

Registered number: 1926148
Charity number: 516766

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

Mrs Rachel Semlyen MBE, Vice Chair, Chair from 3 January 2022
Mr Martin Withers, Chair until 3 January 2022
Mr Robert Emmett
Mr Anthony Ridge
Colonel (Retd) John Goodsir CBE (resigned 20 April 2022)
Wing Commander Howard Newbould, Vice Chair from 3 January 2022
Mr Jonathan Armstrong (appointed 25 June 2021)

Company registered number

1926148

Charity registered number

516766

Registered office

Halifax Way, Elvington, York, YO41 4AU

Company secretary

Ms Sally Weatherill

Senior management team

Mr Jonathan Brewer, Museum Director (from 25 April 2022)
Mrs Barbara George, Museum Director (until 18 January 2022)
Ms Eleanor Stead, Interim Museum Director (from 18 January 2022 - 8 April 2022)
Mr Ian Richardson, Head of Memorial and Heritage

Independent auditor

BHP LLP, Rievaulx House, 1 St Mary's Court, Blossom Street, York, YO24 1AH

Bankers

Natwest Bank, York, YO1 9YH

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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

The chairman presents her statement for the year.

The year was again beset with problems beyond our control; five months of enforced closure meant a late start followed by a resurgence of sickness among all sectors of the population due to Covid. This affected the museum's ability to fully function, plan for events and recover, especially with recruitment, in time for the summer season. The trustees wish to thank Barbara George, the then museum director for her leadership, all those who had to cover for staff absences with longer working hours, to the volunteers for their care of the site and collection and for helping to keep visitors happy after such a difficult year. Significant staff changes are detailed below.

Our regenerated business plan was announced in the last report but as with other organisations, there have been changes in personnel as individuals seek new opportunities. This means that the main task has been to recruit the staff needed to deliver the objectives of the plan. Its principles and vision for the future underlie all that we do, and we now look towards the next stage of our development which includes embarking on a programme of increasing accessibility to our collection and archives, conservation of aircraft and artifacts and restoration of our Grade 2 listed Control Tower.

I wish to thank Martin Withers for his steady four-year chairmanship and all the trustees, past and present, who have worked tirelessly behind the scenes during the nearly forty years the museum has evolved from its inception. The MBE I was honoured to receive in the Queen's Birthday Honours in June 2022 is a tribute to them and to all who have worked unflinchingly over the years to make the museum the respected, vigorous and amazing place it is today.



Mrs Rachel Semlyen MBE, Chair

Date: 03/11/22

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Yorkshire Air Museum and Allied Air Forces Memorial for the year 1 April 2021 to 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The object of the Company is to advance the education of the public by the provision of a museum depicting the history of aviation and to provide a memorial, particularly to those members of the Allied Air Forces who served during the First and Second World Wars and subsequent conflicts. There is particular—though not exclusive—emphasis on Yorkshire as the home of the birth of aviation and of scores of wartime bases.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Re-stated Statement of Purpose

The Yorkshire Air Museum and Allied Air Forces Memorial is a Registered Charity and a Registered Company limited by guarantee, set up to advance the education of the public by providing a museum and memorial. The Trust seeks to collect and interpret items that record and celebrate the history of aviation and to provide a memorial to the allied air forces.

Yorkshire Air Museum celebrates aviation history with a unique collection of aircraft on display at Yorkshire's best-preserved, original World War 2 airfield site. We tell stories of innovation, ingenuity and courage that give insight into the aircraft and the people who made and flew them, to inform and inspire current and future generations.

The Trust collects, manages, stores, conserves, displays, and uses for education, research, enjoyment and entertainment, artifacts, airframes, aviation related components, equipment, material, vehicles, uniforms, costumes, textiles, archives, photographs, books, manuscripts, prints, drawings, paintings, sculpture, ephemera, and other items relating to the history of aviation in Yorkshire. The Trust achieves this by sustaining and developing the historic RAF Elvington site, its buildings and its collections to Accreditation standards, and provides access for the public benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

c. The Memorial

The vision of the founders was to create a 'living' museum on the original wartime base that would support a memorial to those who served in the cause of peace, to educate present and future generations and ensure that the sacrifices of the allied air forces are not forgotten.

The site of the museum is the administrative core of the former WW2 RAF Bomber Command station, 'Royal Air Force Elvington'. It consists of the original Control Tower and ancillary buildings, together with workshops, a WW2 hangar and more than sixty historic aircraft and vehicles. More than 200,000 registered artifacts are held in an archive building - designed and constructed in keeping with the existing 1940s buildings - and in sixteen exhibitions and displays.

First on RAF Elvington in October 1942 was No. 77 Squadron RAF with members from at least eight different allied nations. They were followed by the only two French heavy bomber squadrons: No. 346 (Guyenne) and No. 347 (Tunisie). The squadrons flew the Handley Page Halifax aircraft, and, as none were preserved after the war, the museum started an ambitious project to create a unique reconstruction. The completed aircraft has pride of place in the T2 hangar. Tours of the Halifax for veterans, their families and descendants are an important part of the memorial aspects.

New Display: Faces of the Allies

Remembrance Sunday started with a ceremony at the memorial in Elvington and was well attended by local residents and uniformed organisations. Invited dignitaries from the RAF, France, Poland, Australia, the USA, Canada and New Zealand were then invited to lay a wreath in the Allied Air Forces Memorial Garden at the museum prior to attending a ceremony to open a new exhibition financed by the Arts Council celebrating the diversity of the allied air forces in Great Britain during WWII.

d. The Museum

1. Visitors

After a concentrated period of cleaning, remedial gardening and re-organising for social distancing, we were pleased to see visitors return when we were able to reopen on the 22nd May. In the following ten and a half months (we closed for 2 weeks at Christmas) we welcomed 49,000 visitors. (Last year during six months: 30,000; previous year of 12 months: 56,000, previous years: 60,000 and 53,000). Our aim is to market especially to our catchment areas, attract more families, improve the visitor experience, refresh displays and provide excellent hospitality to encourage repeat visits. A dedicated Admissions Team supported by stewards and guides provide front of house welcome and administration.

2. Staffing

All staff, except those involved directly in the trading company (YAMCO), from 1st April 2021 are now employed by YAM, the charity.

In the financial year, 9 full time and 13 part time staff (including seasonal café staff) were employed.

In the autumn, Museum director Barbara George gave notice that she was moving on to a new high-level appointment. The trustees embarked on a recruitment campaign to find a heritage professional to take over the role. The campaign attracted international and as well as national interest. Interviews were conducted online and in person. Jonathan Brewer, an experienced general manager with the National Trust was appointed. Eleanor Stead, a non-executive director of YAMCO was appointed as interim director from 10th January providing continuity and leadership until the new permanent director could start on 25th April.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

To support the delivery of the business plan

Accreditation and Collection: A Strategy and Action Plan for Digitisation & Digital Interpretation 2021-2024 was completed by consultants, Kevin Bolton and Ruth Darling.

Scientist and conservationist, Michael Stanley A.M.A., F.G.S was appointed part-time Consultant Collections Manager in January 2022 to lead a review of accreditation standards and to formulate a conservation plan to include aircraft and vehicles, object collections, library and archives.

Health & Safety: Scott Smith CMIOSH MinstRE was appointed part-time on a consultancy basis to conduct H&S reviews, training courses for staff and volunteers and to oversee the fire detection systems in all buildings.

Marketing and Communications: after the untimely death of Neill Watson in April, a manager was recruited with the responsibility of marketing the museum and its attractions to the wider population of aviation enthusiasts and the general public, to develop the website and to improve internal communications.

Learning: The volunteer education team was strengthened by appointing one of their number, a former teacher, as School Liaison Co Ordinator to market and oversee the school visits.

3. Volunteers

The Museum could not operate without its dedicated and enthusiastic volunteers. They help and support us daily as guides, stewards, archivists, engineers and gardeners. Recruitment re-commenced after the restrictions lifted and they receive frequent commendations from visitors for their enthusiasm, knowledge, and readiness to help with information.

Education team

School visits are a vital part of our mission, and it is always uplifting to see the groups on site. We are very grateful to our six-strong Education Team of School Liaison Co Ordinator and five volunteers.

Activity in the year was greatly affected by Covid like many other museums. Although the museum was open for bookings, schools were very hesitant and some still had restrictions to school excursions. Once the new school term settled down in September, bookings increased with 36 schools and a total of 1379 children coming for guided sessions in the period to end of March, bringing in around £10,000 to the museum. The schools came from various areas of Yorkshire especially around York, further north schools came from Co Durham and Teesside, and West Yorkshire. The furthest north was from Scotland, and the furthest south from Surrey.

The school's program provides topics and activities for all age groups from Reception, Year 1 up to and including Year 9. Topics are discussed with the lead teacher to ensure they are appropriate to their school lesson plan and curriculum. Our school guides team are all DBS checked and have taken Basic Safeguarding courses.

Achievements and performance

a. Review of activities

Site Management and Development

The 80-year-old, 1940s buildings require constant maintenance. We have a buildings maintenance team who work all year round (supported now by a dedicated Buildings and Facilities Manager). A new fire detection system was investigated and came into operation early in the current financial year. Security and safety continue to be high priorities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

The iconic Grade 2 listed, Control Tower (or Watch Office) had deteriorated even more during the lockdown period. The first task was to make the building watertight and this was achieved in January 2022 in record time with a new roof and repairs to the corroded ironwork and gutters. The plan is for the original windows and external rendering to be restored in 2023. The total cost of restoration will be in the region of £200,000, most coming from our own reserves and the rest from fundraising from the public, grant-making bodies and corporate sponsors. We wish to record our thanks to Keith Hardcastle, Built Environment Consultant, for project management and site surveys and to the ongoing support of William Birch & Sons Ltd, historic buildings specialists.

Nature Conservation

The 'Nature of Flight' conservation area covers around 1.75 hectares (4.3 acres). This area is designated as a Site of Importance for Nature Conservation (SINC) by City of York Council due to its special wildlife interest. It is accessible to museum visitors via an attractive path around the perimeter, including a viewing platform overlooking a pond and an area which has been used for educational activities and picnic tables. The area is managed according to a maintenance plan drawn up by Martin Hammond, Ecologist and Wildlife Consultant.

Environment Policy

YAM and YAMCO make every effort to care for the natural resources of the site and to minimise their impact on the environment with a programme of landscape management, upgrading building insulation, low-energy lighting, recycling, running aircraft engines commensurate with the maintenance need, reducing the use of single-use plastic and unnecessary printing.

b. Trading Subsidiary

YAMCO is the wholly-owned trading subsidiary of YAM, is a vital part of our income. A Hospitality and Retail manager was appointed to develop the café and the shop. Along with many other hospitality outlets and venues, recruitment of staff proves to present ongoing recruitment difficulties but both facilities have benefited from investment and focused attention to improve the visitor offer. The café was renamed Café 77 in honour of 77 Squadron Royal Air Force, the first occupants of RAF Elvington in 1942.

c. Investment policy and performance

Under the memorandum and articles of association, the charity has the power to make any investment that the trustees see fit. They are guided by the Charity Commission Guidelines (CC14).

d. Forward planning

A Site Development Group was set up early in the year to look at the future needs of the museum in terms of buildings and infrastructure. Plans for a children's playground and a second hangar are high on the list for development. The new Strategic Business Plan announced last year continues to underpin the activities of the museum with adjustments to its progress dependent on the general economic situation.

e. Equal opportunities

We are committed to providing equal opportunities to all in employment and volunteering, irrespective of their gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion, marital status and social class.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Results for the year

In the year to 31 March 2022, income to the charity (including grants) increased from £939,415 in the previous year to £1,033,734. Expenditure during the year also increased, from £747,836 in the previous year to £908,344. This resulted in a net surplus for the year of £126,934, a decrease of £72,776 on the previous year.

b. Grants, funding and legacies

The grants received during the year were £27,000 from the City of York Council (CYC) as part of the government post Covid-19 business start-up package and the remainder was the final part of the Cultural Recovery Grant of £312,531 which was awarded by the Department of Digital Media and Sport (DCMS) in 2020/21. Coronavirus Job Retention Scheme grants totalling £10,068 were received during the year.

We also received income totalling £288,060 from sources other than direct visitor contributions. Of this £30,540 came from two valuable legacies, £50,718 from grants, £10,000 as a donation and £196,802 from a payment made by our insurance company, Hiscox, under our Business Interruption Policy to cover business losses during all three Covid-19 lockdown periods of April - June 2020, November 2020 and January - May 2021.

c. Going concern

As part of their assessment of the going concern basis of preparation, the trustees have considered the impact of current and recent events on the group and parent charitable company's activities and workforce, as well as the wider economy and on the forecasted income for the year to 31 March 2024.

Given the level of assets and reserves and the budget forecast up to the end of November 2023, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level that enables the charity to meet its working capital requirements on an ongoing basis. The Trustees believe that they need to maintain minimum reserves equivalent to two months trading giving a target level of around £200,000. Free reserves as at the year end were £643,139 (2021: £483,693), an excess holding funds for immediate projects and ongoing restoration of the Control Tower.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 26 June 1985. It is a registered charity number 516766.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

b. Management

The management team is responsible for the operation, organisation and promotion of the Museum on a daily basis. This includes: financial management; health & safety and risk management; site maintenance and coordination; contractor hiring and supervision; capital projects planning and supervision; collections control, accreditation and curatorial services; exhibition planning and design; staff and volunteer management; events planning and organisation; visitor experience and liaison management; external public relations and marketing; outreach event design and participation; external partnerships; fundraising; environmental planning; memorial commemorative events and duties; membership and databases; visitor enquiry responses; business and professional networking.

c. Role of the Trustees

Trustees have independent and legal responsibilities for the charity's management and administration and for ensuring that it is carrying out its purposes for the public benefit. The Board meets at least six times a year and is responsible for defining the mission and strategic priorities of the Museum and for setting and supervising the implementation by management of policies directed at that mission, with reference to finance (trading activities, fund raising), capital projects (premises, structures), content (exhibits, archive and educational material), personnel (senior appointments, relations between staff and volunteers) and any other issues which the Board may find require their input.

The Trustees are aware of the need to strengthen the Boards of both YAM and YAMCO. Following a recruitment campaign internally and externally, Jonathan Armstrong was appointed to the Board of YAM with a skill set in Health and Safety, Finance and Project Management. As non-executive directors to the board of YAMCO, Mr Michael Killoran was appointed for his experience in retail business and Ms Eleanor Stead for her experience in Human Resources and Corporate Affairs. The Trustees continue to encourage applications for these Board positions.

d. Board Sub-Committees

Trustees and Directors meet six times a year with the following sub-committees:

Finance and Audit
Governance and Nominations
Health and Safety
Fundraising

e. Methods of appointment or election of Trustees

With internal and external advertisements and publicity, the Board actively seeks new Trustees of YAM and non-executive directors of YAMCO Ltd to increase its diversity and skills. Appointments were made in 2021. Each new trustee and director is given induction sessions and encouraged to attend relevant training.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

f. Pay policy for senior staff

The trustees consider that the Board of Directors, who are Trustees, and the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis.

Directors review the pay of senior staff annually in line with the pay of staff in comparable museums in the heritage sector and the pay of the museum director is reviewed annually by the Chairman and other directors.

g. Risk management

The Trustees have a risk management strategy which comprises:

- 1) Maintaining an up-to-date organisational Risk Register which is broken down into specific areas affecting Governance, Finance and Compliance. Risks are characterised by allotting a Risk Priority Number (RPN) calculated as the multiple of the Seriousness of the risk and the Likelihood of its occurrence. Risks are then designated as either High, Medium, or Low depending upon the RPN number.
- 2) Selecting the top five risks for review by the Trustees at each Board meeting held normally every two months.
- 3) The establishment of policies, systems, and procedures to reduce the RPN number on a continuous basis.
- 4) Monitoring the progress of actions carried out to mitigate risks using a formal monitoring register which is also updated following every Board meeting.

Significant risks affecting the financial position of the Museum are additionally overseen by the Board appointed Finance Committee with regular reviews of income and operating costs.

The biggest short-term risk facing the Museum is connected to economic factors that might impact our visitor numbers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The Trustees have established a Site Development Group with senior members of staff and the input of built environment specialist, Mr Keith Hardcastle, Mr Scott Smith, Health & Safety Consultant and Mr Micheal Stanley, Conservation Specialist and new internal appointee to the roles of Buildings and Facilities Manager and Visitor Experience Manager. The purpose of the group is to achieve the strategic objectives of the business plan, namely:

- To care for, understand and present our site and collections so they are accessible to current and future generations by maintaining the fabric of the site, prioritising those areas that are of particular historic importance.
- Improve visitor experience and development visitor numbers, especially with a playground by next Easter.
- Maximise our positive impact on the environment and protect the nature in our care.
- Maintain the status as an accredited museum.

An accurate masterplan of the whole site has been produced and assessments made of the infrastructure, security of collections and capabilities of utilities for future expansion.

The next phase is to produce a masterplan showing the sites for proposed new buildings; for which planning permission and funds will be sought at the appropriate time:

- Second display hangar
- Restoration hangar and workshop
- Education and Visitor Centre

Fundraising

The Yorkshire Air Museum engages in fundraising for new and urgent restoration projects but does not use professional fundraisers or commercial participators. The Museum nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there were no complaints received in relation to the Trust's fundraising practice.

Public benefit

The Trustees review the performance, aims and objectives of the company every year. In carrying out the review, the Trustees refer to the Charity Commission's guidance on public benefit to ensure that all future and planned activities meet that guidance.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

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



Rachel Semlyen MBE

Chair of Trustees

Date: 03/11/22

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF YORKSHIRE AIR MUSEUM
& ALLIED AIR FORCES MEMORIAL**

Opinion

We have audited the financial statements of Yorkshire Air Museum & Allied Air Forces Memorial (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, 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 of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company'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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL (CONTINUED)

Other information

The other information comprises the information included in the trustees' report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL (CONTINUED)

In preparing the financial statements, the trustees are responsible for assessing the Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety and employment laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non compliance throughout the audit of the group and parent charitable company.

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

To address the risks of fraud through management override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL (CONTINUED)

In response to the risk of irregularities and con-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them 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 charitable company and the charitable company's members, as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditor

Rievaulx House

1 St Mary's Court

Blossom Street

York

YO24 1AH

Date: **3 November 2022**

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	50,872	25,343	76,215	449,656
Charitable activities	5	487,045	-	487,045	283,399
Other trading activities	6	236,577	-	236,577	85,681
Investments		27	-	27	96
Other income	7	233,870	-	233,870	120,583
Total income		1,008,391	25,343	1,033,734	939,415
Expenditure on:					
Raising funds	6	258,695	-	258,695	155,670
Charitable activities	8	603,947	45,702	649,649	590,622
Total expenditure		862,642	45,702	908,344	746,292
Net income/(expenditure) before taxation		145,749	(20,359)	125,390	193,123
Taxation		1,544	-	1,544	(1,544)
Net income/(expenditure) after taxation		147,293	(20,359)	126,934	191,579
Transfers between funds	20	1,496	(1,496)	-	-
Net movement in funds		148,789	(21,855)	126,934	191,579
Reconciliation of funds:					
Total funds brought forward		880,370	252,352	1,132,722	941,143
Net movement in funds		148,789	(21,855)	126,934	191,579
Total funds carried forward		1,029,159	230,497	1,259,656	1,132,722

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 42 form part of these financial statements.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)
REGISTERED NUMBER: 1926148

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	572,590	593,004
Heritage assets	15	-	-
Investments	16	100	100
		<u>572,690</u>	<u>593,104</u>
Current assets			
Stocks	17	22,487	13,708
Debtors	18	23,480	85,263
Cash at bank and in hand		684,659	488,414
		<u>730,626</u>	<u>587,385</u>
Creditors: amounts falling due within one year	19	(43,660)	(47,767)
Net current assets		<u>686,966</u>	<u>539,618</u>
Total net assets		<u><u>1,259,656</u></u>	<u><u>1,132,722</u></u>
Charity funds			
Restricted funds	20	230,497	252,352
Unrestricted funds	20	1,029,159	880,370
Total funds		<u><u>1,259,656</u></u>	<u><u>1,132,722</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Mrs Rachel Semlyen MBE

Chair of Trustees

Date: 03/11/22

The notes on pages 20 to 42 form part of these financial statements.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)
REGISTERED NUMBER: 1926148

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	559,306	580,069
Heritage assets	15	-	-
Investments	16	200	200
		<u>559,506</u>	<u>580,269</u>
Current assets			
Debtors	18	84,756	103,102
Cash at bank and in hand		641,026	469,280
		<u>725,782</u>	<u>572,382</u>
Creditors: amounts falling due within one year	19	(38,626)	(36,713)
Net current assets		<u>687,156</u>	<u>535,669</u>
Total net assets		<u><u>1,246,662</u></u>	<u><u>1,115,938</u></u>
Charity funds			
Restricted funds	20	230,497	252,352
Unrestricted funds	20	1,016,165	863,586
Total funds		<u><u>1,246,662</u></u>	<u><u>1,115,938</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £130,724. (2021 - £229,915).

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Mrs Rachel Semlyen MBE

Chair of Trustees

Date: 03/11/22

The notes on pages 20 to 42 form part of these financial statements.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	23	222,688	208,160
		<hr/>	<hr/>
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		1,414	-
Purchase of tangible fixed assets		(27,857)	(77,098)
		<hr/>	<hr/>
Net cash used in investing activities		(26,443)	(77,098)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		196,245	131,062
Cash and cash equivalents at the beginning of the year		488,414	357,352
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	24	684,659	488,414
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 20 to 42 form part of these financial statements

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Yorkshire Air Museum and Allied Air Forces Memorial is an incorporated charity registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and activities are set out on page 2 of these financial statements and include advancing the education of the public by the provision of a museum depicting the history of aviation and to provide a memorial, particularly to those members of the allied Air Forces who served during the First and Second World Wars and subsequent conflicts.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Yorkshire Air Museum & Allied Air Forces Memorial 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.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

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

2.2 Going concern

As part of their assessment of the going concern basis of preparation, the trustees have considered the impact of current and recent events on the group and parent charitable company's activities and workforce, as well as the wider economy and on the forecasted income for the year to 31 March 2024. The trustees are confident that they have in place plans to deal with any financial losses that may arise.

At the time of approving the financial statements, the trustees have a reasonable expectation that the group and parent charitable company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other incoming resources. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s.256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading subsidiary recognises tax in the consolidated statement of financial activities.

2.7 Tangible fixed assets and depreciation

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	- Nil
Freehold buildings	- 2.5% & 20% per annum straight line
Exhibits and displays	- 10% to 20% per annum straight line
Equipment and vehicles	- 20% per annum straight line or 25% per annum reducing balance

2.8 Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

2.9 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Stocks

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

2.11 Debtors

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

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 Financial instruments

The Group 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.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	20,332	1,625	21,957	12,543
Legacies	30,540	-	30,540	3,000
Grants	-	23,718	23,718	434,113
	<u>50,872</u>	<u>25,343</u>	<u>76,215</u>	<u>449,656</u>
Total 2021	<u>12,468</u>	<u>437,188</u>	<u>449,656</u>	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational (museum and memorial)	487,045	487,045	283,399
	<u>487,045</u>	<u>487,045</u>	<u>283,399</u>
Total 2021	<u>283,399</u>	<u>283,399</u>	

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Membership subscriptions	5,967	5,967	7,525
Gate receipts	430,954	430,954	235,529
Income tax recoverable	45,784	45,784	35,153
Guide books	1,850	1,850	-
Other income	2,490	2,490	5,192
	487,045	487,045	283,399
	487,045	487,045	283,399

6. Other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<i>Charity trading income</i>			
NAAFI, shop, site and room hire income	228,446	228,446	85,681
<i>Fundraising trading expenses</i>			
Light and heat	4,337	4,337	2,488
Maintenance	1,885	1,885	328
Telephone	454	454	435
Recruitment	2,064	2,064	-
Irrecoverable VAT	5,276	5,276	2,003
Bank charges	6,303	6,303	3,611
NAAFI and shop cost of sales	105,776	105,776	43,313
Bookkeeping and payroll	927	927	4,268
Staff costs	127,604	127,604	94,916
Depreciation	4,069	4,069	4,308
	258,695	258,695	155,670
	30,249	30,249	69,989
<i>Net expenditure from other trading activities</i>	30,249	30,249	69,989

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Coronavirus job retention scheme grant	10,068	10,068	99,294
Other income	-	-	75
Local restrictions support grant	27,000	27,000	21,214
Insurance claim	196,802	196,802	-
	<u>233,870</u>	<u>233,870</u>	<u>120,583</u>
Total 2021	<u>120,583</u>	<u>120,583</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational (museum and memorial)	<u>603,947</u>	<u>45,702</u>	<u>649,649</u>	<u>590,622</u>
Total 2021	<u>343,601</u>	<u>247,021</u>	<u>590,622</u>	

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational (museum and memorial)	349,225	300,424	649,649	590,622
Total 2021	309,370	281,252	590,622	

Analysis of direct costs

	Educational 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	73,800	73,800	85,146
Depreciation	42,505	42,505	50,324
Site costs and services	202,875	202,875	136,064
Guide books	2,326	2,326	-
Insurance	13,799	13,799	13,812
Publicity	13,920	13,920	24,024
	349,225	349,225	309,370
Total 2021	309,370	309,370	

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	213,968	213,968	186,032
Administration services	29,532	29,532	20,070
Office expenses	30,963	30,963	44,312
Governance costs (note 10)	25,961	25,961	30,838
	<u>300,424</u>	<u>300,424</u>	<u>281,252</u>
Total 2021	<u>281,252</u>	<u>281,252</u>	

10. Governance costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Audit and accountancy	8,990	-	8,990	7,625
Legal and professional fees	12,346	4,400	16,746	23,213
Bad debts	225	-	225	-
	<u>21,561</u>	<u>4,400</u>	<u>25,961</u>	<u>30,838</u>
Total 2021	<u>8,578</u>	<u>22,260</u>	<u>30,838</u>	

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Auditor's remuneration

	2022	2021
	£	£
Auditor's remuneration - audit	9,535	7,000
All non-audit services not included above	<u>20,188</u>	<u>22,050</u>

12. Staff costs

	Group 2022	Group 2021	Company 2022	Company 2021
	£	£	£	£
Wages and salaries	383,716	338,341	262,502	247,453
Social security costs	25,435	21,725	20,200	18,592
Pension costs	6,221	6,028	5,066	5,133
	<u>415,372</u>	<u>366,094</u>	<u>287,768</u>	<u>271,178</u>

Redundancy payments were made in the year totalling £4,296 (2021: £7,362).

The average number of persons employed by the group during the year was as follows:

	Group 2022	Group 2021
	No.	No.
Operational	16	18
Administrative	6	5
	<u>22</u>	<u>23</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year key management personnel's remuneration, including employers' pension and national insurance, totalled £106,997 (2021: £109,030).

YORKSHIRE AIR MUSEUM & ALLIED AIR FORCES MEMORIAL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, a total of £334 (2021 - £NIL) was reimbursed to 2 Trustees relating to office expenses.

14. Tangible fixed assets

Group

	Freehold property £	Exhibits and displays £	Equipment and vehicles £	Total £
<i>Cost or valuation</i>				
At 1 April 2021	1,032,481	135,505	289,080	1,457,066
Additions	781	3,451	23,625	27,857
Disposals	-	-	(2,121)	(2,121)
At 31 March 2022	<u>1,033,262</u>	<u>138,956</u>	<u>310,584</u>	<u>1,482,802</u>
<i>Depreciation</i>				
At 1 April 2021	523,024	124,268	216,770	864,062
Charge for the year	20,271	1,934	24,369	46,574
On disposals	-	-	(424)	(424)
At 31 March 2022	<u>543,295</u>	<u>126,202</u>	<u>240,715</u>	<u>910,212</u>
<i>Net book value</i>				
At 31 March 2022	<u><u>489,967</u></u>	<u><u>12,754</u></u>	<u><u>69,869</u></u>	<u><u>572,590</u></u>
At 31 March 2021	<u><u>509,457</u></u>	<u><u>11,237</u></u>	<u><u>72,310</u></u>	<u><u>593,004</u></u>

Included in land and buildings is freehold land at a cost of £97,591 (2021: £97,591) which is not depreciated.

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14. Tangible fixed assets (continued)

Company

	Freehold property £	Exhibits and displays £	Equipment and vehicles £	Total £
<i>Cost or valuation</i>				
At 1 April 2021	1,032,481	135,505	201,249	1,369,235
Additions	781	3,451	19,207	23,439
Disposals	-	-	(2,121)	(2,121)
At 31 March 2022	1,033,262	138,956	218,335	1,390,553
<i>Depreciation</i>				
At 1 April 2021	523,024	124,268	141,874	789,166
Charge for the year	20,271	1,934	20,300	42,505
On disposals	-	-	(424)	(424)
At 31 March 2022	543,295	126,202	161,750	831,247
<i>Net book value</i>				
At 31 March 2022	489,967	12,754	56,585	559,306
At 31 March 2021	509,457	11,237	59,375	580,069

Included in land and buildings is freehold land at a cost of £97,591 (2021: £97,591) which is not depreciated.

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15. Heritage assets

The charity holds a variety of historic aircraft, vehicles and other items that may be considered to be heritage assets. The assets are held for the purpose of allowing the charity to fulfil its objective of advancing the education of the public by the provision of a museum depicting the history of aviation.

The trustees consider that obtaining valuations for the majority of the historic aircraft and other items that are exhibited in the museum would involve disproportionate cost. Furthermore, given the specialist nature of the assets and the absence of comparable market values it is considered that conventional valuation approaches may in any event lack sufficient reliability. As such, the charity does not recognise heritage assets on its balance sheet, except to the extent that there have been recent acquisitions where an exhibit or artifact has been purchased, in which case the asset is initially included at cost and is subsequently depreciated. All of these heritage assets have been fully depreciated in previous years.

Any expenditure on heritage assets that in the view of the trustees is required to preserve individual assets is recognised in the statement of financial activities as incurred.

In the past 5 years, no heritage assets have been purchased or disposed of.

One heritage asset has been donated during the period: Hunting Percival (BAC) Jet Provost T.3a XN582
Given the nature of the asset and the absence of comparable market values, a reliable estimate for the value of the asset could not be obtained.

16. Fixed asset investments

	Investments in subsidiary companies £
Group	
Cost or valuation	
At 1 April 2021	100
At 31 March 2022	<u>100</u>
	<u><u>100</u></u>
Company	
Cost or valuation	
At 1 April 2021	200
At 31 March 2022	<u>200</u>
	<u><u>200</u></u>

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The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Holding
Airspeed (York) Limited	08734418	Dormant	100%
YAMCO Limited	02801334	Catering, retail and venue hire	100%

The financial results of the subsidiaries for the year were:

Names	Aggregate of share capital and reserves £	Profit/(Loss) £
Airspeed (York) Limited	100	-
YAMCO Limited	(46,906)	(63,790)

17. Stocks

	Group 2022 £	Group 2021 £
Goods for resale	22,487	13,708

18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	3,085	467	3,085	225
Amounts owed by group undertakings	-	-	71,307	24,765
Other debtors	11,427	8,138	1,758	1,454
Prepayments and accrued income	8,968	76,658	8,606	76,658
	23,480	85,263	84,756	103,102

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19. Creditors: Amounts falling due within one year

	Group	Group	Company	Company
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	21,305	26,432	20,482	26,365
Corporation tax	-	1,544	-	-
Other taxation and social security	2,091	6,037	2,091	-
Other creditors	1,435	1,106	-	-
Accruals and deferred income	18,829	12,648	16,053	10,348
	43,660	47,767	38,626	36,713

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Fixed assets	396,576	-	(37,098)	26,442	385,920
General funds					
General fund	467,009	761,439	(513,257)	(24,946)	690,245
Trading fund	16,785	246,952	(310,743)	-	(47,006)
	483,794	1,008,391	(824,000)	(24,946)	643,239
Total Unrestricted funds	880,370	1,008,391	(861,098)	1,496	1,029,159
Restricted funds					
Grants and donations	6,587	1,625	(1,437)	-	6,775
Canadian Memorial Hanger	83,890	-	(6,000)	-	77,890
Airgunners	23,191	-	-	-	23,191
Aircrew Association	112,537	-	(3,759)	-	108,778
Control Tower	7,427	-	-	-	7,427
Archives Security	1,496	-	-	-	1,496
Museum Memorial Fund	500	-	-	-	500
Kirby Foundation	3,679	-	(514)	(300)	2,865
HLF Emergency fund	9,054	-	(7,180)	(299)	1,575
DCMS grant fund	3,991	23,718	(26,812)	(897)	-
	252,352	25,343	(45,702)	(1,496)	230,497
Total of funds	1,132,722	1,033,734	(906,800)	-	1,259,656

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Fixed assets	362,104	-	(44,261)	78,733	396,576
General funds					
General fund	277,381	317,177	(295,586)	168,037	467,009
Trading fund	55,120	185,050	(160,968)	(62,417)	16,785
	332,501	502,227	(456,554)	105,620	483,794
Total Unrestricted funds	694,605	502,227	(500,815)	184,353	880,370
Restricted funds					
Grants and donations	6,595	2,637	(1,009)	(1,636)	6,587
Canadian Memorial Hanger	89,890	-	(6,000)	-	83,890
Airgunners	23,191	-	-	-	23,191
Aircrew Association	116,908	-	(4,371)	-	112,537
Control Tower	7,454	-	(27)	-	7,427
Archives Security	2,000	1,438	(302)	(1,640)	1,496
Museum Memorial Fund	500	-	-	-	500
Kirby Foundation	-	10,000	(1,100)	(5,221)	3,679
HLF Emergency fund	-	134,300	(63,353)	(61,893)	9,054
DCMS grant fund	-	288,813	(170,859)	(113,963)	3,991
	246,538	437,188	(247,021)	(184,353)	252,352
Total of funds	941,143	939,415	(747,836)	-	1,132,722

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20. Statement of funds (continued)

Designated funds

The fixed asset fund represents the fixed assets held in unrestricted funds of the parent charity.

Restricted funds

Grants and donations relate to amount received to be spent on specific projects.

The Canadian Memorial Hangar fund represents a grants awarded towards the cost of construction of the T2 Canadian Memorial Hangar. Terms of the National Heritage Memorial Fund grant state that the company will not sell, let, pledge, mortgage, charge or otherwise encumber the property without prior consent of the National Heritage Memorial Fund. A grant from the PRISM Grant Fund was provided on behalf of the Museums & Galleries Commission. The assistance was provided subject to the condition that the Hangar is distinguished in title from the remaining assets of the Yorkshire Air Museum and will not be mortgaged or charged in any way. The fund is being reduced in line with the annual depreciation charge of the building.

The Airgunners fund represents amounts received dedicated to the Airgunners memorial room.

The Aircrew Association fund relates to the cost of the archives building which was funded by grants from the Aircrew Association. The fund is being reduced in line with the annual depreciation charge of the building.

The Control Tower fund represents a grant received from the Arnold Burton Foundation for a project to improve and maintain the control tower display.

The Archives Security fund consists of a donation received specifically for the archives collection.

The Museum Memorial Fund represents donations towards the memorial aspect of the museum.

The Kirby Foundation represents a grant received from the Kirby Foundation for a families and children's project.

The HLF Emergency Fund represents a grant received to cover essential costs for 4 months in response to the COVID-19 crisis.

The DCMS grant fund represents a grant received in response to the COVID-19 crisis towards essential site maintenance and staff costs, promotion and marketing, and includes a reserves boost which has been shown as a transfer from restricted to unrestricted funds.

Fund transfers

A transfer has been made from the general fund and various restricted funds to the designated fixed assets fund equal to the fixed asset additions net of disposal proceeds of £26,442.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	396,576	-	(37,098)	26,442	385,920
General funds	483,794	1,008,391	(824,000)	(24,946)	643,239
Restricted funds	252,352	25,343	(45,702)	(1,496)	230,497
	<u>1,132,722</u>	<u>1,033,734</u>	<u>(906,800)</u>	<u>-</u>	<u>1,259,656</u>

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	362,104	-	(44,261)	78,733	396,576
General funds	332,501	502,227	(456,554)	105,620	483,794
Restricted funds	246,538	437,188	(247,021)	(184,353)	252,352
	<u>941,143</u>	<u>939,415</u>	<u>(747,836)</u>	<u>-</u>	<u>1,132,722</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	385,920	186,670	572,590
Fixed asset investments	100	-	100
Current assets	686,799	43,827	730,626
Creditors due within one year	(43,660)	-	(43,660)
	<u>1,029,159</u>	<u>230,497</u>	<u>1,259,656</u>

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22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	396,577	196,427	593,004
Fixed asset investments	100	-	100
Current assets	531,460	55,925	587,385
Creditors due within one year	(47,767)	-	(47,767)
	<u>880,370</u>	<u>252,352</u>	<u>1,132,722</u>

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	<u>126,934</u>	<u>191,579</u>
Adjustments for:		
Depreciation charges	46,574	54,632
Loss on the sale of fixed assets	283	-
Decrease/(increase) in stocks	(8,779)	4,845
Decrease/(increase) in debtors	61,783	(49,539)
Increase/(decrease) in creditors	(2,563)	5,099
Taxation charge	(1,544)	1,544
Net cash provided by operating activities	<u><u>222,688</u></u>	<u><u>208,160</u></u>

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24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	684,659	488,414
Total cash and cash equivalents	684,659	488,414

25. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	488,414	196,245	684,659
	488,414	196,245	684,659

26. Pension commitments

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £6,221 (2021: £6,028).

27. Related party transactions

At the balance sheet date the charity had an outstanding net debtor balance due from its subsidiary undertaking, YAMCO Limited, amounting to £131,307 (2021: £24,765). At the year end a provision has been made for £60,000 in the Yorkshire Air Museum company accounts relating to the net liabilities of YAMCO. During the year, expenditure was recharged from the subsidiary company of £49,795 (2021: £271,179) for group services, wages and rent. Also during the year, expenditure was recharged to the subsidiary company of £2,945 (2021: nil) for cafe sales.

During the period, 2 Trustees made total donations of £1,210 to the charity.

28. Controlling party

The trustees consider that there is no ultimate controlling party of the group or the charity other than the board of trustees as a body.

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29. Company limited by guarantee

The charity, being a company limited by guarantee, has no share capital. Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up whilst still a member or within one year thereafter. The members are not entitled to any distribution of the income or property of the company and, in the unlikely event of the winding up or dissolution of the company, any surplus remaining shall be transferred to some other charitable institution having charitable objects similar to those of the company.