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

Combined Cadet Force Association

The Charity Supporting Cadets in Schools

Report and financial statements

For the year ended 31 March 2026

SAYER | VINCENT

Combined Cadet Force Association

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For the year ended 31 March 2026

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Combined Cadet Force Association

Reference and administrative information

For the year ended 31 March 2026

Company number	10445616	
Country of incorporation	United Kingdom	
Charity number	1170994	SC048021
Country of registration	England & Wales	Scotland
Registered office and operational address	Holderness House 51-61 Clifton Street London EC2A 4DW	
President	Vice Admiral PD Hudson CB CBE	

Trustees

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

E	Nigel Maddox CBE	Chair
A B C E	Michael Hampshire	Vice Chair
A B D E	Susan Bonell OBE	Treasurer
C	Simon Blackmore	
	Jonathan Bleakley	(resigned 20 Jan 2026)
A B	Ian Cohen	
	Michael Hamid	(resigned 20 Jan 2026)
	Ben Hayton	(elected 20 Jan 2026)
	Julia Hodgson	(resigned 16 Dec 2025)
E	Alexander Hudson	
C	Caroline Hutton-Stott	
A B D	Simon McMenemy	
C	James Newton	(elected 20 Jan 2026)
	Marc Pether	(elected 20 Jan 2026)
E	Christopher Roberts	
C	Stephen Robinson	

Co-opted member

D	Catherine Harrison

A *denotes membership of the Finance and Compliance Committee*

B *denotes membership of the Joint Audit and Investments Committee*

C *denotes membership of the Grants Committee*

D *denotes membership of the Joint HR and Remuneration Committee*

E *denotes membership of the Nominations and Governance Committee*

Reference and administrative information

For the year ended 31 March 2026

Key management personnel	Murdo Urquhart OBE	Chief Executive
	Richard Walton	Deputy Chief Executive
	Faye Meakin	Director of Development
	Matthew Brookes	Director of Finance
Bankers	Lloyds Bank plc Butler Place London SW1H 0PR	
Investment managers	W1M 16 Babmaes Street London SW1Y 6AH	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG	

The trustees present their report and the audited financial statements for the year ended 31 March 2026.

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

Objectives and activities

Purposes and aims

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

- To develop the physical, mental, spiritual, moral and cultural capacity of young persons, and an understanding of personal values, through education in the context of adventurous and military style training, so that they may grow to full maturity as individuals and members of society;

- To cultivate confidence, teamwork, judgement and powers of communication so that their conditions of life may be improved;

- To promote the efficiency of the Combined Cadet Force through fostering cadet activity and advancing the youth leadership abilities of Cadet Force Adult Volunteers.

The principal way the charity delivers on its objects, particularly the first and second objects, is through charitable grant giving. These grants enable beneficiaries to access activities that will educate, develop and broaden the interests of over 50,000 young people who are cadets in the Combined Cadet Force (CCF). These young people are involved in one of 467 school-based CCF Contingents in the UK. CCFA looks to enhance young people's development by the making of grants to support both the contingents and individual cadets, enabling them to take part in a wide range of activities. Other grants can help a contingent to improve its resilience or to be able to work with more young people, ensuring young people can access development opportunities for many years to come.

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

CCFA is funded, through a grant from the Army, to directly support CCF Contingents. This support is delivered through the charity's team of Contingent Support Officers across the UK, enabling

Contingents to become more sustainable and to be ready to take on more young people. Embedded in the ten regional Cadet Training Teams, our Contingent Support Officers work hand in glove with the training sergeants to provide coherent support to the CCF Contingents.

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

Future plans

The charity is still on a journey of considered evolution. For the coming year, recognising the principal risks described later, our priorities are to improve communication and fundraising, the two being connected as the latter cannot happen without the former.

In respect of communication, the trustees want to (1) reach all corners of the CCF to let the beneficiaries know that CCFA is their charity, (2) continue to publicly advocate the benefits of service in the CCF and, (3) as importantly, make potential donors aware that CCFA is a charity well worth supporting, because that in turn will support CCFA fundraising.

Separately, the trustees remain concerned about the viability of many of the CCF contingents, the charity's beneficiaries. This affects both new and legacy contingents. The Charity has no executive role in the running the CCF and many of the reasons why some contingents struggle are outside CCFA's control. Nevertheless, the Charity will work closely with the MOD and single services to develop ways to support these contingents.

In January 2026, the trustees held a day-long away day, during which a number of significant decisions were made, which we believe represent a significant step forward in how the charity will deliver on its ambition to do more for its beneficiaries.

The first decision was that the trustees wanted the benefits of CCFA to be available to all CCF contingents. These benefits however are not available to all because some, for whatever reason, declined to pay the small membership fee required to access the benefits. Conscious that some CCF contingents, mainly in the state school sector, were operating within tight financial constraints, the trustees decided that the charity would no longer charge for membership and would instead consider all CCF contingents to be eligible for CCFA membership with access to all membership benefits. This became effective on 1st June 2026.

The second decision was that the trustees decided to use charitable funds to increase the ability of the charity to reach its beneficiaries and potential donors. Firstly, funds were earmarked to establish CCFA's own dedicated website. Currently information about the CCFA is buried deep in the website for the Combined Cadet Force which is both difficult to find and can result in confusion between the two organisations. Furthermore, when approaching potential donors, the lack of a dedicated website was a substantial barrier. CCFA's dedicated website went live on 9 September 2026. Secondly, the trustees approved the recruitment of two additional part-time marketing and communications roles. Driving this decision were insights from staff and trustees via a variety of sources that not all CCF contingents were aware of CCFA and the benefits it could offer; if the beneficiaries are not aware of the benefits, then how can they apply for them? The establishment of the charity's first dedicated fundraising and marketing functions reflect both the growth of the charity and its strategic priorities for the future.

The final output from the away day was a four-year vision covering the years 2026 to 2030:

Our strategy: We want to play our part in equipping the next generation of our nation's adults to be the best possible citizens who will contribute fully to society. To achieve that, our strategy is to:

- **Be available to every CCF contingent:**

  We will develop a clearer identity for CCFA explaining who we are and how we support our beneficiaries.

  We will then utilise all channels and means to ensure that our beneficiaries in the CCF, cadets, adult volunteers and contingents, are aware that CCFA is their charity.

- **Support the Government's growth ambitions:**

  We will continue the constructive working relationship that CCFA enjoys with the MOD, DfE and single services in support of the CCF.

  This now includes supporting them to achieve the Government's ambition of expanding the cadet forces by 30% by 2035 and its longer-term aim of increasing the number of all cadets to 250,000.

Achievements and performance

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

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

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

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

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

Grant Programmes

The charity furthers its objects through the awarding of grants to individual cadets or to CCF contingents. It runs one main grant programme on an ongoing basis: the Small Grants Programme. This year an additional but limited additional grant programme was available: the CCFA Duke of Edinburgh's Award Support Grant. The Contingent Growth Fund continues to make grant payments agreed in the past and will assess the approach for future grant giving following the receipt of additional funds in the financial year. The charity makes grants on the following basis:

- Small Grants Programme: The Grants Committee considers grants on a rolling basis. Individual grants up to a normal maximum of £350 are awarded to support a cadet to take part in a CCF activity they would otherwise be unable to afford. Application criteria place great importance on the personal circumstances of the participant, demonstrating a need for charitable support. Group Activity Grants are a subset of small grants that allow a CCF Contingent to reduce the cost of a contingent activity for all participating cadets. Grants, up to a normal maximum of £750, are awarded to CCF Contingents in support of activities that would be too expensive to encourage wide participation. Applications for both of the above grant types are made on forms which are circulated to all CCF Contingents and are available online via the CCF website. The applications are considered by a committee of CCFA trustees, with all grants awarded with a requirement to report on the use of the grant within an agreed period of time.

- CCFA Duke of Edinburgh's Award Support Grant: This grant programme was introduced to enable cadets from all backgrounds to access the DofE Award. CCF contingents are able apply for a one-off grant to support the purchase of expedition equipment of up to £1,000, and up to £500 towards the cost of a DofE Licence fee for schools that were not currently offering the programme.

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

- Small Grants Programme: Since 2013 CCFA has committed to make up to £25,000 worth of small grants per annum. This year the total grants made were £21,479 (2025 - £22,058) in support of over 500 cadets.

- CCFA DofE Award Support Grant: Opening to applications from November 2025, this year made grants totalling £30,319 (2025 - £0) benefitting over 1,600 cadets.

Beneficiaries of our services

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

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

Some examples of the impact on the beneficiaries:
A grant from the Small Grant programme gave a young cadet from Priory Ruskin Academy an opportunity to attend cadet camp at RAF Little Rissington and the 'Kip on a Ship' experience on HMS Belfast, London. Coming from a low income family in receipt of universal credit, the cadet works part time to help her mother support five children. The grant has allowed them to participate in a number of activities their family would otherwise not have been able to afford.

The young cadet said, *"During the summer camp I was able to take part in activities like high ropes course and paddle boarding that I have never experienced before. It has taught me to have more confidence in myself and that I am capable of doing many different things if I try. The trip to London was a great experience as I have never been to London before, so just seeing some of the sights was all new to me and being able to sleep overnight in a ship was good fun."*

Cadet Max from Read School received a small grant to attend a Duke of Edinburgh's Award Gold expedition. Max moved from Ukraine to the UK after the war broke out as it is almost impossible to have a stable education in his home country. He attends Read School on bursary. The grant enabled him to successfully complete the DofE Award at Gold Level fulfilling his dream.

Max told us, "It was a truly unforgettable experience for me as it was a childhood dream. The expedition was both a physical and a life skills test, which will be useful for any survival experience in the future, whether it's going to be planned or accidental. Thank you very much again for financing a dream in a tough period for myself and my country."

Matravers School were awarded a grant to support 12 cadets to to the Swiss Alps for a week-long winter expedition. The cadets undertook a progressive programme of snowshoe trekking, avalanche awareness, environmental education, and mountain resilience training. This was the first time leaving the UK for some of the cadets, and of the group more than 40% were in receipt of Pupil Premium and free school meals. Their Contingent Commander, Lt Col Edward Fairnington told CCFA,

"the exercise was a powerful and transformative experience for cadets. It combined physical challenge, environmental education, cultural exposure, and personal growth. Many cadets overcame boundaries, discovered new strengths, and gained a lasting appreciation of the nature. The expedition has already inspired more cadets to pursue the Duke of Edinburgh's Award, cadet qualifications, and future mountain expeditions.
We are deeply grateful to the CCFA for enabling this life-changing opportunity. Your support opened the mountains not only to those who could easily access them, but to those who needed this experience the most."

CCFA DofE Support Fund

This is a new fund but some Contingent Commanders have already shared with CCFA what a difference the support will mean.

The Khalsa Academy Wolverhampton were able to purchase 3-person tents. Paul Phillips, their School Staff Instructor, said, *"receiving this grant for new tents will have a significant impact on our DofE programme. Quality, reliable equipment is essential for safe and successful expeditions, and these tents will allow us to support more cadets while ensuring they have a positive outdoor experience. This investment will help us continue delivering the resilience, teamwork, and leadership skills that the DofE Award is designed to develop."*

Cadet Curtis from Ripley St. Thomas CofE Academy thanked CCFA, saying, "*I'd like to say that the Berghaus jackets were extremely useful and comfortable throughout my expedition. This also reduced the financial impact on my outdoor kit. In particular, the jacket kept me warm day and night, the pockets were the perfect size and extremely useful. Thank you for letting me use the Berghaus jacket it was great.*"

Lisnagarvey High School were awarded a grant to purchase waterproof clothing. Their Contingent Commander Bryan McKinstry told CCFA, *"thank you once again for awarding us the CCFA DofE Support Grant. I wanted to let you know just how invaluable the funding for the waterproof clothing has been. Our recent DofE expedition was exceptionally wet, and the waterproof clothing made a huge difference to the comfort, safety, and morale of our participants throughout the expedition. The grant has had a real and immediate impact, and we are extremely grateful for your support. Thank you again for helping to make this possible."*

Financial review

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

Income for the year ended 31 March 2026 included donations and grants of £2,020,042 (2025 - £1,369,357), income for charitable activities supporting contingents, cadets and volunteers of £10,208 (2025 - £152,685) and investment income and interest of £27,693 (2025 - £25,307).

Total gross income amounted to £2,057,943 (2025 - £1,547,349). The growth in donations and grants was primarily due to an increase in Ministry of Defence grants for charitable activities.

Expenditure for the period comprised costs of raising funds of £10,423 (2025- £7,501), costs of activities in support of contingents of £1,650,982 (2025 - £2,064,943) and costs of supporting cadets and volunteers of £21,479 (2025 - £22,058). Total expenditure amounted to £1,682,885 (2025 - £2,094,502). The decrease in expenditure was due to a reduction in grants from the Contingent Growth Fund.

Net income for the year after investment movements amounted to £573,757 (2025 - net expenditure of £416,460).

The trustees expect the charity to exist in perpetuity and its investment policy is designed to support the long-term financial health of the charity. The charity adopted the current investment policy in March 2026; its stated objectives are to:

- Protect the value of CCFA's investment portfolio within an acceptable level of risk.
- Generate a return of CPI plus 3% per annum over the medium term[1], after expenses.

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

The charity has decided not to invest in assets that the trustees consider to be contrary to the spirit of its objects. In particular tobacco, gambling, alcohol and pornography are to be excluded from any direct investments and will only be included in a pooled or passive strategy where exclusion is not feasible without a disproportionate impact on performance or diversification.

The Grant Generation Fund is held as listed investments managed by W1M. All other investment funds are held within the Liquidity Fund, also managed by W1M, in a three-day access short-term investment portfolio. At the end of March 2026, the funds held as listed investments totalled £1,199,028 (2025: £1,070,831) and the funds held in short-term investments totalled £3,984,101 (2025: £2,297,882).

During the year net gains on the fair value of investments amounted to £198,698 (2025 - £130,693).

The six-year average return on the listed investment portfolio was 7.08%. The trustees measure this against a benchmark of the six-year average of CPI + 3% to the end of March 2026, which has been calculated as 7.25%. As the fair value of the investments at the balance sheet date, the return

[1] Defined as a six-year average

for the year and the six-year average return were adversely impacted by a short-term fall in global markets that has since reversed, the trustees remain satisfied with the investment performance.

Reserves policy and going concern

The CCFA adopted the current Reserves Policy in September 2025. The purpose of the policy is to ensure the ongoing operations of the charity are protected in the event of a sudden decline in the financial health of the charity. The reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserve may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development or investment in infrastructure.

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

The target reserve fund is equal to between 3 and 6 months of operating costs and is calculated at the start of the year based on the budget. This year the reserves target was calculated as between £466,807 and £933,614 (2025 - £518,437 to £1,036,874) which reflected the budgeted expenditure for the year.

From time to time the trustees might choose to designate funds for long term investment to realise an income that can be used to further the charity's objects. These funds will not be counted as part of the charity's free reserves. At present the charity has set aside a "Grant Generation Fund" to support grant giving in future years. This fund, currently valued at £1,199,029, is held within listed investments.

Actual free reserves in 2026 were £1,201,998 (2025: £821,905).

Free reserves are above the target set by trustees due to a delay in planned expenditure. The trustees have plans to spend further funds in the coming year to steadily bring the reserves to within the target range.

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

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

Principal risks and uncertainties

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

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

- Risk of failing to deliver fully on the charitable objects because CCFA's beneficiaries (principally CCF contingents) are not aware of the charity that exists to support them. The lack of awareness is an enduring risk because communicating with the beneficiaries is not straightforward, for reasons outside CCFA's control, therefore the charity seeks to use a variety of effective communications channels to spread the word about the support that the charity can provide. This year the trustees committed to the establishment of a charity website and invested in two new part-time marketing roles in support of this.
- Risk of failing to sustain major grant programmes. The charity is keen to support the Government's ambition to increase the number of cadets in schools and is conscious that many new CCF contingents formed under the Cadet Expansion Programme need financial support to become established, whilst some legacy CCF contingents are also struggling to survive. Following the closure of the charity's Contingent Growth Fund in the previous financial year, the charity was able to give additional support towards CCFs providing the Duke of Edinburgh's Award. The charity continues to seek funds that will support the continued development of CCF Contingents. This year the trustees invested in two new part-time fundraising roles in support of this.
- Governance Risk. The success of the CCFA's programme of work depends on good governance. In particular having a Board which can understand the diversity of the beneficiary body (CCF contingents in state and independent schools, with a myriad of different service sections: Royal Navy, Royal Marines, Army and RAF). The trustees seek to ensure good governance by: having appropriate recruitment and appointment processes; regular reviews of the board's structure, competence and diversity overseen by the Nominations & Governance Committee; and holding appropriate insurance to protect trustees.

Fundraising

This year, the charity's Trustees committed to the establishment of fundraising and marketing functions in support of their 4 year vision to be available to every CCF contingent and support the Government's cadet growth ambitions. A part-time team has been established of a fundraising manager and fundraising assistant, marketing manager and marketing assistant.

Whilst the new fundraising function is being established, the charity's approach to fundraising activity has remained to seek donations from organisations in order to achieve a particular aim, for example to support the growth of cadet numbers in existing CCF contingents. Where an individual or group with an interest in the cadet movement would like to support cadets, we invite them to donate to the CCFA and also support those undertaking fundraising challenges to raise funds for CCFA. We also offer the facility for individuals to make one off or repeat donations online and offer membership of the CCFA to repeat individual donors or CCF Contingents.

We do not contact our members or supporters to solicit donations, although this is something we might consider doing in the future. We have received no complaints about fundraising. At present the charity is not a member of the Fundraising Regulator because it does not engage in the kind of fundraising activity that would make this a requirement. This position was reviewed this year with no change and will be reviewed annually.

The Charity remains enormously grateful to Mr Gareth Neame OBE for his enduring close interest and generous annual donation which underpins the CCFA Small Grants Programme.

Structure, governance and management

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

The CCFA had previously approached the Charity Commission for Northern Ireland and attempted to register with them as the charity operates in Northern Ireland. The commission had responded to say that they are in the process of registering charities that are not regulated by another UK charity regulator first and will contact the CCFA when they are ready to process our application. In March 2026, the commission informed the CCFA that it is the intention of the Department of Communities to repeal Section 167 of the Charities Act (Northern Ireland) 2008 and, as a result, registration as a charity in Northern Ireland is no longer required. The CCFA can continue to operate in Northern Ireland as it is registered in another jurisdiction within the United Kingdom.

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

The Chief Executive of the charity is Murdo Urquhart OBE, who heads a senior leadership team comprising Richard Walton (Deputy Chief Executive), Faye Meakin (Director of Development) and

Matthew Brookes (Director of Finance), with an an additional 28 full time equivalent members of staff.

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

The CCFA Board of Trustees meets three times a year. Amongst other papers the Board receives:

- A report from the Finance and Compliance Committee of the CCFA; including the audited financial statements of the charity. The audited financial statements are agreed and signed off at this meeting.

- An updated register of the diverse risks being managed by the charity.

The Board has the following sub committees:

- The Finance and Compliance Committee, chaired by the Treasurer, carries out the overall financial management of the charity (including agreeing the annual budget, the raising, investment and direction of funds, and the oversight of financial processes) and the regular review of the charity's financial governance arrangements. It meets four times per year after the end of each financial quarter and reports at board meetings.

- The Audit and Investments Committee is a joint sub-committee of the CCFA and its sister charity, the Army Cadet Charitable Trust UK ("ACCT UK"). Co-chaired by the Treasurers of 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 four ACCT UK trustees, four members from the CCFA Board of Trustees and a co-opted investment specialist. It reports back to both Boards of Trustees and meets once a year.

- The Grants Committee, chaired by the Vice Chair, sets the overall policy for grants and makes decisions about which applications to fund. It considers applications on a rolling basis throughout the year.

- The HR and Remuneration Committee is a joint sub-committee of the CCFA and ACCT UK. Chaired by a trustee from either CCFA or ACCT UK, it is responsible for technical advice and guidance relating to all values-based systems and policies to ensure that both charities are following legislation and considering best practice in relation to their employees, independent contractors and volunteers. The Committee consists of the three ACCT UK trustees, two members from the CCFA Board of Trustees and a co-opted HR specialist. It meets twice per year: in summer to consider policy and structure; and in winter to set the

pay and conditions for employees from the following April. It reports back to both Boards of Trustees.

- The Nominations and Governance Committee, chaired by the Chair of trustees, is responsible for monitoring the overall governance of the charity and for trustee succession planning. The latter includes recruitment of new trustees, their development and mentoring, with a conscious focus on diversity; ensuring the board has all the skills needed to govern effectively. The Committee consists of five members from the CCFA Board of Trustees. It meets at least twice annually.

Appointment of trustees

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

Trustees are considered to be one of two "types" (with identical rights and obligations). The first type is a serving or retired CCF Contingent Commander who is elected primarily because of their understanding of our beneficiaries, but who may also bring other skills to the board. The second type of trustee is usually someone independent of the CCF but who is recruited to bring particular skills to the board in order to improve the ability of the trustees to govern the charity and help the board mitigate the principal risks facing the charity.

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

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

The Board was refreshed at the AGM in January 2026. Two general trustees stood down after long, dedicated and valuable service (Jonathan Bleakley and Mike Hamid). One specialist trustee and one general trustee stood for re-election for second terms (Sue Bonell and Caroline Hutton-Stott). In addition, following wide advertising across the CCF, three new general trustees were recruited (Ben Hayton, James Newton and Marc Pether).

Related parties and relationships with other organisations

The charity has trustees from eight CCF contingents (which are beneficiaries in the charity's objects). The trustees ensure that they keep good records of who is associated with which contingent and those individuals absent themselves from any decision making that could give a

real or perceived benefit to their contingent (most commonly the award of a grant). Any such related party transactions are disclosed in note 10 to the accounts.

The charity shares offices and staff with a sister charity, ACCT UK. The two charities employ staff on joint contracts which are managed through ACCT UK and the staff costs relating to CCFA are recharged on a monthly basis.

Remuneration policy for key management personnel

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

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

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 2026 was 264 (2025: 342). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

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

The trustees' annual report has been approved by the trustees on 23 September 2026 and signed on their behalf by

Nigel Maddox CBE
Chair

Independent auditor's report

To the members of

Combined Cadet Force Association

Opinion

We have audited the financial statements of Combined Cadet Force Association (the 'charitable company') for the period ended 31 March 2026 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 2026 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

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

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

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

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

Independent auditor's report

To the members of

Combined Cadet Force Association

Use of our report

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

Jonathan Coyle (Senior statutory auditor)
30 September 2026
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

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

Combined Cadet Force Association

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

For the year ended 31 March 2026

	Note	Unrestricted £	Restricted £	2026 Total £	Unrestricted £	Restricted £	2025 Total £
Income from:							
Donations and grants	2	680,974	1,339,068	**2,020,042**	208,232	1,161,125	1,369,357
Charitable activities							
Supporting contingents	3	(4,169)	–	**(4,169)**	20,057	115,875	135,932
Supporting cadets and volunteers	3	14,378	–	**14,378**	16,753	–	16,753
Investments	4	27,693	–	**27,693**	25,307	–	25,307
Total income		718,875	1,339,068	**2,057,943**	270,349	1,277,000	1,547,349
Expenditure on:							
Raising funds	5	10,423	–	**10,423**	7,501	–	7,501
Charitable activities							
Supporting contingents	5	393,822	1,257,160	**1,650,982**	316,387	1,748,556	2,064,943
Supporting cadets and volunteers	5	–	21,479	**21,479**	–	22,058	22,058
Total expenditure		404,245	1,278,639	**1,682,885**	323,888	1,770,614	2,094,502
Net income/(expenditure) before net gains on investments		314,630	60,429	**375,059**	(53,539)	(493,614)	(547,153)
Net gains on investments	13/14	166,675	32,023	**198,698**	9,173	121,520	130,693
Net income / (expenditure) for the year		481,305	92,452	**573,757**	(44,366)	(372,094)	(416,460)
Transfers between funds	18	(8,979)	8,979	–	(4,743)	4,743	–
Net movement in funds		472,326	101,431	**573,757**	(49,109)	(367,351)	(416,460)
Reconciliation of funds:							
Total funds brought forward		1,942,165	1,246,467	**3,188,632**	1,991,274	1,613,818	3,605,092
Total funds carried forward		2,414,491	1,347,898	**3,762,389**	1,942,165	1,246,467	3,188,632

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 18 to the financial statements.

Balance sheet

Company no. 10445616

As at 31 March 2026

	Note	£	2026 £	£	2025 £
Fixed assets:					
Tangible Assets	12		11,038		49,428
Investments	13		1,199,028		1,070,831
			1,210,066		1,120,259
Current assets:					
Liquidity Fund	14	3,984,101		2,297,882	
Debtors	15	26,071		26,983	
Cash at bank and in hand		256,611		245,180	
		4,266,783		2,570,045	
Liabilities:					
Creditors: amounts falling due within one year	16	(1,714,460)		(501,672)	
Net current assets			2,552,323		2,068,373
Total net assets			3,762,389		3,188,632
The funds of the charity:					
Restricted income funds	18a		1,347,898		1,246,468
Unrestricted income funds:					
Designated funds:		1,201,455		1,070,832	
General funds		1,213,035		871,332	
Total unrestricted funds			2,414,491		1,942,164
Total charity funds			3,762,389		3,188,632

Approved by the trustees on 23 September 2026 and signed on their behalf by

Nigel Maddox
Chair

Combined Cadet Force Association

Statement of cash flows

For the year ended 31 March 2026

	Note	2026 £	£	2025 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		**573,757**		(416,460)	
Depreciation charge		**11,087**		12,747	
Loss on disposal of fixed assets		**30,322**		–	
(Gains)/losses on investments		**(101,742)**		(9,173)	
Dividends and interest from investments		**(27,693)**		(25,307)	
(Gains)/losses on Waverton Liquidity Fund		**(96,956)**		(121,520)	
Decrease/(increase) in debtors		**912**		(9,821)	
Increase/(decrease) in creditors		**1,212,788**		(1,972)	
Net cash provided provided by/(used in) operating activities			**1,602,475**		(571,506)
Cash flows from investing activities:					
Dividends and interest from investments		**27,693**		25,307	
Purchase of Fixed Assets		**(3,019)**		(31,186)	
Purchase of additional investment shares		**(39,689)**		(265,246)	
Movement in cash held by investment managers		**13,233**		(6,758)	
Purchase of Waverton Liquidity Fund		**(2,740,231)**		(1,159,602)	
Sale of Waverton Liquidity Fund		**988,354**		1,705,721	
Movement in cash held in Waverton Liquidity Fund		**162,614**		(169,921)	
Net cash (used in)/provided by investing activities			**(1,591,044)**		98,315
Change in cash and cash equivalents in the year			**11,431**		(473,191)
Cash and cash equivalents at the beginning of the year			**245,180**		718,371
Cash and cash equivalents at the end of the year			**256,611**		245,180

1 Accounting policies

a) Statutory information

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

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

c) Public benefit entity

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

d) Going concern

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

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

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

e) Income

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

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

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

f) Donations of gifts, services and facilities

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

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

1 Accounting policies (continued)

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

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 fund and in fundraising.
- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

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

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

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

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

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

l) Operating leases
Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets
During the year the Company revised its capitalisation threshold for tangible fixed assets. Previously, items of expenditure exceeding £200 were capitalised. With effect from 1 April 2025, this threshold has been increased to £1,500. Any items previously capitalised but with a cost below £1,500 have been treated as disposals. 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.

1 Accounting policies (continued)

n) Listed investments

Fixed and current asset 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.

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) Cash at bank and in hand

The full time equivalent staff carrying out work for the CCFA during the year was 30 (2025: 28).

q) 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.

r) 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.

2 Income from donations and grants

	Unrestricted £	Restricted £	**2026 Total £**	Unrestricted £	Restricted £	2025 Total £
Donations	13,441	12,500	**25,941**	6,907	10,000	16,907
Donated services	12,600	–	**12,600**	12,000	–	12,000
Ministry of Defence grants	654,933	1,326,568	**1,981,501**	189,325	1,151,125	1,340,450
	680,974	1,339,068	**2,020,042**	208,232	1,161,125	1,369,357

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

3 Income from charitable activities

	Unrestricted £	Restricted £	2026 Total £	Unrestricted £	Restricted £	2025 Total £
Supporting contingents						
Ministry of Defence grant	–	–	**–**	–	115,875	115,875
Insurance	(4,169)	–	**(4,169)**	20,057	–	20,057
	(4,169)	–	**(4,169)**	20,057	115,875	135,932
Supporting cadets and volunteers						
Subscriptions	14,378	–	**14,378**	16,753	–	16,753
Total	10,208	–	**10,208**	36,810	115,875	152,685

The Combined Cadet Force Association acts as an agent for members requiring insurance. Income and related disbursements are therefore excluded from the statement of financial activities. During the year, funds of £40,249 were received (2025: £43,636), £44,418 was expended (2025: £30,288), £Nil was receivable (2025: £nil) and the deficit of £4,169 (2025: surplus of £13,337) was moved to Income from charitable activities as it is the intention of the charity to generate a surplus over the medium term. The prior year included an adjustment of £6,720 from a previous accounting period.

4 Income from investments

	2026 Total £	2025 Total £
Dividends	**26,603**	25,307
Bank interest	**1,091**	–
	27,693	25,307

All income from investments is unrestricted.

5a Analysis of expenditure (current year)

		Charitable activities					
	Raising funds	Supporting contingents	Supporting cadets and volunteers	Governance costs	Support costs	**2026**	2025
	£	£	£	£	£	**£**	£
Staff costs (Note 8)	–	1,190,535	–	–	146,759	**1,337,294**	1,140,464
Grant making (Note 6)	–	53,625	21,479	–	–	**75,105**	734,408
Direct activity costs	–	161,899	–	–	–	**161,899**	114,474
Insurance	–	–	–	–	8,635	**8,635**	6,720
Marketing and advertising	–	35,418	–	–	3,154	**38,572**	20,589
Premises costs	–	–	–	–	12,600	**12,600**	12,000
Audit and accountancy fees	–	–	–	11,780	–	**11,780**	44,274
Trustee expenses	–	–	–	1,838	–	**1,838**	1,117
Investment manager fees	4,858	–	–	–	–	**4,858**	7,501
Other	5,565	–	–	739	23,999	**30,303**	12,955
	10,423	1,441,478	21,479	14,357	195,147	**1,682,885**	2,094,502
Support costs	–	195,147	–	–	(195,147)	**–**	–
Governance costs	–	14,357	–	(14,357)	–	**–**	–
Total expenditure 2026	**10,423**	**1,650,982**	**21,479**	**–**	**–**	**1,682,885**	
Total expenditure 2025	7,501	2,064,943	22,058	–	–		2,094,502

5b Analysis of expenditure (previous year)

		Charitable activities				
	Raising funds	Supporting contingents	Supporting cadets and volunteers	Governance costs	Support costs	2025
	£	£	£	£	£	£
Staff costs (Note 8)	–	1,021,043	–	–	119,421	**1,140,464**
Grant making (Note 6)	–	712,350	22,058	–	–	**734,408**
Direct activity costs	–	114,474	–	–	–	**114,474**
Insurance	–	–	–	–	6,720	**6,720**
Marketing and advertising	–	20,589	–	–	–	**20,589**
Premises costs	–	–	–	–	12,000	**12,000**
Audit and accountancy fees	–	–	–	14,700	29,574	**44,274**
Trustee expenses	–	–	–	1,117	–	**1,117**
Investment manager fees	7,501	–	–	–	–	**7,501**
Other	–	–	–	–	12,955	**12,955**
	7,501	1,868,456	22,058	15,817	180,670	**2,094,502**
Support costs	–	180,670	–	–	(180,670)	**–**
Governance costs	–	15,817	–	(15,817)	–	**–**
Total expenditure 2025	**7,501**	**2,064,943**	**22,058**	**–**	**–**	**2,094,502**

6 Grant making

A list of the School CCF Contingents that have received grants from the CCFA is in note 20.

In addition to the amounts committed and accrued, the CCFA authorises certain grants which are subject to acceptance of the terms and conditions such as the employment of a School Staff Instructor. The total amount authorised but not accrued was **£26,630** (2025: £46,507).

	2026	2025
	£	£
Supporting contingents		
Contingent Growth Fund	**22,708**	672,584
CCF Support Fund	**30,319**	–
CCF Marketing Fund	**–**	39,766
Supporting cadets and volunteers		
Small grants programme	**21,479**	22,058
At the end of the year	**74,507**	734,408

Contingent Growth Fund – grants awarded to 8 (2025: 128) CCFs in schools in the year.
CCF Support Fund – Duke of Edinburgh Award Support grants awarded to CCFs in 32 (2025: nil) schools in the year.
Small Grants Programme – grants awarded to individuals in 28 (2025: 31) schools in the year.

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2026	2025
	£	£
Depreciation	**11,087**	12,747
Auditor's remuneration (excluding VAT):		
Audit – current year	**11,175**	10,750

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

Staff costs were as follows:

	2026	2025
	£	£
Salaries and wages	**1,095,889**	952,767
Redundancy and termination costs	**–**	3,679
Social security costs	**142,114**	99,034
Employer's contribution to defined contribution pension schemes	**99,291**	84,984
	1,337,294	1,140,464

No employee earned more than £60,000 during the year (2025: nil).

8 Analysis of staff costs (continued)

The trustees consider that they, together with the Chief Executive, Deputy Chief Executive, Director of Development and Director of Finance comprise the key management personnel of the charity. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were **£146,759** (2025: £119,421). The increase from the prior year is primarily due to the recruitment of the part-time Director of Finance in September 2025.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2025: £nil). No charity trustee received payment for professional or other services supplied to the charity (2025: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling **£1,558** (2025: £1,117) incurred by **7** (2025: 6) members relating to attendance at meetings of the trustees.

9 Staff numbers

The full time equivalent staff carrying out work for the CCFA during the year was 30 (2025: 28).

Because the CCFA shares its back office functions with ACCT UK it has chosen to employ all staff across both charities on joint contracts. This means that the charities gain flexibility and economies in how staff support the charities. However this joint contract arrangement requires CCFA to disclose the average number of employees for the two charities combined. This is taken as a head count based on number of staff employed. During the year this was **92** (2025: 82).

10 Related party transactions

Recharges of **£1,337,294** (2025: £1,140,464) were made by ACCT UK, a registered charity, which provides payroll services and recharges these, as explained in note 9, to the CCFA at cost. Of this **£1,042,147** (2025: £1,021,043) is included in supporting contingents and **£295,148** (2025: £119,421) is included in support costs.

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

There were no transactions with related parties during the year and these have been published at the trustee meetings.

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

11 Taxation

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

12 Tangible fixed assets

	Computer equipment	Camera Equipment	Total
Cost	£	£	**£**
At the start of the year	34,396	31,454	**65,850**
Additions in year	3,019	–	**3,019**
Disposals in year	(32,487)	–	**(32,487)**
At the end of the year	4,928	31,454	**36,382**
Depreciation			
At the start of the year	12,927	3,495	**16,422**
Charge for the year	603	10,484	**11,087**
Transfers	(10,484)	10,484	**–**
Eliminated on disposal	(2,165)	–	**(2,165)**
At the end of the year	881	24,463	**25,344**
Net book value			
At the end of the year	4,047	6,991	**11,038**
At the start of the year	21,469	27,959	49,428

All of the above assets are used for charitable purposes.

13 Listed investments

	2026	2025
	£	£
Fair value at the start of the year	**1,048,239**	773,820
Additions at cost	**39,689**	265,246
Disposal proceeds	**–**	–
Net gain on change in fair value	**101,742**	9,173
	1,189,670	1,048,239
Cash held by investment broker pending reinvestment	**9,359**	22,592
Fair value at the end of the year	**1,199,028**	1,070,831

Investments comprise:

	2026	2025
	£	£
Funds listed on the London Stock Exchange	**1,189,670**	1,048,239
Cash	**9,359**	22,592
	1,199,028	1,070,831

14 Liquidity Fund

	2026	2025
	£	£
Fair value at start of the year	2,126,369	2,550,968
Additions at cost	2,740,231	1,159,602
Disposal Proceeds	(988,354)	(1,705,721)
Net Gain on changes in fair value	96,956	121,520
Fair Value at the end of the year	3,975,202	2,126,369
Cash held for reinvestment	8,899	171,513
	3,984,101	2,297,882

	2026	2025
	£	£
Funds listed on the London Stock Exchange	3,975,202	2,126,369
Cash held by investment broker pending re-investment	8,899	171,513
	3,984,101	2,297,882

15 Debtors

	2026	2025
	£	£
Prepayments	26,071	26,983
	26,071	26,983

16 Creditors: amounts falling due within one year

	2026	2025
	£	£
Trade Creditors	55,037	27,689
Accruals	10,932	22,868
Deferred income	1,525,000	450,000
Other Creditors	123,491	1,115
	1,714,460	501,672

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	11,038	–	–	**11,038**
Investments	–	1,199,028	–	**1,199,028**
Net current assets	1,201,998	2,427	1,347,898	**2,552,323**
Net assets at 31 March 2026	**1,213,035**	**1,201,455**	**1,347,898**	**3,762,389**

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	49,428	–	–	**49,428**
Investments	–	1,070,832	–	**1,070,832**
Net current assets	821,905	–	1,246,468	**2,068,372**
Net assets at 31 March 2025	**871,332**	**1,070,832**	**1,246,468**	**3,188,632**

18a Movements in funds (current year)

	At 1 April 2025 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2026 £
Restricted funds:					
Donor Fund (Small Grants)	–	12,500	(21,479)	8,979	**–**
CCF Marketing Fund	159,973	196,019	(67,377)	–	**288,615**
CCF Support Fund	867,911	951,121	(1,167,075)	–	**651,956**
Contingent Growth Fund	218,583	211,452	(22,708)	–	**407,327**
Total restricted funds	1,246,468	1,371,091	(1,278,639)	8,979	**1,347,898**
Unrestricted funds:					
Designated funds:					
Grant Generation Fund	1,070,832	128,344	(148)	–	**1,199,029**
Duke of Edinburgh Award Fund	–	–	–	2,427	**2,427**
Total designated funds	1,070,832	128,344	(148)	2,427	**1,201,455**
General funds	871,332	757,206	(404,098)	(11,406)	**1,213,035**
Total unrestricted funds	1,942,164	885,550	(404,245)	(8,979)	**2,414,491**
Total funds	3,188,632	2,256,641	(1,682,885)	–	**3,762,389**

Transfers into the restricted funds cover any deficit incurred on that fund with general funds (unless another restricted fund was appropriate). The trustees chose to designate £2,427 to support Duke of Edinburgh award activity.

In the prior year, the transfers out of the CCF Support Fund and the Contingent Growth Fund went to cover expenditure in the small grants programme where the grant matched the purpose of the restriction. In addition, the trustees chose to designate a further £250k of reserves to the Grant Generation Fund in order to maximise the potential income for grants in future years.

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

18b Movements in funds (prior year)

	At 1 April 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2025 £
Restricted funds:					
Donor Fund (Small Grants)	4,489	10,000	(22,058)	7,569	-
CCF Marketing Fund	80,774	135,358	(56,159)	-	**159,973**
CCF Support Fund	663,767	1,226,542	(1,019,812)	(2,586)	**867,911**
Contingent Growth Fund	864,787	26,620	(672,584)	(240)	**218,583**
Total restricted funds	1,613,817	1,398,520	(1,770,613)	4,743	**1,246,468**
Unrestricted funds:					
Designated funds:					
Grant Generation Fund	789,654	33,828	(2,650)	250,000	**1,070,832**
Total designated funds	789,654	33,828	(2,650)	250,000	**1,070,832**
General funds	1,201,621	238,975	(314,520)	(254,743)	**871,332**
Total unrestricted funds	1,991,275	272,803	(317,170)	(4,743)	**1,942,164**
Total funds	3,605,092	1,671,323	(2,087,783)	-	**3,188,632**

Purposes of restricted funds:

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

CCF Marketing Fund - this is to be used to support recruitment activities and purchase equipment in support of the CCF.

CCF Support Fund - this is used to support the CCF contingent support staff and activities across all Region.

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

Purposes of designated funds:

Grant Generation Fund - these are funds set aside in an investment fund by the trustees and treated in the same way as an endowment in order to generate funds that can be used in CCFA's grant programmes. In the long term the charity would like to be able to use income from the portfolio to fund grant making but is prepared to reinvest income until 1 April 2030 to augment capital growth in order to help achieve a greater residual income in future years.

Duke of Edinburgh Award Fund - this is used in support of the Duke of Edinburgh's Award within the CCF across the United Kingdom.

19 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.

20 School CCF Contingents that have received grants from the CCFA for the year ended 31 March 2026

CCFA supported young people, volunteers and the contingents of 62 schools this year. The schools that received support were:

ASTOR SECONDARY SCHOOL
BANGOR GRAMMAR SCHOOL
BENENDEN SCHOOL
BLOOMFIELD COLLEGIATE SCHOOL
BOURNEMOUTH SCHOOL
CARR HILL HIGH SCHOOL
CO-OP ACADEMY WALKDEN
DROYLSDEN ACADEMY
EAST NORFOLK SIXTH FORM COLLEGE
ETONE COLLEGE
FOREST SCHOOL
GODOLPHIN SCHOOL
HELE'S SCHOOL
HIGHFIELD LEADERSHIP ACADEMY
KETTERING BUCCLEUCH ACADEMY
KING EDWARD VI GRAMMAR SCHOOL, CHELMSFORD
KING EDWARD VI GRAMMAR SCHOOL, LOUTH
KINGSTHORPE COLLEGE
LANGLEY SCHOOL
LARNE HIGH SCHOOL
LIPSON CO-OPERATIVE ACADEMY
LISNAGARVEY HIGH SCHOOL
LLANDOVERY COLLEGE
LOUGHBOROUGH GRAMMAR SCHOOL
LUCTON SCHOOL
MATRAVERS SCHOOL
NEWCASTLE UNDER LYME SCHOOL
NORTHAMPTON INTERNATIONAL ACADEMY
OSWESTRY SCHOOL
PENAIR SCHOOL
PENISTONE GRAMMAR SCHOOL
PHILIPS HIGH SCHOOL
QUEEN ETHELBURGA'S COLLEGIATE
RATCLIFFE COLLEGE
READ SCHOOL
RIPLEY ST. THOMAS CofE ACADEMY
ROYAL GRAMMAR SCHOOL, NEWCASTLE
SAINT JOHN HENRY NEWMAN CATHOLIC COLLEGE
SEDBERGH SCHOOL
SIR CHRISTOPHER HATTON ACADEMY
SOUTHFIELD SCHOOL
ST. EDWARD'S SCHOOL, OXFORD
STAMFORD WELLAND ACADEMY
THE BISHOPS' BLUE COAT CofE HIGH SCHOOL
THE FOLKESTONE SCHOOL FOR GIRLS
THE GATEWAY ACADEMY
THE HEREFORD ACADEMY
THE JOHN WALLIS CofE ACADEMY
THE KHALSA ACADEMY WOLVERHAMPTON
THE KING'S SCHOOL, CANTERBURY
THE PETERSFIELD SCHOOL
THE PRIORY RUSKIN ACADEMY
THE ROYAL SCHOOL, WOLVERHAMPTON
THE ST. LAWRENCE ACADEMY
THE WENSLEYDALE SCHOOL
TILE CROSS ACADEMY
TONBRIDGE SCHOOL
TRENT COLLEGE
TRINITY SCHOOL, CROYDON
TUNBRIDGE WELLS GIRLS' GRAMMAR SCHOOL
WALKER RIVERSIDE ACADEMY
WEDNESFIELD ACADEMY