

Company number: 10445616
Charity Number: 1170994
Scottish Charity Number: SC048021



Combined Cadet Force Association

The Charity Supporting Cadets in Schools

Report and financial statements
For the year ended 31 March 2024

Combined Cadet Force Association

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For the year ended 31 March 2024

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Combined Cadet Force Association

Reference and administrative information

For the year ended 31 March 2024

Company number 10445616
Country of incorporation United Kingdom

Charity number 1170994 SC048021
Country of registration England & Wales Scotland

Registered office and operational address Holderness House
51–61 Clifton Street
London EC2A 4DW

President Vice Admiral PD Hudson CB CBE

Trustees Trustees, who are also directors under company law, who served during the period and up to the date of this report were as follows:

D	Nigel Maddox CBE	Chair
A B D	Michael Hampshire	Vice Chair
A C	Julia Hodgson	Treasurer
	Scott Benest	
	Jonathan Bleakley	
A B D	Susan Bonell OBE	
A B D	Fiona Chapman	(resigned 29 Aug 2024)
	Simon Davies	
B	Michael Hamid	
D	Alexander Hudson	
	Caroline Hutton–Stott	
A C	Simon McMenemy	
B	Daniel Montgomery	(resigned 23 Jan 2024)
	Geraldine Poulet–Bowden	(resigned 23 Jan 2024)
B	Miles Ripley	
B	Christopher Thompson	

A denotes membership of the Finance and Compliance Committee

B denotes membership of the Grants Committee

C denotes membership of the HR and Remuneration Committee

D denotes membership of the Nominations and Governance Committee

Combined Cadet Force Association

Reference and administrative information

For the year ended 31 March 2024

Key management personnel	Murdo Urquhart OBE	Chief Executive
	Richard Walton	Deputy Chief Executive
	Faye Meakin	Director of Development
Bankers	Lloyds Bank plc Butler Place London SW1H 0PR	
Investment managers	Waverton Investment Management 16 Babmaes Street London SW1Y 6AH	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG	

The trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on page 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Combined Cadet Force Association (CCFA) has three charitable objects:

- To develop the physical, mental, spiritual, moral and cultural capacity of young persons, and an understanding of personal values, through education in the context of adventurous and military style training, so that they may grow to full maturity as individuals and members of society;
- To cultivate confidence, teamwork, judgement and powers of communication so that their conditions of life may be improved;
- To promote the efficiency of the Combined Cadet Force through fostering cadet activity and advancing the youth leadership abilities of Cadet Force Adult Volunteers.

The principal way the charity delivers on its objects is through charitable grant giving, particularly the first and second objects. These grants enable access to activities that will educate, develop and broaden the interests of the 51,360 young people who are cadets in the Combined Cadet Force (CCF). These young people are involved in one of 464 school-based CCF Contingents in the UK. CCFA looks to enhance young people's development by the making of grants to support both the contingents and individual cadets, enabling them to take part in a wide range of activities. Other grants can help a contingent to improve its resilience or to be able to work with more young people, ensuring young people can access development opportunities for many years to come.

Aside from grant giving, CCFA delivers on its objects by supporting the CCF as a whole. It provides membership support services in the interests of the entire CCF, such as the provision of insurance cover against accidents, travel difficulties and to provide legal advice and assistance for volunteers. It contributes to the delivery of training and development courses for CCF adult volunteers. It seeks national non-state recognition for CCF cadets and adult volunteers who have used their CCF training to save lives or display remarkable citizenship.

CCFA is funded, through the CCF Support Fund, to directly support CCF Contingents. This support is delivered through the charity's team of Contingent Support Officers across the UK, enabling Contingents to become more sustainable and to be ready to take on more young people.

Embedded in the ten regional Cadet Training Teams, our Contingent Support Officers work hand in glove with the training sergeants to provide coherent support to the Contingents.

CCFA is recognised by the Ministry of Defence (MOD), single service cadet force headquarters and the Department for Education (in England) as a key supporting partner. Thus, although the charity has no executive role in the running of the CCF, which is the responsibility of the MOD and single services in partnership with schools, it is part of the national framework steering the CCF and its activities. The Chair and Senior Leadership Team attend high level MOD steering group meetings. Also, through these connections, the charity provides another forum for the MOD, single services and schools to exchange views.

Achievements and performance

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help.

The enduring priority for the charity's trustees is to ensure that young people are able to develop through membership of the CCF. This means a focus on some key areas:

- Supporting struggling CCF contingents in order to prevent them from closing.
- Removing barriers, such as cost, to individual cadet participation in CCF activities.
- Advocating for the CCF to key influencers in order that the benefits of CCF activities to young people's development are widely understood and well supported.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the cadets, volunteers and contingents of the CCF and are undertaken to further the CCFA's charitable purposes for the public benefit.

Grant Programmes

The charity furthers its objects through the awarding of grants to individual cadets, or to CCF contingents. It runs two main grant programmes: the Small Grants Programme and the Contingent Growth Fund. The Cadet Bursary Fund is no longer making new grants but continues to make grant payments agreed in the past. Incidental grant applications, such as for equipment, are considered on merit, alignment with the objects, impact and affordability as funds are available. The charity makes grants on the following basis:

- Small Grants Programme. The Grants Committee considers grants on a rolling basis. Individual grants up to a normal maximum of £350 are awarded to support a cadet to take part in a CCF

activity they would otherwise be unable to afford. Application criteria place great importance on the personal circumstances of the participant, demonstrating a need for charitable support.

- Group Activity Grants are a special class of small grants that allow a CCF Contingent to reduce the cost of a contingent activity for all participating cadets. Grants, up to a normal maximum of £750, are awarded to CCF Contingents in support of activities that would be too expensive to encourage wide participation. Whilst this grant process normally takes place once annually, financial pressures led the trustees to make the decision to pause Group Activity Grants in 2023–2024. This programme will run again in the coming year.

Applications for both of the above grant types are made on forms which are circulated to all CCF Contingents and the applications are considered by a committee of CCFA trustees. Grants are awarded with a requirement to report on the use of the grant within an agreed period of time.

- Contingent Growth Fund. With the conclusion of the second phase of the Cadet Expansion Programme (CEP) and the stated ambition of the Government to increase the number of young people involved in each CCF Contingent, the trustees established the Contingent Growth Fund to support CEP Phase Three. Applications are invited at regular intervals throughout the year. This fund seeks to fund initiatives aimed at increasing the number of young people participating in a particular CCF Contingent by improving the recruitment and retention of young people.

The performance of the charity's grant programmes in the year was:

- Small Grants Programme. Since 2013 CCFA has committed to make up to £25,000 worth of small grants per annum. This year the total grants made were £22,976 (2023 – £22,239).
- Contingent Growth Fund. The fund opened to applications in February 2022 and this year made 139 grants totalling £783,739 (2023 – £796,997).

Beneficiaries of our services

A major way in which the charity delivers benefit to its beneficiaries is through the provision of grants. As explained earlier in the report grants are made either to support the contingent and its ability to deliver the cadet programme, or to individual cadets to enable them to access the full range of opportunities in their contingent.

In order to measure the difference that these grants have made the trustees ask for reports from grant recipients. These detail the impact of the grant and are used to help the trustees to decide both what funding to bid for and how best to structure the charity's grant programmes in the future.

Some examples of the impact on the beneficiaries detailed in the last section of this report include:

A grant from the Small Grant programme gave a young cadet from The Priory Academy LSST an opportunity to attend an Adventurous Training week in the Lake District. As a Pupil Premium student, this type of activity is not something their family would normally be able to support. The

Trustees' annual report

For the year ended 31 March 2024

experience not only left them with a lasting memory but also helped them gain life skills and friendships.

The young cadet said, *"with this grant, I have been able to make memories I will cherish for years. On this camp, I did many amazing things and became a stronger person than I was at the beginning. Without this grant, I would not have been able to achieve this. The things I did on this camp have made me lots more confident in being able to go about my life, as I now know I am capable of doing things I never would have imagined, such as climbing a mountain, and jumping off a 30ft cliff into a body of water. I also made many good friends on this camp, of which I still talk to in everyday life."*

This camp has been the experience of a lifetime. I enjoyed it so much and it has been the most fun and exciting week of my life. I never expected to be able to do any of these things and this gave me the opportunity to go wild for 5 days straight!"

Contingent Growth Fund

With a grant from the Contingent Growth Fund, Queen Elizabeth Sixth Form College, was able to convert an old changing room into a CCF classroom. This has doubled their teaching space providing suitable learning environment for cadets. The new classroom is also used as an air rifle range allowing cadets to improve their training experiences without having to travel to a different venue. This has led to an increase in cadet numbers, and cadets from under-privileged backgrounds no longer need to take time off from their part-time work for training. One young cadet said, *"the classroom has been a great addition to cadets as it has supported the expansion of the contingent as we grow in numbers each year so the new classroom enables us to accommodate all wannabe cadets and by enabling us to also utilise this room as a firing range which will support us in shooting competitions in the future!"*

Similarly, thanks to a Contingent Growth Fund grant, Tonbridge School was able to purchase 6 canoes which have played a pivotal role in enhancing their Adventurous Training. The availability of the new canoes ensures that cadets from disadvantaged backgrounds have equal opportunities to participate in water-based activities as there are no hire costs. This fosters a sense of inclusion and belonging within the CCF community. One young cadet said, *"growing up in challenging circumstances, the CCF has been my lifeline to a world of possibilities. Beyond the physical and mental benefits of Adventure Training, the grant has provided me with experiences I never thought possible. It's more than just paddling – it's about breaking barriers and finding my strength. The CCF has become my sanctuary, and the grant's impact has been transformative. It's not just about canoes; it's about building a future where limitations are replaced with opportunities. I am profoundly thankful for these opportunities through the support of the CCFA grant."*

Financial review

The statement of financial activities for the period is set out on page 21 of the financial statements. A summary of the financial results and the work by the charity is set out below.

Income for the year ended 31 March 2024 included donations and legacies of £1,566,373 (2023 – £1,176,436), income for supporting cadets and volunteers of £56,159 (2023 – £133,600) and investment income and interest of £59,992 (2023 – £32,988). Total gross income amounted to £1,689,483 (2023 – £1,355,239).

Expenditure for the period comprised costs of raising funds of £3,902 (2023 – £600), costs of activities in support of contingents of £1,753,852 (2023 – £2,251,869) which reflects the planned lower expenditure against grant programmes (there having been an exceptional equipment grant in the prior year) and costs of supporting cadets and volunteers of £22,976 (2023 – £22,239). Total expenditure amounted to £1,780,730 (2023 – £2,274,708).

Net income for the year after investment movements amounted to £45,692 (2023 – net expenditure of £954,923).

The trustees expect the charity to exist in perpetuity and its investment policy is designed to support the long-term financial health of the charity. The charity adopted the current investment policy in February 2023; its stated objectives are to:

- Protect the value of CCFA's investment portfolio within an acceptable level of risk.
- Generate a return of CPI plus 3% per annum over the medium term¹, after expenses.

The charity has adopted a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that if in any one year the total return is insufficient to meet the growth target, in the long term the real value of the investments will still grow in accordance with the investment objectives above.

The charity has decided not to invest in assets that the trustees consider to be contrary to the spirit of its objects. In particular tobacco, alcohol and pornography are to be excluded from our investments. The trustees have agreed a process with our investment managers as to how these restrictions are to be applied.

During the year net gains on the fair value of long-term investments amounted to £136,939 (2023 – net losses of £35,454). The six-year average return on the long-term investment portfolio was 5.84%. The trustees measure this against a benchmark of the six-year average of CPI + 3% to the end of Mar 2024, which has been calculated as 6.68%. The trustees note that the portfolio has performed below this benchmark, reflecting that the benchmark has been affected by particularly

¹ Defined as a six-year average

high inflation in both 2021–22 and 2022–23. Trustees also note that the one-year performance in 2023–24 was particularly strong (+20.03%) and are satisfied with the investment performance in the year.

In order to support the efficient delivery of our grant programmes and to efficiently manage cash flow, the trustees have directed that funds earmarked for grant making are to be held in a three-day access short-term investment portfolio. Last year these funds were held in cash deposit accounts of no more than 24-months in duration. At the end of March 2024, the funds held in short-term investments were £2,552,560 (2023: £1,600,000 in cash deposit accounts) and the funds held in the long-term investment portfolio were £789,654 (2023: £683,549).

Reserves policy and going concern

The CCFA adopted the current Reserves Policy in December 2019. The purpose of the policy is to ensure the ongoing operations of the charity are protected in the event of a sudden decline in the financial health of the charity. The reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserve may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development or investment in infrastructure.

The reserve is defined as unrestricted funding that has not been designated for a specific purpose. The reserve will be an amount sufficient to maintain ongoing operations and programmes for three to six months. The reserve will be reviewed and adjusted in response to internal and external changes.

The target reserve fund is equal to between 3 and 6 months of operating costs and is calculated at the start of the year based on the budget. This year the reserves target was calculated as between £456,464 and £912,928 (2023 – £427,132 to £854,264) which reflected the planned budgeted expenditure for the year.

From time to time the trustees might choose to designate funds for long term investment to realise an income that can be used to further the charity's objects. These funds will not be counted as part of the charity's free reserves.

Actual free reserves in 2024 were £1,201,621 (2023: £1,166,523).

This means that free reserves are approximately £288,693 or 32% greater than the target reserves (2023 – £312,259, or 37% greater). The trustees note that this excess has reduced by 7.5% year-on-year and are content that the reserve is being expended on charitable activity in a sustainable way that will not put the charity into financial difficulty. Trustees have plans to spend further funds in the coming year to steadily bring the reserves to within the target level.

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts and decided that CCFA is a going concern. The trustees have made this assessment in respect of a one-year period from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Principal risks and uncertainties

The trustees examine the major risks that the charity faces each financial year during routine board meetings and in meetings between the senior trustees and the Chief Executive. The charity has systems in place to monitor and control these risks to mitigate any impact that they may have on the charity's activities in the future.

The key risks for the charity, as identified by the trustees, are described below together with the principal way in which they are mitigated:

- Risk of failing to deliver fully on the charitable objects because CCFA's beneficiaries (principally CCF contingents) are not aware of the charity that exists to support them. Communicating with the beneficiaries is not straightforward, therefore the charity uses a variety of effective channels of communication to spread the word about the support that the charity can provide.
- Risk of failing to sustain major grant programmes. The charity is keen to support the Government's ambition to increase the number of cadets in schools and is conscious that many new CCF contingents formed under the Cadet Expansion Programme need financial support to become established, whilst some legacy CCF contingents are struggling to survive. The charity's Contingent Growth Fund currently meets that need, but the funds available are finite and diminishing. If the fund is not topped up, the charity will have to close the fund when it is spent with the potential risk that some of its beneficiaries, CCF contingents, will have to close. The charity is therefore seeking funds to create a replacement charitable programme that will support the continued development of CCF Contingents.
- Governance Risk. The success of the CCFA's programme of work depends on good governance. The trustees seek to ensure this by: having appropriate recruitment and appointment processes; regular reviews of the board's structure, competence and diversity overseen by the Nominations & Governance Committee; and holding appropriate insurance to protect trustees;.

Fundraising

The charity's approach to fundraising activity is to seek grants from organisations in order to achieve a particular aim, for example to support the growth of cadet numbers in existing CCF

Trustees' annual report

For the year ended 31 March 2024

contingents. Where an individual or group with an interest in the cadet movement would like to support cadets, we invite them to donate to the CCFA. We also offer the facility for individuals to make one off or repeat donations online and offer membership of the CCFA to repeat individual donors or CCF Contingents. This year we ran a small fundraising campaign “£75 for 75” in which we asked each of the 464 contingents to raise £75 to mark the 75th anniversary of the formation of the modern CCF.

At present the charity is not a member of the Fundraising Regulator because it does not engage in the kind of fundraising activity that would make this a requirement. This position was reviewed this year with no change, and will be reviewed annually.

We do not contact our members or supporters to solicit donations, although this is something we might consider doing should we have a specific fundraising objective in the future. We have received no complaints about fundraising.

Plans for the future

The charity is undertaking a considered programme of evolution. In 2023, following the 2022 deep review of what CCFA is and does, CCFA chose to adopt a new brand image, a new tagline “supporting cadets in schools” and secured the website address and social handles “@cadetsinschools”. CCFA officially launched these new addresses in summer 2024.

Whilst the charity itself is financially secure, the trustees remain concerned about the viability of many of the CCF contingents (the charity’s beneficiaries), not just those formed under the Cadet Expansion Programme, but also long-established legacy contingents. A number of them are struggling for a variety of reasons outside CCFA’s control, but additional financial support could make the difference. Therefore, the ambition of the trustees is to maintain the core hardship grant programmes to support these contingents and to identify new ways of supporting contingents and help them to embed into the fabric of the school.

The charity’s Small Grants Programme remains sound and secure, for which the trustees remain enormously grateful to Mr Gareth Neame OBE for his continuing close interest and generous donations in recent years. Whilst the donations were paused this year as CCFA had sufficient funds for this programme, Mr Neame has confirmed his commitment to funding the programme next year.

As stated in the section on Principal Risks and Uncertainties, communicating with CCF contingents remains a constant challenge. A programme of visiting Contingents at their summer camps will be undertaken by the charity and we are investing in new Customer Relationship Management software to support our communications with Contingents. We will make use of our new brand image and social channels to promote our message as well as refresh and modernise our existing web-presence.

In respect of Governance, the trustees have completed a programme of reducing the number of trustees, culminating this year in not appointing new trustees to replace those that have stood down. The focus now turns to succession planning and ensuring there is a balance of “new blood” and experience on the board to best govern the charity.

Structure, governance and management

The CCFA is a registered charity and a company limited by guarantee, not having a share capital. The entity was incorporated on 25 October 2016 and registered as a charity with the Charity Commission for England and Wales on 5 January 2017 and the Office of the Scottish Charity Regulator on 22 December 2017. It is governed by its memorandum and articles of association which were updated in 2022 and adopted on 24 January 2023. This arrangement replaced an earlier construct of the CCFA which was constituted by a trust deed and registered with the Charity Commission in 1963 under charity number 305988. The assets of this earlier version of the CCFA were transferred to the new construct which was duly re-registered with the Charity Commission under charity number 1170994.

The CCFA has approached the Charity Commission for Northern Ireland and attempted to register with them as the charity operates in Northern Ireland. The commission has responded to say that they are in the process of registering charities that are not regulated by another UK charity regulator first and will contact the CCFA when they are ready to process our application.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The part time Chief Executive of the charity is Murdo Urquhart OBE, who heads a small team of staff comprising Richard Walton, the part time Deputy Chief Executive, Faye Meakin, the part time Director of Development, and 25 full- and part-time members of staff.

The annual budget is agreed by the Finance and Compliance Committee. The senior trustees (Chair, Vice Chair, and Treasurer) are consulted by the Chief Executive on a regular basis and on all matters that are considered by him to be strategic, novel or contentious. These consultations are largely conducted by video conference, telephone and e-mail or at informal “management board” meetings.

The CCFA Board of Trustees meets at least twice per year. Amongst other papers the Board receives:

- A report from the Finance and Compliance Committee of the CCFA; including the audited financial statements of the charity. The audited financial statements are agreed and signed off at this meeting.
- An updated register of the diverse risks being managed by the charity.

The Board has the following sub committees:

- The **Finance and Compliance Committee** carries out the overall financial management of the charity (including agreeing the annual budget, the raising, investment and direction of funds, and the oversight of financial processes) and the regular review of the charity's governance arrangements. The Committee consists of the Treasurer, the Vice Chair, the Legal and Governance Adviser and the School Finance Adviser. It meets four times per year after the end of each financial quarter and reports at both board meetings.
- The **Audit and Investments Committee** is a joint sub-committee of the CCFA and its sister charity, the Army Cadet Charitable Trust UK (ACCT UK). It is responsible for technical advice and guidance relating to the annual audit and the management of funds the charities have chosen to invest through the current investment manager. The Committee consists of three ACCT UK trustees and three members from the CCFA Board of Trustees. It reports back to both Boards of Trustees.
- The **Grants Committee**, chaired by the Vice Chair and includes at least two other trustee members. This committee sets the overall policy for grants and makes decisions about which applications to fund. It considers applications approximately three times per year.
- The **Contingent Growth Fund Committee** is formed of at least two trustees (any available trustee serves) and two external advisers: one from the MOD to advise on the impact a grant could have on contingent stability, and one from the Department for Education to advise on how a grant would impact on the integration of a contingent with the school and its leadership. This committee makes decisions about which applications to fund. It considers applications approximately four times per year.
- The **HR and Remuneration Committee** is a joint sub-committee of the CCFA and ACCT UK. It is responsible for technical advice and guidance relating to all values-based systems and policies to ensure that both charities are following legislation and considering best practice in relation to their employees, independent contractors and volunteers. The Committee consists of the three ACCT UK trustees, two members from the CCFA Board of Trustees and a co-opted HR specialist. It meets twice per year: in summer to consider policy and structure; and in winter to set the pay and conditions for employees from the following April. It reports back to both Boards of Trustees.
- The **Nominations and Governance Committee** is chaired by the Chair of trustees and includes at least three other trustee members. This committee is responsible for trustee development (including mentoring of new trustees), recruitment, monitoring (and acting to improve) board diversity; ensuring the board has all the skills needed to govern effectively; It meets at least annually.

Appointment of trustees

Trustees are appointed for a period of three years and encouraged to serve for no more than three terms to ensure regular turnover of trustees. Where a successor cannot be found, a trustee could stand for re-election and there is no restriction in the articles on the number of times an individual can stand for re-election.

Trustees are considered to be one of two "types" (with identical rights and obligations). The first type is a serving CCF Contingent Commander who is elected primarily because of their understanding of our beneficiaries but who may also bring other skills to the board. The second type of trustee is usually someone with little or no knowledge of the CCF but who is recruited to bring particular skills to the board in order to improve the ability of the trustees to govern the charity and help the board mitigate the principal risks facing the charity.

The process for identifying new trustees is twofold. In the case of Contingent Commanders, care is taken to ensure that volunteers represent a fair balance of: state and independent schools; and Royal Navy, Army and RAF contingents. In the case of trustees with specialist knowledge and experience needed by the board, external advertising is the more normal route to find trustees.

If a trustee is appointed during the year, they are co-opted by the trustees and then formally elected at the next AGM for a period of three years.

Trustee induction and training

There are four parts to trustees' induction. They:

1. are provided with a pack of information about CCFA;
2. visit the charity's offices in London to meet the key staff;
3. receive an introductory brief by the Chief Executive explaining how CCFA supports the armed forces' chains of command to run the CCF and deliver cadet training, and how CCFA represents the interests of the civilian CFAVs who deliver that training; and,
4. for trustees with no experience of the CCF, the offer to facilitate a visit to a CCF contingent, either during a parade afternoon at school or annual camp.

Related parties and relationships with other organisations

The charity has trustees from 9 (2023: 10) Contingents (which are beneficiaries in the charities objects). The trustees ensure that they keep good records of who is associated with which contingent and those individuals absent themselves from any decision making that could give a real or perceived benefit to their contingent (most commonly the award of a grant). Such related party transactions are disclosed in note 10 to the accounts.

The charity shares offices and staff with a sister charity, ACCT UK. The two charities employ staff on joint contracts which are managed through ACCT UK and the staff costs relating to CCFA are recharged on a monthly basis. In addition, the Treasurer, Julia Hodgson, works for the Bank of

England which has a role in prudential regulation and she therefore takes no part in discussions or decisions relating to the charity's investment plans and portfolio.

Remuneration policy for key management personnel

The Trustees consider that they, together with the Chief Executive, the Deputy Chief Executive and the Director of Development, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All employees are jointly contracted by CCFA with our sister charity ACCT UK. Oversight of the staffing arrangements is exercised through the joint ACCT UK and CCFA HR and Remunerations Committee as described above.

Statement of responsibilities of the trustees

The trustees (who are also directors of the CCFA for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware

Trustees' annual report

For the year ended 31 March 2024

- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was 342 (2023: 173). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue to act in that capacity.

The trustees' annual report has been approved by the trustees on 6 December 2024 and signed on their behalf by

Nigel Maddox CBE
Chair

Independent auditor's report

To the members of

Combined Cadet Force Association

Opinion

We have audited the financial statements of Combined Cadet Force Association (the 'charitable company') for the period ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association'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.

Independent auditor's report

To the members of

Combined Cadet Force Association

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

- In our opinion, based on the work undertaken in the course of the audit:
- The information given in the trustees' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Combined Cadet Force Association

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management and the finance and compliance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent auditor's report

To the members of

Combined Cadet Force Association

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

Combined Cadet Force Association

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

Date:

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Combined Cadet Force Association

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations and legacies	2	208,843	1,357,530	1,566,373	1,176,436	–	1,176,436
Charitable activities							
Supporting cadets and volunteers	3	14,024	42,135	56,159	13,850	119,750	133,600
Investments	4	59,992	–	59,992	32,988	–	32,988
Other income		6,959	–	6,959	12,215	–	12,215
Total income		289,818	1,399,665	1,689,483	1,235,489	119,750	1,355,239
Expenditure on:							
Raising funds	5	3,902	–	3,902	600	–	600
Charitable activities							
Supporting contingents	5	273,086	1,480,766	1,753,852	819,183	1,432,686	2,251,869
Supporting cadets and volunteers	5		22,976	22,976	–	22,239	22,239
Total expenditure		276,988	1,503,742	1,780,730	819,783	1,454,925	2,274,708
Net (Expenditure)/income before net gains/(losses) on investments		12,830	(104,077)	(91,247)	415,706	(1,335,175)	(919,469)
Net gains/(losses) on investments		136,939	–	136,939	(35,454)	–	(35,454)
Net income / (expenditure) for the year		149,769	(104,077)	45,692	380,252	(1,335,175)	(954,923)
Transfers between funds	17	(8,567)	8,567	–	(595,360)	595,360	–
Net movement in funds		141,202	(95,510)	45,692	(215,108)	(739,815)	(954,923)
Reconciliation of funds:							
Total funds brought forward		1,850,072	1,709,328	3,559,400	2,065,180	2,449,143	4,514,323
Total funds carried forward		1,991,274	1,613,818	3,605,092	1,850,072	1,709,328	3,559,400

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Combined Cadet Force Association

Balance sheet

Company no. 10445616

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	13		30,989		–
Investments	14		789,654		683,549
			<u>820,643</u>		<u>683,549</u>
Current assets:					
Short-term Investments	15	2,552,560		–	
Debtors	15a	17,162		20,416	
Short-term deposits		–		1,600,000	
Cash at bank and in hand		718,371		1,321,960	
			<u>3,288,093</u>	<u>2,942,376</u>	
Liabilities:					
Creditors: amounts falling due within one year	15b	(485,794)		(48,675)	
				<u></u>	
Net current assets			<u>2,802,299</u>		<u>2,893,701</u>
Total assets less current liabilities			<u>3,622,942</u>		<u>3,577,250</u>
Creditors: amounts falling due after one year	15c		(17,850)		(17,850)
			<u></u>		<u></u>
Total net assets			<u>3,605,092</u>		<u>3,559,400</u>
The funds of the charity:	17a				
Restricted income funds			1,613,818		1,709,328
Unrestricted income funds:					
Designated funds:		789,654		683,549	
General funds		1,201,620		1,166,523	
			<u></u>	<u></u>	
Total unrestricted funds			<u>1,991,274</u>		<u>1,850,072</u>
Total charity funds			<u>3,605,092</u>		<u>3,559,400</u>

Approved by the trustees on 6 December 2024 and signed on their behalf by

Julia Hodgson
Treasurer

Michael Hampshire
Vice Chair

Combined Cadet Force Association

Statement of cash flows

For the year ended 31 March 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		45,692	(954,923)
Depreciation charge		3,675	–
(Gains)/losses on investments		(82,264)	35,454
Dividends and Interest from investments		(59,992)	(32,988)
(Gains)/losses on short-term investments		(54,675)	–
Increase/(decrease) in debtors		3,254	(17,403)
Increase/(decrease) in creditors		437,119	(12,521)
Net cash provided by/(used in) operating activities		292,809	(982,381)
Cash flows from investing activities:			
Dividends and Interest from investments		59,992	32,988
Purchase of tangible fixed assets		(34,664)	–
Movement in short term deposit		1,600,000	(649,471)
Movement in cash held in short-term investments		(1,592)	–
Purchase of investments		(27,370)	–
Purchase of short-term investments		(2,496,293)	–
Movement in cash held on Investments		3,529	(15,198)
Net cash (used in) investing activities		(896,398)	(631,681)
Change in cash and cash equivalents in the year		(603,589)	(1,614,062)
Cash and cash equivalents at the beginning of the year		1,321,960	2,936,022
Cash and cash equivalents at the end of the year		718,371	1,321,960

1 Accounting policies

a) Statutory information

Combined Cadet Force Association is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address and principal place of business is Holderness House, 51–61 Clifton Street, London, EC2A 4DW.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Key judgements that the charity has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest and dividends receivable

Interest and dividends on funds held on deposit or in the investment portfolio is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in making its investment portfolio.

Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising overhead costs of the central function, is apportioned on the following basis which are an estimate of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £200. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided on a straight line basis, to write down the cost of each asset to its estimated residual value over its expected useful life. The annual depreciation rates used are as follows:

Computer Equipment	25.00%
Camera Equipment	33.33%

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any appreciation in fair value is only recognised when realised. Dividends and Interest on investments are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments. These funds can be accessed with up to 5-days notice.

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short term deposits

Short term deposits includes cash balances that are invested in accounts and instruments with a maturity date of between 3 and 24 months.

q) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements

For the year ended 31 March 2024

2 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Donations	246	–	246	777	–	777
Legacies	131	–	131	–	–	–
Donated services	12,000	–	12,000	12,000	–	12,000
Ministry of Defence grant	196,466	1,357,530	1,553,996	1,163,659	–	1,163,659
	<u>208,843</u>	<u>1,357,530</u>	<u>1,566,373</u>	<u>1,176,436</u>	<u>–</u>	<u>1,176,436</u>

The Reserve Forces and Cadets Association for Greater London kindly donates office space to the CCFA. This is recognised at the estimated cost of securing suitable alternative office space. The value of the service has increased in line with the employment of new staff.

3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Supporting contingents						
Ministry of Defence grant	–	42,135	42,135	–	99,750	99,750
Supporting cadets and volunteers						
Subscriptions	14,024	–	14,024	13,850	–	13,850
Donations	–	–	–	–	20,000	20,000
Total	<u>14,024</u>	<u>42,135</u>	<u>56,159</u>	<u>13,850</u>	<u>119,750</u>	<u>133,600</u>

4 Income from investments

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Dividends	25,629	–	25,629	15,797	–	15,797
Bank interest	34,363	–	34,363	17,191	–	17,191
	<u>59,992</u>	<u>–</u>	<u>59,992</u>	<u>32,988</u>	<u>–</u>	<u>32,988</u>

Combined Cadet Force Association

Notes to the financial statements

For the year ended 31 March 2024

5a Analysis of expenditure (current year)

	Charitable activities						
	Raising funds £	Supporting contingents £	Supporting cadets and volunteers £	Governance costs £	Support costs £	2024 £	2023 £
Staff costs (Note 8)	-	703,896	-	-	135,405	839,301	745,686
Grant making (Note 6)	-	783,739	22,976	-	-	806,715	1,447,888
Direct activity costs	-	68,810	-	-	-	68,810	11,868
Insurance	-	-	-	-	6,516	6,516	6,247
Marketing and communication	-	17,362	-	-	-	17,362	23,064
Premises costs	-	-	-	-	12,000	12,000	12,000
Audit and accountancy fees	-	-	-	20,043	-	20,043	21,133
Trustee expenses	-	-	-	641	-	641	1,258
Investment manager fees	3,902	-	-	-	-	3,902	600
Other	-	-	-	-	5,440	5,440	4,964
	3,902	1,573,807	22,976	20,684	159,361	1,780,730	2,274,708
Support costs	-	159,361	-	-	(159,361)	-	-
Governance costs	-	20,684	-	(20,684)	-	-	-
Total expenditure 2024	3,902	1,753,852	22,976	-	-	1,780,730	
Total expenditure 2023	600	2,251,869	22,239	-	-		2,274,708

Combined Cadet Force Association

Notes to the financial statements

For the year ended 31 March 2024

5b Analysis of expenditure (prior year)

	Charitable activities					
	Raising funds £	Supporting contingents £	Supporting cadets and volunteers £	Governance costs £	Support costs £	2023 £
Staff costs (Note 8)	–	605,443	–	–	140,243	745,686
Grant making (Note 6)	–	1,425,649	22,239	–	–	1,447,888
Direct activity costs	–	11,868	–	–	–	11,868
AGM and event costs	–	–	–	–	–	–
Insurance	–	–	–	–	6,247	6,247
Marketing and advertising	–	23,064	–	–	–	23,064
Premises costs	–	–	–	–	12,000	12,000
Audit and accountancy fees	–	–	–	21,133	–	21,133
Trustee expenses	–	–	–	1,258	–	1,258
Investment manager fees	600	–	–	–	–	600
Other	–	–	–	–	4,964	4,964
	600	2,066,024	22,239	22,391	163,454	2,274,708
Support costs	–	163,454	–	–	(163,454)	–
Governance costs	–	22,391	–	(22,391)	–	–
Total expenditure 2023	600	2,251,869	22,239	–	–	2,274,708

Notes to the financial statements

For the year ended 31 March 2024

6 Grant making

A list of the School CCF Contingents that have received grants from the CCFA is in note 19.

In addition to the amounts committed and accrued, the CCFA authorises certain grants which are subject to acceptance of the terms and conditions such as the employment of a School Staff Instructor. The total amount authorised was **£122,172** (31 March 2023: £16,528).

	2024 £	2023 £
Supporting contingents		
Contingent Growth Fund	783,739	796,997
Cadet Bursary Fund	–	13,092
CCF Equipment Fund	–	615,360
CCF Conference Fund	–	200
Supporting cadets and volunteers		
Small grants programme	22,976	22,239
At the end of the year	806,715	1,447,888

Contingent Growth Fund – grants awarded to **139** (31 March 2023: 131) CCFs in schools in year ended 31 March 2024

Cadet Bursary Fund – grants paid to **2** (31 March 2023: 5) CCFs in schools in the year ended 31 March 2024

Small Grants Programme, grants awarded to individuals in **14** (31 March 2023: 16) schools in year ended 31 March

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	3,675	–
Auditor's remuneration (excluding VAT):		
Audit – current year	10,250	9,150

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	707,464	634,474
Social security costs	70,890	64,102
Employer's contribution to defined contribution pension schemes	60,947	47,110
	839,301	745,686

No employee earned more than £60,000 during the year (31 March 2023: nil).

The trustees consider that they, together with the Chief Executive, Deputy Chief Executive and Director of Development comprise the key management personnel of the charity. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were **£135,405** (31 March 2023: £96,401).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (31 March 2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (31 March 2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling **£641** (31 March 2023: £1,258) incurred by 2 (31 March 2023: 4) members relating to attendance at meetings of the trustees.

9 Staff numbers

The full time equivalent staff carrying out work for the CCFA during the year was **22** (31 March 2023: 20).

Because the CCFA shares its back office functions with ACCT UK it has chosen to employ all staff across both charities on joint contracts. This means that the charities gain flexibility and economies in how staff support the charities. However this joint contract arrangement requires CCFA to disclose the average number of employees for the two charities combined. This is taken as a head count based on number of staff employed. During the year this was **73** (31 March 2023: 72).

10 Related party transactions

Recharges of £839,901 (31 March 2023: £745,685) were made by ACCT UK, a registered charity, which provides resources to the CCFA at cost. Of this £703,896 (31 March 2023: £605,443) is included in supporting contingents and £135,405 (31 March 2023: £140,243) is included in support costs.

On occasion grants are awarded to contingents at which trustees are adult volunteers. Decisions about who to award funds to are made by the Grants Committee. On the rare occasion a trustee's contingent has applied for a grant, that trustee will not be a party to the discussion of their contingent's application. If they sit on the Grants Committee they will leave the room for that part of the meeting.

There were no transactions of the above type in either 2024 or 2023.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Amounts disbursed as agent

The Combined Cadet Force Association acts as an agent for members requiring insurance. Income and related disbursements are therefore excluded from the statement of financial activities. During the year, funds of £19,520 (31 March 2023: £29,397) were received, £27,734 (31 March 2023: £17,182) was expended, £Nil (31 March 2023: £nil) was receivable and £5,654 was written off as reduced income (31 March 2023: £12,215 was taken as miscellaneous income). This is in line with the charity's policy on treatment of surplus and deficit insurance receipts.

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

13 Tangible fixed assets

	Computer Equipment £	Camera Equipment £	Total £
Cost			
At the start of the year	-	-	-
Additions in year	3,210	31,454	34,664
Disposals in year	-	-	-
At the end of the year	3,210	31,454	34,664
Depreciation			
At the start of the year	-	-	-
Charge for the year	180	3,495	3,675
Eliminated on disposal	-	-	-
Net book value at end of year	3,030	27,959	30,989
At the start of the year	-	-	-

14a Listed investments

	2024 £	2023 £
Fair value at the start of the year	664,186	699,640
Additions at cost	27,370	-
Disposal proceeds	-	-
Net gain/(loss) on change in fair value	82,264	(35,454)
	<u>773,820</u>	<u>664,186</u>
Cash held by investment broker pending reinvestment	15,834	19,363
	<u>789,654</u>	<u>683,549</u>
Investments comprise:		
	2024 £	2023 £
Funds listed on the London Stock Exchange	773,821	664,186
Cash held by investment broker pending re-investment	15,834	19,363
	<u>789,655</u>	<u>683,549</u>

14b Short-term Investments

	2024 £	2023 £
Fair value at the start of the year	-	-
Additions at cost	2,496,293	-
Net gain/(loss) on change in fair value	54,675	-
	<u>2,550,968</u>	<u>-</u>
Cash held by investment broker pending reinvestment	1,592	-
Fair Value at the end of the year	<u>2,552,560</u>	<u>-</u>
	2024 £	2023 £
Funds listed on the London Stock Exchange	2,550,968	-
Cash held by investment broker pending re-investment	1,592	-
	<u>2,552,560</u>	<u>-</u>

Combined Cadet Force Association

Notes to the financial statements

For the year ended 31 March 2024

15a Debtors

	2024 £	2023 £
Prepayments	17,162	20,416
	<u>17,162</u>	<u>20,416</u>

15b Creditors: amounts falling due within one year

	2024 £	2023 £
Grants payable	–	39,128
Trade Creditors	19,234	792
Accruals	16,560	8,755
Deferred income	450,000	–
	<u>485,794</u>	<u>48,675</u>

15c Creditors: amounts falling due after one year

	2024 £	2023 £
Grants payable – due in 2–5 years	17,850	17,850
	<u>17,850</u>	<u>17,850</u>

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	30,989	–	–	30,989
Investments	–	789,654	–	789,654
Net current assets	1,188,483	–	1,613,817	2,802,300
Long term liabilities	(17,850)	–	–	(17,850)
Net assets at 31 March 2024	<u>1,201,622</u>	<u>789,654</u>	<u>1,613,817</u>	<u>3,605,093</u>

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Investments	–	683,549	–	683,549
Net current assets	1,184,373	–	1,709,328	2,893,701
Long term liabilities	(17,850)	–	–	(17,850)
Net assets at 31 March 2023	1,166,523	683,549	1,709,328	3,559,400

17a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
Cadet Bursary Fund	76,266	–	–	(76,266)	–
Donor Fund (Small Grants)	18,897	–	(22,975)	8,567	4,489
CCF Conference Fund	3,265	–	(3,804)	539	–
CCF Marketing Fund	76,686	42,134	(38,046)	–	80,774
CCF Support Fund	–	1,357,530	(693,224)	(539)	663,767
Contingent Growth Fund	1,534,214	–	(745,693)	76,266	864,787
Total restricted funds	1,709,328	1,399,664	(1,503,742)	8,567	1,613,817
Unrestricted funds:					
Designated funds:					
Grant Generation Fund	683,549	106,555	(450)	–	789,654
Total designated funds	683,549	106,555	(450)	–	789,654
General funds	1,166,523	320,201	(276,536)	(8,567)	1,201,621
Total unrestricted funds	1,850,072	426,756	(276,986)	(8,567)	1,991,275
Total funds	3,559,400	1,826,420	(1,780,728)		3,605,092

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Cadet Bursary Fund	89,357	–	(13,091)	–	76,266
Donor Fund (Small Grants)	21,136	20,000	(22,239)	–	18,897
CCF Conference Fund	3,465	–	(200)	–	3,265
CCF Equipment Fund	20,000	–	(615,360)	595,360	–
CCF Marketing Fund	–	99,750	(23,064)	–	76,686
Contingent Growth Fund	2,315,185	–	(780,971)	–	1,534,214
Total restricted funds	2,449,143	119,750	(1,454,925)	595,360	1,709,328
Unrestricted funds:					
Designated funds:					
Grant Generation Fund	703,805	15,798	(600)	(35,454)	683,549
Total designated funds	703,805	15,798	(600)	(35,454)	683,549
General funds	1,361,375	1,219,691	(854,637)	(559,906)	1,166,523
Total unrestricted funds	2,065,180	1,235,489	(855,237)	(595,360)	1,850,072
Total funds	4,514,323	1,355,239	(2,310,162)	–	3,559,400

Purposes of restricted funds

Donor Fund – this is to be used to support individual cadets to access the full cadet experience unhindered by the vagaries of personal circumstance.

CCF Support Fund – this fund is used to provide supporting services to CCF Contingents. It includes support in mentoring and training the volunteers to be better able to manage their existing cohort of cadets and preparing the contingent to take on more young people in the future.

Contingent Growth Fund – these funds are intended to help CCF contingents to cater for a larger number of young people so that more young people can take part in CCF activities each year.

Cadet Bursary Fund – this was used to support the set up costs of new CCF Contingents in state schools. Once the focus of cadet expansion switched to growing the number of young people within existing contingents, we have agreed with the funder that the balance be transferred to the Contingent Growth Fund. The fund is now closed.

CCF Conference Fund – this was to be used to support CCF conferences and events. The fund is now closed.

CCF Equipment Fund – this was to be used to purchase equipment in support of the CCF. The fund is now closed.

Purposes of designated funds

Grant Generation Fund – these are funds set aside by the trustees and treated in the same way as an endowment in order to generate funds that can be used in CCFA's grant programmes.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

19 School CCF Contingents that have received grants from the CCFA for the year ended 31 March 2024

ABINGDON SCHOOL	LANCING COLLEGE
AKS LYTHAM INDEPENDENT SCHOOL	LANGLEY SCHOOL
ALLEYN'S SCHOOL	LARNE HIGH SCHOOL
ALTON SCHOOL	LAURELHILL COMMUNITY COLLEGE
AMPLEFORTH COLLEGE	LIPSON COOPERATIVE ACADEMY
ARK ALEXANDRA ACADEMY	LISNAGARVEY HIGH SCHOOL
ARNOLD HILL SPENCER ACADEMY	LODGE PARK ACADEMY
ASH MANOR SCHOOL	LOUGHBOROUGH GRAMMAR SCHOOL
ASKHAM BRYAN COLLEGE	MAGNUS CHURCH OF ENGLAND ACADEMY
ASTOR SECONDARY SCHOOL	MALVERN COLLEGE
BAY LEADERSHIP ACADEMY	MERCHANT TAYLORS' SCHOOLS CROSBY
BEDE ACADEMY	MONTSAE ACADEMY
BISHOP HEBER HIGH SCHOOL	MYDDELTON COLLEGE
BRADFIELD COLLEGE	NEWCASTLE UNDER LYME SCHOOL
BRIDGWATER AND TAUNTON COLLEGE	NOTTINGHAM HIGH SCHOOL
CHESTERFIELD HIGH SCHOOL	OAKHAM SCHOOL
CHURCHER'S COLLEGE	OASIS ACADEMY BRISLINGTON
CITY OF DERBY ACADEMY	OLD SWINFORD HOSPITAL
CLAYESMORE SCHOOL	ORMISTON HORIZON ACADEMY
CO-OP ACADEMY WALKDEN	OUNDLE SCHOOL
CORBY BUSINESS ACADEMY	OUTWOOD GRANGE ACADEMY
DAME ELIZABETH CADBURY SCHOOL	PANGBOURNE COLLEGE
DENSTONE COLLEGE	PARK VIEW SCHOOL
DOLLAR ACADEMY	PENISTONE GRAMMAR SCHOOL
DOVER GRAMMAR SCHOOL	PRIORY INTEGRATED COLLEGE
DUKE OF YORK'S ROYAL MILITARY SCHOOL	PRIORY RUSKIN ACADEMY
EAST NORFOLK SIXTH FORM COLLEGE	Q3 ACADEMY LANGLEY
EFFINGHAM SCHOOLS TRUST	Q3 ACADEMY TIPTON
ENERGY COAST UTC	QUEEN ELIZABETH SIXTH FORM COLLEGE
EPSOM COLLEGE	QUEEN ETHELBURGA'S COLLEGIATE
ERNEST BEVIN ACADEMY	QUEEN VICTORIA SCHOOL
ETONE COLLEGE	RADLEY COLLEGE
FIR VALE SCHOOL	RATCLIFFE COLLEGE
FOYLE COLLEGE	READ SCHOOL
GEORGE HERIOT'S SCHOOL	REIGATE GRAMMAR SCHOOL
GIGGLESWICK SCHOOL	ROUNDHAY SCHOOL
GORDON'S SCHOOL	ROYAL GRAMMAR SCHOOL NEWCASTLE
GOSPEL OAK SCHOOL	ROYAL HOSPITAL SCHOOL
HABERDASHER'S BOYS' SCHOOL	ROYTON AND CROMPTON ACADEMY
HAILEYBURY COLLEGE	RUGBY SCHOOL
HAILEYBURY TURNFORD SCHOOL	SANDBACH SCHOOL
HAVANT AND SOUTH DOWNS COLLEGE	SEXEY'S SCHOOL, BRUTON
HAVEN HIGH ACADEMY	SHERBORNE SCHOOL
HAYESFIELD GIRLS' SCHOOL	SMALL HEATH LEADERSHIP ACADEMY
HELE'S SCHOOL	SOUTHFIELD SCHOOL KETTERING
IPSWICH SCHOOL	SOUTHMOOR ACADEMY
KENTON SCHOOL	ST. BARTHOLOMEW'S SCHOOL
KETTERING BUCCLEUCH ACADEMY	ST. CATHERINE'S COLLEGE
KILKEEL HIGH SCHOOL	ST. COLUMBA'S COLLEGE
KING EDWARD VI GRAMMAR SCHOOL, LOUTH	ST. EDWARD'S SCHOOL, OXFORD
KING WILLIAM'S COLLEGE	ST. JOHN'S SCHOOL LEATHERHEAD
KING'S LEADERSHIP ACADEMY LIVERPOOL	ST. MARY'S COLLEGE
KING'S SCHOOL WORCESTER	ST. PETER'S SCHOOL, YORK
LADY ELEANOR HOLLES SCHOOL	STAMFORD SCHOOLS

19 School CCF Contingents that have received grants from the CCFA for the year ended 31 March 2024 (continued)

STAMFORD WELLAND ACADEMY	TONBRIDGE SCHOOL
STRATHALLAN SCHOOL	TORQUAY ACADEMY
SUTTON VALENCE SCHOOL	TRINITY SCHOOL, CROYDON
THE BELVEDERE ACADEMY	TUDOR GRANGE ACADEMY WORCESTER
THE COTSWOLD SCHOOL	TUNBRIDGE WELLS GIRLS' GRAMMAR SCHOOL
THE DUSTON SCHOOL	UPPINGHAM SCHOOL
THE FOLKESTONE SCHOOL FOR GIRLS	UTC READING
THE GILBERD SCHOOL	VICTORIA COLLEGE BELFAST
THE GLASGOW ACADEMY	WALKER RIVERSIDE ACADEMY
THE KING'S SCHOOL CANTERBURY	WARMINSTER SCHOOL
THE PHOENIX COLLEGIATE	WELLACRE ACADEMY
THE PRIORY ACADEMY LSST	WELLINGBOROUGH SCHOOL
THE ROYAL GRAMMAR SCHOOL, GUILDFORD	WESTBOURNE ACADEMY
THE ROYAL SCHOOL WOLVERHAMPTON	WODENSBOROUGH ORMISTON ACADEMY
THE SAMWORTH CHURCH ACADEMY	WOLSINGHAM SCHOOL
THE SKINNERS' SCHOOL	WREKIN COLLEGE
THE ST. LAWRENCE ACADEMY	
THISTLEY HOUGH ACADEMY	
THOMAS HARDYE SCHOOL	