

**Cross & Cockade International
The First World War Aviation Historical Society**

Financial Statements

31st December 2021

Charity Number 1117741

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

| CONTENTS | PAGES |
|---|-----------------|
| Trustees and professional advisers | 1 |
| Trustees Annual Report | 2 to 4 |
| Independent examiner's report | 5 |
| Statement of Financial Activities | 7 |
| Balance sheet | 8 |
| Notes to the financial statements | 9 to 11 |
| The following pages do not form part of the financial statements | |
| Detailed statement of financial activities | 13 to 14 |

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

TRUSTEES AND PROFESSIONAL ADVISERS

| | |
|--------------------------------|---|
| Registered charity name | Cross & Cockade International The First World War Aviation Historical Society |
| Charity number | 1117741 |
| Address | Lords and Ladies Pilcot Dogmersfield Hampshire RG27 8ST |
| Trustees | Graham Chisnall Peter John Dye Colin Clarke Huston Marcus George Williams Andrew George Kemp John Michael Davis Trevor Henshaw Robert Stanley Jones Peter John Cowlan Brian Richard Slater Graham Mottram |
| Independent examiner | Horsfield & Smith Chartered Accountants Tower House 269 Walmersley Road Bury Lancashire BL9 6NX |
| Bankers | Barclays Bank plc 5 High Street Warwick CV34 4AW |

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31st DECEMBER 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31st December 2021. The financial statement have been prepared in accordance with the accounting policies set out in note 1 in the accounts and comply with the charities trust deed, 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 (FRS102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of trustees and professional advisers on page 1 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Graham Chisnall
Peter John Dye
Colin Clarke Huston
Marcus George Williams
Andrew George Kemp
John Michael Davis
Robert Stanley Jones
Trevor Henshaw
Peter John Cowlan
Brian Richard Slater
Graham Mottram

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

Cross & Cockade International The First World War Aviation Historical Society was registered as a charity (Registered number: 1117741) by a constitution adopted on 27th November 2006, amended on 25th April 2015.

Risk Assessment

The trustees have considered the major risks to which the charity is exposed and have established systems to mitigate those risks.

Organisation

Management of the organisation is carried out by an elected Committee in accordance with the constitution.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31st DECEMBER 2021

Financial Controls

Day to day administration and management of budgets and financial procedures were carried out during the year by the Treasurer. The Treasurer is responsible for ensuring that the income and expenditure, assets and liabilities, of the charity are managed in an efficient and effective manner. Final responsibility for financial matters rests with the committee as a whole.

OBJECTIVES AND ACTIVITIES

Objects of the Charity

To educate the public in all aspects of the history of aviation related to the First World War including the periods immediately before and after that event.

ACHIEVEMENTS AND PERFORMANCE

The Society's activities over the past year have continued to be dominated by the Covid Pandemic. Committee meetings and the Annual General Meeting have been conducted remotely, using Zoom. This has facilitated more frequent discussions and enabled wider participation, including overseas members who might never have travelled to the UK for this purpose. It has also demonstrated the transformative role of digital technology. As a first step in this direction, the Society is now offering a digital subscription for the Quarterly Journal, alongside the print edition. This has proved successful and may help offset the impact of high international postage rates.

The past decade has seen a gradual reduction in the Society's membership from a high of approximately 1,400 to around 900. The causes are various, but if we are to continue as a Society, and to sustain our charitable objectives, we need to appeal to a wider audience. We have recently commissioned a marketing strategy to look at how this can be achieved. The success of the e-newsletter, Wind In The Wires (some 1,500 subscribers), has demonstrated the clear potential to reach beyond our current membership. As a result, we have asked a professional marketing advisor to look at how we can use the Society's reputation, knowledge, and expertise to engage with new audiences - particularly through the use of social media.

We have also decided to refresh our website to improve both functionality and sustainability. The current site has been developed over several years but relies heavily on the goodwill of a few individuals and cannot be maintained indefinitely. We hope to transition to a new system over the next 18 months and offer greater functionality to members, as the Society's marketing efforts expand.

The most significant change in this process is our decision to change the Society's name. The title Cross & Cockade International, The First World Aviation Historical Society, was inherited from the original, US-based, Cross & Cockade. We believe that this name is confusing to many, particularly the younger generation, and that we need a title that better explains who and what we are. Subject to the agreement of the Society's membership, and the approval of the Charity Commission, we propose to change the Society's name to The Great War Aviation Society. This will be accompanied by a wider rebranding effort. The Quarterly Journal will continue to be known as Cross & Cockade, but this will be one of a number of products (including the aircraft monographs, annual calendar, e-newsletter, etc) produced by the Great War Aviation Society.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31st DECEMBER 2021

These are important and far-reaching changes, but we believe they are necessary if we are to sustain the Society in the longer term. They will also assist our educational purposes by engaging with a wider, younger audience, mobilising social media to communicate the story of First World War Aviation, to excite interest and, ultimately, to increase membership.

REVIEW OF THE FINANCIAL POSITION

The charity generated a surplus on unrestricted reserves of £6,032 (2020: £5,928) and has net assets at 31st December 2021 of £120,733.

RESERVES POLICY

The current policy is to retain £28,000. However this policy is subject to annual review.

RESPONSIBILITIES OF THE TRUSTEES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31st DECEMBER 2021

INDEPENDENT EXAMINER

A resolution to re-appoint Horsfield & Smith as independent examiner for the ensuing year will be proposed at the Annual General Meeting.

Signed by order of the trustees

Lords and Ladies
Pilcot
Dogmersfield
Hampshire
RG27 8ST



GRAHAM CHISNALL

Chairman

Date: 20th April 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

YEAR ENDED 31st DECEMBER 2021

I report on the accounts of the charity for the year ended 31st December 2021 which are set out on pages 7 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioner under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met: or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

JONATHAN STAPLES BSc FCA DChA
For and on behalf of
HORSFIELD & SMITH
Chartered Accountants
& Statutory Auditor

Date: 18 April 2022

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2021

| | | Unrestricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--|------|----------------------------|--------------------------|--------------------------|
| | Note | | | |
| INCOMING RESOURCES | | | | |
| Incoming resources from generating funds: | | | | |
| Donations | 2 | 35,252 | 35,252 | 32,730 |
| Charitable activities | 3 | 5,265 | 5,265 | 8,814 |
| Investment income | 4 | 1,001 | 1,001 | 986 |
| TOTAL INCOMING RESOURCES | | 41,518 | 41,518 | 42,530 |
| RESOURCES EXPENDED | | | | |
| Charitable activities | 5 | (34,161) | (34,161) | (35,785) |
| Other costs | 6 | (1,325) | (1,325) | (817) |
| TOTAL RESOURCES EXPENDED | | (35,486) | (35,486) | (36,602) |
| NET INCOMING RESOURCES FOR THE YEAR | | | | |
| | | 6,032 | 6,032 | 5,928 |
| Donation to the RAF museum | 7 | - | - | - |
| Total funds brought forward | | 114,701 | 114,701 | 108,773 |
| TOTAL FUNDS CARRIED FORWARD | | 120,733 | 120,733 | 114,701 |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

BALANCE SHEET

31st DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible Assets | 11 | 2,446 | 3,157 |
| CURRENT ASSETS | | | |
| Stock | | 9,132 | 9,805 |
| Photo collection/archive | | 11,602 | 11,486 |
| Cash at bank and in hand | | 118,718 | 109,194 |
| | | <u>139,452</u> | <u>130,485</u> |
| CREDITORS: Amounts falling due within one year | 12 | <u>(21,165)</u> | <u>(18,941)</u> |
| NET CURRENT ASSETS | | 118,287 | 111,544 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>120,733</u> | <u>114,701</u> |
| TOTAL NET ASSETS | | <u>120,733</u> | <u>114,701</u> |
| THE FUNDS OF THE CHARITY | | | |
| Unrestricted funds | 13 | 92,733 | 86,701 |
| Designated funds | 13 | 28,000 | 28,000 |
| TOTAL CHARITY FUNDS | | <u>120,733</u> | <u>114,701</u> |

These financial statements were approved by the members of the committee on the 13th January 2022 and are signed on their behalf by:



Brian Richard Slater
Treasurer

The notes on pages 9 to 13 form part of these financial statements.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Charities Act 2011.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|--------------------|---------------------|
| Computer Equipment | - 20% Straight line |
|--------------------|---------------------|

Incoming resources

Grants are accounted for on a receivable basis. They are allocated to restricted and unrestricted funds as appropriate.

Donations are recognised as they are received, and are allocated to restricted and unrestricted funds as specified by the donor.

Resources expended

Expenditure is analysed between costs of generating funds and charitable expenditure. Support costs are included within the charitable expenditure. Expenditure is allocated to restricted and unrestricted funds as appropriate.

Funds structure

Restricted funds are those where the use to which the funds can be put are specified by the donor or within the charity's Trust Deed.

Unrestricted funds are those which can be applied at the discretion of the trustees, who may decide that certain of these funds are designated for particular charitable purposes.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

2. DONATIONS

| | Unrestricted Funds | Total Funds 2021 | Total Funds 2020 |
|---------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Subscriptions | 31,586 | 31,586 | 29,369 |
| Gift Aid | 3,413 | 3,413 | 3,080 |
| Donations | 253 | 253 | 281 |
| | <u>35,252</u> | <u>35,252</u> | <u>32,730</u> |

3. CHARITABLE ACTIVITIES FOR GENERATING FUNDS

| | Unrestricted Funds | Total Funds 2021 | Total Funds 2020 |
|---------------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Surplus on sales | 3,088 | 3,088 | 6,235 |
| Surplus on calendar sales | 2,033 | 2,033 | 2,306 |
| Other income | 144 | 144 | 273 |
| | <u>5,265</u> | <u>5,265</u> | <u>8,814</u> |

4. INVESTMENT INCOME

| | Unrestricted Funds | Total Funds 2021 | Total Funds 2020 |
|--------------------------|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Bank interest receivable | <u>1,001</u> | <u>1,001</u> | <u>986</u> |

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

5. COSTS OF CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---------------------------------|----------------------------|--------------------------|--------------------------|
| Journal production and despatch | 21,691 | 21,691 | 21,172 |
| Insurance | 1,366 | 1,366 | 1,337 |
| Maintenance of St Omer Memorial | - | - | 1,650 |
| Bank charges | 1,795 | 1,795 | 1,936 |
| Committee expenses | 144 | 144 | 1,025 |
| Website | 2,662 | 2,662 | 4,280 |
| Trophies and prizes awarded | 250 | 250 | - |
| Rent | 2,153 | 2,153 | 1,466 |
| Printing and stationery | 719 | 719 | 411 |
| IT and computer | 1,471 | 1,471 | 2,243 |
| Travel and subsistence | 910 | 910 | - |
| Advertising | - | - | 265 |
| Consultancy and marketing | 1,000 | 1,000 | - |
| | <u>34,161</u> | <u>34,161</u> | <u>35,785</u> |

6. OTHER COSTS

| | Unrestricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--------------------------|----------------------------|--------------------------|--------------------------|
| Accountancy | 600 | 600 | 600 |
| Depreciation | 711 | 711 | 217 |
| Loss on foreign exchange | 14 | 14 | - |
| | <u>1,325</u> | <u>1,325</u> | <u>817</u> |

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated before charging:

| | 2021 £ | 2020 £ |
|----------------------------|-----------|-----------|
| Donation to the RAF museum | - | - |
| | <u>-</u> | <u>-</u> |

8. TRUSTEES

No trustee or connected person received any remuneration either directly or indirectly.

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

9. EMPLOYEES

There were no employees during the year.

10. TAXATION

The organisation has charitable status and consequently in the opinion of the trustees, all income is outside the scope of income or corporation tax.

11. TANGIBLE FIXED ASSETS

| | British Air Service Memorial £ | Computer Equipment £ | Total £ |
|----------------------------|---|----------------------------|---------------|
| COST | | | |
| At 1 January 2021 | 58,102 | 13,810 | 71,912 |
| Additions | - | - | - |
| At 31 December 2021 | 58,102 | 13,810 | 71,912 |
| DEPRECIATION | | | |
| At 1 January 2021 | 58,101 | 10,654 | 68,755 |
| Charge for the year | - | 711 | 711 |
| At 31 December 2021 | 58,101 | 11,365 | 69,466 |
| NET BOOK VALUE | | | |
| At 31 December 2021 | 1 | 2,445 | 2,446 |
| At 1 January 2021 | 1 | 3,156 | 3,157 |

12. CREDITORS: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------|---------------|---------------|
| Advance subscriptions | 16,075 | 16,691 |
| Creditors and accruals | 5,090 | 2,250 |
| | 21,165 | 18,941 |

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2021

13. UNRESTRICTED INCOME FUNDS

| | Balance at 1 January 2021 | Incoming resources | Outgoing resources | Balance at 31 Dec 2021 |
|------------------|------------------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | 86,701 | 41,518 | (35,486) | 92,733 |
| Designated Funds | 28,000 | - | - | 28,000 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total | 114,701 | 41,518 | (35,486) | 120,733 |

The Designated Fund of £28,000 relates to funds set aside for the development of the charity and also for any potential costs arising from the need to move to commercial rather than in-house production of the journal.

**CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION
HISTORICAL SOCIETY**

MANAGEMENT INFORMATION

YEAR ENDED 31st DECEMBER 2021

**The following pages do not form part of the statutory financial statements
which are the subject of the independent examiner's report on page 6.**

CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION HISTORICAL SOCIETY

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2021

| | | |
|---------------------------------|---------------|---------------|
| INCOMING RESOURCES | 2021 | 2020 |
| DONATIONS | £ | £ |
| Subscriptions | 31,586 | 29,369 |
| Gift aid | 3,413 | 3,080 |
| Donations | 253 | 281 |
| | 35,252 | 32,730 |
| CHARITABLE ACTIVITIES | | |
| Surplus on sales | 3,088 | 6,235 |
| Surplus on calendar sales | 2,033 | 2,306 |
| Other income | 144 | 273 |
| | 5,265 | 8,814 |
| INVESTMENT INCOME | | |
| Bank interest receivable | 1,001 | 986 |
| | | |
| TOTAL INCOMING RESOURCES | 41,518 | 42,530 |
| CHARITABLE ACTIVITIES | | |
| Journal production and despatch | 21,691 | 21,172 |
| Insurance | 1,366 | 1,337 |
| Bank charges | 1,795 | 1,936 |
| Committee expenses | 144 | 1,025 |
| Website | 2,662 | 4,280 |
| Memorial maintenance | - | 1,650 |
| Trophies | 250 | - |
| Printing and stationery | 719 | 411 |
| Rent | 2,153 | 1,466 |
| IT and computer | 1,471 | 2,243 |
| Travel and subsistence | 910 | - |
| Advertising | - | 265 |
| Consultancy and marketing | 1,000 | - |
| | 34,161 | 35,785 |
| OTHER COSTS | | |
| Accountancy | 600 | 600 |
| Depreciation | 711 | 217 |
| Loss on foreign exchange | 14 | - |
| | 1,325 | 817 |

**CROSS & COCKADE INTERNATIONAL THE FIRST WORLD WAR AVIATION
HISTORICAL SOCIETY**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2021

| | | |
|--|---------------------|---------------------|
| TOTAL RESOURCES EXPENDED | 35,486 | 36,602 |
| NET INCOMING RESOURCES FOR THE YEAR | <u>6,032</u> | <u>5,928</u> |