



**ROYAL
AERONAUTICAL
SOCIETY**

Royal Aeronautical Society

**Trustees' Annual Report and Accounts
Year Ended 31 December 2021**

Charity Registration Number: 313708

Incorporating:

Charity Registration Number: 1013530

Charity Registration Number: 1045004

Report of the Board of Trustees for the year ended 31 December 2021

The members of the Board of Trustees are pleased to present their annual report and financial statements of the Society for the year ended 31 December 2021.

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in determining the activities undertaken by the Society. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) - (Charities SORP (FRS 102)).

Objectives and Activities

Founded in the United Kingdom in 1866, it is the world's oldest and most respected aeronautical society. The principal objectives of the Society as set out in its Charter of Incorporation granted by letter patent of His Majesty The King George VI in 1949 are "the general advancement of Aeronautical Art, Science and Engineering and more particularly promoting that species of knowledge which distinguishes the profession of Aeronautics."

The Society strives to maintain the highest standards of professionalism in all aerospace disciplines and, as such, the qualifications endowed by the Society are internationally recognised as a professional hallmark. As a learned body, it runs an extensive conference and lecture programme which is available to the public. The Society's comprehensive aviation library is now housed in a modern library at Farnborough and is open to the public; the Society's headquarters, No.4 Hamilton Place, in London is a base for meetings and conferences. Membership is open to those within the aerospace community and other interested individuals and companies. The Society operates throughout the whole of the UK, and overseas; its benefits are not confined to any section of the public and the wider benefits of the Society's activities are intended to include society as a whole.

The Vision for the Society is to be recognised as the leading professional community and independent source of knowledge in aerospace, aviation, and space through:

- Providing influence and leadership to the aerospace, aviation and space domains, disseminating impartial and authoritative knowledge and information to a broad audience.
- Attracting and supporting a diverse and active membership base, both nationally and internationally, via a wide range of activities across the entire aerospace, aviation and space community.
- Maintaining and facilitating professional standards across a wide range of competence and academic activities.
- Acting in accordance with and maintain its charitable status.

The Society's Strategy is developed and owned by the Society's Board of Trustees. The Trustees, in analysing and reviewing the Society's activity over the previous decade and the lessons learned from these activities and looking forward with the need to address the expectations and wishes of the Society's stakeholders, identified a range of aims that need to be achieved for the Society to be where it wanted to be in 2021 and beyond:

- Promote the Society's role as the source of authoritative impartial, evidence-based aerospace, aviation and space knowledge and policy advice;
- Maintain, enhance and disseminate the Society's body of knowledge in all aerospace, aviation, and space domains;
- Extend and support the Society's membership base nationally and internationally, ensuring inclusivity, diversity and active engagement;
- Encourage the younger generation to enter the aerospace, aviation and space professions;
- Enhance the Society's global outreach through its existing Divisions; its existing and new Branches as well as through the Corporate Partners;
- Implement all Society activities in an efficient, professional and sustainable manner, maintaining the financial stability of the Society.

To achieve these aims, the Society needs to engage on a global basis with other institutions, trade associations, government departments, industry, and academia to promote the benefits of membership and

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demonstrate the added value that a professional institution can bring to individuals and organisations involved in the whole panoply of aerospace activities. The Society needs to keep up to date with trends and new initiatives, ensuring that the range of services and activities it undertakes fulfils the requirements of its stakeholders from individual members, Corporate Partners and, in addition, to meeting its obligations as a charity to the wider public.

The Trustees regularly monitor progress against the strategic priorities and each year review the strategy, making amendments, if appropriate.

Achievements and performance

2021 was a year of challenge and change for the Society. As the Society entered the year and had experienced nine months of pandemic, affecting the RAeS members, Corporate Partners, volunteers as well as the Society's staff. Despite this, the cross-section of loyal support for the Society has remained constant, helping rebuild the financial reserves after the challenges of 2020.

The Society had adapted quickly to the challenge with significant investment in digitalisation of its work, moving conferences, events, meetings and lectures into the virtual world, allowing the outreach work to continue, the members to engage with one another, to learn the very latest developments in the sector, and to be awarded engineering certification and apprenticeships.

For No.4 Hamilton Place, the Society's headquarters in London, it was another year of silence. Closed to everyone for the majority of the year, particularly the staff, some glimmers of light began to emerge towards the last quarter of the year with conferences, events and commercial hire again slowly returning, before another pandemic-induced closure in December for the remainder of the year.

The Society continued to promote and share knowledge through virtual delivery of its centrally-organised 15 conferences and 18 public lectures and webinars, in addition to the 200+ virtual events hosted through the international network of Branches.

While the Society adapted to a digital world as a solution to the pandemic's challenges, the same could not be said for all of the industries the Society represents. The commercial airline industry continued to see low passenger numbers, with border restrictions remaining in place throughout the year, challenging both the business travel market as well as the ability for families and friends to meet; the rollout of the Covid-19 vaccination programme around the world had begun to have a positive impact on the transmissions and seriousness of the disease though it remained prevalent and with new variants emerging. While the travel recovery may come more quickly than the 2026 predictions of last year, it remains a situation in flux. There was though a significant growth in interest for next generation technologies of the future, particularly inspired by the COP26 conference held in Glasgow. For the UK economy, the true impact of Brexit has perhaps yet to emerge, with challenges of the pandemic so noticeable.

Of particular pride was the Society's work towards supporting the sector employees with careers and re-training advice. Throughout the year the Society held a series of events giving practical advice to people whose jobs had been hit by the pandemic, offering one-to-one advice sessions as well as continuing the virtual and, in the latter part of the year, in-person events at universities, colleges, careers fairs and in the Careers in Aviation and Aerospace Live event, connecting with over 1,200 people through this work.

Likewise, the flexibility of our Cool Aeronautics programme allowed the Society to move into a virtual delivery model, meaning that as schools closed, the Society were able to adapt to provide at-home learning for children in the target age bracket, supported by the RAeS Corporate Partners across the country. The Amy Aviation YouTube videos, aimed at primary school children, also played an important part in the Society's outreach work, attracting over 300,000 views. The Diversity and Inclusion work also continued, making aviation and aerospace, and the Society more generally, accessible to more people from a wide range of backgrounds.

The Society's publications continued to grow its readership, also recognised through further success for *AEROSPACE* magazine's Editor-in-Chief, Tim Robinson, winning Best Commercial Aviation submission at the Aerospace Media Awards. The Impact Factor for *The Aeronautical Journal* rose by 23% together with a 50% increase in article downloads. The *Journal of Aeronautical History* celebrated its tenth anniversary under new Editor Dr Robert S Hopkins III.

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The External Affairs team, working in conjunction with the Specialist Groups, continued to provide independent, authoritative and evidence-based advice to policymakers with evidence submitted to eight UK government or parliamentary consultations.

The Farnborough-based National Aerospace Library continued to provide support to members, researchers and enthusiasts during lockdown through its expanded collection of e-books and e-journals, also adding the AIAA's back catalogue. It also was rewarding to see Mike Stanberry FRAeS and former Chief Librarian Brian Riddle recognised with lifetime achievement awards from Aviation Heritage UK.

Despite all the challenges, the digitalisation of the Society, together with strong financial management, has delivered a stable year which provides strong building blocks for the future recovery of our sector and the Society's work. While revenue on venue hire was significantly down on expectations because of the pandemic's continued impact, the Society continued to deliver on other income streams resulting in a surplus for the year.

Finally, the hard work and efforts of the Society's members, branches, boards, committees and staff members, working remotely for the majority of the year, cannot go unrecorded. Their consistent dedication, in spite of wide-ranging challenges both professionally and personally brought on by the pandemic, has allowed the Society to continue to deliver on our charitable aims, promoting aviation and aerospace, particularly to the next generation of our sector.

In September 2021, Sir Brian Burridge FRAeS stepped down as Chief Executive of the Society after three years in the role. David Edwards FRAeS was appointed to replace him.

Achievements

Education, Skills and Diversity

The Society's Education, Skills and Diversity team (ESD) work broadly fits around the following objectives:

- To encourage those with an early interest in aerospace and aviation
- To spread the word about what being involved in the industry can offer
- To support and retain talent within the industry
- To provide high quality end point assessments and support for apprentices within the industry

The ESD team is steered by the following Boards and Committees of the Society, for which it provides management and secretariat support:

- Education and Skills Committee
- Diversity and Inclusion Committee
- Women in Aerospace & Aviation Committee

2021 began with the team focusing on the digital success from 2020, accelerated by the Covid-19 pandemic. Including a revamped Careers in Aerospace website, a new Careers Management Platform and various employability and diversity webinars and podcasts. During the summer of 2021, the team were able to return to some in person engagement, including the World Skills UK National Finals at HMS *Sultan*, on-campus membership and careers workshops for students and the team began plans for a RAeS annual recruitment fair, following the success of the first ever virtual event in 2020. The decision was taken to continue the event virtually for the safety of exhibitors and visitors.

Delivering Careers Support During COVID-19

Free Career Webinars

As the Covid-19 pandemic continues, albeit, the sector appears to be in a better position now, a key focus for 2021 has been focusing on the careers and CV support service and continuing the virtual delivery models. As the impact of the pandemic continues to be apparent in the workforce, the ESD team provided two dedicated careers-related mini-conferences in May and June to provide support for early careers, experienced careers professionals and pilots impacted by the crisis. Featuring expert panellists from the Society's membership and RAeS Staff Team to give personalised stories and advice. Over 400 attended the live event which is now available on-demand.

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Free online careers service

The Society's 1-2-1 careers advice service continued online, offering free personalised support to all careers levels with over 200+ users in just ten months seeking help with CV writing, job search, understanding transferable skills and career transition. These included mid-career professionals, many of whom had not experienced any significant career downturn in the past and were feeling particularly concerned. Another affected group have been pilots who lacked confidence in transferring their skills and knowledge to non-flight deck roles. However, 2021 saw a significant increase in opportunities in the sector compared to 2020.

University & Student Engagement

The Society's engagement with universities and students was a mixture of both virtual and in-person. The ESD team delivered dedicated careers and employability workshops to colleges and universities across the UK including:

- University of Hertfordshire
- University of Nottingham
- University College Birmingham
- Cardiff Sixth Form College
- Kingston University
- Cranfield University

The workshop content was modified to help students navigate the current circumstances and look at the key skills and qualities needed to transition to the new normal, such as virtual working, virtual recruitment and resilience as well as career transition and planning.

Staff also participated at external virtual careers events including:

- 7th Physics Industry Recruitment event
- Cranfield University Summer Careers Fair
- National Careers Guidance Show – London

Careers in Aerospace & Aviation LIVE 2021

Once again, the Society's annual recruitment fair was one of the biggest events in the calendar. The November event saw over 600 visitors join the Society virtually once again from all over the world. This flagship event for the ESD team was vital to showcase opportunities in sectors such as space and defence, as well as training and development, the team created a full programme to provide further careers support tailored to the current climate. Boeing UK kindly offered to help with the continued use of a dedicated virtual events platform, enabling the Society to offer an interactive and engaging experience.

Over 600 visitors from all over the world interacted with the exhibitors through virtual meeting rooms who, along with Boeing, included:

- Cranfield University
- Safran
- Martin-Baker
- Leonardo
- UK Space Agency
- Innovate UK – Future Flight Challenge
- Talentview
- Flightcrowd

In addition, the platform enabled the Society to run a full programme of online careers insight talks covering space, defence, urban air mobility and specific advice on CV writing and career transition for all ages. There was excellent feedback from the visitors, particularly as the event helped them see where opportunities could lie. Content from the day is also now available to view for free via the RAeS YouTube channel.

Cool Aeronautics

Before the pandemic hit, seven Cool Aeronautics events were held in January and February. These included continued events with partners at RAF Halton, Derby Airfield, Stansted Aerozone, Atlantic AirVentures (Shannon) and the event returned to Heathrow which was kindly hosted by British Airways at

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its Waterside HQ with support from the RAeS Heathrow Branch, where children from local schools met BA pilots, engineering apprentices and staff.

Between January and March Cool Aeronautics reached over 450 attendees across 13 schools in the UK and Ireland.

Cool Aeronautics Webinar

With the complete closure of schools and safeguarding challenges in moving Cool Aeronautics to a virtual platform while children were at home, staff looked at other ways to inspire the next generation and promote STEM subjects and decided to trial the first ever 'Cool Aeronautics At Home' pre-recorded webinar in July aimed at parents, schools and children, featuring an interactive, fun-filled session hosted by space education expert Jo Fox and speakers who had supported the live events from the world of space, engineering and flight. Also available to view on-demand on the RAeS YouTube Channel, the video has seen over 350 views to date.

Inspiring Our Future - Cool Aeronautics

Cool Aeronautics is the Society's flagship programme for primary schools, aimed at educating and inspiring students aged 8-11 about the world of Aerospace & STEM. The programme has been running for over ten years and we have reached many children across the world over the years with the live events, webinars and online content.

In 2021 the Society had to drastically limit the number of live events for schools due to the ongoing Covid-19 pandemic, however this didn't stop the Society from continuing to inspire the next generation via virtual means. In May 2021 the Society produced a second part to the 'Cool Aeronautics at Home' series which showcases aerospace professionals such as Pilots, Engineers and Space personnel and provides young children an insight into the industry through online learning. The Society was grateful to have 'SheMaps', who engage with schools the world over, to showcase and educate young people on drones and the rise of the UAV sector. They joined the RAeS all the way from Australia and the Society look forward to continuing to work with them. The Society was also delighted to be joined by Air Traffic Controllers from Eurocontrol based in the Netherlands and RAeS member Steph Smith who works as an Aircraft engineer for Airbus. This webinar was received very well and is available to watch on the RAeS Youtube channel along with the wide range of inspirational videos.

The Society was thrilled to have had the support of the RAeS Derby Branch with its thriving network of young graduates eager to partake in STEM outreach and give back to the community. The Derby Branch conducted two events in 2021, one being broadcast live into various schools in the Derby area. The Branch had a host of speakers from Rolls-Royce who delivered live talks on their roles and explained how young people can follow in their footsteps. A second in-person event was held in October at the Derby Museum of Making whereby 30 children from a local school took part in a day of talks by Graduates. This was then followed by hands-on activities including a demonstration of a 3D printer, a walk around of a Rolls-Royce Trent engine and a glider competition to close the day. The Society is extremely grateful to the young graduates at the Derby Branch who facilitated and supported the Society's events this year and the Society look forward to seeing them in action in 2022.

Finally, the RAeS Yeovil Branch, consisting of graduates and apprentices at Leonardo Helicopters, hosted the record breaker of the year with over 700 children participating in a live virtual event! The event was conducted by young members at the Yeovil Branch and the children were guided through a thrilling day of inspirational talks and hands-on activities conducted in the comfort of their classroom. All materials and goodies were sent to the schools in advance and the activities were guided with live virtual demonstrations from the Leonardo team. This has posed the question of whether it may be more effective to run a hybrid event whereby you can attract a larger number of students as there is no requirement for schools to budget costs for travelling to a venue. As always, the RAeS Careers Team are very proud of what the young members at Yeovil achieve year in year out, and we are eagerly anticipating the 2022 event due to take place in November 2022.

While the pandemic has changed the way we operate, it has certainly allowed the Society to gain a wider reach in terms of student participation and we aim to bring Cool Aeronautics to all children across the UK, so this is a positive start. Going forward, the Society would like to bring back live events at venues such as Stansted Airport, RAF Halton, National Space Centre and at RAeS HQ in London and hopefully 2022 will be the year where the Society is able to return to a normal schedule. RAeS Careers would like to thank all the speakers, activity providers, partners and volunteers for their outstanding contribution to inspiring the next generation through Cool Aeronautics over the past year and its onwards and upwards from here.

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Fun Kids Radio and Amy Aviation YouTube

The impact of the pandemic meant that encouraging engagement with the Society's existing resources also became paramount. To highlight the Amy Aviation series and encourage parents to use it during 'at home learning', staff worked with the Society's radio partners Fun Kids, to promote the Amy Aviation video series - featuring character Amy Aviation take children on a journey through engineering and flight - with a fun competition and produced free resource packs for parents struggling with home schooling.

Available as free podcasts and YouTube animated videos, total video views have soared over the past year now totalling c. 300,000 views overall, with the resource proving particularly valuable with the impact of coronavirus. Most popular videos include:

- 'How propellers work' (80,000 views)
- Satellites (52,000 views)
- Radars (41,000 views)
- Pilots (24,000 views)
- Jet Engines (21,000 views).

Careers in Aerospace Website

The team continued and completed the development work following the support received from the Department for Transport (DfT) in March 2020. The website now has a brand new and dedicated section for Aviation and role model case studies section called 'AeroStories'

The website continued to be a valuable resource. New visitors totalled 88,505 over 2021, up by 21,000 on 2020. Apprenticeship information remained one of the most popular pages (30,000 views), the Careers Directory (7,000 views) and links to all RAeS new career webinar recordings, resource packs etc were uploaded with the Skills pages seeing 4,000 views. Aerospace Engineering, Aircraft Maintenance and Careers Resources also remained popular and in 2022 work will continue to promote the new Aviation and role model AeroStories areas to support industry recovery.

Social Media

The RAeS Careers team Twitter account, @RAeSCareers, continued to see increased engagement with 2,236 followers achieved by December 2021. Top tweet of the year was in November to announce the World Skills UK Aero Engineering Mechanical competition finalists.

Diversity and Inclusion

The Society's work continues in removing the barriers to inclusion within aerospace and aviation so that all voices are heard, listened to and acted upon. 2021 has seen continued emphasis on activities in support of the Society's Diversity & Inclusion Strategy. This work is sponsored by the Society's dedicated Diversity & Inclusion Committee.

In January, the Society held the first annual Mary Jackson Named Lecture. This lecture celebrates the work of individuals from ethnic minority communities within aviation and aerospace and is the first Society lecture to be named in honour of someone from the Black community. This lecture is held jointly with the American Institute of Aeronautics and Astronautics (AIAA) and we were delighted to welcome Dr Moogega Cooper, the Planetary Protection Lead for the Europa Lander concept at NASA's Jet Propulsion Laboratory, as the inaugural speaker.

In February we held a D&I Forum for the Society's Specialist Groups. This event was designed to help Society volunteers, particularly those in leadership positions, to make progress against the Society strategic diversity and inclusion objectives. This includes giving them the understanding to help them develop their own plans for diversity and inclusion as part of the Society's aim to mainstream D&I throughout all its activities.

The Society engaged in the Royal Academy of Engineering's Diversity Progression Framework benchmarking exercise at the beginning of the year (the first such exercise since 2017). There was a general increase in the Society's position versus 2017, noting that there have been some changes to the structure of the Framework in its v2.0 edition. The Society published its progress to coincide with International Women in Engineering Day (INWED) in June. It also supported INWED by releasing a free podcast on its SouncdCloud channel, featuring a number of female engineers and Society members, who

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provided an insight into their experiences of joining the industry, mentoring and other aspects of what inspired them to pursue a career in our sectors.

The Society hosted an LGBT+ Network Roundtable Event on 14 June 2021. This brought together representatives of Pride networks from a number of the Society's Corporate Partners. The event was well-represented from across aerospace and aviation and there was a clear appetite amongst attendees for the Society to do more in this area.

The D&I Ctte held its first joint session with the D&I Working Group of the American Institute of Aeronautics and Astronautics (AIAA) on 21 July 21. This session was further to the Memorandum of Understanding signed between the RAeS and the AIAA in 2020 to work on common issues of interest.

With Covid restrictions eased in the UK, the Society, with support from the UK Department for Transport, members and partners, hosted the first joint seminar between the Diversity & Inclusion and Education & Skills Committees. The "Developing People during Covid-19 - Lessons Learned for Aerospace & Aviation Recovery" seminar discussed topics including: peer support networks, online training and learning, remote working and the future of D&I post the Covid-19 pandemic.

In October, the Society celebrated Black History Month, with special content in that month's edition of AEROSPACE and also with a podcast between Wayne Davis from our Publications Department and author Andrew Rajan. The Society also supported an Ethnic Minorities in Defence Event held at Aerospace Bristol.

ALTA Mentoring

The Alta mentoring programme for women, a partnership with Airbus, RAF, UWE and Little Blue Private Jets, is a blended programme based on an online matching platform and supporting events, which grew to 400+ users, and we organised a number of virtual mentoring events to connect Alta mentees during Covid.

The platform is free to all users and open to members and non-members as part of the Society's public benefit commitment and provides a secure way for women to connect and arrange mentoring sessions, supported by guidance materials.

Alta continues to provide vital support and help for women who have been particularly affected by the crisis, key discussion points in breakout sessions included the impact of home schooling, furlough, redundancy and mental health.

End Point Assessment (EPA) and Apprenticeships

EPA is the final assessment(s) every apprentice in England must undertake to demonstrate their occupational competence at the endpoint of their learning. The Society has played a key role in supporting the development of new Apprenticeship Standards for the aerospace and airworthiness sector and is a registered End Point Assessment Organisation (EPAO).

EPA Delivery during the Pandemic

2021 has been a year of great changes and challenges in the development and delivery of apprenticeships and, specifically, the End Point Assessment which the Society provides for a number of aerospace and advanced manufacturing engineering occupations.

As the Institute for Apprentices and Technical Education got into its stride, a Route Review for a number of sectors, including Engineering, was launched. This sought to reassess all of the previously approved apprenticeships to ascertain their fitness for purpose. In addition, a consultation into Integrated Degree Apprenticeships was held. The Society participated fully in both of these and in the resultant work streams set up by employer Trailblazer groups to modify existing Apprenticeship Standards and Assessment Plans and to develop new ones.

By the end of the year, solid progress had been made but the work will be on-going through 2022.

A major change for End Point Assessment Organisations (EPAOs), such as RAeS, was the decision to hand the external quality assurance function for all apprenticeships, on a phased basis, to the awarding bodies' regulator, the Office of Qualifications and Examinations Regulation (Ofqual). The aerospace

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apprenticeships assessed by RAeS were included in the first phase and this required that Ofqual recognition be achieved by the middle of the year.

The recognition process is extremely rigorous and it required that all of the RAeS policies and procedures be reviewed and revised to bring them into line with Ofqual's stipulations. In support of the application, which was successful at first attempt (the success rate at the time of application being less than 10%) over 100 supporting documents were submitted. These included policy documents on, for example, conflict of interest, risk management, the business cycle (develop, deliver, review) etc and all of the operational documentation – guidance documents, report forms and so forth. While this was clearly a team effort, the then Head of Education and Skills and Ofqual Responsible Officer, Rosalind Azouzi, played the key role in interpreting the Ofqual requirements, creating new policies and co-ordinating all of the responses to the various sections of the application.

To ensure the Society remains fully compliant with Ofqual's regulations, the End Point Assessment Standards Panel was expanded. Always strong on occupational knowledge, the panel needed to ensure that the more pedagogical aspects of assessment were also fully covered and thus two new members from academia were welcomed into the fold.

Covid restrictions continued to play their part throughout the year but previously agreed flexibilities continued to be permitted to the end of the year and will continue into 2022. Much of the assessment and quality assurance activities were carried out remotely and without any ill effects on the quality of the work or its outcomes.

Numbers of assessments continued to increase and towards the end of the year a campaign was launched to recruit more assessors to carry out the work, particularly in the area of advanced manufacturing engineering where occupations outside of aerospace are also assessed. In total, 283 assessments were carried out during the year.

As more and more small to medium-sized companies approached the RAeS to conduct EPA for their apprentices, there was a growing need to provide assessment of Occupation Competence, in addition to Professional Competence. We are very grateful, therefore, to the excellent team of assessors who have stepped up and undergone the additional training required to do this. It bears reaffirming that the RAeS is only successful in providing its assessment services to the industry because of the quality and the commitment of RAeS members who play diverse roles in their development, rollout and monitoring.

Due to the additional requirements imposed by both the Institute for Apprentices and Technical Education (IFATE) and Ofqual, it was not possible to complete the work on the applications to assess two new Standards – Systems Engineer and Power and Propulsion Engineer – and thus it is intended that these applications be submitted early in the following year.

Knowledge

The Society continuously strives to be recognised as the leading professional community and independent source of knowledge for the aerospace, aviation, and space industries. By providing influence and leadership through dissemination of impartial, evidence-based, authoritative knowledge and information, the Society remains relevant to members, supporters, and stakeholders, as well as demonstrating public benefit to the wider society across the globe. As such, the RAeS network of members within the Specialist Groups, Branches and other Boards and Committees continues to play an important role in offering insight and delivering intellectual output.

In addition, the Society maintains its alliances with key national and international partners to extend and amplify the reach of key messages and has worked collaboratively as a member of the International Council of Aeronautical Sciences (ICAS) and the Council of European Aerospace Societies (CEAS), both of which organised large academic congresses that the RAeS supported and participated in during 2021.

Sharing Knowledge Through Events

In 2021 the Society continued to successfully deliver a virtual events programme and introduced its first hybrid event in October, enabling delegates, speakers and sponsors to participate either online or in person at No.4 Hamilton Place. Overall, the Society held 15 conferences, four of which were hybrid, 18 public free to attend lectures (16 webinars and two in person) and eight Corporate Partner briefings all held via webinar. The conference programme attracted 1,717 attendees and the public lecture programme 3,360

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attendees. The Society also procured a new and more cost-effective virtual event platform making significant savings and empowering the Events Team to deliver the events production and digital delivery inhouse.

One event highlight of 2021 was the 47th European Rotorcraft Forum that the Society was proud to host. This premier, international event in the rotorcraft calendar attracted over 200 speakers and delegates from across the sector and world where they discussed advances in research, development, design, manufacturing, testing and operation of rotorcraft. The forum included 107 technical papers, 35 technical breakout sessions and ten high-profile plenary sessions all delivered virtually. The President's Space Conference and the Climate Change Conference also included high-profile speakers and attracted a wide international attendance and significant sponsorship.

The Society looks forward to continuing to deliver its larger events and conferences in a hybrid format, where cost effective and safe to do so in 2022.

Learned Resources

As restrictions caused by the pandemic led to the Society's Farnborough-based National Aerospace Library (NAL) being closed to the membership and wider aeronautical community for the first five months of the year, there was continued focus on delivering material electronically. In 2021 the number of e-books available to members around the world more than doubled. With part-funding from the RAeS Foundation the Librarian purchased perpetual access to the AIAA's back catalogue of e-books, containing over 300 titles exploring the cutting edge of aeronautical and astronautical science and engineering over the past 50 years. The AIAA collection was supplemented by a new collection of e-books aimed at RAeS apprentice members and new professionals in addition to maintaining access to other e-book and e-journal services.

The Library Team continued to help the aviation community during lockdown by releasing a classic lecture podcast each week, before reverting to monthly releases once restrictions were relaxed. 2021 highlights included papers from conferences marking Gagarin's first spaceflight, the achievements of Handley Page Ltd, the development of the F-35 Lightning II and a lecture on Lanchester's Contributions to Aeronautics by Dr Theodore von Kármán HonFRAeS. During lockdown RAeS podcasts received around 125,000 listens.

The Society's online Film Archive continued to perform well, with 130,000 views, most coming from two rare Miles Aircraft films. A small number of recordings of lectures were added to the site during 2021, including an excellent lecture showing how Sir Alan Cobham brought the excitement and glamour, challenges and enthusiasm, thrills and spills of aviation to literally millions of people in the early 1930s and, by matching the original slides and videos to an audio soundtrack, we recreated a lecture on a Canadian project which successfully built and flew an ornithopter.

As well as undertaking the core work of the library, helping people across the world to use the Society's unique collections, and collecting the best of newly available material, a lot of work has been done to launch the first stage of a new library catalogue. A new portal will enable users to access digital copies of an increasing number of RAeS publications, including conference proceedings, gems from the RAeS archive such as letters from the Wright brothers and items from photographic collections. The portal will also bring together details of the RAeS library, e-library, archive, and image collections all under an easy-to-use platform.

The NAL continued to be supported by volunteers who gave their time to the library and to the Society. Their work editing audio and video content, conserving books and pamphlets, exploring and better describing details of hidden documents, articles and other gems within the collections has enabled the Society to bring yet more of its collections to the worldwide aero community. The work of one volunteer, Mike Stanberry FRAeS, together with former Chief Librarian Brian Riddle, was recognised by Aviation Heritage UK with both being presented with lifetime achievement awards.

The Society's Librarian has also continued to play a key role in the wider aero archives community, by giving a paper and helping to organise an AHUK event on aero archives, chairing an online event for the Aviation and Aerospace Archives Initiative and helping to create an online searchable guide to the archives of UK aircraft manufacturers.

Publications and Communications

The publications of the RAeS experienced another strong year with all achieving greater reach and increased readership. *AEROSPACE* is now available on an app to all members while *The Aeronautical Journal* is now available to all members online for free.

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The Duke of Edinburgh's death was commemorated with a dedicated *Journal* collection created featuring his contributions to the Society and an article in *AEROSPACE*. And the Society can proudly announce that *AEROSPACE* is now mailed out in a totally compostable wrap made from natural potato starch and other biologically sourced polymers. Now all paper and packaging for both *AEROSPACE* and *Journal* are environmentally friendly and totally biodegradable.

AEROSPACE

In 2021 Publications saw another successful year with *AEROSPACE* continuing to set the agenda, despite the challenges of remote working brought on by the pandemic. Last year saw the production of a well-received UK spaceflight-themed special issue of the magazine in May, while the summer saw *AEROSPACE* return as media partner to the high-level RAF Global Air Chiefs' Conference.

In 2021 the Editor-in-Chief, Tim Robinson, won an Aerospace Media Award for 'Best Commercial Aviation' submission for an article on Airbus' hydrogen airliner plans. Meanwhile, the magazine itself narrowly missed out picking up a prize at the Trade Association Business Publication Awards (TABBIES) when it received Honourable Mentions in the 'Feature Article' and 'Front Cover' categories. In September, *AEROSPACE* reported from the DSEI exhibition in London while in November, under challenging circumstances, it covered the Dubai Air Show – the first in-person major aerospace trade exhibition and air show since the pandemic began.

The magazine also led the way in COP26-related environmental articles and news, with features reporting on Airbus' Climate Summit, Boeing's sustainability efforts, Rolls-Royces' record-breaking electric aircraft and ATI's FlyZero project. In defence, the magazine also assessed the long-awaited *UK Integrated Review*. In September, the Insight blog also marked the legacy of 9/11 some 20 years on. In 2021, the magazine and Insight blog also extensively covered RAeS events and news, including the Light Aviation Design Conference, Alternative Propulsion, AI and drones, mental health, piloting skills, contrails and climate impact and the UK as an emerging space power.

The Aeronautical Journal

The Aeronautical Journal celebrates its 125th anniversary during January 2022. Much of 2021 was spent producing a now available commemorative edition. This showpiece issue includes contributions from key figures at NASA, Delft, Loughborough University, Boeing, Cranfield, Georgia Tech, the University of Manchester and Professor Gareth Padfield's last completed research paper. Two special issues on Smart aircraft and featuring papers from The International Society for Air Breathing Engines (ISABE) were produced.

The *Journal* no longer publishes a paper version. It is now an e-Journal which has resulted in article downloads increasing by over 50% during 2021. Moving to online only will also eliminate print and distribution costs from the accounts, significant as these costs have recently risen steeply due to Brexit and Covid. A 20% year-on-year increase in revenue was announced by co-publishers Cambridge University Press during 2021.

The Society is pleased to confirm that the Impact Factor for *The Aeronautical Journal* has increased from 0.663 to 0.818, an increase of over 23%, making further inroads into the leads of larger, better resourced competitors. The time taken for a paper to reach publication from receipt has reduced by 17%. Equally pleasing is the fact that a record number of submissions have been received with 281 papers.

The Journal of Aeronautical History celebrated its tenth anniversary last year under its new Editor, Dr Robert S Hopkins III FRAeS. Six articles were added to *The Journal of Aeronautical History* during 2021, while scores of book reviews have been published across the three titles throughout the year.

Social Media

The RAeS social platforms remain an extremely important set of communication channels both for external and member-facing comms. The Society's Twitter feed currently has 21.1k followers, 12k on Facebook, 29.3k on LinkedIn and 2k on Instagram. In 2022 a new TikTok platform will be launched to access a whole new demographic with the provision of relevant content for that channel.

Continuous Comms Improvements

There has been significant change in staffing in the communications side of the External Affairs team this year. This brought about challenges, but also opportunities to look at what the Society is doing and continue to drive improvements and positive changes.

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The Society currently sends out an e-newsletter fortnightly. This includes a roundup of latest news from the Society, featuring written, audio and video content. In 2021 23 newsletters were distributed, an increase of (+15%) of the previous year. The average open rate in 2021 for these newsletters was 20% with an average click to open rate of 12.75%. The hope is to improve both these figures in 2022.

Policy Engagement

Providing independent, authoritative, and evidence-based advice and input to policy makers is a key objective of the Society, and the remit covers a huge swathe of policy areas. In 2021 we submitted evidence or contributed to eight UK government or parliamentary consultations. All are available on the Society's website. These were on topics including sector recovery from Covid, the UK Government's transport regulatory review, the Comprehensive Spending Review, degree apprenticeships, net zero aviation and space. Early in 2022 there are further consultation responses in the pipeline including the House of Commons Science and Technology Committee's inquiry into diversity in STEM where the Society's previous work in this area will be highlighted.

In 2022 the Society hopes to continue this trend of providing input to consultations and inquiries but would also like to broaden the output to be more proactive in those areas identified as external relations priorities, namely:

- Climate Change and Sustainability
- The Future of Flight and Spaceflight
- Tomorrow's Aerospace Professional

On the policy front the RAeS continues to be a key partner of the National Engineering Policy Centre (NEPC) which is co-ordinated via the Royal Academy of Engineering. The Centre aims to be a focal point for the Government in accessing a whole range of engineering policy expertise and, while still relatively new, is going from strength-to-strength. The Society continues to assist with its strategic development.

Parliamentary outreach

In 2021 the External Affairs Team commissioned some research to find out how well understood the RAeS is among parliamentarians. The results will provide a good baseline from which to grow, and there is much that can be done to promote the Society, and its knowledge and expertise, in Parliament.

While 84% have heard of the RAeS, only 9% knows the Society either 'well or a fair amount'. More parliamentary outreach will be conducted in 2022 to improve those stats and using the themes above, which enjoy significant latent interest amongst MPs and Peers.

Branches and Divisions

The RAeS international Branch network has continued to embrace the online delivery of learned output and during 2021 successfully hosted over 200 virtual events and lectures. These events were free to join and open to all. Additionally, many of the lectures were recorded and have subsequently been uploaded to the internet for even greater accessibility and public benefit. The events included the Singapore Branch re-launch on 1 September with a lecture on sustainable aviation delivered by Dr Albert van Heerden from Cranfield University. At a lecture event on Sunday 25 July the Coventry Branch celebrated its 95th anniversary. The Coventry Branch was the first to be formed under rules for the formation of Branches issued by Council in 1926.

Fittingly, the 2021 Annual Branches Conference was hosted by the Coventry Branch on the weekend beginning Friday 8 October. The theme of this year's event was Sustainability & Young Professionals which was incorporated into the usual conference agenda. The event started with an insightful tour of the new state-of-the-art Meggitt manufacturing facility and global headquarters at Ansty Park which included a technology presentation on additive manufacturing which was delivered by Meggitt graduates. Conference business took place on the Saturday which was preceded by a focus talk on 'Young Professionals'.

The 2021 annual Branches Brief took place online via Teams on 13 May. The key theme of the event was to discuss strengthening the Branches network and its role in the Society post-Covid. Branch delegates were invited to exchange experiences and best practice from the previous 14 months activity. In total, the event attracted 52 attendees including representatives from Washington DC, UAE, Munich, Paris and Toulouse Branches. It was clear during discussions that Branches are keen to marry the best of pre-Covid legacy operations with the excellent digital experience and skills recently acquired.

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Geoff Wilkinson MRAeS has taken on the role of Australian Division President. Geoff has accrued nearly 45 years of global aviation professional experience. His commitment spans airline finance, flight operations, aerial reconnaissance, airport engineering consulting, mentoring senior airline personnel and his current university aviation lecturing responsibilities. He also continues researching postgraduate airport engineering safety.

Young Persons Committee (YPC)

The 2021 Young Persons Conference 'Next Generation Opportunities in Space' was held virtually on Friday 17 September 2021 and was kindly sponsored by Telespazio UK. Following the Young Persons Committee survey (conducted in March 2021), Space was highlighted as a main topic of interest among young people, and this duly guided the theme of the conference. The aim of the conference was to showcase the variety of specialist areas and opportunities within the space sector and to inspire delegates.

The annual AeroChallenge virtual quiz and secret build challenge event took place on 10 March and was once again kindly sponsored by Leonardo. The event was a great success attracting 260 participants from universities in the UK and internationally, Pakistan and South African Divisions and team entries from Boeing, MBDA, Leonardo, BAE, Atkins, Emirates Aviation University and ISAE Supaero. The scores were very tight, and the design challenge submissions were of a high standard, so this year there were two individual winners: Ella Senior from Oxford University and Ryan Ross from BAE Air. The winning team was adjudged to have been BAE-Blades from BAE Systems.

Woman in Aviation & Aerospace

The Amy Johnson lecture took place on 8 July and was delivered by Air Commodore Suraya Marshall. Air Cdre Suraya Marshall's presentation covered leadership, inclusivity and the shape of future careers in the RAF. Since November 2019, she has been Commandant of the Royal Air Force College Cranwell, the RAF's aircrew and officer training academy and, in October 2021, was promoted and appointed as Air Officer Commanding 2 Group. The lecture attracted over 200 attendees and many excellent reviews.

Specialist Groups

The RAeS Specialist Groups are to be congratulated for delivering learned output despite the challenges of Covid. Specialist Group contributions to events, papers and consultation responses are, of course, fundamental for the advancement of knowledge and key to the Society's status as a learned body.

One major issue considered by Specialist Groups is the Net Zero challenge for aviation. For instance, Specialist Groups provided a significant contribution to the RAeS response to the Department for Transport's Jet Zero Consultation paper submitted in September, and the Greener by Design Group continued to produce its Annual Report.

In the first part of the year the impact of the Covid pandemic on the industry was very much in everyone's minds. As such, and through its Events Working Group (EWG), the Specialist Groups Co-ordinating Committee (SGCC) took a strong interest in helping with the development of a virtual conference discussing how aviation could recover. This event was the first using the new SpotMe virtual conferencing platform which has subsequently been used throughout the year.

Medal and Awards

The Society has been honouring outstanding achievers in the global aerospace industry since 1909, when Wilbur and Orville Wright came to London to receive the Society's first Gold Medal. In the years that have followed, honouring world aerospace achievers has become a permanent tradition of the Society.

The following list of medals and awards are given out by the Society each year:

- **The Sir Robert Hardingham Presidential Sword:** This is a prestigious award presented annually by the Society's President in recognition of outstanding service to the Society.
- **Distinguished Service Award:** This Award is conferred on Society members who have provided long and meritorious service to the Society or for particularly meritorious service of shorter duration.
- **Honours:** This is the world's highest distinction for aerospace achievement awarded for only the most outstanding contributions to the aerospace profession. This honour is conferred on those whose

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careers, leadership, inspiration and impact marks them out as among the most eminent, widely recognised and influential aerospace professionals of their generation.

- **Medals:** Awarded for major contributions to the advancement of aerospace art, science and engineering; RAeS Gold, Silver and Bronze medals are awarded to both individuals and teams.
- **Specialist Awards:** These are conferred on individuals or teams working in a formally recognised or otherwise well-established professional discipline. The awards recognise advances, innovation, excellence and long or meritorious service that has had a significant impact within the discipline in advancing aerospace art, science and engineering.
- **Young Persons' Awards:** The Society confers awards recognising achievements by young people, both individuals and teams.
- **Civil Cadet Pilot Award:** The Civil Cadet Pilot Award is awarded to the civil cadet pilot who, during their course at an ATO, demonstrated outstanding achievement and/or potential and who provided exemplary inspiration to their peers, professionally and personally.
- **Written Paper Prizes:** These are awarded annually for the best papers published in *The Aeronautical Journal* by the Society during the previous calendar year.
- **Young Persons' Written Paper Prize:** Awarded for the best published paper produced by a young person or a group of young people who are all under 30 years of age.
- **Journal of Aeronautical History Written Paper Prize:** started in 2018 this is awarded annually to the paper published in the *Journal of Aeronautical History* during the preceding calendar year that is most likely to engage and excite the widest possible community of professional and other interested groups, it should exemplify the best in terms of communicating aerospace history to inspire future developments.

The Medals and Awards Committee (MAC) has managed to function effectively despite the impact of Covid with all meetings being 'virtual'. The closing date for nominations for Society Honours, Medals and Awards is normally 31 March each year, however due to the on-going impact of Covid 19 the closing date was extended to 31 May 2021. By that date the Society had received a total of 59 nominations. Of these nominations, 60% were from the UK, including ten from the UK military. In addition, nominations were received for individuals from the United States, Pakistan, India, Germany, Italy, Australia, Czech Republic, Malaysia, and Sri Lanka. A total of eight were nominations were for women and nine nominators were female. There were also eight nominations for Young Persons' awards, and the Society received ten nominations for teams. The awards were duly announced and presented at No.4 Hamilton Place on 22 November 2021 at a Covid-compliant event.

Membership Services

Membership Services covers the services and activities supporting both individual and corporate members of the Society and the public interested in aviation.

Despite the continued problems caused by the pandemic in 2021, the Society finished the year with 25,140 (2020: 25,110) members. During the year the Society's membership team had focused on both the recruitment of new members and on the retention of existing members.

The Society has continued to look to grow its membership benefit offering, with a strong focus on continuing professional development and mentoring support, with the launch of the Society's new Learning Management System, Aeroversity. Available and free to all Society members, Aeroversity brings together the growing collection of learned content and professional development resources; Aeroversity supports members with digital and blended learning and CPD experiences. Aeroversity also provides RAeS members with access to an online Initial Professional Development (IPD) and Continuing Professional Development (CPD) recording tool, MAPD – My Aero Professional Development. Within MAPD members can record professional development plans and activities and add reflections to highlight the impact of the activities on their profession or development.

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In 2021, The Royal Aeronautical Society launched its partnership with the Chartered Management Institute (CMI) to offer RAeS Incorporated Engineer and Chartered Engineer members, a route to becoming a Chartered Manager (CMgr), along with discounted CMI membership.

The Society continued to promote membership and Engineering Council professional registration through an increased online presence; membership recruitment and retention activities continued virtually as the implications of the Covid-19 pandemic and associated restrictions continued in the first half of 2021. As the year progressed, the team participated in some on-site briefings, however, predominately held these virtually. The team also supported virtual industry exhibitions, including the UK Space and Chief of the Air Staff Conferences.

Working closely with companies and volunteers and through an online delivery of briefings, workshops and mentor training, the Membership Development Team has continued to be active in its engagement with the aerospace and aviation community. A full programme of online webinars continued to guide new and upgrading members and those considering Engineering Council professional registration, reaching over 600 people; with the team delivering 20 general introductory membership and professional registration webinars and a further ten organisation-specific webinars, including delivering online presentations to DE&S, Airbus, BAE Systems, Cobham, Leonardo, Rolls-Royce, Expleo Group, the Royal Navy Fleet Air Arm and the RAF. This has led to a continued awareness of the Society's activities and membership benefits to organisations and individuals across the sector, encouraging membership to all.

To further support those applying for professional registration, the Membership Team delivered over 50 1-to-1 support sessions to provide individual advice and guidance to applicants. This year has continued to see support from Society members through the nomination process, encouraging Members and Fellows to nominate colleagues for membership through a streamlined application route, which has had 200 successful applications throughout 2021.

The Society remains committed to engaging and inspiring the next generation of aviation and aerospace professionals and continues to work with UK and international academic institutions to promote the benefits of membership to those at various levels of study, with the team presenting to over 32 Universities and Further Education Colleges, through live and recorded webinars. The Society recognises the importance of encouraging young people to pursue a career in the aviation, aerospace and aeronautics industries which is why it supports learners through its offer of free Apprentice Affiliate and Student Affiliate membership. The challenge of retention of the Society's young members as they transition from academia and apprenticeships into their professional careers is something the Society continues to focus on. As an example, the Society continues to offer a reduced subscription rate for one year (e-Associate) to Student and Apprentice Affiliates who have completed their studies to ensure continued access to the benefits of membership.

Registration and Engineering Council Matters

Following the Engineering Council's Standards Review and the publishing of the EngC new standards in August 2020, the Society published its revised Registration documentation and guidance and has now transitioned to UK Standard for Engineering Competence (UK-SPEC) 4th edition.

The Society's registration activities continued throughout 2021, with over 140 virtual Professional Review Interviews held to assess for Engineering Council Professional Registration. The Membership and Registration Team has also trained over 20 new Professional Review Interview Assessors to continue to support Aerospace Engineers in becoming professionally registered with the Engineering Council.

The Society continues to review academic programmes that provide the recognised level of understanding, knowledge and skills to underpin professional competence to help graduates on their way to registration as Chartered or Incorporated Engineers. The Society has participated in a full schedule of virtual visits to review academic programmes and professional development schemes for accreditation, including ten to Higher Education Institutions and four professional scheme visits.

The Society continues to waive the cost of UK accreditation visits for Corporate Partners and it is an excellent way for an academic institution or company to gain recognition.

Corporate Partners

In addition to individual members, the Society receives the support and participation of organisations across the global aerospace, aviation and space sector who continuously demonstrate their commitment to promoting the highest professional standards in the work that they do. Corporate Partner membership is

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not just about large organisations, with over 75% of Society Corporate Partners representing the SME sector and all have an important role to play in both the industry and within the Society's activities.

The continued impact of the Coronavirus pandemic across aerospace and aviation has impacted membership of the Corporate Partner scheme as companies reassess financial commitments. However, the scheme continues to attract new members, and new growth areas such as electric aviation and 'new' space present opportunities to expand the Corporate Partner membership.

The Society's Corporate Partner Briefings remain the backbone of the corporate events programme and took place regularly throughout the year as online webinar events and continue to attract high-level speakers and audience members. Highlights from the 2022 programme include Martin Rolfe (NATS), Alex Cresswell (Thales) and Dawn Bonfield MBE (WES).

Royal Aeronautical Society Foundation - Fundraising

The Society is registered with the Fundraising Regulator and is committed to adhere to its Code of Fundraising Practice as well of complying with the regulatory standards for fundraising. However, the Society does not generally fundraise to the public and it does not have an internal fundraising team and nor does it engage fundraising professionals to promote these activities. In 2021, the Society did not receive any complaints from the public (2020: Nil). Though the Society does not fundraise the Society would follow the guidelines in the Code of Fundraising Practice when dealing with vulnerable groups.

The Trustees established the Foundation in June 2006, to organise and co-ordinate support for the Society's charitable activities including the Centennial Scholarship Fund (now RAeS Future Scholarship Fund), the National Aerospace Library (NAL) and other projects as directed by the Trustees. The Foundation's committee comprises of a Chair (Chief Executive) supported by a small team drawn from the aerospace community and senior staff.

Since 2008/2009 the Foundation has focused on promoting Gift Aid to the Society's membership and ensuring that these funds are used to support the Society's charitable objectives. Though Gift Aid is currently under review and no claim was made in 2021 (2020: nil), the Foundation continued to support a number of projects in 2021 (though several have been delayed until 2022 due to Covid-19) totalling £35,392 (2020: £34,089); the following projects are currently (2021/2022) being supported:

- Unconscious Bias Training for Professional Engineering Institutions;
- Cool Aeronautics (travel and venue costs for schools);
- Online Mentoring Platform;
- AeroPortal – Young Member's App and Web Viewer;
- Digital Media costs to support live streaming of Branch lectures;
- Digitisation of the Society's film and sound archive;
- Student/Apprentice Learning & Development;
- University Campus Engagement;
- Aerosociety Heritage Website
- External STEM & Skills Exhibitions
- Digital Lectures and Talks
- CPD/Careers Website; and
- RAeS Future Scholarship Fund (formerly Centennial Scholarship Fund).

Financial Review

As a registered charity the Society is required to prepare its accounts under the Statement of Recommended Practice (SORP FRS 102).

In the accompanying Statement of Financial Activity (SOFA) expenditure includes both the direct cost of the activity plus supporting costs which are apportioned on a basis consistent with the use of resources and is based on either the number of staff working on that activity or time allocated to support the activity. When comparing income against expenditure some activities such as Careers and Education, National Aerospace Library (NAL) and Publications and Information show a loss for the year. However, it should be noted that these activities are also supported by Membership Income which is not reallocated in the SOFA and are part of the benefits supplied by the Society to its members.

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Income

Total income increased by 3.5% to £4,383,664 with total unrestricted income increasing by 4.5% to £4,206,308.

Income from Donations & Legacies

This comprises donations to various funds which have increased from £130,950 to £158,958 in 2021. This was from donations and contributions from individuals and organisations including £30,059 from Boeing and £47,990 (2020: £59,663) raised by the Society's Branches to fund their activities throughout the year. There was no Gift Aid in 2021 due to an ongoing review (2020: nil).

Income from Charitable Activities

At £3,829,190 (2020: £3,680,127) this represents 87.4% of the income generated by the Society in 2021; the principal income sources being Membership Services (including individual and Corporate Partner subscriptions), Conferences and Events and Publications.

Income from Membership Services represents just over 67% of the Society's income and decreased by 2.4% in 2021 from £3,023,941 to £2,952,683. The annual subscriptions fees (for individual and corporate members) were frozen in 2021 and other income generated through sponsorship and delegate fees from membership and corporate events.

Due to Covid-19 the Society's HQ remained closed in 2021. The Events Team continued to hold conferences and seminars on the virtual platform, the overall delegate and sponsorship income finished the year at £210,816 up by 30.2% on 2020.

Publications income increased by 0.8% to £127,059 by increased sales of *The Aeronautical Journal* (including archive sales) in 2021.

The Education, Skills and Diversity Team generated £23,523 in 2021 (2020: £12,593), income increased by just under 87% which included sponsorship and income from its annual conference and sponsorship for some of its activity.

Due to the impact from Covid-19 and volatility in End Point Assessment (EPA), it continued to have delayed assessments in 2021 while some companies were committed to completions on time and income increased by just over 51%, finishing the year at £507,710 (2020: £335,589).

Income from Other Trading Activities

No.4 Hamilton Place was closed until August 2021 due to Covid-19, however it reopened in August 2021 after receiving a number of enquiries from external clients. As a result, Room Hire Services income generated £236,275, decreasing by just under 4% in 2021 from £244,581. This activity is run by the trading subsidiary Aeronautical Trading Limited (ATL) which made a profit of £27,982 (2020: £7,317). Income is generated through room hire bookings from external clients (which were down on 2020 due to the Society HQ being closed until August). There are no plans to change the activities of this business, which involves the provision of facilities to external customers and the running of the members' facilities, though it is hoped that once the Covid-19 pandemic is improved the venue can be fully reopened to external clients.

Investment Income

Investment income decreased from £181,641 to £159,241 in 2021. Of this, £94,237 (2020: £100,318) was reinvested by the Society during the year.

Expenditure

Expenditure decreased by 16.7% to £3,656,561 with total unrestricted spending decreasing by 17.3% to £3,547,372.

Raising Funds

The costs of Raising Funds decreased in 2021 by 55.6% to £120,226 with unrestricted costs also decreasing by 59.1% to £105,189. Costs included Room Hire Services, which were closed until August 2021 and there was no Room Hire team in 2021 due to these services being closed until further notice. Other costs include administration and investment fees.

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Charitable Activities

Resources expended on the Society's Charitable Activities decreased by 14.1% to £3,536,335 with unrestricted expenditure decreasing by 14.6% to £3,442,183. Costs include all the expenditure on the Society's conference/event programmes, providing membership services, career advice service, library, and producing the Society's publications.

The Society's headquarters at No.4 Hamilton Place continue to be upgraded (minor work) in line with its Strategic Objectives before being closed to external clients (including members) in 2021; it is intended that once the COVID-19 pandemic is improved this work will continue.

In 2021 Governance costs decreased by 16.4% to £107,654 from £128,800. Costs includes staff costs for Head of Governance to oversee the support to the Board of Trustees, Council, and internal Boards of the Society. Other costs included reduced expenses associated with Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus reduced costs for travel for the President.

Surplus

The net incoming resources (before losses on investments) for the year produced a surplus of £727,103 (2020: -£152,155 deficit). During the year, the Society had gained on its investment of £312,056 and actuarial gains on the Society's Pension Scheme of £775,000. The net movement of funds for the year was a surplus of £1,814,159 (2020: -£922,518 deficit).

Unrestricted funds carried forward of £9,549,491 (2020: £7,987,097) represent approximately 39 months operating expenditure. However, not all these funds can be readily liquidated as they represent the functional fixed assets of the Society. In accordance with Charity Commission guidance, the Trustees have adopted a formal Reserves Policy set out below.

Room Hire Services Operated by Aeronautical Trading Limited

The Society closed No.4 Hamilton Place in March 2020 due to Covid-19 and it remained closed to external clients until August 2021. The Society's trading subsidiary only had room hire bookings from August 2021 to December 2021; overall income was down by 66.1% and finished the year at £176,668. The Society continued to lease (under licence to third parties) offices on the 4th floor and overall, this has generated £70,767 in 2021 (2020: £58,879). The Society's Trustees decided that since there was lack of commercial activity for most of the year, they would waive all administration charges for Aeronautical Trading in 2021. The Trading company has received advance bookings for 2022 (£35,130) and these will be refunded if the Society is unable to open the building for it to provide services to external clients.

Pension Scheme

The financial statements reflect the full financial position of the Defined Benefits Pension Scheme which became a closed scheme on 31 March 2001. The Scheme must be accounted for under FRS102 and under FRS102 the scheme's liabilities are valued based on assumptions derived from yields on AA rated corporate bonds and gilts. Changes in the assumptions applied to the Scheme's liabilities have resulted in a decline in the FRS102 deficit in 2021 to £858,333 (2020: -£1,686,333); in 2021 and the Society contributed £76,000 to reduce the overall deficit on the fund.

From 1 April 2001 the staff pension arrangements were in the form of Group Personal Pensions and the currently pensions provider is Aegon (formerly Standard Life). The Society makes contributions, but the funds are owned by and are the responsibility of the individual staff members. From August 2015 the Society adopted Automatic Enrolment and received an acknowledgement of re-declaration of compliance in November 2018 from the Pension Regulator.

Functional Assets are also used by Aeronautical Trading Limited and these are included in support costs (though were waived in 2021 by the Society's Trustees).

No.4 Hamilton Place – Purchase, Valuation and Charges on the Property

In March 2009, the Society purchased the freehold of No.4 Hamilton Place at a cost of £4,859,755. Prior to the purchase, No.4 Hamilton Place was leased from the Crown Estates; in 2002 the lease was revalued by the Trustees on a draft valuation of £3,864,407 (based on existing use). From 2009 the Trustees have decided to add this valuation (less depreciation) to the actual cost of the purchase of £4,859,755 to value

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the property in the Balance Sheet at £8,249,585 as at 31/12/2021. At the time of purchase in March 2009 the Market Value of the freehold interest in No.4 Hamilton Place was £11,700,000.

Charges on No.4 Hamilton Place

The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan.

The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations if the Society defaults on its payments to the scheme. In return, by agreement with the Trustees of the Scheme, the Society will continue to pay reduced contributions to the Scheme in future years at a rate of £76,000.

Risk Management

The Board of Trustees establishes and periodically reviews the Risk Register. This is actively managed by the Audit Committee. The Society takes cognisance of the risks identified in the Risk Register in forming its Strategic Plan.

The Chief Executive and Audit Committee are responsible for ensuring that risk registers and management plans are reviewed regularly by the executive staff and at appropriate governance meetings, and that risk-management plans are acted upon, updated, and monitored to eliminate, minimise, or otherwise avoid identified risks. They are also responsible for highlighting risk developments to the Board of Trustees throughout the year.

The risks and uncertainties to which the Society is subject to have been identified; mitigation measures and contingency plans are developed and will be further refined by the relevant owners. The principal risks and uncertainties for the Society are identified below. While these are consistent with 2019, the Society's Business Continuity risk has been amended to reflect the closure of the Society's HQ and that the Society must now conduct business in a virtual environment.

In parallel, a rolling risk register was created to ensure that the Society closely managed the issues posed by the Covid-19 pandemic in 2021 which requires active management.

Business Continuity	Failure to maintain the integrity and security of our IT environment which has moved to Cloud based.
Cyber Attack	Failure to prevent a cyber breach undermines the Society's reputation.
Decline in Relevance	Failure to generate sufficient profile within the sector and beyond resulting in a perceived reduction in relevance.
Decline in membership	Decline in number of paying members and Corporate Partners (CP) leads to loss of operational and financial viability.
Loss of Charitable Status	Inadequate adherence to Charity Commission requirements leads to loss of charitable status.
Fraud and Theft	Failure to apply tight financial and operational controls leads to acts of theft or fraud.

Reserves Policy

Unrestricted Reserves and Designated Funds

2021 was the fourth year of the Finance Strategy covering the period 2018-2022, which was approved by the Trustees in March 2018 and is reviewed annually by the Finance Committee; the Finance Strategy will enable the Society to meet its Strategic Objectives to 2022 by:

- Operations to generate sufficient funds annually to ensure that the Society is fully resourced to achieve its long-term Strategic Objectives; all annual surpluses to be allocated to one of the Society's free reserves setup to safeguard the Society against future (adverse) events;

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- The Society continuing to focus on re-building its unrestricted liquid reserves and increase the level to the equivalent of six months' trading costs; and
- The Society should endeavour to reduce its long-term liabilities once it has built up its reserves to a level that covers operational requirements.

At the end of 2021, the Society's liquid reserves (Free, Mortgage and Premises and RAeS Foundation Reserves) stood at £2,950,184 (2020: £2,239,424); this is 202.1% (2020: 179.1%) of the reserve target of the equivalent to at least six months' operational costs of £1,459,407 (2020: £1,647,335); the Society achieved the Reserves target (as outlined in the Finance Strategy). However, due to the problems caused by the Covid-19 pandemic in 2021 and the continuing uncertainty of BREXIT and how this will impact on the Society's finances in the short to medium term the Finance Committee has decided to hold back making any recommendations to Trustees to reduce its liabilities and will maintain the Society Free Reserves until the way forward becomes clearer.

At the end of 2021 unrestricted reserves and designated funds were as follows:

Free Reserve

The Trustees have reviewed its Finance Strategy, covering the period to 2021. The Trustees have decided that in view of the considerable uncertainty which characterises the current economic climate the Society should concentrate its efforts on re-building its unrestricted reserves and hold any additional cash (on interest bearing deposits) to cover any income shortfalls; at the end of 2021, the balance of the fund was £2,521,047 (2020: £1,836,837).

Royal Aeronautical Society Foundation

The Foundation was setup in 2006 by the Trustees to organise and co-ordinate support for the Society's wider charitable activities such as supporting aviation heritage projects supporting the next generation of aerospace professionals, as well as supporting the development of No.4 Hamilton Place (including repaying of the mortgage). This fund is a Designated Fund, and the Foundation Committee (on behalf of the Trustees) will decide each year which projects to fund out of this reserve. In 2021 the fund received £61,942 (2020: £5,100) from donations, no funds were received from Gift Aid since this is under review and claims will be held until 2021. During the year, the Trustees released £35,392 (2020: £34,089) to support various charitable projects (educational/school projects); the fund received a total of £61,942 from donations and the fund balance stood at £222,301 at the end 2021 (2020: £195,751).

Pension Fund Reserve

Under FRS102, and in accordance with SORP, this reserve has been setup to reflect the liability of the Defined Benefits Pension Scheme which shows a deficit at the end of 2021 of £858,333 (2020: £1,686,333). The Society has sufficient unrestricted reserves to cover this deficit.

At the end of 2021 there were four Designated Funds as follows:

Flights Simulation Sponsorship Fund

Over the past couple of years, the Society has received sponsorship to support the Flights Simulation Group activities (events); at the end of 2021, the Trustees decided to transfer this income into a designated fund to support the group. At the end of the year the fund stood at £51,336 (2020: £56,417).

Mortgage and Premises Reserve

This fund was setup in 2012 to be used to fund future capital improvements projects and to pay off the mortgage on the Society's HQ. In 2021 the RAeS Foundation did not receive any Gift Aid so was unable to transfer any funds into this fund (normally £50k), this will be reviewed in 2022. At the end of 2021, the balance of the fund stood at £106,836 (2020: £106,836).

No.4 HP Refurbishment Project Fund

This fund was setup by the Trustees in 2019 to be used to fund the refurbishment of the offices on the 4th and 5th floors in 2020 and 2021, No.4 Hamilton Place remained closed for most of the year the funds will be held until further notice. At the end of 2021, the fund stood at £100k.

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Designated IT Future Fund

This fund was setup by the Trustees in 2021 to be used to fund the IT projects to enhance and develop the digital capability of the Society. Due to Covid-19, there was no committed project in 2021 and the fund stood at £81.6k at the end of 2021.

Restricted and Endowment Reserves

Restricted Funds

The following are Restricted Funds of the Society:

Alan Snudden Fund – Restricted

This is an Endowment Fund established to provide scholarships to young person's entering, or already engaged in, the air transport operating industry. The founding deed (1992) allowed the Trustees to initially accumulate unspent income into the Endowment Fund. However, the deed now allows the Trustees to hold the income generated in a restricted fund and this was setup in 2017. Due to Covid-19, there was no activities in 2021. The fund received a total of £5,150 (2020: £5,661) from investment income; at the end of 2021, the fund stood at £34,560 (2020: £28,101).

ALTA

This fund was created from donations from a number of organisations to support the ALTA Mentoring Platform launched in 2019; the platform was setup for women in aerospace and aviation who are seeking woman-to-woman mentoring support with easy access to professional women working in the sector. In addition, the fund supports face-to-face networking events and research to provide greater support to women's retention and promotion within the industry. In 2021, the fund received a total of £1,125 (2020: Nil) the fund stood at £2,939 at the end of 2021.

Boeing Project Altitude

In 2020, the company, Boeing agreed to support various projects within the Society, one being Project Altitude; the aim is to encourage young people to become the innovators of tomorrow; the fund will support various STEM-based activities and events aimed at Primary, Middle and High Schools as well as young people just starting their careers. In 2021, the fund received a total of £30,059 and the fund stood at £77,964 at the end of 2021.

RAeS Future Scholarship Fund (formerly Centennial Scholarship Fund)

The Centennial Scholarship Fund was ceased in December 2020 and the balance of fund was transferred to RAeS Future Fund from January 2021. The aim of the fund is to support funding costs for internships in the Aerospace sector to give the recipient an insight into working in the sector and enhancing the individuals Professional Development. In 2021, the fund received a total of £10,937 from donations and investment income and the fund stood at £285,591 at the end of 2021.

Flying Start Challenge

This fund was setup in 2020 from donations from a number of Corporate Partners with the aim to support Flying Start Challenge; an annual competition aimed at providing secondary school students to design a glider; the competition is run and managed jointly by the participating organisations. While the Society is not part of the participating organisations, the responsibility of the Society is to provide support to the participating organisations and oversees the fund. In 2021, the fund received a total of £6,500 from donations and investment income. At the end of 2021, the fund stood at £12,398.

Kremer Fund

These are funds provided by the late Henry Kremer for the promotion of Human Powered Flight and are administered by the Society. There are four prizes set aside:

Robert Graham Competition	£500
Kremer HPA Schools Competition	£1,000
Kremer International Marathon Competition	£50,000
Kremer International Sporting Aircraft Competition	£100,000

The assets of this fund are held as cash deposits and no prizes were awarded in 2021; at the end of 2021, the fund balance stood at £161,130 (2020: £163,193).

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Michael Bishop Foundation Fund

This fund was setup in 2019 by the Trustees from a donation of £25,000 from Lord Glendonbrook/Michael Bishop Foundation to fund the Sir Ralph Robins Medal; this award is given to individuals demonstrating excellence in Engineering Leadership. At the end of 2021, the fund stood at £16,453.

National Aerospace Library Fund (NAL)

An appeal was started in 2004 towards the creation of a National Aerospace Library (NAL). In 2008 the Society opened a branch of the NAL within the Hub Building at Farnborough. In 2009 this facility was expanded and now houses the vast majority of the Society's historic library collections. The fund is used to support some of the ongoing operations of the NAL at Farnborough as well as future capital projects. During the year, a total of £6,755 (2020: £7,425) was received from donations and investment income and at the end of 2021 the fund stood at £176,376 (2020: £163,613).

RAeS Air Power Fellow at the University of Birmingham

In 2008 the Society began (with support from the RAF) to raise funds for the Chair in Air Power Studies with the aim of establishing an independent academic Research Fellow at a UK university. By 2015 the Society had received donations totaling £624,000 from a number of Corporate Partners and these funds have helped to consolidate the senior academic post at the University of Birmingham and now support ongoing research in this area. At the end of 2021 the fund stood at £14,542 (2020: £14,542).

Schools Build-a-Plane Challenge

In 2008 the Society launched the Schools Build-a-Plane Challenge which aims to provide young people in UK secondary schools with the opportunity to build a real light aircraft from kits, giving them hands-on experience of building aircraft and an understanding of scientific and engineering principles behind flight. This project is supported by funding from The Boeing Company (USA) and sales of the completed aircraft. The final aircraft was sold in 2021. At the end of 2021 the fund stood at £23,994 (2020: £16,702). In 2022 the fund balance will be used to support the Falcon 2 Initiative which is an extension of the SBAP programme.

Endowment Funds

The Alan Snudden Fund, Awards Trust and the CAARC (Commonwealth Advisory Aeronautical Research Council) Fund are held in pooled investments which were referred to as the Common Investment Fund in previous accounts. These funds are subsidiary charities of the Society as explained in Note 11.

Alan Snudden Fund

This fund is established to provide scholarships to young persons entering, or already engaged in, the air transport operating industry. As noted under restricted funds, a new Restricted Alan Snudden Fund was setup in 2018 to hold the net income generated by the Endowment fund; at the end of 2021, the fund stood at £99,123.

Awards Trust

This was created in 1995 from several separate funds held for the purposes of Medals, Merit Awards, Educational Awards and Lecture fees. With the agreement of the Trustees of the Society and the Charity Commission these separate funds were combined to give greater flexibility and more efficient use of those funds. In 2021 this fund paid out a total of £38,542 to cover grants and awards and at the end of 2021 the fund stood at £1,493,374.

CAARC Fund

Through the Awards Trust, the Society administers the Commonwealth Advisory Aeronautical Research Council (CAARC) Bursaries. Grants were made in the year to a number of Commonwealth and UK candidates, however due to the cancellation of awards from previous years the fund received a net increase on grants to offset some of the admin and investment costs; at the end of 2021, the fund stood at £20,175.

The Directors of Aeronautical Trusts Ltd, being the Trustees of the above funds, confirm that each has sufficient assets to fulfil its obligations.

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Investments

Investments Policy

The investment advisors JM Finn & Co (appointed January 2013) manage the Society's investments in accordance with powers delegated by the Board of Trustees. There are no restrictions on the powers of the Board of Trustees to invest under the Royal Charter. The Finance Committee is responsible for reviewing the performance of the investments each quarter as outlined below.

Investment funds

This was set up to defray the running expenses and support the grant making (Restricted and Endowment Funds) activities of the Society. Since 2005 income generated is reinvested back into the fund.

At the end of 2021, the investments stood at £4,296,997 (2020: £3,855,323); over the past 12 months investments have increased by 11.5% (against the target of RPI + 4%), though was up on the benchmark 18.3% (FSTE All Share Index). Overall, the Trustees were satisfied that the investment advisors had done all they could to protect the Society's investments considering the volatile economic and political background in 2021; since they took over in 2013 the investment advisors have produced an overall return of 91.2%.

Risk/Investment strategy

The investment strategy (reviewed in 2018) minimises the level of risk required to meet the return objectives, subject to achieving a level of diversification across assets classes both within the UK and overseas markets. The high levels of stock market volatility and the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and the Trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash, and other investments designed to provide a level of stable income and the possibility of investment gains. The equity component of the investment portfolio is weighted with medium appetite for investment risk with the main exposure to investments in the leading advanced industrial economies with a history of paying dividends.

The Society does not have any ethical restrictions on its investments. However, the Finance Committee (on behalf of the Trustees) will take reasonable steps to ensure that investments are not made in institutions that, to its knowledge, operate policies or have objectives that are opposed to the aims of the Society.

The Finance Committee agreed the asset allocation with the investment advisors, and this is reviewed on a quarterly basis. In 2021 the Finance Committee authorised the investment advisors to make short-term changes to the asset allocation to reflect market conditions and to give better opportunities for income and capital growth. At the end of 2021, the asset allocation was as follows:

Asset Distribution			
Sector	Bench Mark	Range	Fund Value 31/12/2021
Fixed Interest	17.5%	12.5-22.5%	13.23%
Equities - UK	60.0%	55-65%	27.37%
Equities - Overseas			38.44%
Alternatives (Property/Infrastructure)	17.5%	12.5-22.5%	19.90%
Cash	5.0%	0-10%	1.06%
Accured Interest/Other	0.0%	0.0%	0.00%
			100.00%

Plans for future periods

The Society continues to work to the 2021-24 Corporate Plan. 2022's Business Plan focuses on the continued recovery of the Society from the Covid pandemic, together with a strong emphasis on promoting

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authoritative, evidence-based policy advice and the enhancement and dissemination of the Society's body of knowledge. The Society is moving towards hybrid conference delivery, further growth of the Society's education and outreach work for the next generation, together with increasing the Society's profile. The Society aims to continue to grow the Society's membership through enhanced value as well as expanding the global reach of the Society. Ensuring the Society's continued financial stability remains the key focus.

For 2022 the main points to note are:

Education, Skills, and Diversity (ESD)

Despite many challenges from 2021, 2022 looks to be brighter in terms of in-person engagement, the team and committees will look to maintain the Society's online/hybrid delivery of careers support, diversity and inclusion events, ALTA mentoring and more. The key focus will be:

Boeing Project Altitude

Following the kind support of Boeing, the Society has funding to develop blended and online events for schools, scholarships for students and additional support for the Falcon2 STEM Challenge. The first events took place in November 2021 for WMG Academy Solihull & Coventry over two days, students from years 10 to 13 had a full day of inspirational talks from Society members and supporters, including Boeing, BAE Systems, Airbus, Flight Crowd and Gatwick Airport. These were then followed by a design challenge, whereby students have to build a winged glider out of basic materials, prizes then followed for the winning design. Over the course of 2022 staff will work with Boeing and schools to produce events which meet safety restrictions but continue to inspire, aimed at secondary pupils and teachers, many of whom are struggling with the impact of long-term remote learning.

Falcon2 Challenge

Having been delayed in 2020, The Society was delighted to officially launch phase 1 of Falcon 2 in December 2021. The Society is inviting young people aged 6-19 to contribute their design and engineering skills to design, develop and build a real-life mobile flight simulator which will be used by the disabled flying charity Aerobility. The programme has been redeveloped: Phase 1 is fully virtual – and Phase 2, the Big Build to begin in 2022. The aim is to launch Phase 1 in 2021 nonetheless and begin this fantastic opportunity to encourage inclusive engineering designers of the future and increase access to flight simulators among SEND pupils and inspire the next generation of engineers and aviators.

Cool Aeronautics and Amy Aviation

The Society will produce more on-demand content and look to another broadcast or even face to face event later in the year.

AI Careers Platform – Career Flightpath

To complement the Society's advanced careers services, the Society's Career Flightpath platform continues to be popular with RAeS members, providing support with training materials and intelligent tools to help visitors with CV support, interview practice. The aim is to reach wider audiences as the pandemic continues to affect employment in the sector, as well as help plan for returners to aerospace and aviation when recovery does begin. It will support all ages and provide a stepping stone for those who may feel uncomfortable contacting the team directly, as well as be available for international users, 24/7.

Mary Jackson Named Lecture

The Mary Jackson Lecture will take place virtually in March 2022 in partnership with the AIAA.

D&I webinars and forums

The D&I Committee will be holding further D&I Forums for Society volunteers, with the next event targeted at Branches. The Committee will also be organising a series of events to promote further racial diversity in the Sector, including one on the subject of terminology and a further event looking at application/recruitment processes. The Society also expects to launch in the Summer its new D&I feedback process to allow it to better understand and adapt its activities for the widest possible audience.

This will be supported by a new Society D&I Policy to complement the existing provisions in the Society's Codes of Conduct. The Society is also putting in place the technical mechanisms for it to improve the capture of diversity data to support our work to increase our understanding in this area.

End Point Assessment (EPA)

In 2022, training for EPA assessors and briefings for key company personnel, as well as apprentices, will be revised and reformatted so as to be delivered via Aeroversity. As the anticipated numbers of

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assessment to be carried out are greater than last year's, moves are in hand to refine procedures to make best use of the automations and streamlining technologies available to the Society. This should ensure that, on the one hand, procedures are simpler for all concerned and, on the other hand, that the Society continue to have time to provide the level of personal service expected of RAeS.

In compliance with Ofqual requirements, policies, procedures and documentation will undergo review throughout the year, risk assessments will be carried out and external auditing by Ofqual will be supplemented by internal audit activity. In addition, following the departure in December of the Ofqual Responsible Officer, all internal Quality Assurance activities are being strengthened to support the EPA Team meeting Ofqual's Conditions of Recognition on a day-to-day basis whilst also looking ahead for future challenges that may affect the delivery of End Point Assessment. The new structure of EPA team will play a major part in this and reviews of the Policies and processes, and sampling of completed assessments will become a key feature moving forward to ensure we remain compliant.

Conferences & Events

The Society will continue to develop the hybrid event offering to increase the quality and reach of events to better meet the needs of the Society membership, the broader aviation and aerospace community and public. In 2022, the Society will organise the 28th AIAA/CEAS Aeroacoustics Conference which is currently planned to take place in Southampton. The Society will focus on delivering this and four other major conferences to attract larger audiences and more sponsorship with the aim to generate a more reliable and robust income stream and to provide the latest, cutting-edge content and learned output for the membership and beyond. The public lecture programme and Specialist Group Events will continue to be delivered but with less reliance on these for income generation. Specialist Group events will be delivered for the most part by the Group members directly.

Governance

In 2022 the Society will undertake a Governance Review to ensure best practice that meets future needs. The Trustees have requested that there be a consultation throughout the Society on the proposals developed.

National Aerospace Library (NAL)

A new library catalogue will be rolled out including a new portal that will enable users to access digital copies of an increasing number of RAeS publications, including conference proceedings, gems from the RAeS archive such as letters from the Wright brothers, items from photographic collections and will also bring together details of the RAeS library, e-library, archive, and photographic collections all under an easy-to-use platform.

Policy & Public Affairs

The Society intends to continue providing input to consultations and inquiries where value can be added, and in early 2022 expects to respond to the House of Commons Science and Technology Committee's inquiry into diversity in STEM. The Team will also build on the parliamentary outreach by proactively engaging with key government stakeholders.

Publications and Communications

In the coming year *AEROSPACE* will be looking to boost its advertising potential with a new partnership with an external advertising agency in the form of Think Publishing and a strengthening of links and synergy with the sister *AEROSPACE* Insight blog and the print magazine. With Covid-19 travel restrictions easing, the team expect to return to fully covering UK and international aerospace exhibitions, trade shows and media visits.

The Aeronautical Journal will celebrate its 125th anniversary during 2022 with a special commemorative edition. The showpiece issue will include contributions from key figures at NASA, Delft, Loughborough University, Boeing, Cranfield, Georgia Tech, the University of Manchester and Professor Gareth Padfield's last completed research paper. Another ISABE special issue featuring papers from the 25th Conference of the International Society for Air Breathing Engines is scheduled to be produced in August, with the 2021 European Rotorcraft Conference and the RAeS Aerodynamics Conference also being considered for special issues. An online collection will be produced celebrating the 75th anniversary of aerospace engineering at Bristol University. The Journal aims to concentrate on growing its online audience in the wake of ceasing its print version and increase revenue after shedding print and distribution costs.

In 2022 the RAeS newsletter email products will be refined, improving processes for delivering Branch communications, launching a new internally focussed activity grid to ensure better visibility between teams

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and improve cross-team collaboration, and relaunching blog platforms with new branding. A new TikTok platform will be launched to access a whole new demographic with the provision of relevant content for that channel.

External Associations and Bodies

In 2022, and taking advantage of more online engagement opportunities, the Society will continue to actively work with the various international, national, and local associations and bodies to ensure the Society's global presence is protected and strengthened including International Council of the Aeronautical Sciences (ICAS) and Council of European Aerospace Societies (CEAS), the American Institute of Aeronautics and Astronautics (AIAA).

Operations

In 2022, the Society will continue to develop its internal IT systems (Dynamics 365 CRM database) and assess the functionality and design of the RAeS website for a future upgrade project. IT licences and tools will be rolled out to key volunteers across the Society's network to improve Committee members' ability to perform their roles and facilitate communication, collaboration, and delivery of activities to benefit members.

Investment into hybrid meeting facilities, digital signage and ongoing refurbishment of No.4 Hamilton Place is planned for 2022, subject to constraints of the Covid pandemic.

Membership Services

In 2022 the Society aims to continue to provide a range of opportunities for initial and continuing professional development and accreditation to support the maintenance of competence, up-skilling, and professional practice of our membership. With the implementation of a mentoring match platform, available to members, both for general career guidance and specifically for Engineering Council Professional Registration, will further support and facilitate the development of aviation and aerospace professionals. In December 2021, the Privy Council Office approved changes to the By-laws, which revised the thresholds for membership grades to a competency based approach. The Society look forward to implementing the changes into our processes and development of guidance materials for prospective and upgrading members.

Royal Aeronautical Society Foundation

The Society will continue to promote the RAeS Foundation as the primary vehicle for fundraising to support the Society's long-term charitable objectives. In 2022 the RAeS Foundation will continue to support the Society's charitable objectives of the Society.

Financial Targets

In 2018 the Finance Committee put in place a Finance Strategy for the period 2018-2022 with the aim on reducing its two major liabilities, the Mortgage on No.4 Hamilton Place and the Society's Defined Benefit Pension Scheme (closed). However, due to the events of 2021 the Finance Committee's focus in 2021 was to rebuild the Society's reserves to ensure finishing the year in a stronger and more stable position which enables the Society to refocus on reducing the major liabilities in future years. The Finance Committee will be working on the future Finance Strategy for 2023-2027 in 2022.

Structure, Governance and Management

The Society is a Learned Society holding a Royal Charter and is established as a Charity under terms issued by the Charity Commission. The Charter of Incorporation and the By-Laws form the code that governs the Society.

The Society is run by the Board of Trustees which is the governing body of the Society and establishes and reviews the policies, strategy and business plan of the Society ensuring that the Objects of the Society, its administration, and management of its finances (including its assets and investment portfolio) and property are upheld in compliance with the Society's Royal Charter and By-Laws and the law.

The Board of Trustees may delegate to any Board or Committee such powers and duties as it sees fit and the law and good practice for charities allows, but the Board of Trustees remains responsible for the actions of such Boards and Committees and the Board of Trustees may dissolve a Board or Committee at any time. The current Boards of the Board of Trustees are: The Learned Society Board (LSB), The Membership Services Board (MSB), and The Professional Standards Board (PSB). The Board of Trustees

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has delegated the responsibility to the Finance Committee for directing the Society finances and developing sound financial practices and policies which protect and enhance the Society's finances and assets; the Finance Committee reports quarterly to the Board of Trustees. The Audit Committee supports the Board of Trustees in monitoring the adequacy of the Society's governance, risk management and control processes through offering objective advice on issues concerning the risk, control and governance of the Society and associated assurances provided by internal audit and other processes.

Board Chairs shall be elected by the Board of Trustees from the elected members of Council by secret ballot for a term of three years and are eligible for re-election. Board Chairs so elected shall continue to be members of Council for the term for which they were elected to Council.

Members of the Council are elected, usually for a three-year term, by the voting members of the Society. The election takes place annually and the results are announced at the Society's Annual General Meeting (in May each year). The President is elected from within the Council approximately 18 months before taking office (from the AGM). Presidents serve a term of one year only. In the 12 months prior to taking office the President serves as President-Elect of the Society and in the 12 months after their one-year term the President serves as the immediate Past President of the Society. The President, President-Elect and Past President are *ex officio* members of the Council and Board of Trustees. In 2020 the Society's AGM was 'frustrated' due to the COVID-19 lockdown and therefore the Presidential hand-over did not take place; this was an exceptional circumstance which was communicated to the Society's membership. The Society's Council elections continued without interruption.

The Society encourages all Trustees to attend training courses relating to their role and responsibilities as Trustees and a Trustee Training log is maintained.

The Trustees consider the Board of Trustees and the Chief Executive as comprising the key management personnel of the Society in charge of directing and controlling the Society. The day-to-day management of the Society is delegated to the Chief Executive who is responsible for all operational matters including the implementation of the Strategic Review; the CE is supported by the Executive Team which comprises of two operational directors covering Knowledge (including, Community Engagement, Events, Knowledge and Information and IT), and Membership and Professional Standards. The Chief Executive consults closely with the Chair of the Board of Trustees and the President over issues of significance and ensures that the HQ staff are managed effectively.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Society's policy withdraw from decisions where a conflict of interest arises.

The pay of the Society's Chief Executive is reviewed annually and normally increased in accordance with average earnings. When the Chief Executive is appointed, the remuneration is bench-marked with other membership and professional bodies of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The pay of the Executive team is reviewed annually as part of the annual review of staff salaries and any increase is approved by the Chief Executive; when an Executive Team member is appointed the remuneration is bench-marked with other organisations similar in size and activity to the Society to ensure that the remuneration set is fair and not out of line with similar roles.

The Boards and the Chief Executive prepare reports for each Trustee meeting. Each year the Chair of the Board of Trustees, together with the Board Chairs and the Chief Executive, prepare a Review of the Year, together with the Annual Report and Annual Accounts which are approved by the Trustees, and both documents are available to all members via the Society's website.

Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society

313708

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Subsidiary charities:

The Royal Aeronautical Society Awards Trust	1045004
Alan Snudden Memorial Trust Fund	1013530

Registered Address:

No.4 Hamilton Place, London, W1J 7BQ, UK

The following were Trustees for all or part of 2021:

M Broadhurst OBE MA CDir FIoD FRAeS (Chair of the Board of Trustees)
Howard Nye FRAeS (President)
Air Cdre Peter Round FRAeS (President-Elect)
Prof J Cooper CEng RPP FRAeS FAIAA (Past President)
Lt Cdr R Gearing BEng(Hons) CEng FRAeS MCGI MCMI
Dr A Wood EngD CEng FRAeS
Andrew Cowdery FRAeS
J Middleton MSc FCCA FRAeS
Andy A Allen FRAeS
S Moynihan BSc (Hons) FCA CRAeS

The following are in attendance at the meetings of the Board of Trustees:

Sir Brian Burridge KCB CBE FRAeS, Chief Executive (*Retired October 2021*)
D Edwards FRAeS, Chief Executive (*Appointed September 2021*)
S Ogeer, Head of Governance & Compliance (*Resigned October 2021*)
N Dingley, Head of Governance & Compliance (*Contract Cover August 2021 to November 2021*)
L Price, Head of Governance & Compliance (*Appointed November 2021*)
P Slomski, Honorary Solicitor (By invitation)

Directors of Aeronautical Trusts Limited:

Sir Brian Burridge KCB CBE FRAeS (*Resigned October 2021*)
D Edwards FRAeS, Chief Executive (*Appointed October 2021*)
S Moynihan BSc (Hons) FCA CRAeS

Executive Team:

Sir Brian Burridge KCB CBE FRAeS, Chief Executive (*Retired October 2021*)
D Edwards FRAeS, Chief Executive (*Appointed September 2021*)
T Homes, Finance Director (*Left May 2021*)
E Bossom, Director, Knowledge and Networks
P Mensah, Director of Membership and Professional Standards

Advisors

Auditors:

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG, UK

Bankers:

HSBC Bank plc, West End Corporate Centre, 4th Floor, 133 Regent Street, London, W1B 4HX, UK

Investment Managers:

JM Finn & Co, 4 Coleman Street, London EC2R 5TA, UK

Reference and Administrative Details (continued)

Pension Advisors:

GPP Scheme

Kerr Henderson (Financial Services) Ltd, 29-32 College Gardens, Belfast BT9 6BT, UK

Defined Pension Scheme (Closed)

Deloitte Total Reward and Benefits Limited, 27-45 Great Victoria Street, Belfast BT2 7SL, UK

Solicitors:

Clyde & Co, 51 Eastcheap, London EC3M 1JP, UK.

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Statement of the responsibilities of the Board of Trustees

The law applicable to charities in England and Wales requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the of the charity and group and of the financial activities of the group for that period. In preparing those financial statements the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable the Board of Trustees to ensure that the financial statements comply with applicable law. The Board of Trustees is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For the purpose of this statement the group comprises the Royal Aeronautical Society and subsidiary charities and companies as outlined in Note 17 within the notes accompanying the Financial Statements.

Website

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Board of Trustees. The Board of Trustee's responsibility also extends to the on-going integrity of the financial statements contained therein.

Financial statements

These financial statements reflect the requirements of the Statement of Recommended Practice: Accounting by Charities. The financial statements comply with the statutory requirements and the Society's Charter and By-Laws.

Signed.....
M Broadhurst OBE MA CDir FIoD FRAeS
Chair of the Board of Trustees


Martin Broadhurst (Mar 10, 2022 09:35 GMT)

Date: 7 March 2022

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE ROYAL AERONAUTICAL SOCIETY (Incorporated by Royal Charter 1949)

Opinion

We have audited the financial statements of the Royal Aeronautical Society for the year ended 31 December 2021 which comprise consolidated Statement of Financial Activities, the consolidated and society Balance Sheets, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the parent society's affairs as at 31 December 2021 and of the group's net movement in funds 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 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. 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 Society 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 trustees' 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 Society'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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:

- adequate accounting records have not been kept by the parent society, or returns adequate for our audit have not been received from branches not visited by us; or

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

- sufficient accounting records have not been kept; or
- the parent society financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 29), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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:

Based on our understanding of the Society and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulations related to regulatory requirements for the Charities Act 2011 and the Society's Royal Charter, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, income tax, payroll tax and sales tax..

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimate and application of controls around authorisation of expenditure and payments. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted by management with unusual descriptions and those around the year end; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 Society's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Society's trustees those matters we are required to state to them

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

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 Society's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors
Date: 10 March 2022

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

Consolidated Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2021	Total 2020
		£	£	£	£	£	£
Income and endowments from:							
Donations & Legacies		62,868	48,100	-	47,990	158,958	130,950
Charitable Activities		3,829,190	-	-	-	3,829,190	3,680,127
Other Trading Activities		236,275	-	-	-	236,275	244,581
Investments		77,975	81,266	-	-	159,241	181,641
Total	2	4,206,308	129,366	-	47,990	4,383,664	4,237,299
Expenditure on:							
Raising Funds		105,189	15,037	-	-	120,226	270,677
Charitable Activities		3,442,183	51,131	-	43,021	3,536,335	4,118,777
Total	5	3,547,372	66,168	-	43,021	3,656,561	4,389,454
Net income/(expenditure) before gains on investments							
		658,936	63,198	-	4,969	727,103	(152,155)
Net gains/(losses) on investments	8	152,608	36,973	122,475	-	312,056	(56,363)
Net income/expenditure		811,544	100,171	122,475	4,969	1,039,159	(208,518)
Transfers between funds	12 - 13	(24,150)	(16,716)	16,716	24,150	-	-
		787,394	83,455	139,191	29,119	1,039,159	(208,518)
Other recognised (losses)/gains:							
Net actuarial gains/(losses) on Pension Scheme	18	775,000	-	-	-	775,000	(714,000)
Net movement in funds		1,562,394	83,455	139,191	29,119	1,814,159	(922,518)
Balance at 1 January	11 - 14	7,987,097	722,494	1,473,481	330,332	10,513,404	11,435,922
Funds at 31 December		9,549,491	805,949	1,612,672	359,451	12,327,563	10,513,404

All amounts relate to continuing activities. The notes 1 to 19 form part of these financial statements.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

Consolidated Balance Sheet

	Note	Total 2021	Total 2020
		£	£
Fixed Assets			
Property	7	8,249,585	8,249,585
Fixtures and Equipment	7	206,326	307,701
Heritage Assets at Valuation	7	410,843	410,843
Investments at Market Value	8	4,296,997	3,855,323
		13,163,751	12,823,452
Current Assets			
Debtors	9	542,288	711,070
Cash at bank and in hand		2,480,011	1,898,046
		3,022,299	2,609,116
Less: Current Liabilities			
Creditors	10	(1,460,114)	(1,624,693)
		(1,460,114)	(1,624,693)
Net Current Assets		1,562,185	984,423
Total Assets Less Current Liabilities		14,725,936	13,807,875
Creditor due after one year	10	(1,540,040)	(1,608,138)
Defined Benefit Pension Scheme Liability	18	(858,333)	(1,686,333)
NET ASSETS		12,327,563	10,513,404
Represented by:			
Restricted Reserves	12	805,949	722,494
Endowments	11	1,612,672	1,473,481
Designated Funds - Branches	14	359,451	330,332
Unrestricted Reserves			
Unrestricted Reserves	13	10,407,824	9,673,430
Unrestricted Reserves Excluding Pension Liability		10,407,824	9,673,430
Pension Reserve	18	(858,333)	(1,686,333)
Total Unrestricted Reserves		9,549,491	7,987,097
TOTAL RESERVES		12,327,563	10,513,404

The notes 1 to 18 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 7 March 2022.

Martin Broadhurst
Martin Broadhurst (Mar 10, 2022 09:38 GMT)

M Broadhurst OBE MA CDir FIoD FRAeS
Chair of the Board of Trustees

Sarah Moynihan
Sarah Moynihan (Mar 10, 2022 10:21 GMT)

S Moynihan BSc (Hons) FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

Charity Balance Sheet

	Note	Total 2021 £	Total 2020 £
Fixed Assets			
Property	7	8,249,585	8,249,585
Fixtures and Equipment	7	206,326	307,701
Heritage Assets at Valuation	7	410,843	410,843
Investments at Market Value	8	4,296,997	3,855,323
Investments in subsidiary undertakings	16	3	3
		13,163,754	12,823,455
Current Assets			
Debtors	9	576,627	711,070
Cash at bank and in hand		2,011,515	1,566,458
		2,588,142	2,277,528
Less: Current Liabilities			
Creditors	10	(1,413,393)	(1,630,757)
		(1,413,393)	(1,630,757)
Net Current Assets		1,174,749	646,771
Total Assets Less Current Liabilities		14,338,503	13,470,226
Creditor due after one year	10	(1,540,040)	(1,608,138)
Defined Benefit Pension Scheme Liability	18	(858,333)	(1,686,333)
NET ASSETS		11,940,130	10,175,755
Represented by:			
Restricted Reserves	12	805,949	722,494
Endowments	11	1,612,672	1,473,481
Unrestricted Reserves			
Unrestricted Reserves	13	10,379,842	9,666,113
Unrestricted Reserves Excluding Pension Liability		10,379,842	9,666,113
Pension Reserve	18	(858,333)	(1,686,333)
Total Unrestricted Reserves		9,521,509	7,979,780
TOTAL CHARITY RESERVES		11,940,130	10,175,755

The notes 1 to 18 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 7 March 2022.

Martin Broadhurst
Martin Broadhurst (Mar 10, 2022 09:38 GMT)

M Broadhurst OBE MA CDir FIoD FRAeS
Chair of the Board of Trustees

Sarah Moynihan
Sarah Moynihan (Mar 10, 2022 10:21 GMT)

S Moynihan BSc (Hons) FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

Consolidated Cash Flow Statement

	Total 2021	Total 2020
	£	£
Cash flows from operating activities		
Net cash provided by operating activities	689,044	(465,145)
Cash flows from investing activities		
Dividends, Interest and rents from investments	159,241	181,641
Purchase of property, plant and equipment	(88,243)	(268,899)
Proceeds from sale of investments	362,072	308,856
Purchase of investments	(491,690)	(457,864)
Net cash provided by operating activities	630,424	(701,411)
Cash flows from financing activities		
Repayments of borrowing	(48,460)	(2,582)
Net cash used in financing activities	(48,460)	(2,582)
Change in cash and cash equivalents in the reporting period	581,964	(703,993)
Cash and cash equivalents at the beginning of the reporting period	1,898,047	2,602,039
Cash and cash equivalents at the end of the reporting period	2,480,011	1,898,046
Reconciliation of net movement in funds to net cash flow from operating activities:		
	Total	Total
	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,039,159	(208,518)
Depreciation charges	189,618	231,243
(Gains)/Losses on investments	(312,056)	56,363
Dividends, Interest and rents from investments	(159,241)	(181,641)
(Increase)/Decrease in debtors	168,782	(179,270)
Increase/(Decrease) in creditors	(184,218)	(130,322)
Exclude: Movement of pension fund contributions/pension fund costs	(53,000)	(53,000)
Net cash provided by operating activities	689,044	(465,145)

Cash and cash equivalent are defined as bank accounts and short-term deposits which are ready convertible into cash.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

Analysis of changes in net debt

	1 January 2021	Cash Flows	Other Non- Cash changes	31 December 2021
	£	£	£	£
Cash and cash equivalents				
Cash and cash equivalents	1,898,047	581,964	-	2,480,011
	<u>1,898,047</u>	<u>581,964</u>	<u>-</u>	<u>2,480,011</u>
Borrowings				
Debt due within one year	(48,461)	48,461	(66,037)	(66,037)
Debt due after one year	(1,542,079)	-	66,037	(1,476,042)
	<u>(1,590,540)</u>	<u>48,461</u>	<u>-</u>	<u>(1,542,079)</u>
	<u>307,507</u>	<u>630,425</u>	<u>-</u>	<u>937,932</u>

Notes to the Financial Statements

1. Accounting policies, judgements, and key sources of estimation uncertainty

- a) 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 (FRS 102) (second edition effective 1 January 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

A going concern basis has been adopted in the preparation of the financial statements. Taking into account the reserves position of the Society and the anticipated future results the Trustees do not consider that the appropriateness of this basis is subject to any material uncertainty.

- b) The consolidated accounts include the activities, assets and liabilities of the Society, its subsidiary companies, and subsidiary charities. Further information on the subsidiaries is disclosed in note 16.
- c) Income is generally recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations and subscriptions for the Corporate Partners Scheme are recognised on receipt as anticipated funds are not enforceable debts. Where income is received net of tax, any taxation recoverable is taken to income on receipt of the net amount.

- d) Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Direct expenditure is allocated to categories of activity. Where expenditure cannot be directly allocated it represents support costs and is apportioned on a basis consistent with the use of resources, by reference to the number of staff working on each activity. Governance costs which are the statutory and organisational costs of operating the Society as a legal entity are included in support costs and apportioned consistently.

- e) Quoted investments being a form of basic financial instrument are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing market price.

Realised and unrealised gains on investments shown in the SOFA are taken to the fund for which the investments are held.

- f) Capital Expenditure - All purchases costing over £500 in total which are to be used for a period of more than one year are capitalized. Heritage assets are held at valuation and not depreciated.

- g) Depreciation is provided on the following basis:

- Freehold premises – Not depreciated
- Fixtures and Equipment including computers - Over the estimated useful life of the asset which varies between two and ten years.

- h) Stock is charged in full to the SOFA when purchased.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

- i) The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.
- j) Restricted income funds represent income subject to donor specified restrictions and the income arising on endowment funds for which specific uses have been specified. Expenditure for the specified purposes is set against the relevant income in the statement of financial activities. Unexpended balances are carried forward as restricted income funds or where the terms of the endowment provide for this, transferred to the capital balance of the endowment fund.

Unrestricted and Designated funds represent amounts set aside by the Trustees as detailed within the reserves policy on page 18.

- k) All employees of the Society may join the Group Personal Pension Scheme with Aegon (formerly Standard Life). The Society contributes according to a scale of contributions recommended by our Pensions Advisors, this scale being broadly designed to reproduce the scale of pensions they would have received on the basis of the old defined benefits scheme. The assets of the Group Personal Pension Scheme are paid into the Staff Member's individual accounts with the Aegon and all aspects are their own responsibility, although the Society provides free individual advice each year to the members from qualified professional advisors. The costs of the GPP are charged to the Statement of Financial Activities as they fall due.

In addition, there is a frozen defined benefit scheme to which the Society continues to contribute in order to fund past service costs. The net liability of the scheme is accounted for on the balance sheet in accordance with FRS 102 being the fair value of the scheme assets less the present value of the scheme liabilities.

Fuller details are provided in note 18 and these include details of the actuarial assumptions adopted. In the opinion of the Trustees, these assumptions represent the only material areas of estimation uncertainty in the financial statements.

- l) Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

2. Analysis of Income

Income: 2021	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2021
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	62,868	48,100	-	47,990	158,958
	62,868	48,100	-	47,990	158,958
Income from Charitable Activities					
Education, Skills and Diversity	23,523	-	-	-	23,523
Conferences, events, seminars	210,816	-	-	-	210,816
End Point Assessment	507,710	-	-	-	507,710
Library (NAL)	7,399	-	-	-	7,399
Membership services	2,952,683	-	-	-	2,952,683
Publications and information	127,059	-	-	-	127,059
Policy & Research	-	-	-	-	-
	3,829,190	-	-	-	3,829,190
Income from Other Trading Activities					
Room hire services	236,275	-	-	-	236,275
	236,275	-	-	-	236,275
Investment Income					
Investment Income	77,975	81,266	-	-	159,241
	77,975	81,266	-	-	159,241
Total	4,206,308	129,366	-	47,990	4,383,664
Income: 2020					
	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2020
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	6,442	64,845	-	59,663	130,950
	6,442	64,845	-	59,663	130,950
Income from Charitable Activities					
Education, Skills and Diversity	12,593	-	-	-	12,593
Conferences, events, seminars	161,951	-	-	-	161,951
End Point Assessment	335,589	-	-	-	335,589
Library (NAL)	17,590	-	-	-	17,590
Membership services	3,023,941	-	-	-	3,023,941
Publications and information	126,111	-	-	-	126,111
Policy & Research	2,352	-	-	-	2,352
	3,680,127	-	-	-	3,680,127
Income from Other Trading Activities					
Room hire services	244,581	-	-	-	244,581
	244,581	-	-	-	244,581
Investment Income					
Investment Income	92,125	89,516	-	-	181,641
	92,125	89,516	-	-	181,641
Total	4,023,275	154,361	-	59,663	4,237,299

In 2020 the Society received £114,159 in grants from the Government to support furloughed employees and has been allocated to the relevant activity.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

3. Employee information

The average numbers of staff employed during the year was 37/35.4 FTE (2020: 48/44.2 FTE).

	2021	2020
	£	£
Staff costs (for the above persons)		
Salaries	1,544,042	1,854,479
Social security costs	159,892	194,551
Other pension costs	209,853	248,907
Temporary staff and other staff costs	78,345	33,197
	<u>1,992,132</u>	<u>2,331,134</u>

Employees receiving emoluments in excess of £60,000 (excluding pension contributions) fall within the following bands:

	2021	2020
	Number	Number
£60,001 - £70,000	1	1
£70,001 - £80,000	2	3
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£140,001 - £150,000	-	1

The key management personnel of the Society comprises the Board of Trustees and the Executive Team as listed on page 27. The total amount of employee benefits (including employer pension contributions) received by the Executive Team (comprising the CE and three Directors) for their services to the Society was £378,655 (2020: £486,309). Aggregate termination payments for the year were £12,105 (2020: £53,274).

Trustees and Volunteers do not receive remuneration for their services. During the year the President was reimbursed £593 (2020: £1,808) and 1 (2020: 3) other Trustees was reimbursed £265 (2020: £1,507) in respect of expenses incurred in performance of their duties.

In accordance with normal commercial practice the Society has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Society business. The insurance provides cover up to £5,000,000 on any one claim and the cost for 2021 was £3,432 (2020: £3,929).

4. Related party transactions

There were no related party transactions in 2021 (2020: Nil). A number of Trustees hold senior positions in organisations in the aerospace industry which from time to time transact with the Society, the Trustees have no direct involvement with these transactions.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

5. Analysis of expenditure

Expenditure: 2021	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2021
	£	£	£	£		£
Raising Funds:						
Fund Raising	15,145	35,493	50,638	-	-	50,638
Room Hire Services	31,898	-	31,898	-	-	31,898
Admin services	-	5,108	5,108	-	-	5,108
Investment management costs	14,391	3,154	17,545	15,037	-	32,582
	61,434	43,755	105,189	15,037	-	120,226
Charitable Activities:						
Careers & education	155,145	109,749	264,894	51,131	-	316,025
Conferences	206,108	214,682	420,790	-	-	420,790
End Point Assessment	251,364	179,542	430,906	-	-	430,906
NAL (Library)	190,470	66,672	257,142	-	-	257,142
Membership services	643,755	510,412	1,154,167	-	43,021	1,197,188
Publications & information	532,189	153,097	685,286	-	-	685,286
Policy & Research	147,664	81,334	228,998	-	-	228,998
	2,126,695	1,315,488	3,442,183	51,131	43,021	3,536,335
	2,188,129	1,359,243	3,547,372	66,168	43,021	3,656,561

Within Careers & Education a total of £10,453 was paid to individuals (2020: £74,224) covering 30 grants and prizes (2020: 61). Grants are paid when approved and accrued from the time of approval.

Expenditure: 2020	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2020
	£	£	£	£		£
Raising Funds:						
Fund Raising	10,384	59,078	69,462	-	-	69,462
Room Hire Services	169,351	-	169,351	-	-	169,351
Admin services	-	973	973	-	-	973
Investment management costs	12,624	4,929	17,553	13,338	-	30,891
	192,359	64,980	257,339	13,338	-	270,677
Charitable Activities:						
Careers & education	152,960	133,480	286,440	39,981	-	326,421
Conferences	362,598	304,941	667,539	-	-	667,539
End Point Assessment	118,478	217,236	335,714	-	-	335,714
NAL (Library)	268,508	91,062	359,570	-	-	359,570
Membership services	769,708	712,173	1,481,881	-	48,119	1,530,000
Publications & information	506,859	191,561	698,420	-	-	698,420
Policy & Research	124,611	76,502	201,113	-	-	201,113
	2,303,722	1,726,955	4,030,677	39,981	48,119	4,118,777
	2,496,081	1,791,935	4,288,016	53,319	48,119	4,389,454

Within Careers & Education a total of £74,224 was paid to individuals (2019: £65,252) covering 61 grants and prizes (2019: 48). Grants are paid when approved and accrued from the time of approval.

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6. Analysis of support costs

The Society initially identifies the costs of its main activities and then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key activities undertaken by the Society in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

Support Costs: 2021	Management / Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2021
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	4,812	19,122	861	-	3,486	7,212	35,493
Room Hire Services	-	-	-	-	-	-	-
Admin services	253	2,732	-	-	1,743	380	5,108
Investment management costs	169	2,732	-	-	-	253	3,154
	5,234	24,586	861	-	5,229	7,845	43,755
Charitable Activities:							
Careers & education	23,892	8,195	12,918	11,506	17,431	35,807	109,749
Conferences	33,939	55,316	13,780	22,436	38,347	50,864	214,682
EPA	40,777	40,975	12,918	6,328	17,431	61,113	179,542
NAL (Library)	13,171	19,120	11,197	5,753	17,431	-	66,672
Membership services	107,219	90,145	43,062	51,775	57,521	160,690	510,412
Publications & information	40,777	13,658	8,612	11,506	17,431	61,113	153,097
Policy & Research	24,821	7,512	4,306	5,753	1,743	37,199	81,334
	284,596	234,921	106,793	115,057	167,335	406,786	1,315,488
	289,830	259,507	107,654	115,057	172,564	414,631	1,359,243

Support Costs: 2020	Management / Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2020
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,363	31,105	5,152	-	4,332	12,126	59,078
Room Hire Services	-	-	-	-	-	-	-
Admin services	335	-	-	-	-	638	973
Investment management costs	167	4,443	-	-	-	319	4,929
	6,865	35,548	5,152	-	4,332	13,083	64,980
Charitable Activities:							
Careers & education	25,369	13,330	12,880	11,892	21,664	48,345	133,480
Conferences	46,217	88,871	19,320	20,216	42,243	88,074	304,941
EPA	34,579	67,764	18,032	7,135	23,830	65,896	217,236
NAL (Library)	21,099	31,105	19,320	6,540	12,998	-	91,062
Membership services	132,037	151,080	39,928	54,107	83,403	251,618	712,173
Publications & information	42,032	22,217	10,304	13,081	23,830	80,097	191,561
Policy & Research	18,001	12,220	3,864	5,946	2,166	34,305	76,502
	319,334	386,587	123,648	118,917	210,134	568,335	1,726,955
	326,199	422,135	128,800	118,917	214,466	581,418	1,791,935

Direct expenditure is allocated to categories of activity. Where expenditure cannot be directly allocated it represents support costs and is apportioned on a basis consistent with the use of resources, by reference to the number of staff working on each activity (IT and Premises) and staff time (Management, Finance, HR, and Governance).

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6. Analysis of support costs (continued)

Governance costs are now included in support costs and reallocated across all activities; they include costs for a Governance Manager, expenses associated with Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus costs for travel for the President.

Governance Costs

	Total 2021	Total 2020
Staff Costs	59,165	68,090
Staff Training/Travel/Recruitment	-	75
President, Council & BofTs Expenses	6,415	8,993
Audit Fees	19,500	18,500
Support Costs	22,574	33,142
	<u>107,654</u>	<u>128,800</u>

7. Fixed Assets – Group and Charity

	Freehold Property	Fixtures and Equipment	Heritage Assets At Valuation	Total
	£	£	£	£
Cost or Valuation				
At 1 January 2021	8,249,585	925,126	410,843	9,585,554
Additions	-	88,243	-	88,243
Disposals and other adjustments	-	(268,512)	-	(268,512)
Balance 31 December 2021	<u>8,249,585</u>	<u>744,857</u>	<u>410,843</u>	<u>9,405,285</u>
Depreciation				
At 1 January 2021	-	617,425	-	617,425
Charge for the year	-	189,618	-	189,618
Removed on disposal	-	(268,512)	-	(268,512)
Balance 31 December 2021	<u>-</u>	<u>538,531</u>	<u>-</u>	<u>538,531</u>
Net book value				
At 31 December 2021	<u>8,249,585</u>	<u>206,326</u>	<u>410,843</u>	<u>8,866,754</u>
At 31 December 2020	<u>8,249,585</u>	<u>307,701</u>	<u>410,843</u>	<u>8,968,129</u>

The Trustees confirm that there has been no impairment to the property and it is worth no less than the value in the accounts.

The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan.

The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations in the event that the Society defaults on its payments to the scheme; in return the Society has received reduced contributions to the Scheme in future years.

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7. Fixed Assets – Group and Charity (continued)

Of the above £8,455,911 (2020: £8,555,286) represents assets held for the Society's use. Functional Assets are also used by Aeronautical Trading Limited and this is reflected in their normal management charge.

The heritage assets of £410,843 (2020: £410,843) represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values. The Trustees have concluded a valuation which they consider appropriate. A number of items are on display at the NAL (Farnborough) and a large number of historical papers have been digitised and can be viewed on the Society's Website.

8. Investments – Group

The Finance Committee (on behalf of the Trustees) review the Society's investments with JM Finn & Co (investment advisors) on a quarterly basis; in 2021 there were minor changes to the asset allocation to reflect the ongoing changes within the markets.

	2021	2020
	£	£
Investments in Government and other listed securities:		
UK	277,781	244,931
Overseas	212,153	219,794
Official Investments Funds at market values:		
UK	1,273,092	1,263,081
Overseas	1,550,851	1,324,384
Property Funds	850,946	767,046
Bank Deposits	132,174	36,087
	<u>4,296,997</u>	<u>3,855,323</u>
Analysis of movements of investment assets:	2021	2020
	£	£
Investments at 1 January	3,855,323	3,762,678
Additions	491,690	457,864
Disposals	(362,072)	(308,856)
Revaluations	312,056	(56,363)
Investments at 31 December	<u>4,296,997</u>	<u>3,855,323</u>

Dividend income in the statement of financial activities arise from the above holdings which are all listed on the London Stock Exchange.

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9. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	347,251	428,086	347,106	428,086
Other debtors	65,039	133,647	65,039	133,647
Prepayments	129,998	149,337	129,998	149,337
Amount due from subsidiary undertaking	-	-	34,484	-
	542,288	711,070	576,627	711,070

10. Creditors

	Group		Charity	
	2021	2020	2021	2020
falling due within one year:	£	£	£	£
Trade creditors	77,898	171,486	77,106	171,486
Accruals and deferred income	1,153,941	1,156,256	1,118,811	1,184,480
Other taxes and social security	119,925	129,788	119,925	129,789
Loan for Property	66,037	48,685	66,037	48,685
Other creditors	42,313	118,478	31,514	48,795
Amount due to subsidiary undertaking	-	-	-	47,522
	1,460,114	1,624,693	1,413,393	1,630,757

	Group		Charity	
	2021	2020	2021	2020
falling due after one year:	£	£	£	£
Loan for Property:				
Within 2 to 5 years	211,779		211,779	
After 5 years	<u>1,264,263</u>	1,476,042	<u>1,264,263</u>	1,541,854
Sponsorship: Marshalls		63,998		66,284
		1,540,040		1,608,138

Loan on Property: In March 2009 the Society purchased the freehold of No.4 Hamilton Place (Society's HQ) at a cost of £4,859,755; at the end of 2021 the of the outstanding loan was £1,542,079 (2020: £1,590,540).

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11. Endowment funds

The following reserves are held in accordance with the reserves policy set out on page 21 of this report.

Funds: 2021	Fund Balances Brought Forward 01/01/2021	Income	Expenditure	Transfers	Gains and Losses	Fund Balances Carried Forward 31/12/2021
	£	£	£	£	£	£
CAARC Fund	17,689	-	-	729	1,757	20,175
Alan Snudden	91,278	-	-	-	7,844	99,122
Awards Trust	1,364,514	-	-	15,987	112,874	1,493,375
Total Expendable Endowment Funds	1,473,481	-	-	16,716	122,475	1,612,672

Funds: 2020	Fund Balances Brought Forward 01/01/2020	Income	Expenditure	Transfers	Gains and Losses	Fund Balances Carried Forward 31/12/2020
	£	£	£	£	£	£
CAARC Fund	18,816	-	-	(810)	(317)	17,689
Alan Snudden	92,734	-	-	-	(1,456)	91,278
Awards Trust	1,347,466	-	-	37,435	(20,387)	1,364,514
Total Expendable Endowment Funds	1,459,016	-	-	36,625	(22,160)	1,473,481

12. Restricted income funds

The following reserves are held in accordance with the reserves policy set out on page 20 of this report.

Funds: 2021	Fund Balances Brought Forward 01/01/2021	Income	Expenditure	Transfers	Gains and Losses	Fund Balances Carried Forward 31/12/2021
	£	£	£	£	£	£
CAARC Fund	-	895	(166)	(729)	-	-
Alan Snudden	28,101	5,150	(952)	-	2,261	34,560
Awards Trust	-	57,529	(38,542)	(18,987)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	252,231	10,937	(2,035)	3,000	21,459	285,592
National Aerospace Library Fund	163,613	6,755	(7,245)	-	13,253	176,376
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
School Build a Plane Challenge	16,702	10,416	(3,124)	-	-	23,994
ALTA	1,814	1,125	-	-	-	2,939
Boeing - Project Altitude	57,255	30,059	(9,349)	-	-	77,965
Flying Start Challenge	8,590	6,500	(2,692)	-	-	12,398
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	163,193	-	(2,063)	-	-	161,130
Total Funds	722,494	129,366	(66,168)	(16,716)	36,973	805,949

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12. Restricted income funds (continued)

Funds: 2020	Fund Balances Brought Forward 01/01/2020 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Fund Balances Carried Forward 31/12/2020 £
CAARC Fund	-	984	(794)	(190)	-	-
Alan Snudden	24,656	5,661	(847)	(1,000)	(369)	28,101
Awards Trust	-	63,235	(17,800)	(45,435)	-	-
Centennial Scholarship Fund	250,823	12,022	(29,738)	23,000	(3,876)	252,231
National Aerospace Library Fund	159,689	7,425	(1,107)	-	(2,394)	163,613
RAeS Chair of Air Power Studies	14,624	-	(82)	-	-	14,542
School Build a Plane Challenge	19,345	-	(2,643)	-	-	16,702
ALTA	3,047	(1,199)	(34)	-	-	1,814
Boeing - Project Altitude	-	57,255	-	-	-	57,255
Flying Start Challenge	-	8,790	(200)	-	-	8,590
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	163,079	188	(74)	-	-	163,193
Total Funds	651,716	154,361	(53,319)	(23,625)	(6,639)	722,494

13. Unrestricted reserve funds

The following reserves are held in accordance with the reserves policy set out on pages 18 to 20 of this report.

Funds : 2021	Fund Balances Brought Forward 01/01/2021 £	Income £	Expenditure £	Transfers £	Gains and Losses £	Fund Balances Carried Forward 31/12/2021 £
General Reserve - Functional Assets	8,557,286	-	(101,375)	-	-	8,455,911
General Reserve - Functional Assets Loan	(1,590,540)	-	-	48,461	-	(1,542,079)
General Reserve - Free Reserve	1,836,837	4,136,366	(3,374,524)	(230,240)	152,608	2,521,047
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	56,417	8,000	(13,081)	-	-	51,336
Mortgage & Premises Reserve	106,836	-	-	-	-	106,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
Designated IT Project Fund	-	-	-	81,629	-	81,629
RAeS Foundation	195,751	61,942	(35,392)	-	-	222,301
	9,673,430	4,206,308	(3,524,372)	(100,150)	152,608	10,407,824
Pension Fund - FRS17 Reserve	(1,686,333)	-	(23,000)	76,000	775,000	(858,333)
Total Funds	7,987,097	4,206,308	(3,547,372)	(24,150)	927,608	9,549,491

The Free reserve represents the surplus on funds available for future general activities after allowances for the reserves specified in the policy.

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13. Unrestricted reserve funds (continued)

Funds : 2020	Fund Balances Brought Forward 01/01/2020	Income	Expenditure	Transfers	Gains and Loses	Fund Balances Carried Forward 31/12/2020
	£	£	£	£	£	£
General Reserve - Functional Assets	8,519,630	-	(37,656)	75,312	-	8,557,286
General Reserve - Functional Assets Loan	(1,593,122)	-	(12,845)	15,427	-	(1,590,540)
General Reserve - Free Reserve	2,238,890	4,018,175	(4,180,325)	(212,339)	(27,564)	1,836,837
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	56,518	-	(101)	-	-	56,417
Mortgage & Premises Reserve	106,836	-	-	-	-	106,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
RAeS Foundation	224,740	5,100	(34,089)	-	-	195,751
	10,064,335	4,023,275	(4,265,016)	(121,600)	(27,564)	9,673,430
Pension Fund - FRS17 Reserve	(1,025,333)	-	(23,000)	76,000	(714,000)	(1,686,333)
Total Funds	9,039,002	4,023,275	(4,288,016)	(45,600)	(741,564)	7,987,097

14. Subsidiary branches funds

Funds: 2021	Fund Balances Brought Forward 01/01/2021	Income	Expenditure	Transfers	Gains and Loses	Fund Balances Carried Forward 31/12/2021
	£	£	£	£	£	£
Branches	330,332	47,990	(43,021)	24,150	-	359,451
Total Funds	330,332	47,990	(43,021)	24,150	-	359,451

Funds: 2020	Fund Balances Brought Forward 01/01/2020	Income	Expenditure	Transfers	Gains and Loses	Fund Balances Carried Forward 31/12/2020
	£	£	£	£	£	£
Branches	286,188	59,663	(48,119)	32,600	-	330,332
Total Funds	286,188	59,663	(48,119)	32,600	-	330,332

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15. Analysis of funds

Funds: 2021	Unrestricted Funds	Restricted Funds	Endowed Funds	Total
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Fixed assets	8,866,754	-	-	8,866,754
Investments	2,101,406	509,114	1,686,477	4,296,997
Current assets	2,794,269	301,835	(73,805)	3,022,299
Current Liabilities	(1,455,114)	(5,000)	-	(1,460,114)
Total Funds Excluding Pension Liability and Non-Current liabilities	12,307,315	805,949	1,612,672	14,725,936
Long Term Liabilities	(1,540,040)	-	-	(1,540,040)
Defined Benefit Pension Scheme Liability	(858,333)	-	-	(858,333)
Total Funds	9,908,942	805,949	1,612,672	12,327,563
Funds: 2020	Unrestricted Funds	Restricted Funds	Endowed Funds	Total
	£	£	£	£
Fund balances at 31 December 2020 are represented by:				
Fixed assets	8,968,129	-	-	8,968,129
Investments	1,885,409	456,784	1,513,130	3,855,323
Current assets	2,373,555	275,210	(39,649)	2,609,116
Current Liabilities	(1,615,193)	(9,500)	-	(1,624,693)
Total Funds Excluding Pension Liability	11,611,900	722,494	1,473,481	13,807,875
Long Term Liabilities	(1,608,138)	-	-	(1,608,138)
Defined Benefit Pension Scheme Liability	(1,686,333)	-	-	(1,686,333)
Total Funds	8,317,429	722,494	1,473,481	10,513,404

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16. Subsidiary charities and companies

Accounts for the Society only have been presented as the amounts relating to subsidiary entities are clearly distinguished throughout, being those amounts shown as "Endowments - subsidiary charities" or "Aeronautical Trading Ltd". No separate income and expenditure account are presented as the movements in endowment funds are not material.

The subsidiary charities are:

	Registration Number	Registered in
The Royal Aeronautical Society Awards Trust	1045004	England and Wales
Alan Snudden Memorial Trust Fund	1013530	England and Wales

The CAARC fund, which is shown as a distinct fund from the other funds of The Royal Aeronautical Society Awards Trust in these accounts is a specified fund administered within that charity.

The subsidiary companies are:

	Percentage of shares held	Net Assets £	Registered in
Aeronautical Trusts Limited	100%	1	England and Wales
Aeronautical Trading Limited	100%	2	England and Wales

Aeronautical Trusts Limited is the corporate trustee of the subsidiary charities set out above.

Aeronautical Trading Limited is the only trading company and its results, assets and liabilities are included in the consolidated accounts. Its results and financial position are summarised below:

Aeronautical Trading Ltd - Profit and Loss Account

	2021	2020
	£	£
Turnover	59,880	176,668
Cost of sales	(31,898)	(169,351)
Gross Profit	27,982	7,317
Administrative expenses	-	-
Operating profit	27,982	7,317

Aeronautical Trading Ltd - Balance Sheet

	2021	2020
	£	£
Debtors	144	-
Cash at Bank	109,044	1,256
Due from parent undertaking	-	47,523
Creditors: amounts falling due within 1 year		
Due to parent undertaking	(34,484)	-
Other creditors	(46,720)	(41,460)
Net Assets	27,984	7,319
Represented By:		
Total Equity	27,984	7,319

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17. Consolidated Statement of Activities 2020

The following Consolidated Statement of Financial Activities for the year ending 31 December 2020:

	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2020
	£	£	£	£	£
Income and endowments from:					
Donations & Legacies	6,442	64,845	-	59,663	130,950
Charitable Activities	3,680,127	-	-	-	3,680,127
Other Trading Activities	244,581	-	-	-	244,581
Investments	92,125	89,516	-	-	181,641
Total	4,023,275	154,361	-	59,663	4,237,299
Expenditure on:					
Raising Funds	257,339	13,338	-	-	270,677
Charitable Activities	4,030,677	39,981	-	48,119	4,118,777
Total	4,288,016	53,319	-	48,119	4,389,454
Net income/(expenditure) before losses on investments	(264,741)	101,042	-	11,544	(152,155)
Net losses on investments	(27,564)	(6,678)	(22,121)	-	(56,363)
Net income/expenditure	(292,305)	94,364	(22,121)	11,544	(208,518)
Transfers between funds	(45,600)	(23,586)	36,586	32,600	-
	(337,905)	70,778	14,465	44,144	(208,518)
Other recognised (losses)/gains:					
Net actuarial (losses) on Pension Scheme	(714,000)	-	-	-	(714,000)
Net movement in funds	(1,051,905)	70,778	14,465	44,144	(922,518)
Balance at 1 January	9,039,002	651,716	1,459,016	286,188	11,435,922
Funds at 31 December	7,987,097	722,494	1,473,481	330,332	10,513,404

18. Defined Benefit Pension Scheme (now frozen)

The valuation used for FRS102 disclosures has been based on the most recent actuarial valuation as at 1 April 2019 and updated by the Actuary to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 December 2021. Scheme assets are stated at their market value at 31 December 2021.

The most recent valuation on a discontinued basis was at 1 April 2019 which showed that the scheme's assets fully covered its priority liabilities and 68% of the remaining liabilities on that date; the actuarial valuation shows a deficit of £1,294k (2016: £1,115k).

The following notes comprise the full disclosures as set out in FRS102.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2021**

18. Defined Benefit Pension Scheme (now frozen) (continued)

Economic assumptions

	Proposed assumption at 31 December 2021	Proposed assumption at 31 December 2020
Discount rate	1.85% p.a.	1.35% p.a.
Future increase in Retail Prices Index ("RPI")	3.20% p.a.	2.85% p.a.
Future increase in Consumer Prices Index ("CPI")	2.25% p.a.	2.25% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.25%p.a.	2.25%p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	3.10% p.a.	2.75% p.a.

Demographic assumptions

	Proposed assumption at 31 December 2021	Proposed assumption at 31 December 2020
Pre-retirement mortality	100% of A92 Ultimate tables	100% of A92 Ultimate tables
Post-retirement mortality	98% of SAPS3 tables, based on members' year of birth	98% of SAPS3 tables, based on members' year of birth
Future improvements in longevity	CMI 2020 projections with a long term trend of 1.25% p.a.	CMI 2019 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	26.7	26.7
Female currently aged 60	29.3	29.2
Male currently aged 40	28.2	28.2
Female currently aged 40	30.8	30.7
Retirement age	1st April nearest to 60th birthday.	1st April nearest to 60th birthday.
Marital statistics	80% of males and 70% of females assumed to be married at retirement or earlier death.	80% of males and 70% of females assumed to be married at retirement or death.
Age difference	Males assumed to be 3 years older than females	Males assumed to be 3 years older than females
Options (e.g. transfers out)	No allowance	No allowance

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FOR YEAR ENDED 31 DECEMBER 2021**

18. Defined Benefit Pension Scheme (now frozen) (continued)

Economic assumptions		
	Proposed assumption at 31 December 2020	Assumption adopted at 31 December 2019
Discount rate	1.35% p.a.	2.20% p.a.
Future increase in Retail Prices Index ("RPI")	2.85% p.a.	3.30% p.a.
Future increase in Consumer Prices Index ("CPI")	2.25% p.a.	2.40% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.25% p.a.	2.40% p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	2.75% p.a.	3.20% p.a.
Demographic assumptions		
	Proposed assumption at 31 December 2020	Assumption adopted at 31 December 2019
Pre-retirement mortality	100% of A92 Ultimate tables	100% of A92 Ultimate tables
Post-retirement mortality	98% of SAPS3 tables, based on members' year of birth	98% of SAPS3 tables, based on members' year of birth
Future improvements in longevity	CMI 2019 projections with a long term trend of 1.25% p.a.	CMI 2018 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	26.7	26.6
Female currently aged 60	29.2	29.0
Male currently aged 40	28.2	28.1
Female currently aged 40	30.7	30.5
Retirement age	1st April nearest to 60th birthday.	1st April nearest to 60th birthday.
Marital statistics	80% of males and 70% of females assumed to be married at retirement or death.	80% of males and 70% of females assumed to be married at retirement or death.
Age difference	Males assumed to be 3 years older than females	Males assumed to be 3 years older than females
Options (e.g. transfers out)	No allowance	No allowance

**ROYAL AERONAUTICAL SOCIETY
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18. Defined Benefit Pension Scheme (now frozen) (continued)

A) Assets and DBO

	31 December 2021	31 December 2020
	£'000	£'000
Total Value of total Scheme assets	3,410	3,118
Total Value of assets in respect of insured pensioners	974	1,050
Present value of DBO	(4,268)	(4,804)
Liability in respect of insured pensioners	(974)	(1,050)
Funded surplus / (deficit)	(858)	(1,686)
Irrecoverable surplus	-	-
Total surplus / (deficit)	(858)	(1,686)
Related deferred tax (liability)	-	-
Net Balance Sheet asset/(liability)	(858)	(1,686)

B) Reconciliation of the value of the BDO

	31 December 2021	31 December 2020
	£'000	£'000
Opening DBO	5,854	5,009
Service cost	-	-
Past service cost	-	-
Members contributions	-	-
Interest on liabilities	78	109
Actuarial losses / (gains)		
From change on assumptions	(541)	873
From experience	(34)	(26)
Curtailments loss / (gain)	-	-
Settlements	-	-
Benefits paid out	(115)	(111)
Expenses	-	-
Closing defined benefit obligation	5,242	5,854

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18. Defined Benefit Pension Scheme (now frozen) (continued)

C) Reconciliation of the value of the assets

	31 December 2021	31 December 2020
	£'000	£'000
Opening value assets	4,168	3,984
Interest income on Scheme Assets	55	86
Actuarial gains / (losses)	200	133
Society contributions	76	76
Member contributions	-	-
Assets distributed on settlements	-	-
Benefits paid	(115)	(111)
Expenses	-	-
Closing value of assets	4,384	4,168

D) Return on the Scheme Assets

	31 December 2021	31 December 2020
	£'000	£'000
Actual return on assets	255	219

E.1) Analysis of the amount charged to Profit and Loss

	31 December 2021	31 December 2020
	£'000	£'000
Service cost	-	-
Past service cost	-	-
Losses/ (gains) on settlement and curtailments	-	-
Administrative costs	-	-
Net interest cost	23	23
Total	23	23

E.2) Analysis of net interest cost

	31 December 2021	31 December 2020
	£'000	£'000
Interest income on Scheme assets	(55)	(86)
Interest in Scheme liabilities	78	109
Interest expense on irrecoverable surplus	-	-
Net interest cost / (credit)	23	23

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18. Defined Benefit Pension Scheme (now frozen) (continued)

F) Amount recognised in Other Comprehensive Income

	31 December 2021	31 December 2020
	£'000	£'000
Return on Scheme assets less interest income	200	133
Actuarial gains/(losses) from a change in assumptions	541	(873)
Actuarial gains/(losses) from experience	34	26
Expense recognised in Actuarial Losses	775	(714)

G) Society Contributions

Following completion of the previous valuation, it was agreed that the Society would pay:

£76k each year on a monthly basis from 1 April 2019 until 31 March 2034, to address the shortfall

H) Amounts for the current and previous two periods

	31 December 2021	31 December 2020	31 December 2019
	£'000	£'000	£'000
Present value of funded DBO	(4,268)	(4,804)	(3,939)
Liability in respect of insured pensioners	(974)	(1,050)	(1,070)
Scheme Assets	3,410	3,118	2,914
Value of assets in respect of insured pensions	974	1,050	1,070
Surplus/(deficit)	(858)	(1,686)	(1,025)
Experience gain/(loss) on DBO	34	26	(530)
Experience gain/(loss) on assets	200	133	630

I) Sensitivity of movement in key assumptions

Discount rate (+ / - 0.1%)	-/+ 100
Inflation(+/- 0.1%)	+/- 30
Mortality (+/-1year)	+/- 170

J) Forecast Profit & Loss for the next account period

	31 December 2021	31 December 2020
	£'000	£'000
Service cost	-	-
Losses /(gains) on settlements and curtailments	-	-
Administrative costs	-	-
Net interest cost/(credit)	15	22
Total	15	22