

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Company Information

Directors	David Reid Aideen Sloan Stuart James Robert Sloan Jack Groom – D&G Council Nominee Joe Burns Jym Francey John Hilsley Jim Kilbride Mike Lavery John Lange Paul Mackey Douglas Oberhiem Robert Sloan Jnr
Secretary	Stuart James
Company Number	SC257787
Charity Number	SC035189
Registered Office	Old Control Tower Heathhall Industrial Estate Heathhall Dumfries DG1 3PH
Independent Examiner	Gareth Michael Hastings LL.B. C.A. Williowbank Over Auchentiber Fulwood Ayrshire KA3 5LA

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Contents

	Page
Directors' Report	1 – 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5 – 6
Notes to the Financial Statements	7 – 10

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Directors' Report
For the year ended 31st October 2013

The trustees of the company, who are also directors of the charity for the purpose of the Companies Act, present their report and the financial statements for the year ended 31st October 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

Structure, governance and management

Dumfries and Galloway Aviation Museum was constituted as a company limited by guarantee and not having a share capital by Memorandum and Articles of Association. The company was incorporated on 17th October 2003 and the liability of the members is limited to £1.00 each. The directors are appointed in accordance with the Memorandum and Articles of Association. The company is registered as a charity under reference SC035189.

The directors who served during the year are as stated below:

David Reid
Aideen Sloan (elected 19th January 2013)
Stuart James
Robert Sloan
Jack Groom
Joe Burns (elected 19th January 2013)
Jym Francey
John Hilsley
Jim Kilbride
Mike Lavery
John Lange
Paul Mackey
Douglas Oberhiem
Robert Sloan Jnr

The company's Articles of Association do not require the directors to retire by rotation.

Statement of trustee's responsibilities

The trustees are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are 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.

Risk Management

The directors have assessed the major risks to which the charity is exposed, in particular those relating to the operations and financing of the company and are satisfied that systems are in place to mitigate exposure to these.

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Objects and activities

The principle activity of the company is the running and maintenance of the Aviation Museum. The company's objects are the education of the general public and school children by the presentation of aviation artefacts and memorabilia with an emphasis on the aviation history of Dumfries and Galloway.

Financial review

The accounts have been prepared in accordance with the current statutory requirements and the company's Memorandum and Articles of Association. The results for the year show a net surplus of £68,355 as opposed to a net surplus of £56,174 in the previous year.

The most significant development within the financial year was the purchase of the museum site. The purchase was funded in part by grants from The Holywood Trust, Dumfries and Galloway Council, The Robertson Trust and the Landfill Communities Fund. The terms of one of the grants requires notification of the funder and repayment of funds in the event the museum sells the site. Given the importance of the control tower to the museum, the directors intend to retain ownership of the site indefinitely.

Another important development at the museum this year was the donation by Dumfries and Galloway Council of an ex-school building to be used as the museum's entrance and shop. Costs associated with the transport and commissioning of the building and related works around the site totalled £9,911 in the year.

Adjusting the net surplus for the above mentioned projects, donations-in-kind and depreciation gives a surplus from ongoing activities of £5,816.

Reserves Policy

The directors have identified the need to maintain a reserve sufficient to cover the costs of approximately three months expenditure relating to overhead costs, estimated at £9000. Unrestricted reserves as at 31st October 2013 are in excess of this amount.

Small Company Exemptions

This report is prepared taking advantage of the small companies exemption of Section 415A of the Companies Act 2006.

This report was approved by the Board on 19th January 2014 and signed on its behalf by

Aideen Sloan

Aideen Sloan
Director

Dumfries & Galloway Aviation Museum
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Independent Examiner's Report to the Trustees of
Dumfries & Galloway Aviation Museum

I report on the accounts of the charity for the year ended 31st October 2013 which are attached as part of this document.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

- a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with regulation 8 of the 2006 Accounts Regulations
- have not been met, or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



19/1/14

Gareth Michael Hastings LL.B. C.A.
Williowbank
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Fulwood
Ayrshire
KA3 5LA

Dumfries & Galloway Aviation Museum
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Statement of Financial Activities (All Unrestricted Funds) Including Income and Expenditure Account
for the year ended 31st October 2013

		2013	2013	2013	2012
	Notes	£ Restricted Funds	£ Unrestricted Funds	£ Total	£ Unrestricted Funds
Incoming Resources					
Incoming resources from generated funds					
Voluntary Income					
Donations			3,436	3,436	3,168
Gifts in kind			30,000	30,000	60,105
Income from fundraising events			1,415	1,415	1,738
Interest receivable	0		0	0	0
Incoming resources from charitable activities					
Grants received		52,616		52,616	
Charitable income	3		23,084	23,084	26,276
Other Income					
Profit/(Loss) on disposal of Heritage Asset			0	0	0
Total Incoming Resources		52,616	57,934	110,550	91,287
Resources Expended					
Costs of fundraising events			559	559	1,139
Charitable activities	4		38,855	38,855	34,003
Governance costs	5	2,616	165	2,781	(29)
Total resources expended		2,616	39,579	42,195	35,113
Net Income/(Expenditure) for the year	2	50,000	18,355	68,355	56,174
Fund Balance Brought Forward		0	634,181	634,181	578,007
Revaluation of Heritage Assets		0	4,000	4,000	4,000
Fund Balance Carried Forward		50,000	656,536	706,536	634,181

The notes on pages 7 to 10 form an integral part of these financial statements.

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Balance Sheet
As at 31st October 2013

	Notes	£	2013 £	£	2012 £
Fixed Assets					
Tangible assets	9		691,926		575,109
Current Assets					
Stocks		550		1,250	
Debtors	10	3,148		440	
Cash at bank and in hand		14,846		76,782	
			<u>18,644</u>		<u>78,472</u>
Creditors: amounts falling due within one year	11	<u>4,034</u>		<u>(19,400)</u>	
Net current assets			14,610		59,072
Net assets			<u>706,536</u>		<u>634,181</u>
Funds					
Unrestricted funds:					
Unrestricted income funds	12/13		32,831		25,230
Designated funds	12/13		623,705		608,951
			<u>656,536</u>		<u>634,181</u>
Restricted Funds	12/13		<u>50,000</u>		<u>0</u>
Total funds			<u>706,536</u>		<u>634,181</u>

The directors' statements required by Section 475 are shown on the following page which forms part of this Balance Sheet.

The notes on pages 7 to 10 form an integral part of these financial statements.

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Balance Sheet (continued)

Director's statements required by Section 475
For the year ended 31st October 2013

In approving these financial statements as trustees of the company, who are also directors of the charity for the purpose of the Companies Act, we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31st October 2011 and
- (c) that we acknowledge our responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Board on the 19th January 2014 and signed on its behalf by

Aideen Sloan

Aideen Sloan
Director

The notes on pages 7 to 10 form an integral part of these financial statements.

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Notes to the financial statements
for the year ended 31st October 2013

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of assets in accordance with the Companies Act 2006, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

1.2. Incoming resources

Income from donations is included gross in the statement of financial activities on an accruals basis, except as follows:

- when donors specify that donations are to be used in a future accounting period, the income is deferred until that period;
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until such pre-conditions have been met.

Government grants in respect of capital expenditure and revenue grants are credited to the statement of financial activities in the period they are receivable. All other charitable income is recorded in the statement of financial activities on an accruals basis.

1.3. Resources expended

Resources expended are included in the statement of financial activities on an accruals basis.

1.4. Company status

The charity is a company limited by guarantee. The members of the company are the trustees of the charity. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

- | | |
|-----------------|------------------------|
| Heritage assets | - 1% Straight line |
| Equipment | - 15% Reducing balance |

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Fund accounting

Unrestricted income funds – these are funds which can be used in accordance with the charitable objects at the discretion of the directors 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.

2. Net Income/(Expenditure) for the year

	2013	2012
	£	£
Net Income/(Expenditure) for the year is stated after charging:		
Depreciation and other amounts written off tangible assets	<u>7,550</u>	<u>6,878</u>

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Notes to the financial statements
for the year ended 31st October 2013

3. Charitable income

	Unrestricted 2013 £	Restricted 2013 £	Total 2013 £	Unrestricted Funds 2012 £
Income from trading activities	19,232		19,232	22,686
Membership income	3,852		3,852	3,590
	23,084		23,084	26,276

4. Charitable activities

	Unrestricted Funds 2013 £	Unrestricted Funds 2012 £
Opening stock	1,250	650
Purchases	3,869	5,273
Closing stock	(650)	(1,250)
Rent, rates and security charge	1,940	6,005
Light and heat	1,469	2,248
Insurance	2,011	1,953
Telephone and fax	499	600
Travel expenses	1,070	1,015
Maintenance and cleaning	3,139	1,910
Stationery and advertising	2,594	3,631
Subscriptions	222	384
General expenses	1,553	643
Exhibit restoration	2,427	4,063
Site Improvements	9,911	0
Depreciation	7,551	6,878
	38,855	34,003

5. Governance costs

	Restricted Funds 2013 £	Unrestricted Funds 2013 £	Unrestricted Funds 2012 £
Accountancy			(117)
AGM expenses		165	88
Legal and professional	2,616		0
	2,616	165	(29)

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Notes to the financial statements
for the year ended 31st October 2013

6. Interest receivable

	Unrestricted Funds 2013 £	Unrestricted Funds 2012 £
Interest – Treasurers account	0	0
Interest – Special projects account	0	0
	<hr/>	<hr/>
	0	0
	<hr/>	<hr/>

7. Directors' emoluments

None of the directors received any remuneration or reimbursement of expenses during the year.

8. Taxation

The company has charitable status for taxation purposes and accordingly is not liable to corporation tax. (Charity number SCO35189).

9. Tangible fixed assets

	Land & Buildings £	Heritage Assets £	Equipment £	Total £
Cost/Valuation				
At 1 st November, 2012	0	617,815	7,882	625,697
Revaluation		(42,672)		(42,672)
Additions	105,000	15,667		120,667
Disposals		(300)		(300)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st October 2013	105,000	590,510	7,882	703,392
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 st November, 2012	0	46,672	3,916	50,588
Revaluation		(46,672)		(46,672)
Disposals		0		
Charge for the year	1,050	5,905	595	7,550
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st October 2013	1,050	5,905	4,511	11,466
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 st October 2013	103,950	584,605	3,371	691,926
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st October 2012	0	571,143	3,966	575,109
	<hr/>	<hr/>	<hr/>	<hr/>

10. Debtors: all receivable within one year

	2013 £	2012 £
Prepayments and accrued income	3,148	440
	<hr/>	<hr/>

Dumfries & Galloway Aviation Museum
(Company Limited by guarantee)

Notes to the financial statements
for the year ended 31st October 2013

11.	Creditors: amounts falling due within one year	2013	2012
		£	£
	Trade creditors	0	0
	BAPC Loan	2,250	0
	Deferred Income		
	Holywood Trust - Workshop	1,784	0
	D&G Council - Site Purchase	0	11,900
	Robertson Trust - Site Purchase	0	7,500
		4,034	19,400
		4,034	19,400

12.	Funds	Restricted Funds	Designated Funds	Unrestricted Income Funds	Total
		£	£	£	£
	At 1 st November 2012	0	608,951	25,230	634,181
	Revaluation of heritage assets		4,000		4,000
	Heritage assets donated		15,000		15,000
	Museum Shop donated - D&G Council			15,000	15,000
	Heritage assets purchased		667	(667)	0
	Disposal of heritage assets		(300)	300	0
	Grants for purchase of museum site	50,000			50,000
	Reclassify funds used for site purchase		2,192	(2,192)	0
	Depreciation charged		(6,805)	(745)	(7,550)
	Other net income for the year			(4,095)	(4,095)
	At 31 st October 2013	50,000	623,705	32,831	706,536
		50,000	623,705	32,831	706,536

13.	Analysis of net assets in funds	Tangible fixed assets	Other net assets	Total
		£	£	£
	Unrestricted income	18,221	14,610	32,831
	Designated funds	623,705	0	623,705
	Restricted funds	50,000	0	50,000
		691,926	14,610	706,536
		691,926	14,610	706,536