ARMY CENTRAL FUND

Supporting
The British Army

ANNUAL REPORT OF THE TRUSTEE & FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIOD ENDING ON 31 MARCH 2026

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number	245700
Registered Office	Floor 1 | Zone 6 Ramillies Building Marlborough Lines Monxton Road Andover SP11 8HJ
The Patrons	Members of the Army Board of the Defence Council
Corporate Trustee	The Army Central Fund Trustee Limited
Corporate Trustee's Company Number	11820705

Directors of The Army Central Fund Trustee Limited

Major General J Chestnutt CBE (Chair) (from 05.01.26)
Major General SL Humphris MBE (Chair) (until 04.01.26)
Colonel AK Brown OBE
Brigadier A Fraser-Hitchen DL
Mr RC Hughes-Penney
Air Vice Marshal The Hon DP Murray CVO OBE DL
Brigadier MCA Palmer
Warrant Officer Class 1 R Sugden
Mrs EA Thomas

During the period no Directors of The Army Central Fund Trustee Limited were also Trustees or Committee Members of other charities which benefited from grants made by the Army Central Fund ("the Charity").

Company Secretary	Caroline Crewe-Read
Treasurer	The Trust Partnership 6 Trull Farm Buildings Tetbury Gloucestershire GL8 8SQ

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Legal Advisor	Wilsons Solicitors LLP Charities Team 4 Lincoln's Inn Fields London WC2A 3AA
Auditor	Dunkley's Chartered Certified Accountants Woodlands Grange Woodlands Lane Bradley Stoke Bristol BS32 4JY
Investment Managers	BlackRock Fund Managers Limited 12 Throgmorton Avenue London EC2N 2DL Swiss Life Asset Managers UK 55 Wells Street London W1T 3PT CCLA Fund Managers Limited One Angel Lane London EC4R 3AB
Bankers	Holt's Military Banking 200 Fowler Avenue Fowler Business Park Farnborough Hampshire GU14 7JP

BOARD OF DIRECTORS' ANNUAL REPORT

The Board of Directors of the Charity's corporate trustee company present their report together with the financial statements of the Charity for the nine-month period ending 31 March 2026. The Board had previously agreed to change the Charity's financial year end from 30 June to 31 March, aligning its financial year with that of the Army and its principal beneficiaries. As a result, the transition to the new 1 April to 31 March financial year required a shortened, nine-month reporting period from 1 July 2025 to 31 March 2026.

The financial statements have been prepared in accordance with the accounting policies set out on pages 28-29 of the attached accounts and comply with the Charity's trust deed, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with FRS 102, effective from 1 January 2019.

BACKGROUND

The Charity was established in 1948 by the merger of existing military welfare funds, some dating back to the First World War. The capital of the Charity was invested, and its income was used to help improve the welfare of serving British Army personnel and their families. That aim continues today and is achieved by awarding grants to military organisations and to UK registered charities and Community Interest Companies (CICs) that support the serving Army community.

The Charity operates without any subscriptions, sponsorship, government grants or fundraising. It is also extremely cost-effective, with grants representing nearly 96% of its expenditure in this period. Further information about the Charity and the grant application process is available on the website www.armycentralfund.org.uk

CHAIRMAN'S OVERVIEW

The nine-month financial period 2025-26 has been another very strong period for the Charity, in terms of its strategic development, its investments and its grantmaking. The Charity published its first ever grantmaking strategy in August 2025. This sets out the Charity's aim of promoting the efficiency of the British Army for public benefit by using its grantmaking to develop and retain a well-supported, resilient and engaged workforce. Throughout the nine-month financial period the Charity has continued to target initiatives which improve retention by delivering a better quality of life and improving morale. The grantmaking strategy has been very well received by grantees and other partners and has resulted in better targeted applications for funding.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

The Charity's investment portfolio delivered strong returns despite a challenging and uncertain global economic environment. During the period, financial markets continued to contend with persistent geopolitical tensions, concerns over the pace of global economic growth, and uncertainty surrounding inflation and interest-rate trajectories. While volatility periodically affected both equity and bond markets, investor confidence was supported by resilient corporate earnings and expectations of monetary policy easing in major economies.

Against this backdrop, the Charity's diversified investment strategy and long-term approach enabled the portfolio to perform strongly, generating returns that supported the distribution of £2.28 million in grants to benefit the serving Army community. These results demonstrate the resilience of the Charity's investment framework and its capacity to continue delivering meaningful support in an increasingly complex and uncertain global environment.

Throughout the nine-month financial period, the Charity continued its approach of awarding both core and project grants.

Core Grants (£1,282,413). Army Sport was awarded a grant of £499,603 towards its operating costs, in support of its work to maximise participation in sport to improve physical fitness, mental resilience, leadership and teamwork. £447,260 was awarded to the Army Families Federation to underpin their work offering confidential advice and guidance around the unique issues that come with military life. In addition, £335,550 was awarded to HQ Regional Command to distribute as welfare funds to Army units in the UK and overseas. These three core grants supplement MOD provision and help improve health, wellbeing, recovery and rehabilitation, as well as family, welfare and community support. They also meet our principal charitable object as laid out in the governing document; 'to promote the efficiency of the Army for the public benefit'.

Project Grants (£1,000,950). Equally importantly, the Charity makes grants to national and military charities and other organisations to support activities which benefit the Army community. During the nine-month period this included:

Health, wellbeing, recovery and rehabilitation

- Army Adventurous Training Group (£50,000). Support for Army Adventurous Training (AT) and comparable activities, focused on defined expedition costs or targeted towards specific activities or elements which would not otherwise proceed.
- Defence Medical Welfare Service (£135,478). Support for the National Framework and National Response Service, together with continued funding of the welfare service in Catterick Garrison, providing person-centred welfare support for serving Army personnel and their families.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

- Horseback UK (£16,093). Support for members of the serving British Army community (Regular and Reserve) in recovery, on their Military Wellbeing Project.
- Vector24 (£64,575). Urgent, tailored transport to enable serving Army personnel and their families to attend time-critical medical appointments.
- Warrior Programme (£206,000). Mental strength and resilience training for those whose performance is adversely affected by stress or anxiety or requiring additional support to return to work after trauma or medical intervention. Funding for 100 places a year for serving personnel and adult family members.

Family, welfare and community support

- Army Welfare Service (£60,000). Delivery of the Out of School Adventures programme, supporting the costs associated with the residential adventurous activities element with the Youth Hostel Association.
- Aurora New Dawn (£80,000). Funding for two Army Advocates within the Armed Forces Advocacy Service, providing support to survivors of domestic abuse, sexual violence and stalking.
- Home-Start UK (£100,000). Helping families struggling to care for young children by funding home visits by trained volunteers, and community groups to help families make friends and reduce isolation.

Education, training, employment and skills

- Forces Employment Charity (£50,000). Continued support for the Families Programme, providing employment and employability advice and guidance to the partners and spouses of serving British Army personnel.
- Forces Wives Challenge (£9,188). Launch of FWC NORTH to expand access and participation by Army spouses in adventurous, community-building experiences, as well as the offer of seven adventure-related qualifications to support capacity building.

Parkdean Resorts. Serving Army personnel and their families have been able to benefit from a charitable offering to the Charity by Parkdean Resorts of holiday accommodation in 3-bedroom mid-range holiday home units at a series of eligible parks. The administration of this donation in kind is undertaken on the Charity's behalf by HQ Regional Command, who assess need and allocate the holidays to deserving serving personnel.

Carpenter Estate. During the period, the Charity received the final distribution from a long-standing estate of which it was one of several residual beneficiaries. The administration of the estate has now concluded, bringing to a close a process that has spanned a number of years. The funds received have been incorporated into the Charity's cash reserves and will be used to support the Charity's long-term grantmaking objectives.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Charity is constituted as an unincorporated charity and is governed by a Scheme of the Charity Commission sealed on 21 July 2004 (as amended by resolutions of the Board passed on 13 May 2014 and 6 December 2016 and by a Deed of Amendment, Appointment and Retirement dated 19 November 2019). The Army Central Fund Trustee Limited was appointed as the sole trustee of the Charity on 11th February 2019 and acts as the Charity's corporate trustee.

Appointment of Directors

Directors of the corporate trustee are appointed by resolution of the Board. The Board may advertise vacancies and also invite senior members of the Army to nominate serving personnel. The Board is required to be a minimum of six persons with a minimum of three present at each meeting to conduct business.

Directors are normally appointed for an initial term of three years and may serve for additional terms with the approval of the whole Board. Charity Commission guidance advises that Directors serve for a maximum of three consecutive terms, totalling nine years. Exceptionally, the Board may approve a further term where it considers this to be in the best interests of the Charity, having regard to the particular skills, experience or continuity required. Any such extension should be specifically considered, approved by the whole Board, and recorded.

During the nine-month period a new Chair was appointed by the Charity's Patrons. The Chair is also a Director of the Board.

Key Management Personnel

The Directors and the Company Secretary comprise the key management personnel who direct, control, and operate the Charity.

Board Training and Advice

The Board keeps its skill levels under review. Directors will normally have served as trustees of other charities. As part of their induction, they are offered additional training on their responsibilities under company and charity law, and refresher training during their tenure. Relevant updates and briefings are shared by the Secretary. The Board is advised by the Secretary, Treasurer, and Investment Advisor. Further professional advice is provided by the Charity's solicitor, bank, fund managers and auditor.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

Management

Routinely the Board meets twice a year and calls additional meetings as required. The Spring meeting is concerned mainly with applications for grants, the year-end forecast, and the following year's income and expenditure budget. The Autumn meeting considers the Annual Report and Financial Statements, the Audit Report, and any additional grant applications. At each meeting the Board monitors investment performance. Policies are reviewed according to their individual schedules. The day-to-day management and administration of the Charity is delegated to the Secretary. Directors are required to disclose any relevant interests and withdraw from any decisions where a conflict of interest may arise. This is recorded in each meeting's Records of Decisions.

Risk

The Directors recognise that effective risk management is fundamental to the Charity's governance and decision-making. During the nine-month period, the Board reviewed the Charity's Risk Register, considering whether the principal strategic, operational, financial and compliance risks remained appropriate and whether existing mitigations continued to provide adequate assurance. The Board also completed the Institute for Voluntary Action (IVAR) Risk Appetite Questionnaire, which will provide a structured framework for considering the Charity's future appetite for risk across different areas of its activities. The Directors continue to be satisfied that appropriate systems, controls and procedures are in place to identify, monitor and mitigate the principal risks facing the Charity.

Risk: Ensuring the Charity's grantmaking continues to meet its charitable purposes and remains aligned with the evolving needs of the serving Army community.
Mitigations: Grantmaking Strategy 2025; Board approval of grants over £10,000; regular engagement with Army Headquarters, Headquarters Regional Command and key strategic partners; publication of the Impact Report; ongoing review of major grants.

Risk: Failure to assess the impact of grants and use evidence to inform future funding decisions.
Mitigations: Annual reviews of major grants; development of the Charity's impact reporting framework; project visits; strengthened grant reporting and due diligence arrangements.

Risk: Reputational damage arising from the activities of funded organisations or adverse media attention.
Mitigations: Robust due diligence; published grantmaking processes; regular engagement with grant recipients; clear conflicts of interest policy and transparency through the Annual Report and Charity website.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

Risk: Investment volatility and financial uncertainty affecting the Charity's ability to sustain long-term grantmaking.
Mitigations: Diversified investment portfolio; regular investment reviews; Total Return approach to budgeting; financial monitoring and maintenance of appropriate reserves.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Under Clause 4 of the Scheme, the objects of the Charity are:

(1) To promote the efficiency of the Army for the public benefit in such charitable ways as the trustee may decide.

(2) The relief of persons who:

(a) are in need, hardship and distress; and
(b) are serving personnel of the Army or the dependants of such persons.

(3) The trustee may relieve persons in need by:

(a) making grants of money to them; or
(b) providing or paying for goods, services or facilities for them; or
(c) making grants of money to other persons or bodies who provide goods, services or facilities to those in need.

The Board has taken account of the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities. It considers that the Charity's activities match the objectives, and that this provides public benefit by improving conditions for those serving in the Army and for their families, sustaining morale and retaining trained personnel.

Grantmaking Strategy

The Board published its first ever grantmaking strategy in August 2025. In common with other grant-making bodies, the Charity wishes to increase its impact and maximise the value of its funding, but with limited resources must focus efforts on those organisations and activities which deliver the greatest benefit to serving personnel and their families, both Regular and Reserve, in the UK and overseas.

The Charity awards grants to organisations that improve the physical, mental and social wellbeing of serving British Army personnel and their immediate families. It supports projects that strengthen the lived experience of Army life, enhance family wellbeing and resilience, and contribute to the retention of skilled personnel. The Charity works closely

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

with the Army and with other Armed Forces charities and grantmakers to improve coordination, encourage collaboration and maximise the impact of charitable funding.

The Charity does not normally make grants directly to individuals, as financial assistance for individual cases is more appropriately provided through organisations with the expertise and processes to assess need.

In considering applications, the Board seeks to ensure that grants are aligned with the Charity's strategic priorities and charitable objects. Decisions are informed by an assessment of the evidence of need, the anticipated benefit to serving Army personnel and their immediate families, the capability of the applicant organisation to deliver the proposed outcomes, and the extent to which the funding will complement, rather than duplicate, statutory or charitable provision. The Board also considers opportunities to support collaborative approaches and projects capable of delivering lasting impact.

All grant recipients are required to report on the outcomes achieved through the Charity's funding. The Board uses this information, together with wider evidence and engagement across the Army charitable sector, to strengthen future decision-making and ensure that the Charity's funding continues to respond to evolving need.

In summary, the Charity's grantmaking strategy is to:

- Improve the physical, mental and social wellbeing of serving Army personnel and their immediate families.
- Focus funding on three strategic themes:
    - Health, wellbeing, recovery and rehabilitation.
    - Family, welfare and community support.
    - Education, employment, training and skills, particularly for spouses, partners and adult working-age children.
- Prioritise projects that support the greatest number of beneficiaries, address identified need and demonstrate the potential for lasting impact.
- Maintain strategic partnerships with organisations delivering key services through multi-year funding where appropriate.
- Provide annual strategic grants to the Army Families Federation, Army Sport and Headquarters Regional Command in support of agreed priorities.
- Work collaboratively with the Army, other Armed Forces charities and grantmakers to maximise the effectiveness and coordination of charitable funding across the serving Army community.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

FINANCIAL REVIEW

Valuation of the Charity (Total Net Assets)

The Charity's investments account for around 98% of its assets, and investment performance is usually the main determinant of the Charity's valuation year on year. Investment performance in the nine-month period has been strong despite a challenging and uncertain global economic environment.

Table 1 – Total Net Assets 2022-2026 (£)

Period	Period Ending on	Valuation Start of Period	Valuation End of Period	Change Period on Period
9 months	31st March 2026	66,314,288	70,622,087	4,307,799
12 months	30th June 2025	66,391,680	66,314,288	(77,392)
12 months	30th June 2024	70,349,805	66,391,680	(3,958,125)
12 months	30th June 2023	74,926,285	70,349,805	(4,576,480)
12 months	30th June 2022	78,710,872	74,926,285	(3,784,587)
	Increase 2022-2026			**(8,088,785)**

Income and Expenditure

Since adopting a Total Return approach, the Board has set the Charity's annual grantmaking budget by reference to the long-term sustainability of the investment portfolio rather than the level of investment income generated in any single year. This enables the Charity to maintain a more consistent programme of grantmaking while preserving the real value of its capital over the long term. As a result, annual income and expenditure should not be viewed in isolation but alongside investment performance and changes in the overall value of the Charity's assets.

The Charity has two main sources of income: investment income and donations. As Table 2 below shows, over the last five years there has been a deficit of expenditure over income of £7,510,642, caused in large part by the atypical grant of £6,931,296 made to the Pirbright Soldiers' Centre in 2024. A legacy of £222,336 was received in this financial period.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

Table 2 - Income and Expenditure 2022-2026 (£)

Period	Period Ending on	Investment Income	Charitable Donations	Total Income	Charitable Expenditure
9 months	31st March 2026	2,133,926	275,091	2,409,017	2,374,170
12 months	30th June 2025	2,763,914	79,692	2,843,606	3,180,035
12 months	30th June 2024	2,887,567	107,796	2,995,363	9,843,582
12 months	30th June 2023	2,734,439	286,986	3,021,425	3,635,837
12 months	30th June 2022	2,541,926	165,575	2,707,501	2,453,930
	Totals	13,061,772	915,140	**13,976,912**	**21,487,554**
	Excess of income over expenditure 2022-2026				(7,510,642)

INVESTMENTS AND RESERVES

Investment Management

The Charity's main capital investment is held in the BlackRock Armed Forces Charities Growth and Income Fund (AFCG&I), a multi-asset Charity Authorised Investment Fund managed by BlackRock Fund Managers Limited. An Advisory Committee representing the collective interests of unitholders acts as a consultative body to BlackRock. Approximately 6% of the Charity's capital is invested separately in the PITCH property fund managed by Swiss Life Asset Managers UK.

Investment Strategy

The Board's investment strategy is to achieve real growth in capital while supporting a sustainable programme of grantmaking through the Charity's Total Return approach. The investment in AFCG&I covers a broad spread of assets and has lower overheads than the Charity could achieve by investing independently. AFCG&I is mainly invested in equities, with the balance held in bonds, alternatives, property, futures, and cash, offering the prospect for maximising growth whilst diversifying some risk. The Charity also holds funds in the Swiss Life PITCH charity property fund, which has a similar aim of achieving real growth in capital and income.

Investment Performance

The **BlackRock AFCG&I Fund** delivered strong performance over the nine months to 31 March 2026, producing a net total return of 13.7% and outperforming the Composite Benchmark, which returned 10.2%. Importantly, this outperformance was consistent across the period, with the Fund outperforming its benchmark in each of the three

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

quarters under review. This represents four consecutive quarters of outperformance following the changes implemented to the Fund in April 2025, in which BlackRock increased the emphasis on asset allocation decisions and reduced reliance on underlying active managers.

Markets delivered positive returns through the second half of 2025 despite periods of volatility and continued political and geopolitical uncertainty. Investor sentiment was supported by easing trade tensions, resilient economic growth and a shift towards more accommodative monetary policy in the US. Equity markets advanced, with returns broadening beyond the US, while continued investment in Artificial Intelligence remained an important driver of US technology markets. Precious metals, including gold and silver, also recorded significant gains. Market conditions became more challenging in Q1 2026 as escalating conflict in the Middle East drove a sharp rise in oil prices, increasing inflation expectations and causing markets to reassess the outlook for monetary policy. Equities sold off in March, while government bonds also came under pressure as yields rose.

The Fund's relative performance over the period was supported by successful asset allocation and thematic positioning. Thematic equity allocations provided exposure to areas including technological innovation, defence and energy security, which performed well over the period, while precious metals, particularly gold, silver and gold miners, were also significant contributors. The portfolio was actively managed as market conditions evolved: towards the end of 2025, profits were taken from a number of thematic positions following a period of strong performance and the portfolio was rebalanced towards more defensive and diversifying exposures. At the start of 2026, the Fund again demonstrated this flexibility, taking profits in precious metals as markets moved higher and introducing equity hedges as geopolitical risks increased. Fixed income positioning and listed alternatives also contributed positively during the more challenging Q1 environment, helping offset weakness in developed market equities.

Income distributions remained at 2.40 pence per unit in Q3 and Q4 2025 before increasing to 2.55 pence per unit in Q1 2026, with the intention to maintain the increased level of distribution through 2026, should market conditions permit.

In the nine-month financial period to 31 March 2026, the **Swiss Life PITCH Fund** delivered a resilient total return of 4.2%. This comfortably outperformed the MSCI/AREF UK All Balanced Open-Ended Property Fund Index which returned 2.8%. Fund performance was largely derived from income, generating a dividend over this period of £163,956. The capital value of the portfolio grew by 0.5% due to asset management activities and rental growth most notably from the Fund's retail warehousing, residential and industrial assets. These sectors make up around 65% of portfolio value. During the period, the Fund continued to target energy efficiency improvements in line with its decarbonisation pathway, with 96% of the portfolio now rated EPC A-C (June 2025: 94% A-C). Further enhancements are expected over the next FY period.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

Financial Management and Reserves

The Charity operates in a similar manner to an endowed charity; it has a permanent source of unrestricted income from capital investments which it uses to fund a structured grants programme. The Board has complete discretion to decide the number and value of grants awarded and may apply both capital and income to meet need. In setting the annual grants budget, the Board balances the funds to be made available against the long-term aim of preserving the real value of the Charity's investment portfolio and its capacity to support future grantmaking. In effect, all of the fund's assets are its reserves; these are divided into an immediate cash reserve held in RBS Holt's bank accounts (£512,000), a medium-term reserve held in the Swiss Life PITCH fund and CCLA COIF Fund (£5M) and a strategic reserve of the invested funds in the BlackRock Armed Forces Growth and Income Fund, which, at current levels, is equal to over 20 years of annual grants. There are currently no designated funds. In recent years funds available have been sufficient to maintain expenditure levels year-on-year and the Board has set the following priorities for grants:

Priority 1	Sustaining grants to core activities: funding Army Sport, the Army Families Federation and the Army Command Grant.
Priority 2	Fulfilling existing multi-year and meeting long-term commitments.
Priority 3	Funding new grant applications.

In parallel, the Board seeks to maintain the highest standards of governance while ensuring cost-effective management and administration. This period Support and Governance costs were £90,807 which equates to 3.82% of total expenditure. The Reserves Target aligns with the investment and grant strategy. The Board sets the annual grantmaking budget in accordance with its Total Return policy, balancing current charitable expenditure against the long-term objective of preserving the real value of the Charity's investment portfolio and its ability to support future generations of serving Army personnel and their immediate families.

ACHIEVEMENTS AND PERFORMANCE

The Charity achieved its objectives during the nine-month financial period, paying out £2,283,363 in direct grants (2025: £3,088,879 over twelve months). The Charity awards grants in three main areas:

Army Welfare

The Charity's grant of £335,550 to HQ Regional Command is distributed by the Army Welfare Grants Committee and the Regional Command Welfare Grants Committee for welfare and sports projects in Army units and clubs both in the UK and overseas. For the first time, command grants to British Forces Cyprus (£21,000), British Forces South Atlantic Islands (£6,300) and Hamworthy Barracks (£2,200) were amalgamated into the award to

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

HQ Regional Command for onward distribution through the Committees, which have delegated authority to award grants of up to £25,000 and £7,000 respectively. Larger projects are submitted to the Charity's Board for consideration, following discussion by the Army Grants Planning Forum. HQ Regional Command publishes quarterly reports providing an analysis of activities and an itemised list of expenditure.

Army-Wide Organisations

Army Sport. The Charity's grant of £499,603 contributes to central running costs enabling Army Sport to deliver its charter. This includes supporting the development and management of sport and sports facilities in the Army; governing Army Sports Associations; and authorising sports competitions and events. Competitive sport remains a critical element in maintaining Army health and fitness and is a key component of the Army's 'offer' to its people.

Army Families Federation (AFF). The Charity's grant of £447,260 contributes to central running costs enabling the AFF to continue to represent families at Government, Army Command, and local levels. It also enables the AFF to communicate with and respond to enquiries from families and to campaign on current issues including housing, immigration, money, and employment. AFF continues to provide exceptional support to Army families which is particularly valuable for those families experiencing hardship.

Grants to Charities

As outlined in the Chairman's Overview, grants to charities provide a significant proportion of charitable support for the Army, supporting the physical, mental and social wellbeing of serving personnel and their immediate families. These awards are listed on page 39.

PLANS FOR THE FUTURE

Whilst the Charity's principal objective is to sustain its long-term grantmaking through prudent stewardship of its investment portfolio, the Board recognises that there may be exceptional opportunities to make significant capital grants where these will deliver lasting benefits for the serving Army community and are consistent with the Charity's strategic objectives. Such decisions are carefully balanced against the need to preserve the Charity's financial resilience and its ability to maintain support for core grantmaking over the long term.

The Charity will continue to pursue opportunities for collaborative working where the outcome meets charitable objectives. In particular, the Charity will work closely with the Army Benevolent Fund, the Armed Forces Covenant Fund Trust, the Veterans' Foundation and The Nuffield Trust for the Forces of the Crown as major supporters of the Army community.

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

During the nine-month period being reported on, significant work was undertaken to redevelop the Charity's website, laying the foundations for its launch in FY26/27. The new website has been designed to provide a clearer, more engaging and accessible window into the work of the Army Central Fund, making it easier for applicants to understand the Charity's strategic priorities, eligibility criteria and grantmaking processes. It will also offer serving personnel and their immediate families greater insight into how charitable funds are invested to support their wellbeing, while improving transparency, accessibility and the user experience across all devices.

During the period, substantial progress was made towards the publication of the Charity's 2026 Impact Report, with Bean Research leading the independent evaluation. Monitoring and Evaluation Reports were issued to, and received from, organisations funded by the Army Central Fund between FY23/24 and FY25/26, providing a comprehensive evidence base for the study. By the end of the reporting period, the initial collation and validation of the data had been completed and the report's structure and design agreed, laying the foundations for publication in FY26/27.

Building on the Charity's previous Impact Report, the new study will provide an evidence-based assessment of how the Army Central Fund's grantmaking contributes to the physical, mental and social wellbeing of serving British Army personnel and their immediate families. The Board views the report as an important tool for strengthening accountability, demonstrating the impact of the Charity's funding, identifying emerging needs and informing future grantmaking priorities.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The trustee is responsible for preparing the trustee's report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these accounts, the trustee is required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in 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).

BOARD OF DIRECTORS' ANNUAL REPORT (continued)

- make judgements and estimates that are reasonable and prudent.
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustee is aware:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- the trustee has taken all steps that they ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

The Army Central Fund
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Signed by Order of the Trustee Board

J Chestnutt
J Chestnutt (Oct 20, 2026 19:47:44 GMT+1)

J Chestnutt
Major General
Chair of the Corporate Trustee

Approved by the Board on 1 October 2026

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE ARMY CENTRAL FUND

Opinion

We have audited the financial statements of The Army Central Fund (the 'Charity') for the 9 months ending 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2026 and of its incoming resources and application of resources, for the period then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ARMY CENTRAL FUND (continued)

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

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

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

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or

- sufficient accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records and returns; or

- we have not received all the information and explanations we require for our audit.

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

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ARMY CENTRAL FUND (continued)

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

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

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ARMY CENTRAL FUND (continued)

- The nature of the charitable sector, control environment and performance including the design of the organisation's remuneration policies;

- Any matters we identified, having obtained and reviewed the organisation's documentation of their 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 of fraud or non-compliance with laws and regulations;

- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas of management override of controls, going concern, income recognition, and the appropriateness of expenditure.

We also obtained an understanding of the legal and regulatory framework that the organisation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- Enquiring of management, concerning actual and potential litigation and claims;

- Substantive testing to vouch source records to the financial statements;

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

- Enquiring of the management the internal controls in, evaluating each control for weakness and vouching to evidence of the control taking place;

REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ARMY CENTRAL FUND (continued)

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dunkley's

Dunkley's Chartered Certified Accountants
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Woodlands Grange
Woodlands Lane
Bradley Stoke
Bristol
BS32 4JY

Date: 26/10/2026

STATEMENT OF FINANCIAL ACTIVITIES
For the nine-month period ending on 31 March 2026

	Note	Total Unrestricted Funds For nine-month period ending on 31 March 2026 £	Total Unrestricted Funds For the year ending on 30 June 2025 £
INCOME			
Income from			
Donations	2	**52,755**	79,692
Legacy		**222,336**	-
Investment income	3	**2,133,926**	2,763,914
In Kind Income	8	**7,129**	21,874
TOTAL INCOME		**2,416,146**	2,865,480
EXPENDITURE			
Charitable activities	4	**2,374,170**	3,180,034
In Kind Expenditure	8	**7,129**	21,874
TOTAL EXPENDITURE		**2,381,299**	3,201,908
NET INCOME/(EXPENDITURE)		**34,847**	(336,428)
Gains on investment assets	9	**4,272,952**	259,036
NET MOVEMENT IN FUNDS		**4,307,799**	(77,392)
RECONCILIATION OF FUNDS	12/13		
Fund balances brought forward		**66,314,288**	66,391,680
FUND BALANCES CARRIED FORWARD		**70,622,087**	66,314,288

The statement of financial activities includes all gains and losses recognised in the year
All income and expenditure derive from continuing activities.

The notes on pages 28 to 38 form part of the financial statements.

STATEMENT OF FINANCIAL ACTIVITIES (FULL COMPARATIVE)
For the year ended 30 June 2025

	Note	**Total Unrestricted Funds 2025** £	Total Unrestricted Funds 2024 £
INCOME			
Income from			
Donations	2	**79,692**	107,796
Investment income	3	**2,763,914**	2,887,567
In Kind Income	8	**21,874**	-
TOTAL INCOME		**2,865,480**	2,995,363
EXPENDITURE			
Charitable activities	4	**3,180,034**	9,843,582
In Kind Expenditure	8	**21,874**	-
TOTAL EXPENDITURE		**3,201,908**	9,843,582
NET EXPENDITURE		**(336,428)**	(6,848,219)
Gains on investment assets	9	**259,036**	2,890,094
NET MOVEMENT IN FUNDS		**(77,392)**	(3,958,125)
RECONCILIATION OF FUNDS	12/13		
Fund balances brought forward		**66,391,680**	70,349,805
FUND BALANCES CARRIED FORWARD		**66,314,288**	66,391,680

The statement of financial activities includes all gains and losses recognised in the year
All income and expenditure derive from continuing activities.

The notes on pages 28 to 38 form part of the financial statements.

BALANCE SHEET
For the nine-month period ending on 31 March 2026

	Note	For nine-month period ending on 31 March 2026 £	For the year ending on 30 June 2025 £
FIXED ASSETS			
Investments	9	**69,485,180**	65,212,228
		69,485,180	65,212,228
CURRENT ASSETS			
Debtors	10	**33,802**	34,905
Cash at bank and in hand		**1,119,415**	1,086,172
		1,153,217	1,121,077
CREDITORS: amounts falling due within one year	11	**(16,310)**	(19,017)
NET CURRENT ASSETS		**1,136,907**	1,102,060
TOTAL NET ASSETS		**70,622,087**	66,314,288
FUNDS	12/13		
Unrestricted Income Funds		**70,622,087**	66,314,288
TOTAL FUNDS		**70,622,087**	66,314,288

The financial statements were approved by the members of the Board on

1 October 2026 and

are signed on their behalf by:

J Chestnutt
J Chestnutt (Oct 20, 2026 19:47:44 GMT+1)

J Chestnutt
Major General
Chair of the Corporate Trustee

The notes on pages 28 to 38 form part of the financial statements.

STATEMENT OF CASH FLOWS
For the nine-month period ending on 31 March 2026

	Note	For nine-month period ending on 31 March 2026 £	For the year ending on 30 June 2025 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash (used) from operating activities	See below	(2,100,683)	(3,100,372)
Cash flows from investing activities:			
Dividends and interest from investments		2,133,926	2,763,914
Proceeds from sale of investments		-	-
Net cash provided by investing activities:		2,133,926	2,763,914
Change in cash and cash equivalents in the reporting period		33,243	(336,458)
Cash equivalents at the beginning of the reporting period		1,086,172	1,422,630
Cash and cash equivalents at the end of the reporting period		1,119,415	1,086,172

RECONCILIATION OF NET INCOME TO NET CASHFLOW FROM OPERATING ACTIVITIES

Net Income for the reporting period per the statement of financial activities	4,307,799	(77,392)
Adjustments for:		
Depreciation charges	-	-
(Gains)/Losses on investments	(4,272,952)	(259,037)
Dividends and interest from investments	(2,133,926)	(2,763,914)
Decrease/(Increase) in debtors	1,103	3,403
(Decrease)/Increase in creditors	(2,707)	(3,432)
Net cash (used) from operating activities	(2,100,683)	(3,100,372)

The notes on pages 28 to 38 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

1 ACCOUNTING POLICIES

Basis of accounting
The financial statements have been prepared under the historical cost convention, except for investments which are included at fair value, and include the results of the Charity's operations which are described in the Trustees' Report and all of which are continuing. 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 FRS 102, effective 1 January 2019. The trust constitutes a public benefit entity as defined by FRS 102.

Income
All incoming resources are recognised when the charitable trust has entitlement to the funds, the receipt is probable, and the amount can be measured reliably. Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable, and the amount can be reliably measured. Investment income from loans and short-term deposits is accrued in relation to the period to which it relates. Other investment income from assets held in asset portfolios or current accounts is included when reported as received by the portfolio manager.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Grant expenditure
A constructive obligation for grants payable exists once it has been communicated to the recipient. Upon the obligation existing, where payment is probable and can be measured reliably, the entire grant is accounted for in the Statement of Financial Activities, less any amounts that rely upon the recipient meeting performance-related conditions.

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

1 ACCOUNTING POLICIES (continued)

Charitable activities

These are costs incurred on the charity trust's individual charitable activities, including support costs and costs relating to the governance of the charitable trust apportioned to charitable activities.

Investments
The charity's investment in managed portfolios is included in the balance sheet at fair value, being the portfolio values as specified in the published valuations at 31st March 2026.

Provisions
Provisions are recognised when the charitable trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Fund accounting
Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the charitable trust at the discretion of the trustees. Designated funds comprise a strategic fund reserved to the value of two years expenditure. There are currently no formally designated funds.

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.

Going concern policy
The trustee has considered the charity's forecasts, budgeted grant commitments, liquid resources and investment portfolio for a period of at least 12 months from the date on which these financial statements are authorised for issue. At 31 March 2026 the charity held net assets of £70.6 million, including investments of £69.5 million and net current assets of £1.1 million. Having regard to the discretionary nature of future grant expenditure and the availability of investment assets, the trustee considers that the charity has adequate resources to continue in operational existence for the assessment period. The financial statements have therefore been prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

2 DONATIONS

	Total Unrestricted Funds For nine-month period ending on 31 March 2026	Total Unrestricted Funds For the year ending on 30 June 2025
	£	£
Blue Light MOD Discount Scheme	**52,755**	79,692
Other donations	**-**	-
Legacy (Carpenter Estate)	**222,336**	-
	275,091	79,692

3 INVESTMENT INCOME

	Total Unrestricted Funds For nine-month period ending on 31 March 2026	Total Unrestricted Funds For the year ending on 30 June 2025
	£	£
Income from a UK managed fund	**1,950,557**	2,478,833
Income from Property Income Trust	**161,577**	245,525
Bank interest receivable	**21,792**	39,556
	2,133,926	2,763,914

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

4 COST OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Total Unrestricted Funds For nine-month period ending on 31 March 2026	Total Unrestricted Funds For the year ending on 30 June 2025
	£	**£**
Grant commitments at the start of the period	**8,760**	9,516
Grants awarded during the period	**2,283,363**	3,088,878
Grant commitments at the end of the period	**(5,000)**	(8,760)
Total grants paid in period	**2,287,123**	3,089,634

Total charitable activities	**Total Funds For nine-month period ending on 31 March 2026**	Total Funds For the year ending on 30 June 2025
	£	£
Grants awarded during the period (see above)	**2,283,363**	3,088,878
Support costs (see note 5)	**90,807**	91,156
	2,374,170	3,180,034

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

5 SUPPORT AND GOVERNANCE COSTS

	Total Unrestricted Funds	Total Unrestricted Funds
	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
	£	£
Salaries and contributions to pension & healthcare	52,168	53,600
Treasurers' fees	12,954	11,121
Legal Fees and Consultancy	2,402	9,289
Audit fees	2,710	3,040
Irrecoverable VAT	3,698	3,333
Secretariat expenses	5,337	5,868
Publication costs	5,862	319
Subscriptions	4,249	2,722
Trustees training	199	243
Trustees travel	1,070	1,449
Insurance costs	158	172
	90,807	91,156

6 NET EXPENDITURE / INCOME FOR THE YEAR

This is stated after charging:	**For nine-month period ending on 31 March 2026**	For the year ending on 30 June 2025
	£	£
Treasurers' remuneration	**12,954**	11,121
Auditors' remuneration – audit of the financial statements	**2,710**	3,040
Irrecoverable VAT	**3,698**	3,333
	19,362	17,494

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

7 STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
Key management personnel	**£**	£
Company Secretary - Salary and employee pension	**52,168**	53,600
	52,168	53,600

Particulars of employees:

The average number of employees during the year was 1 (2025 1), and calculated on the basis of full-time equivalents, this was as follows:

	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
	No	No
Number of administrative staff:	**0.75**	0.75

(Full-time from 1 January 2026)

No Director received any remuneration during the nine-month period.
No employee received emoluments of more than £60,000 during the nine-month period.

The requirement to accrue holiday pay has been considered but this has not been included in the accounts at 31 March 2026 due to the immaterial value of the potential adjustment.

8 IN KIND INCOME/EXPENDITURE

Parkdean Resorts and ACF support British Army service personnel with free holiday breaks. The value of this gift is £7,129, based on bookings made in the period 1st July 2025 to 31st March 2026.

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

9 INVESTMENTS

Movement in market value

	For nine-month period ending on 31 March			For the year ending on 30 June
	2026	**2026**	**2026**	2025
	Swiss Life PITCH	**AFCG&I**	**Total**	Total
	£	**£**	**£**	£
Fair value at 1 July 2025	**4,362,230**	**60,849,998**	**65,212,228**	64,953,192
Net gains on revaluations in the year ended 31 March 2026	**19,626**	**4,253,326**	**4,272,952**	259,036
Fair value at 31 March 2026	**4,381,856**	**65,103,324**	**69,485,180**	65,212,228
Historical cost at 31 March 2026	**5,000,000**	**29,395,919**	**34,395,919**	34,395,919

	For nine-month period ending on 31 March	For the year ending on 30 June
	2026	2025
	£	£
Listed investments		
BlackRock AFCG&I Income Units	**65,103,324**	60,849,998
Swiss Life UK PITCH Property Income Fund	**4,381,856**	4,362,230
	69,485,180	65,212,228

Historical Note

At 2 September 2002 the ACF Capital Fund valued at £31,604,555 was exchanged for Income/Distribution units in the then ACIF at £1 per unit. On 9 December 2019 the Charity's investment of £62,515,051.11 in the Armed Forces Common Investment Fund (AFCIF) was transferred to the Armed Forces Charities Growth & Income Fund (AFCG&I) at equal value and with the same number of shares.

Risk Management

The Charity's main capital investment is held in the Armed Forces Charities Growth & Income Fund, a sub-fund of the BlackRock Charity Authorised Investment Fund. It is a multi-asset fund with holdings in UK Equities, Overseas Equities, Fixed Income, Property and Alternatives. The balance of investments in the portfolio is actively managed by BlackRock Fund Managers Limited. The Charity is represented on the Advisory Committee, a consultative body which liaises with BlackRock on behalf of unitholders. The Charity's strategic reserve is invested in the Property Income Trust for Charities (PITCH), a charity property fund, managed by Swiss Life Asset Managers UK.

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

10 DEBTORS: Amounts falling due within one year

	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
	£	£
Prepayments	**1,638**	1,077
Other Debtors	**32,164**	33,828
	33,802	34,905

11 CREDITORS: Amounts falling due within one year

	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
	£	£
Grant commitments	**5,000**	8,760
Accruals	**11,310**	10,257
	16,310	19,017

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS
For the nine-month period ending on 31 March 2026

	Investments	**Net assets**	**Total**
	£	£	£
Unrestricted Income Funds	**69,485,180**	**1,136,907**	**70,622,087**
Total Funds	**69,485,180**	**1,136,907**	**70,622,087**

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS
For the year ending on 30 June 2025

	Investments	Net assets	Total
	£	£	£
Unrestricted Income Funds	65,212,228	1,102,060	66,314,288
Total Funds	65,212,228	1,102,060	66,314,288

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

13 Analysis of Movement in Funds

	Funds 1/7/2025 £	Income £	Expenditure £	Investment Gains £	Funds 31/03/26 £
Unrestricted Income Funds	**66,314,288**	**2,416,146**	**(2,381,299)**	**4,272,952**	**70,622,087**
Total Funds	**66,314,288**	**2,416,146**	**(2,381,299)**	**4,272,952**	**70,622,087**

	Funds 1/7/2024 £	Income £	Expenditure £	Investment Gains £	Funds 30/06/25 £
Unrestricted Income Funds	66,391,680	2,865,480	(3,201,908)	259,036	66,314,288
Total Funds	66,391,680	2,843,606	(3,180,035)	259,037	66,314,288

NOTES TO THE FINANCIAL STATEMENTS
For the nine-month period ending on 31 March 2026

14 RELATED PARTY TRANSACTIONS

Register of Trustees' Complementary Interests

During the ACF accounting nine month period from 1 July 2025 to 31 March 2026 there were no Directors of ACF Trustee Ltd who were also trustees of other charities which benefitted from grants made by the ACF (2025: none)

During the ACF accounting nine-month period from 1 July 2025 to 31 March 2026 there were four Directors of ACF Trustee Ltd who were reimbursed for travel expenses totalling £1,070 (2025: six Directors £1,319).

15 COMMITMENTS

Grants 2025/2026
At the meeting of the Board held on 21 May 2025 it was decided that the financial year of the Charity should be changed for FY25/26 to run from 1 July 2025 to 31 March 2026. Subsequent financial years would then begin on 1 April each year. As a result, the grant applications initially agreed 'in principle' by the Board had to be reconsidered owing to a reduced grant-making budget. The Board decided out of committee to award grants totalling £1,920,690 to recipients previously agreed 'in principle' for the year beginning 1 July 2025.

Pledges of Support
Forward grant commitments are accrued in full and recognised at the time award letters are disseminated to recipients. The only grant commitment included as a liability at 31 March 2026 is £5,000 remaining for the Army Roll of Honour.

MANAGEMENT INFORMATION
For the nine-month period ending on 31 March 2026

The following pages do not form part of the statutory financial statements which are subject to the independent auditor's report on pages 19 to 23.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For the nine-month period ending on 31 March 2026

	For nine-month period ending on 31 March 2026 £	For the year ending on 30 June 2025 £
INCOME FROM		
Donations		
Other donations	**275,091**	79,692
	275,091	79,692
Investment Income		
Income from investments	**2,112,134**	2,724,358
Bank interest receivable	**21,792**	39,556
	2,133,926	2,763,914
In Kind Income	**7,129**	21,874
TOTAL INCOME	**2,416,146**	2,865,480
EXPENDITURE		
Charitable Activities		
Grants awarded during the year	**2,283,363**	3,088,879
	2,283,363	3,088,879
Support and Governance Costs		
Salaries and contributions to pension & healthcare	**52,168**	53,600
Treasurers' fees	**12,954**	11,121
Legal Fees and Consultancy	**2,402**	9,289
Audit fees	**2,710**	3,040
Irrecoverable VAT	**3,698**	3,333
Secretariat expenses	**5,337**	5,868
Publication costs	**5,862**	319
Subscriptions	**4,249**	2,722
Trustees training	**199**	243
Trustees travel	**1,070**	1,449
Insurance costs	**158**	172
	90,807	**91,156**
In Kind Expenditure	**7,129**	21,874
TOTAL EXPENDITURE	**2,381,299**	**3,201,908**
NET INCOME/(EXPENDITURE) FOR THE YEAR	**34,847**	(336,428)

CHARITABLE ACTIVITIES - GRANTS PAID	**For nine-month period ending on 31 March 2026**	For the year ending on 30 June 2025
	£	£
Army Sport. Staff and management costs	**499,603**	719,691
Army Families Federation. Staff and management costs	**447,260**	545,391
Army Command Grant. Welfare funding	**335,550**	760,000
Warrior Programme. Mental health resilience	**206,000**	200,000
Defence Medical Welfare Service. Army patients in NHS hospitals	**135,478**	98,000
Home-Start UK. Supporting families with young children	**100,000**	75,000
HighGround	**89,494**	44,080
Aurora New Dawn. Domestic Violence support service	**80,000**	80,000
Vector 24	**64,575**	-
AWS Activity Camps	**60,000**	60,000
Army Adventurous Training Group	**50,000**	-
Forces Employment Charity	**50,000**	50,000
SSAFA - Short Breaks. Children with additional needs	**43,777**	40,000
Reading Force	**20,000**	15,000
Armed Forces Equestrian Charity	**19,331**	-
Horseback UK	**16,093**	15,624
Families and Babies	**13,964**	-
REORG	**12,500**	-
Victory Services Club	**12,500**	-
Forces Wives Challenge	**9,188**	-
Give Us Time	**9,000**	8,000
Kings Active Foundation	**6,910**	-
Shared Parenting Scotland	**5,900**	4,900
Command Grant - Army (minor grants)	**-**	29,500
SSAFA - Norton House. Costs of visitor accommodation	**-**	65,000
Army Roll of Honour	**(3,760)**	-
Addiction Family Support	**-**	10,000
Ex ATLAS ENDURO	**-**	2,500
Ex EAGLE'S ENDURANCE	**-**	6,000
Families' Activities Breaks	**-**	30,000
Fares4Free	**-**	61,500
Felix Fund	**-**	20,670
Fisher House (Queen Elizabeth Hospital Birmingham Charity)	**-**	50,000
Forces Children Scotland	**-**	5,040
Gwennili Trust	**-**	9,500
HAC Everest Expedition	**-**	11,200

	For nine-month period ending on 31 March 2026	For the year ending on 30 June 2025
CHARITABLE ACTIVITIES - GRANTS PAID	**£**	£
On Course Foundation Golf Activities	**-**	6,180
Recruit for Spouses	**-**	8,640
Relate	**-**	51,038
TEAM V3NTURE	**-**	6,425
	2,283,363	3,088,879