **Access for all** - to ensure opportunities are accessible to all ATC personnel and Cadets, regardless of their background or circumstances.
- **Enhanced self-confidence and responsibility** - to help young people build self-confidence, resilience, and a sense of responsibility through challenging and rewarding experiences.
- **Enhanced interpersonal skills** - to support the development of strong interpersonal skills, teamwork, and leadership abilities through collaborative projects and shared experiences.

The Air Cadet Charity Values:

- **Committed** - dedicated to fulfilling our promises and ensuring that cadet funds are used to benefit cadets.
- **Inclusive** - promoting equity and ensuring that everyone has equal opportunities to participate and benefit.
- **Responsive** - responding effectively to changing needs and using insights to inform our decisions.
- **Transparent** - open and honest in our communication, providing clear information about our activities and the use of funds.
- **Innovative** - forward-thinking and committed to exploring new ideas to enhance our support efforts.
- **Integrity and Moral Courage** - committed to doing the right thing, always.

Public benefit

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

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

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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE

Review

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

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

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

FINANCIAL REVIEW

Principal funding sources

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

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

Investment policy and objectives

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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

FINANCIAL REVIEW

Reserves Policy

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

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

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

Commentary on Accounts

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

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

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

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

Fundraising Practices

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

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

Going Concern

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

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

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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

PLANS FOR FUTURE PERIODS
Accomplishments for 2024-2025

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

- **Grant programme development:** Designed and implemented a comprehensive grant programme, including guidelines, eligibility criteria, and evaluation procedures.
- **Streamlined grant application process:** Implemented a streamlined grant application process to facilitate access to funding.
- **Established branding and digital presence:** Developed a strong brand identity and established a user-friendly website.
- **Strengthened operational capacity:** Increased staffing to support the expanded grant programme, improve financial controls, and enhance fundraising efforts.
- **Expanded insurance funding:** Broadened the scope of insurance coverage for cadets and volunteers to include overseas trips and activities.
- **Aviation package:** The Charity made a significant commitment to the RAF Air Cadets' aviation package by approving the funding for remotely piloted aircraft (drones), new gliding control units, and our intent to fund flight simulators in the future.

Plans for 2025-2026

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

- **Strategic Growth:** We will set an ambitious 5-year strategy aimed at achieving a total of £1.5 million in grants awarded to our beneficiaries.
- **Improving Technology and Systems:** We will introduce new systems, including a Customer Relationship Management System (CRM) to manage contacts and donors, as well as an online platform for grant applicants. These systems will further improve the grant process, streamline reporting, and enhance communication.
- **Expanding the Team and Strengthening Governance:** We will expand the staff team with the recruitment of a dedicated Marketing and Communications professional and a Grants Manager.
- **Strengthening operational capacity:** Increasing staffing to support the expanded grant programme, improve financial controls, and enhance fundraising efforts. We will also begin the recruitment of seven new Trustees to strengthen the governance and expertise of the Board in the areas of growth planned for the next three years. These new roles will improve the visibility of our activities and the impact of our funding, while also enhancing communications with beneficiaries and stakeholders and exploring new partnerships with supporters of the RAF Air Cadets mission.
- **Further development of the grant programme:** We will continue to evolve our grant-making activities to better align with beneficiary needs and to ensure we are reaching all parts of the organisation.
- **Streamlining of processes:** We plan to build on the progress made in 2024-2025 by continuing to optimise our operational procedures, particularly within the grant application and award process, to further increase efficiency.
- **Diversifying and growing funding streams:** The Charity will actively seek new opportunities to diversify our funding base, moving beyond traditional sources to secure a sustainable future.
- **Risk Management:** We will conduct a thorough review of the Charity's strategic risk register to ensure it accurately reflects our current operations and external environment. This will allow us to maintain a proactive and relevant approach to risk mitigation.

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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

Trustees

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

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

Induction and training of new Trustees

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

Related parties

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

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

Risk management

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

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

- **Financial and Operational Risks:** The Charity is mindful of the risk of a decline in cadet contributions, which is our primary source of funding. This is mitigated by our efforts to diversify our income streams through the development of a professional fundraising strategy. We also maintain strong financial controls and policies to prevent fraud and malpractice, and to manage the risk of financial loss from adverse investment conditions.
- **Reputational Risks:** The Board actively manages reputational risk, which could be impacted by a failure to meet our charitable objectives or through a negative change in public perception. This is mitigated through our focus on demonstrating impact and improving communication with beneficiaries and stakeholders.
- **Governance and IT Risks:** We have focused on strengthening our governance practices and enhancing our IT systems to mitigate the risk of poor decision-making and data loss. This includes a robust disaster recovery plan and the upcoming implementation of new systems.
- **Safeguarding Risks:** Safeguarding is a key priority. We have implemented clear policies and procedures to ensure the proper use of grants and to protect our beneficiaries from harm.

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

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Charity
Number**

1160910

Principal address

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

Trustees

Chair of Trustees

G N R

Mark Osman

G

Gp Capt (Ret'd) Graham Bowerman OBE (Resigned 24 Sep 24)

G F N R

Michael Neville CBE

F

Sir David Tweedie CVO (Resigned 24 Sep 24)

G

Stuart Ensor OBE (Resigned 31 Dec 24)

F N R

Oliver Jones-Davies

G

Victoria Gridley

F N R

Norman Murray CBE

F

Hetna Patel (Appointed 13 Oct 24)

G

denotes membership of the Grants and Welfare Committees

F

denotes membership of the Finance Committee

N

denotes membership of the Nominations Committee

R

denotes membership of the Remuneration Committee

**Key Management
Personnel**

Jessica Gilbert

Charity Director

Auditors

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

Bankers

Lloyds Bank plc
2 Northgate
Sleaford
Lincolnshire
NG34 7BL

Investment Managers

Schroder & Co Ltd
31 Gresham Street London
EC2V 7QA

M&G Investments
PO Box 9038
Chelmsford
CM99 2XF

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

CCLA
One Angel Lane
London
EC4R 3AB

Air Cadet Charity CIO
Report of the Trustees
for the Year Ended 31 March 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Mark Osman

[Mark Osman \(Oct 29, 2025 15:22:11 GMT\)](#)

M Osman - Trustee

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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 \(Oct 29, 2025 16:18:29 GMT\)](#)

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

24 October 2025

Air Cadet Charity CIO

Statement of Financial Activities
for the Year Ended 31 March 2025

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

The notes form part of these financial statements

Air Cadet Charity CIO

Balance Sheet
31 March 2025

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

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

Mark Osman

[Mark Osman \(Oct 29, 2025 15:22:11 GMT\)](#)

M Osman - Trustee

Air Cadet Charity CIO

Cash Flow Statement
for the Year Ended 31 March 2025

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

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

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

2. ANALYSIS OF CHANGES IN NET FUNDS

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

Notes to the Financial Statements
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

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

Incoming resources

Cadet Contributions

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

Voluntary Income

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

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

Investment Income

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

Grants

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

Support from the RAF

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

Legacies

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made; or
- when a distribution is received from the estate.

Recognition of a legacy, in whole or in part, is only considered when receipt is probable, when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Expenditure

Expenditure is included on an accruals basis.

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Expenditure

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

Tangible fixed assets

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

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

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

Stocks

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

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

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

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

Financial instruments

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

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

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Investments

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

2. ACTIVITIES RECLASSIFICATIONS AND PRIOR YEAR ADJUSTMENT

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

The new Activities groups being:

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

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

3. SUBSCRIPTIONS, DONATIONS AND GRANTS

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

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

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

4. INVESTMENT INCOME

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

5. INCOME FROM CHARITABLE ACTIVITIES

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

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

6. CHARITABLE ACTIVITIES COSTS

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

7. GRANTS PAYABLE

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

7. GRANTS PAYABLE - continued

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

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Operational costs	<u>211,780</u>	<u>30,200</u>	<u>241,980</u>

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

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

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

9. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

10. STAFF COSTS

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

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

	2025	2024
Management and administration	<u>2</u>	<u>1</u>

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

11. INTANGIBLE FIXED ASSETS

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

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

12. TANGIBLE FIXED ASSETS

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

13. FIXED ASSET INVESTMENTS

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

Cazenove

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

13. FIXED ASSET INVESTMENTS - continued

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

14. STOCKS

	2025	2024
	£	£
IACE Supplies	<u>7,791</u>	<u>16,825</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other debtors	<u>419,646</u>	<u>480,197</u>

16. CASH AT BANK

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

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS - continued

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

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
Unrestricted funds				
Unrestricted Fund	3,720,240	528,260	(42,400)	4,206,100
Restricted funds				
BAE	91,264	-	-	91,264
Anne & John Singleton	98,423	(1,320)	-	97,103
Lloyds TSB Foundation	2,997	-	-	2,997
RAFAC - Development Bursaries	22,004	(19,710)	-	2,294
Reserve Forces & Cadets West Midlands - Development Bursaries				
	8,315	-	-	8,315
Worshipful Company of Coachmakers	80,000	-	-	80,000
RAFCT - Astra Space	34,000	(5,000)	-	29,000
S&OTS Limited	24,000	-	-	24,000
Arkwright Scholarships	4,216	1,125	-	5,341
UK Space Agency - Air Cadet National Air & Space Hub - Inskip	-	44,180	-	44,180
RAFCT - Air, Space, Cyber Cadet Programme Package	-	42,400	42,400	84,800
	365,219	61,675	42,400	469,294
Endowment funds				
BAE Millenium Fund	191,852	1,941	-	193,793
Joseph Singleton	9,940	326	-	10,266
Malcolm Club	187,733	6,852	-	194,585
Stan Easton	2,746	64	-	2,810
	392,271	9,183	-	401,454
TOTAL FUNDS	<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 2025

18. MOVEMENT IN FUNDS - continued

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

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

Funds of the Charity

Restricted Funds

BAE

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

Anne and John Singleton Trust

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

Lloyds TSB Foundation

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

The RAF Cadet Development Bursaries

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

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

Reserve Forces & Cadets West Midlands Development Bursaries

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued for the Year Ended 31 March 2025

18. MOVEMENT IN FUNDS - continued

Worshipful Company of Coachmakers

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

RAFCT Astra Space

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

S&OTS Limited

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

Arkwright Scholarships

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

UK Space Agency - Air Cadet National Air & Space Hub - Inskip

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

RAFCT - Air, Space, Cyber Cadet Programme Package

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

Restricted Endowments

The BAE Millennium Fund's

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

The Joseph Singleton Memorial Fund

The Joseph Singleton Memorial Fund's income is used to fund two cash prizes to accompany the presentation of the Lees and Morris Trophies. The Lees and Morris Trophies are competed for on 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

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

Transfers between funds

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

Air Cadet Charity CIO

Notes to the Financial Statements - continued
for the Year Ended 31 March 2025

19. RELATED PARTY DISCLOSURES

The Royal Air Force Charitable Trust

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

Air Training Corps

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