



**Army  
Cadet  
Charitable  
Trust UK**

Company number: 293432  
Charity Number: 305962  
Scottish Charity Number: SC039057

# Report and financial statements For the year ended 31 March 2024

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## Reference and Administrative Information

**President** Lieutenant General Sir Andrew Graham Bt CB CBE

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

<i>Chair</i>	<sup>C</sup>	Duncan Capps	
<i>Treasurer</i>	<sup>A B D</sup>	Sarah Dickson	
	<sup>C</sup>	Jemma Ralph	
	<sup>C</sup>	Wendy Adams	
	<sup>A G</sup>	David Chipp	
	<sup>A D</sup>	Ruadhri Duncan	
	<sup>C E</sup>	Shirley Montgomery	Resigned 2 Oct 24
	<sup>A B D</sup>	Justin Tarka	
	<sup>A D</sup>	Christopher Tearney	
	<sup>C</sup>	Oliver Rice-Adams	
	<sup>B C F</sup>	Joyce Quin	
	<sup>A</sup>	Agata Zukowska	Resigned 23 Mar 24

**Co-opted member** <sup>B</sup> Catherine Harrison

<sup>A</sup> denotes membership of the Finance and General Purposes Committee  
<sup>B</sup> denotes membership of the HR and Remuneration Committee  
<sup>C</sup> denotes membership of the Nominations and Governance Committee  
<sup>D</sup> denotes membership of the Joint Investments & Audit Committee  
<sup>E</sup> denotes membership of the ACCT Northern Ireland Committee  
<sup>F</sup> denotes membership of the ACCT Scotland Committee  
<sup>G</sup> denotes membership of the ACCT Wales Committee

**Company number** 293432  
**Country of incorporation** United Kingdom

**Charity numbers** 305962 SC039057  
**Country of registration** England & Wales Scotland

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

<b>Other Names the Charity Operates Under</b>	ACCT Cymru, ACCT Wales, Army Cadet Charitable Trust Wales, ACCT NI, ACCT Northern Ireland, Army Cadet Charitable Trust Northern Ireland, ACCT Scotland, Army Cadet Charitable Trust Scotland and ACCT UK	
<b>Key management personnel</b>	Murdo Urquhart Richard Walton Faye Meakin	Chief Executive Deputy Chief Executive Director of Development
<b>Bankers</b>	Lloyds Bank plc Butler Place London SW1H 0PR	
<b>Investment managers</b>	Waverton Investment Management 16 Babmaes Street London SW1Y 6AH	
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG	
<b>Solicitor</b>	Bates Wells 10 Queen Street Place London EC4R 1BE	

## **Trustees' Annual Report**

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 2 and 3 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 Army Cadet Charitable Trust UK (ACCT UK) has two charitable objects:

- (1) To give mental, moral and physical training to young people and so to form and develop the character of each as to enable them to make a good start in life and to develop in them principles of good citizenship.
- (2) To promote the efficiency of the Army Cadet Force through fostering the activities of Army Cadets and advancing the youth leadership abilities of Army Cadet Force Adult Volunteers

The charity's first purpose is therefore to enable access to activities that will educate, develop and broaden the interests of young people, including the 39,000 who are cadets in the Army Cadet Force (ACF). Young people meet in one of 1,600 community based ACF Detachments across the whole of the UK; these detachments are grouped into "ACF Counties" (known variously as County, Battalion or Sector) based on one or more geographical or historical Local Authority areas. ACCT UK looks to enhance young peoples' development both through the delivery of support to ACF Counties and by the making of grants to support individual cadets; to support local initiatives; or, to help existing ACF Counties to improve their resilience and so ensure they are able to deliver development opportunities to young people for many years to come.

ACCT UK offers grants to enable cadets to take part in a wide range of activities, as well as grants to support Army Cadet Force Adult Volunteers to develop their youth leadership skills. The charity also provides membership support services in the interests of the entire ACF, such as the provision of confidential support to volunteers, insurance cover against accidents, travel difficulties and to provide legal advice and assistance.

To further the charity's second object, ACCT UK assists the Army's chain of command to co-ordinate national training for the non-military aspects of the Army Cadets training syllabus, notably the Duke of Edinburgh's (DofE) Award, Adventurous Training (AT), music, first aid and sport, also contributing to the delivery of courses for ACF adult volunteers across these areas. With a grant from the Ministry of Defence (MoD), ACCT UK is also able to support the delivery of Piping and Drumming Qualifications Board, Defence Awarding Organisation and BTEC accredited qualifications across the UK. Both the trustees and the staff of ACCT UK invest time in promoting the ethos and activities of the ACF to wide audiences including school leadership and local communities as well as supporting ACF adult volunteers with access to information and introductions to useful organisations and individuals.

In respect of the second object, a particularly important but intangible role of ACCT UK is to act as an adviser to HM Government, predominately the MoD and Army, and other bodies on ACF matters. This is because ACCT UK is part of the ACF's "corporate memory", briefing and informing the leaders of the day, doing this whilst remaining an impartial but enthusiastic supporter of the important and ongoing development of the ACF as a modern and vibrant youth service.

In particular ACCT UK acts, informally, as the Army chain of command's 'conscience' as it runs this wonderful national youth movement (the ACF) made possible by adult volunteers who give their time to develop young people. The financial and material support for the ACF comes from the Army, which quite rightly imposes necessary training safety and safeguarding regimes through its chain of command. ACCT UK plays a part in making this relationship work by providing support and advice to the Army, including contributing to the development of central policies and direction needed to run the ACF. This is done formally by attending MoD and Army Cadet steering and working group meetings, developing cadet strategy and policies, and informally through constant ongoing dialogue with the chain of command by ACCT UK's President, trustees and members of the senior leadership team.

The trustees review the aims, objectives and activities of the charity each year in the light of these charitable objects. 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 review also helps the trustees ensure the charity's aims, objectives and activities remain focussed on its stated purposes.

The enduring priority for ACCT UK's trustees is to ensure that young people can develop through membership of the ACF. This means a focus on some key areas:

- Providing useful and developmental membership services in order to support volunteers, both in maintaining positive mental health as the role models and responsible adults for the ACF's young people, and also in developing skills to better deliver a high-quality cadet experience.
- Supporting the ACF as an organisation to deliver certain activities that support the rounded development of cadets.
- Supporting ACF Counties, Regions and Training Centres to deliver innovative developmental training to young people.
- Removing barriers, such as cost, to individual cadet participation in ACF activities.
- Advocating for the ACF to key influencers in order that the benefits of participating in ACF activity 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.

### **Our Values**

As a charity dedicated to improving the lives of young people, we feel it is important to have clearly articulated values. As a charity that supports the Army Cadets, a values-led youth organisation, it is important that our values align. Our values are:

- **ABIDING.** We learn from the past and plan for the future. Retaining our best staff is as important to us as recruiting quality new team members.

- **COMMITTED.** We are dedicated in our mission to empower young people through cadet activities and our staff enable us to inspire young people to achieve their future ambitions.
- **COURAGEOUS.** We want our staff to speak up and feel confident they will be heard. We are at our best when all have the courage to do what is right.
- **TRUSTWORTHY.** We are inclusive and principled. We make values-based judgements and think deeply about our programmes and activities. We want our staff to accept one another for who they are and build positive relationships.

## **Achievements and performance**

ACCT UK's main activities and who it seeks to help are described below. All its charitable activities focus on the cadets, volunteers and counties of the ACF and are undertaken to further ACCT UK's charitable purposes for the public benefit.

ACCT UK uses MoD funding to deliver programmes of activity for young people in the ACF. This includes acting as the licenced provider for the Duke of Edinburgh's Award, first aid and music qualifications. We help facilitate national public performances and ceremonial activity by the provision of resources to enable these key cadet activities.

ACCT UK furthers its objects through the awarding of grants to individual cadets and adult volunteers, or to ACF Counties. In support of cadets and volunteers we paid grants of £142,805 (2023 - £374,349). In support of ACF Counties, Regions and Training Centres we paid grants of £17,425 (2023 - £31,276).

### **Grant Programmes**

Grants to cadets are made in order to make activities more accessible, irrespective of a young person's financial means. Adult volunteer grants are intended to make qualifications accessible to all, thus improving the youth leadership abilities of adult volunteers. Some of our grants also enable individuals to evidence the skills and experience they have developed through the ACF to prospective employers by funding recognised qualifications.

Here are some examples of how ACCT UK grants have supported cadets and volunteers this year:

- Various ACF Counties. Funded part of the cost of 2 City & Guilds Graduateship Qualifications for adult volunteers.
- Various ACF Counties. Awarded 2 (2023: 2) Cadet adventurous training bursaries to attend an Outward Bound Trust Summit Adventure – 14-day course.
- Greater Manchester ACF: Funded 12 adult volunteers to gain an Archery GB Instructor Qualification.
- 2 (NI) Battalion ACF: Funded 26 cadets to attend the Annual Oosterbeek Airborne March in Arnhem.
- Dorset ACF: Funded 9 cadets to attend a 14-day Climbing Expedition to the Dolomites, Italy.
- Greater Manchester ACF: Support to 30 cadets to attend a 7-day Military Exercise to Gibraltar.
- Hereford and Worcester ACF: Support to 43 cadets to attend an 8-day Skiing Expedition to Spain.

Grants to ACF Counties, Regions and Centres are generally made to support the purchase of equipment or the development of facilities that will improve the experience of many cadets over a number of years. Here are some examples of ACCT UK grants in this category:

- Devon ACF: Support to purchase 6 sailing toppers to assist the delivery of adventurous training activities within the County.
- Dyfed & Glamorgan ACF: Support to purchase 16 sets of bikepacking expedition equipment to support DofE expedition groups.
- Essex ACF: Support to purchase 10 heavy duty picnic benches to create an outdoor classroom; allowing the 8 Detachments within C Company to deliver outdoor training.
- Greater London South West Sector ACF: Funded purchase of 10 paddleboards and ancillaries to assist the delivery of adventurous training activities within the County.
- Leicestershire, Northamptonshire and Rutland ACF: Support to purchase a cadet gun run set to support the County run their own activity/competition.

## **Beneficiaries of our services**

There are two main ways in which ACCT UK delivers benefit to its beneficiaries: through the provision of grants and through the provision of support to the ACF in terms of people to deliver activity that supports the efficiency of the ACF. As explained earlier in this report, grants are made either to support the ACF County and its ability to deliver the cadet programme, or to individual cadets and volunteers to enable them to access or deliver the full range of opportunities in the ACF.

In order to measure the difference that these grants and activities 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 ACCT UK's grant programmes in the future.

Some examples of the impact on the beneficiaries of our grants include:

- 2 (NI) Battalion ACF received a grant to allow senior cadets to attend a 3-day Parachuting Course. Cpl Connor McCausland told us *"We got to the altitude and I was the first to jump. I looked out of the plane and panicked at how high it was, but I pushed myself out of the plane and right on cue the parachute deployed and I relaxed. It felt amazing to float down and the view was incredible. When I landed on the ground, I felt so proud of myself as I had done something I thought I would never be able to."*
- Durham ACF received a grant to offset the personal contributions of 7 cadets to attend a Military Expedition to Cyprus. Cdt Cpl Connor Newman said: *"The trip was great it was greatly enjoyed we did a variety of activities that were all great fun for example we flew in a helicopter, did room clearing for fighting in built-up areas, go karting, and being able to see drug detection dogs and protection dogs at work and many more it was a fantastic time and 100% worth it I loved it greatly. We also enjoyed the history of the island and the lovely beaches and fields Cyprus offered as well as going for a large meal on one of the nights."*
- Greater London South East Sector ACF received support to offset the personal contribution of 24 cadets and 6 CFAVs to attend a 14-day military expedition to South Africa. The cadets were active in fundraising for this trip, but this alone was not enough. Many of the cadets were experiencing hardships due to current financial pressures and ACCT UK's grant made



it possible for cadets to travel to South Africa without financial burden, ensuring that financial hardship is not a barrier to them having exceptional and life changing experiences. Lieutenant Colonel Dionne Konstantinious, Lead Expedition Officer, told us: *"This whole adventure has shaped them in so many positive ways. The Army Cadet Force teaches our young people to be resilient, confident and self-reliant, something they all demonstrated throughout the Exercise. They all overcame the daily challenges, from the heat, diet, environment and being away from home. They demonstrated a maturity in dealing with these issues, far from home in a strange environment faced with demands that took them all, at some stage, outside their comfort zone. It has made them into even more positive, confident and self-assured young citizens. It really was a once in a lifetime opportunity and I am sure that they will look back on with fond memories long into the future."*

- Lincolnshire ACF received a grant to support 28 cadets to attend a 3-day WW1 battlefield study to Belgium in October 2023. They told us that *"ACCT funding was particularly important as to ensure all the cadets who wished to attend, the intention was to keep the cost the same as a unit weekend in England. Notwithstanding the current economic climate, it has become apparent, senior cadets, who work are encouraged by their parents to fund their own ACF activities... by ensuring all financial restrictions were lifted... [the trip] produced a 50/50 balance of males and females, from a broad social-economic spectrum, which was of huge benefit when discussing the social issues regarding the difference experiences of both male and female soldiers from across the class spectrum."*
- Northumbria ACF were awarded a grant to support 2 cadets to attend an adventure training expedition to Norway. The statement in the application for this funding summed up why support such as this is needed 'This type of expedition is not usually available to cadets in rural Northumberland, especially in communities that have a high level of socioeconomic disadvantage. Participation in this activity will support the raising of aspirations, widening world viewpoints, an appreciation of the need to protect 'winter' environments and development of the cadets' personal and social skills needed for their success in higher education or future employment.' One of the cadets we supported told us: *"I applied for funding through ACCT UK because I wanted to have this amazing opportunity that no one else in Northumbria ACF has had before. The grant I received was used to cover the expenses of the trip, like transportation, accommodation, and equipment. It made it possible for me to fully participate without any financial burden. As a result of this opportunity, I achieved so much! I got to explore new places, challenge myself physically and mentally, and learn valuable skills. It was a truly transformative experience that helped me grow as a person. This opportunity had a huge impact on my life. It broadened my horizons, boosted my confidence, and made me more resilient. It showed me that with determination and support, I can achieve anything I set my mind to. I'm really grateful for the funding and the chance to have this incredible adventure."*

## **Financial review**

The statement of financial activities for the year is set out on page 22 of the financial statements. A summary of the financial results and the work by ACCT UK is set out below.

Income for the year included donations and legacies of £5,761,612 (2023 – £4,253,061), income for supporting cadets and volunteers of £529 (2023- £595), other trading activities of £77,821 (2023 – £70,888) and investment income and interest of £100,767 (2023 - £89,108). Total gross income amounted to £5,940,729 (2023 - £4,413,652).

Expenditure for the year comprised costs of raising funds of £6,394 (2023 - £600), the significant increase in the cost of raising funds this year reflects the fact that we moved our current assets from short-term deposit accounts to an immediate-access short-term investment fund. While the fees are higher, we benefit from significantly increased income in terms of interest and the funds have also increased in value by c.£79k. Costs of activities in support of ACF Counties comprised £2,463,602 (2023 – £2,246,685) and costs of supporting cadets and volunteers comprised £2,541,932 (2023 – £2,359,661). Total expenditure amounted to £5,011,928 (2023 – £4,606,946).

Net income for the year before investment (losses)/gains amounted to £928,801 (2023 – net expenditure of £193,294). This was owing to unplanned reductions in the number and scale of activities that took place in the year which in turn led to an increase of £901k in restricted funds. The charity anticipates an increase in activity in the next three years to utilise these funds in support of their intended purpose.

### **Investment Policy and Performance**

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. ACCT UK adopted its current investment policy in March 2022; its stated objectives are to:

- Produce the best financial return within an acceptable level of risk.
- Generate a return of CPI plus 3% per annum over the long term (defined as a five-year average), after expenses.

ACCT UK 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.

ACCT UK has decided not to invest in assets that the trustees consider to be contrary to the spirit of its objects, particularly if they run counter to the values of the charity. In particular tobacco, alcohol and pornography are 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 investments amounted to £477,802 (2023 – net losses of £169,274). The investment objective is to generate a return of CPI plus 3% per annum over the long term. The five-year average of CPI + 3% to the end of March 2024 has been calculated as 7.04% (March 2023 - 6.96%). As at 31 March 2024 the five-year average shows a return of 6.32% (2023: 5.14%). The trustees recognise that the 5-year performance includes a difficult period of high inflation in 2022-2023 but note that the strong gains this year (12.58%) have gone a long way to closing the gap between the actual performance and the benchmark. Given the performance of the portfolio against similar investment houses, the trustees remain satisfied with the investment performance.

To support the efficient delivery of our programme of charitable work and to efficiently manage cash flow, the trustees have directed that funds earmarked for use in the next two years are to be held in cash or near-cash products of no more than 24-months in duration. At present the funds held in such instruments are £2,450,186 (2023 - £300,000 held in fixed-term bank deposits). This year funds were moved from fixed-term deposits into a short-term investment fund. This has led to a significant increase in both fees and income and has additionally led to an increase in the value of the charity's short-term investments of c.£79k.

### Principal risks and uncertainties

The trustees examine the major risks that ACCT UK 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 ACCT UK's activities in the future.

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

- **Financial Risk.** As ACCT UK's funding comes largely from a single source (the Army's Headquarters Regional Command) there is a risk that any government savings drive or call for in-year efficiencies could impact upon funding. The Trustees mitigate this risk by: maintaining reserves to cover a loss of funding in the short-term should the charity need to adjust to a lower-income model; having a formalised Memorandum of Understanding with HQ Regional Command outlining what funding is required and how it will be used; and through the Finance and General Purposes Committee exercising oversight of the financial status of ACCT UK. In addition the trustees have been developing alternative income streams through a new fundraising function and this approach is starting to bear fruit.
- **Resilience Risk.** A temporary or permanent loss of the head office in the Holderness House building due to fire, flood or other emergency. The Trustees mitigate this risk by: seeking assurance from Greater London Reserve Forces and Cadets Association (the landlord) that the building is compliant with the appropriate regulations; holding adequate insurance; operating a resilient remote-desktop capability through a third-party supplier and having access to office locations across the UK. The contingency plan was tested in 2022 by the closure of the building owing to a damaged sewer which did not affect the charity's ability to operate.
- **Staff Risk.** The success of ACCT UK's programme of work depends on well-motivated staff committed to the cause of ACCT UK. The Trustees seek to ensure this by: having appropriate recruitment, complaints and HR policies and ensuring they are adhered to; a system of annual staff appraisal; holding appropriate insurance; ensuring the policies are kept up to date and are easily accessible to all staff and managers; and obtaining appropriate specialist HR advice for individual issues.
- **Governance Risk.** The success of ACCT UK's programme of work depends on good governance. The trustees seek to ensure this by: having appropriate recruitment and appointment processes for trustees and senior leaders; conducting regular reviews of the board's structure, competence and diversity to ensure that it is refreshed; monitoring and adopting best practice recommendations from the charity regulators; and holding appropriate insurance to protect trustees. In addition the Nominations & Governance Committee reviews the performance of trustees standing for re-election prior to the end of their three-year terms (we comment on this final point below in our report on the appointment of trustees).

## **Reserves policy and going concern**

The Reserves Policy defines the target level of reserves as an amount sufficient to maintain ongoing operations and programmes for three to six months. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries, office costs, expenses, marketing, insurance and charity projects including bursaries and grants. Depreciation, in-kind, and other non-cash expenses are not included in the calculation. The calculation of average monthly expenses also excludes one-time or unusual, capital purchases. The amount of the reserve fund target minimum will be calculated each year after approval of the annual budget, reported to the Finance and General Purposes Committee and included in the regular financial reports.

In making this policy the trustees have chosen to designate a portion of its unrestricted, long-term investments (known as the "Income Generation fund") as funds invested to generate income for the charity. They are therefore excluded from the reserves calculation. Funds invested for this purpose generated an income of £93,386 (2023: £74,693).

The minimum reserves allowed under this policy is £1,330,010 (2023: £1,154,337). Free reserves were £1,173,978 (2023: £1,270,704). The trustees note that they have designated funds for the purpose of generating funds (currently £3.6m) that could be released to improve the reserves position. Trustees also note that the charity has £2.5m in short-term investments, meaning the charity has sufficient liquidity to manage cashflow effectively.

The current reserves position is c.£156k below the target minimum but trustees consider this to be appropriate as there are funds that can be easily accessed to manage cashflow. They consider the benefit of maintaining the existing income-generation fund to be greater than the well-mitigated risk of holding 88% of the target minimum reserves and are satisfied with the reserves position.

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year 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.

## **Fundraising**

In 2023 the charity began active fundraising for the first time that institutional memory can recall. The charity has identified two potential audiences from which to raise funds:

- Externally, the charity hopes to find benefactors who will make donations to ACCT UK that will support the ACF generally or support specific activities of projects.
- Internally, the audience is the ACF, as its cadets and volunteers are ACCT UK's beneficiaries. The ACF collectively is brilliant at raising funds for other charities, many of which are service-related

charities such as the Royal British Legion and the Army Benevolent Fund, so we are asking the ACF to use this incredible talent to also raise funds for its own charity.

The charity's focus in 2023 was to begin with the internal audience. We launched the 'Cadet Challenge 2023', asking the ACF community to come together to raise funds for ACCT UK. As one would expect in the first year of such a venture, the response was patchy. Some ACF counties 'went for it', raising respectable sums through a variety of imaginative and fun activities and events, with groups and individuals recognised at our annual awards ceremony in June 2024. Other counties however were slow to embrace the Cadet Challenge.

The sums raised from 'Cadet Challenge 2023' were satisfactory in the circumstances, but well below what was potentially possible. In 2024, engagement with the Cadet Challenge will be a priority for Fundraising and Marketing as we have not yet fully realised the Challenge's potential. We hope a much greater proportion of the ACF community will embrace 'Cadet Challenge 2024'.

In 2024 we will also continue to seek benefactors who might make significant donations to the charity; we hope and expect that supporting a wonderful youth movement (the ACF) through ACCT UK would appeal to many potential donors. We will work with companies looking to support the cadet forces as part of their membership of the Defence Employer Recognition Scheme, as well as seeking funding from trusts and foundations for specific projects that we have identified as requiring support in areas such as music, first aid, AT and equipment.

## Plans for the future

In November 2023, the trustees reviewed their 5-Year Vision 2022-2027. Their conclusion was that its points remain sound. The charity is therefore in a stage where it is still evolving from its rename and rebrand in 2021/2022 and that action towards achieving the elements of the 5-Year Vision are broadly work in progress. Driving this Vision is the ambition of the trustees, which is that *'We want to do more and better as a charity in support of our beneficiaries'*. Two particularly important conclusions from the November 2023 review were:

- While awareness of ACCT UK across the ACF has improved, there is still a lot of engagement work to do to embed this knowledge deeply within the ACF. There will therefore be a renewed surge to market ACCT UK to its beneficiaries. Leading into the second point, the experience of the Cadet Challenge 2023 fundraising campaign showed that the act of fundraising itself raised the profile of the charity within those ACF counties that embraced it.
- Successful fundraising is the key to achieving the trustees' driving ambition. A satisfactory start was made in 2023, but the trustees hope for much more in the coming year. Trustees therefore hope that 2024-2025 will move from being a new function that is being established to successfully generating new income. As with the previous point, marketing will be a key supporting activity.

## **Structure, governance and management**

ACCT UK is a registered charity and a company limited by guarantee, not having a share capital. The entity was established in 1930 in response to the loss of government support to the Cadet Force. It was incorporated on 26 October 1934 and registered as a charity with the Charity Commission for England and Wales on 24 September 1962 and the Office of the Scottish Charity Regulator on 10 November 2007. It is governed by its memorandum and articles of association which were most recently adopted on 25 March 2023.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

The Chief Executive of the charity is Murdo Urquhart, who heads a small team of staff comprising Richard Walton, the Deputy Chief Executive, Faye Meakin, Director of Development and an additional 70 members of staff.

The trustees subscribe to the principles of the Charity Governance Code. The trustees believe in it and are committed to maintaining an inclusive and diverse Board; using a transparent recruitment process designed to encourage eligible applications from applicants with a wider range of backgrounds.

The Finance and General Purposes Committee agree the annual budget. 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 telephone and e-mail or at informal “management board” meetings.

There are several formal trustee meetings. The ACCT UK Board of Trustees meets in summer, autumn and winter. Amongst other papers the Board receives:

- A report from the Finance and General Purposes Committee; for the summer meeting this report incorporates the audited financial statements of the charity. The audited financial statements are agreed and signed off at this meeting.
- Reports from all other sub-committees.
- An updated register of the diverse risks being managed by the charity.

The Board has six sub committees. They are:

- **The Finance and General Purposes Committee** carries out the overall financial management of ACCT UK (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. This committee also sets the overall policy for grants and decides and monitors how grant making decisions are made. The Committee consists of at least four trustees including the Treasurer, the Investments Adviser and the Legal Adviser. It meets three times per year approximately one month before each board meeting and reports at every board meeting.
- **The Audit and Investments Committee** is a joint sub-committee of the Combined Cadet Force Association (CCFA) and 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 **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 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** comprises the Chair, Vice Chair and includes at least two additional trustees. 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; researching and recommending candidates for ambassadorial roles (such as President) to the full board.
- The **ACCT Scotland Committee** is chaired by Patrick O'Meara QAM and includes an ACCT UK trustee and additional members elected by the ACF Battalions in Scotland. This committee represents the interests of ACF adult volunteers and cadets in Scotland to the board. Through its President and Chair, it acts in an advisory capacity to the Army's regional HQ in Scotland, the ACF in Scotland, the Scottish Government and to other Scottish and regional authorities and Non-Governmental Organisations (NGOs) on ACF and youth-related matters. The committee coordinates some financial support to the ACF in Scotland.
- The **ACCT Wales Committee** is chaired by David Hammond and includes an ACCT UK trustee and additional members elected by the ACF Counties in Wales. This committee, through its President and Chair, can provide advice and represent the ACF to the Army's regional HQ in Wales, the ACF in Wales, to the Welsh Government and NGOs in Wales. The committee coordinates some financial support to the ACF in Wales.
- The **ACCT Northern Ireland Committee** is chaired by David Kane OBE and includes an ACCT UK trustee and additional members elected by the ACF Battalions in Northern Ireland. This committee represents the interests of ACF adult volunteers and cadets in Northern Ireland to the board. Through its President and Chair, it acts in an advisory capacity the Army's regional HQ in Northern Ireland, to the ACF in Northern Ireland and to other regional authorities and NGOs on ACF and youth-related matters. The committee coordinates some financial support to the ACF in Northern Ireland.

### **Review of the Board's structure**

In November 2023 the trustees reviewed the board's structure. Having recently consciously reduced the size of the board to 12 to bring ACCT UK in line with Charity Commission best practice, the conclusion of the trustees' review was that the mix of specialist and general trustees was about right and that the board's structure was still sound.

Also reviewed was the national board's relationship with our three branches in Scotland, Northern Ireland and Wales. Although the main board has one general trustee from each of the devolved nations to give the board some insight, we recognise that the branches themselves are hugely valuable because they have different dimensions, networks and communications channels that the trustees at the national level simply do not have or see. This review in autumn 2023 refreshed our working relationships in a number of ways, incorporating some very helpful bottom-up ideas and proposals from our branches.

### **Appointment of trustees**

Trustees are appointed for a period of three years to ensure regular turnover of trustees. Where a successor cannot be found, or where a particular skill or attribute is needed, 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 private individuals who are recruited to bring particular skills or lived experience to the board in order to improve the ability of the trustees to govern the charity.

The board seeks to balance members with lived experience of the ACF and members with specialist skills. Careful thought by the board goes into ensuring that they are diverse, but not only in the commonly accepted sense of gender, ethnicity etc. Collectively they also need to represent a fair balance of more senior and more junior volunteers from the ACF who each bring different experience to the board.

Whether recruiting individuals with specialist skills and knowledge to help the board mitigate risks or recruiting volunteers from within the ACF to represent the beneficiary community, the same recruitment process is used. A vacancy is advertised as widely as possible and applications invited and then applicants who fulfil the criteria are interviewed by the Nominations and Governance Committee. If a new 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.

### **Election of trustees at the March 2024 AGM**

The trustees understand why it is essential that boards of trustees are refreshed and are committed to acting on this principle. In the context of both this principle and the Governance risk described above, it will be noted that, at the AGM in March 2024, no new trustees were appointed. This was the result of careful deliberation by the Nominations & Governance Committee, its recommendations being ratified by the full board.

In coming to this conclusion, the trustees took the view that whilst trustees might only serve one term of 3 years, there is great value in some trustees completing three terms and serving for up to nine years, which is within Charity Commission guidelines, thus building up a beneficial knowledge of the charity and how it operates. In this context, we point out that at the AGM in March 2024, 8 of the 12 trustees were still in their first term as trustees, and the one trustee re-elected was completing her second term as a trustee. We envisage new trustees joining the board within the next 12-months.

### **Related parties and relationships with other organisations**

ACCT UK has relationships with all ACF Counties and adult volunteers from across the UK. The trustees ensure that they keep good records of who is associated with which ACF County and absent themselves from any decision making that could give a real or perceived benefit to their ACF County (most commonly the award of a grant). Such related party transactions are disclosed in note 11 to the accounts.



ACCT UK shares offices and staff with an independent sister charity, the Combined Cadet Force Association (charity number 1170994). The two charities employ staff on joint contracts which are managed through ACCT UK and the staff costs relating to CCFA are recharged to that charity.

### **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 ACCT UK with our sister charity the CCFA. Trustees from both the CCFA and ACCT UK sit on the Joint HR & Remunerations Committee to ensure that they exercise their responsibilities for oversight of the remuneration of their employees. This committee is tasked each year to ensure that all salaries, including those of the senior officers of the charity, are commensurate with the joint remuneration policy and periodically review salary levels against appropriate benchmarks.

### **Statement of responsibilities of the trustees**

The trustees (who are also directors of ACCT UK, 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. 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
- 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 165 (2023: 161). 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 act in that capacity.

The trustees' annual report has been approved by the trustees on 12 December 2024 and signed on their behalf by

Duncan Capps  
Chair

## **Independent auditor's report to the members of Army Cadet Charitable Trust UK**

### **Opinion**

We have audited the financial statements of Army Cadet Charitable Trust UK (the 'charitable company') for the year 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 year 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 Army Cadet Charitable Trust UK'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.

### **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 year 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.

### **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 general purposes 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;
  - 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **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 18 December 2024

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

**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 £
<b>Income from:</b>							
Donations and legacies	2	734,722	5,026,890	<b>5,761,612</b>	2,289,219	1,963,842	4,253,061
Charitable activities							
Supporting cadets and volunteers	3	529	–	<b>529</b>	595	–	595
Other trading activities	4	77,821	–	<b>77,821</b>	15,628	55,260	70,888
Investments	5	100,767	–	<b>100,767</b>	89,108	–	89,108
<b>Total income</b>		<b>913,839</b>	<b>5,026,890</b>	<b>5,940,729</b>	<b>2,394,550</b>	<b>2,019,102</b>	<b>4,413,652</b>
<b>Expenditure on:</b>							
Raising funds	6	6,394	–	<b>6,394</b>	600	–	600
Charitable activities							
Supporting ACF Counties, Regions and	6	134,282	2,329,320	<b>2,463,602</b>	338,113	1,908,572	2,246,685
Supporting cadets and volunteers	6	806,000	1,735,932	<b>2,541,932</b>	2,123,413	236,248	2,359,661
<b>Total expenditure</b>		<b>946,676</b>	<b>4,065,252</b>	<b>5,011,928</b>	<b>2,462,126</b>	<b>2,144,820</b>	<b>4,606,946</b>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>		<b>(32,837)</b>	<b>961,638</b>	<b>928,801</b>	<b>(67,576)</b>	<b>(125,718)</b>	<b>(193,294)</b>
Net gains/(losses) on investments	14	477,802	–	<b>477,802</b>	(169,274)	–	(169,274)
<b>Net income/(expenditure) for the year</b>	8	<b>444,965</b>	<b>961,638</b>	<b>1,406,603</b>	<b>(236,850)</b>	<b>(125,718)</b>	<b>(362,568)</b>
Transfers between funds		60,919	(60,919)	–	(2,722)	2,722	–
<b>Net movement in funds</b>		<b>505,884</b>	<b>900,719</b>	<b>1,406,603</b>	<b>(239,572)</b>	<b>(122,996)</b>	<b>(362,568)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		4,503,905	434,028	<b>4,937,933</b>	4,743,477	557,024	5,300,501
<b>Total funds carried forward</b>		<b>5,009,789</b>	<b>1,334,747</b>	<b>6,344,536</b>	<b>4,503,905</b>	<b>434,028</b>	<b>4,937,933</b>

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 20 to the financial statements.

# The Army Cadet Charitable Trust UK

## Balance sheet

Company no. 00293432

As at 31 March 2024

	Note	£	2024 £	£	2023 £
<b>Fixed assets:</b>					
Tangible assets	13		228,611		37,049
Investments	14a		3,570,347		3,172,022
			<u>3,798,958</u>		<u>3,209,071</u>
<b>Current assets:</b>					
Short term investments	14b	2,450,186		-	
Stock	15	17,548		11,334	
Debtors	16	72,317		106,925	
Short term deposits		-		300,000	
Cash at bank and in hand		634,053		1,664,132	
		<u>3,174,104</u>		<u>2,082,391</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	17	(628,526)		(353,529)	
			<u>2,545,578</u>		<u>1,728,862</u>
<b>Net current assets</b>					
			<u>6,344,536</u>		<u>4,937,933</u>
<b>Total net assets</b>					
<b>The funds of the charity:</b>	20				
Restricted income funds			1,334,747		434,028
Unrestricted income funds:					
Designated funds		3,607,200		3,196,152	
General funds		1,402,589		1,307,753	
		<u>5,009,789</u>		<u>4,503,905</u>	
<b>Total unrestricted funds</b>					
			<u>6,344,536</u>		<u>4,937,933</u>
<b>Total charity funds</b>					

Approved by the trustees on 12 December 2024 and signed on their behalf by

Jemma Ralph  
Vice Chair

Sarah Dickson  
Treasurer



Statement of cash flows

For the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		1,406,603		(362,568)	
Depreciation charges		45,290		24,241	
(Gains)/losses on investments		(477,802)		169,274	
Losses on disposal of fixed assets		–		425	
Dividends and interest from investments		(100,767)		(89,108)	
Decrease in debtors		34,608		50,478	
Increase/(decrease) in creditors		274,997		(10,221)	
(Increase)/decrease in stock		(6,214)		11,169	
<b>Net cash provide by/(used in) operating activities</b>		<b>1,176,715</b>		<b>(206,310)</b>	
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		100,767		89,108	
Purchase of fixed assets		(236,852)		(11,233)	
Proceeds from sale of investments		1,422,054		–	
Purchase of investments		(3,788,490)		–	
<b>Net cash (used in)/provided by investing activities</b>		<b>(2,502,521)</b>		<b>77,875</b>	
<b>Change in cash and cash equivalents in the year</b>		<b>(1,325,806)</b>		<b>(128,435)</b>	
Cash and cash equivalents at the beginning of the year		1,965,104		2,093,539	
<b>Cash and cash equivalents at the end of the year</b>		<b>639,298</b>		<b>1,965,104</b>	

Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	Other non- cash changes £	At 31 March 2024 £
Cash at bank and in hand	1,664,132	(1,030,079)	–	634,053
Short Term Deposits	300,000	(300,000)	–	–
Cash held by investment managers	972	4,273	–	5,245
<b>Total cash and cash equivalents</b>	<b>1,965,104</b>	<b>(1,325,806)</b>	<b>–</b>	<b>639,298</b>

**1 Accounting policies**

**a) Statutory information**

The Army Cadet Charitable Trust UK is a charitable company limited by guarantee and is incorporated in England and Wales. It is registered with the Charity Commission for England and Wales and with the Office of the Scottish Charity Regulator.

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.

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.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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.

Interest and dividends received on Unrestricted and Designated Funds are recognised in the General Unrestricted Fund.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit 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 by the bank.

Notes to the financial statements

For the year ended 31 March 2024

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**1 Accounting policies (continued)**

**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.

**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 by the bank or investment manager.

**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 managing its investment portfolio.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.

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 the salary and overhead costs of the central function, is apportioned based on an estimate of staff time spent on each activity.

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.

Notes to the financial statements

For the year ended 31 March 2024

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**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 at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- |                                 |             |
|---------------------------------|-------------|
| ● Leasehold improvements        | 4 years     |
| ● Fixtures and fittings         | 4 years     |
| ● Computer and Camera equipment | 3 – 4 years |

**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 change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, 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 investments**

Short term investments includes cash balances that are invested in a short term bond account with a maturity date of between 3 and 5 days.

**q) Short Term Deposits**

Short Term Deposits include cash balances that were invested in accounts with a maturity date of between 3 and 12 months.

**r) Cash at bank and cash in hand includes cash held in various bank accounts at the year end.**

**s) 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.

**t) 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.

**u) Pensions**

The Trust makes contributions to defined contribution pension schemes on behalf of its employees. Contributions are charged to the statement of financial activities in the periods to which they relate. The Trust has no liability under the scheme other than for the payment of those contributions.

## Notes to the financial statements

For the year ended 31 March 2024

## 2 Income from donations

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Ministry of Defence grants	706,722	5,026,890	5,733,612	2,221,371	1,814,051	4,035,422
Donated services	28,000	–	28,000	28,000	–	28,000
	<b>734,722</b>	<b>5,026,890</b>	<b>5,761,612</b>	<b>2,289,219</b>	<b>1,963,842</b>	<b>4,253,061</b>

The Ministry of Defence makes an annual Grant in Aid to enable the charity to operate in support of the Army Cadets. It also makes grants for specified purposes, predominately in support of the Cadet Digital Services project and for Army Cadet Marketing.

The Marine Society and Sea Cadets (MSSC) made a large donation of £234,000 (2023: £113,000) this year to support the Cadet Digital Services project.

The Charles Brotherton Trust (Leeds fund) continue their long-standing support £275 (2023: £825) enabling Adventure Training for young people in Leeds.

The Reserve Forces and Cadets Association for Greater London kindly donates office space to the ACCT UK. This is recognised at the estimated cost of securing suitable alternative office space

## 3 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
<b>Supporting cadets and volunteers</b>						
Subscriptions	529	–	529	595	–	595

Subscriptions continue to decline as the closed membership scheme winds up.

## 4 Income from other trading activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Events and awards	15,000	–	15,000	–	55,260	55,260
Merchandise sales	11,303	–	11,303	7,383	–	7,383
Other	51,518	–	51,518	8,245	–	8,245
<b>Total</b>	<b>77,821</b>	<b>–</b>	<b>77,821</b>	<b>15,628</b>	<b>55,260</b>	<b>70,888</b>

## 5 Income from investments

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Dividends	93,386	–	93,386	74,693	–	74,693
Bank interest	7,381	–	7,381	14,415	–	14,415
	<b>100,767</b>	<b>–</b>	<b>100,767</b>	<b>89,108</b>	<b>–</b>	<b>89,108</b>

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

For the year ended 31 March 2024

### 6a Analysis of expenditure (current year)

	Charitable activities						
	Raising funds £	Supporting ACF Counties £	Supporting cadets and volunteers £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 9)	–	400,653	1,400,812	–	61,023	<b>1,862,488</b>	1,577,577
Grant making (Note 7)	–	17,425	125,379	–	–	<b>142,804</b>	374,349
Direct activity costs	–	136,611	806,303	–	–	<b>942,914</b>	523,010
Cadet Digital Services	–	1,092,345	–	–	–	<b>1,092,345</b>	870,598
Insurance	–	–	–	–	15,897	<b>15,897</b>	32,570
Marketing and advertising	–	756,666	–	–	–	<b>756,666</b>	1,057,441
Audit fees	–	–	–	19,030	–	<b>19,030</b>	12,720
Legal and professional	–	–	–	–	–	–	26,157
Trustee expenses	–	–	–	1,923	–	<b>1,923</b>	3,029
Investment manager fees	6,394	–	–	–	–	<b>6,394</b>	600
Office expenses	–	–	–	–	92,074	<b>92,074</b>	75,612
Travel	–	–	–	–	34,103	<b>34,103</b>	29,042
Depreciation	–	–	–	–	45,290	<b>45,290</b>	24,241
	<b>6,394</b>	<b>2,403,700</b>	<b>2,332,494</b>	<b>20,953</b>	<b>248,387</b>	<b>5,011,928</b>	<b>4,606,946</b>
Support costs	–	55,242	193,145	–	(248,387)	–	–
Governance costs	–	4,660	16,293	(20,953)	–	–	–
<b>Total expenditure 2024</b>	<b>6,394</b>	<b>2,463,602</b>	<b>2,541,932</b>	<b>–</b>		<b>5,011,928</b>	
<b>Total expenditure 2023</b>	<b>600</b>	<b>2,246,685</b>	<b>2,359,661</b>	<b>–</b>	<b>–</b>		<b>4,606,946</b>

The Army Cadet Charitable Trust UK

Notes to the financial statements

For the year ended 31 March 2024

6b Analysis of expenditure (previous year)

	Charitable activities					
	Raising funds £	Supporting ACF Counties £	Supporting cadets and volunteers £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 9)	–	129,310	1,414,277	–	33,990	1,577,577
Grant making (Note 7)	–	31,276	343,073	–	–	374,349
Direct activity costs	–	141,817	381,193	–	–	523,010
Cadet Digital Services	–	870,598	–	–	–	870,598
Insurance	–	–	–	–	32,570	32,570
Marketing and advertising	–	1,053,466	–	–	3,975	1,057,441
Audit fees	–	–	–	12,720	–	12,720
Legal and professional	–	–	–	5,273	20,884	26,157
Trustee expenses	–	–	–	3,029	–	3,029
Investment manager fees	600	–	–	–	–	600
Office expenses	–	–	–	–	75,612	75,612
Travel	–	–	–	–	29,042	29,042
Depreciation	–	–	–	–	24,241	24,241
	600	2,226,467	2,138,543	21,022	220,314	4,606,946
Support costs	–	18,457	201,857	–	(220,314)	–
Governance costs	–	1,761	19,261	(21,022)	–	–
<b>Total expenditure 2023</b>	<b>600</b>	<b>2,246,685</b>	<b>2,359,661</b>	<b>–</b>	<b>–</b>	<b>4,606,946</b>

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

### For the year ended 31 March 2024

#### 7 Grant making

ACCT UK provides financial grants to ACF Counties, adult volunteers and cadets for a wide variety of individual development needs including provision of sports equipment and help to attend courses and expeditions.

A list of the ACF Counties and Regions that have received grants in the year from the ACCT UK is at note 23.

	2024	2023	2024	2023
	No of awards	No of awards	£	£
<b>Supporting ACF Counties, Regions and Training Centres</b>				
General Grants	5	8	17,425	31,276
<b>Supporting Individual Cadets and Volunteers</b>				
General Grants	26	31	60,700	91,018
Matthew Bacon Bursary	4	3	1,817	1,431
Sports	8	10	21,200	27,197
Cadet Music Fund	1	1	1,000	350
Duke of Edinburgh's Award	18	9	12,569	6,110
Vocational Qualifications	-	4	-	155,020
Adventurous Training Fund	13	-	10,981	-
Grants in Wales	6	3	15,113	55,842
Grants in Scotland	2	5	2,000	6,105
At the end of the year	83	74	142,805	374,349

#### 8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024	2023
	£	£
Depreciation	45,290	24,241
Operating lease rentals payable:		
Equipment	4,987	4,987
Auditor's remuneration (excluding VAT):		
Audit – current year	13,500	12,050



Notes to the financial statements

For the year ended 31 March 2024

**9 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	1,520,639	1,291,612
Redundancy and termination costs	–	12,859
Social security costs	153,139	130,488
Employer's contribution to defined contribution pension schemes	127,687	108,628
Recruitment and other payroll costs	61,023	33,990
	<b>1,862,488</b>	<b>1,577,577</b>

Recruitment and other payroll costs were support costs for running and providing payroll activities during the year.

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

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprises the trustees, the Chief Executive, the Deputy Chief Executive and the Director of Development. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £133,125 (2023: £96,401).

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

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,923 (2023: £3,234 ) incurred by 4 (2023: 8) individuals relating to attendance at meetings of the trustees.

**10 Staff numbers**

The full time equivalent staff carrying out work for the ACCT UK during the year was 67 (2023: 50).

Because the ACCT UK shares its back office functions with the Combined Cadet Force Association 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 ACCT UK 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 (2023: 50).

**11 Related party transactions**

On occasion grants are awarded to ACF Counties with which trustees are adult volunteers. Decisions about who to award funds to are made in accordance with the grants policy and formally delegated authority. On the rare occasion a trustee or staff member's ACF County has applied for a grant, that individual will not be a party to the discussion of that application. If they normally have a part to play in the grants decision making process, they will ensure that they are not involved in either the discussion or the decision.

There were nil (2023: nil) related party transactions of this type relating to nil (2023: nil) trustees totalling £nil (2023: £nil) during the year.

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

**12 Taxation**

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

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

For the year ended 31 March 2024

### 13 Tangible fixed assets

Cost	Leasehold Improvements £	Fixtures and fittings £	Computer and Camera Equipment £	Total £
At the start of the year	-	53,715	83,998	137,713
Additions in year	131,714	-	105,138	236,852
Disposals in year	-	-	-	-
At the end of the year	131,714	53,715	189,136	374,565
<b>Depreciation</b>				
At the start of the year	-	48,367	52,297	100,664
Charge for the year	5,393	4,421	35,476	45,290
Eliminated on disposal	-	-	-	-
At the end of the year	5,393	52,788	87,773	145,954
<b>Net book value</b>				
<b>At the end of the year</b>	126,321	927	101,363	228,611
At the start of the year	-	5,348	31,701	37,049

All of the above assets were purchased with unrestricted funding and are used for charitable purposes.

### 14a Listed investments

	2024 £	2023 £
Fair value at the start of the year	3,171,050	3,340,324
Additions at cost	-	-
Disposal proceeds	-	-
Net gain/(loss) on change in fair value	398,925	(169,274)
	3,569,975	3,171,050
Cash held by investment broker pending reinvestment	372	972
Fair value at the end of the year	3,570,347	3,172,022
Investments comprise the following:		
	2024 £	2023 £
UK Common investment funds	3,569,975	3,171,050
Cash	372	972
	3,570,347	3,172,022

The Army Cadet Charitable Trust UK

Notes to the financial statements

For the year ended 31 March 2024

<b>14b Short term investments</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fair Value at the start of the year	-	-
Additions at cost	3,788,490	-
Disposal Proceeds	(1,422,054)	-
Net gain/(loss) on change in fair value	78,877	-
	<u>2,445,313</u>	<u>-</u>
Cash Held by Investment Broker pending reinvestment	4,873	-
Fair Value at end of the year	<u><u>2,450,186</u></u>	<u><u>-</u></u>
Investments comprise the following	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
UK Common investment funds	2,445,313	-
Cash	4,873	-
Fair Value at the end of the year	<u><u>2,450,186</u></u>	<u><u>-</u></u>
<b>15 Stock</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Merchandise	17,546	11,334
	<u><u>17,546</u></u>	<u><u>11,334</u></u>
<b>16 Debtors</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	900
Other debtors	3,306	-
Prepayments	69,011	87,470
Accrued income	-	18,555
	<u><u>72,317</u></u>	<u><u>106,925</u></u>

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

### For the year ended 31 March 2024

#### 17 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	307,002	127,026
Taxation and social security	62,160	56,823
Pension contributions	23,766	17,055
Other creditors	254	–
Accruals	84,584	14,154
Deferred income (note 18)	150,760	138,471
	<b>628,526</b>	<b>353,529</b>

#### 18 Deferred income

Deferred income comprises funds for ACCT UK insurance income

	2024 £	2023 £
Balance at the beginning of the year	138,471	97,664
Amount released to income in the year	(138,471)	(97,664)
Amount deferred in the year	150,760	138,471
Balance at the end of the year	<b>150,760</b>	<b>138,471</b>

#### 19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	228,611	–	–	228,611
Fixed asset investments	220,667	3,349,680	–	3,570,347
Net current assets	953,311	257,520	1,334,747	2,545,579
<b>Net assets at 31 March 2024</b>	<b>1,402,589</b>	<b>3,607,200</b>	<b>1,334,747</b>	<b>6,344,536</b>

#### 19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	37,049	–	–	37,049
Fixed asset investments	196,015	2,976,007	–	3,172,022
Net current assets	1,074,689	220,145	434,028	1,728,862
<b>Net assets at 31 March 2023</b>	<b>1,307,753</b>	<b>3,196,152</b>	<b>434,028</b>	<b>4,937,933</b>

The Army Cadet Charitable Trust UK

Notes to the financial statements

For the year ended 31 March 2024

20a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
<b>Restricted funds:</b>					
Army Cadet Marketing fund	212,065	1,080,762	(955,066)	-	337,761
Army Cadet Activity fund	-	1,866,491	(1,645,608)	-	220,883
Cadet Digital Services fund	43,803	1,868,010	(1,374,254)	-	537,559
Cadet Music fund	20,057	38,472	(1,000)	-	57,529
Cadet Sport fund	88,269	13,650	(21,200)	(60,669)	20,050
Duke of Edinburgh Award fund	5,230	63,525	(12,569)	-	56,186
Grenadier fund	500	-	(450)	-	50
Leeds fund	825	275	(825)	-	275
London fund	1,905	2,900	(4,555)	(250)	-
Matthew Bacon Bursary fund	3,170	-	(1,817)	-	1,353
Sailing fund	1,104	-	(1,104)	-	-
South East Essex fund	21,419	-	(5,040)	-	16,379
Adventure Training fund	15,181	92,805	(41,764)	-	66,222
National Commemorative Events fund	20,500	-	-	-	20,500
<b>Total restricted funds</b>	<b>434,028</b>	<b>5,026,890</b>	<b>(4,065,252)</b>	<b>(60,919)</b>	<b>1,334,747</b>
<b>Unrestricted funds:</b>					
Designated funds:					
- Income generation fund	2,976,007	-	(600)	374,273	3,349,680
- Northern Irish fund	24,053	4,870	(93)	2,284	31,114
- Scottish fund	140,508	4,358	(12,970)	15,916	147,812
- Welsh fund	55,584	22,772	(11,214)	6,452	73,594
- Wiltshire fund	-	5,000	-	-	5,000
<b>Total designated funds</b>	<b>3,196,152</b>	<b>37,000</b>	<b>(24,877)</b>	<b>398,925</b>	<b>3,607,200</b>
<b>General funds</b>	<b>1,307,753</b>	<b>1,354,641</b>	<b>(921,799)</b>	<b>(338,006)</b>	<b>1,402,589</b>
<b>Total unrestricted funds</b>	<b>4,503,905</b>	<b>1,391,641</b>	<b>(946,676)</b>	<b>60,919</b>	<b>5,009,789</b>
<b>Total funds</b>	<b>4,937,933</b>	<b>6,418,531</b>	<b>(5,011,928)</b>	<b>-</b>	<b>6,344,536</b>

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

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

### For the year ended 31 March 2024

#### 20b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
<b>Restricted funds:</b>					
Army Cadet Marketing fund	390,039	860,000	(1,037,974)	-	212,065
Cadet Digital Services fund	-	914,401	(870,598)	-	43,803
Cadet Music fund	13,626	6,781	(350)	-	20,057
Cadet Sport fund	96,451	-	(8,182)	-	88,269
Chris Wood Memorial fund	355	-	(1,140)	785	-
Duke of Edinburgh Award fund	359	10,981	(6,110)	-	5,230
Grenadier fund	500	-	-	-	500
Leeds fund	550	275	-	-	825
London fund	2,035	1,200	(1,330)	-	1,905
Matthew Bacon Bursary fund	2,664	-	(1,431)	1,937	3,170
Sailing fund	1,104	-	-	-	1,104
South East Essex fund	26,900	-	(5,481)	-	21,419
India Trip fund	494	-	(494)	-	-
Adventure Training fund	-	72,814	(57,633)	-	15,181
National Commemorative Events fund	21,947	-	(1,447)	-	20,500
Vocational Qualifications fund	-	152,650	(152,650)	-	-
<b>Total restricted funds</b>	<b>557,024</b>	<b>2,019,102</b>	<b>(2,144,820)</b>	<b>2,722</b>	<b>434,028</b>
<b>Unrestricted funds:</b>					
Designated funds:					
- Income generation fund	3,135,367	-	(600)	(158,760)	2,976,007
- Northern Irish fund	19,193	1,482	(502)	3,880	24,053
- Scottish fund	136,620	12,520	(17,462)	8,830	140,508
- Welsh fund	54,230	1,650	(1,325)	1,029	55,584
<b>Total designated funds</b>	<b>3,345,410</b>	<b>15,652</b>	<b>(19,889)</b>	<b>(145,021)</b>	<b>3,196,152</b>
<b>General funds</b>	<b>1,398,067</b>	<b>2,378,898</b>	<b>(2,611,511)</b>	<b>142,299</b>	<b>1,307,753</b>
<b>Total unrestricted funds</b>	<b>4,743,477</b>	<b>2,394,550</b>	<b>(2,631,400)</b>	<b>(2,722)</b>	<b>4,503,905</b>
<b>Total funds</b>	<b>5,300,501</b>	<b>4,413,652</b>	<b>(4,776,220)</b>	<b>-</b>	<b>4,937,933</b>

#### Purposes of restricted funds

**Army Cadet Marketing fund** – These funds are granted to the ACCT UK in order to promote the Army Cadets and to recruit new cadets and adult volunteers.

**Army Cadet Activity fund** – This fund is used to run cadet activities and ensure the well being of both cadets and volunteers.

**Cadet Digital Services fund** – These funds are granted to the ACCT UK in order to run and develop a variety of digital services for the cadets.

**Cadet Music fund** – This fund is to support Army Cadets to learn an instrument or take part in music performances around the world. Activities supported by this fund include instrument purchase, uniform purchase and support for cadets to travel overseas.

**Cadet Sport fund** – These funds exist to support Army Cadet sport across the UK. These funds were provided by members of the counties who voted at an AGM held on 23rd March, 2024 to derestrict £60,669 of the funds as they were not going to be utilised in the future. Consequently we have transferred out this amount from the Cadet Sports Fund into the General Fund.

**Duke of Edinburgh Award fund** – This fund is to support Army cadets and adult volunteers to undertake the volunteering section of the Duke of Edinburgh award.

**Grenadier fund** – The ACCT UK is grateful to the Grenadier Guards Trust for supporting cadets in affiliated detachments to take part in cadet activities.

**20 Purposes of restricted funds (continued)**

**Leeds fund** – The ACCT UK is grateful to the Charles Brotherton Trust for supporting cadets in the Leeds area to take part in Adventure Training activities.

**London fund** – The ACCT UK is grateful to the Knights of the Round Table and the Masonic Charitable Foundation for supporting cadets in the London area to take part in cadet activities. £250 of this fund was transferred to the General Fund to support the purchase of drums for cadets in London.

**Matthew Bacon Bursary fund** – In September 2005, Major Matthew Bacon of the Intelligence Corps was tragically killed by a roadside bomb in Iraq. Major Bacon was a former Surrey ACF cadet, as well as being a career soldier. He was a keen participant in many types of adventurous training, which also formed an important part of his life.

His parents, Mr and Mrs Roger Bacon, set up a bursary in their son's name as a means of celebrating his life. The bursary enables army cadets to take part in an Outward Bound Trust 'Skills for Life Award', which would otherwise be beyond their means.

**Sailing fund** – This fund seeks to support Army Cadets to undertake a range of short sailing expeditions around the UK.

**South East Essex fund** – The ACCT UK received a generous legacy of £30,000 from the estate of Arthur Jopson, a former CFAV in C Company of Essex ACF. Mr Jopson specified his gift was for the benefit of cadets and CFAVs in the South East of Essex.

**Adventure Training fund** – This fund exists to support Adventurous Training in the Army Cadets. It helps to fund the Cadet Centre for Adventurous Training, which delivers qualification to cadets and volunteers, and also supports expeditions in the UK and overseas.

**National Commemorative Events fund** – This fund exists to support cadets to study battlefield history and take part in commemorative events to better understand the impact of war.

**Chris Wood Memorial fund** – Colonel Chris Wood ACF had a long career in the Territorial Army and the ACF. His sudden death in August 2018 led to the creation of this fund to support adult volunteer leadership development. The fund is now expended and closed.

**India Trip fund** – The fund was raised for the cadet to attend the National Youth India Exchange programme 2022 but due to covid restrictions, the trip was cancelled. All refunds have now been made and the fund is now expended and closed.

**Vocational Qualifications fund** – This fund is to support 430 ACF Cadets from the community of Devolved Nations to gain a BTEC Level 2. The fund is now expended and closed.

**Purposes of designated funds**

**Income generation fund** – The trustees have set aside these funds specifically for the purpose of generating income to support the grants programme. This fund is invested and more details about the performance of the investments can be found in note 14.

**Northern Irish fund** – These funds are set aside to enable local decision making in running the Northern Irish Branch.

**Scottish fund** – These funds are set aside to enable local decision making in running the Scottish Branch.

**Welsh fund** – These funds are set aside to enable local decision making in running the Welsh Branch.

**Wiltshire fund** – Wiltshire ACF used to have its own charity but it was shut down some years ago. A sum of £5,000 was left to the Wiltshire ACF League and the solicitors managing probate identified ACCT UK as a suitable alternative charity to receive the legacy. The funds therefore came in to the charity as unrestricted funding. However the trustees felt they had a moral duty to try and spend the funds in support of cadets in Wiltshire. Therefore, they decided that for three years this legacy will be designated to support cadets in Wiltshire, after which the remaining gift will be released into the general fund.

# The Army Cadet Charitable Trust UK

## Notes to the financial statements

### For the year ended 31 March 2024

#### 21 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following

	Equipment 2024 £	2023 £
Less than one year	4,987	4,987
One to five years	–	4,987
	<b>4,987</b>	<b>9,974</b>

#### 22 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.

#### 23 ACF Counties, Regions and Training Centres that have received grants from the ACCT UK in the year:

2nd Bn Highlanders ACF	Hampshire & Isle of Wight ACF
2nd (Northern Ireland) Bn ACF	Humberside & South Yorkshire ACF
Bedfordshire & Hertfordshire ACF	Kent ACF
Berkshire ACF	Leicestershire, Northamptonshire & Rutland ACF
Black Watch ACF	Lincolnshire ACF
Bristol ACF	Lothian & Borders Bn ACF
Cadet Training Centre Frimley Park	Middlesex & North West London ACF
Cambridgeshire ACF	Norfolk ACF
City of London & North East Sector ACF	Northumbria ACF
Cornwall ACF	Nottinghamshire ACF
Derbyshire ACF	Octavia Hill – National ACF Museum
Dorset ACF	Oxfordshire ACF
Durham ACF	Shropshire ACF
Dyfed & Glamorgan ACF	Suffolk ACF
Essex ACF	Surrey ACF
Glasgow & Lanarkshire ACF	Sussex ACF
Greater London & South East Sector ACF	Warwickshire & West Midlands South Sector ACF
Greater London & South West Sector ACF	Wiltshire ACF
Greater Manchester ACF	Yorkshire (North & West) ACF
Gwent & Powys ACF	