Charity number: 250079

The Fleet Air Arm Museum

Trustee's report and financial statements for the year ended 31 March 2026

Contents

Legal and administrative information....3
Foreword....4
Performance Report....5
Accountability Report....8
Statement of Corporate Trustee's and Accounting Officer's responsibilities....10
Independent auditors' report to the Trustee of the Fleet Air Arm Museum....11
Statement of financial activities....14
Balance Sheet....15
Cash flow statement....16
Notes to the financial statements....17

Legal and administrative information

Charity number	250079
Registered office	H M Naval Base PP66 Portsmouth Hampshire PO1 3NH
Chief Executive and Accounting Officer	Matthew Sheldon
Sole Corporate Trustee	Royal Navy Museums
Accountants	Compass Accountants Limited Venture House The Tanneries East Street Titchfield Hampshire PO14 4AR
Auditors	Price Bailey LLP 24 Old Bond Street London W1S 4AP
Bankers	National Westminster Plc 130 Commercial Road Portsmouth PO1 1ES

Foreword

The Trustee presents the annual report and the audited financial statements of The Fleet Air Arm Museum trust ("the Trust") for the year ended 31 March 2026. The Trustee has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Trust.

The charitable objects of the Trust, as established in its Trust Deed dated 22 June 1966 and as amended by the scheme dated 28 September 2012, are:

a) The promotion of education and learning of Naval Service and Auxiliaries personnel and other members of the public about the history, deeds and traditions of aviation in the Royal Navy.

b) The promotion and enhancement of military efficiency by assisting recruitment and retention and fostering the esprit de corps of the men and women who are serving in the Naval Service and Auxiliaries.

c) The commemoration and remembrance of those members of the Royal Naval Air Service and Fleet Air Arm who have died while on active service; and the encouragement of public recognition of the sacrifice made by such persons.

Performance Report

Overview

The Fleet Air Arm Museum ("the Trust") was established in June 1966, and on 26 January 2017, the Royal Navy Museums (charity number 1126283, formerly known as the National Museum of the Royal Navy) was appointed as its sole corporate Trustee. The Trust holds the heritage assets and reserves of The Fleet Air Arm Museum.

Within the Royal Navy Museums group, all operational activities, including the presentation of heritage assets within museums and visitor attractions, are delivered under operator agreements with the charitable subsidiary, NMRN Operations ("the Operator") (charity number 1169061). In pursuing its charitable objects, the Operator has responsibility and discretion to present, preserve, restore and maintain the heritage assets as it sees appropriate. The Trust may make grant contributions from time to time to support the operator in delivering these activities.

Activities and Achievements

Over the past year, the Operator used the Trust's cultural and heritage assets and stories to deliver a diverse programme of activities at the Royal Navy Museums: Naval Aviation ("the museum") that contributed to public benefit through supporting the wellbeing of service families and the wider community, advancing education and skills development, and providing opportunities for remembrance, reflection and engagement with contemporary narratives that celebrate local identity and the Royal Navy's ongoing story. Highlights included:

- Continued collaboration with existing partners, including Aggie's (Dame Agnes Weston's Royal Charity for the Naval Service), Bridgwater College, EDF Energy and Magnox, reflecting the museum's value to our service families and wider community as a community hub and real-world learning environment
- Our annual Christmas Concerts under Concorde which welcomed close to 500 visitors
- Quiet afternoons supporting our visitors with a range of neurodiverse and access needs
- Hosting commemoration services to enable our audiences to reflect and remember the personnel who sacrificed their lives on active service
- Installing a new contemporary photographic display using material from the Peregrine Trophy nominals, the Royal Navy's premier annual photographic prize.

Our community-facing activities continued to strengthen the museum's role as a place of shared identity and belonging. Initiatives such as Active Aviators and the VE Day event directly supported the strategic priority to 'Build Communities and Senses of Place', bringing people together around aviation heritage, commemoration and participation. These activities created opportunities for repeat engagement, inter-generational learning and a stronger emotional connection between the museum and its local and regional audiences.

Following the receipt of a generous donation by the Trust in 2023-24, a grant was made to the Operator to support its reconstruction work on the Fairey Barracuda DP872 airframe, with the ambition of recreating the only complete Barracuda aircraft in the world. Such work continued throughout the year and the viewing gallery at Royal Navy Museums: Naval Aviation has been popular with visitors engaging with the technical build and discovering more about science and archaeology behind the wrecks and airframe of the Barracuda. A successful salvage operation to Norway in July 2025 enabled more Barracuda parts to be added to the collection to rebuild this important historic artefact.

Further information on the Operator's activities can be found in its Trustees' Annual Report.

Plans for future periods

Future expenditure will be limited to governance and support costs and any grants awarded to NMRN Operations under the operator agreement for activities that support of the Trust's objects.

Financial Review

Statement of Financial Activities for the Year Ended 31 March 2026

Total incoming resources for the Fleet Air Arm Museum Trust in 2025-26 amounted to £27,259 (2024-25: £155,505). These resources were received as legacies, rental income, bank interest and donations.

Total resources expended for 2025-26 amounted to £288,721 (2024-25: £292,519) relating to depreciation, governance and support costs, and grant funding to the Operator to support delivery of the Barracuda project.

After gains on revaluation of fixed assets of £nil (2024-25: £119,694) the net movement in funds for the year was a decrease of £261,462 (2024-25: £17,320 decrease).

Balance sheet

The net assets as at 31 March 2026 amounted to £6,880,778 (31 March 2025: £7,142,240).

Reserves

The Trustee regularly monitors the levels of the Trust's reserves. The Trust retains a 'free reserve' in accordance with Group policy, defined as the amounts shown as Net Current Assets in the accounts and which are attributable to Unrestricted Funds. The Group policy is that there is no requirement to accumulate free reserves within the subsidiary charities and trusts and that any reserves held will be appropriately used, as approved by the Board, for the furtherance of the Trust's charitable objects.

As at 31 March 2026, the Trust's free reserves (defined as net current assets attributable to unrestricted reserves) stood at £348,099 (31 March 2025: £333,279). The role of the Trust is solely to hold the heritage assets and reserves of The Fleet Air Arm Museum which it will grant to the Operator as and when required until they are expended or a nominal sum remains. The ongoing operating costs are undertaken under an operator agreement by a separate group company, NMRN Operations, therefore the Trustee is content that the going concern basis continues to apply and that the free reserves are at an appropriate level.

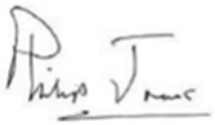
Investment Policy

The Trust does not invest as a strategic means of raising income but nonetheless ensures that cash reserves are maintained in interest bearing accounts. The Trust's investment policy seeks to produce the best possible financial return within an acceptable level of risk.

Auditors

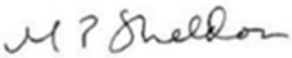
The accounts have been audited by Price Bailey LLP. So far as the Trustee and Accounting Officer are aware, there is no relevant audit information of which the Trust's auditors are unaware. Trustees have taken all the steps necessary to make themselves aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

On behalf of the board



Admiral Sir Philip Jones
Chair on Behalf of the Board of Trustees

Date: 20th October 2026



Matthew Sheldon
Chief Executive and Accounting Officer

Date: 20th October 2026

Accountability Report

Trustee's Report and Governance Statement

This report sets out the arrangements for the governance of The Fleet Air Arm Museum.

The Trustee has due regard to guidance issued by the Charity Commission on public benefit and in its charitable objects, the Trust seeks to promote the education of the general public about the history, deeds and traditions of the Naval Service and encourage the public to commemorate, honour and preserve the memory of those members of the Naval Service who have died on active service.

This report demonstrates how the system of governance and internal control is maintained within The Fleet Air Arm Museum and how the major risks to which the Trust is exposed, as identified by the Trustee, have been reviewed and systems have been established to mitigate those risks.

The Governance Framework

The Fleet Air Arm Museum is a charity registered with the Charity Commission (registration number: 250079). It is governed by its Declaration of Trust dated 22 June 1966 and as amended by the schemes dated 27 December 1973, 24 November 1982, 10 April 1985, 22 March 1994, 28 September 2012, 20 January 2017, which incorporate its charitable objects, the powers of the Trust and provides for the appointment and reappointment of Trustees.

The Trustee ensures the distinct legal responsibilities and charitable objectives of the Trust are fulfilled within an overall policy and strategy framework. The day-to-day operation of the Trust within that framework is delegated to the Chief Executive and Accounting Officer and to the Executive Directors.

The Trust has a sole corporate trustee (Royal Navy Museums).

System of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The review of the effectiveness of the system of internal controls is exercised through the Royal Navy Museums' Audit and Governance Committee. This Committee is chaired by a Trustee of the Royal Navy Museums' Board of Trustees and draws expertise from other Trustees and committee members, with the Chief Executive Officer and Executive Director: Finance and Resources in attendance. The Committee also has access to the independent accountants and internal and external auditors engaged for all companies within the Group, providing review and oversight of the financial control systems and the creation of company and consolidated group accounts.

Cyber-attack

On 9 December 2024, the National Museum's IT network was affected by a significant ransomware cyber-attack. In response, the Operator immediately initiated a comprehensive cyber recovery programme focused on restoring affected systems, enhancing cyber resilience, and strengthening internal controls to mitigate future risks. The recovery programme included the restoration of critical systems, enhanced security

monitoring, and the implementation of organisation-wide staff training and awareness initiatives, ensuring that lessons learned from the incident were embedded into ongoing operations and risk management practices. Importantly, there continues to be no evidence of any personal data being compromised, and safeguarding information remains a paramount priority for the Operator.

Risk Management

The Trust's risk register and the responses to risk are managed by the executive and overseen by the Royal Navy Museums' Audit and Governance Committee, as well as the Group's Board and the Operator.

The principal risks faced by the Trust centre around the security and safeguard of its assets.

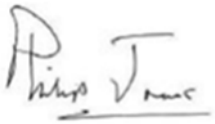
Statement of Corporate Trustee's and Accounting Officer's responsibilities for the year ended 31 March 2026

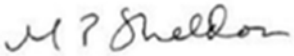
The Trustee and the Accounting Officer are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust 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 Trust and which enable them to ensure that the financial statements comply with the Charities Act 2011 and updated Charities Act 2022, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





Admiral Sir Philip Jones
Chair on Behalf of the Board of Trustees

Date: 20th October 2026

Matthew Sheldon
Chief Executive and Accounting Officer

Date: 20th October 2026

Independent auditors' report to the Trustee of the Fleet Air Arm Museum

Opinion

We have audited the financial statements of The Fleet Air Arm Museum (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 Auditor's 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 trustee'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.

Other information

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

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

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

In preparing the financial statements, the trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the Charity and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.

We determined the principal laws and regulations relevant to the Charity in this regard to be those arising from the Charities Act 2011, and the Charities SORP.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included

reviewing minutes of Trustee Board meetings; agreeing the financial statement disclosures to underlying supporting documentation; enquiring of management, including those charged with governance.

To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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

A further description of our responsibilities 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 auditor's report.

Use of our report

This report is made solely to the charity's trustee, 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 trustee those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)
Price Bailey LLP
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London
W1S 4AP

Date: 23 October 2026

The Fleet Air Arm Museum
Charity number: 250079

Statement of financial activities
for the year ended 31 March 2026

	Notes	Unrestricted funds £	Restricted funds £	2026 Total £	Unrestricted funds £	Restricted funds £	2025 Total £
Income from:							
Donations and legacies							
Grants and donations	2	350	-	350	6	-	6
Legacies		11,012	-	11,012	121,337	-	121,337
Rental income		7,500	-	7,500	30,000	-	30,000
Interest		8,397	-	8,397	4,162	-	4,162
Total income		27,259	-	27,259	155,505	-	155,505
Expenditure on:							
Charitable activities							
Collections and asset management	3	137,980	125,540	263,520	148,438	138,467	286,905
Grant to NMRN Operations		-	25,201	25,201	5,614	-	5,614
Total expenditure		137,980	150,741	288,721	154,052	138,467	292,519
Net income/(expenditure)		(110,721)	(150,741)	(261,462)	1,453	(138,467)	(137,014)
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets		-	-	-	59,847	59,847	119,694
Net movement in funds		(110,721)	(150,741)	(261,462)	61,300	(78,620)	(17,320)
Reconciliation of funds:							
Funds brought forward		3,868,459	3,273,781	7,142,240	3,807,159	3,352,401	7,159,560
Total funds carried forward		3,757,738	3,123,040	6,880,778	3,868,459	3,273,781	7,142,240

All recognised gains and losses are included in the statement of financial activities

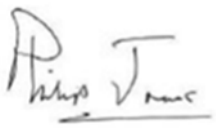
The notes on pages 17 to 23 form an integral part of these financial statements.

The Fleet Air Arm Museum
Charity number: 250079

Balance Sheet
as at 31 March 2026

	Notes	2026 £	2025 £
Fixed assets			
Tangible assets	6	5,214,947	5,466,028
Heritage assets	7	802,166	802,166
		6,017,113	6,268,194
Current assets			
Debtors	8	21,337	103,837
Cash at bank and in hand		879,889	785,367
		901,226	889,204
Creditors: amounts falling due within one year	9	(37,561)	(15,158)
Net current assets		863,665	874,046
Net assets		6,880,778	7,142,240
Funds			
Unrestricted funds		3,757,738	3,868,459
Restricted funds	10	3,123,040	3,273,781
Total funds		6,880,778	7,142,240

The financial statements were approved by the board and signed on its behalf by



Admiral Sir Philip Jones
Chair on behalf of the Board of Trustees

Date: 20th October 2026

The notes on pages 17 to 23 form an integral part of these financial statements.

The Fleet Air Arm Museum
Charity number: 250079

Cash flow statement
for the year ended 31 March 2026

	2026	2025
Cash flows from operating activities:		
Net cash provided by operating activities	94,522	25,107
Increase in cash and cash equivalents in the year	94,522	25,107
Cash and cash equivalents at 1 April 2025	785,367	760,260
Cash and cash equivalents at 31 March 2026	**879,889**	**785,367**
Net (expenditure)/income for the reporting period	(261,462)	(137,014)
Depreciation and impairment	251,081	276,934
Loss on disposal of fixed assets	-	348
Decrease/ (Increase) in debtors	82,500	(101,337)
Increase/ (Decrease) in creditors	22,403	(13,824)
Net cash provided in operating activities	94,522	25,107

Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	785,367	94,522	879,889
Net funds	785,367	94,522	879,889

Notes to the financial statements for the year ended 31 March 2026

1. Accounting policies

1.1. Charity information

The Fleet Air Arm Museum is a registered charity, number 250079.

The Fleet Air Arm Museum meets the definition of a public benefit entity under section 34 of FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy.

The principal objectives of the charity are detailed in the Trustees report.

1.2. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2019.

The role of the Trust is solely to hold the heritage assets and reserves of the Fleet Air Arm Museum which it will grant to NMRN Operations as and when required until they are expended or a nominal sum remains. The ongoing operating costs are undertaken under an operator agreement by a separate group company, NMRN Operations, therefore the Trustee is content that the going concern basis continues to apply.

The financial statements are presented in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.3. Income

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

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

1.4. Grants receivable

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable. If a grant or donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the charity's control and it is probable those conditions will be met in the accounting period.

1.5. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to cost categories on a basis consistent with the use of resources.

1.6. Funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Notes to the financial statements for the year ended 31 March 2026

1.7. Tangible fixed assets

Tangible fixed assets are capitalised at historic cost and depreciated over their useful lives on a straight line basis. Heritage assets and donated assets where the cost can be reliably ascertained are capitalised at valuation. The charity has amended its estimation technique in the year with the use of indices being removed from the yearly calculation. This has an impact of £51,988 as under the previous estimation technique the year end net book value would have been £5,266,935.

Land and buildings are capitalised at cost on acquisition and depreciated over their useful lives on a straight line basis. An independent professional valuation is obtained every 5 years.

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

Freehold buildings	-	50 years

No depreciation is provided on freehold land.

1.8. Heritage assets

The Museum holds collections of heritage assets which are held in support of the Museum's primary objective of effective and accessible repository both now and in the future for the heritage of the Fleet Air Arm and to raise public awareness of the history of the Service, whilst encouraging scholarship and research into Fleet Air Arm history. The main and reserve collections have not been valued and included in the financial statements due to their historic and inalienable nature and due to the specific and individual nature of the artefacts held, it is not believed to be possible to obtain a reliable value of the collection without incurring a cost disproportionate to the benefit of the information reported to readers of the accounts.

Assets acquired prior to 1 April 2000 have not been capitalised and included in the accounts but with effect from 1 April 2000, additions to the collection have been capitalised. These assets are not depreciated due to infinite useful economic lives. An annual review for impairment is carried out in accordance with the Charities SORP, with any impairment recognised in the Statement of Financial Activities.

Heritage assets donated to the Museum are included in the accounts on the basis of internal valuations estimated by the relevant curatorial staff and determined by their experience and judgement. Loaned artefacts do not belong to the charity.

Access to the collection

At any time approximately 15% of the 3D items in the collection are on display. The majority of the remaining items are held in the reserve collection in a Heritage Lottery funded climate-controlled building called Cobham Hall.

Cobham Hall opens to the public at least once a year when it attracts visitors from all over the UK to see its unique collection of aircraft, records and artefacts, many of which have never before been seen on public display. Within Cobham Hall there are over 40 historic aircraft and some five miles of shelving accommodating many of the Museum's records and artefacts.

Cobham Hall also houses one of the largest collections of Westland Helicopters including a Whirlwind and a Wasp and the Gazelle helicopter in which HRH The Duke of York learnt to fly. Other aircraft include a de Havilland Sea Vixen and the first swept wing jet aircraft to land on an aircraft carrier, a Supermarine 510. The aircraft housed in Cobham Hall are in various stages of preservation or repair.

Notes to the financial statements for the year ended 31 March 2026

The collection
The collection consists of artefacts, physical, written and oral reflecting the history of the Fleet Air Arm.

By categories, numbers held are:

Category	Count
Large items	180
Works of Art/Models	1,310
Documentary Archive	1,034,148
Uniforms/Badges & Insignia	4,403
Orders & Decorations	1,556
Weapons/Armaments	194
Photographs/Microfilm/Fiche	881,452
Film & Sound Recordings	164
Other	17,265

Heritage assets maintenance and management policy
In October 2015, a single set of Collections Management policies for the Royal Navy Museums Group was approved by the Board. These policies were the basis of a new single application to the Arts Council for Museum Accreditation to the higher standards required of a national museum collection, replacing the individual accreditations of the subsidiary museums. These policies set out a common approach for the maintenance and management of collections at different museum sites, and will be subject to regular review as directed by the Collections, Research, Learning and Access Committee (CRLA).

Acquisitions to the museums are now guided by a single Collections Development Policy (2015) and Strategy (2019); this sets out priorities and processes for acquisition. There are two principal methods of acquisition:

Acquisition by gift - Curators have authority to propose collecting in line with the 'Themes and Priorities for Future Collecting'. Offers of donations are passed to an Acquisitions Panel, chaired by the Registrar. This Committee sits on a monthly basis to assess offers. Decisions are reviewed by the Head of Collections and Research.

Acquisition by purchase - Collections and other staff can recommend and where appropriate make purchases of material from any source up to their authorisation levels in accordance with the Royal Navy Museums scheme of delegation. Purchases of up to £25,000 are reviewed by the Head of Collections & Research and/or the Deputy Executive Director of Museum Operations. Any purchases of a value above £50,000 go to the Director General for assessment.

Significant acquisitions are discussed at the CRLA Committee. This Committee also receives quarterly reports on key acquisitions and an annual report of all items added to the collection.

Subject to the approval of the Trustees, the Museum may dispose of items from the collection, although this will only happen in exceptional circumstances, for example:

- When items fall outside the Museum's Collecting Policy or Charitable Objectives
- When an item contains a serious hazard which cannot be remediated.
- When an item is one of a significant number of duplicates
- When an item is in exceptionally poor condition which cannot be reversed and it cannot be repurposed to alternate use.

1.9. Basic financial instruments
The Museum's financial assets and liabilities consist of cash and cash equivalents, accrued income, trade creditors and accrued expenses. The fair value of these items approximates their carrying value due to their short term value. Unless otherwise noted, the Museum is not exposed to significant interest, foreign exchange or credit risks arising from these instruments.

Notes to the financial statements for the year ended 31 March 2026

2. Grants and Donations

During the year the following grants and donations were received:

	Unrestricted funds £	Restricted funds £	2026 Total £	Unrestricted funds £	Restricted funds £	2025 Total £
Donations	350	-	350	6	-	6
	350	-	350	6	-	6

3. Collections and asset management

	Collections and asset management £	2026 £	2025 £
Depreciation	251,081	251,081	276,934
Loss on disposal of fixed assets	-	-	348
Governance and support costs	12,439	12,439	9,623
	263,520	263,520	286,905

4. Governance and support costs

	Collections and asset management £	2026 £	2025 £
Accountancy fees	360	360	510
Auditors remuneration	12,000	12,000	9,000
Bank charges	79	79	79
Other costs	-	-	34
	12,439	12,439	9,623

5. Employee costs

There were no employees directly employed by the charity in the year (2025: Nil).

No Trustees received remuneration during the year (2025: Nil). Trustees are reimbursed for travel expenses through the parent company, the Royal Navy Museums. There were no reimbursements for 2026 (2025: Nil).

Notes to the financial statements for the year ended 31 March 2026

6. Tangible fixed assets

	Land and Buildings	Total
	£	£
Cost or valuation		
At 1 April 2025	6,260,168	6,260,168
At 31 March 2026	6,260,168	6,260,168
Depreciation		
At 1 April 2025	794,140	794,140
Charge for the year	251,081	251,081
At 31 March 2026	1,045,221	1,045,221
Net book values		
At 31 March 2026	5,214,947	5,214,947
At 31 March 2025	5,466,028	5,466,028

On 6 May 2022 the land and buildings of the Fleet Air Arm Museum were revalued by Avison Young in accordance with the stated accounting policy. The revaluation was conducted by a qualified surveyor on a depreciated replacement cost basis and in accordance with the RICS Appraisal and Valuation manual (5th Edition).

7. Heritage assets

	At 1 April 2025	Additions/ Disposals	At 31 March 2026
	£	£	£
Carrying amount	802,166	-	802,166

There were no additions made to the Collection in the year. There were no impairments during the year.

Five-year summary	2026	2025	2024	2023	2022
	£	£	£	£	£
Additions					
Purchases	-	-	-	-	-
Donations	-	-	-	-	-
Disposals	-	348	-	-	22,293

8. Debtors: amounts falling due within one year

	2026	2025
	£	£
Other debtors	21,337	103,837

Notes to the financial statements for the year ended 31 March 2026

9. Creditors: amounts falling due within one year

	2026	2025
	£	£
Trade creditors	2,100	2,400
Accruals	10,260	7,110
Amounts owed to group undertakings	25,201	5,648
	37,561	15,158

10. Restricted funds

	1 April 2025	Incoming	Outgoing	Transfers	Revaluation	31 March 2026
	£	£	£	£	£	£
Cobham Hall & Leading Edge	2,733,014	-	(125,540)	-	-	2,607,474
Barracuda	232,837	-	(25,201)	-	-	207,636
Gosling Fund	307,930	-	-	-	-	307,930
	3,273,781	-	(150,741)	-	-	3,123,040

	1 April 2024	Incoming	Outgoing	Transfers	Revaluation	31 March 2025
	£	£	£	£	£	£
Cobham Hall & Leading Edge	2,811,634	-	(138,467)	-	59,847	2,733,014
Barracuda	232,837	-	-	-	-	232,837
Gosling Fund	307,930	-	-	-	-	307,930
	3,352,401	-	(138,467)	-	59,847	3,273,781

Cobham Hall and Leading Edge
This fund represents the net book value of the development at Cobham Hall and the Leading Edge exhibition, funded by donations made in the past.

Barracuda
Donations have been made towards a project to restore a Barracuda. These funds will be granted to NMRN Operations for the Barracuda project at the Royal Navy Museums: Naval Aviation.

Gosling fund
The Trust received a legacy from the estate of Sir Donald Gosling to be used to upgrade the Carrier Experience at the Royal Navy Museums: Naval Aviation.

Notes to the financial statements for the year ended 31 March 2026

11. Analysis of net assets between funds

	Tangible Fixed Assets	Net Current Assets	2026 Total
	£	£	£
Unrestricted funds	3,409,639	348,099	3,757,738
Restricted funds	2,607,474	515,566	3,123,040
	6,017,113	863,665	6,880,778

	Tangible Fixed Assets	Net Current Assets	2025 Total
	£	£	£
Unrestricted funds	3,535,180	333,279	3,868,459
Restricted funds	2,733,014	540,767	3,273,781
	6,268,194	874,046	7,142,240

12. Ultimate parent undertaking

The Fleet Air Arm Museum considers the Royal Navy Museums, a charitable company (charity number 1126283, company number 06699696), to be its ultimate parent undertaking.

Control is exercised by the Royal Navy Museums being the sole corporate Trustee of The Fleet Air Arm Museum.

Consolidated accounts can be obtained from the Royal Navy Museums' registered office: Royal Navy Museums, HM Naval Base PP66, Portsmouth, Hampshire, PO1 3NH.

13. Related party transactions

The charity has taken advantage of the exemption under FRS 102 33.1A regarding disclosure of transactions with other Royal Navy Museums group entities. There were no other related party transactions (2025: None).