

Aerobility

Trustees' Report
and Unaudited Financial Statements
for the year ended 31 December 2021

Registered Charity Number 1149629
Registered Company Number 08200768

AEROBILITY

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY INFORMATION

Trustees

Shona Bowman	Chairman
Jon Windover	Deputy Chairman
Emrys Harries	Secretary
Allister Bridger	
Mike Matthews	
Joel Rose	
Jamie Smith	
Neil Tucker	
Simon Warr	
Brian Wheeler	
Paul Winstanley	

Principal Office

Blackbushe Airport
Camberley
GU17 9LQ

Registered Office

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Registered Charity Number

1149629

Registered Company Number

08200768

Chief Executive

Mike Miller-Smith MBE

Independent Examiner

Geoffrey Frost
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Bankers

CAF Bank Limited
25 Kings Hill Avenue
West Malling
ME19 4JQ

AEROBILITY

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

The trustees hereby present their Annual Report for the purposes of the Charities Act 2011 and Sections 416 to 419 of the Companies Act 2006, together with the accounts for the year ended 31 December 2021. The trustees have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102).

STRUCTURE GOVERNANCE AND MANAGEMENT

Aerobility is a charitable company limited by guarantee incorporated on 4 September 2012 (company number 08200768) and registered as a charity on 6 November 2012 (charity number 1149629). It is governed by its Articles of Association. The members of the Company are the Directors who are also Trustees under Charity law.

The Board meets regularly and provides the strategic direction and oversight of the charity.

Trustees are recruited by advertising in suitable media and by actively considering suitably qualified individuals who make a direct approach. New trustees are supplied with copies of the charity's governing and policy documents together with Charity Commission guidance, such as CC3 and CC8, and receive training as necessary.

Aerobility pay policy for key staff reflects experience, performance and regional variations. All salary increases are subject to approval by the Board of Trustees Remuneration Committee.

OBJECTIVES AND ACTIVITIES

The charity's objects are:

To promote and provide education, recreation and leisure time activities for disabled persons in particular by providing opportunities in aviation with the object of improving the conditions of life.

Aerobility offers disabled people, without exception, the opportunity to fly an aeroplane and participate in aviation-based activities. Aerobility removes barriers to aviation which as an activity offers disabled people a real sense of achievement and genuinely changes people's lives.

Aerobility's specially adapted aircraft fly from various airfields around the UK providing life changing experience flights and flight training. Aerobility aims to support a variety of aviation activities for disabled people and represents the needs of disabled people whatever their aviation aspirations. Participants range from disabled young people through to soldiers injured in service and elderly persons with disabling impairments. All disability types are catered for including physical disabilities, learning disabilities, sensory impairments and mental health issues.

"I recently had my first flying experience with Aerobility... For 30 minutes I was in the plane, controlling it – there was too much to think about to think about my own problems. I was so, so pleased with how it went – it offered total liberation from my brain injury and all the problems it causes on a daily basis. I want to thank Aerobility and everyone involved in making the day happen. I loved it."

Activities are designed and built by disabled people for disabled people, with disabled people and beneficiaries within key roles in the organisation. Through this, beneficiaries achieve:

- Improving self-esteem and stimulating achievement
- Knowledge expansion, well-being and enjoyment
- Removing physical and financial barriers and changing perceptions
- Leveraging ability, improved employability, new community access
- Inspiring people to live their life with new aspirations. "To fly"

Aerobility measures success by gathering metrics and output data such as participation levels and disability types accessing Aerobility services. Aerobility also records and utilises outcomes measures such as well-being and knowledge gained through participation – both directly from service users and also from those around them such as family members and caregivers. Together these measures are utilised for improving the quality of Aerobility services and to ensure aims and objectives are being met.

Using volunteers to assist with the delivery of services and with Charity administration is a key component of Aerobility structure. Flying instruction, fundraising event management, health and safety advice, and IT support are key roles delivered by over 75 volunteers.

The Trustees confirm that they have referred to the guidance on public benefit when reviewing the Charity's aims and objectives and when planning future activity. The Trustees confirm that they are satisfied that public benefit is at the heart of Aerobility's activities.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

Aerobility's entire operation was significantly affected by the COVID-19 pandemic during 2021. We operated on a limited basis throughout the year, to ensure that our premises and practices were COVID-safe as far as possible. Group flying days and simulator sessions, for instance, were curtailed to maintain social distancing.

We resumed flying operations in April after the last lockdown with lots of checkouts to get our licence holders flying again and then as the year progressed we were very busy. We managed to do 730 hours and 612 flights.

Disabled accessible aircraft build – Build a Dream:

More time was lost on the project due to COVID restrictions but the BaD team of 6 committed volunteers continued to work throughout 2021 and commenced on the final stages of the build, including the disability modifications to the controls, the engine cowling, doors and windows.

Junior Aspiring Pilot Programme & Aviation Education Programme:

The Aviation Education Programme 2021/22 has seen the group size increase from 9 young people to 2 groups of 6. The smaller groups have reduced the volunteer workload and promoted 1-1 support during sessions which can only be a good thing. Aside from the normal syllabus, the group have enjoyed a trip to the FAST Museum in Farnborough and they are looking forward to further trips of merit.

The Junior Aspiring Pilots 2021/2022 Programme was equally positive. The group of 9 teenagers had a taste of what it's like to be within the airfield environment and really enjoyed testing their skills in the air.

Project Able

Started in 2020 with a £745,000 grant from the Department for Transport and individual donations of £36,000, the key targets for project Able (managed by Aerobility Holdings CIC) are:

- To take responsibility for 63 G109 Vigilant aircraft and associated spare parts and equipment received by the Aerobility Charity from the MOD.
- To refurbish to flying condition as many as possible/practical of these aircraft.
- To dispose of any aircraft not capable of being returned to flying condition in a socially acceptable way.
- To ensure that sufficient G109 Able aircraft are sold such that the project makes a positive return which can be paid back to the Aerobility Charity.
- To deliver to the Aerobility Charity a number of Able aircraft and where possible have been adapted for disabled flyer use.

Whilst the coronavirus pandemic has been a considerable challenge for the CIC and Project Able, the project has moved forward, albeit at a reduced pace. Grob Aircraft SE completed the refurbishment and engineering process permitting EASA certification for the aircraft and commenced the refurbishment of two aircraft. Marketing or promotional opportunities were limited.

Fundraising, Marketing and Communications

2021 saw the continued implementation of the strategy to focus on building our own fundraising events and activities i.e. Aviators Ball, Armchair Airshow, Wing Walk as well as working increasingly closely with our existing supporters to deepen and broaden relationships within the Aviation community.

The purpose being to drive financial resilience as well as prioritise team efforts on the areas of greatest likely success.

As a result of this focus, we have also greatly broadened and deepened our relations with many supporters such as NATS and London Biggin Hill Airport. The former undertaking a suite of new fundraising activities as well as providing increased operational support and the latter supporting Armchair Airshow and facilitating introductions to new supporters.

Another key area of focus has been the building of our advocacy work, representing the needs of those living with disability, into the aviation community. This has led to Aerobility leading the conversation on accessibility within the future flight arena, especially within the Urban Air Mobility, Advanced Air Mobility environments, as well as beginning to address the accessibility failings, the aviation community recognises it needs to work on.

We have also worked with the Vertical Flight Society to deliver a global student design competition, that will see aeronautical engineering students from around the world, focus their minds on designing an accessible eVTOL air taxi, for passengers with reduced mobility.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

Organisation

Most staff other than the CEO, Business Administration Manager and the Fundraising Team, were on part-time furlough until September 2021, but all posts were retained and some of our team, including our core volunteer team of Receptionists, were able to return to work in the summer.

The Trustee Board continued to meet regularly via Zoom to determine the strategic direction of the charity and set performance objectives for the Chief Executive as well as providing the required governance.

Material Investments

£8,444 was invested during the year on the kit and parts for our 'Build a Dream' disabled aircraft build.

£3,925 was invested in a part-share of an accessible balloon basket, to enable Aerobility to offer accessible tethered balloon rides at future events.

FINANCIAL REVIEW

Incoming resources amounted to £611,318 (2020: £1,247,139) including restricted donations and designated funds, the outgoing resources were £547,464 (2020: £467,462) giving a surplus for the year of £63,854 (2020: £779,677), including depreciation costs.

Donations and legacy income amounted to £202,531 (2020: £985,690), £39,440 (2020: £854,887) of which was restricted income, with unrestricted income totalling £163,091 (2020: £130,803).

At the balance sheet date, the charity's funds amounted to £1,354,496 (2020: £1,290,642) inclusive of restricted funds of £802,579 (2020: £784,256) and a fixed asset fund of £291,357 (2020: £324,554).

Free reserves being unrestricted income funds exclusive of the net book value of fixed assets of £291,357 (2020: £324,554) amounted to £260,560 (2020: £181,832) at the year-end.

Risk management

The assessment and management of risk is a core principle at Aerobility.

An operational Safety Management System (SMS) which incorporates regular risk assessments of all aviation and charitable activities is embedded within daily procedures and includes a reporting procedure which is regularly reviewed by the charity safety team and trustees.

Robust policies and procedures provide the framework for all activities and include vulnerable adult and child protection, DBS checking and volunteer management.

Financial risk is minimised using agreed policies and procedures, and through the regular financial review by Trustees of monthly management accounts.

All levels of management, staff and volunteers are accountable for the delivery of our risk and safety performance, from the Trustees and Chief Executive downwards throughout the whole organisation.

PLANS FOR FUTURE PERIODS

Our focus on relationships within the Aviation Industry and Government has seen our best-ever financial performance and the securing of a Department for Transport Grant of £514,314 over three years, commencing 4th April 2022.

The purpose of this grant is to fund Virtual Aerobility, which will see the charity embed, pandemic-born Services as part of ongoing operations. This will enable the charity to support more people, more efficiently and more often, wherever they are. In turn, driving organisational resilience and protection from future national disruption. It will ensure we can support disabled aviators wherever they are, without need to come to Blackbushe or Tatenhill, removing another significant physical barrier to accessing aviation.

Our first GROB G109, re-certified through Project Able, will be joining our fleet at Blackbushe and we also hope to see our Zenair finally take to the air at the end of 2022.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Aerobility for the purposes of company law) are responsible for preparing the Report of the Trustees 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 year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant information of which the charitable company's examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the examiner is aware of that information.


The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

APPOINTMENT OF INDEPENDENT EXAMINER

The charity was below the audit threshold for the year under review and appointed Geoffrey Frost of Blue Spire Limited as independent examiner.

This report has been prepared having taking advantage of the small companies' exemption in the Companies Act 2006.

Approved by the trustees and signed on their behalf.


Shona Bowman
Chairman

Date

06/07/2022

AEROBILITY

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of Aerobility

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2021 which are set out on pages 7 to 19.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Geoffrey Frost BSc(Hons) FCA

Date

22/7/2022

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 7UY

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	163,091	39,440	202,531	985,690
Other trading activities	2				
Aviators' Ball		187,308	-	187,308	52,552
Other fundraising events		39,415	-	39,415	34,656
Other income		39,613	-	39,613	80,551
Charitable activities	3				
Flight payments		73,492	(797)	72,695	48,610
Contracted services		569	-	569	975
Investments	4	12,139	-	12,139	9,040
Other	5	57,048	-	57,048	35,065
Total		<u>572,675</u>	<u>38,643</u>	<u>611,318</u>	<u>1,247,139</u>
EXPENDITURE ON:					
Raising funds	6				
Direct fundraising costs		186,287	-	186,287	92,498
Indirect fundraising costs		14,696	-	14,696	56,615
Management and support		30,332	-	30,332	27,959
Charitable activities	6				
Aircraft operation and hire		138,294	-	138,294	115,478
Management and support		175,209	2,646	177,855	174,912
Total resources expended		<u>544,818</u>	<u>2,646</u>	<u>547,464</u>	<u>467,462</u>
Net income/(expenditure)		27,857	35,997	63,854	779,677
TRANSFERS					
Gross transfers between funds	15	<u>17,674</u>	<u>(17,674)</u>	<u>-</u>	<u>-</u>
Net movement in funds		45,531	18,323	63,854	779,677
RECONCILIATION OF FUNDS					
Total funds brought forward	15	506,386	784,256	1,290,642	510,965
Total funds carried forward	15	<u>551,917</u>	<u>802,579</u>	<u>1,354,496</u>	<u>1,290,642</u>

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021		2020	
		£	£	£	£
FIXED ASSETS					
Aircraft in construction and aircraft	10	206,890		231,526	
Flight simulators	10	5,525		6,906	
Property	10	70,011		77,790	
Mobility equipment and other assets	10	8,931		8,332	
Total fixed assets			291,357		324,554
CURRENT ASSETS					
Stocks for resale		5,166		5,166	
Debtors	11	68,861		57,751	
Loan	12	745,000		745,000	
Cash at hand and in bank		287,415		220,670	
Total current assets		1,106,442		1,028,587	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	13	43,303		62,499	
Net current assets/(liabilities)			1,063,139		966,088
Total net assets			<u>1,354,496</u>		<u>1,290,642</u>
THE FUNDS OF THE CHARITY					
Restricted funds	15		802,579		784,256
Unrestricted funds	15		551,917		506,386
Total charity funds			<u>1,354,496</u>		<u>1,290,642</u>

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 12 to 19 form part of these accounts.

Approved by the trustees and signed on their behalf.



Shona Bowman
Trustee

Date

06/07/2022

Aerobility
Company number: 08200768
Charity number: 1149629

AEROBILITY

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF CASH FLOWS

		2021		2020	
	Note	£	£	£	£
Net cash flow from operating activities (see below)			21,709		84,008
Cash flow from investing activities					
Payments to acquire tangible fixed assets	10	(14,633)		(11,557)	
Proceeds on sale of tangible fixed assets (net of commission)		47,530		3,925	
Proceeds on sale of investments		-		-	
Interest received		12,139		9,040	
Net cash flow from investing activities			45,036		1,408
Net increase/(decrease) in cash and cash equivalents			66,745		85,416
Cash and cash equivalents at 1 January 2021			220,670		135,254
Cash and cash equivalents at 31 December 2021			<u>287,415</u>		<u>220,670</u>
Cash and cash equivalents consist of:					
Cash at bank and in hand			287,415		220,670
Cash and cash equivalents at 31 December 2021			<u>287,415</u>		<u>220,670</u>

Reconciliation of net income to net cash flow from operating activities

		2021		2020	
		£	£	£	£
Net income for the year			63,854		779,677
Adjusted for:					
Interest receivable		(12,139)		(9,040)	
Depreciation and impairment of tangible fixed assets	10	39,287		46,753	
Loss/(profit) on the sale of tangible fixed assets		(38,987)		(721)	
Decrease/(increase) in stocks		-		1,292	
Decrease/(increase) in debtors		(11,110)		21,578	
Decrease/(increase) in loans receivable		-		(745,000)	
Increase/(decrease) in creditors		(19,196)		(10,531)	
			(42,145)		(695,669)
			<u>21,709</u>		<u>84,008</u>

Analysis of changes in net debt

	2021	2020
	Cash and cash equivalents	Cash and cash equivalents
	£	£
Total net debt brought forward	220,670	135,254
Cash flows	66,745	85,416
Total net debt carried forward	<u>287,415</u>	<u>220,670</u>

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

GENERAL INFORMATION, SCOPE AND BASIS OF THE FINANCIAL STATEMENTS

Aerobility is an incorporated charity, limited by guarantee, incorporated in England with the company number 08200768. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. 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.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'.

The charity received government grants in respect of the Coronavirus Job Retention Scheme and project funding. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income in the form of bank interest is recognised as the charity's right to receive payment is established.

EXPENDITURE RECOGNITION

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Management and support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. Staff costs have been allocated between costs of raising funds, charitable activities and governance costs on the basis of time spent by staff. Support costs cannot be directly attributed to particular headings and have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated between costs of raising funds and charitable activities on the best estimate of the use of those resources.

Staff costs together with CEO expenses are apportioned according to time spent on each activity.

Other general expenses are allocated according to an estimate of the proportion of resources expended.

VAT

The charity is not registered for VAT and cannot recover VAT incurred on costs. These are therefore stated inclusive of any VAT element.

Where VAT is recoverable on the purchase of supplies and equipment, it is included within other income in the Statement of Financial Activities.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

ACCOUNTING POLICIES

EMPLOYEE BENEFITS

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

TAXATION

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

TANGIBLE FIXED ASSETS

Fixed assets are stated at cost and depreciation is provided at rates calculated to write-off the cost of each asset over its useful economic life, less any estimated residual value as follows:

Property	10% straight line
Aircraft in construction	None in the period of construction
Aircraft	15% of net book value
Mobility Equipment	20% of net book value
Other items	20% of net book value

Where fixed assets were received as part of the net assets transfer from the British Disabled Flying Association on 1 January 2013, The assets were recorded as additions at net book value. Depreciation rates have remained unchanged following this transfer to write off the remaining cost of the assets over their useful economic lives.

The Charity owns specially adapted light aircraft and mobility aids to assist users of the aircraft and the depreciation charge for these assets are allocated as a charitable expense.

Items of capital equipment are capitalised where the purchase price exceeds £1,000

STOCKS FOR RESEALE

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

FUND ACCOUNTING

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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 note 15 of these financial statements.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

GOING CONCERN

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

AEROBILITY

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

1. Income from donations and legacies

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Donations	18,978	3,644	22,622	20,764	2,037	22,801
Gift Aid reclaimed	492	-	492	883	-	883
Legacies	-	-	-	5,000	-	5,000
Trust and corporate donations	94,901	35,796	130,697	68,527	107,850	176,377
Government grants	-	-	-	-	745,000	745,000
Sponsorship	31,282	-	31,282	19,250	-	19,250
Regular giving	17,438	-	17,438	16,379	-	16,379
	<u>163,091</u>	<u>39,440</u>	<u>202,531</u>	<u>130,803</u>	<u>854,887</u>	<u>985,690</u>

2. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Aviators' Ball	187,308	-	187,308	52,552	-	52,552
Sponsored participation	39,415	-	39,415	34,656	-	34,656
Raffles	13,151	-	13,151	3,168	-	3,168
Merchandise	2,509	-	2,509	892	-	892
Other fundraising income	23,953	-	23,953	39,746	-	39,746
Management services income	-	-	-	745	-	745
Sales of airplane parts	-	-	-	36,000	-	36,000
	<u>266,336</u>	<u>-</u>	<u>266,336</u>	<u>131,014</u>	<u>-</u>	<u>131,014</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Flight payments	73,492	(797)	72,695	48,610	-	48,610
	<u>73,492</u>	<u>(797)</u>	<u>72,695</u>	<u>48,610</u>	<u>-</u>	<u>48,610</u>
Other contracted services	569	-	569	975	-	975
	<u>569</u>	<u>-</u>	<u>569</u>	<u>975</u>	<u>-</u>	<u>975</u>
	<u>74,061</u>	<u>(797)</u>	<u>73,264</u>	<u>49,585</u>	<u>-</u>	<u>49,585</u>

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NOTES TO THE FINANCIAL STATEMENTS

4. Income from investments

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Bank interest received	23	-	23	176	-	176
Loan interest	12,116	-	12,116	8,864	-	8,864
	<u>12,139</u>	<u>-</u>	<u>12,139</u>	<u>9,040</u>	<u>-</u>	<u>9,040</u>

5. Other income

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Gain on sale of fixed assets	38,987	-	38,987	721	-	721
COVID-19 grants	18,061	-	18,061	34,344	-	34,344
	<u>57,048</u>	<u>-</u>	<u>57,048</u>	<u>35,065</u>	<u>-</u>	<u>35,065</u>

6. Analysis of expenditure

	Raising funds £	Charitable activities £	2021 Total Funds £	Raising funds £	Charitable activities £	2020 Total Funds £
Direct fundraising expenditure	186,260	-	186,260	90,699	-	90,699
Merchandise cost	27	-	27	1,799	-	1,799
Cost of aircraft and parts sold	-	-	-	36,000	-	36,000
Indirect fundraising costs	13,675	-	13,675	20,065	-	20,065
Credit card collection fees	1,021	-	1,021	550	-	550
Aircraft operating and hire	-	107,758	107,758	-	78,583	78,583
Aircraft depreciation charge	-	30,536	30,536	-	36,895	36,895
Resources expended	<u>200,983</u>	<u>138,294</u>	<u>339,277</u>	<u>149,113</u>	<u>115,478</u>	<u>264,591</u>
CEO remuneration	13,289	31,007	44,296	10,093	23,551	33,644
Operations director	-	37,181	37,181	-	33,066	33,066
Aviation Activities Officer	-	13,740	13,740	-	11,136	11,136
WIS manager	-	5,428	5,428	-	16,910	16,910
Office and financial administration	-	29,105	29,105	-	30,191	30,191
Employer's national insurance	2,549	5,949	8,498	1,462	3,410	4,872
Employer's pension	1,619	3,778	5,397	1,212	2,829	4,041
Premises costs	4,213	16,851	21,064	4,245	16,988	21,233
Building depreciation	1,556	6,223	7,779	1,729	6,914	8,643
General office expenses	5,597	22,310	27,907	6,723	22,752	29,475
Depreciation	194	778	972	243	972	1,215
Motor and travel expenses	623	4,016	4,639	592	2,873	3,465
Auditor and examiner fees	640	1,280	1,920	1,660	3,320	4,980
Other governance costs	52	209	261	-	-	-
Total support costs	<u>30,332</u>	<u>177,855</u>	<u>208,187</u>	<u>27,959</u>	<u>174,912</u>	<u>202,871</u>
Total resources expended	<u>231,315</u>	<u>316,149</u>	<u>547,464</u>	<u>177,072</u>	<u>290,390</u>	<u>467,462</u>
Restricted funds	-	2,646	2,646	36,000	54,500	90,500
Unrestricted funds	<u>231,315</u>	<u>313,503</u>	<u>544,818</u>	<u>141,072</u>	<u>235,890</u>	<u>376,962</u>
	<u>231,315</u>	<u>316,149</u>	<u>547,464</u>	<u>177,072</u>	<u>290,390</u>	<u>467,462</u>

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NOTES TO THE FINANCIAL STATEMENTS

7. Independent auditor's and examiner's fees

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Audit	-	-	-	4,980	-	4,980
Examination	1,920	-	1,920	-	-	-
Other services	936	-	936	1,104	-	1,104

8. Wages and salary cost

	2021 Total Funds £	2020 Total Funds £
Gross wages	195,024	174,249
Employer's national insurance costs	13,067	7,870
Employer's pension contributions	5,570	4,679
	<u>213,661</u>	<u>186,798</u>

	2021	2020
Staff numbers:		
Average head count - administration of charitable activities	<u>10</u>	<u>10</u>
Analysed as:		
Part time	9	9
Full time	<u>1</u>	<u>1</u>
	<u>10</u>	<u>10</u>

During the year under review no employees (2020: no employees) received employee benefits (excluding employer pension costs) above £60,000.

During the year under review 1 (2020: 1) member of the charity's staff, identified as key management personnel, received employee benefits (inclusive of salary, social security and pension contributions) totalling £51,850 (2020: £39,062). In the comparative year expenses of £431 were reimbursed to key management personal in the performance of their duties.

Aerobility operates a defined contribution pension scheme for its employees. Contributions to the scheme in the year amounted to £5,570 (2020: £4,679) with £1,489 (2020: £nil) payable at the balance sheet date

9. Related party transactions

None of the trustees received any remuneration during the period under review. No trustees were reimbursed expenses during the period under review.

There were no other related party transactions requiring disclosure in these financial statements.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

10. Tangible assets

	Aircraft in construction and aircraft £	Flight simulators £	Property £	Mobility equipment £	Other equipment £	Total £
Cost						
Brought forward	398,601	10,790	163,615	14,455	17,317	604,778
Additions	12,367	-	-	2,266	-	14,633
Disposals	(23,804)	-	-	-	-	(23,804)
	<u>387,164</u>	<u>10,790</u>	<u>163,615</u>	<u>16,721</u>	<u>17,317</u>	<u>595,607</u>
Depreciation						
Accumulated brought forward	167,075	3,884	85,825	10,981	12,459	280,224
Charge	28,460	1,381	7,779	695	972	39,287
On disposals	(15,261)	-	-	-	-	(15,261)
	<u>180,274</u>	<u>5,265</u>	<u>93,604</u>	<u>11,676</u>	<u>13,431</u>	<u>304,250</u>
Net book value carried forward	<u>206,890</u>	<u>5,525</u>	<u>70,011</u>	<u>5,045</u>	<u>3,886</u>	<u>291,357</u>
Net book value brought forward	<u>231,526</u>	<u>6,906</u>	<u>77,790</u>	<u>3,474</u>	<u>4,858</u>	<u>324,554</u>

11. Debtors

	2021 Total Funds £	2020 Total Funds £
Trade debtors	68,801	47,425
Prepayments	-	10,313
Other debtors	60	13
	<u>68,861</u>	<u>57,751</u>

12. Loan

	2021 Total Funds £	2020 Total Funds £
Loan	745,000	745,000
	<u>745,000</u>	<u>745,000</u>

The charity has provided a loan to Aerobility Holdings CIC with an interest rate of 1.5% over the Bank of England base rate. The loan is repayable on the written demand of the charity and secured by debenture issued by the borrower.

This loan has been provided to Aerobility Holdings CIC as the project manager of Project Able which will deliver 4 Vigilant glider aircraft for the charity's use and further glider aircraft for resale to the general public with surpluses arising being passed to the charity to support the furthering of its objects.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

13. Creditors: amounts falling due within one year

	2021 Total Funds £	2020 Total Funds £
Trade creditors	4,982	10,017
Other creditors	1,487	27
Accruals	2,920	9,824
Deferred income (see below)	27,676	37,629
Other taxation and social security	6,238	5,002
	<u>43,303</u>	<u>62,499</u>

Deferred income

	Brought forward £	Released in year £	Deferred in year £	Carried forward £
ISTAT	4,744	(4,744)	-	-
Boeing scholarship	11,544	(11,544)	-	-
NATS Management Support	17,784	(17,784)	25,000	25,000
Gift vouchers	3,557	(1,881)	-	1,676
VAT consultancy costs	-	-	1,000	1,000
	<u>37,629</u>	<u>(35,953)</u>	<u>26,000</u>	<u>27,676</u>

Income received in relation to future accounting periods, is deferred, and released to income in line with the specified timing of its use.

14. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £
Tangible fixed assets	291,357	-	291,357	324,554	-	324,554
Current assets	303,863	802,579	1,106,442	244,331	784,256	1,028,587
Current liabilities	(43,303)	-	(43,303)	(62,499)	-	(62,499)
	<u>551,917</u>	<u>802,579</u>	<u>1,354,496</u>	<u>506,386</u>	<u>784,256</u>	<u>1,290,642</u>

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

15. Analysis of net movement in funds

Year ended 31 December 2021					
	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Restricted funds					
Junior Aspiring Pilot Programme	937	6,892	(2,646)	(3,930)	1,253
NATS management support	-	-	-	-	-
Build a dream	22,193	3,145	-	-	25,338
Scholarship fund	16,126	21,106	-	(13,744)	23,488
Aircraft spares fund	-	-	-	-	-
Project Able fund	745,000	-	-	-	745,000
Aviation Education Programme (AEP)	-	500	-	-	500
ISTAT Virtual Aerobility	-	7,000	-	-	7,000
Total restricted funds	784,256	38,643	(2,646)	(17,674)	802,579
Unrestricted funds					
Designated funds					
Fixed asset fund	324,554	-	-	(33,197)	291,357
	324,554	-	-	(33,197)	291,357
General funds	181,832	572,675	(544,818)	50,871	260,560
Total unrestricted funds	506,386	572,675	(544,818)	17,674	551,917
Total funds	1,290,642	611,318	(547,464)	-	1,354,496
Year ended 31 December 2020					
	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Restricted funds					
Junior Aspiring Pilot Programme	6,906	7,850	-	(13,819)	937
NATS management support	-	54,500	(54,500)	-	-
Build a dream	20,156	2,037	-	-	22,193
Scholarship fund	10,053	9,500	-	(3,427)	16,126
Aircraft spares fund	-	36,000	(36,000)	-	-
Project Able fund	-	745,000	-	-	745,000
Total restricted funds	37,115	854,887	(90,500)	(17,246)	784,256
Unrestricted funds					
Designated funds					
Fixed asset fund	362,954	-	-	(38,400)	324,554
	362,954	-	-	(38,400)	324,554
General funds	110,896	392,252	(376,962)	55,646	181,832
Total unrestricted funds	473,850	392,252	(376,962)	17,246	506,386
Total funds	510,965	1,247,139	(467,462)	-	1,290,642

Description of restricted funds

Junior Aspiring Pilot Programme

Funds received from BBC Children in Need and Hart Rotary to provide aviation education to disabled young people.

NATS Management Support

Funds received to cover the cost of employing administrative management.

Build a dream

Funds donated for the construction of a self-build aircraft.

Scholarship fund

Funds received to support disabled fliers by subsidising the cost of flights, enabling those people awarded scholarships to fly with aerobility free of charge.

Aircraft spares fund

Funds received to acquire aircraft in need of repair and aircraft spares to be used as part of Project Able.

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

Description of restricted funds continued

<i>Project Able fund</i>	Funds received to support the repair and bring into use Vigilant aircraft for the charity's use and for sale.
<i>Aviation Education Programme (AEP)</i>	Funds received to support our 2021/2022 programme for young disabled people with an interest in aviation
<i>ISTAT Virtual Aerobility</i>	Funds received in support of the development of our virtual activities for disabled people with an interest in aviation.

Designated funds

<i>Fixed asset fund</i>	Funds received to purchase new assets for the charity.
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16. Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2021 Total Funds £	2020 Total Funds £
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
Trade debtors (note 11)	<u>68,801</u>	<u>47,425</u>
	<u>68,801</u>	<u>47,425</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
Trade creditors (note 12)	<u>4,982</u>	<u>10,017</u>
	<u>4,982</u>	<u>10,017</u>

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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

17. Comparative statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	1	130,803	854,887	985,690
Other trading activities	2			
Aviators' Ball		52,552	-	52,552
Other fundraising events		34,656	-	34,656
Other income		80,551	-	80,551
Charitable activities	3			
Flight payments		48,610	-	48,610
Contracted services		975	-	975
Investments	4	9,040	-	9,040
Other	5	35,065	-	35,065
Total		392,252	854,887	1,247,139
EXPENDITURE ON:				
Raising funds	6			
Direct fundraising costs		92,498	36,000	128,498
Indirect fundraising costs		20,615	-	20,615
Management and support		27,959	-	27,959
Charitable activities	6			
Aircraft operation and hire		115,478	-	115,478
Management and support		120,412	54,500	174,912
Total resources expended		376,962	90,500	467,462
Net income/(expenditure)		15,290	764,387	779,677
TRANSFERS				
Gross transfers between funds	15	17,246	(17,246)	-
Net movement in funds		32,536	747,141	779,677
RECONCILIATION OF FUNDS				
Total funds brought forward	15	473,850	37,115	510,965
Total funds carried forward	15	506,386	784,256	1,290,642