



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

**YEAR ENDED 31 DECEMBER 2021
DIRECTORS' REPORT AND FINANCIAL STATEMENTS**



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WORLD WAR I AVIATION HERITAGE TRUST LIMITED



GENERAL INFORMATION

| | |
|---------------------------------------|--|
| SHORT NAME | WW1 AHT |
| MUSEUM PREMISES AND REGISTERED OFFICE | 3 The Willows North Warnborough Hook Hants RG29 1 DR |
| COMPANY REGISTRATION NUMBER | 8753767 |
| REGISTERED CHARITY NUMBER | 1156699 |
| DIRECTORS AND TRUSTEES | His Honour P Clegg Mr MK Drayton Mr RA Forsythe Mr JH Martin Mr OCHW Wulff |
| HON. SECRETARY | Mr RA Forsythe |
| INDEPENDENT EXAMINER | Anna Coote MAAT Gilroy & Brookes Chartered Accountants Suite 15, The Enterprise Centre Coxbridge Business Centre Farnham, Surrey GU10 5EH |
| BANKERS | Barclays Bank |



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

DIRECTORS' REPORT YEAR ENDED 31 DECEMBER 2020

PRINCIPAL ACTIVITY

This is the eighth annual report of the WW1 Aviation Heritage Trust Ltd. The company was incorporated on the 29 October 2013, to advance the education in the evolution of military aviation and the courage of pilots in the Great War through the establishment of a collection of World War I aircraft. The company is a registered charity, number 8753767 and its income is derived from educational services, donations, sponsorships, and grants.

GOVERNING DOCUMENT

The World War I Aviation Heritage Trust is a company without share capital, limited by guarantee, and it is administered in accordance with its Memorandum and Articles of Association.

ORGANISATION

The day-to-day operation and administration are carried out by the Trustees. The directors of the company, who for the purposes of charity law are the trustees, are people whose knowledge and experience qualify them for election to the Board of the World War I Aviation Heritage Trust Limited.

MISSION STATEMENT

The World War I Aviation Heritage Trust seeks to advance education in the evolution of military aviation and the courage of pilots in the Great War through the establishment and maintenance of a collection of flying, late-model original World War I aircraft.

RESERVES

The directors consider it prudent that, given the nature of the Trust's income, general reserves, whether designated or free, are always equal to the gross operational costs of the Trust for a calendar quarter. This figure should be considered the absolute minimum to permit the Trust to operate with freedom.



RISK

The major risks to which the charity is exposed, as identified by the Trustees and the Board, have been reviewed and systems are in place to mitigate these risks. The uncertainty of air show combined with the unreliability of aircraft of 1915 design means income has become a risk. However, the number of shows and the reduction of WW1 AHT operated aircraft to two (BE 2 and Albatros DVa) have mitigated this risk.

PUBLIC BENEFIT STATEMENT

The Trust has carried this out by:

1. Importing 'late-model original' Great War aircraft into the United Kingdom.
2. Undertaking a series of flying and static displays of the aircraft to illustrate the rapid development of aircraft production and design 1914-1918.
3. Providing a wide-ranging education service to schools and colleges (including pupils with special educational needs), families and adults (including lifelong learning for older people).
4. Working in partnership with other similar organisations to further the Trust's aims.
5. Training and using volunteers in many areas of the Trust's work.
6. Raising funds through applying for grants and encouraging sponsorship and donations.
7. Holding pilot chat sessions about our vintage aircraft to spread the word and raise funds to keep them flying.
8. Beginning a programme of visits to schools and non-aviation events to raise funds as our 1915 vintage simulator controlling a VR game called Flying Aces is now mobile.



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

**DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2021 (continued)**

DIRECTORS

The directors in office during the period were:

His Honour P Clegg
Mr MK Drayton
Mr RA Forsythe
Mr JH Martin
Mr OCHW Wulff

R A Forsythe – Chief Trustee

31 March 2022



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

CHIEF TRUSTEE'S STATEMENT YEAR ENDED 31 DECEMBER 2021

GENERAL OVERVIEW

Introduction

Our flying season is between April and September each year. In 2021 we were able to attend both air shows at our home base Stow Maries but none of the other shows in England brought in external participants because of the reduced income available during lockdown. We applied for a Culture Recovery Fund (CRF) Grant and were successful in Round One and Round 2 which were implemented between January and July 2021. With the pandemic offering little respite towards the end of 2021, the CRF stepped in again with a further Continuity Support award as there was little opportunity to generate income.

The Culture Recovery Fund Grant

The Culture Recovery Fund award allowed us to expand and improve our educational reach to all age groups to keep the Aviation Legacy of WW1 alive. The Trust was grateful to the DCMS, CRF and NLHF for their generosity and support in making the 3 awards. It allowed the Trust in 2021 with the Round One grant to service and insure the aircraft, engage a fund-raiser, upgrade the flight simulator (Rocking Nacelle) software and computer, purchase, improve, and paint an Exhibition trailer to move the Rocking Nacelle around, upgrade our website, and allow us to evolve online training sessions to up to 500 people at a time. The Round Two grant allowed the Trust to increase the number of sorties in the VR Game enhancing the offering, to meet the Trust governance remits for the year and to pay for our Combined Commercial Insurance. The Continuity Support grant awarded in December 2021 will help the Trust meet 85% of our standing commitments in 2022 and provide funds to enhance our virtual revenue. These improved capabilities will enable us to get our message to many more people.

The Trust

The Trust has one main base of operation, the Stow Maries Great War Aerodrome near Maldon in Essex, the only largely intact RFC Home Defence still in existence, which is now a heritage site. The BE 2 (G-CJZO), and the Albatros DVa (G-WHAT) were based at Stow. We renewed our annual agreement with Stow Maries and with Oliver Wulff (Trustee) who owns the BE2 and Albatros. We have an open-ended agreement with the owner of the Nieuport 17, John Gilbert, whose aircraft is now based at Old Warden.



The Collection

Now that the conservation of Stow Maries is well underway and museum status is expected soon, artefacts have been assembled by WW1 AHT. They include a Maxim gun as was fitted to the Albatros, a Lewis gun and a Le Clerget engine kindly loaned by WW1 AHT to Stow Maries.

Air Shows

The Wings and Wheels air show took place in May 2021 and the Time for Essex Show in July. The BE2 was not serviceable for the first show because of a blown cylinder which proved difficult to replace. The Albatros and Nieuport met our 2-aeroplane remit to the SMGWA Trust in May. Both the BE2 and Albatros were available for the Time for Essex Show. We were able to demonstrate the tactics employed by both aeroplanes to show the power of the Albatros against the stability of the BE2 to the disadvantage of the latter now, as was the case 100 years ago.





Education

The opportunities to expand our educational reach were severely curtailed by the pandemic. However, the CRF award allowed us to mount the Rocking Nacelle (below) on an Exhibition trailer and take it to our target audiences. Several software upgrades have improved the performance of the VR programme, introduce a new aircraft (a Bristol Fighter shown below) as well as the SE5a, and a composite mission against observation balloons with air combat thrown in. This significant improvement in capabilities and mobility of the Rocking Nacelle has improved its appeal. We supported a Taster Day for the Scouts (130) run by YES at Audley End in November with the Rocking Nacelle. We have developed a Day's Schools programme which we will run out for the first time in Feb 22 and our target is to run out one per month

We ran 8 pilot chat sessions online discussing the aeroplanes and their challenges with a Panel of WW1 AHT pilots and SME's invited to join as required. The recorded sessions are now available pay-as-you-go. We have just negotiated a further year of topics in partnership with The Vintage Aviator in NZ who built our aeroplanes. We still hope to prosper the education side of our objective and develop our schools, STEM, and apprenticeships in a purpose built contemporary-looking hangar.



Activities and Links with Other Agencies

The Trust works with Stow Maries Great War Aerodrome (SMGWA) Trust to meet our aims which are entirely complementary. We have a good working relationship with the other Trusts in England that operate WW1 aeroplanes.

Patrons of WW1 AHT

Membership has been reviewed and a community of Patrons who share the Trust's ambitions has been set up. The numbers at the end of 2020 were 44. They do not have voting rights but do receive a PoW (Patron of WW1 AHT) card and a newsletter.

Finances

The Trust incurred very few costs related to flying the aircraft ...



Reserves





The trustees have reviewed the charities reserves policy and have agreed that the board will make a fresh assessment annually of the amount the charity needs to hold in reserve and for it to be approved by the trustees.

For 2021 the designated reserve is £93,952, largely being the amount of the VAT reclaimed from HMRC in prior years. A portion of this is potentially repayable to HMRC should the charity cease trading or the Albatros aircraft cease to be operated by the trust. The trustees intend to repay balance of the funds no longer repayable to HMRC to the exporter of aircraft who seek an early return of the whole amount – discussions continue.




Plans

The objects of the charity, as stated in its Memorandum and Articles of Association, are to advance education in the evolution of military aviation and the courage of pilots in the Great War through the establishment and maintenance of a collection of flying late-model original World War I aircraft.

This will be achieved by the following aims:

-  To bring different aircraft to the UK to tell the story of the development of men and machines in WW1.
-  To establish a permanent squadron of aircraft by getting donors to loan them to WW1 AHT.
-  To establish an engineering base for the visiting and resident aircraft and to encourage volunteer support.
-  To create an enduring educational programme of school visits, a STEM hub and an apprenticeship scheme with TVAL support.

The Trust's priorities for the period 2015-21 have included the following strategic objectives:

-  To increase the size of the collection by loans and leasing.
-  To provide a permanent home for the collection.
-  To secure adequate funds and resources to achieve these goals.

RA Forsythe Trustee
March 2022








WORLD WAR I AVIATION HERITAGE TRUST LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES



The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

-  select suitable accounting policies and then apply them consistently;
-  observe the methods and principles in the Charities SORP (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 company will continue in business.

The directors, who are directors for the purposes of company law and trustees for the purposes of charity law, are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

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



Small company provisions

This report has been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime under Part 15 of the Companies Act 2006.

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'RA Forsythe'.

RA Forsythe Director

31 March 2022



INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF WORLD WAR I AVIATION HERITAGE TRUST LIMITED

I report on the accounts of the Trust for the year ended 31 December 2021, which are set out on pages 15 to 19.

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 Charities Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the Charities Act);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(6) of the Charities Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

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 explanations from the 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 Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities 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.

A. Coote

Anna Coote
MAAT
Gilroy & Brookes
Chartered Accountants
Suite 15, The Enterprise Centre
Coxbridge Business Park
Farnham, Surrey
GU10 5EH

March 2022



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

| | Notes | Total Funds 31.012.21 £ | Total Funds 31.12.20 £ |
|--|-------|----------------------------------|---------------------------------|
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 2 | 1,823 | 1,266 |
| Cash at bank and in hand | | <u>97,060</u> | <u>118,097</u> |
| | | 98,883 | 119,363 |
| CREDITORS | | | |
| Amounts falling due within one year | 3 | (931) | (1,370) |
| Loans from Directors | 4 | (2,500) | (2,500) |
| TOTAL NET ASSETS | | <u>95,452</u> | <u>115,493</u> |
| FUNDS | | | |
| Unrestricted funds | 5 | 95,452 | 93,571 |
| Restricted funds | | 0 | 21,922 |
| TOTAL FUNDS | | <u>95,452</u> | <u>115,493</u> |

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

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

RA FORSYTHE

RA Forsythe

)

M DRAYTON

Michael K. Drayton

) Directors

)

Approved by the Board: 31 March 2022

The notes on pages 18 to 20 form part of these financial statements.



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 DECEMBER 2021

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total Funds 31.12.21 £ | Total Funds 31.12.20 £ |
|--|-------|----------------------------|--------------------------|------------------------------|---------------------------------|
| INCOMING RESOURCES | | | | | |
| Donations, grants and sponsorship | | 1,844 | 10,683 | 12,527 | 23,949 |
| Charitable Activities | | 2,433 | - | 2,433 | 1,098 |
| Trading Activities | | - | - | - | - |
| Investment Activity | | 7 | - | 7 | 74 |
| Total incoming resources | | 4,284 | 10,683 | 14,967 | 25,121 |
| RESOURCES EXPENDED | | | | | |
| Charitable Activities | | 2,748 | 32,260 | 35,008 | 6,119 |
| Trading Activities | | | | 0 | 0 |
| Costs of generating funds | | 2,748 | 32,260 | 35,008 | 6,119 |
| NET INCOMING/(OUTGOING) RESOURCES | | 1,536 | (21,577) | (20,041) | 19,002 |
| Transfers between funds | | 345 | (345) | 0 | 0 |
| Net movement in funds | | 1,881 | (21,922) | (20,041) | 0 |
| Total funds brought forward | | 93,571 | 21,922 | 115,493 | 96,491 |
| TOTAL FUNDS CARRIED FORWARD | | 95,452 | 0 | 95,452 | 115,493 |



WORLD WAR I AVIATION HERITAGE TRUST LIMITED

YEAR ENDED 31 DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

a) Basis of accounting:

These financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007). This is in accordance with the Statement of Recommended Practice for charities.

b) Income and expenditure:

Donations and grants arising in the course of fund raising are credited to the appropriate funds as and when received. Any income arising by entitlement or agreement is accounted for when receivable. Expenditure is accounted for, on the accrual's basis, when incurred. Except for donated equipment, no account is taken of the value of services or facilities provided to the company free of charge.

c) Stock:

Stock is valued at the lower of cost, or the value advised by the donor for donated stock, or net realisable value.

e) Fund accounting:

Unrestricted funds may be used for general charitable purposes at the company's discretion. Restricted funds are those where the donor has imposed or agreed to restrictions, which are legally binding, on the use of funds contributed.

2. DEBTORS

Amounts falling due within one year

| | 2020 £ | 2020 £ |
|--------------------|-----------|-----------|
| Pre-paid insurance | 1,723 | 1,051 |
| VAT | 100 | 215 |
| | ----- | ----- |
| | 1,823 | 1,266 |



3. CREDITORS

Amounts falling due within one year:

| | 2021 | 2020 |
|-------------------------|------|-------|
| | £ | £ |
| Other creditors and VAT | 931 | 1,370 |

4. RESERVES

| | 2021 | 2020 |
|---------------------------------|------|------|
| | £ | £ |
| Summary of the year's movements | | |

UNRESTRICTED FUNDS

| | | |
|--|---------|---------|
| Net surplus/(deficit) for the financial year | 1,881 | (2,598) |
| Balance brought forward | 93,571 | 96,169 |
| | ----- | ----- |
| Balance carried forward | £95,452 | £93,571 |

These reserves are made up of the following amounts

| | | |
|---------------------|--------|--------|
| Designated reserves | 93,952 | 92,071 |
| General reserve | 1,500 | 1,500 |

Designated reserves consist of the majority of the VAT reclaimed from HMRC in prior years as per note 5 below. This included an amount of £66,482 (2020 £75,990) repayable to HMRC under the rules of the Capital Goods Scheme should the Trust cease to operate its Albatros aircraft. This amount reflects the remaining period of usage of the aircraft under the scheme. The repayable amount will reduce with every further year of usage. The balance of £27,470 (2020 £16,081) represents the amount the trustees intend to repay to the exporting company as and when funds allow.

5. TRANSACTIONS INVOLVING DIRECTORS

There were no transactions in the year involving directors other than in the normal course of activity.

6. NET INCOME FOR THE YEAR

In accordance with the company's articles, directors are not entitled to remuneration.

The appointment of Secretary is honorary.



No remuneration or expenses were paid to directors or to connected persons.

The company employed nil staff and no employee received emoluments exceeding £60,000 per annum.

7. GUARANTEES

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he is a member or within one year after he ceases to be a member.

8. TAXATION

As a registered charity, the company is exempt from taxation on its income and gains.

9. FUTURE COMMITMENTS

There were no capital expenditure or revenue commitments authorised or contracted for at 31 December 2021.

10. RELATED PARTY TRANSACTIONS

One of the trustees, Mr O Wulff has made a short-term loan to cover operating expenses of the charity, repayable as funds allow and the loan was outstanding at the year end.

11 CASH FLOW STATEMENT

The Charity qualifies as a small charity and taken advantage of the exemption provided by SORP (FRS 102) as amended by Bulletin 1, not to prepare a cash flow statement



12 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

| | Total Funds 2021 £ | Total Funds 2020 |
|---|--------------------------|--------------------------|
| Charitable Activities (incoming resources) | | |
| Appearance and other fees | - | - |
| Membership fees and merchandise | 2,433 | 1,098 |
| Stow Maries Great War Aerodrome support | - | - |
| | <u>2,433</u> | <u>1,098</u> |
| | | |
| | Total Funds 2020 £ | Total Funds 2020 £ |
| Bank Interest Receivable | 79 | 79 |
| | | |
| | Total Funds 2021 £ | Total Funds 2020 £ |
| Charitable Activities (resources expended) | | |
| Bank and other finance costs | 160 | 700 |
| Retainer for expert support | 600 | 600 |
| Appearance costs | 750 | - |
| Aircraft maintenance and other running costs | 153 | 473 |
| Insurance | 7,260 | 2,594 |
| Merchandise | - 99 | - |
| Aircraft restoration | 10,298 | 692 |
| Legal and administrative costs | 2,497 | 1,060 |
| Website, Hosting and consultancy costs | 2,167 | - |
| Restricted Project Technical Expenditure | 11,221 | - |
| | <u>35,008</u> | <u>6,119</u> |