

Charity number: 305152

Surrey Army Cadet Force Association

Unaudited

Trustees' report and financial statements

For the year ended 31 December 2024

Surrey Army Cadet Force Association

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Surrey Army Cadet Force Association

Reference and administrative details of the charity, its Trustees and advisers For the year ended 31 December 2024

Trustees Rev. Canon N P Nicholson DL
Colonel (Ret'd) D K G Cox OBE
Colonel (Ret'd) E A Mulder
M J Gerrard QPM DL
Brigadier (Ret'd) P A D Evans OBE DL
Colonel (Ret'd) P T Crowley MBE DL
N F Harnby (appointed 27 May 2024)

Charity registered number 305152

Principal office 3rd Floor, Afon Building
Worthing Road
Horsham
West Sussex
RH12 1TL

Independent Examiners Graham Hunt FCA
Kreston Reeves LLP
Chartered Accountants
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Bankers Barclays Bank
2 Carfax
Horsham
West Sussex
RH12 1DN

Solicitors DMH Stallard
3rd Floor, Afon Building
Worthing Road
Horsham
West Sussex
RH12 1TL

Investment Manager Evelyn Partners
45 Gresham Street
London
EC2V 7BG

Surrey Army Cadet Force Association

Trustees' report

For the year ended 31 December 2024

The Trustees present their annual report together with the financial statements for the year 1 January 2024 to 31 December 2024. The trustees have adopted the provisions of 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust was created by a Declaration of Trust dated 1 October 1971 as amended by the Resolutions of the trustees dated 17 November 1986 and 21 April 1996.

The trustees are invited to join the Board of Trustees after appropriate consideration amongst existing trustees and other interested parties.

The trustees at the year end are stated in the reference and administrative details information on page 1. The trustees who acted during the year are below:

Rev. Canon N P Nicholson DL
Colonel (Ret'd) D K G Cox OBE
Colonel (Ret'd) E A Mulder
M J Gerrard QPM DL
Brigadier (Ret'd) P A D Evans OBE DL
Colonel (Ret'd) P T Crowley MBE DL
N F Harnby (appointed 27 May 2024)

The administration of the trust is controlled by the trustees.

Colonel (ret'd) D Cox acts as the Administrating Trustee, co-ordinating matters between trustees, officers, third parties, professional advisers and providers.

OBJECTIVES AND ACTIVITIES

The Trust was established for the furtherance of education and the training and development of young people through their leisure-time activities so as to develop their physical, mental and spiritual capacities so that they may grow to full maturity as individuals and members of society and that their conditions of life may be improved.

The trustees continue to apply the income derived from the invested funds to meet the objectives laid down in the Declaration of Trust through the payment of grants. Preference is given to the cadets serving in the Surrey Army Cadet Force and their associated activities but if funds are available the trustees will consider applications from other youth orientated organisations with similar aims.

The trustees provide Surrey Army Cadet Force (SACF) with an annual grant budget of £20k for which there are pre-agreed expenditure headings and can be drawn down by application via Hon Treasurer. Any SACF requirement outside of the budget headings and /or in excess of the £20k as well as any applications from other organisations must be approved by the trustees.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

The accounting period of the Association ends on 31 December of each year. The Association continues to maintain substantial funds mainly due to the generous bequest of the late Major Richard Maydwell.

At 31 December 2024 the fund balance stood at £2,115,345 of which £1,743,149 is a permanent endowment.

Grants to cadets and for their associated activities amounted to £19,807.

Surrey Army Cadet Force Association

Trustees' report (continued) For the year ended 31 December 2024

The Association has expended a significant amount in the year out of unrestricted funds and intends to continue doing this as long as funds are available. Governance costs were £5,520.

During the year the Association had realised and unrealised gains of £119,990 on its investments.

The trustees will continue to make the adjustments necessary, whether to grant approvals or to investment policy, to ensure that funds are sufficient to meet expenditure. They have reiterated their wish to see the allocation of monies to assist as many cadets and cadet activities as possible whilst at the same time looking for any other worthy organisations to support where they fall within the objectives of the charity.

RESERVES

The trustees have resolved upon a policy for dealing with reserve funds as follows:-

1. The level of unrestricted funds of the Association was £372,196 as at 31st December 2024 of which £303,283 are represented by Fixed Asset Investments. The trustees policy is to retain the investment in the long term with the income being utilised for grants. The level of reserves to meet the expenditure of the Association was therefore £68,913.
2. The Association has a permanent endowment, the income from which is used to meet general unrestricted expenditure.
3. The trustees consider it prudent to maintain sufficient available reserves to meet the objectives of the Association for the forthcoming year. The trustees review the level of reserves against potential demand and, where appropriate, may reinvest a surplus into the investment portfolio.
4. Further details of the funds are set out in note 8 of the financial statements.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future. Therefore, they consider it appropriate to prepare the financial statements on a going concern basis.

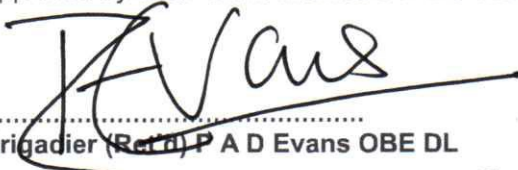
PUBLIC BENEFIT REPORTING

The trustees have had due regard to the Charity Commission guidance on public benefit whilst setting the objects and activities of the charity. Details of the public benefit provided by the Association are set out earlier in this report.

RISK ASSESSMENT

The trustees review financial and other risks where appropriate and have established procedures to ensure that all transactions, activities and projects are properly authorised.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Brigadier (Retd) P A D Evans OBE DL

Date: 7th March 2025

Surrey Army Cadet Force Association

Independent examiner's report For the year ended 31 December 2024

Independent examiner's report to the Trustees of Surrey Army Cadet Force Association ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

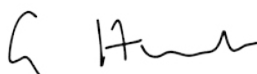
I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Graham Hunt FCA

Kreston Reeves LLP
Chartered Accountants
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Date: 25 March 2025

Surrey Army Cadet Force Association

Statement of financial activities
For the year ended 31 December 2024

	Note	Unrestricted funds 2024 £	Permanent endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Investments		43,257	-	43,257	39,236
Other income		1,269	-	1,269	794
Total income and endowments		44,526	-	44,526	40,030
Expenditure on:					
Raising funds	2	17,395	-	17,395	16,814
Charitable activities:					
Grants payable to SACF		19,807	-	19,807	29,347
Other grants payable		3,331	-	3,331	3,710
Support and governance costs	2	6,002	-	6,002	3,973
Total expenditure		46,535	-	46,535	53,844
Net expenditure before net gains on investments		(2,009)	-	(2,009)	(13,814)
Net gains on investments	4	30,890	89,100	119,990	72,217
Net movement in funds		28,881	89,100	117,981	58,403
Reconciliation of funds:					
Total funds brought forward		343,315	1,654,049	1,997,364	1,938,961
Net movement in funds		28,881	89,100	117,981	58,403
Total funds carried forward	8	372,196	1,743,149	2,115,345	1,997,364

The notes on pages 7 to 13 form part of these financial statements.

Surrey Army Cadet Force Association

Balance sheet
As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	4	2,046,432	1,952,675
Current assets			
Other debtors and accrued income	6	8,877	-
Cash at bank and in hand		68,336	52,149
		<u>77,213</u>	<u>52,149</u>
Creditors: amounts falling due within one year	7	(8,300)	(7,460)
Net current assets		<u>68,913</u>	<u>44,689</u>
Total net assets		<u>2,115,345</u>	<u>1,997,364</u>
Charity funds			
Permanent endowment funds	8	1,743,149	1,654,049
Unrestricted funds	8	372,196	343,315
Total funds		<u>2,115,345</u>	<u>1,997,364</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Brigadier (Ret'd) P A D Evans OBE DL

Date: 7th March 2025



Colonel (Ret'd) D K G Cox OBE
(Trustee)

The notes on pages 7 to 13 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2024**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) (second edition - October 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Charity does not include a cash flow statement on the grounds that it is a small charity.

Surrey Army Cadet Force Association constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in Sterling and rounded to the nearest £.

1.2 Income

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

1.3 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.

Costs of Raising Funds are costs incurred in managing the fixed asset investment portfolio.

Grants payable are included in the Statement of Financial Activities when approved for payment by the trustees. Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the Statement of Financial Activities once the recipient of the grant has provided the specific service or output. Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in 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.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

**Notes to the financial statements
For the year ended 31 December 2024**

1. Accounting policies (continued)

1.4 Interest receivable

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

1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains on investments' in the Statement of Financial Activities.

1.6 Debtors

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

1.7 Cash at bank and in hand

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

The balance includes cash held by the investment managers.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 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.

Surrey Army Cadet Force Association

Notes to the financial statements For the year ended 31 December 2024

1. Accounting policies (continued)

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Income from the permanent endowment is available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Investment gains and losses and changes in market value of assets comprising the endowment are accumulated as part of the endowment to maintain its long-term capital value.

Further details of each fund are disclosed in note 8.

2. Other costs

	Cost of raising funds 2024 £	Support and governance costs 2024 £	Total funds 2024 £
Bank charges and sundry	-	482	482
Accountancy fees (governance cost)	-	4,870	4,870
Investment management fee	17,395	-	17,395
Independent examiner's fee (governance cost)	-	650	650
	<u>17,395</u>	<u>6,002</u>	<u>23,397</u>

	Cost of raising funds 2023 £	Support and governance costs 2023 £	Total funds 2023 £
Bank charges and sundry	-	333	333
Accountancy fees (governance cost)	-	3,040	3,040
Investment management fees	16,814	-	16,814
Independent examiner's fee (governance cost)	-	600	600
	<u>16,814</u>	<u>3,973</u>	<u>20,787</u>

Total governance costs for the year amounted to £5,520 (2023: £3,640). Total remuneration paid to the independent examiner relates to independent examination fees of £650 (2023: £600) and other accountancy services fees of £4,870 (2023: £3,040).

Surrey Army Cadet Force Association

Notes to the financial statements For the year ended 31 December 2024

3. Analysis of grants

The Charity has made the following material grants to institutions during the year:

	2024 £	2023 £
Surrey Army Cadet Force Association	19,807	29,347
Other grants	3,331	3,710
	<u>23,138</u>	<u>33,057</u>

Other grants are made up of 6 (2023: 4) grants to local charities.

4. Fixed asset investments

	Fixed Asset Investment £
Cost or valuation	
At 1 January 2024	1,952,675
Additions	349,283
Disposals	(375,516)
Revaluations	119,990
At 31 December 2024	<u>2,046,432</u>

5. Taxation

The charity is a registered charity and its income falls under the various exemptions available to registered charities.

6. Other debtors and accrued income

	2024 £	2023 £
Due within one year		
Prepayments and accrued income	<u>8,877</u>	<u>-</u>

7. Creditors

	2024 £	2023 £
Accruals	<u>8,300</u>	<u>7,460</u>

Surrey Army Cadet Force Association

Notes to the financial statements
For the year ended 31 December 2024

8. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds						
Designated funds						
Capital reserve	311,595	-	-	(945)	16,242	326,892
General funds						
General Reserve Funds	31,720	44,526	(46,535)	945	14,648	45,304
Total Unrestricted funds	343,315	44,526	(46,535)	-	30,890	372,196
Endowment funds						
Permanent Endowment funds	1,654,049	-	-	-	89,100	1,743,149
Total of funds	1,997,364	44,526	(46,535)	-	119,990	2,115,345

Surrey Army Cadet Force Association

Notes to the financial statements
For the year ended 31 December 2024

8. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
Designated funds						
Cadet 150	173,642	-	-	(189,410)	15,768	-
Capital reserve	-	-	-	311,595	-	311,595
	<u>173,642</u>	<u>-</u>	<u>-</u>	<u>122,185</u>	<u>15,768</u>	<u>311,595</u>
General funds						
General Reserve Funds	161,589	40,030	(53,844)	(122,185)	6,130	31,720
	<u>161,589</u>	<u>40,030</u>	<u>(53,844)</u>	<u>(122,185)</u>	<u>6,130</u>	<u>31,720</u>
Total Unrestricted funds	<u>335,231</u>	<u>40,030</u>	<u>(53,844)</u>	<u>-</u>	<u>21,898</u>	<u>343,315</u>
Endowment funds						
Permanent Endowment funds	1,603,730	-	-	-	50,319	1,654,049
	<u>1,603,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,319</u>	<u>1,654,049</u>
Total of funds	<u><u>1,938,961</u></u>	<u><u>40,030</u></u>	<u><u>(53,844)</u></u>	<u><u>-</u></u>	<u><u>72,217</u></u>	<u><u>1,997,364</u></u>

Notes to the financial statements
For the year ended 31 December 2024

9. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Fixed asset investments	303,283	1,743,149	2,046,432
Current assets	77,213	-	77,213
Creditors due within one year	(8,300)	-	(8,300)
Total	372,196	1,743,149	2,115,345

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Fixed asset investments	312,819	1,639,856	1,952,675
Current assets	37,956	14,193	52,149
Creditors due within one year	(7,460)	-	(7,460)
Total	343,315	1,654,049	1,997,364

Following a Trustees' meeting on 15 November 2023, to preserve its capital, the charity reorganised its reserves into three distinct funds.

There was no change to the permanent endowment fund which requires its capital to be maintained. The income generated from the permanent endowment assets is available to fund the general objectives of the charity.

The funds previously held in the Cadet 150 fund, a designated fund set up by the trustees for funds donated, collected and promised to celebrate the 150th anniversary of the cadet forces, were transferred to a newly established, designated, unrestricted, capital reserve fund. While income generated from the capital reserve fund assets is available to fund the general objectives of the charity, the capital in the fund can only be depleted with the unanimous support of the trustees and then only subject to meeting the strict guidelines set out in the charity's rules.

The general reserve fund now represents the balance of funds held in the charity's bank current account.

10. Trustees' remuneration and expenses, employees and related party transactions

One trustee received reimbursed expenses of £434 (2023: £150). No trustees received any remuneration in the year (2023 - £Nil).

The charity had no employees in the year or prior year.

There have been no related party transactions in the current or prior year.