

REGISTERED COMPANY NUMBER: 01673256 (England and Wales)
REGISTERED CHARITY NUMBER: 285809

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2017
FOR
DUXFORD AVIATION SOCIETY

Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

DUXFORD AVIATION SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2017

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DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2017. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Society is governed by the provisions of its Memorandums and Articles of Association. The Objects of the Society (as updated at the 2017 AGM and with the Charities Commission) are:

The advancement of education of the general public in the history of British civil aviation by maintaining, developing and presenting the 'British Airliner Collection' and associated artefacts (through physical interaction and various electronic media).

The advancement of education of the general public in historic military vehicles by maintaining, developing and displaying the Society's own collection of military vehicles (through physical interaction and various electronic media) and assisting the Imperial War Museum, and other charitable organisations having similar objects, in maintaining their own military vehicles.

The Society commenced operations on 23 February 1983 by taking over the property, assets, liabilities and undertaking of the unincorporated body known as "The Duxford Aviation Society".

When planning the activities of the Society, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of education, and consider that its continued activities of restoration, conservation and exhibition of historic aircraft and military vehicles satisfy the requirements of the public benefit test.

In order to achieve these objectives, the Society opens its historic aircraft and military vehicles to the public in a variety of ways; providing members of the public with rides in armoured personnel carriers and publishes and updates a brochure on the historic British Airliner Collection, detailing the history and development of those aircraft displayed by the Society at Duxford. Increasingly, through its extensive knowledge and archives, the Society acts as a source of information and expertise for enthusiasts, other museums, scholars and researchers.

The site at Duxford Airfield, Cambridgeshire, is operated by IWM Duxford and The Society is a major partner of the IWM, cooperating with and supporting their activities.

Significant activities

During the year The Society has made use of volunteers to assist with its own activities and operations carried out by IWM Duxford. Throughout 2017 an average of 220 volunteers have been involved in civil aircraft restoration, civil aircraft stewarding, military vehicle restoration, archiving, selling donated books and artefacts, etc.

Volunteers assisted IWM and The Fighter Collection in the running of the air shows at Duxford.

The Society's Military Vehicle Wing continued to work closely with IWM, restoring and preserving its historic military exhibits.

The Society also works closely with IWM Duxford on a range of other matters and has regular strategy meetings at which longer term plans are discussed.

As explained in the 2016 Trustees Report, the decision had been made to close DAS Trading Ltd, the wholly owned trading arm of the Society. DAS Trading Ltd ceased trading at the end of 2016 and formal closure (strike off from Companies House Register) was completed in 2017. At the time of closure DAS Trading Ltd had an outstanding loan to Duxford Aviation Society of £20,044 which the Society had to write off. This was in line with the Trustees expectations at the time they took the decision to close DAS Trading Ltd. Write Off of the loan has incurred a tax charge of £3,858.

DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

OBJECTIVES AND ACTIVITIES

Public benefit

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The Trustees' key objectives for the year included:

- To maintain and restore the historic British Airliner Collection.
- To maintain and restore its historic Military Vehicle Collection
- To assist the IWM in maintaining/restoring Military objects
- To open historic civil airliners and military vehicles to the public (through various means such as open days, air shows, and events, as well as to regular museum visitors), providing stewardship and information as appropriate
- To maintain an adequate number of volunteers and utilise them efficiently.
- To continue to work with IWM in order to enhance the overall visitor attraction.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Achievements during the year can be summarised as follows:

1. With enthusiastic commitment from volunteers, repainting on the Trident and Britannia continued.
2. Extensive restoration work continued on the Handley Page Herald.
3. Together with the custodians of the individual aircraft, work continued on enhancing the interiors by acquiring and placing artefacts appropriate to each aircraft's period.
4. Regular routine maintenance and adjustment was carried out on all aircraft, for both corrosion prevention and safety reasons.
5. A major project to update and modernise the interior of Concorde (to provide an improved visitor experience) ran throughout the year and was largely completed by the year end.
6. Throughout this work Concorde continued to be open to visitors every day, with other airliners in AirSpace being opened as much as possible, together with those airliners located outside during summer months.
7. The Concorde nose lowering facility continued to be demonstrated on a monthly basis to large and appreciative crowds. The nose lowering was also demonstrated for various group visits (educational etc).
8. Heritage Concorde members continued to maintain and enhance the functionality of the Society's Concorde.
9. Monarch Airlines, who had been providing support for the loaned Britannia airliner, went out of business. Ownership of the aircraft was transferred to the Society and a number of ex-Monarch staff joined DAS as volunteers and continued to care for the aircraft and man it at air shows.
10. The airliners in AirSpace were cleaned.
11. The Society continued to sell Boarding passes at air shows, enabling visitors to access the interiors of airliners.
12. Evening events, in conjunction with on-site caterers, where the airliners located in AirSpace are open to guests, were at a lower level than previous years.
13. Aircraft continued to be hired for filming of adverts and TV productions.
14. The Military Vehicle Wing 'tank rides' on air show days continued, but corporate events remained at a fairly low level compared to earlier years.
15. The second hand aviation books, models and artefacts business remained strong. The volunteer team put an immense effort in to locating and acquiring the donated items and then selling them in the DAS shop or online.
16. The archiving team continued with the challenge of recording and archiving the Society's stock of equipment, instruments and spares.
17. Volunteers were again made available to the IWM to undertake air show security duties.

FINANCIAL REVIEW

Investment policy and objectives

The Trustees continue to pursue a provident and conservative investment policy which they believe is appropriate for the Society. The investment of reserves is spread across interest bearing deposits with major banks.

DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

FINANCIAL REVIEW

Reserves policy

The Trustees believe that the Society should maintain sufficient reserves and cash resources to ensure that it can operate satisfactorily taking into account the following demands:

- Many of the Society's exhibits are located in the open air and, as such, are subject to deterioration.
- The Society needs to ensure there are adequate funds available for the maintenance of its exhibits, and to meet any emergency repair situation, thereby ensuring that its historical assets are maintained in the best possible condition.
- The programme of updating and modernising the interior displays in all aircraft, essential to inform and educate visitors, continues and is a costly exercise.

Having reviewed the current level of reserves in the light of the above, the Trustees have concluded that it is prudent and appropriate to enable the Society to continue to meet its obligations.

General

The Trustees are satisfied that the Charity remains financially sound. As at 31 December 2017 total funds amounted to £2,402,692 and cash resources totalled £319,935.

Net Income/Expenditure in 2017 remained essentially the same at -£28,806 (2016 -£34,393). As mentioned above, detailed comparisons are difficult because of the major changes that took place in 2016. These are covered in the notes, but can be summarised as:

- Move of activities from DAS Trading Ltd to the Society as part of the programme to close the former. This was to reduce cost and resolve long-standing financial issues within DAS Trading Ltd.
- Transfer of assets from DAS Trading Ltd to the Society as a necessary part of that programme.
- Loss of income from Friends of Duxford.
- Loss of the ability to charge part of costs against Friends of Duxford.

FUTURE PLANS

Plans for the future include:

1. To continue to maintain the British Airliner Collection and DAS Military Vehicle collection in the best possible condition.
2. To focus on the presentation of these assets so that visitors to Duxford, and the outside world (via various media), have the opportunity to view and enjoy historic airliners, military vehicles and artefacts.
3. To continue to work closely with the IWM in areas such as military vehicle conservation, air show security, education and strategy development.
4. To promote and enhance the British Airliner Collection 'brand'.
5. To make every effort to add 'missing' British Airliner types to the collection.
6. To become a centre of excellence for information and data on historic British Airliners.
7. To continue to attract new members, particularly those with skills and experience that would be beneficial to the Society.
8. To continue the development and updating of the DAS strategic plan that ensures the Society's collections can continue to be available and accessible to the various stakeholders in whatever developments take place at IWM Duxford.
9. To develop marketing and income generation plans that serve the dual purpose of educating people and developing various ways of raising funds to maintain the Society's collections.
10. To achieve Museum Accreditation.

DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society was incorporated as a company limited by guarantee and not having a share capital on 21 October 1982. It was registered as a charity on 25 November 1982.

The governing document is the Memorandum and Articles of Association adopted on 1 December 2013.

Recruitment and appointment of new Trustees

The Company's Articles of Association require that all new appointments of Trustees must be full members of the Company and must be proposed by two full members. Full members are those who have been members for at least twelve months.

Also, under the Company's Articles of Association, one third of Trustees are required to resign from office, and may offer themselves for re-election, at each Annual General Meeting.

Organisational structure

The Company's revised Articles of Association, which were adopted on 1 December 2013, state that there shall be eight Directors, namely Chairman, Vice Chairman, Secretary, Treasurer, Registrar, Project Supervisor, Commercial and Marketing Director and the current Chairman of the Military Vehicle Wing.

The Directors shown below held office during the whole of the period from 1 January 2017 to the date of this Report:

- C Eaves-Walton - Public Relations Director
- D Hands - Chairman
- SC Jeal - Vice Chairman
- SL Peachey - Secretary

The following Director held office from 1 January 2017 until 15 May 2018:

- B Harris - MV Director

Other changes in Directors holding office in 2017 were as follows:

- PF Archer resigned as Treasurer on 29 October 2017
- PF Archer was elected as Operations Director (Aircraft) on 29 October 2017
- I Cox resigned as Registrar on 29 October 2017
- I Cox was elected as Strategy and Planning Director on 29 October 2017
- SC Jeal was elected to the combined post of Registrar/Vice Chairman on 29 October 2017
- A Rivers was co-opted as Marketing Director on 7 November 2017

Induction and training of new Trustees

As all new Trustees are required to be Members of the Society for at least one year, and as such are deemed to have some knowledge of the Society it is not thought necessary to have a formal induction procedure for new Trustees. However, all Trustees are encouraged to work closely with IWM and external organisations on subjects relevant to their individual roles. In addition, new Trustees are required to read the guidance given by the Charities Commission relating to Trustee duties and responsibilities.

Subsidiary Company

DAS Trading Limited ("DAST")

The accounts of DAST have not been consolidated as consolidation is not required under the Charity Accounting Regulations 2011.

DAST activities were ceased or transferred to the Society during 2016. No activities were undertaken in 2017 and DAS Trading Limited was struck off the Companies House Register in December 2017.

DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
01673256 (England and Wales)

Registered Charity number
285809

Registered office
87 Duxford Airfield
CAMBRIDGE
Cambridgeshire
CB22 4QR

Trustees

S C Jeal	
G R Beach	- appointed 24/7/2018
I J Cox	
D Hands	
S L Peachey	
P F Archer	
C M Eaves-Walton	
T Flett	- appointed 10/1/2017 - resigned 12/7/2017
A J Rivers	- appointed 7/11/2017
B F Harris	- resigned 15/5/2018

Company Secretary
S L Peachey

Independent examiner

Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

DUXFORD AVIATION SOCIETY

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Duxford Aviation Society for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
S L Peachey - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DUXFORD AVIATION SOCIETY**

Independent examiner's report to the trustees of Duxford Aviation Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2017.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Steven Ellis FCA
ICAEW
Staffords
Chartered Accountants
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

Date:

DUXFORD AVIATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2017

		2017	2016
		Unrestricted	Total
		funds	funds
		£	£
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	19,225	134,542
Other trading activities	4	126,754	48,095
Investment income	5	2,312	2,520
Total		<u>148,291</u>	<u>185,157</u>
EXPENDITURE ON			
Charitable activities	6		
Restoration and associated costs		172,672	132,428
Other		4,425	87,122
Total		<u>177,097</u>	<u>219,550</u>
NET INCOME/(EXPENDITURE)		<u>(28,806)</u>	<u>(34,393)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		2,431,498	2,465,891
TOTAL FUNDS CARRIED FORWARD		<u><u>2,402,692</u></u>	<u><u>2,431,498</u></u>

The notes form part of these financial statements

DUXFORD AVIATION SOCIETY

BALANCE SHEET
AT 31 DECEMBER 2017

		2017 Unrestricted funds £	2016 Total funds £
FIXED ASSETS	Notes		
Tangible assets	12	96,056	103,333
Heritage assets	13	1,979,025	1,979,025
Investments	14	-	100
		<u>2,075,081</u>	<u>2,082,458</u>
CURRENT ASSETS			
Stocks	15	4,757	2,638
Debtors	16	21,460	57,389
Cash at bank and in hand		319,935	297,483
		<u>346,152</u>	<u>357,510</u>
CREDITORS			
Amounts falling due within one year	17	(18,541)	(8,470)
NET CURRENT ASSETS		<u>327,611</u>	<u>349,040</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,402,692	2,431,498
NET ASSETS		<u>2,402,692</u>	<u>2,431,498</u>
FUNDS	19		
Unrestricted funds:			
General fund		436,328	465,134
Revaluation reserve		1,966,364	1,966,364
		<u>2,402,692</u>	<u>2,431,498</u>
TOTAL FUNDS		<u>2,402,692</u>	<u>2,431,498</u>

The notes form part of these financial statements

DUXFORD AVIATION SOCIETY

BALANCE SHEET - CONTINUED
AT 31 DECEMBER 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
D Hands -Trustee

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. LEGAL FORM

The charity is a registered charity registered in England and Wales and a company limited by guarantee having no share capital incorporated in England and Wales.

Its registered office and principal place of business is at 87 Duxford Airfield, CAMBRIDGE, Cambridgeshire CB22 4QR.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Donations are recognised on receipt. Gift Aid is recognised in the same period as the donation to which it relates.

Legacy income is recognised in full when the amount and timing can be quantified with reasonable accuracy. This is the earlier of the receipt of an interim distribution or the grant of probate.

The charity is VAT registered.

Turnover is the amount derived from ordinary activities, and stated after trade discounts, other sales tax, and net of VAT.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- at varying rates on cost
Aircraft and display equipment	- 5% on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 15% on cost

Assets costing less than £300 are not capitalised. Impairment reviews are carried out by the trustees annually.

Heritage assets

Heritage assets are carried at deemed cost following the transition to FRS 102 at 1 January 2015.

a) Military vehicles

The Charity's collection of military vehicles has been reclassified as heritage assets and is reported in the balance sheet at deemed cost.

It is the Charity's policy to maintain its collection of military vehicles in full working order and maintenance costs are charged to the Statement of Financial Activities when incurred. The vehicles are deemed to have indeterminate lives and the trustees do not therefore consider it appropriate to charge depreciation.

b) Aircraft

The Charity was donated a pre-production Concorde aircraft in 1977 which had been valued and included in the balance sheet as a heritage asset. The valuation was derived by the Trustees by averaging a range of values obtained using information collated regarding its value in use and insurance valuations. The value was then treated as the deemed cost on transition to FRS 102 on 1 January 2015 in line with the other heritage assets.

It is the Charity's policy to maintain the Concorde to a standard suitable for exhibition, and maintenance costs are charged to the Statement of Financial Activities when incurred. The aircraft is deemed to have an indeterminate life and the Trustees do not therefore consider it appropriate to charge depreciation.

In addition, the Charity holds a collection of post World War II civil airliners which have been donated in the past and are not recognised in the balance sheet as information on acquisition is not readily available and the Trustees believe the benefits of obtaining valuations for these items would not justify the cost. Nearly all items in the collection are thought to have little or no financial value as there is no active market for such aircraft. The vast majority of the items in the collection were acquired over twenty years ago.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

Fixed asset investments

Fixed asset investments comprising investment in the Charity's trading subsidiary are accounted for on a cost basis as the Trustees consider the market value of this investment to not exceed the cost.

The subsidiary has not been consolidated as the group income does not exceed the threshold where this is required.

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.

Cash and bank and in hand

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

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 estimated or measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

3. DONATIONS AND LEGACIES

	2017	2016
	£	£
Donations	14,113	16,307
Subscriptions	5,112	118,235
	<u>19,225</u>	<u>134,542</u>

Included in subscription income are movements on deferred income as follows:

	2017	2016
	£	£
Receipts in year	4,667	7,553
Released deferred income from previous year	1,142	111,824
Income deferred to the following year	(697)	(1,142)
Subscription income recognised in year	<u>5,112</u>	<u>118,235</u>

Subscription income is deferred where the subscription period straddles the year end - the amount relating to subscription periods after 31 December 2017 are deferred.

Donations include donated equipment for aircraft restoration and donated labour of volunteers working on the maintenance of the Concorde. Donated equipment worth £861 was received in the year (2016: £900) and donated labour to the value of £3,776 was received in the year (2016: £4,500). This is based on an estimated salary cost per hour of £16 (2016: £15).

4. OTHER TRADING ACTIVITIES

	2017	2016
	£	£
Fundraising events	55,099	8,745
Bookshop, canteen & other sales	36,350	20,846
Recharges	305	1,004
IWM Concorde fees	35,000	17,500
	<u>126,754</u>	<u>48,095</u>

Please refer to the Financial Review under General for a description of the changes to the activities of the charity during the year.

5. INVESTMENT INCOME

	2017	2016
	£	£
Deposit account interest	<u>2,312</u>	<u>2,520</u>

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7)	Totals
	£	£
Restoration and associated costs	172,672	172,672

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2017	2016
	£	£
Staff costs	63,239	31,364
Insurance	9,684	9,587
Equipment repairs, maintenance and fuel	26,935	41,394
Selling costs	3,380	178
Members' events	1,186	228
Airshows	3,846	2,624
Stationery, communications and marketing	3,597	4,703
Bank charges and interest	1,800	1,313
Travelling	1,844	919
Miscellaneous office costs	6,168	13,656
Donations	68	34
Goods for resale	2,159	3,186
Office and yard rent	2,685	3,321
Depreciation	22,179	19,921
Exceptional items	23,902	-
	<u>172,672</u>	<u>132,428</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation - owned assets	22,178	19,920
Independent Examiner's fee	2,250	2,635
Independent Examiner's fee for other compliance work	2,175	1,012

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016 .

Trustees' expenses

The totals paid in reimbursed travel expenses in the year were £NIL (2016: £139) to D E Norman and £NIL (2016: £113) to D Hands and £73 (2016: £NIL) to B Harris.

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

10. STAFF COSTS

	2017	2016
	£	£
Wages and salaries	<u>63,239</u>	<u>31,364</u>

The average monthly number of employees during the year was as follows:

	2017	2016
Aircraft restoration	1	1
Administration	2	2
Aircraft stewards	6	7
Military Vehicles drivers	1	2
	<u>10</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

The above staff analysis is based on payments to them in a given calendar month. Very few of the charity's staff are paid more than a small fraction of a Full Time Equivalent (FTE) salary for the roles involved. On an FTE basis the two primary staff areas for both of the last two years have been the Aircraft restoration and the Administration, totalling 1 FTE each.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	134,542
Other trading activities	48,095
Investment income	2,520
Total	<u>185,157</u>
EXPENDITURE ON	
Charitable activities	
Restoration and associated costs	132,428
Other	87,122
Total	<u>219,550</u>
NET INCOME/(EXPENDITURE)	<u>(34,393)</u>

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
RECONCILIATION OF FUNDS	
Total funds brought forward	
As previously reported	2,455,891
Prior year adjustment	10,000
As Restated	2,465,891
 TOTAL FUNDS CARRIED FORWARD	2,431,498

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Aircraft and display equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2017	36,436	289,645	61,729	8,384	396,194
Additions	-	14,901	-	-	14,901
At 31 December 2017	36,436	304,546	61,729	8,384	411,095
 DEPRECIATION					
At 1 January 2017	975	244,077	42,554	5,255	292,861
Charge for year	1,649	15,571	3,901	1,057	22,178
At 31 December 2017	2,624	259,648	46,455	6,312	315,039
 NET BOOK VALUE					
At 31 December 2017	33,812	44,898	15,274	2,072	96,056
At 31 December 2016	35,461	45,568	19,175	3,129	103,333

13. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2017 and 31 December 2017	1,979,025
 NET BOOK VALUE	
At 31 December 2017	1,979,025
At 31 December 2016	1,979,025

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2017	100
Disposals	(100)
	<u> </u>
At 31 December 2017	-
	<u> </u>
 NET BOOK VALUE	
At 31 December 2017	-
	<u> </u>
At 31 December 2016	100
	<u> </u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

DAS Trading Limited

Nature of business: restoration, conservation and exhibition of civil

Class of share:	%
Ordinary	100

	2017	2016
	£	£
Aggregate capital and reserves	-	(18,768)
Profit for the year	-	991
	<u> </u>	<u> </u>

DAS Trading Limited ceased trading on 31/12/2016 and its assets were transferred to the Charity at net book value at that date. The trade is considered to fall within primary purpose trading for the Charity.

As noted elsewhere in these Financial Statements, the company was formally struck off with Companies House during the year, with dissolution taking place in December 2017.

15. STOCKS

	2017	2016
	£	£
Finished goods	4,757	2,638
	<u> </u>	<u> </u>

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	13,020	2,578
Amounts owed by group undertakings	-	36,522
Other debtors	8,440	18,289
	<u>21,460</u>	<u>57,389</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	4,483	2,776
Tax	3,858	-
Social security and other taxes	1,142	682
VAT	4,424	295
Other creditors	65	-
Accruals and deferred income	4,569	4,717
	<u>18,541</u>	<u>8,470</u>

Trade creditors are paid within credit terms, typically 30 days. Social security taxes are paid by the 19th of the following month, VAT is paid by the quarter due date. Accruals are settled when the invoice relating to the cost is receivable.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Between one and five years	1,075	1,260
	<u>1,075</u>	<u>1,260</u>

During the year the charity paid lease payments of £976 (2016: £758).

19. MOVEMENT IN FUNDS

	At 1/1/17	Net movement in funds	At 31/12/17
	£	£	£
Unrestricted funds			
General fund	465,134	(28,806)	436,328
Revaluation reserve	1,966,364	-	1,966,364
	<u>2,431,498</u>	<u>(28,806)</u>	<u>2,402,692</u>
TOTAL FUNDS	<u>2,431,498</u>	<u>(28,806)</u>	<u>2,402,692</u>

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	148,291	(177,097)	(28,806)
TOTAL FUNDS	<u>148,291</u>	<u>(177,097)</u>	<u>(28,806)</u>

Comparatives for movement in funds

	At 1/1/16 £	Prior year adjustment £	Net movement in funds £	At 31/12/16 £
Unrestricted Funds				
General fund	499,527	-	(34,393)	465,134
Revaluation reserve	1,956,364	10,000	-	1,966,364
	<u>2,455,891</u>	<u>10,000</u>	<u>(34,393)</u>	<u>2,431,498</u>
TOTAL FUNDS	<u>2,455,891</u>	<u>10,000</u>	<u>(34,393)</u>	<u>2,431,498</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	185,157	(219,550)	(34,393)
TOTAL FUNDS	<u>185,157</u>	<u>(219,550)</u>	<u>(34,393)</u>

DUXFORD AVIATION SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2017

20. RELATED PARTY DISCLOSURES

DAS Trading Limited (company number 01251080)

DAS Trading Ltd has continued to receive a loan facility from the charity to finance its day to day cash requirements. At the year end this debt was £NIL (2016: £36,522).

	2017	2016
	£	£
Amounts due from related party at the balance sheet date	-	36,522
	<u> </u>	<u> </u>

As referred to in the subsidiary note above and elsewhere in these Financial Statements, the subsidiary company was struck off the register with Companies House during the year following the cessation of activities at 31 December 2016. At the point of dissolution, a total balance owing from the subsidiary to the charity amounting to £20,044 was written off and will incur a tax charge of £3,858.

Key Management Personnel Remuneration

The trustees consider there to be no Key Management Personnel that receive remuneration.

21. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees, there is no one ultimate controlling party.

DUXFORD AVIATION SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	14,113	16,307
Subscriptions	5,112	118,235
	<hr/>	<hr/>
	19,225	134,542
Other trading activities		
Fundraising events	55,099	8,745
Bookshop, canteen & other sales	36,350	20,846
Recharges	305	1,004
IWM Concorde fees	35,000	17,500
	<hr/>	<hr/>
	126,754	48,095
Investment income		
Deposit account interest	2,312	2,520
	<hr/>	<hr/>
Total incoming resources	148,291	185,157
EXPENDITURE		
Charitable activities		
Wages	63,239	31,364
Insurance	9,684	9,587
Equipment repairs, maintenance and fuel	26,935	41,394
Selling costs	3,380	178
Members' events	1,186	228
Airshows	3,846	2,624
Stationery, communications and marketing	3,597	4,703
Bank charges and interest	1,800	1,313
Travelling	1,844	919
Miscellaneous office costs	6,168	13,656
Donations	68	34
Goods for resale	2,159	3,186
Office and yard rent	2,685	3,321
Depreciation of tangible fixed assets	22,179	19,921
Exceptional items	23,902	-
	<hr/>	<hr/>
	172,672	132,428
Other		
Donations	-	83,475
Audit or examination fees	4,425	3,647
	<hr/>	<hr/>
	4,425	87,122
Total resources expended	<hr/>	<hr/>
	177,097	219,550

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DUXFORD AVIATION SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	£	£
Net expenditure	<u>(28,806)</u>	<u>(34,393)</u>

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