



## THE ARMY AIR CORPS CHARITY - TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE PERIOD 1 APR 23 TO YEAR ENDING 31 MAR 24

### Reference and Administrative Information

1. Charity Name: Army Air Corps Charity (AAC Charity)
2. Address: Headquarters Army Air Corps  
Middle Wallop  
STOCKBRIDGE  
Hampshire  
SO20 8DY
3. Charities Commission Registered Number: 1184333
4. Trustees who manage the Charity:

Name	Notes
Col E J Butterworth ADC	Ex Officio and Chair
Col B Shaw MBE	Ex Officio
Col O Stead OBE	Ex Officio
Col T Moore MBE	Ex Officio
Col P Kitson	Ex Officio
Col (Retd) A Tucker	Chair of Investment Sub Committee
Lt Col D Lambert MBE AAC	Co Opted
Maj R Bramley AAC	Co Opted
Capt E Wilson AAC	Co Opted
WO1 P Docherty AAC	Co Opted
Capt M Hale AAC	Co Opted

5. Non-Trustee Committee Members

Name	Role
Lt Col B Fowler AAC	Charity Chief Executive
Lt Col C Howard-Higgins AAC	Chair AAC Sports and AT Committee
Lt Col J Dawes AAC	President HQ Officers' Mess Committee

6. Organisations that provide functions to the Charity:

<b>Banking</b>	<b>Legal</b>	<b>Auditors</b>	<b>Investment advisors</b>
Holt's Military Banking 200 Fowler Avenue Fowler Business Park FARNBOROUGH GU14 7JP	Wilsons LLP Alexandra House St Johns Street SALISBURY SP1 2SB	Xeinadin Audit Ltd Statutory Auditor Nightingale House 46-48 East Street EPSOM KT17 1HQ	Rathbones 30 Gresham Street LONDON EC2V 7QN

## **Governance, Structure and Management**

7. **Governance.** The Governing Scheme for the AAC Charity was agreed on 14 Jun 19 and sealed on 9 Jul 19, coming into operation as a CIO on 1 Oct 19. The Army Air Corps Charity supersedes the previous schemes of the Army Air Corps Fund (1072126) and its predecessors.

8. The Charity began operating as a CIO to provide the charity, its Trustees and agents with better legal protection and to give it the ability to hold property and to employ staff, should there be a need in the future. A review of governance practices conducted in 2010/2011 confirmed that sound processes and practices were in place in relation to prevention of fraud and effective delivery. Those processes and practices continue and are reviewed each year. The Trustees are regularly alerted to the dangers of complacency and maintain a rolling review of the subject.

9. All Trustees and non-executive members of the AAC Committee receive instructions and reference documents relevant to their role, including audited financial reports, minutes of meetings, the scheme agreed with the Charity Commission and underpinning instructions directly related to the Charity and its activities. They are also referred to the published Charity Commission guidance for Trustees. Opportunities to access external training for Trustees are also advertised. The objects of the Charity and the duties of the Committee are highlighted at each meeting. Members present are invited to declare any interests that may have a bearing on their objective decision making. Known and related interests are registered and held in the Regimental Headquarters.

10. The Trustees 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). The law applicable to charities in England and Wales 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 of the charity for that period. In preparing these financial statements, the Trustees are required to:

- a. Select suitable accounting policies and then apply them consistently.
- b. Observe the methods and principles in the Charities SORP 2019 (FRS 102).
- c. Make judgements and estimates that are reasonable and prudent.

d. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

e. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

11. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and 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.

12. **Structure.** The structure of the Army Air Corps Charity Trustee Board and the supporting Committee is set within Army Air Corps instructions. The board is small enough to be effective, large enough to be representative and authoritative enough for the responsibilities laid upon it. The structure is effective, while being diverse enough to ensure a spread of views and experience. The Army Air Corps Committee also has the responsibility for reviewing and upholding the traditions, customs, history and heritage of the Corps.

13. The Trustees of the Charity are appointed mainly as ex-officio by virtue of experience and position held within the organisation. The majority of the Trustees either have experience on other boards or have or have had management responsibilities for other funds through their military appointments, though formal Trustee training is provided where required. The Charity has an Investment Sub-Committee (ISC) appointed to manage invested funds with two members of the ISC appointed to the board of Trustees. The Trustees include the Head of Arm for the Army Air Corps under the appointment title of Colonel Army Air Corps, the Commanders from the main Army Air Corps communities and representative unit commanders. The voluntary Trustees are drawn from the serving and retired communities. Additional members may be drawn onto the Committee as non-voting subject matter experts and representatives as required. This ensures that the Trustees have sufficient knowledge, experience and levels of representation to make decisions as well as ensuring that the Corps Committee is well advised and represented. Though some of the Trustee positions are tied to appointments within the Army Air Corps they are voluntary; an individual holding a specific appointment with the Army Air Corps may opt not to take up the related appointment on the Army Air Corps Trustee Board. Non-voting observers from serving members of the Army Air Corps may also be invited to attend meetings from time to time.

14. **Management.** In order to ensure that the Charity's objects can be met appropriately its funds are allocated into either restricted, unrestricted or designated funds. These are clarified in detail in notes 1g, 14 and 15 to the accounts at Enclosure 2 to this report. Committee meetings are advertised in advance to the serving and veteran communities with invitations to submit items for discussion. The Trustees meet formally in Committee twice each year, usually in the Spring and Autumn. The ability to communicate out of committee enables swift decision making when there is need. The financial activities, processes and

procedures for the Charity are reviewed at each Spring meeting. Financial authority levels, delegations and expenditure forecasts are also authorised then by the Trustees. The Charity's accounts are audited by an external auditor at each financial year end in March with those accounts providing the basis for this report and its submission. The audit report is reviewed by the Trustees and other committee members and is available to Army Air Corps personnel through their units. Meeting minutes and an annual report on the financial activities of the Army Air Corps Charity is also published in the Army Air Corps' Newsletter, *Hawkeye*, and the Army Air Corps Journal. It is expected that publication of the Charity's periodic activity will be circulated more frequently throughout the coming year by using the Corps' communication channels.

## **Charity Object**

15. The objects of the Army Air Corps Charity are:

- a. To promote the efficiency of His Majesty's Army and particularly the Army Air Corps in such charitable ways as the Trustees may decide.
- b. The relief of persons who are in need, hardship or distress and are serving or former members of the Corps or the children or dependants of such persons.

16. The Charity achieves its object by:

- a. Relieving persons in need by making grants or short-term loans<sup>1</sup> of money to them or providing or paying for goods, services or facilities or by making grants of money to other persons or bodies who also provide goods, services or facilities to those in need.
- b. Supporting activities that enhance the wellbeing of the past and present members of the Army Air Corps and eligible others by making grants of funds that may not be met from public or other sources.
- c. The Army Air Corps Charity also acts as a holding fund for other Army Air Corps funds which include the Army Air Corps Veterans' Association and the Headquarters Messes.

## **Summary of main achievements of the Charity during the year 2023-2024**

17. The Charity has met its objects in the last year by:

- a. Making individual benevolence grants of £49,975. This figure is set against an initial budget of £78,000. While the overall figure granted is less than that of 2022-23 the number of requests for assistance to the Charity was 107, a slight

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<sup>1</sup> Loans may be secured or unsecured. Where loans are unsecured the Trustees are rigorous in their checks and decision making processes to mitigate as far as possible any risks to the Charity's funds.

increase on the previous year. A £20,000 grant was also made to the Army Benevolent Fund in order to support cases not directly seen by the AAC Charity.

- b. Granting £140,000 to support Army Air Corps Sport and Adventurous training participation for serving personnel.
- c. Granting £2889 to AAC veterans' groups to support outreach and social activities to collectively assist those groups in the maintenance of cohesion.
- d. Making Good and Benefit grants of £10,250 to units via their Commanders to improve the morale and wellbeing of personnel in units where public funds cannot do so. These grants are enhanced by similar from the Headquarters Officers, Warrant Officers' and Sergeants' Messes.
- e. Granting £4484 to support Commemorative and Remembrance events in the UK and overseas.
- f. Funding Corps level Awards and their presentation ceremonies that celebrate success. Total funds committed were £17,985.
- g. The Service Transition Cell reaching initial operating capability has helped the Charity to identify and assist those leaving or who have recently left the service either directly from its own resources or by referral to other charities or support agencies.
- h. Continued contribution to the Army Flying Museum, specifically to the archivist salaries in order to preserve and maintain the Army Air Corps heritage.

## Financial Review

18. **General.** The Trustees review the Charity's finances at each meeting and at year end. The principal source of funding for the Charity activity is drawdown of income from investment alongside the voluntary contributions of the serving AAC community<sup>2</sup>. The ISC is appointed by the Trustees to manage investments for growth in order to support annual activity while retaining funds to cover future risks. Advice is readily available to allow the Trustees the flexibility to use investments to meet need as required.

19. **Voluntary contributions.** Voluntary contributions are paid into to the Charity's General Purpose Fund from the serving community through the Day's Pay Scheme (DPS). Contributions are based on rank, with Officers and Senior NCOs adding additional funds to their respective Headquarters Messes as restricted funds. Army Air Corps Reserves Officers and soldiers are also invited to contribute to the charity through the DPS but at a pro-rata rate based on the amount of days they serve compared to their Regular Army counterparts. The AAC's serving community is briefed on the Charity and its activities when they first join the Corps where they are invited to contribute if they wish to. Further updates are also provided at other points during their training and careers. The majority of serving personnel now contribute voluntarily to the Charity with only a small minority electing not to do so. The

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<sup>2</sup> Through the Army's Days Pay Scheme debited from salary

reduction in the workforce numbers in the Corps over recent years has had an effect on this income stream as there are now fewer serving members making voluntary contributions.

20. **Investments.** Dividends, interest and profit from the Army Air Corps Charity's investments are used to help fund activities. It has previously been the practice to reinvest this income within the investment portfolio to support growth. The Trustees have however directed income from investment be transferred to the General-Purpose Fund to mitigate for the increased demand on the Charity against the reduction in income from voluntary contributions. The resulting investment policy is to aim for growth with an assured annual income, coupled to the ability to draw on investments for forecasted projects.

21. **Donations and legacies.** There are periodic donations and some regular donations to the Charity. Where a significant donation or legacy is received it is the practice to allocate those funds to a specific project so that the donation is recognised and recorded.

22. **Funds held as custodian on behalf of others.** The Glider Pilot Regiment Association was disbanded in 2016. In 2013 they requested that their small benevolent fund was administered on their behalf by the Army Air Corps with funds transferred into the then AAC Fund (now Charity). These funds are held as designated funds with Christmas grants distributed through the Army Air Corps to nominated widows of the Regiment suffering hardship and need. That disbursement continues to drop over time as those widows pass away. The Army Air Corps has also utilised the GPR Fund to provide an enduring maintenance contract for the Glider Pilot Regiment Memorial at the National Memorial Arboretum and to contribute to other remembrance projects. The Army Air Corps will continue to administer the fund and provide for GPR veterans and eligible dependants until it is clear that the need no longer exists. With the blessing of the GPR Veterans and their Committee before their Association disbanded any remaining funds would be transferred into the AAC Fund (now the Charity). The dispersion of the remaining funds will be kept under review.

## Risks

23. The Trustees see the following as risk to the Charity being able to meet its object:

- a. A reduction in income from voluntary contributions by either individual choice<sup>3</sup> or by a reduction in the size of the Corps workforce that might be brought about by any future structural changes directed by the Army.
- b. A reduction in the return on investments through poor performance or the need to draw down on the capital invested to meet need.
- c. Mismanagement of funds.

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<sup>3</sup> Particularly from the more junior cohort which continues to be affected in the greatest measure by cost of living increases.

- d. The withdrawal of MOD workforce and infrastructure provision.
- e. Changes to the Day's Pay Scheme distribution by the MOD.

24. The Trustees have mitigated the risks by:

- a. Regular review of investment performance through the ISC and retaining funds for future charitable activity.
- b. Encouraging the serving Officers and soldiers to contribute to the Charity through the DPS, principally by making them aware of the Charity and the benefits it offers them, both in and out of service.
- c. A developing plan to establish a means of making voluntary contributions, specifically for welfare and benevolence, for the retired AAC community.
- d. A stringent set of control measures for agreeing financial expenditure, making payments as well as routine oversight checks and an annual audit of accounts.

### **Financial reserves policy**

25. £250,000 is required as annual investment drawdown in order to meet the current and projected activities of the Charity. This dictates an investment portfolio of circa £12m with an expected 5% annual return. Should that annual return fall then an increased investment portfolio would be required or a review and adjustment of the Charity's operations.

26. It is the Trustees policy to maintain the invested funds at current levels, allowing accumulation where possible to mitigate against inflation increases or as yet unseen increases in demand for the Charity's support. The current free reserves of £400,000 is still deemed adequate to meet demands now, but it is acknowledged that this is a conservative figure. The Trustees have agreed to retain this current level for the time being. An irreducible minimum of £6mn in investments would be required simply to run the Charity and maintain minimum levels of current support that could include some workforce funding in the future if current arrangements are changed through MOD direction.

### **Future planning**

27. The Charity will continue to follow its objectives detailed previously in this report.

28. The Trustees have agreed funds set for the production and publication of an authoritative history of the Army Air Corps book. Publication is in two volumes, the first due in Q3 of 2024 and the second in Q3 of 2025. Funds have been committed to support a bi-ennial gathering of past and present members of the AAC and the wider Army aviation community in Summer 2024. The Trustees have concluded it prudent to start setting aside funds in FY 2024-25 for future events.

29. The funds agreed for the AAC's participation in World War Two commemorations in 2024 will be committed early into the new financial year to benefit from lower prices. As previously reported, these are likely to be last of such larger scale events for the foreseeable future. The Trustees will not withdraw any funds from capital investments in this or the next financial year towards marking the AAC Platinum Jubilee in 2037, in order to maintain core charitable activity.

30. The Charity has supported the early launch (Mar 24) of the Military App, Eagle Connect as a means of communicating with the Charity's contributors and beneficiaries; the past and present members of the AAC. Commitment and resources remain for the traditional means of communication such as newsletter and journal. Any savings made from a transfer to more electronic communications are not expected to be realised before the end of reporting year 2024-25.

31. The Trustees continue to monitor and to examine the domestic income and expenditure against the in-year budget as a means of intelligent forecasting. Despite some fluctuations they believe that demands for welfare and charitable support across the serving and retired community will rise. That expenditure includes the traditional benevolence in terms of the relief of those in need. It also embraces the positive effects on morale and well-being of proactive expenditure on sports and adventurous training, welfare projects and similar activities within the community. They are also alert to the continuing negative effects of austerity measures in society and of changes within the Armed Forces themselves, not least of which are the increased readiness cycles and training deployments. All of these factors suggest that there will be a continuing need to take income from investment in order to support the charitable objects and that investment income will be the principal source.

32. The Trustees will also examine the growth, maintenance and use of its reserves against medium and long term needs and risks.

### **Public benefit statement**

33. The Charity supports those in need both serving in the AAC and its former members, their families and dependents. Further support to the serving community through good and benefit financial grants enhances morale and wellbeing thus enhances military efficiency, giving benefit to the Ministry of Defence and therefore the wider Public and the Nation.

### **Report approval**

33. This report has been read and agreed by the Army Air Corps Charity Trustees.



E J Butterworth ADC  
Colonel  
17 Oct 24



Enclosures:

1. Auditors report.
2. Audited accounts 1 Apr 2023 to 31 Mar 2024 with notes.

## **Independent Auditor's Report to the Trustees of Army Air Corps Charity**

### **Opinion**

We have audited the financial statements of Army Air Corps Charity (the 'charity') for the year ended 31<sup>st</sup> March 2024 which comprises of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 Financial Reporting Standard 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 charity's affairs as at 31<sup>st</sup> March 2024, and of its incoming resources and application of resources, including its income and expenditure, 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 auditor 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 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.

### **Matters on which we are required to report by exception**

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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 trustees' responsibilities statement set out on pages 2, 3 and 4, the trustees 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 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.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experiences and through discussion with those charged with governance (as required by auditing standards). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, Charities SORP and The Charities Act. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement lines.

We identified the following areas that could be most susceptible to fraud or irregularities: use of funds, designation of restricted funds and the recording of grants and legacies. The audit procedures undertaken did not identify any actual fraud or irregularities.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



.....  
Jacqueline Taylor FCCA  
(for and on behalf of Xeinadin Audit Limited)

Nightingale House  
46-48 East Street  
Epsom  
Surrey  
KT17 1HQ

Date: ...06/11/2024.....

Xeinadin Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**ARMY AIR CORPS CHARITY  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2024**

		Unrestricted Funds	Restricted Funds	Total Funds 31st March 2024	Total Funds 31st March 2023
	Note	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	2	245,019	146,391	391,410	389,810
Charitable activities	3	22,149	24,722	46,871	42,836
Investments	4	280,350	3,332	283,682	268,156
<b>Total income and endowments</b>		<b>547,518</b>	<b>174,445</b>	<b>721,963</b>	<b>700,802</b>
<b>Expenditure on:</b>					
Raising funds	6	40,811	-	40,811	39,671
Charitable activities	7	440,277	218,087	658,364	641,855
Other	8	9,541	-	9,541	9,864
<b>Total expenditure</b>		<b>490,629</b>	<b>218,087</b>	<b>708,716</b>	<b>691,390</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>		<b>56,889</b>	<b>(43,642)</b>	<b>13,247</b>	<b>9,412</b>
<b>Net gains/(losses) on investments</b>	10	<b>707,669</b>	<b>-</b>	<b>707,669</b>	<b>(785,407)</b>
<b>Net income/(expenditure)</b>		<b>764,558</b>	<b>(43,642)</b>	<b>720,916</b>	<b>(775,995)</b>
<b>Transfer between funds</b>		<b>10,000</b>	<b>(10,000)</b>	<b>-</b>	<b>-</b>
<hr/>					
<b>Net Incoming Resources before other recognised gains and losses</b>		<b>774,558</b>	<b>(53,642)</b>	<b>720,916</b>	<b>(775,995)</b>
<b>Other Recognised Gains and Losses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>		<b>774,558</b>	<b>(53,642)</b>	<b>720,916</b>	<b>(775,995)</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		<b>10,962,303</b>	<b>303,789</b>	<b>11,266,092</b>	<b>12,042,087</b>
<b>Total funds carried forward</b>		<b>11,736,861</b>	<b>250,147</b>	<b>11,987,008</b>	<b>11,266,092</b>

The notes on pages 4 - 15 form part of these accounts

The statement of financial activities includes all gains and losses recognised during the year.

**ARMY AIR CORPS CHARITY**

**BALANCE SHEET AS AT 31ST MARCH 2024**

	Note	31st March 2024 £	31st March 2023 £
<b>Fixed Assets</b>			
Investments	10	11,649,641 <hr/> 11,649,641	10,826,145 <hr/> 10,826,145
<b>Current Assets</b>			
Debtors	11	25,377	24,743
Cash at bank and in hand	12	370,936	454,314
		<hr/> 396,313	<hr/> 479,057
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	13	(58,946)	(39,110)
<b>Net Current Assets</b>		337,367	439,947
<b>Total assets less current liabilities</b>		<hr/> 11,987,008	<hr/> 11,266,092
<b>The Funds of the charity</b>			
Restricted funds	14	250,147	303,789
Unrestricted funds			
Designated	15	203,396	248,320
Other Charitable Funds	17	11,533,465	10,713,983
<b>Total charity funds</b>		<hr/> 11,987,008	<hr/> 11,266,092

These financial statements have been prepared in accordance with FRS 102.

**Approved by the Board of Trustees on 17 Oct 24 and signed**



**Col EJ Butterworth ADC, Chair of Trustees**

**ARMY AIR CORPS CHARITY**

**STATEMENT OF CASHFLOWS AS AT 31ST MARCH 2024**

	31st March 2024	31st March 2023
	£	£
<b>Cash flows from operating activities</b>		
Net income/(expenditure) per SOFA	720,916	(775,995)
Adjustments for:		
Depreciation	-	-
(Gains)/losses on investments	(707,669)	785,407
Dividends and interest from investments	(283,682)	(268,156)
(Increase)/decrease in debtors in year	(634)	4,922
Increase/(decrease) in creditors in year	19,836	(36,594)
<b>Net cash provided (used in) by operating activities</b>	<u>(251,233)</u>	<u>(290,416)</u>
<b>Cash flows from investing activities</b>		
Dividends and interest from investments	283,682	268,156
Proceeds from the sale of investments	1,017,377	1,149,882
Purchase of investments	(1,133,204)	(955,198)
<b>Net cash provided by (used in) investing activities</b>	<u>167,855</u>	<u>462,840</u>
<b>Change in cash and cash equivalents in the year</b>	(83,378)	172,424
<b>Cash and cash equivalents brought forward</b>	454,314	281,890
<b>Cash and cash equivalents at the end of the year</b>	<u>370,936</u>	<u>454,314</u>

The notes on pages 4 - 15 form part of these accounts

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1 Accounting Policies**

**a) Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**b) Statement of compliance**

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

**c) Basis of preparation**

Army Air Corps Charity meets the definition of a public benefit entity under FRS 102 and is a Charitable Incorporated Organisation registered with the Charities Commission in England, United Kingdom. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the Charity, monetary amounts in these financial statements are rounded to the nearest £.

**d) Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured

***Donations***

Donations are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

For legacies, entitlement is taken on a case by case basis as the earlier 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 charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. 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.



**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1 Accounting Policies - continued**

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

***Grants***

Grants are accounted for as received. Grants received are included as unrestricted funds unless the source of the income restricts its application in which case it would be included in the relevant restricted fund.

***Investment income***

Investment income together with the tax recoverable thereon is accounted for on a received basis.

**e) Expenditure**

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. All expenditure is accounted for on an accruals basis.

***Grants payable***

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

***Irrecoverable VAT***

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1 Accounting Policies - continued**

***Allocation of support and governance costs***

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

**f) Fixed asset investments**

their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**g) Fund structure**

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity and have not been designated for other purposes.

Designated funds are unrestricted funds that are resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1 Accounting Policies - continued**

**i) Taxation**

The Fund is a registered charity and accordingly is exempt from all forms of direct taxation

**j) Financial instruments**

The charity only has financial assets and 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.

**k) Fund-Raising Standards Information**

The charity does not carry out any significant fundraising activities. Where fund raising activities are undertaken these activities are reviewed and monitored by the trustees and support and advice is provided where necessary.

**l) Judgements and key sources of estimation uncertainty accounting policy**

policies and no key sources of estimation uncertainty that may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

	Unrestricted Funds	Restricted Funds	31st March 2024	31st March 2023
	£	£	£	£
<b>2 Income from donations and legacies</b>				
Regimental subscriptions	175,793	120,891	296,684	287,875
Association subscriptions	-	-	-	-
Other subscriptions	-	-	-	5
COIF Charity Fund	800	-	800	800
Callendar Charitable Trust	3,000	-	3,000	2,500
Donations - Legacies	-	-	-	-
Donated Services (Note 5)	64,225	-	64,225	61,460
Other	1,201	25,500	26,701	37,170
	<u>245,019</u>	<u>146,391</u>	<u>391,410</u>	<u>389,810</u>
<i>Total 2023</i>	<u>242,534</u>	<u>147,276</u>	<u>389,810</u>	
<b>3 Income from charitable activities</b>				
Unused Individual Benevolence Grants	2,008	-	2,008	2,379
Refunds	15,819	-	15,819	14,287
Contribution towards grants/payments	4,322	24,722	29,044	26,170
	<u>22,149</u>	<u>24,722</u>	<u>46,871</u>	<u>42,836</u>
<i>Total 2023</i>	<u>22,428</u>	<u>20,408</u>	<u>42,836</u>	
<b>4 Income from investments</b>				
Income from quoted investments	277,257	-	277,257	265,216
Interest on deposit accounts	3,093	3,332	6,425	2,940
	<u>280,350</u>	<u>3,332</u>	<u>283,682</u>	<u>268,156</u>
<i>Total 2023</i>	<u>266,639</u>	<u>1,517</u>	<u>268,156</u>	

**5 Donated Goods and Services**

This represents the services of the Corps Accountant, Corps Secretary, Assistant Corps Secretary and Welfare Assistant which have been donated to the Charity the Ministry of Defence (note 7). The real estate facilities used by the Charity are donated by the Commandant of the Army Aviation Centre. Due to the fact that facilities used are owned by the Ministry of Defence it is impossible to place a market value on them. The donated facilities have not therefore been included in these accounts.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR YEAR ENDED 31ST MARCH 2024**

	Unrestricted Funds	Restricted Funds	Total 31st March 2024	Total 31st March 2023
	£	£	£	£
<b>6 Expenditure on raising funds</b>				
Advertising	-	-	-	300
Fund Manager Charges	40,811	-	40,811	39,371
	<u>40,811</u>	<u>-</u>	<u>40,811</u>	<u>39,671</u>
<i>Total 2023</i>	<u>39,671</u>	<u>-</u>	<u>39,671</u>	
<b>7 Expenditure on charitable activities</b>				
Grants to individuals (2024: 47; 2023: 60)	49,975	-	49,975	89,659
Other grants				
- General Purpose Fund grants (2024: 40; 2023: 35)	87,252	-	87,252	76,872
- HQ Officers Mess grants (2024: 40; 2023: 52)	-	66,629	66,629	35,049
- AAC Association grants (2024: 14; 2023: 7)	2,889	-	2,889	2,060
- HQ WOs & Sgts Mess grant (2024: 10; 2023: 10)	-	12,565	12,565	12,874
- AAC Sports grants (2024: 16 rest, 22 unrest; 2023: 27 rest; 10 un)	66,737	30,000	96,737	101,300
Donations	20,000	-	20,000	20,000
Awards, Trophies & Presentations	7,091	10,894	17,985	16,546
Sponsorship	117,921	-	117,921	44,569
Repairs	2,632	5,399	8,031	13,920
Functions	6,666	83,530	90,196	80,469
Memorials	-	-	-	1,000
65th Anniversary	-	-	-	83,373
Reunions & Anniversaries	4,884	-	4,884	-
Communications with Serving and Veterans	7,236	-	7,236	-
Heritage - history book	676	-	676	-
Website	-	9,070	9,070	930
Monthly website fees	720	-	720	720
Salaries (note 5)	64,225	-	64,225	61,460
Printing, Postage & Stationery	1,373	-	1,373	1,054
	<u>440,277</u>	<u>218,087</u>	<u>658,364</u>	<u>641,855</u>
<i>Total 2023</i>	<u>473,454</u>	<u>168,401</u>	<u>641,855</u>	

Full details of these grants are contained within the Trustee's Report.

No remuneration was paid to Trustees during the year. Reimbursed costs amounting to £67 was paid to one Trustee during the year for office costs. The Army Air Corps does not have any employees. The services of the Corps Accountant, Corps Secretary, Assistant Corps Secretary and Welfare Assistant are donated to the charity by the Ministry of Defence (note 5).

<b>8 Other</b>				
Audit	8,316	-	8,316	7,920
Meeting Costs	677	-	677	423
Bank Charges	548	-	548	531
Database	-	-	-	990
	<u>9,541</u>	<u>-</u>	<u>9,541</u>	<u>9,864</u>
<i>Total 2023</i>	<u>9,864</u>	<u>-</u>	<u>9,864</u>	

No fees were paid to the auditors for services other than the statutory audit.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**9 Total resources expended**

	Basis of allocation	Welfare	Serving personnel activities & amenities	Servicemen & ex-servicemen activities	Ceremonials	Governance	Total 31st March 2024	Total 31st March 2023
		£	£	£	£	£	£	£
<b>Costs directly allocated to activities</b>								
Fund Manager Charges	Direct	-	-	-	-	40,811	40,811	39,371
Grants	Direct	49,975	232,452	29,785	2,886	949	316,047	317,814
Donations	Direct	20,000	-	-	-	-	20,000	20,000
Awards, Presentations & Trophies	Direct	7,091	10,894	-	-	-	17,985	16,546
Memorials	Direct	-	-	-	-	-	-	1,000
Sponsorship	Direct	-	117,921	-	-	-	117,921	44,569
Repairs to Serving Personnel Facilities	Direct	-	8,031	-	-	-	8,031	13,920
Functions	Direct	-	90,196	-	-	-	90,196	80,469
History Book	Direct	-	-	-	676	-	676	-
Printing, Postage & Stationery	Direct	-	1,373	-	-	-	1,373	1,054
Audit	Direct	-	-	-	-	8,316	8,316	7,920
Bank Charges	Direct	-	548	-	-	-	548	531
Website	Direct	-	-	9,070	-	-	9,070	930
65th Anniversary	Direct	-	-	-	-	-	-	83,373
Reunions	Direct	-	-	4,884	-	-	4,884	-
Communications	Direct	-	-	7,236	-	-	7,236	-
Database	Direct	-	-	-	-	-	-	990
Sundries	Direct	-	1,397	-	-	-	1,397	1,143
<b>Costs apportioned to activities</b>								
Advertising	Activity	-	-	-	-	-	-	300
Salaries	Activity	-	-	48,170	16,055	-	64,225	61,460
Total Resources Expended		77,066	462,812	99,145	19,617	50,076	708,716	691,390
Total 2023		166,285	360,271	109,276	6,795	48,763	691,390	

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**10 Fixed asset investments**

	<b>2024</b>
	<b>£</b>
<b>Quoted investments</b>	
B/Fwd as at 1 April 2023	10,826,145
Less: Disposals at opening book value 2024 proceeds: £1,017,377; profit: £69,358 (2023 proceeds: £1,149,882; loss: £13,565)	(948,019)
Add: Acquisitions at cost	1,133,204
Net unrealised investment gains / (losses)	638,311
	<hr/>
Market value at 31 March 2024	11,649,641
	<hr/>
Historical cost at 31 March 2024	10,658,387
	<hr/>

Total profit / (losses) on investments were 2024 £707,669, 2023 (£770,131)

**All investments are unrestricted funds and are held primarily for investment return**

	<b>31st March 2024</b>	
	<b>UK</b>	<b>Overseas</b>
	<b>£</b>	<b>£</b>
Listed Investments	1,811,935	4,469,728
Other Investments	4,404,028	963,950
	<hr/>	<hr/>
	6,215,963	5,433,678

**11 Debtors**

	<b>2024</b>	<b>2023</b>
		<b>£</b>
Other debtors	25,377	24,743
	<hr/>	<hr/>
	25,377	24,743

**12 Cash at bank and in hand**

	<b>2024</b>	<b>2023</b>
		<b>£</b>
Holt's, Royal Bank of Scotland	176,750	184,879
Investec	194,186	269,435
	<hr/>	<hr/>
	370,936	454,314

**13 Creditors**

	<b>2024</b>	<b>2023</b>
		<b>£</b>
Amounts falling due within one year:		
Accruals	24,718	33,657
Accruals for grants payable	34,228	5,453
	<hr/>	<hr/>
	58,946	39,110

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**14 Restricted Funds**

	<b>Balance B/fwd 1st April 2023 £</b>	<b>Transfers £</b>	<b>Movement of Resources</b>		<b>Balance 31st March 2024 £</b>
			<b>Incoming £</b>	<b>Outgoing £</b>	
Sports	-	5,000	25,000	(30,000)	-
HQ WOs' and Sgts' Mess	85,636	(5,000)	46,036	(49,082)	77,590
HQ Officers' Mess	209,583	(10,000)	102,909	(129,935)	172,557
Website	8,570	-	500	(9,070)	0
	<u>303,789</u>	<u>(10,000)</u>	<u>174,445</u>	<u>(218,087)</u>	<u>250,147</u>

	<b>Balance 1st April 2022 £</b>	<b>Transfers £</b>	<b>Movement of Resources</b>		<b>Balance 31st March 2023 £</b>
			<b>Incoming £</b>	<b>Outgoing £</b>	
Sports	-	-	25,000	(25,000)	-
HQ WOs' and Sgts' Mess	105,464	-	39,750	(59,578)	85,636
HQ Officers' Mess	197,525	-	94,951	(82,893)	209,583
Website	-	-	9,500	(930)	8,570
	<u>302,989</u>	<u>-</u>	<u>159,701</u>	<u>(167,471)</u>	<u>303,789</u>

**Sports**

This fund is used to assist Corps members in the pursuit of specified sporting activities. This relates to allocations from the Army Sports Control Board.

**HQ Warrant Officers' and Sergeants' Mess**

Members of the HQ Mess pay one days pay per annum into this fund. The fund is used to enhance the furnishings and surroundings of the buildings and to support functions throughout the year for it's current and retired members. They also give support to the predecessors of the AAC, the Glider Pilot's Regiment Association.

**HQ Officers' Mess**

Members of the HQ Mess pay one days pay per annum into this fund. The fund is used to enhance the fabric, furnishings and surroundings of the buildings and to support functions throughout the year for it's current and retired members.

**Website**

This relates to funding from the Armed Forces Covenant Fund to help enhance the AAC Website in order to provide better communication and interaction with the AAC Veteran community. The restricted balance was used on the project. Once complete the remaining unrestricted balance was transferred to a new Communications fund to provide resources to reach out to the serving personnel and veterans via the new Army Air Corps App.



**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**15 Unrestricted funds**

Unrestricted funds show a large amount in reserve which is expected to rise. This is due to a predicted significant increase in grants and donations payable, as explained in the Trustees Report.

	<b>Balance B/fwd 1st April 2023 £</b>	<b>Transfers £</b>	<b>Movement of Resources Incoming £</b>	<b>Outgoing £</b>	<b>Balance 31st March 2024 £</b>
<b>General Purpose Fund</b>	10,713,983	(130,000)	1,239,368	(289,886)	11,533,465
<b>Designated Funds</b>					
AAC Veterans' Ass'n	47,357	-	-	(2,889)	44,468
Glider Pilot Regt Ass'n	2,221	-	-	(400)	1,821
Sports	63,176	140,000	15,819	(184,658)	34,337
Heritage - history book	65,300	-	-	(676)	64,624
65th Anniversary	59,386	(59,386)	-	-	-
Reunions & Anniversaries	-	59,386	-	(4,884)	54,502
Communications with Serving and Veter	-	10,880	-	(7,236)	3,644
AAC Website	10,880	(10,880)	-	-	-
	<u>10,962,303</u>	<u>10,000</u>	<u>1,255,187</u>	<u>(490,629)</u>	<u>11,736,861</u>

	<b>Balance B/fwd 1st April 2022 £</b>	<b>Transfers £</b>	<b>Movement of Resources Incoming £</b>	<b>Outgoing £</b>	<b>Balance 31st March 2023 £</b>
<b>General Purpose Fund</b>	11,438,186	(140,000)	516,492	(1,100,695)	10,713,983
<b>Designated Funds</b>					
AAC Veterans' Ass'n	49,397	-	20	(2,060)	47,357
Glider Pilot Regt Ass'n	3,621	-	-	(1,400)	2,221
Sports	35,325	140,000	8,719	(120,868)	63,176
History Book	65,300	-	-	-	65,300
65th Anniversary	136,389	-	6,370	(83,373)	59,386
AAC Website	10,880	-	-	-	10,880
	<u>11,739,098</u>	<u>-</u>	<u>531,601</u>	<u>(1,308,396)</u>	<u>10,962,303</u>

The funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

**AAC Veterans' Association**

The Army Air Corps Veterans' Association provides a focal point for communication with veterans of the Army Air Corps, retired members of Army Aviation and widows.

**Glider Pilots Regiment Association**

This fund is for dispersion to a number of beneficiaries of the Glider Pilot Regiment Association as annuities and to those veterans and eligible dependants in need on a case by case basis.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**15 Unrestricted funds - continued**

Sports

This fund is used to assist Corps members in the pursuit of specified sporting activities.

History Book

A designated fund has been set up for the remainder of the costs of the production of the history book. The balance on the Fenton Sear designated fund was transferred into this fund during the financial year ended 31st March 2021.

65th Anniversary

This designated fund was set up to allocate funding to mark the 65th year of the Army Air Corps establishment in September 2022. In order to celebrate that event the Army Air Corps held a reunion event at the home of the Army Air Corps in Middle Wallop on 3rd September 2022. Funding was made available to dispersed Army Air Corps units to support local events. The activity was titled Eaglefest 65. After the event, a remaining balance of £59,386 was transferred to a new fund for future events, named Reunions.

Reunions

A new designated fund was set up for future anniversary events of the Army Air Corps. The remaining balance on the 65th Anniversary designated fund was transferred into this fund. This fund was set up for future Eaglefest events and significant anniversaries of the Army Air Corps.

Communications with Serving Personnel and Veterans

This new designated fund was set up during the financial year in order to provide funding for a new Army Air Corps App. This provided the ability to communicate with the wider Army Air Corps community and to put individuals in touch with each other. On completion of the AAC Website the remaining unrestricted balance from this project was transferred into the Communications fund amounting to £10,880.

Army Air Corps Website

A designated fund was set up during the previous financial year to create a website and to provide funding for ongoing development and maintenance and to improve communications with the AAC veteran community.

**16 Net assets by fund**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2024</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2023</b>
Tangible Assets	-	-	-	-	-	-
Investments	11,649,641	-	11,649,641	10,826,145	-	10,826,145
Current Assets / (Liabilities)	87,220	250,147	337,367	136,158	303,789	439,947
Net Assets	<u>11,736,861</u>	<u>250,147</u>	<u>11,987,008</u>	<u>10,962,303</u>	<u>303,789</u>	<u>11,266,092</u>

**17 Unrestricted Funds**

Unrestricted funds show a large amount in reserve which is expected to rise. This is due to a predicted significant increase in grants and donations payable, as explained in the Trustees Report.

**18 Assets Attributable to Funds**

The balance on the restricted accounts are held within the Royal Bank of Scotland deposit account. The unrestricted and designated funds are held within the remainder of the funds.

**ARMY AIR CORPS CHARITY**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024**

**19 Ultimate Controlling Party**

The Army Air Corps Charity was controlled throughout the current and previous period by the Regimental Committee and Trustees.

**20 Related Party Transactions**

Three trustees are also trustees of the Army Flying Museum, a charity that the Army Air Corps Charity provides grants and donations to. During the year ended 31st March 2024 the Army Air Corps Charity granted £18,000 to the Army Flying Museum to hire two archivists and £2,000 for repairs. £18,000 & £6,000 respectively in the year ended 31st March 2023.

During the year ended 31st March 2023 payments totalling £650 were made to the Army Historical Aircraft Trust for flyover services. The Army Historical Trust shares a common trustee with the Army Air Corps Charity. No payments were made during the year ended 31st March 2024.

During the year a sponsorship donation totalling £5,000 (2023 £5,000) was received from a company for whom a trustee of the Army Air Corps Charity is an employee.

**21 Contingent Liability**

There are no contingent liabilities.

**22 Financial instruments**

<b>Assets</b>	<b>2024 £</b>	<b>2023 £</b>
Financial assets measured at fair value through income/expenditure	11,649,641	10,826,145
Financial assets that are debt instruments measured at amortised cost	396,313	479,057
	<u>12,045,954</u>	<u>11,305,202</u>
<b>Liabilities</b>		
Financial liabilities measured at amortised cost	<u>(58,946)</u>	<u>(39,110)</u>

Financial assets measured at fair value through income/expenditure includes investments. The basis used for determining the fair value of investments is the unadjusted quoted price in active markets.

Financial assets that are debt instruments measured at amortised cost includes other debtors and cash at bank and in hand.

Financial liabilities measured at amortised cost includes accruals.

<b>Items of income, expense, gains or losses</b>	<b>Income £</b>	<b>Net gains/ (losses) £</b>
<b>2023</b>		
Financial assets measured at fair value through income/expenditure	277,257	707,669
Financial assets measured at amortised cost	6,425	-
	<u>283,682</u>	<u>707,669</u>
<b>2023</b>		
Financial assets measured at fair value through income/expenditure	265,216	(758,407)
Financial assets measured at amortised cost	2,940	-
	<u>268,156</u>	<u>(758,407)</u>

**23 Post balance sheet events**

There have not been any post balance sheet events.