

ROYAL AERONAUTICAL SOCIETY

England & Wales · Charity number 313708

Details

Status Registered

Legal form Other

Company number [RC000439](#)

Registered 1963-06-13

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: THE GENERAL ADVANCEMENT OF AERONAUTICAL ART SCIENCE AND ENGINEERING

Activities: The principal objects of the Society are the general advancement of Aeronautical Art, Science and Engineering and more particularly promoting that species of knowledge which distinguishes the profession of Aeronautics.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Other Charitable Purposes
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Australia
- Belgium
- Canada
- Cyprus
- France
- Germany
- Hong Kong
- India
- Ireland
- Isle Of Man
- Italy
- Japan
- Kenya
- Malaysia
- Netherlands
- New Zealand
- Northern Ireland
- Pakistan
- Qatar
- Russia
- Scotland
- Singapore
- South Africa
- Spain
- United Arab Emirates
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£6,305,730	£6,161,851	£15,239,728	60
2024-12-31	£6,189,878	£5,847,294	£14,781,525	57
2023-12-31	£5,944,376	£4,941,370	£14,352,909	48
2022-12-31	£5,785,319	£4,651,280	£13,416,969	44
2021-12-31	£4,383,664	£3,656,561	£12,327,563	37

Trustees

Name	Role	Appointed
Peter Adrian Round FRAeS	Chair	2023-06-05
Alison Halliday Kennedy		2025-05-08
Andrew Alexander Allen FRAeS		2021-06-07
Andrew James Rae		2026-05-14
Brian Philipson		2026-05-14
Clary Susanne Ingeborg Svendsdotter		2025-05-08
Dr Alisdair Edward James Wood FRAeS		2018-06-04
Elliot Paul Renton		2025-05-08
Malcolm Macdonald		2025-05-08

Linked charities

- ROYAL AERONAUTICAL SOCIETY ENDOWMENT FUND (313708-1)
- GEOFFREY DE HAVILLAND MEMORIAL SCHOLARSHIPS (313708-10)
- ALAN MARSH MEMORIAL TRUST FUND (313708-11)
- THE HANDLEY PAGE MEMORIAL FUND (313708-12)
- THE PILCHER MEMORIAL FUND (313708-13)
- R 38 MEMORIAL PAPER (313708-14)
- THE ROYAL AERONAUTICAL EDUCATION FUND (313708-15)
- GEORGE TAYLOR (OF AUSTRALIA) GOLD MEDAL FUND (313708-16)
- USBORNE MEMORIAL FUND (313708-17)
- WILBUR WRIGHT MEMORIAL FUND (313708-18)
- SIMMS MEDAL FUND (313708-2)
- HERBERT AKROYD STUART FUND (313708-3)
- ALSTON MEMORIAL PRIZE (313708-4)
- EDWARD BUSK MEMORIAL LECTURE FUND (313708-5)
- EDWARD BUSK STUDENTSHIP IN AERONAUTICS (313708-6)
- LETITIA EADON MEMORIAL PRIZE (313708-8)
- FEDDEN AWARD IN FLIGHT PROPULSION (313708-9)

ROYAL AERONAUTICAL SOCIETY

England & Wales - Charity number 313708

Accounts



Royal Aeronautical Society

**Trustees' Annual Report and Accounts
Year Ended 31 December 2025**

**Charity Registration Number: 313708
Incorporating:
Charity Registration Number: 1013530
Charity Registration Number: 1045004**

Report of the Board of Trustees for the year ended 31 December 2025

The members of the Board of Trustees are pleased to present their annual report and financial statements of the Society for the year ended 31 December 2025.

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

The guiding principles of the Royal Aeronautical Society (“RAeS”) are embodied in this extract from the Society’s Royal Charter: “The objects and purposes are the general advancement of aeronautical Art, Science and Engineering and for promoting that species of knowledge which distinguishes the profession of Aeronautics (which expression includes Astronautics)”.

The Society provides free lectures and access to the National Aerospace Library to encourage the public to engage in aerospace and aviation. Membership is open to those who have an interest or are pursuing a career in aviation and aerospace.

Objectives and Activities

The Royal Aeronautical Society has continued to lead the global aerospace and aviation community in 2025, advancing innovation, education, and collaboration. With almost 160 years of heritage, the RAeS remains committed to supporting professionals across the globe, driving high standards and sustainable solutions in aerospace, and inspiring future generations to participate and engage in the industry.

Our mission is:

To lead, as the premier professional community and independent source of expertise in aerospace.

Our vision is:

To be the global, inclusive and forward-looking hub for aerospace.

The Society aims to achieve its mission and vision through the following strategic aims:

1. Authoritative, Impartial, Evidence-Led Knowledge
2. Policy Advice and Thought Leadership
3. Protect our Heritage, Enhance our Future
4. Support our Communities
5. Research our Worlds
6. Education and Outreach
7. Our Team

Achievements and performance

In 2025, the Society focused on key objectives including to grow membership, increase engagement with core audiences to ensure value and longevity, widen the reach of the events and outreach programmes as well as policy initiatives to inform and influence within the sector and maintain financial stability in order to support future investment planning.

Provide influence and leadership (Strategic aims 1 & 2)

During the year, the Society strengthened its position as a trusted and influential voice across government, industry, and the international aerospace community. Sustained engagement with Parliamentarians, senior officials, and key stakeholders enabled the Society to actively support national policy through a series of high-impact briefing and position papers. Over 2025, we have had over 25 Parliamentary and government engagements with Aviation Ministers and government departments, Aviation, Defence, and Space APPGs, Parliamentarians and Chairs of the Space and Defence Committees, and Government Departments (DfT, DBT, DSIT, DfE, UK Space Agency, MOD, CAA).

In 2025, the Society produced five formal briefing papers, contributing expert insight across defence, sustainability and air traffic management. These papers covered a wide range of strategic issues, including helicopter performance and mission flexibility, resilience in the UK air traffic management system, the future of sustainable aviation fuel within the rotorcraft sector, the United States' strategic shift toward the Indo Pacific, and public attitudes to aviation decarbonisation, collectively strengthening the Society's role as an authoritative source of sector expertise.

Direct engagement with government departments, including the new Minister for Aviation, ensured that the Society's expertise shaped discussions on air power and defence, air traffic management resilience, sustainability, and workforce development. The Society's contribution to the Strategic Defence Review (SDR) was formally recognised through the participation of Lord Robertson, Lead Reviewer for the SDR, at the Annual Defence Summit, following the submission of a series of three formal Society papers. The Society remain on the front foot with geopolitical developments with our publication on the US Shift to Indo-Pacific and Insight articles.

Further parliamentary impact was achieved through the provision of formal evidence to the House of Lords International Relations and Defence Committee on the F-35 programme. The Society also played a key role in the national consultation landscape, submitting responses to eight government and CAA consultations covering performance-based navigation, aviation charges, recommendations for the UK space economy, defence industrial strategy offset, pilot licensing reform, and the airspace change process reinforcing its role as a source of independent, authoritative sector expertise.

In space, the Society continued to expand its national and international influence. The visit of ESA Director General Dr Josef Aschbacher to the Society marked a significant milestone, while closer collaboration with the UK Space Agency now includes participation in monthly CEO briefings. The Society's written evidence to the House of Lords Space consultation was cited in the official publication on The UK Space Economy. Relationships with NASA, ESA, and UNOOSA were further strengthened through events, parliamentary engagement, and representation at global space forums in London, Manchester and Glasgow.

Internationally, the Society was represented at the 42nd ICAO Assembly in Montreal, with two skills papers presented with the Society's official endorsement alongside IATA and other leading aerospace organisations. High-level engagement with ICAO Secretary General Juan Carlos Salazar during the Assembly supported discussions on contrail management, mental health in civil aviation, and workforce development. Strategic relationships were also maintained with the FAA, IATA, and other international organisations. We have also had senior engagement with 7 leading International Aerospace organisations including EASA, UNOOSA, ICAO, ESA, FAA, IATA, and ACI. In Europe, the Society strengthened its partnership with EASA through engagement with Executive Director Florian Guillermet and representation at the EASA SAFE 360° 2025 Conference. Global outreach continued through international branch activities in the US, UAE, Berlin, Paris, and Warsaw.

AEROSPACE and digital output continued to go from strength to strength in the past 12 months. Highlights of the past year included news coverage of RAeS Future Air and Space Defence Summit, Paris Air Show, DSEI, the Farnborough Space Show, Sustainable Skies and Dubai Air Show with the latter introducing dynamic new digital coverage. Our social media outputs and posts detailing Society activity have resulted in an additional 11,602 followers on LinkedIn, an increase of 23% over the last year. Targeting a younger demographic through Instagram also proved effective, increasing the Society's follower count on the platform by 19% over the year. A stronger focus on producing engaging video content also significantly improved performance on YouTube, achieving a 30% engagement rate across the year.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2025**

In 2025, the AEROSPACE NOTAM podcast continued to evolve, adding a new 'Specialist Group Insight' segment that brought expert commentary alongside its news and magazine content. In addition, the AEROSPACE app continued to grow and has now been downloaded by a quarter of the membership. The Specialist Groups continue to publish papers and reports of interest to their communities and beyond and exceeded the target of publishing two specialist papers including a new position paper on Enhancing Resilience In The UK Air Traffic Management System.

In response to member interest, a new RAeS Propulsion Specialist Group has been established as a centre of knowledge and authority across the propulsion domain. A Lighter-Than-Air Working Group has also been created with the Airship Association to bring together those interested in this area. The International Light Aircraft Design Competition 2024/25 ran successfully with ten entries, and two winners were selected for the best team and individual submissions. The 2025/26 competition has now launched, requiring the design of a STOL aircraft for remote island communities.

A record 163 papers were published in The Aeronautical Journal during 2025, and the journal's Impact Factor increased from 1.4 to 1.6. We also published extended versions of the previous two Lanchester Lectures - Frederick W. Lanchester and Aerodynamics: Why an Automotive Engineer Wrote a Book for Aerodynamic Education by Russ Cummings (January 2025) and Advances in Unsteady Computational Aerodynamics with Separation by Marilyn Smith (September 2025). In addition, an online collection showcasing the best historic and current research papers from Glasgow University, celebrating the 75th anniversary of aerospace engineering at the institution, was released in early 2025.

The Society's Journal of Aeronautical History has completed its 15th year, publishing five papers in 2025, with two more in final preparation for publication on the Society's website.

Sustainability remains a key focus and the Society is building its reputation for thought leadership in this area. In March 2025, the Society published its report on Public Attitudes to the Decarbonisation of Aviation, providing insights into how those outside the sector feel about aviation's efforts to reduce its climate impact. A new Environmental Sustainability Coordination Group has been created, working with the Learned Society Board and Specialist Groups to help progress the Society's work on environmental sustainability.

In 2025, the Society delivered a full programme of events, welcoming more than 3,000 attendees. 17 specialist lectures were attended by over 1,550 guests, featuring distinguished speakers such as ESA Director General in his first Royal Aeronautical Society address. Hybrid formats were introduced across major conferences, significantly increasing international participation, with one event drawing attendees from 18 countries. Across the year, 15 conferences (nine hybrid) and seven webinars were delivered, generating 1,077 registrations.

The Annual Banquet at the InterContinental Park Lane was a highlight, with Guest of Honour Dr Brendan Nelson AO, Senior Vice President at The Boeing Company and President of Boeing Global. The Society's headquarters at No.4 Hamilton Place, also hosted several AeroSociety Lates, from quizzes to an Apollo 13 screening, alongside the popular Air Law Summer Reception.

The Honours Medals and Awards (HMA) ceremony at the end of 2025 showcased another successful year for the HMA programme. The Society have implemented a new digital application form which can now be submitted via the website to help streamline, standardise and attract more nominations.

Attract and support a diverse membership (Strategic aims 2, 4 & 6)

Engagement across the aerospace community has remained strong both online and in person, supported by invaluable volunteer contributions. The Society continues to promote and expand awareness of its work through participation in a wide range of exhibitions and conferences across the sector, including Advanced Engineering, the Global Air & Space Chiefs' Conference, the RAF's Engineering Branch Conference and the Royal Navy Air Officer Conference.

Close collaboration with companies and volunteers continues to deliver a mix of online briefings, workshops and mentoring training. In 2025, more than 57 exhibitions, conferences, airshows, briefings, both online and in person, and mentor training sessions were supported, and the Membership and Registration webinar programme reached 432 potential members and registrants.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2025**

In 2025, members were encouraged to upgrade their membership to a higher grade which is an essential activity to ensure that our memberships reflect the appropriate level of skill and service to the industry. Over 300 members took the opportunity to upgrade their membership in 2025.

Support from Society members remained strong in 2025, with Members and Fellows encouraged to nominate colleagues for streamlined membership applications, resulting in over 270 nominations during the year and more than 950 successful applications since the route began in 2018. More than 200 Membership and Registration 1-to-1 support calls were held, membership now spans 115 countries, and over 190 volunteers contribute to Membership, Registration and Accreditation Committees, Sub-Panels and Assessor Groups.

Young people are encouraged to pursue careers in aerospace through free Apprentice and Student Affiliate membership, providing access to mentoring, knowledge resources, networking opportunities, awards and scholarships. The Society remains committed to inspiring the next generation and works with UK and international academic institutions to promote membership at all levels of study, with over 5,500 full time students and more than 100 apprentices joining in 2025. Presentations were delivered to over 45 universities and further education colleges through live webinars and in person visits.

The Society continues to review academic programmes that provide the recognised level of understanding, knowledge and skills to underpin professional competence to help graduates on their way to registration as Chartered or Incorporated Engineers. The Society has participated in a full schedule of visits to review academic programmes and professional development schemes for accreditation, including 11 to Higher Education Institutions and 5 professional scheme visits.

We currently accredit 42 Universities and Further Education Colleges and 13 Professional Development Schemes, including the following academic programmes:

DipHE	BSc	BEng	MEng	FD	MSc	App Bachelor
2	1	107	119	1	73	4

The Society continues to recognise academic programmes which are considered to be of significant value and appropriate learning for those seeking to pursue a career in aerospace. We currently approve the following programmes:

BA	MSc	BSc	PGDip	PGCert
1	20	8	1	1

The Society held an Academic Forum in December 2025, bringing together over 25 academic staff from 14 universities and members of the RAeS Accreditation Committee. The event featured best practice sharing, expert presentations on student engagement and collaborative curriculum development, and updates on accreditation processes and Society membership activity.

The 2025 NE Rowe Lecture competition received 15 entries, the highest in over 15 years, with judges praising the exceptional standard. Winners from both age categories were invited to the RAeS Medals and Awards Ceremony and featured in the Medals and Awards Brochure. In June, the 2025 Branches Conference brought together over 60 delegates from 30 international Branches to explore the theme of engaging and retaining young people in the Society.

Several Branch milestones were celebrated in 2025, with the Bedford Branch marking its 60th anniversary in August, the Gloucester and Cheltenham Branch commemorating 95 years since its formation in 1930, and the Hamburg Branch celebrating 20 years of operation since its establishment in October 2005. The Medway Branch reached its 50th anniversary on 20 June 2025, while the UAE Branch marked 30 years since its formation in 1995.

The Young Professionals Conference 2025 “Wings of Change: The Rise of Young Visionaries” was held on 12 September 2025. The conference sought to inspire and inform the next generation of aerospace professionals through thoughtful discussions on career development, leadership, and the evolving landscape of the industry. Speakers represented Leonardo Helicopters UK, BAE Systems, To70 and Flight Crowd, with the event once again generously sponsored by Leonardo.

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2025

The AeroTube video competition was closed for registration on 5 September. The competition had received 20 entries, including 6 top entries from the RAeS China Office's regional competition. Information of the three category winners was duly published in the Medals and Awards Brochure, and their work shared on social media. The AeroChallenge was held in July 2025 with a practical challenge and live quiz.

The first Young Professionals International Online Panel Discussion, 'Join the Future of Aviation: Global Perspectives on Urban Air Mobility', was held on 30 April, organised by YPN representatives from the Pakistan Division, China Representative Office and Solent Branch. Speakers from the Advanced Air Mobility Institute, Sun Yat-sen University and Flexjet Helicopters explored UAM's potential to transform urban transport, alongside challenges in technology, airspace integration, safety, sustainability and regulation. They also offered career advice to aspiring professionals. The event attracted 200 participants worldwide.

The YPN Representative Forum and YP Reception took place in November, featuring workshops on communications, leadership and regional collaboration, followed by an evening networking event that drew 150 registrations and was kindly sponsored by Aviation Logistics Network. A WhatsApp Community for YPN Reps was also launched, and the new 'NGB News' section began appearing regularly in Aerospace magazine.

The International Air Cadet Exchange (IACE) Conference, held at 4 Hamilton Place in July, brought together over 50 cadets and staff from seven countries. Focusing on Sustainability and the 'Year of the Drone', the event featured keynote presentations from RAeS Chief Executive David Edwards FRAeS and Poppy Howe ARAeS, highlighting the role of emerging professionals and the importance of sustainable innovation in aerospace.

The Equity, Diversity & Inclusion (ED&I) strategy continued to deliver a strong programme of events, activities and initiatives throughout 2025.

The year began with the Mary Jackson Named Lecture, delivered in partnership with the AIAA Diversity and Inclusion Working Group. This annual virtual event once again brought together audiences from both the UK and the USA, strengthening international collaboration.

The Women in Aviation, Aerospace and Space Committee celebrated International Women's Day with two successful events, one hosted in London and another delivered by the RAeS Paris Branch, expanding our global reach and engagement. Engagement and attendance rose versus prior years with 140 registrations for London, up from 111 in 2024, reflecting growing interest and reach.

Support for the LGBTQ+ community remained central to our efforts. The Pride and Allies Group hosted its annual Pride Month celebration in June, followed later in the year by a webinar for the International Day of LGBTQ+ People in STEM, delivered in collaboration with UK Black Pride and Equal Engineers.

The alta Mentoring platform sustained strong growth, increasing from 729 users in November 2024 to 817 users in November 2025, an increase of 88 users, representing 12% year-on-year growth. The alta Steering Group marked National Mentoring Day 2025 with an event celebrating mentoring's industry impact.

Throughout the year, ED&I activities also celebrated and spotlighted a wide range of important awareness moments, including Black History Month, South Asian Heritage Month, Trans Day of Remembrance, Neurodiversity Celebration Week, International Men's Day, and many others, demonstrating our commitment to fostering an inclusive and supportive community year-round.

Promoting professional standards (Strategic aims 1, 3, 5 & 6)

In 2025, the Society demonstrated its strong commitment to advancing professional standards by actively supporting members through the Engineering Council professional registration process, with over 175 members achieving EngTech, IEng or CEng status during the year, reflecting sustained demand for professional recognition across the sector. A total of 160 Professional Review Interviews were conducted, enabling engineers to achieve internationally recognised professional status. This reflects the Society's dedication in support of guiding and preparing applicants; this effort not only elevates individual careers but also strengthens the aerospace sector by promoting excellence and accountability across the profession. A qualification checking service was also launched in July 2025 to help members identify the most suitable route to Professional Registration.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2025**

The Society continued to grow its community of Corporate Partner organisations, adding 10 new Corporate Partners in 2025. This expansion strengthens the Society's influence across aerospace and broadens opportunities for joint initiatives, skills development and professional engagement.

The Society has recently launched its Royal Air Force (RAF) Route to registration, which recognises the career progression and professional development of its personnel. The route recognises the qualifications and professional competencies gained at specific ranks of the RAF and allows the engineering training combined with managerial and leadership experience gained in the front line to be recognised.

Engineering Council registrants make a commitment to recording their CPD. This obligation underpins the value of the professional titles of Engineering Technician, ICT Technician, Incorporated Engineer and Chartered Engineer, as well as serving society and enabling it to have confidence in the engineering profession. As an Engineering Council Licensee, the Society undertakes an annual sample of at least 5% of registrants' CPD records, as required in the Engineering Council's Regulations for Registration, and provide appropriate feedback.

Aeroversity, the Society's Learning and Development Platform, offers a wide range of regularly updated resources, including branch lectures, classic recordings dating back to 1950, and briefing and specialist papers. The Society also continues its partnerships with APM and CMI, providing additional learning modules accessible through the platform.

Chartered Week in February featured member spotlights celebrating RAeS members Lucy Davies IEng AMRAeS, Daniel Young CEng MRAeS and Rhian Kerton CEng MRAeS, highlighting their achievements and the benefits of the Martin-Baker approved professional development scheme.

Deliver benefit to society (Strategic aim 4)

Throughout 2025, our education and outreach programmes engaged over 4,000 students across primary, secondary and further education. The Cool Aeronautics primary school programme reached more than 1,000 pupils nationwide, while Project Altitude engaged more than 500 young people and continued to increase awareness of aerospace careers and pathways into the sector.

Our support for national STEM events, including the Big Bang Fair, Boeing Girls in Engineering Day and the Royal International Air Tattoo, in collaboration with teams of volunteers, enabled engagement with over 70,000 members of the public and industry professionals.

The Falcon 2 STEM programme launched its accessible glider simulator at RIAT 2025, delivering 179 flights over three days, including 48 accessible flights, with 27% of all participants being students with disabilities. The design proved highly inclusive, requiring minimal dexterity, allowing easy entry and exit, and supported by trained facilitators who ensured a sense of equality throughout the experience. Families highlighted how Falcon 2 removed barriers found in other simulators—such as needing to physically lift participants—and one young flyer captured the impact: "I'm a pilot. That was a dream come true... I hope you come to my school." In partnership with key stakeholders, the simulator will continue travelling to shows and initiatives nationwide.

Careers in Aviation and Aerospace LIVE 2025, the UK's only dedicated recruitment fair for the sector, welcomed over 700 attendees and 23 organisations, delivering 20+ industry and recruitment-focused sessions and providing direct insight into the industry.

In 2025 we were proud to launch the National Aerospace Library Discovery Platform, linking all of the Society's e-books, e-journals, the Aeronautical Journal, YouTube content and more through one search box.

Thanks to money raised from our book fairs, the Society finished the conservation of part of one of the earliest British airships, HMA Baby. Part of the airship's skin, which contained the gas used by the airship, it is now on display at the National Aerospace Library, Farnborough.

The National Aerospace Library's volunteers were presented with the Society's Distinguished Service Award for their invaluable work helping us to make the most of the Society's collections, with projects ranging from a decade of conservation to oral history interviewing.

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2025

Our staff and volunteers have done some invaluable work cataloguing and conserving the Royal Aeronautical Society's Historic Letters Collection. The letters reveal the technical achievements and social experiences that shaped early aviation and now researchers from across the world can read descriptions of over one thousand letters and choose to visit or order copies for their research.

Inspirational stories from those who have shaped and have been shaped by all corners of our industry in our oral history podcasts. 2025 highlights include ballooning pioneer Don Cameron FRAeS and Pat Pearce on how the role of female cabin crew evolved and founding a charity to take ill children to Disneyland, together with how Arthur Webb FRAeS helped to bring carbon fibre to civil aviation and Formula 1. Our oral history interviews have attracted over 5,000 listens over the year, plus more than 7,000 listens from the top performing of our archive of lectures and interviews.

Royal Aeronautical Society Foundation – Fundraising

Since 2008/2009 the Foundation has focused on promoting Gift Aid to the Society's membership and ensuring that these funds are used to support the Society's charitable objectives. In 2025, The Society did not undertake any fundraising activity requiring disclosure under S162A of the Charities Act 2011. The Foundation has however continued to support a number of projects totalling £92,493 (2024: £28,748) with the following projects being supported:

- Digitisation of the Society & NAL archive
- Student/Apprentice Learning & Development;

Financial Review

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

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statements is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2027 and the review of risks facing the charity. The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within the forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due and that the financial statements are appropriately prepared on a going concern basis.

Income

Total income increased by 1.9% to £6,305,730 with total unrestricted income increasing by 1.1% to £5,999,597.

- ***Income from Donations & Legacies*** comprises donations to various funds, £317,832 was received in 2025 (2024: £225,098). Donations and contributions were received from individuals and organisations including £39,956 from Boeing and £137,439 (2024: £76,583) raised by the Society's Subsidiary Branches to fund their activities throughout the year.
- ***Income from Charitable Activities*** at £4,893,123 (2024: £4,905,617), represents 77.6% of the income generated by the Society in 2025; the principal income sources being Membership Services (including individual and Corporate Partner subscriptions), EPA, Conferences and Events and Publications.
 - Income from Membership Services represents 56.8% of the Society's income and increased by 5.6% in 2025 to £3,584,122 from £3,393,726.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2025**

- The conferences and seminars were operated in person in 2025, the overall delegate and sponsorship income finished the year at £416,145 down by 23.0% on 2024. The previous year benefited from the 4-day conference partnered with CEAS which was a one-off event.
- Publications income increased by 22.7% to £205,105, driven by higher advertising sales for the AEROSPACE magazine in 2025.
- The Education, Skills and Diversity Team generated £36,250 in 2025 (2024: £45,700), income reduced by 20.7% which included sponsorship and income from its annual Careers Fair and sponsorship for some of its activity.
- Income from End Point Assessment (EPA) at £641,472 (2024: £744,293), reduced by 13.8% as a result of delayed assessments in 2025.
- **Income from Other Trading Activities**, room hire services, income generated £813,157, up by 7.6% in 2025 from £755,951. The room hire activity is run by the trading subsidiary Aeronautical Trading Limited (ATL) which made a profit of £21,035 (2024: £57,384 loss). There are no plans to change the activities of this business, which involves the provision of facilities to external customers and the running of the Members' facilities. The Society continued to lease (under licence to third parties) offices on the 4th and 5th floor, overall, this had generated £231,432 in 2025 (2024: £222,526). Room sponsorship had generated £31,286 (2024: £48,286).
- **Investment Income** reduced to £267,466 in 2025 from £293,285 in 2024. Of this, £84,543 (2024: £118,920) was reinvested by the Society during the year.

Expenditure

Expenditure increased by 5.4% to £6,161,850 with total unrestricted spending increasing by 5.1% to £5,866,557 as a result of the inflationary increases on operating expenditure.

- **The costs of Raising Funds** reduced in 2025 by 3.2% to £625,886 with unrestricted costs also reducing by 2.2% to £618,066. Costs included room hire services, administration and investment fees. In 2025, the Society continued to upgrade its services to provide enhanced facilities to members and the general public.
- **Charitable Activities** Resources expended on the Society's Charitable Activities increased by 6.4% to £5,535,964 with unrestricted expenditure increasing by 6.1% to £5,248,491. Costs include all the expenditure on the Society's conference/event programmes, providing membership services, career advice service, library, and producing the Society's publications.
- The Society's headquarters at No.4 Hamilton Place continue to be invested in and upgraded in line with its current Strategic Objectives.
- In 2025, Governance costs increased by 4.6% from £174,432 to £182,375. Costs include staff costs for Head of Governance to oversee the support to the Board of Trustees, Council, and internal Boards of the Society. Other costs included staff cost of Governance Executive to provide support on Governance, expenses associated with the return of in-person Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus travel costs for the President.

Surplus

The net incoming resources (before gains on investments) for the year produced a surplus of £143,879 (2024: £342,584). During the year, the Society had gains on its investment of £256,324 and actuarial gains on the Society's Pension Scheme of £58,000. The net movement of funds for the year was a surplus of £458,203 (2024: £428,617).

- **Unrestricted funds** carried forward of £12,414,249 (2024: £12,137,324) represent approximately 30 months operating expenditure. However, not all these funds can be readily liquidated as they represent the functional fixed assets of the Society. In accordance with Charity Commission guidance, the Trustees have adopted a formal Reserves Policy set out below.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
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- The overall income **for Room Hire Services** (*Operated by Aeronautical Trading Limited*) was up by 13.82% and finished the year at £550,257 (see note 18 of the accounts). The Society received income from other Trading activities including leased offices (under licence) on 4th and 5th floors, at £231,432 and room sponsorship income at £31,286 in 2025.
- **Pensions Scheme**
 - The financial statements reflect the full financial position of the Defined Benefits Pension Scheme which became a closed scheme on 31 March 2001. The Scheme must be accounted for under FRS102 and under FRS102 the scheme's liabilities are valued based on assumptions derived from yields on AA rated corporate bonds and gilts.
 - The most recent valuation on a discontinued basis was at 1 April 2022 which showed that the scheme's assets fully covered its priority liabilities and 77% of the remaining liabilities on that date the actual valuation showed a deficit of £982k.
 - Changes in the assumptions applied to the Scheme's liabilities have resulted in a decline in the FRS102 deficit since 2022, which showed a pension scheme asset in these years. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts in 2025. The Society contributed £76,000 to the fund in 2025.
 - From 1 April 2001 the staff pension arrangements are in the form of Group Personal Pensions with Standard Life, in 2021 this was transferred to Aegon. The Society makes contributions, but the funds are owned by and are the responsibility of the individual staff members. From August 2015 the Society adopted Automatic Enrolment and received an acknowledgement of re-declaration of compliance in August 2025 from the Pension Regulator.
 - The Society is in the process of progressing a buy-out of the Defined Benefits Pension Scheme. This will transfer the pension liability to a third party.
- **No.4 Hamilton Place – Purchase, Valuation and Charges on the Property** - In March 2009, the Society purchased the freehold of No.4 Hamilton Place at a cost of £4,859,755. Prior to the purchase, No.4 Hamilton Place was leased from the Crown Estate; in 2002 the lease was revalued by the Trustees on a draft valuation of £3,864,407 (based on existing use). From 2009 the Trustees have decided to add this valuation to the actual cost of the purchase of £4,859,755 to value the property in the Balance Sheet at £8,140,689 (less depreciation on property) as at 31/12/2025. At the time of purchase in March 2009 the Market Value of the freehold interest in No.4 Hamilton Place was £11,700,000.
- **Charges on No.4 Hamilton Place** - The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan. The mortgage was fully repaid in July 2024 and the charge was removed in the same year. The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations if the Society defaults on its payments to the scheme. In return, by agreement with the Trustees of the Scheme, the Society will continue to pay reduced contributions to the Scheme in future years as required.

Risk Management

The Board of Trustees establishes and regularly reviews the Risk Register. This is actively managed by the Audit Committee. The Chief Executive and Audit Committee are responsible for ensuring that risk registers and management plans are reviewed regularly by the Leadership Team and that risk-management plans are acted upon, updated, and monitored to eliminate, minimise, or otherwise avoid identified risks. They are also responsible for highlighting risk developments to the Board of Trustees throughout the year.

The Risk Management Policy sets out the Society's commitment to continuously identifying and managing risks in a timely and effective manner and describes the standard of risk management that the Board of Trustees and stakeholders can expect with regards to the design, development and delivery of Royal Aeronautical Society services and activities.

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The principal risks identified in 2025 were:

Governance The risk of not meeting the regulatory and financial reporting requirements, not managing the business risks appropriately, and not delivering objectives effectively.

Strong internal control processes protect the Society against not meeting regulatory and financial reporting requirements. An internal audit of data protection measures found that the majority of measures were successfully implemented. Resulting actions, including staff refresher training, are being implemented to reduce the risk of data breaches.

Safeguarding Risks include not protecting members or staff from harm or abuse due to inadequate policies and training.

An updated Safeguarding Policy was approved in 2025, with implementation, communications and adoption programme in place to prevent any inappropriate management of safeguarding incidents.

Financial Risks include not having a good level of reserves to support the Society in meeting its operational objectives. Risk also includes fraud and misappropriation of assets.

Regular reviews and monitoring of the Society's budget and finances mitigate overspending and/or spending on non-priorities, financial fraud and loss of income streams. A Finance Director role was introduced in 2025 to focus on finance strategy and to minimise financial risk.

IT Risks include lack of data security, cyber threats and inefficient operation.

Enhanced security protocols, continuous threat monitoring and regular staff awareness training protect against potential cyber threats. The risk of cyber attacks was a focus in 2025, with more targeted departmental plans developed to protect the Society. Robust project management processes phased roll out of solutions and rigorous testing schedules are in place as well as workforce planning and resource management to minimise negative impact of the digital transformation programme.

Venue Risk includes not maintaining or enhancing No.4 Hamilton Place so it is no longer fit for purpose.

Preventative maintenance plans were in place with regular inspections to proactively address any concerns in addition to a comprehensive business continuity plan and adequate secure storage and insurance coverage for assets

Reserves Policy

The-year end reserves were made up as follows:

	Total 2025	Total 2024
Reserves	£	£
Restricted	851,207	813,696
Endowments	1,577,232	1,427,258
Branches	397,040	403,247
Unrestricted Free Reserves	2,984,915	2,828,078
Unrestricted Designated Reserve	890,259	882,415
Functional Assets	8,539,075	8,426,831
Total	15,239,728	14,781,525

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Unrestricted Reserves and Designated Funds

Finance Strategy

The current Finance Strategy was approved by the Trustees in March 2022 and is reviewed annually by the Finance Committee. The Finance Strategy was established to enable the Society to meet its Strategic Objectives by 31 December 2025 which it has been able to achieve. The Strategy included the following:-

- Operations to generate sufficient funds annually to ensure that the Society is fully resourced to achieve its long-term Strategic Objectives; all annual surpluses to be allocated to one of the Society's free reserves setup to safeguard the Society against future (adverse) events;
- The Society continuing to focus on re-building its unrestricted liquid reserves and increase the level to the equivalent of six months' trading costs; and
- The Society should endeavour to reduce its long-term liabilities once it has built up its reserves to a level that covers operational requirements.

At the end of 2025, the Society's Free Reserves (which excludes Net Book Values of fixed assets) stood at £2,984,915 (2024: £2,828,078); this is 121.7% (2024: 139.0%) of the reserve target of the equivalent to at least six months' operational costs of £2,451,384 (2024: £2,033,717); the Society achieved the Reserves target (as outlined in the Finance Strategy).

At the end of 2025 unrestricted reserves and designated funds were as follows:

Free Reserve

The Trustees have reviewed its Finance Strategy, covering the period to 2025. The Trustees have decided that in view of the considerable uncertainty which characterises the current economic climate the Society should concentrate its efforts on re-building its unrestricted reserves and hold any additional cash (on interest bearing deposits) to cover any income shortfalls; at the end of 2025, the balance of the fund was £2,984,915 (2024: £2,828,078). This excludes fixed assets, loan on property and designated funds.

Royal Aeronautical Society Foundation

The Foundation was setup in 2006 by the Trustees to organise and co-ordinate support for the Society's wider charitable activities such as supporting aviation heritage projects supporting the next generation of aerospace professionals, as well as supporting the development of No.4 Hamilton Place (including repaying of the mortgage).

Pension Fund Reserve

Under FRS102, and in accordance with SORP, this reserve has been setup to reflect the liability of the Defined Benefits Pension Scheme which shows a pension scheme asset since 2022. The Trustees feel that the recoverability of the asset is too remote and has not recognised the asset in the accounts in 2025.

At the end of 2025 there were two Designated Funds as follows:

Flight Simulation Sponsorship Fund

Over the past couple of years, the Society has received sponsorship to support the Flight Simulation Group activities.

Designated IT Future Fund

This fund was setup by the Trustees in 2021 to be used to fund the IT projects to enhance and develop the digital capability of the Society.

Restricted and Endowment Reserves

Restricted Funds

Alan Snudden Fund – Restricted

This is an Endowment Fund established to provide scholarships to young person's entering, or already engaged in, the air transport operating industry. The founding deed (1992) allowed the Trustees to initially accumulate unspent income into the Endowment Fund. However, the deed now allows the Trustees to hold the income generated in a restricted fund and this was setup in 2017.

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ALTA

This fund was created from donations from a number of organisations to support the ALTA Mentoring Platform launched in 2019; the platform was setup for women in aerospace and aviation who are seeking woman-to-woman mentoring support with easy access to professional women working in the sector. In addition, the fund supports face-to-face networking events and research to provide greater support to women's retention and promotion within the industry.

Project Altitude – Boeing

In 2020, Boeing agreed to support various projects within the Society, one being **Project Altitude**; the aim is to encourage young people to become the innovators of tomorrow; the fund will support various STEM-based activities and events aimed at Primary, Middle and High Schools as well as young people just starting their careers.

RAeS Future Scholarship Fund (Formerly Centennial Scholarship Fund)

The Centennial Scholarship Fund was ceased in December 2020 and the fund balance was transferred to RAeS Future Scholarship Fund from January 2021. The aim of the fund is to support funding costs for internships in the Aerospace sector to give the recipient an insight into working in the sector and enhancing the individual's Professional Development.

Flying Start Challenge

This fund was setup in 2020 from donations from a number of Corporate Partners with the aim to support Flying Start Challenge; an annual competition aimed at providing secondary school students to design a glider; the competition is run and managed jointly by the participating organisations.

Kremer Fund

The Kremer Fund provided by the late Henry Kremer for the promotion of Human Powered Flight and are administered by the Society.

Michael Bishop Foundation Fund

The Fund was setup in 2019 by the Trustees from a donation of £25,000 from Lord Glendonbrook/Michael Bishop Foundation to fund the Sir Ralph Robins Medal; this award is given to individuals demonstrating excellence in Engineering Leadership.

National Aerospace Library (NAL)

An appeal was started in 2004 towards the creation of a National Aerospace Library (NAL). In 2008 the Society opened a branch of the NAL within the Hub Building at Farnborough. In 2009 this facility was expanded and now houses the vast majority of the Society's historic library collections. The fund is used to support some of the ongoing operations of the NAL at Farnborough as well as future capital projects.

RAF Chair in Air Power Studies

In 2008 the Society began (with support from the RAF) to raise funds for the Chair in Air Power Studies with the aim of establishing an independent academic Research Fellow at a UK university.

Falcon 2 (Formerly School Build-a-Plane Challenge)

In 2008 the Society launched the Schools Build-a-Plane (SBAP) Challenge which aims to provide young people in UK secondary schools with the opportunity to build a real light aircraft from kits, giving them hands-on experience of building aircraft and an understanding of scientific and engineering principles behind flight. This project is supported by funding from The Boeing Company (USA) and sales of the completed aircraft. From 2023, the fund balance will be spent towards the **Falcon 2** Initiative which is an extension of the SBAP programme.

World Skills

In 2021, the Society received a grant from World Skills UK who are an independent charity and work with employers, education and governments. They are a proud member of WorldSkills, a global movement of over 80 countries. WorldSkills supports young people across the world via competitions-based training, assessment and benchmarking, with members' national teams ultimately testing their ability to achieve world-class standards in the biennial 'Skills Olympics'. This covers the management and delivery of skills in the Aircraft Maintenance competition activity.

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AAU Outreach Fund

In 2022, the Society received a donation from Association of Aerospace Universities (AAU) after dissolution, in accordance with the wishes of the members and office holders. The fund was set up to support the Society towards outreach activities within Aerospace and Aviation.

DFT & CAA Sky Challenge Fund

In 2024, DFT and CAA joined Boeing as one of the supporters for the **Falcon 2** Programme. The contribution from industry and government will allow for the delivery of a national outreach programme empowering students of all ages and abilities to experience the thrill of flight and variety of careers in aviation through the pathways highlighted within the programme.

Endowment Funds

The Alan Snudden Fund, Awards Trust and the CAARC (Commonwealth Advisory Aeronautical Research Council) Fund are held in pooled investments which were referred to as the Common Investment Fund in previous accounts. These funds are subsidiary charities of the Society as explained in Note 13.

Alan Snudden Fund

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

Awards Trust

This was created in 1995 from several separate funds held for the purposes of Medals, Merit Awards, Educational Awards and Lecture fees. With the agreement of the Trustees of the Society and the Charity Commission these separate funds were combined to give greater flexibility and more efficient use of those funds.

CAARC Fund

Through the Awards Trust, the Society administers the Commonwealth Advisory Aeronautical Research Council (CAARC) Bursaries.

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

Investments

Investments Policy

The investment advisors JM Finn & Co (appointed January 2013) manage the Society's investments in accordance with powers delegated by the Board of Trustees. Cazenove have been appointed as new investment managers after the year-end in 2024. The transition took place in May 2025. There are no restrictions on the powers of the Board of Trustees to invest under the Royal Charter. The Finance Committee is responsible for reviewing the performance of the investments each quarter as outlined below.

Investment funds

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

At the end of 2025, the investments stood at £4,469,088 (2024: £4,018,187); over the past 12 months investments have increased by 11.2% (against the target of RPI + 4%). This is lower than the benchmark of 19.9% (FTSE All Share Index) as a result of the first five months performance.

The performance was improved after the transfer to Cazenove on 20 May, the investments increased by 11.8% from this period to 31 December 2025 compared 12.4% (FTSE All Share Index).

Overall, the Trustees were satisfied that the following the transfer to Cazenove, the Investments advisors had done all they could to protect the Society's investment considering the volatile economic and political background in 2025.

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Risk/Investment strategy

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

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

The Finance Committee agreed the asset allocation with the investment advisors, and this is reviewed on a quarterly basis. At the end of 2025, the asset allocation was as follows:

Asset Distribution			
Sector	Bench Mark	Fund Value 31/12/2025	
Equities - UK	60.0%	3.87%	£173,133
Equities - Overseas		70.35%	£3,143,990
Fixed Interest	17.5%	8.41%	£376,051
Alternatives (Property/Infrastructure)	17.5%	12.71%	£567,835
Cash	5.0%	4.66%	£208,079
		100.00%	£4,469,088

Plans for future periods

In 2026, The Society’s government engagement will remain closely aligned with its strategic programme of events and priorities across defence, space, innovation and emerging technologies, future flight, aviation connectivity, sustainability, and skills. There will also be a renewed focus on All-Party Parliamentary Groups both in civil and defence.

The focus will continue on maintaining the high standards set by the flagship print magazine while expanding digital and online content for members, continuing to invest in the e library and, on the heritage side, publishing material on the Royal Aeronautical Society’s own history from the archive, releasing additional digital collections and continuing to produce oral history podcasts from across the sector. The Aeronautical Journal will increase to at least 15 papers per issue.

In recognition of the Society’s 160th anniversary, the 160 Icons of Aerospace campaign will be showcased across digital platforms throughout 2026.

A review of the Specialist Groups will ensure their subject coverage, activities and engagement continue to meet member needs and contribute effectively to the Society’s aims. The Society will also continue to deliver a broad range of professional development and accreditation opportunities to support ongoing competence, upskilling and professional practice.

The Society’s themed weeks on Sustainability and People in Aviation, launched in 2025, will be further developed in 2026 following their positive reception.

The focus is on deepening the impact of education, STEM and careers activity by strengthening progression pathways from early engagement through to employment, while continuing to widen access to aerospace. The Society will continue to consolidate the efforts around aerospace cross accreditations within the armed forces to support the retention of skilled engineers. A Society position paper will be published this year with recommendations to address engineering skills shortages.

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Inclusive initiatives such as the Falcon 2 accessible glider simulator will be scaled, targeted careers messaging refined across all education stages, and industry and employer involvement strengthened to better link inspiration with real opportunities.

Going forward, the focus is on strengthening engagement with Equity, Diversity and Inclusion committees and expanding the reach of initiatives both within and beyond the aerospace sector. Priorities include broadening participation from individuals across diverse backgrounds, increasing attendance and visibility of events, expanding the alta community by attracting more mentors, mentees and supporting organisations, and continuing to build partnerships that enable impactful, inclusive programming. These efforts will ensure that Equity, Diversity and Inclusion remains embedded across the Society's work and continues to drive meaningful change across the sector.

As part of Finance Strategy, with the aim of further reducing its two major liabilities, the Mortgage on No.4 Hamilton Place and the Society's Defined Benefit Pension Scheme (closed). The mortgage liability was repaid in 2024. Finance Committee's focus in 2026 is to maintain the Society's strong reserves whilst at the same time to invest on projects that will provide long term benefits such as the IT CRM system.

Structure, Governance and Management

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

The Society has 4 international Divisions, 12 international branches and 36 UK Branches. Each Branch is run by a committee of volunteers and the office holders within each committee are Chair, Secretary and Treasurer. In 2025, the Trustees strengthened the Society's relationship with its Branches by clarifying that each of these officer roles must be held by a different member of the Society.

The Board of Trustees is the governing body of the Society. It establishes and reviews the policies and strategy of the Society, ensuring that the objects of the Society, its administration, and management of its finances (including its assets and investment portfolio) and property are upheld in compliance with the Society's Royal Charter and By-Laws and the law. The Board of Trustees consists of the President, President-Elect, Immediate Past President and six members, at least three of whom are members of the Society, recruited from open applications, supported by the Nominations Committee and ratified at the Annual General Meeting.

The Board of Trustees may delegate to the Council or any board or committee such powers and duties as it sees fit and the law and good practice for charities allows, but the Board of Trustees remains responsible for the actions of such boards and committees and the Board of Trustees may dissolve a board or committee at any time. The current committees of the Board of Trustees are the Audit Committee, Finance Committee, Nominations Committee and Remuneration Committee. The Board of Trustees has delegated the responsibility to the Finance Committee for directing the Society finances and developing sound financial practices and policies which protect and enhance the Society's finances and assets. The Audit Committee supports the Board of Trustees in monitoring the adequacy of the Society's governance, risk management, internal audit, and control processes through offering objective advice.

The Council represents the views of the membership and the professions. It addresses relevant and timely issues across the aerospace sectors, providing advice to the Trustees and the Executive on such matters. The Council is made up of the President, President-Elect, immediate Past President, the Presidents of the global Divisions, the Chair of Trustees, representatives from 4 Boards and 3 Committees, 15 members elected by the membership and up to 3 co-opted members. The total number of Council members must not exceed 32.

Elected Council members usually have a three-year term, elected by the voting members of the Society. The election takes place annually and the results are announced at the Society's Annual General Meeting (in May each year). The President is elected from within the Council approximately 18 months before taking office (from the AGM). Presidents serve a term of one year only. In the 12 months prior to taking office the President serves as President-Elect of the Society and in the 12 months after this the outgoing President serves as the immediate Past President of the Society. The current boards and committees which report to the Council are the Learned Society Board (LSB), Membership Services Board (MSB), Professional Standards Board (PSB), Next Generation Board (NGB), Medals and Awards Committee, Equity, Diversity and Inclusion Committee and Future Funds Committee.

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

The day-to-day management of the Society is delegated to the Chief Executive ("CE") who is responsible for all operational matters, including the implementation of the Strategic Review; the CE is supported by other members of the Executive Team which comprises the Chief of Staff and three operational directors covering Finance, Knowledge (including Events, Knowledge and Information and IT), and Membership and Professional Standards including Community Engagement. The Chief Executive consults closely with the Chair of the Board of Trustees and the President over issues of significance and ensures the staff are managed effectively.

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

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

The Chief Executive and committees that report to the Trustees and the President, prepare reports for each Trustee meeting. Board and committees that report to the Council provide reports for each Council meeting, alongside the Chief Executive and Chair of Trustees. Trustees have access to copies of all reports. Each year the Annual Report and Annual Accounts are approved by the Trustees and are available to all members via the Society's website.

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Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society 313708

Subsidiary charities:

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

Subsidiary Companies:

Aeronautical Trading Limited 03243525
Aeronautical Trusts Limited 00239631

Registered Address:

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

The following were Trustees for all or part of 2025:

P Round FRAeS (Chair of Trustees)
K Khan FRAeS (Immediate Past President until 8 May 2025)
D Chinn FRAeS (President until 8 May 2025 and then Immediate Past President)
R Gearing FRAeS (President-Elect until resigned as a Trustee on 18 February 2025)
A Wood FRAeS (President Elect 14 April - 8 May and President from 8 May 2025)
M Macdonald FRAeS (President-Elect from 8 May 2025)
A Allen FRAeS
A Cowdery FRAeS (until 8 May 2025)
A Kennedy (from 8 May 2025)
S Moynihan FCA CRAeS (until 8 May 2025)
H Nye FRAeS
E Renton (from 8 May 2025)
S Svendsdotter FRAeS (from 8 May 2025)

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

D Edwards FRAeS, Chief Executive
P Hornsey, Chief of Staff
J Anderson, Head of Governance
P Mensah, Director of Membership and Professional Standards (for parts of 24 March and 22 September 2025 meetings only)
K Moss, Finance Director (for 24 November 2025 meeting only)
S Philips FRAeS, Head of Community Engagement (for parts of 23 September and 24 November 2025 meetings only)
H Barton FRAeS, Council member (for 23 September 2025 meeting only)
D Olufisan MRAeS, Council member (for 30 June 2025 meeting only)
J Palmer MRAeS, Council member (for 23 September 2025 meeting only)
M Staib FRAeS, Council member (for 24 November 2025 meeting only)

Directors of Aeronautical Trusts Limited:

D Edwards FRAeS, Chief Executive
S Moynihan FCA CRAeS (until 8 May 2025)
E Renton (from 8 May 2025)

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Executive Team:

D Edwards FRAeS, Chief Executive
P Hornsey, Chief of Staff
E Bossom, MRAeS, Director of Knowledge and Networks
P Mensah, Director of Membership and Professional Standards (until 12 December 2025)
A Ng, Financial Controller (until 26 October 2025)
K Moss, Finance Director (from 27 October 2025)

Advisors

Auditors:

Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW, UK

Bankers:

HSBC Bank Plc, Level 6, 71 Queen Victoria Street, London, EC4V, 4AY, UK

Investment Managers:

JM Finn & Co, 25 Copthall Avenue, London, EC2R 7AH, UK (until May 2025)
Cazenove, 1 London Wall Place, London EC2Y 5AU (from May 2025)

Pension Advisors:

GPP Scheme

Kerr Henderson (Financial Services) Ltd, 16 Wellington Park, Belfast, BT9 6DJ

Defined Pension Scheme (Closed)

ISIO Group Limited, 27-45 Great Victoria Street, Belfast BT2 7SL, UK

Solicitors:

Penningtons Manches Cooper LLP: 125 Wood Street, London EC2V 7AW

Statement of the responsibilities of the Board of Trustees

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

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

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

Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that they should have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

For the purpose of this statement the group comprises the Royal Aeronautical Society and subsidiary charities and companies as outlined in Note 18 within the notes accompanying the Financial Statements.

Website

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

Financial statements

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

Signed..... P A Round
P A Round (Mar 26, 2026 17:46:09 GMT)
Air Cdre Peter Round FRAeS
Chair of the Board of Trustees

Date: 23 March 2026

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

Independent Auditor's Report to the Members of Royal Aeronautical Society**Opinion**

We have audited the financial statements of Royal Aeronautical Society for the year ended 31 December 2025 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group and charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the timing of recognition of publications, events and commercial venue hire income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over the completeness and timing of recognition of

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

publications, events and commercial venue hire income, reading minutes of meetings of those charged with governance and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

Date 31 March 2026

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

Consolidated Statement of Financial Activities (SOFA)

For the Year ended 31 December 2025

	Note	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2025	Total 2024
		£	£	£	£	£	£
Income and endowments from:							
Donations & Legacies		118,941	61,452	-	137,439	317,832	225,098
Charitable Activities		4,893,123	-	-	-	4,893,123	4,905,617
Other Trading Activities		827,309	-	-	-	827,309	765,878
Investments		160,224	107,242	-	-	267,466	293,285
Total	2	5,999,597	168,694	-	137,439	6,305,730	6,189,878
Expenditure on:							
Raising Funds		618,066	7,820	-	-	625,886	646,271
Charitable Activities		5,248,491	102,810	-	184,664	5,535,965	5,201,023
Total	5	5,866,557	110,630	-	184,664	6,161,851	5,847,294
Net income/(expenditure) before gains on investments		133,040	58,064	-	(47,225)	143,879	342,584
Net gains on investments	8	125,353	30,370	100,601	-	256,324	88,032
Net income/(expenditure)		258,393	88,434	100,601	(47,225)	400,203	430,616
Transfers between funds	13 - 16	(39,468)	(50,923)	49,373	41,018	-	-
		218,925	37,511	149,974	(6,207)	400,203	430,616
Other recognised gains/(losses):							
Net actuarial gains/(losses) on Pension Scheme	21	58,000	-	-	-	58,000	(2,000)
Net movement in funds		276,925	37,511	149,974	(6,207)	458,203	428,616
Balance at 1 January	13 - 16	12,137,324	813,696	1,427,258	403,247	14,781,525	14,352,909
Funds at 31 December		12,414,249	851,207	1,577,232	397,040	15,239,728	14,781,525

All amounts relate to continuing activities. The notes 1 to 21 form part of these financial statements.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

Consolidated Balance Sheet as at 31 December 2025

	Note	Total 2025	Total 2024
		£	£
Fixed Assets			
Tangible Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,613,467	2,640,691
Fixtures and Equipment	7	229,338	247,243
Heritage Assets at Valuation	7	410,843	410,843
Intangible Assets - IT Development	7	169,048	11,675
Investments at Market Value	8	4,469,088	4,018,187
		<u>13,419,006</u>	<u>12,855,861</u>
Current Assets			
Debtors	9	809,738	688,239
Cash at bank and in hand		2,706,235	3,080,156
		<u>3,515,973</u>	<u>3,768,395</u>
Less: Current Liabilities			
Creditors	10	(1,640,397)	(1,785,591)
		<u>(1,640,397)</u>	<u>(1,785,591)</u>
Net Current Assets		<u>1,875,576</u>	<u>1,982,804</u>
Total Assets Less Current Liabilities		<u>15,294,582</u>	<u>14,838,665</u>
Creditor due after one year	11	(54,854)	(57,140)
Defined Benefit Pension Scheme Liability	21	-	-
NET ASSETS		<u>15,239,728</u>	<u>14,781,525</u>
Represented by:			
Restricted Reserves	14	851,207	813,696
Endowments	13	1,577,232	1,427,258
Designated Funds - Branches	16	397,040	403,247
Unrestricted Reserves			
Unrestricted Reserves	15	12,414,249	12,137,324
Unrestricted Reserves Excluding Pension Liability		<u>12,414,249</u>	<u>12,137,324</u>
Pension Reserve	21	-	-
Total Unrestricted Reserves		<u>12,414,249</u>	<u>12,137,324</u>
TOTAL RESERVES		<u>15,239,728</u>	<u>14,781,525</u>

The notes 1 to 21 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 23 March 2026.

P A Round

P A Round (Mar 26, 2026 17:46:09 GMT)

**Air Cdre Peter Round FRAeS
Chair of the Board of Trustees**



**E Renton
Trustee**

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

Charity Balance Sheet as at 31 December 2025

	Note	Total 2025	Total 2024
		£	£
Fixed Assets			
Tangible Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,613,467	2,640,691
Fixtures and Equipment	7	229,338	247,243
Heritage Assets at Valuation	7	410,843	410,843
Intangible Assets - IT Development	7	169,048	11,675
Investments at Market Value	8	4,469,088	4,018,187
Investments in subsidiary undertakings	19	3	3
		13,419,009	12,855,864
Current Assets			
Debtors	9	1,296,343	749,924
Cash at bank and in hand		2,238,405	3,060,187
		3,534,748	3,810,111
Less: Current Liabilities			
Creditors	10	(1,622,826)	(1,769,926)
		(1,622,826)	(1,769,926)
Net Current Assets		1,911,922	2,040,185
Total Assets Less Current Liabilities		15,330,931	14,896,049
Creditor due after one year	11	(54,854)	(57,140)
Defined Benefit Pension Scheme Liability	21	-	-
NET ASSETS		15,276,077	14,838,909
Represented by:			
Restricted Reserves	14	851,207	813,696
Endowments	13	1,577,232	1,427,258
Designated Funds - Branches	16	397,040	403,247
Unrestricted Reserves			
Unrestricted Reserves		12,450,598	12,194,708
Unrestricted Reserves Excluding Pension Liability		12,450,598	12,194,708
Pension Reserve	21	-	-
Total Unrestricted Reserves		12,450,598	12,194,708
TOTAL CHARITY RESERVES		15,276,077	14,838,909

The notes 1 to 21 form part of these financial statements.

The Charity's net movement in funds for the year was £437,168 (2024: £574,366).

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 23 March 2026.

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P A Round (Mar 26, 2026 17:46:09 GMT)

Air Cdre Peter Round FRAeS
Chair of the Board of Trustees



E Renton
Trustee

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

Consolidated Cash Flow Statement

For the Year ended 31 December 2025	Total 2025	Total 2024
	£	£
Cash flows from operating activities		
Net cash (used in) / provided by operating activities	(141,291)	247,358
Cash flows from investing activities		
Dividends, Interest and rents from investments	267,466	293,285
Purchase of property, plant and equipment	(305,519)	(181,406)
Proceeds from sale of investments	150,800	681,307
Purchase of investments	(345,377)	(863,313)
Net cash provided by operating activities	(373,921)	177,231
Cash flows from financing activities		
Repayments of borrowing	-	(720,413)
Net cash used in financing activities	-	(720,413)
Change in cash and cash equivalents in the reporting period	(373,921)	(543,182)
Cash and cash equivalents at the beginning of the reporting period	3,080,156	3,623,338
Cash and cash equivalents at the end of the reporting period	2,706,235	3,080,156

There were no borrowings or other debt arrangements and no further information to disclose in a reconciliation of net debt.

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

	Total 2025	Total 2024
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	400,203	430,617
Depreciation charges	193,275	172,468
(Gains) on investments	(256,324)	(88,032)
Dividends, Interest and rents from investments	(267,466)	(293,285)
Increase/(Decrease) in debtors	(121,499)	69,466
(Decrease) in creditors	(147,480)	(41,876)
Movement of pension fund contributions/pension fund costs	58,000	(2,000)
Net cash provided by operating activities	(141,291)	247,358

Notes to the Financial Statements

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

- a) The Society is a Professional Membership Body and Learned Society holding a Royal Charter. It is established as a Charity under the terms issued by the Charity Commission (registered number: 313708). The Charter of Incorporation and the By-Laws form the code that governs the Society. The registered office address is 4 Hamilton Place, London, W1J 7BQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statements is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2027 and the review of risks facing the charity.

The Society has a strong portfolio of investments and financial performance continues to be monitored regularly. The Trustees have reviewed the key assumptions within the forecast and are satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Taking into account the reserves position of the Society and the anticipated future results the Trustees do not consider that the appropriateness of this basis is subject to any material uncertainty.

- b) The consolidated accounts include the activities, assets and liabilities of the Society, its subsidiary companies, subsidiary charities and branches. Further information on the subsidiaries is disclosed in note 18. No separate SOFA or cashflow statement has been prepared for the charity as is permitted by the Charities SORP.

Aeronautical Trading Limited is the trading company and subsidiary company of the Society and its results, assets and liabilities are included in the consolidated accounts. The trading company operates the Venue Hire operations of the building. These activities are consolidated on a line by line basis and have the same year end as the Society.

Aeronautical Trusts Limited is the subsidiary company of the Society and is the corporate Trustee of the subsidiary charities - Royal Aeronautical Society Awards Trust (1045004) and Alan Snudden Memorial Trust Fund (1013530). This entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure accounts are presented as the movement in endowment funds are not material.

The Royal Aeronautical Society Awards Trust registered in England and Wales (registered number: 1045004) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

endowment funds are not material. The CAARC fund is shown as a distinct fund from the other funds of the Royal Aeronautical Society Award Trusts in these accounts. It is a specific fund administered within that charity.

Alan Snudden Memorial Trust Fund (1013530) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material.

Branches were established to promote the Society's Charter and objectives through Society activities in the area local to the branch and to represent the Society locally and organise lectures and other events. These activities are included in the charity results and distinguished those amounts as 'Designated – subsidiary Branches'. They have the same year end as the Society.

- c) Income is generally recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from Events, Education & Skills, Venue Hire, Donations, National Aerospace Library, Publication, Policy are accounted for at the time of event in the year. Income from donations is recognised on receipt or earlier where entitlement is established, receipt is probable and amounts can be measured reliably. where Income from legacies is recognised where evidence of entitlement exists, the value is measurable with sufficient reliability, and on the earlier of the date of receipt of finalised estate accounts or the date of payment.

Grant income is recognised in the SOFA when received or when the charity becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Individual subscriptions income is recognised on the amount received for the year. Amounts received during the year in relation to the future years are deferred. The Corporate Partners Scheme is recognised on receipt as anticipated funds are not enforceable debts. Where income is received net of tax, any taxation recoverable is taken to income on receipt of the net amount.

- d) Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made,

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

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

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

- f) Capital Expenditure - All purchases costing over £1,000 in total which are to be used for a period of more than one year are capitalised.

Heritage assets are held at deemed cost and not depreciated. They are reviewed annually for impairment.

- g) Depreciation is provided on the following basis:
- Land is not depreciated.
 - Freehold premises – Property is depreciated over 100 years at 1%.
 - Fixtures and Equipment including computers - Over the estimated useful life of the asset which varies between two and ten years.
 - IT Development – Over the estimated useful life of the asset which varies between two and five years.
 - Assets under construction are not depreciated.

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- h) The operating leases are disclosed in the note 12 to the financial statements. Lease payments under operating leases are charged against income on a straight line basis over term of the lease.
- i) Restricted income funds represent income subject to donor specified restrictions and the income arising on endowment funds for which specific uses have been specified. Expenditure for the specified purposes is set against the relevant income in the statement of financial activities. Unexpended balances are carried forward as restricted income funds or where the terms of the endowment provide for this, transferred to the capital balance of the endowment fund.

Unrestricted and Designated funds represent amounts set aside by the Trustees as detailed within Note 14 and 15 of the financial statements.

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

In addition, there is a frozen defined benefit scheme to which the Society continues to contribute in order to fund past service costs. In 2025, the recent FRS102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the Trustees feel the recoverability of the asset is too remote and has not recognised the asset in these accounts (See Note 21).

- k) The Society has charitable status and is exempt from taxation of its income and gains falling under with section 478 of the Corporation Tax Act 2010 or section 256 of the taxation of Charitable Gains Act 1992 to the extent they are applied to its Charitable objectives.

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

The heritage assets represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values, have an indefinite life and are therefore not depreciated. The Trustees have concluded a valuation in 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

- l) In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The valuation of assets and liabilities of the Defined Pension Scheme are performed by a professional actuary. Fuller details are provided in note 20 and these include details of the actuarial assumptions adopted. There is a pension scheme asset at the year-end. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts as an asset on the balance sheet in 2025. In the opinion of the Trustees, these assumptions represent the only material areas of estimation uncertainty in the financial statements.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

2. Analysis of Income

The analysis of income and expenditure by fund represents the activities of the Society including membership and the activities of its subsidiaries.

Income: 2025	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2025
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	118,941	61,452	-	137,439	317,832
	118,941	61,452	-	137,439	317,832
Income from Charitable Activities					
Education, Skills and Diversity	36,250	-	-	-	36,250
Conferences, events, seminars	416,145	-	-	-	416,145
End Point Assessment	641,472	-	-	-	641,472
Library (NAL)	10,029	-	-	-	10,029
Membership services	3,584,122	-	-	-	3,584,122
Publications and information	205,105	-	-	-	205,105
Policy & Research	-	-	-	-	-
	4,893,123	-	-	-	4,893,123
Income from Other Trading Activities					
Room hire services	813,157	-	-	-	813,157
Admin services	14,152	-	-	-	14,152
	827,309	-	-	-	827,309
Investment Income					
Investment Income	160,224	107,242	-	-	267,466
	160,224	107,242	-	-	267,466
Total	5,999,597	168,694	-	137,439	6,305,730

In 2025, The Society had not received any legacy income(2024: £50,500).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

2. Analysis of Income (continued)

Income: 2024	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2024
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	78,792	69,723	-	76,583	225,098
	78,792	69,723	-	76,583	225,098
Income from Charitable Activities					
Education, Skills and Diversity	45,700	-	-	-	45,700
Conferences, events, seminars	540,448	-	-	-	540,448
End Point Assessment	744,293	-	-	-	744,293
Library (NAL)	14,223	-	-	-	14,223
Membership services	3,393,726	-	-	-	3,393,726
Publications and information	167,227	-	-	-	167,227
Policy & Research	-	-	-	-	-
	4,905,617	-	-	-	4,905,617
Income from Other Trading Activities					
Room hire services	755,951	-	-	-	755,951
Admin services	9,927	-	-	-	9,927
	765,878	-	-	-	765,878
Investment Income					
Investment Income	186,023	107,262	-	-	293,285
	186,023	107,262	-	-	293,285
Total	5,936,310	176,985	-	76,583	6,189,878

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

3. Employee information

The average numbers of staff employed during the year was 59.58/63.67 FTE (2024: 57.25/54.33 FTE).

	2025	2024
	£	£
Staff costs (for the above persons)		
Salaries	2,479,158	2,239,301
Social security costs	301,542	229,081
Other pension costs	322,193	308,226
Temporary staff and other staff costs	105,226	86,371
	3,208,119	2,862,979

The charity contributes towards a defined contribution pension scheme. The cost of this scheme is charged to SOFA and amounted to £271,405 (2024: £223,026). The scheme did not give rise to any provision.

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

	2025	2024
	Number	Number
£60,001 - £70,000	3	3
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	2	1
£100,001 - £110,000	-	1
£150,001 - £160,000	1	1

The key management personnel of the Society comprises the Board of Trustees and the Executive Team as listed on page 18 and 19. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by the Executive Team comprising the Chief Executive, Chief of Staff, Director of Membership & Professional Standards, Knowledge and Networks Director, Financial Controller and Financial Director for their services to the Society was £629,538 (2024: £581,019). Aggregate termination payments for the year were £nil (2024: £1,957).

Trustees do not receive remuneration for their services. During the year the President was reimbursed £12,128 (2024: £10,596) and 2 (2024: 1) other Trustee(s) were reimbursed £3,759 (2024: £1,180) in respect of travel and subsistence expenses incurred in performance of their duties.

In accordance with normal commercial practice the Society has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Society business. The insurance provides cover up to £5,000,000 on any one claim and the cost for 2025 was £2,000 (2024: £3,959).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

4. Related party transactions

In 2025, The Society charged its subsidiary company Aeronautical Trading Limited £314,024 (2024: £359,709) in respect of administrative expenses which represents an allocation of overheads from the Society.

Under a Gift Aid declaration, Aeronautical Trading Limited will make a gift aid payment of £nil to the Charity this year (2024: £nil).

The Aeronautical Trading Limited paid the charity £nil (2024: £304,048) of monies collected on invoices settled in 2025.

As at 31 December 2025, the Aeronautical Trading Limited owed the charity £524,087 (2024: £88,630).

A number of Trustees hold senior positions in organisations in the aerospace industry which from time to time transact with the Society, the Trustees have no direct involvement with these transactions.

5. Analysis of expenditure

Expenditure: 2025	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2025
	£	£	£	£		£
Raising Funds:						
Fund Raising	6,559	58,077	64,636	-	-	64,636
Room Hire Services	215,198	314,024	529,222	-	-	529,222
Admin services	-	10,756	10,756	-	-	10,756
Investment management costs	7,485	5,967	13,452	7,820	-	21,272
	229,242	388,824	618,066	7,820	-	625,886
Charitable Activities:						
Careers & education	272,228	167,717	439,945	102,810	-	542,755
Conferences	407,713	282,684	690,397	-	-	690,397
End Point Assessment	339,774	239,060	578,834	-	-	578,834
NAL (Library)	338,984	132,362	471,346	-	-	471,346
Membership services	1,050,219	649,337	1,699,556	-	184,664	1,884,220
Publications & information	631,283	189,261	820,544	-	-	820,544
Policy & Research	432,680	115,189	547,869	-	-	547,869
	3,472,881	1,775,610	5,248,491	102,810	184,664	5,535,965
	3,702,123	2,164,434	5,866,557	110,630	184,664	6,161,851

Within Careers & Education, a total of £55,589 was paid to individuals (2024: £78,522) covering 39 grants and prizes (2024: 46). Grants are paid when approved and accrued from the time of approval.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

5. Analysis of expenditure (continued)

Expenditure: 2024	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2024
	£	£	£	£		£
Raising Funds:						
Fund Raising	10,368	52,009	62,377	-	-	62,377
Room Hire Services	181,128	359,709	540,837	-	-	540,837
Admin services	-	9,886	9,886	-	-	9,886
Investment management costs	13,652	5,255	18,907	14,264	-	33,171
	205,148	426,859	632,007	14,264	-	646,271
Charitable Activities:						
Careers & education	276,361	169,288	445,649	144,290	-	589,939
Conferences	409,325	257,501	666,826	-	-	666,826
End Point Assessment	354,072	239,691	593,763	-	-	593,763
NAL (Library)	284,206	119,075	403,281	-	-	403,281
Membership services	941,592	621,315	1,562,907	-	109,365	1,672,272
Publications & information	629,280	184,155	813,435	-	-	813,435
Policy & Research	352,385	109,122	461,507	-	-	461,507
	3,247,221	1,700,147	4,947,368	144,290	109,365	5,201,023
	3,452,369	2,127,006	5,579,375	158,554	109,365	5,847,294

**ROYAL AERONAUTICAL SOCIETY
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6. Analysis of support costs

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

Support Costs: 2025	Management /Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2025
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,597	38,984	1,678	-	7,326	3,492	58,077
Room Hire Services	39,407	12,531	1,677	7,944	14,653	237,812	314,024
Admin services	347	5,569	-	993	3,663	184	10,756
Investment management costs	260	5,569	-	-	-	138	5,967
	46,611	62,653	3,355	8,937	25,642	241,626	388,824
Charitable Activities:							
Careers & education	51,733	16,708	25,333	9,929	36,631	27,383	167,717
Conferences	53,121	100,246	25,332	9,930	65,937	28,118	282,684
EPA	54,684	83,539	25,331	9,929	36,632	28,945	239,060
NAL (Library)	34,893	38,984	16,888	4,965	36,632	-	132,362
Membership services	166,395	183,783	59,108	34,753	117,221	88,077	649,337
Publications & information	64,058	27,846	16,888	9,930	36,631	33,908	189,261
Policy & Research	47,393	15,315	10,140	9,929	7,326	25,086	115,189
	472,277	466,421	179,020	89,365	337,010	231,517	1,775,610
	518,888	529,074	182,375	98,302	362,652	473,143	2,164,434

Support Costs: 2024	Management /Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2024
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,004	33,641	1,605	-	6,428	4,331	52,009
Room Hire Services	28,978	10,814	1,605	10,140	12,855	295,317	359,709
Admin services	348	4,806	-	1,267	3,214	251	9,886
Investment management costs	261	4,806	-	-	-	188	5,255
	35,591	54,067	3,210	11,407	22,497	300,087	426,859
Charitable Activities:							
Careers & education	49,863	14,417	24,229	12,675	32,139	35,965	169,288
Conferences	44,293	86,506	24,229	12,675	57,849	31,949	257,501
EPA	57,259	72,088	24,229	12,675	32,139	41,301	239,691
NAL (Library)	30,805	33,642	16,152	6,337	32,139	-	119,075
Membership services	150,459	158,594	56,533	44,362	102,843	108,524	621,315
Publications & information	57,608	24,030	16,152	12,675	32,138	41,552	184,155
Policy & Research	38,985	13,216	9,698	12,675	6,428	28,120	109,122
	429,272	402,493	171,222	114,074	295,675	287,411	1,700,147
	464,863	456,560	174,432	125,481	318,172	587,498	2,127,006

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

6. Analysis of support costs (continued)

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

	Total 2025	Total 2024
	£	£
Staff Costs	86,953	82,245
Staff Training/Travel/Recruitment	548	399
President, Council & BofTs Expenses	18,677	14,367
Audit Fees	22,810	23,706
Support Costs	53,387	53,715
	182,375	174,432

The President, Council and Board of Trustees' Expenses were related to travel & subsistence, training and other administrative costs.

7. Fixed Assets – Group and Charity

	<u>Tangible Assets</u>				<u>Intangible Assets</u>			
	Property Land	Freehold Property	Fixtures and Equipment	Heritage Assets At Valuation	Total	Website Development		Total
	£	£	£	£		£		£
Cost or Valuation								
At 1 January 2025	5,527,222	2,722,363	557,425	410,843	9,217,853	114,133	9,331,986	
Additions	-	-	94,210	-	94,210	211,309	305,519	
Disposals and other adjustments	-	-	(2,449)	-	(2,449)	(31,920)	(34,369)	
Balance 31 December 2025	5,527,222	2,722,363	649,186	410,843	9,309,614	293,522	9,603,136	
Depreciation								
At 1 January 2025	-	81,672	310,182	-	391,854	102,458	494,312	
Charge for the year	-	27,224	112,115	-	139,339	53,936	193,275	
Removed on disposal	-	-	(2,449)	-	(2,449)	(31,920)	(34,369)	
Balance 31 December 2025	-	108,896	419,848	-	528,744	124,474	653,218	
Net book value								
At 31 December 2025	5,527,222	2,613,467	229,338	410,843	8,780,870	169,048	8,949,918	
At 31 December 2024	5,527,222	2,640,691	247,243	410,843	8,825,999	11,675	8,837,674	

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

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

Of the above £8,539,075 (2024: £8,426,831) represents assets held for the Society's use. Functional Assets are also used by Aeronautical Trading Limited and this is reflected in their normal management charge.

ROYAL AERONAUTICAL SOCIETY FOR YEAR ENDED 31 DECEMBER 2025

The heritage assets of £410,843 (2024: £410,843) represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values. The Trustees have concluded a valuation 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

8. Investments – Group and Charity

The Finance Committee (on behalf of the Board of Trustees) review the Society's investments with Cazenove (investment advisors) on a quarterly basis.

	2025	2024
	£	£
Investments in Government and other listed securities:		
UK	170,787	442,578
Overseas	205,263	105,804
Official Investments Funds at market values:		
UK	173,133	1,160,209
Overseas	3,143,991	1,888,490
Property, Commodities & Other	567,835	326,633
Bank Deposits	208,079	94,473
	4,469,088	4,018,187
Analysis of movements of investment assets:	2025	2024
	£	£
Investments at 1 January	4,018,187	3,748,149
Additions	345,377	863,313
Disposals	(150,800)	(681,307)
Revaluations	256,324	88,032
Investments at 31 December	4,469,088	4,018,187

Dividend income in the statement of financial activities arise from the above holdings which are all listed on the London Stock Exchange. The management of investments was transferred to Cazenove in May 2025, the investments value was £3,998,076. The fund has since increased in value by £471,012.

9. Debtors

9. DEBTORS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	406,908	325,031	369,426	298,085
Other debtors	64,033	54,357	64,033	54,357
Prepayments	338,797	308,851	338,797	308,852
Amount due from subsidiary undertaking	-	-	524,087	88,630
	809,738	688,239	1,296,343	749,924

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

10. Creditors falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	207,853	260,312	204,073	260,312
Accruals and deferred income	1,259,286	1,316,329	1,246,861	1,301,959
Other taxes and social security	62,760	62,240	62,760	62,240
Other creditors	110,498	146,710	109,132	145,415
Amount due to subsidiary undertaking	-	-	-	-
	1,640,397	1,785,591	1,622,826	1,769,926

Deferred income represents income from Subscription for Membership, Publications, Venue Hire, Conference, Sponsorship for future periods. This includes sponsorship from Marshall, Martin Baker and Airbus.

Reconciliation of deferred income	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Balance as at 1 January	1,191,857	1,103,962	1,177,487	1,077,042
Income deferred in the current year	1,020,334	1,082,911	1,010,869	1,076,651
Release from prior year	(1,117,847)	(995,016)	(1,106,436)	(976,206)
Balance as at 31 December	1,094,344	1,191,857	1,081,920	1,177,487

11. Creditors falling due after one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Sponsorship: Marshalls	54,854	57,140	54,854	57,140
	54,854	57,140	54,854	57,140

In March 2009 the Society purchased the freehold of No 4 Hamilton Place (Society's HQ) at a cost of £4,859,755; the Society repaid its mortgage in 2024.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

12. Operating lease

The RAeS is committed on operating leases as follows:

	2025 £	2024 £
Within 1 year	-	897
Within 2 to 5 years	-	-
	-	897

In 2025, the operating leases cost was £nil (2024: £897).

13 . Endowment funds

The following reserves are held in accordance with the reserves policy set out on page 10 of this report.

Funds: 2025	Fund Balances Brought Forward 01/01/2025 £	Income £	Expenditure £	Transfers £	Gains £	Fund Balances Carried Forward 31/12/2025 £
CAARC Fund	18,606	-	-	1,095	1,443	21,144
Alan Snudden	80,522	-	-	-	6,443	86,965
Awards Trust	1,328,130	-	-	48,278	92,715	1,469,123
Total Expendable Endowment Funds	1,427,258	-	-	49,373	100,601	1,577,232

Funds: 2024	Fund Balances Brought Forward 01/01/2023 £	Income £	Expenditure £	Transfers £	Gains £	Fund Balances Carried Forward 31/12/2024 £
CAARC Fund	17,085	-	-	1,025	496	18,606
Alan Snudden	78,309	-	-	-	2,213	80,522
Awards Trust	1,260,813	-	-	35,475	31,842	1,328,130
Total Expendable Endowment Funds	1,356,207	-	-	36,500	34,551	1,427,258

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

14. Restricted income funds

The following reserves are held in accordance with the reserves policy set out on page 10 of this report.

Funds: 2025	Fund Balances Brought Forward 01/01/2025	Income	Expenditure	Transfers	Gains	Fund Balances Carried Forward 31/12/2025
	£	£	£	£	£	£
CAARC Fund	-	1,181	(86)	(1,095)	-	-
Alan Snudden	44,133	6,797	(496)	-	1,857	52,291
Awards Trust	-	75,917	(24,639)	(51,278)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	202,143	14,433	(52,176)	3,000	17,627	185,027
National Aerospace Library Fund	164,535	8,914	(650)	-	10,886	183,685
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
Falcon 2 (Formerly School Build a Plane Challenge)	23,734	-	-	-	-	23,734
ALTA	6,952	9,500	(6,574)	-	-	9,878
Boeing - Project Altitude	115,361	39,956	(5,707)	-	-	149,610
Flying Start Challenge	9,720	9,300	(7,478)	(1,550)	-	9,992
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	163,310	2,696	-	-	-	166,006
Worldskills	4,775	-	-	-	-	4,775
AAU Outreach	23,429	-	-	-	-	23,429
CAA Sky Challenge	24,609	-	(12,824)	-	-	11,785
Total Funds	813,696	168,694	(110,630)	(50,923)	30,370	851,207

Funds: 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
CAARC Fund	-	1,182	(157)	(1,025)	-	-
Alan Snudden	37,600	6,798	(903)	-	638	44,133
Awards Trust	-	75,932	(37,457)	(38,475)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	249,740	14,435	(71,085)	3,000	6,053	202,143
National Aerospace Library Fund	153,067	8,915	(1,186)	-	3,739	164,535
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
Falcon 2 (Formerly School Build a Plane Challenge)	23,734	-	-	-	-	23,734
ALTA	4,852	5,000	(2,900)	-	-	6,952
Boeing - Project Altitude	103,272	37,647	(25,558)	-	-	115,361
Flying Start Challenge	5,641	10,207	(4,578)	(1,550)	-	9,720
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	160,191	3,119	-	-	-	163,310
Worldskills	4,775	-	-	-	-	4,775
AAU Outreach	23,429	-	-	-	-	23,429
CAA Sky Challenge	25,589	13,750	(14,730)	-	-	24,609
Total Funds	822,885	176,985	(158,554)	(38,050)	10,430	813,696

Alan Snudden Fund – The Trustees had the power to accumulate surpluses for 21 years from the founding deed which was dated 1992; transfers to net income made from 2013 have been transferred back to Restricted to cover future commitments.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

15. Unrestricted reserve funds

The following reserves are held in accordance with the reserves policy set out on page 10 of this report.

Funds : 2025	Fund Balances Brought Forward 01/01/2025	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2025
	£	£	£	£	£	£
General Reserve - Functional Assets	8,426,831	112,244	-	-	-	8,539,075
General Reserve - Functional Assets Loan	-	-	-	-	-	-
General Reserve - Free Reserve	2,828,078	5,768,474	(5,621,522)	(115,468)	125,353	2,984,915
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	39,235	-	(7,542)	-	-	31,693
Mortgage & Premises Reserve	-	-	-	-	-	-
No.4 HP Refurbishment Project	-	-	-	-	-	-
Designated IT Project Fund	181,629	-	(11,000)	-	-	170,629
RAeS Foundation	250,708	118,879	(92,493)	-	-	277,094
	12,137,324	5,999,597	(5,732,557)	(115,468)	125,353	12,414,249
Pension Fund - Reserve	-	-	(134,000)	76,000	58,000	-
Total Funds	12,137,324	5,999,597	(5,866,557)	(39,468)	183,353	12,414,249

The Free reserve represents the surplus on funds available for future general activities after allowances for the reserves specified in the policy. In 2025, branches received £41,018 subvention transfers from the Society's free reserves.

Funds : 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
General Reserve - Functional Assets	8,417,893	8,938	-	-	-	8,426,831
General Reserve - Functional Assets Loan	(720,414)	-	-	720,414	-	-
General Reserve - Free Reserve	3,173,532	5,902,857	(5,476,627)	(814,735)	43,051	2,828,078
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	(12,101)	-	39,235
Mortgage & Premises Reserve	6,836	-	-	(6,836)	-	-
No.4 HP Refurbishment Project	100,000	-	-	(100,000)	-	-
Designated IT Project Fund	81,629	-	-	100,000	-	181,629
RAeS Foundation	254,941	24,515	(28,748)	-	-	250,708
	11,776,596	5,936,310	(5,505,375)	(113,258)	43,051	12,137,324
Pension Fund - Reserve	-	-	(74,000)	76,000	(2,000)	-
Total Funds	11,776,596	5,936,310	(5,579,375)	(37,258)	41,051	12,137,324

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

16. Designated Branches funds

Funds: 2025	Fund Balances Brought Forward 01/01/2025	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2025
	£	£	£	£	£	£
Branches	403,247	137,439	(184,664)	41,018	-	397,040
Total Funds	403,247	137,439	(184,664)	41,018	-	397,040

Funds: 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
Branches	397,221	76,583	(109,365)	38,808	-	403,247
Total Funds	397,221	76,583	(109,365)	38,808	-	403,247

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

17. Analysis of funds

Funds: 2025	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2025 are represented by:					
Fixed assets	8,949,918	-	-	-	8,949,918
Investments	2,185,565	529,505	1,754,018	-	4,469,088
Current assets	2,974,017	321,702	(176,786)	397,040	3,515,973
Current Liabilities	(1,640,397)	-	-	-	(1,640,397)
Total Funds Excluding Pension Liability and Non-Current liabilities	12,469,103	851,207	1,577,232	397,040	15,294,582
Long Term Liabilities	(54,854)	-	-	-	(54,854)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	12,414,249	851,207	1,577,232	397,040	15,239,728
Funds: 2024	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2024 are represented by:					
Fixed assets	8,837,674	-	-	-	8,837,674
Investments	1,965,056	476,081	1,577,050	-	4,018,187
Current assets	3,177,325	337,615	(149,792)	403,247	3,768,395
Current Liabilities	(1,785,591)	-	-	-	(1,785,591)
Total Funds Excluding Pension Liability	12,194,464	813,696	1,427,258	403,247	14,838,665
Long Term Liabilities	(57,140)	-	-	-	(57,140)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	12,137,324	813,696	1,427,258	403,247	14,781,525

18. Capital Commitments

The Society has capital commitments of £428,334 (2024: £nil), in respect of an IT CRM & CMS project.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

19. Subsidiary charities and companies

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

The subsidiary charities are:

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

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

The subsidiary companies are:

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

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

Aeronautical Trading Limited (registered number 03243525) is the only trading company and its results, assets and liabilities are included in the consolidated accounts. Its results and financial position are summarised below:

Aeronautical Trading Ltd - Profit and Loss Account	2025	2024
	£	£
Turnover	550,257	483,453
Cost of sales	(215,198)	(181,128)
Gross Profit	335,059	302,325
Administrative expenses	(314,024)	(359,709)
Operating (loss)/ profit	21,035	(57,384)

Aeronautical Trading Ltd - Balance Sheet

	2025	2024
	£	£
Debtors	37,482	26,945
Cash at Bank	467,828	19,968
Creditors: amounts falling due within 1 year		
Other creditors	(541,657)	(104,295)
Net (Liabilities)/ Assets	(36,347)	(57,382)
Represented By:		
Total Equity	(36,347)	(57,382)

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

20. Consolidated Statement of Activities 2024

The following Consolidated Statement of Financial Activities for the year ended 31 December 2024:

	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2024
	£	£	£	£	£
Income and endowments from:					
Donations & Legacies	78,792	69,723	-	76,583	225,098
Charitable Activities	4,905,617	-	-	-	4,905,617
Other Trading Activities	765,878	-	-	-	765,878
Investments	186,023	107,262	-	-	293,285
Total	5,936,310	176,985	-	76,583	6,189,878
Expenditure on:					
Raising Funds	632,007	14,264	-	-	646,271
Charitable Activities	4,947,368	144,290	-	109,365	5,201,023
Total	5,579,375	158,554	-	109,365	5,847,294
Net income/(expenditure) before losses on investments	356,935	18,431	-	(32,782)	342,584
Net losses on investments	43,051	10,430	34,551	-	88,032
Net income/expenditure	399,986	28,862	34,551	(32,782)	430,616
Transfers between funds	(37,258)	(38,050)	36,500	38,808	-
	362,728	(9,188)	71,051	6,026	430,616
Other recognised (losses)/gains:					
Net actuarial (losses) on Pension Scheme	(2,000)	-	-	-	(2,000)
Net movement in funds	360,728	(9,188)	71,051	6,026	428,616
Balance at 1 January	11,776,596	822,885	1,356,207	397,221	14,352,909
Funds at 31 December	12,137,324	813,697	1,427,258	403,247	14,781,525

21. Defined Benefit Pension Scheme (now frozen)

The valuation used for FRS102 disclosures has been based on the most recent actuarial valuation as at 1 April 2022 and updated by the Actuary to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 December 2025. Scheme assets are stated at their market value at 31 December 2025.

The most recent valuation on a discontinued basis was at 1 April 2022 which showed that the scheme's assets fully covered its priority liabilities and 77% of the remaining liabilities on that date; the actuarial valuation shows a deficit of £982k (2019: £1,294k).

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

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

Economic assumptions

	Proposed assumption at 31 December 2025	Proposed assumption at 31 December 2024
Discount rate	5.40% p.a.	5.40% p.a.
Future increase in Retail Prices Index ("RPI")	2.90% p.a.	3.15% p.a.
Future increase in Consumer Prices Index ("CPI")	2.25% p.a.	2.40% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.25%p.a.	2.40%p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	2.75% p.a.	2.95% p.a.

Demographic assumptions

	Proposed assumption at 31 December 2025	Proposed assumption at 31 December 2024
Pre/Post-retirement mortality	98% of SAPS 'S3' Pensioner tables based on members' years of birth	98% of SAPS 'S3' Pensioner tables based on members' years of birth
Future improvements in longevity	CMI 2024 projections with a long term trend of 1.0% p.a.	CMI 2023 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	26.2	25.9
Female currently aged 60	28.8	28.8
Male currently aged 40	27.4	27.4
Female currently aged 40	30.0	30.2
Commutation	50% of members assumed to commute some of their pension to receive the maximum tax-free cash lump sum using the Scheme's current cash commutation terms.	50% of members assumed to commute some of their pension to receive the maximum tax-free cash lump sum using the Scheme's current cash commutation terms.
Retirement age	Members are assumed to retire at age 60	Members are assumed to retire at age 60
Proportion with eligible spouse	80% of males / 70% of females. Males assumed to be 3 years older than female spouses	80% of males / 70% of females. Males assumed to be 3 years older than female spouses
Options (e.g. transfers out)	Set in line with 2022 valuation	Set in line with 2022 valuation

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

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

A) Assets and DBO

	31 December 2025	31 December 2024
	£'000	£'000
Total Value of total Scheme assets	-	1,716
Total Value of assets in respect of insured pensioners	2,339	592
Present value of DBO	(2,339)	(2,308)
Funded surplus / (deficit)	-	-

B) Reconciliation of the value of the DBO

	31 December 2025	31 December 2024
	£'000	£'000
Opening DBO	2,308	2,906
Interest on liabilities	122	124
Actuarial losses / (gains)		
From change on assumptions	(10)	(315)
From experience	14	(5)
Settlements	-	(250)
Benefits paid out	(95)	(152)
Expenses	-	-
Closing defined benefit obligation	2,339	2,308

C) Reconciliation of the value of the assets

	31 December 2025	31 December 2024
	£'000	£'000
Opening value assets	2,308	2,906
Interest income on Scheme Assets	158	150
Actuarial gains / (losses)	(547)	(194)
Society contributions	76	76
(Loss)/gain on Settlements	0	(297)
Benefits paid	(265)	(205)
Derecognition of surplus	609	(128)
Closing value of assets	2,339	2,308

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

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

D) Return on the Scheme Assets

	31 December 2025	31 December 2024
	£'000	£'000
Actual return on assets (gains)	(389)	(44)

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

	31 December 2025	31 December 2024
	£'000	£'000
Losses/ (gains) on settlement and curtailments	-	47
Administrative costs	170	53
Net interest income	(36)	(26)
Total	134	74

E.2) Analysis of net interest cost

	31 December 2025	31 December 2024
	£'000	£'000
Interest income on Scheme assets	(158)	(150)
Interest in Scheme liabilities	122	124
Net interest (credit) / cost	(36)	(26)

F) Amount recognised in Other Comprehensive Income

	31 December 2025	31 December 2024
	£'000	£'000
Return on Scheme assets less interest income	62	(322)
Actuarial gains/(losses from a change in assumptions)	10	315
Actuarial (losses)/gains from experience	(14)	5
Expense/(Income) recognised in Actuarial Losses	58	(2)

G) Society Contributions

Under the current Schedule of Contributions, the Society contributes the following:

Deficit contributions of £76k per annum from 1 April 2019 to 31 March 2034; and

all Scheme expenses (including PPF levies). The Buy-in, Buy-Out and Wind Up expenses will be met by the Pension Trustees and The Society as agreed between the two parties.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2025**

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

H) Amounts for the current and previous two periods

	31 December 2025	31 December 2024	31 December 2023
	£'000	£'000	£'000
Present value of funded DBO	(2,339)	(2,308)	(2,906)
Scheme Assets	-	1,716	2,224
Value of assets in respect of insured pensions	2,339	592	682
Surplus/(deficit)	-	-	-
Experience gain/(loss) on DBO	(14)	5	(46)
Experience gain/(loss) on assets	(547)	(194)	20

The recent FRS 102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the trustees feel that the recoverability of the asset is too remote and has not recognise the Pension Scheme asset in these accounts as a result.

I) Sensitivity of movement in key assumptions	£'000
Discount rate + 0.50%	(152)
Inflation (RPI and CPI) + 0.50%	49
Life Expectancy + 1year	92

The recent FRS 102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the trustees feel that the recoverability of the asset is too remote and has not recognised the Pension Scheme asset in these accounts as a result

ROYAL AERONAUTICAL SOCIETY

England & Wales - Charity number 313708

Accounts



**ROYAL
AERONAUTICAL
SOCIETY**

Royal Aeronautical Society

**Trustees' Annual Report and Accounts
Year Ended 31 December 2024**

Charity Registration Number: 313708

Incorporating:

Charity Registration Number: 1013530

Charity Registration Number: 1045004

Report of the Board of Trustees for the year ended 31 December 2024

The members of the Board of Trustees are pleased to present their annual report and financial statements of the Society for the year ended 31 December 2024.

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

The guiding principles of the Royal Aeronautical Society ("RAeS") are embodied in this extract from the Society's Royal Charter: "The objects and purposes are the general advancement of aeronautical Art, Science and Engineering and for promoting that species of knowledge which distinguishes the profession of Aeronautics (which expression includes Astronautics)".

The Society provides free lectures and access to the National Aerospace Library to encourage the public to engage in aerospace and aviation. Membership is open to those who have an interest or pursuing a career in aviation and aerospace.

Objectives and Activities

The Royal Aeronautical Society has continued to lead the global aerospace and aviation community in 2024, advancing innovation, education, and collaboration. With almost 160 years of heritage, the RAeS remains committed to supporting professionals across the globe, driving high standards and sustainable solutions in aerospace, and inspiring future generations to participate and engage in the industry.

Our mission is to:

- Provide influence and leadership to the aerospace, aviation and space domains, disseminating impartial and authoritative knowledge and information to a broad audience.
- Attract and support a diverse and active membership base both nationally and internationally, via a wide range of activities across the entire aerospace, aviation and space community.
- Maintain and facilitate professional standards across a wide range of competence and academic activities.
- Act in accordance with and maintain charitable status.

The Society aims to achieve its mission and vision through the following strategic aims:

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

Achievements and performance

In 2024, the Society focussed on key objectives including to grow membership, increase engagement with core audiences to ensure value and longevity, widen the reach of the events and outreach programmes as well as policy initiatives to inform and influence within the sector and maintain financial stability in order to support future investment planning.

ROYAL AERONAUTICAL SOCIETY

REPORT OF THE TRUSTEES

FOR YEAR ENDED 31 DECEMBER 2024

Success is measured through benchmarking key metrics, setting growth targets and gathering data on agreed outcomes and impact to determine trends and improvements.

Provide influence and leadership

The RAeS actively engaged with UK government and regulators, providing expert input on critical policy areas and presenting a position paper on priorities for the new UK government. In achieving engagement and leadership objectives meetings were scheduled with Aviation Ministers and officials from key organisations such as the International Civil Aviation Organisation (ICAO), Department for Transport, Department of Business and Trade, UK Space Agency, UK Civil Aviation Authority (CAA), US Federal Aviation Authority (FAA), and European Aviation Safety Agency (EASA).

Responses to 11 consultations were submitted on topics ranging from Detect and Avoid Policy to General Aviation Pilot Licensing, Vertiport Design and review of UAS Regulations demonstrating the core role of disseminating independent and authoritative knowledge across the sector.

The RAeS convened influential roundtables on topics such as Gender Diversity in Aviation with international airlines, briefed several of the UK's Chief Scientific Advisors on Contrail Management, hosted the UK CAA Annual Address and continued to engage with a variety of key stakeholders.

The RAeS's thought leadership was further demonstrated through the publication of several position papers on topics covering Mental Health in Aviation, Air Traffic Control Staffing in the UK, the Future of Advance Air Mobility safety and the UK Strategic Defence Review, informing policy discussions and shaping the future of the aerospace sector, and receiving significant industry and media coverage.

The RAeS launched its Sustainability Policy, underscoring its commitment to environmental, social, and economic sustainability. Furthermore, a Sustainability Workshop was held to gather member input for future initiatives in this crucial area and a Sustainability Working Group is being established.

The monthly AEROSPACE magazine and podcast and weekly Insight blog series continues to produce content and articles from award-winning aviation journalists and contributors that inform debate and build on the body of knowledge.

Trends suggest the Impact Factor for The Aeronautical Journal continue to rise, paper submissions are up while the acceptance rate remains stable around 37% further showcasing the increase in the quality of published technical research papers contributing to objectives to disseminate knowledge and information. A further 5 papers were published in the Journal of Aeronautical History in 2024.

Events organised by the RAeS Headquarters attracted over 3000 attendees to a mix of technical conferences, seminars, public lectures and networking events. Hundreds more events both in person and online were delivered through the regional network facilitating the exchange of knowledge and information with global audiences. Particular highlights include the International Conference on Energy from Space, the 2nd Future Combat Air Systems Conference, the CEAS European Guidance, Navigation and Control (Euro GNC) Conference, and the RAeS President's Design, Build, Fly Conference.

The RAeS played a prominent role in major international events, including Farnborough International Airshow, Aero Friedrichshafen, NATO at 75 in Berlin Brandenburg where a new RAeS branch was launched, Space Comm Expo Scotland and the World Sustainable Skies Summit, further enhancing its global influence.

Attract and support a diverse membership

Membership numbers grew to 25,632 aerospace professionals and over 350 industries academic, and charitable partners across 115 countries by the end of 2024 with the team having reached over 380 potential members and registrants through the webinar programme, delivered 26 briefings, workshops and mentoring training sessions, and participated in 186 membership and registration 1-2-1 support calls to support the professional development of members.

In 2024, one particular objective focussed on encouraging members to upgrade to a higher grade of membership to ensure their skills and service to the industry are well reflected through their post nominal letters and over 370 members took up this opportunity throughout the year. The streamlined application

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2024

route for Members and Fellows to nominate colleagues saw over 252 nominations in 2024, adding to the 810 successful applications through this route since its inception in 2018.

Presentations to 40 Universities and Further Education Colleges led to over 3158 full time students and 104 apprentices joining the RAeS in 2024 ensuring the goal of engaging with the next generation of aerospace professionals and supporting their access to mentoring, knowledge resources, networking opportunities, awards and scholarships is met.

The Next Generation Board and Young Persons Committee delivered a diverse programme of activity to engage and support young professionals including the Aero Challenge, AeroTube, Young Professionals Conference and the annual Networking Reception.

The Equity, Diversity & Inclusion (ED&I) strategy continued to deliver a varied programme of events and activity with the Pride & Allies Group celebrating its first full year of operation, hosting well-attended events, including a celebration of LGBTQIA+ people in STEM and a Pride event aligned with London Pride.

The Women in Aviation, Aerospace and Space Committee (WAASC) marked its 15th anniversary, continuing its vital work supporting women in the RAeS and the broader sector. The WAASC's International Women's Day event, integrated into the Presidential Conference, reached a wide audience through both in-person attendance and livestreaming.

The ALTA mentoring platform celebrated its 5th anniversary, experiencing significant growth with over 680 users and expanding its network of supporting partners, including BA City Flyer, Euro Flyer, Capgemini Engineering, and KLM UK.

Promoting professional standards

The ongoing review of academic programmes ensures the continual provision of the recognised level of understanding, knowledge and skills to underpin professional competence to help graduates on their way to registration as Chartered or Incorporated Engineers. The full schedule this year included 11 to Higher Education Institutions and 2 professional scheme visits. As such, the accreditation numbers have grown to 37 Universities and Further Education Colleges and 13 Professional Development Schemes.

An Academic Forum hosted by the RAeS in December 2024 was attended by over 25 members of academic staff from 19 universities, alongside members of the RAeS Accreditation Committee, providing an opportunity to share best practices as well as attending presentations from well-respected subject experts on topics such as AI in Academia and introducing new technologies to the syllabi.

The End Point Assessment team, an Institute for Apprenticeships and Technical Education (IfATE) approved and Ofqual-regulated End Point Assessment Organisation (EPAO) continued to provide essential services to the sector, with a 15% growth rate in assessing over 400 apprentices and undertaking over 800 individual assessments across 4 Apprenticeship Standards in the engineering and manufacturing sectors.

Deliver benefit to society

The educational outreach programs, including Cool Aeronautics and Project Altitude, inspired over 1,500 primary school children and engaged young people in exploring careers in aerospace. In addition, support to the Big Bang Fair, Boeing Girls in Engineering Day and the Royal International Air Tattoo ensured delivery of objectives to inspire future generations to consider careers in aerospace.

The Falcon 2 STEM programme, nearing completion, will provide accessible glider and flight simulators, further enhancing educational opportunities and meeting the objective to introduce people from all backgrounds, with a particular emphasis on those with Special Educational Needs and Disability (SEND), to the wonder of flight.

Again, Careers in Aviation Aerospace LIVE, the only dedicated recruitment fair for the whole sector, welcomed almost 750 attendees to No.4 Hamilton Place to listen to an inspiring programme of careers advice and guidance to support their decision making and meet with 25 organisations to sustain recruitment activities.

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2024

The National Aerospace Library continued its role to use and develop the Society's world-important collections to foster the greater understanding of aviation, both within the Society's membership and in the wider world.

2024 saw the launch of the Royal Aeronautical Society Foundation-funded oral history project, designed to both inspire the next generation and entertain members of the public. These, together with other sound recordings from the archives, have led to over 14,000 listens over the last year. The project's success led to an invitation for the Society to share this knowledge at Aviation Heritage UK's Summer meeting.

The National Aerospace Library also once again took part in Heritage Open Days with Art and Aviation talks and tours which brought over 150 members of the public to see amazing material from the golden age of civil aviation, receiving this excellent feedback:

It was an awe-inspiring and humbling experience to be in the presence of so many historical objects and to listen to such experts in their field of knowledge.

Royal Aeronautical Society Foundation – Fundraising

Since 2008/2009 the Foundation has focused on promoting Gift Aid to the Society's membership and ensuring that these funds are used to support the Society's charitable objectives. In 2024, The Society did not undertake any fundraising activity requiring disclosure under S162A of the Charities Act 2011. The Foundation has however continued to support a number of projects totalling £28,748 (2023: £6,392) with the following projects being supported:

- Digitisation of the Society & NAL archive
- Student/Apprentice Learning & Development;
- Inspiration programme with Aeronautical professionals for today's generation

Financial Review

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

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2029 and the review of risks facing the charity. These forecasts incorporate key challenges surrounding the impact from ongoing cost of living crisis and have considered sensitivities surrounding our income in particular on Venue Hire. The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Income

Total income increased by 4.1% to £6,189,878 with total unrestricted income increasing by 4.4% to £5,936,310.

- **Income from Donations & Legacies** comprises donations to various funds, £225,098 was received in 2024 (2023: £429,918), including legacies of £50,000 from the late Captain Eric 'Winkle' Brown, £5,000 from the late Martin Best, £37,647 from Boeing and £76,583 (2023: £79,993) raised by the Society's Subsidiary Branches to fund their activities throughout the year.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

- **Income from Charitable Activities** at £4,905,617 (2023: £4,411,593), represents 79.3% of the income generated by the Society in 2024; the principal income sources being Membership Services (including individual and Corporate Partner subscriptions), EPA, Conferences and Events and Publications.
 - Income from Membership Services represents 54.8% of the Society's income and increased by 9.5% in 2024 to £3,393,726 from £3,099,832.
 - The conferences and seminars were operated in person in 2024, the overall delegate and sponsorship income finished the year at £540,448 up by 27% on 2023.
 - Publications income reduced by 9.3% to £167,227, down to reduced sales of *The Aeronautical Journal* subscriptions (including archive sales) in 2024.
 - The Education, Skills and Diversity Team generated £45,700 in 2024 (2023: £40,700), income increased by 12.3% which included sponsorship and income from its annual Careers Fair and sponsorship for some of its activity.
 - Income from End Point Assessment (EPA) at £744,293 (2023: £653,077), up by 14%. It continued to have delayed assessments and there were fewer withdrawals in 2024.
- **Income from Other Trading Activities**, room hire services, income generated £755,951, reduced by 14.7% in 2024 from £886,425. The room hire activity is run by the trading subsidiary Aeronautical Trading Limited (ATL), which made a loss of £57,384 (2023: £88,366 profit) due to increased operating administrative costs. There are no plans to change the activities of this business, which involves the provision of facilities to external customers and the running of the Members' facilities. The Society continued to lease (under licence to third parties) offices on the 4th and 5th floor, overall, this had generated £222,526 in 2024 (2023: £218,163). Room sponsorship had generated £48,286 (2023: £73,702).
- **Investment Income** increased to £293,285 in 2024 from £214,969 in 2023. Of this, £118,920 (2023: £96,328) was reinvested by the Society during the year.

Expenditure

Expenditure increased by 18.3% to £5,847,294 with total unrestricted spending increasing by 16.2% to £5,579,375 as a result of the Society returning to in-person events and office usage.

- **The costs of Raising Funds** increased in 2024 by 8.4% to £646,271 with unrestricted costs also increasing by 8.5% to £632,007. Costs included room hire services, administration and investment fees. In 2024, the Society continued to upgrade its services to provide enhanced facilities to members and the general public.
- **Charitable Activities** Resources expended on the Society's Charitable Activities increased by 19.7% to £5,201,023 with unrestricted expenditure increasing by 17.3% to £4,947,368. Costs include all the expenditure on the Society's conference/event programmes, providing membership services, career advice service, library, and producing the Society's publications.
- The Society's headquarters at No.4 Hamilton Place continue to be invested in and upgraded in line with its current Strategic Objectives.
- In 2024, Governance costs increased by 23% from £141,855 to £174,432. Costs includes staff costs for Head of Governance to oversee the support to the Board of Trustees, Council, and internal Boards of the Society. Other costs included staff cost of Quality Manager to provide support on Governance, expenses associated with the return of in-person Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus travel costs for the President.

Surplus

The net incoming resources (before gains on investments) for the year produced a surplus of £342,584 (2023: £1,003,006). During the year, the Society had gains on its investment of £88,032 and actuarial losses on the Society's Pension Scheme of £2,000. The net movement of funds for the year was a surplus of £428,616 (2023: £935,940).

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

- **Unrestricted funds** carried forward of £12,137,324 (2023: £11,776,596) represent approximately 36 months operating expenditure. However, not all these funds can be readily liquidated as they represent the functional fixed assets of the Society. In accordance with Charity Commission guidance, the Trustees have adopted a formal Reserves Policy set out below.
- The overall income **for Room Hire Services (Operated by Aeronautical Trading Limited)** was down by 18.69% and finished the year at £483,453 (see note 18 of the accounts). The Society received income from other Trading activities including leased offices (under licence) on 4th and 5th floors, at £222,526 and room sponsorship income at £48,286 in 2024.
- **Pensions Scheme**
 - The financial statements reflect the full financial position of the Defined Benefits Pension Scheme which became a closed scheme on 31 March 2001. The Scheme must be accounted for under FRS102 and under FRS102 the scheme's liabilities are valued based on assumptions derived from yields on AA rated corporate bonds and gilts. Changes in the assumptions applied to the Scheme's liabilities have resulted in a decline in the FRS102 deficit since 2022, which showed a pension scheme asset in these years. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts in 2024. The Society contributed £76,000 to the fund in 2024.
 - From 1 April 2001 the staff pension arrangements are in the form of Group Personal Pensions with Standard Life, in 2021 this was transferred to Aegon. The Society makes contributions, but the funds are owned by and are the responsibility of the individual staff members. From August 2015 the Society adopted Automatic Enrolment and received an acknowledgement of re-declaration of compliance in September 2024 from the Pension Regulator.
- Functional Assets are also used by Aeronautical Trading Limited and these are included in support costs.
- **No.4 Hamilton Place – Purchase, Valuation and Charges on the Property** - In March 2009, the Society purchased the freehold of No.4 Hamilton Place at a cost of £4,859,755. Prior to the purchase, No.4 Hamilton Place was leased from the Crown Estates; in 2002 the lease was revalued by the Trustees on a draft valuation of £3,864,407 (based on existing use). From 2009 the Trustees have decided to add this valuation to the actual cost of the purchase of £4,859,755 to value the property in the Balance Sheet at £8,167,913 (less depreciation on property) as at 31/12/2024. At the time of purchase in March 2009 the Market Value of the freehold interest in No.4 Hamilton Place was £11,700,000.
- **Charges on No.4 Hamilton Place** - The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan. The mortgage was fully repaid in July 2024 and the charge was removed in the same year. The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations if the Society defaults on its payments to the scheme. In return, by agreement with the Trustees of the Scheme, the Society will continue to pay reduced contributions to the Scheme in future years at a rate of £76,000.

The most recent valuation on a discontinued basis was at 1 April 2022 which showed that the scheme's assets fully covered its priority liabilities and 77% of the remaining liabilities on that date the actual valuation shows a deficit of £982k.

Risk Management

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

The Trustees have introduced a new Risk Management Policy which sets out the Royal Aeronautical Society's commitment to continuously identifying and managing risks in a timely and effective manner and describes the standard of risk management that the Board of Trustees and stakeholders can expect with regards to the design, development and delivery of Royal Aeronautical Society services and activities. The principal risks identified in 2024 were:

Governance	Reputational damage from association with a member or volunteer was mitigated by having robust recruitment, including DBS checks for the Trustees, Council Members and those who work with children. The framework of delegations was reviewed and implemented to mitigate any unauthorised decision making. Strong internal control processes protect the Society against not meeting the regulatory and financial reporting requirements. The Data Retention Policy was updated, and work is now in progress to implement the process across the Society to minimise the data protection breach.
Safeguarding	The new RAeS Safeguarding Policy was approved in 2024, with implementation, communications and adoption programme in place to prevent any inappropriate management of safeguarding incident.
Financial	Regular reviews and monitoring its budget and finances by key management to mitigate the overspending and/or spending on non-priorities, financial fraud and loss of income streams. The financial controls and reserve policy were reviewed monitored and in 2024, to eliminate and minimise any financial risk.
IT	Enhanced security protocols, continuous threat monitoring and regular staff awareness training protect against potential cyber threats. Robust project management processes phased roll out of solutions and rigorous testing schedules are in place as well as workforce planning and resource management to minimise negative impact of the digital transformation programme.
Venue	Preventative maintenance plans were in place with regular inspections to proactively address any concerns in addition to a comprehensive business continuity plan and adequate secure storage and insurance coverage for assets.

Reserves Policy

Unrestricted Reserves and Designated Funds

The current Finance Strategy was approved by the Trustees in March 2022 and is reviewed annually by the Finance Committee; the Finance Strategy will enable the Society to meet its Strategic Objectives to 2025 by:

- Operations to generate sufficient funds annually to ensure that the Society is fully resourced to achieve its long-term Strategic Objectives; all annual surpluses to be allocated to one of the Society's free reserves setup to safeguard the Society against future (adverse) events;
- The Society continuing to focus on re-building its unrestricted liquid reserves and increase the level to the equivalent of six months' trading costs; and
- The Society should endeavour to reduce its long-term liabilities once it has built up its reserves to a level that covers operational requirements.

At the end of 2024, the Society's liquid reserves (Free, Mortgage and Premises, Flight Simulations, No4HP refurbishment, Designated IT and RAeS Foundation Reserves) stood at £3,299,650 (2023: £3,668,274); this is 162.2% (2023: 199.4%) of the reserve target of the equivalent to at least six months' operational costs of £2,033,717 (2023: £1,839,990); the Society achieved the Reserves target (as outlined in the Finance Strategy).

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2024

At the end of 2024 unrestricted reserves and designated funds were as follows:

Free Reserve

The Trustees have reviewed its Finance Strategy, covering the period to 2024. The Trustees have decided that in view of the considerable uncertainty which characterises the current economic climate the Society should concentrate its efforts on re-building its unrestricted reserves and hold any additional cash (on interest bearing deposits) to cover any income shortfalls; at the end of 2024, the balance of the fund was £2,828,078 (2023: £3,173,532). This excludes fixed assets, loan on property and designated funds.

Royal Aeronautical Society Foundation

The Foundation was setup in 2006 by the Trustees to organise and co-ordinate support for the Society's wider charitable activities such as supporting aviation heritage projects supporting the next generation of aerospace professionals, as well as supporting the development of No.4 Hamilton Place (including repaying of the mortgage). This fund is a Designated Fund, and the Foundation Committee (on behalf of the Trustees) will decide each year which projects to fund out of this reserve. In 2024 the fund received £24,515 (2023: £54) from donations and Gift Aid in 2024. During the year, the Trustees released £28,748 (2023: £6,392) to support various charitable projects (student development/digitisation projects); the fund balance stood at £250,708 at the end of 2024 (2023: £254,941).

Pension Fund Reserve

Under FRS102, and in accordance with SORP, this reserve has been setup to reflect the liability of the Defined Benefits Pension Scheme which shows a pension scheme asset since 2022. The Trustees feel that the recoverability of the asset is too remote and has not recognised the asset in the accounts in 2024.

At the end of 2024 there were four Designated Funds as follows:

Flight Simulation Sponsorship Fund

Over the past couple of years, the Society has received sponsorship to support the Flight Simulation Group activities (events); £12,101 was released to support the annual Flight Simulations Conference in 2024. At the end of the year the fund stood at £39,235 (2023: £51,336).

Mortgage and Premises Reserve

This fund was setup in 2012 to be used to fund future capital improvements projects and to pay off the mortgage on the Society's HQ. In 2024, the mortgage for the building was repaid in July 2024. At the end of 2024, the balance of the fund stood at £nil (2023: £6,836).

No.4 HP Refurbishment Project Fund

This fund was setup by the Trustees in 2019 to be used to fund the refurbishment and redecoration of the offices on the 4th and 5th floors in 2020 and 2021, however since the pandemic and the introduction of hybrid working, the Trustees approved to transfer this fund to Designated IT Future Fund to support the digital investment for the Society in the future. At the end of 2024, the fund stood at £nil (2023: £100,000).

Designated IT Future Fund

This fund was setup by the Trustees in 2021 to be used to fund the IT projects to enhance and develop the digital capability of the Society. The discovery phase of the IT project began in 2024 and the development is expected to begin from 2025. The fund received £100,000 from the No. 4HP Refurbishment Project Fund in 2024. At the end of 2024, the fund stood at £181,629 (2023: £81,629).

Restricted and Endowment Reserves

Restricted Funds

Alan Snudden Fund – Restricted

This is an Endowment Fund established to provide scholarships to young person's entering, or already engaged in, the air transport operating industry. The founding deed (1992) allowed the Trustees to initially accumulate unspent income into the Endowment Fund. However, the deed now allows the Trustees to hold the income generated in a restricted fund and this was setup in 2017. There were no activities in 2024. The fund received a total of £6,798 (2023: £5,396) from investment income; at the end of 2024, the fund stood at £44,133 (2023: £37,600).

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

ALTA

This fund was created from donations from a number of organisations to support the ALTA Mentoring Platform launched in 2019; the platform was setup for women in aerospace and aviation who are seeking woman-to-woman mentoring support with easy access to professional women working in the sector. In addition, the fund supports face-to-face networking events and research to provide greater support to women's retention and promotion within the industry. In 2024, the fund received a total of £5,000 (2023: £2,642) the fund stood at £6,952 (2023 £4,852) at the end of 2024.

Project Altitude – Boeing

In 2020, Boeing agreed to support various projects within the Society, one being **Project Altitude**; the aim is to encourage young people to become the innovators of tomorrow; the fund will support various STEM-based activities and events aimed at Primary, Middle and High Schools as well as young people just starting their careers. In 2024, the fund received a total of £37,647 and the fund stood at £115,361 (2023: £103,272) at the end of 2024.

RAeS Future Scholarship Fund (Formerly Centennial Scholarship Fund)

The Centennial Scholarship Fund was ceased in December 2020 and the fund balance was transferred to RAeS Future Scholarship Fund from January 2021. The aim of the fund is to support funding costs for internships in the Aerospace sector to give the recipient an insight into working in the sector and enhancing the individuals Professional Development. In 2024, the fund received a total of £14,435 from donations and investment income and the fund stood at £202,143 at the end of 2024 (2023: £249,740).

Flying Start Challenge

This fund was setup in 2020 from donations from a number of Corporate Partners with the aim to support Flying Start Challenge; an annual competition aimed at providing secondary school students to design a glider; the competition is run and managed jointly by the participating organisations. In 2024, the fund received a total of £10,207 from donations and investment income. At the end of 2024, the fund stood at £9,720 (2023: £5,641).

Kremer Fund

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

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

The assets of this fund are held as cash deposits and this fund received £3,119 from deposit interest. At the end of 2024, the fund balance stood at £163,310 (2023: £160,191).

Michael Bishop Foundation Fund

The Fund was setup in 2019 by the Trustees from a donation of £25,000 from Lord Glendonbrook/Michael Bishop Foundation to fund the Sir Ralph Robins Medal; this award is given to individuals demonstrating excellence in Engineering Leadership. At the end of 2024, the fund stood at £16,453 (2023: £16,453).

National Aerospace Library (NAL)

An appeal was started in 2004 towards the creation of a National Aerospace Library (NAL). In 2008 the Society opened a branch of the NAL within the Hub Building at Farnborough. In 2009 this facility was expanded and now houses the vast majority of the Society's historic library collections. The fund is used to support some of the ongoing operations of the NAL at Farnborough as well as future capital projects. During the year, a total of £8,915 (2023: £7,078) was received from donations and investment income and at the end of 2024 the fund stood at £164,535 (2023: £153,067).

RAF Chair in Air Power Studies

In 2008 the Society began (with support from the RAF) to raise funds for the Chair in Air Power Studies with the aim of establishing an independent academic Research Fellow at a UK university. By 2015 the Society had received donations totaling £624,000 from a number of Corporate Partners and these funds have helped to consolidate the senior academic post at the University of Birmingham and now support ongoing research in this area. At the end of 2024 the fund stood at £14,542 (2023: £14,542).

**ROYAL AERONAUTICAL SOCIETY
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Falcon 2 (Formerly School Build-a-Plane Challenge)

In 2008 the Society launched the Schools Build-a-Plane (SBAP) Challenge which aims to provide young people in UK secondary schools with the opportunity to build a real light aircraft from kits, giving them hands-on experience of building aircraft and an understanding of scientific and engineering principles behind flight. This project is supported by funding from The Boeing Company (USA) and sales of the completed aircraft. From 2023, the fund balance will be spent towards the **Falcon 2** Initiative which is an extension of the SBAP programme. At the end of 2024 the fund stood at £23,734 (2023: £23,734).

World Skills

In 2021, the Society received a grant from World Skills UK who are an independent charity and work with employers, education and governments. They are a proud member of WorldSkills, a global movement of over 80 countries. WorldSkills supports young people across the world via competitions-based training, assessment and benchmarking, with members' national teams ultimately testing their ability to achieve world-class standards in the biennial 'Skills Olympics'. This covers the management and delivery of skills in the Aircraft Maintenance competition activity. At the end of 2024, the fund stood at £4,775 (2023: £4,775).

AAU Outreach Fund

In 2022, the Society received a donation from Association of Aerospace Universities (AAU) after dissolution, in accordance with the wishes of the members and office holders. The fund was set up to support the Society towards outreach activities within Aerospace and Aviation. There were no activities in 2024. At the end of 2024, the fund stood at £23,429 (2023: £23,429).

DFT & CAA Sky Challenge Fund

In 2024, DFT and CAA joined Boeing as one of the supporters for the **Falcon 2** Programme. The contribution from industry and government will allow for the delivery of a national outreach programme empowering students of all ages and abilities to experience the thrill of flight and variety of careers in aviation through the pathways highlighted within the programme. The fund received a total of £13,750 from donations and the fund stood at £24,609 at the end of 2024.

Endowment Funds

The Alan Snudden Fund, Awards Trust and the CAARC (Commonwealth Advisory Aeronautical Research Council) Fund are held in pooled investments which were referred to as the Common Investment Fund in previous accounts. These funds are subsidiary charities of the Society as explained in Note 13.

Alan Snudden Fund

This fund is established to provide scholarships to young persons entering, or already engaged in, the air transport operating industry. As noted under restricted funds, a new Restricted Alan Snudden Fund was setup in 2018 to hold the net income generated by the Endowment fund; at the end of 2024, the fund stood at £80,522 (2023: £78,309).

Awards Trust

This was created in 1995 from several separate funds held for the purposes of Medals, Merit Awards, Educational Awards and Lecture fees. With the agreement of the Trustees of the Society and the Charity Commission these separate funds were combined to give greater flexibility and more efficient use of those funds. In 2024 this fund paid out a total of £9,660 to cover grants and awards and at the end of 2024 the fund stood at £1,328,130 (2023: £1,260,813).

CAARC Fund

Through the Awards Trust, the Society administers the Commonwealth Advisory Aeronautical Research Council (CAARC) Bursaries. Grants were made in the year to a number of Commonwealth and UK candidates, however due to the cancellation of awards from previous years the fund received a net increase on grants to offset some of the admin and investment costs; at the end of 2024, the fund stood at £18,606 (2023: £17,085).

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

Investments

Investments Policy

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

Investment funds

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

At the end of 2024, the investments stood at £4,018,187 (2023: £3,748,149); over the past 12 months investments have increased by 7.2% (against the target of RPI + 4%), though was up on the benchmark 7.9% (FSTE All Share Index). Overall, the Trustees were satisfied that the investment advisors had done all they could to protect the Society's investments considering the volatile economic and political background in 2024; since they took over in 2013 the investment advisors have produced an overall return of 78.7%.

Risk/Investment strategy

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

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

The Finance Committee agreed the asset allocation with the investment advisors, and this is reviewed on a quarterly basis. At the end of 2024, the asset allocation was as follows:

Asset Distribution				
Sector	Bench Mark	Range	Fund Value 31/12/2024	
Fixed Interest	17.5%	12.5-22.5%	13.65%	£548,382
Equities - UK	60.0%	55-65%	28.87%	£1,160,210
Equities - Overseas			47.00%	£1,888,488
Alternatives (Property/Infrastructure)	17.5%	12.5-22.5%	8.13%	£326,634
Cash	5.0%	0-10%	2.27%	£91,328
Accrued Interest/Other	0.0%	0.0%	0.08%	£3,144
			100.00%	£4,018,186

Plans for future periods

Following the review of the Relevance Initiative, the RAeS will enter a new strategic period and intends to undertake a comprehensive market research project to gain deeper insights into the evolving role and perceived value of the Royal Aeronautical Society within the aerospace community and beyond. This research will inform strategic decision-making and ensure the Society continues to meet the needs of its members and the wider sector in the future.

The RAeS has embarked on a significant digital transformation programme, focusing on upgrading its core CRM (Customer Relationship Management) and CMS (Content Management System) platforms which will be the primary focus for 2025. This investment will enhance member experience, streamline operations, and improve data analysis capabilities, enabling more effective engagement and service delivery.

Building on existing investment, the National Aerospace Library will further enhance its digital resources in 2025, including the introduction of a unified search tool for the e-library, streamlining access to its extensive collection. The heritage website will be migrated to the main search platform, facilitating discovery and integration with other resources. This migration will coincide with the release of new collections, including digitised letters from Orville, Wilbur, and Katharine Wright, as well as transcribed versions of the Cayley notebooks.

In the first half of 2025, Aeroversity training modules will be deployed for End Point Assessment, equipping assessors with enhanced resources. Furthermore, the RAeS will submit an application to expand the scope of its recognized standards, encompassing both the Aircraft Maintenance Technician (Level 3 ST1315) and the Risk & Safety Management Professional (Level 7 ST0456) qualifications.

The RAeS will strengthen its engagement with UK government and regulators, focusing policy priorities on the Strategic Defence Review (SDR), contrail management, and the development of space sustainability standards. Internationally, the RAeS will participate in the ICAO General Assembly in the second half of 2025 where it will continue to champion the skills agenda through its active involvement in the Global Aviation and Aerospace Skills Taskforce.

As part of Finance Strategy, with the aim of further reducing its two major liabilities, the Mortgage on No.4 Hamilton Place and the Society's Defined Benefit Pension Scheme (closed). The mortgage liability was repaid in 2024. Finance Committee's focus in 2025 is to rebuild the Society's reserves to ensure finishing the year in a stronger and more stable position which enables the Society to refocus on reducing the other major liability in future years.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

Structure, Governance and Management

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

The Society has 4 international divisions, 13 international branches and 36 UK branches. Each branch is run by a committee of volunteers and office holders within each committee include Chair, Secretary and Treasurer.

The Board of Trustees is the governing body of the Society. It establishes and reviews the policies, strategy and business plan of the Society, ensuring that the objects of the Society, its administration, and management of its finances (including its assets and investment portfolio) and property are upheld in compliance with the Society's Royal Charter and By-Laws and the law. The Board of Trustees consists of the President, President-Elect, Immediate Past President and six members, at least three of whom are members of the Society, recruited from open applications, supported by the Nominations Committee and ratified at the Annual General Meeting.

The Board of Trustees may delegate to the Council or any board or committee such powers and duties as it sees fit and the law and good practice for charities allows, but the Board of Trustees remains responsible for the actions of such boards and committees and the Board of Trustees may dissolve a board or committee at any time. The current committees of the Board of Trustees are the Audit Committee, Finance Committee, Nominations Committee and Remuneration Committee. The Board of Trustees has delegated the responsibility to the Finance Committee for directing the Society finances and developing sound financial practices and policies which protect and enhance the Society's finances and assets. The Audit Committee supports the Board of Trustees in monitoring the adequacy of the Society's governance, risk management, internal audit, and control processes through offering objective advice.

The Council represents the views of the membership and the professions. It addresses relevant and timely issues across the aerospace sectors, providing advice to the Trustees and the Executive on such matters. The Council is made up of the President, President-Elect, immediate Past President, the Presidents of the global Divisions, the Chair of Trustees, representatives from 4 Boards and 3 Committees, 15 members elected by the membership and up to 3 co-opted members. The total number of Council members must not exceed 32.

Elected Council members usually have a three-year term, elected by the voting members of the Society. The election takes place annually and the results are announced at the Society's Annual General Meeting (in May each year). The President is elected from within the Council approximately 18 months before taking office (from the AGM). Presidents serve a term of one year only. In the 12 months prior to taking office the President serves as President-Elect of the Society and in the 12 months after this the outgoing President serves as the immediate Past President of the Society. The current boards and committees which report to the Council are the Learned Society Board (LSB), Membership Services Board (MSB), Professional Standards Board (PSB), Next Generation Board (NGB), Medals and Awards Committee, Equity, Diversity and Inclusion Committee and Future Funds Committee.

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

The day-to-day management of the Society is delegated to the Chief Executive ("CE") who is responsible for all operational matters, including the implementation of the Strategic Review; the CE is supported by other members of the Executive Team which comprises the Chief of Staff, the Financial Controller, two operational directors covering Knowledge (including, Community Engagement, Events, Knowledge and Information and IT), and Membership and Professional Standards. The Chief Executive consults closely with the Chair of the Board of Trustees and the President over issues of significance and ensures the staff are managed effectively.

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
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The pay of the Society's Chief Executive is reviewed annually and normally increased in accordance with average earnings. When the Chief Executive or Executive Team member is appointed, the remuneration is bench-marked with other membership and professional bodies of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The pay of the Executive team is reviewed annually and any increase is approved by the Chief Executive.

The Chief Executive, boards and committees that report to the Trustees, prepare reports for each Trustee meeting. Each year the Annual Report and Annual Accounts are approved by the Trustees and are available to all members via the Society's website.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2024**

Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society 313708

Subsidiary charities:

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

Subsidiary Companies:

Aeronautical Trading Limited 03243525
Aeronautical Trusts Limited 00239631

Registered Address:

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

The following were Trustees for all or part of 2024:

Air Cdre Peter Round FRAeS (Chair of The Board of Trustees) Past President
Kerrissa Khan MRAeS (President until 9 May 2024, and then Immediate Past President)
David Chinn FRAeS (President-Elect until 9 May 2024 and then President)
Howard Nye FRAeS
Lt Cdr R Gearing BEng(Hons) CEng FRAeS MCGI MCMI (President-Elect from 9 May 2024 and resigned as a Trustee on 18 February 2025)
Dr Alisdair Wood EngD CEng FRAeS
Andrew Cowdery FRAeS
Andy A Allen FRAeS
S Moynihan FCA CRAeS

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

D Edwards FRAeS, Chief Executive
P Hornsey, Chief of Staff
L Price, Head of Governance & Compliance (until 24 March 2024)
J Anderson, Head of Governance (from 24 March 2024)
E Bossom, Director of Knowledge and Networks (for part of 24 June and 23 September 2024 meetings only)
P Mensah, Director of Membership and Professional Standards (for part of 24 June, 23 September and 2 December 2024 meetings only)
Janet Mitchell, Council member (for 25 March 2024 meeting only)
Sophy Antrobus, Council member (for 2 December 2024 meeting only)
Susanne Svensdotter, Council member (for 2 December 2024 meeting only)

Directors of Aeronautical Trusts Limited:

D Edwards FRAeS, Chief Executive
S Moynihan FCA CRAeS

Executive Team:

D Edwards FRAeS, Chief Executive
P Hornsey, Chief of Staff
E Bossom, MRAeS, Director of Knowledge and Networks
P Mensah, Director of Membership and Professional Standards
A Ng, Financial Controller

Reference and Administrative Details (continued)

Advisors

Auditors:

Crowe U.K. LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR, UK

Bankers:

HSBC Bank Plc, Level 6, 71 Queen Victoria Street, London, EC4V, 4AY, UK

Investment Managers:

JM Finn & Co, 25 Copthall Avenue, London, EC2R 7AH, UK

Pension Advisors:

GPP Scheme

Kerr Henderson (Financial Services) Ltd, 16 Wellington Park, Belfast, BT9 6DJ

Defined Pension Scheme (Closed)

ISIO Group Limited, 27-45 Great Victoria Street, Belfast BT2 7SL, UK

Solicitors:

Clyde & Co, 51 Eastcheap, London EC3M 1JP, UK (until September 2024)

Penningtons Manches Cooper LLP: 125 Wood Street, London EC2V 7AW (from October 2024)

Statement of the responsibilities of the Board of Trustees

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

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

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

For the purpose of this statement the group comprises the Royal Aeronautical Society and subsidiary charities and companies as outlined in Note 18 within the notes accompanying the Financial Statements.

Website

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

Financial statements

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

Signed 
P A Round (Mar 25, 2025 17:15 GMT)
Air Cdre Peter Round FRAeS
Chair of the Board of Trustees

Date: 24 March 2025

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

Independent Auditor's Report to the Members of Royal Aeronautical Society**Opinion**

We have audited the financial statements of Royal Aeronautical Society for the year ended 31 December 2024 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group and charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be recognition of publications, events and commercial venue hire income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over the completeness and timing of publications, events and commercial venue hire

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

income, reading minutes of meetings of those charged with governance and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

Cheltenham

Date: 03 April 2025

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

Consolidated Statement of Financial Activities (SOFA)

For the Year ended 31 December 2024

	Note	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2024	Total 2023
		£	£	£	£	£	£
Income and endowments from:							
Donations & Legacies		78,792	69,723	-	76,583	225,098	429,918
Charitable Activities		4,905,617	-	-	-	4,905,617	4,411,593
Other Trading Activities		765,878	-	-	-	765,878	887,896
Investments		186,023	107,262	-	-	293,285	214,969
Total	2	5,936,310	176,985	-	76,583	6,189,878	5,944,376
Expenditure on:							
Raising Funds		632,007	14,264	-	-	646,271	595,960
Charitable Activities		4,947,368	144,290	-	109,365	5,201,023	4,345,410
Total	5	5,579,375	158,554	-	109,365	5,847,294	4,941,370
Net income/(expenditure) before gains on investments		356,935	18,431	-	(32,782)	342,584	1,003,006
Net gains on investments	8	43,051	10,430	34,551	-	88,032	14,934
Net income/(expenditure)		399,986	28,861	34,551	(32,782)	430,616	1,017,940
Transfers between funds	13 - 16	(37,258)	(38,050)	36,500	38,808	-	-
		362,728	(9,189)	71,051	6,026	430,616	1,017,940
Other recognised (losses)/gains:							
Net actuarial (losses) on Pension Scheme	20	(2,000)	-	-	-	(2,000)	(82,000)
Net movement in funds		360,728	(9,189)	71,051	6,026	428,616	935,940
Balance at 1 January	13 - 16	11,776,596	822,885	1,356,207	397,221	14,352,909	13,416,969
Funds at 31 December		12,137,324	813,696	1,427,258	403,247	14,781,525	14,352,909

All amounts relate to continuing activities. The notes 1 to 20 form part of these financial statements.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

Consolidated Balance Sheet

	Note	Total 2024	Total 2023
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,640,691	2,667,915
Fixtures and Equipment	7	247,243	173,037
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	11,675	49,719
Investments at Market Value	8	4,018,187	3,748,149
		<u>12,855,861</u>	<u>12,576,885</u>
Current Assets			
Debtors	9	688,239	757,705
Cash at bank and in hand		3,080,156	3,623,338
		<u>3,768,395</u>	<u>4,381,043</u>
Less: Current Liabilities			
Creditors	10	(1,785,591)	(1,857,630)
		<u>(1,785,591)</u>	<u>(1,857,630)</u>
Net Current Assets		<u>1,982,804</u>	<u>2,523,413</u>
Total Assets Less Current Liabilities		<u>14,838,665</u>	<u>15,100,298</u>
Creditor due after one year	11	(57,140)	(747,389)
Defined Benefit Pension Scheme Liability	20	-	-
NET ASSETS		<u>14,781,525</u>	<u>14,352,909</u>
Represented by:			
Restricted Reserves	14	813,696	822,885
Endowments	13	1,427,258	1,356,207
Designated Funds - Branches	16	403,247	397,221
Unrestricted Reserves			
Unrestricted Reserves	15	12,137,324	11,776,596
Unrestricted Reserves Excluding Pension Liability		<u>12,137,324</u>	<u>11,776,596</u>
Pension Reserve	20	-	-
Total Unrestricted Reserves		<u>12,137,324</u>	<u>11,776,596</u>
TOTAL RESERVES		<u>14,781,525</u>	<u>14,352,909</u>

The notes 1 to 20 form part of these financial statements.

The Charity's net movement in funds for the year was £574,366 (2023: £919,275).

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 24 March 2025.

PA Round
PA Round (Mar 25, 2025 17:15 GMT)

Air Cdre Peter Round FRAeS
Chair of the Board of Trustees

Sarah Moynihan
Sarah Moynihan (Mar 26, 2025 17:24 GMT)

S Moynihan FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

Charity Balance Sheet as at 31 December 2024

	Note	Total 2024	Total 2023
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,640,691	2,667,915
Fixtures and Equipment	7	247,243	173,037
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	11,675	49,719
Investments at Market Value	8	4,018,187	3,748,149
Investments in subsidiary undertakings	18	3	3
		12,855,864	12,576,888
Current Assets			
Debtors	9	749,924	710,376
Cash at bank and in hand		3,060,187	3,583,908
		3,810,111	4,294,284
Less: Current Liabilities			
Creditors	10	(1,769,926)	(1,859,240)
		(1,769,926)	(1,859,240)
Net Current Assets		2,040,185	2,435,044
Total Assets Less Current Liabilities		14,896,049	15,011,932
Creditor due after one year	11	(57,140)	(747,389)
Defined Benefit Pension Scheme Liability	20	-	-
NET ASSETS		14,838,909	14,264,543
Represented by:			
Restricted Reserves	14	813,696	822,885
Endowments	13	1,427,258	1,356,207
Designated Funds - Branches	16	403,247	397,221
Unrestricted Reserves			
Unrestricted Reserves		12,194,708	11,688,230
Unrestricted Reserves Excluding Pension Liability		12,194,708	11,688,230
Pension Reserve	20	-	-
Total Unrestricted Reserves		12,194,708	11,688,230
TOTAL CHARITY RESERVES		14,838,909	14,264,543

The notes 1 to 20 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 24 March 2025.

P A Round

P A Round (Mar 25, 2025 17:15 GMT)

Air Cdre Peter Round FRAeS
Chair of the Board of Trustees

Sarah Moynihan

Sarah Moynihan (Mar 26, 2025 11:24 GMT)

S Moynihan FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

Consolidated Cash Flow Statement

For the Year ended 31 December 2024	Total 2024	Total 2023
	£	£
Cash flows from operating activities		
Net cash provided by operating activities	247,358	1,257,373
Cash flows from investing activities		
Dividends, Interest and rents from investments	293,285	214,969
Purchase of property, plant and equipment	(181,406)	(158,439)
Proceeds from sale of investments	681,307	1,075,283
Purchase of investments	(863,313)	(1,215,935)
Net cash provided by operating activities	177,231	1,173,251
Cash flows from financing activities		
Repayments of borrowing	(720,413)	(31,618)
Net cash used in financing activities	(720,413)	(31,618)
Change in cash and cash equivalents in the reporting period	(543,182)	1,141,633
Cash and cash equivalents at the beginning of the reporting period	3,623,338	2,481,705
Cash and cash equivalents at the end of the reporting period	3,080,156	3,623,338

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

	Total 2024	Total 2023
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	430,617	1,017,940
Depreciation charges	172,468	176,093
(Gains) on investments	(88,032)	(14,934)
Dividends, Interest and rents from investments	(293,285)	(214,969)
Decrease in debtors	69,466	20,652
(Decrease) in creditors	(41,876)	354,591
Movement of pension fund contributions/pension fund costs	(2,000)	(82,000)
Net cash provided by operating activities	247,358	1,257,373

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

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

Analysis of changes in net debt

	1 January 2024	Cash Flows	Other Non- Cash changes	31 December 2024
	£	£	£	£
Cash and cash equivalents				
Cash and cash equivalents	3,623,338	(543,182)	-	3,080,156
	<hr/> 3,623,338	<hr/> (543,182)	<hr/> -	<hr/> 3,080,156
Borrowings				
Debt due within one year	(32,450)	32,450	-	-
Debt due after one year	(687,964)	687,964	-	-
	<hr/> (720,414)	<hr/> 720,414	<hr/> -	<hr/> -
	<hr/> 2,902,924	<hr/> 177,232	<hr/> -	<hr/> 3,080,156

Notes to the Financial Statements

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

- a) The Society is a Professional Membership Body and Learned Society holding a Royal Charter. It is established as a Charity under the terms issued by the Charity Commission (registered number: 313707). The Charter of Incorporation and the By-Laws form the code that governs the Society. The registered office address is 4 Hamilton Place, London, W1J 7BQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2029 and the review of risks facing the charity. These forecasts incorporate key challenges surrounding the impact from ongoing cost of living crisis and have considered sensitivities surrounding our income.

The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Taking into account the reserves position of the Society and the anticipated future results the Trustees do not consider that the appropriateness of this basis is subject to any material uncertainty.

- b) The consolidated accounts include the activities, assets and liabilities of the Society, its subsidiary companies, subsidiary charities and branches. Further information on the subsidiaries is disclosed in note 18. No separate SOFA or cashflow statement has been prepared for the charity as is permitted by the Charities SORP.

Aeronautical Trading Limited is the trading company and subsidiary company of the Society and its results, assets and liabilities are included in the consolidated accounts. The trading company operates the Venue Hire operations of the building. These activities are consolidated on a line by line basis and have the same year end as the Society.

Aeronautical Trusts Limited is the subsidiary company of the Society and is the corporate Trustee of the subsidiary charities - Royal Aeronautical Society Awards Trust (1045004) and Alan Snudden Memorial Trust Fund (1013530). This entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure accounts are presented as the movement in endowment funds are not material.

The Royal Aeronautical Society Awards Trust registered in England and Wales (registered number: 1045004) is a subsidiary charity of the Society, this entity is clearly

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material. The CAARC fund is shown as a distinct fund from the other funds of the Royal Aeronautical Society Award Trusts in these accounts. It is a specific fund administered within that charity.

Alan Snudden Memorial Trust Fund (1013530) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material.

Branches were established to promote the Society's Charter and objectives through Society activities in the area local to the branch and to represent the Society locally and organise lectures and other events. These activities are included in the charity results and distinguished those amounts as 'Designated – subsidiary Branches'. They have the same year end as the Society.

- c) Income is generally recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from Events, Education & Skills, Venue Hire, Donations, NAL, Publication, Policy are accounted for at the time of event in the year. Income from donations is recognised on receipt of payment. Income from legacies is recognised where evidence of entitlement exists, the value is measurable with sufficient reliability, and on the earlier or the date of receipt of finalised estate accounts of the date of payment.

Grant income is recognised in the SOFA when received or when the charity becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Individual subscriptions income is recognised on the amount received for the year. Amounts received during the year in relation to the future years are deferred. The Corporate Partners Scheme is recognised on receipt as anticipated funds are not enforceable debts. Where income is received net of tax, any taxation recoverable is taken to income on receipt of the net amount.

- d) Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made,

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

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

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

- f) Capital Expenditure - All purchases costing over £1,000 in total which are to be used for a period of more than one year are capitalised.

Heritage assets are held at deemed cost and not depreciated.

- g) Depreciation is provided on the following basis:
- Land is not depreciated.
 - Freehold premises – Property is depreciated over 100 years at 1%.
 - Fixtures and Equipment including computers - Over the estimated useful life of the asset which varies between two and ten years.

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- h) The operating leases are disclosed in the note 12 to the financial statements. Lease payments under operating leases are charged against income on a straight line basis over term of the lease.
- i) Restricted income funds represent income subject to donor specified restrictions and the income arising on endowment funds for which specific uses have been specified. Expenditure for the specified purposes is set against the relevant income in the statement of financial activities. Unexpended balances are carried forward as restricted income funds or where the terms of the endowment provide for this, transferred to the capital balance of the endowment fund.

Unrestricted and Designated funds represent amounts set aside by the Trustees as detailed within the reserves policy on page 7.

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

In addition, there is a frozen defined benefit scheme to which the Society continues to contribute in order to fund past service costs. In 2024, the recent FRS102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is closed scheme for future accruals, the Trustees feel the recoverability of the asset is too remote and has not recognised the asset in these accounts (See Note 20).

- k) The Society has charitable status and is exempt from taxation of its income and gains falling under with section 478 of the Corporation Tax Act 2010 or section 256 of the taxation of Charitable Gains Act 1992 to the extent they are applied to its chargeable objectives.

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

The heritage assets represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values, have an indefinite life and are therefore not depreciated. The Trustees have concluded a valuation in 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

- l) In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The valuation of assets and liabilities of the Defined Pension Scheme are performed by a professional actuary. Fuller details are provided in note 20 and these include details of the actuarial assumptions adopted. There is a pension scheme asset at the year-end. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts as an asset on the balance sheet in 2024. In the opinion of the Trustees, these assumptions represent the only material areas of estimation uncertainty in the financial statements.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

2. Analysis of Income

The analysis of income and expenditure by fund represents the activities of the Society including membership and the activities of its subsidiaries.

Income: 2024	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2024
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	78,792	69,723	-	76,583	225,098
	78,792	69,723	-	76,583	225,098
Income from Charitable Activities					
Education, Skills and Diversity	45,700	-	-	-	45,700
Conferences, events, seminars	540,448	-	-	-	540,448
End Point Assessment	744,293	-	-	-	744,293
Library (NAL)	14,223	-	-	-	14,223
Membership services	3,393,726	-	-	-	3,393,726
Publications and information	167,227	-	-	-	167,227
Policy & Research	-	-	-	-	-
	4,905,617	-	-	-	4,905,617
Income from Other Trading Activities					
Room hire services	755,951	-	-	-	755,951
Admin services	9,927	-	-	-	9,927
	765,878	-	-	-	765,878
Investment Income					
Investment Income	186,023	107,262	-	-	293,285
	186,023	107,262	-	-	293,285
Total	5,936,310	176,985	-	76,583	6,189,878

In 2024, The Society received £50,500 in legacies (2023: £251,000).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

2. Analysis of Income (continued)

Income: 2023	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2023
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	255,936	93,989	-	79,993	429,918
	255,936	93,989	-	79,993	429,918
Income from Charitable Activities					
Education, Skills and Diversity	40,700	-	-	-	40,700
Conferences, events, seminars	425,596	-	-	-	425,596
End Point Assessment	653,077	-	-	-	653,077
Library (NAL)	8,051	-	-	-	8,051
Membership services	3,099,832	-	-	-	3,099,832
Publications and information	184,337	-	-	-	184,337
Policy & Research	-	-	-	-	-
	4,411,593	-	-	-	4,411,593
Income from Other Trading Activities					
Room hire services	886,425	-	-	-	886,425
Admin services	1,471	-	-	-	1,471
	887,896	-	-	-	887,896
Investment Income					
Investment Income	129,816	85,153	-	-	214,969
	129,816	85,153	-	-	214,969
Total	5,685,241	179,142	-	79,993	5,944,376

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

3. Employee information

The average numbers of staff employed during the year was 57.25/54.33 FTE (2023: 48.5/46 FTE).

	2024	2023
	£	£
Staff costs (for the above persons)		
Salaries	2,239,301	1,910,742
Social security costs	229,081	163,241
Other pension costs	308,226	254,385
Temporary staff and other staff costs	86,371	150,744
	<u>2,862,979</u>	<u>2,479,112</u>

The charity contributes towards a defined contribution pension scheme. The cost of this scheme is charged to SOFA and amounted to £223,026 (2023: £198,178). The scheme did not give rise to any provision.

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

	2024	2023
	Number	Number
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1
£100,001 - £110,000	1	-
£150,001 - £160,000	1	1

The key management personnel of the Society comprises the Board of Trustees and the Executive Team as listed on page 15. The total amount of employee benefits (including employer pension contributions) received by the Executive Team comprising the Chief Executive, Chief of Staff, Director of Membership & Professional Standards, Knowledge and Networks Director and Financial Controller for their services to the Society was £581,019 (2023: £518,987). Aggregate termination payments for the year were £1,957 (2023: £11,171).

Trustees do not receive remuneration for their services. During the year the President was reimbursed £10,596 (2023: £11,781) and 1 (2023: 2) other Trustee(s) were reimbursed £1,180 (2023: £1,888) in respect of travel and subsistence expenses incurred in performance of their duties.

In accordance with normal commercial practice the Society has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Society business. The insurance provides cover up to £5,000,000 on any one claim and the cost for 2024 was £3,959 (2023: £3,773).

**ROYAL AERONAUTICAL SOCIETY
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4. Related party transactions

In 2024, The Society charged its subsidiary company Aeronautical Trading Limited £359,709 (2023: £337,646) in respect of administrative expenses which represents an allocation of overheads from the Society.

Aeronautical Trading Limited made a taxable loss in 2024, there will be no gift aid payment to the Charity this year. The Gift Aid payment for last year was £88,366.

The Aeronautical Trading Limited paid the charity £304,048 (2023: £272,808) of monies collected on invoices settled in 2024.

As at 31 December 2024, the Aeronautical Trading Limited owed the charity £88,630 (2023: £nil). The charity owed the Aeronautical Trading Limited £49,359 in 2023.

A number of Trustees hold senior positions in organisations in the aerospace industry which from time to time transact with the Society, the Trustees have no direct involvement with these transactions.

5. Analysis of expenditure

Expenditure: 2024	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2024
	£	£	£	£		£
Raising Funds:						
Fund Raising	10,368	52,009	62,377	-	-	62,377
Room Hire Services	181,128	359,709	540,837	-	-	540,837
Admin services	-	9,886	9,886	-	-	9,886
Investment management costs	13,652	5,255	18,907	14,264	-	33,171
	205,148	426,859	632,007	14,264	-	646,271
Charitable Activities:						
Careers & education	276,361	169,288	445,649	144,290	-	589,939
Conferences	409,325	257,501	666,826	-	-	666,826
End Point Assessment	354,072	239,691	593,763	-	-	593,763
NAL (Library)	284,206	119,075	403,281	-	-	403,281
Membership services	941,592	621,315	1,562,907	-	109,365	1,672,272
Publications & information	629,280	184,155	813,435	-	-	813,435
Policy & Research	352,385	109,122	461,507	-	-	461,507
	3,247,221	1,700,147	4,947,368	144,290	109,365	5,201,023
	3,452,369	2,127,006	5,579,375	158,554	109,365	5,847,294

Within Careers & Education, a total of £78,522 was paid to individuals (2023: £13,560) covering 46 grants and prizes (2023: 26). Grants are paid when approved and accrued from the time of approval.

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5. Analysis of expenditure (continued)

Expenditure: 2023	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2023
	£	£	£	£		£
Raising Funds:						
Fund Raising	12,289	39,940	52,229	-	-	52,229
Room Hire Services	168,547	337,646	506,193	-	-	506,193
Admin services	-	8,022	8,022	-	-	8,022
Investment management costs	12,717	3,513	16,230	13,286	-	29,516
	193,553	389,121	582,674	13,286	-	595,960
Charitable Activities:						
Careers & education	228,043	153,804	381,847	53,930	-	435,777
Conferences	336,759	215,983	552,742	-	-	552,742
End Point Assessment	336,173	206,315	542,488	-	-	542,488
NAL (Library)	309,665	89,948	399,613	-	-	399,613
Membership services	810,651	514,486	1,325,137	-	73,878	1,399,015
Publications & information	623,733	159,880	783,613	-	-	783,613
Policy & Research	141,707	90,455	232,162	-	-	232,162
	2,786,731	1,430,871	4,217,602	53,930	73,878	4,345,410
	2,980,284	1,819,992	4,800,276	67,216	73,878	4,941,370

**ROYAL AERONAUTICAL SOCIETY
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6. Analysis of support costs

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

Support Costs: 2024	Management /Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2024
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,004	33,641	1,605	-	6,428	4,331	52,009
Room Hire Services	28,978	10,814	1,605	10,140	12,855	295,317	359,709
Admin services	348	4,806	-	1,267	3,214	251	9,886
Investment management costs	261	4,806	-	-	-	188	5,255
	35,591	54,067	3,210	11,407	22,497	300,087	426,859
Charitable Activities:							
Careers & education	49,863	14,417	24,229	12,675	32,139	35,965	169,288
Conferences	44,293	86,506	24,229	12,675	57,849	31,949	257,501
EPA	57,259	72,088	24,229	12,675	32,139	41,301	239,691
NAL (Library)	30,805	33,642	16,152	6,337	32,139	-	119,075
Membership services	150,459	158,594	56,533	44,362	102,843	108,524	621,315
Publications & information	57,608	24,030	16,152	12,675	32,138	41,552	184,155
Policy & Research	38,985	13,216	9,698	12,675	6,428	28,120	109,122
	429,272	402,493	171,222	114,074	295,675	287,411	1,700,147
	464,863	456,560	174,432	125,481	318,172	587,498	2,127,006

Support Costs: 2023	Management /Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2023
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,101	22,131	1,305	-	5,795	4,608	39,940
Room Hire Services	30,103	7,114	1,305	10,083	11,591	277,450	337,646
Admin services	400	3,162	-	1,260	2,898	302	8,022
Investment management costs	200	3,162	-	-	-	151	3,513
	36,804	35,569	2,610	11,343	20,284	282,511	389,121
Charitable Activities:							
Careers & education	47,306	9,485	19,704	12,604	28,976	35,729	153,804
Conferences	42,505	56,909	19,704	12,604	52,157	32,104	215,983
EPA	55,607	47,424	19,704	12,605	28,976	41,999	206,315
NAL (Library)	19,402	22,131	13,136	6,302	28,977	-	89,948
Membership services	129,515	104,334	45,975	44,116	92,725	97,821	514,486
Publications & information	50,906	15,808	13,136	12,605	28,976	38,449	159,880
Policy & Research	31,604	8,694	7,887	12,605	5,795	23,870	90,455
	376,845	264,785	139,245	113,441	266,582	269,972	1,430,871
	413,649	300,354	141,855	124,784	286,866	552,483	1,819,992

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

6. Analysis of support costs (continued)

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

	Total 2024	Total 2023
	£	£
Staff Costs	82,245	70,520
Staff Training/Travel/Recruitment	399	1,058
President, Council & BofTs Expenses	14,367	21,188
Audit Fees	23,706	21,100
Support Costs	53,715	27,989
	174,432	141,855

The President, Council and Board of Trustees' Expenses were related to travel & subsistence, training and other administrative costs.

7. Fixed Assets – Group and Charity

	Property Land	Freehold Property	Fixtures and Equipment	Heritage Assets At Valuation	Website Developmen t	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 January 2024	5,527,222	2,722,363	510,645	410,843	114,133	9,285,206
Additions	-	-	181,406	-	-	181,406
Disposals and other adjustments	-	-	(134,626)	-	-	(134,626)
Balance 31 December 2024	5,527,222	2,722,363	557,425	410,843	114,133	9,331,986
Depreciation						
At 1 January 2024	-	54,448	337,608	-	64,414	456,470
Charge for the year	-	27,224	107,200	-	38,044	172,468
Removed on disposal	-	-	(134,626)	-	-	(134,626)
Balance 31 December 2024	-	81,672	310,182	-	102,458	494,312
Net book value						
At 31 December 2024	5,527,222	2,640,691	247,243	410,843	11,675	8,837,674
At 31 December 2023	5,527,222	2,667,915	173,037	410,843	49,719	8,828,736

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

The Society's bankers, HSBC, had taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan until 2024. The Mortgage loan was fully repaid in July 2024.

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

Of the above £8,426,830 (2023: 8,417,893) represents assets held for the Society's use. Functional Assets are also used by Aeronautical Trading Limited and this is reflected in their normal management charge.

ROYAL AERONAUTICAL SOCIETY FOR YEAR ENDED 31 DECEMBER 2024

The heritage assets of £410,843 (2023: £410,843) represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values. The Trustees have concluded a valuation 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

8. Investments – Group and Charity

The Finance Committee (on behalf of the Board of Trustees) review the Society's investments with JM Finn & Co (investment advisors) on a quarterly basis.

	2024	2023
	£	£
Investments in Government and other listed securities:		
UK	442,578	500,770
Overseas	105,804	102,744
Official Investments Funds at market values:		
UK	1,160,209	1,145,017
Overseas	1,888,490	1,530,374
Property Funds	326,633	432,709
Bank Deposits	94,473	36,535
	<u>4,018,187</u>	<u>3,748,149</u>
Analysis of movements of investment assets:	2024	2023
	£	£
Investments at 1 January	3,748,149	3,592,564
Additions	863,313	1,215,935
Disposals	(681,307)	(1,075,283)
Revaluations	88,032	14,934
Investments at 31 December	<u>4,018,187</u>	<u>3,748,149</u>

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

9. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	325,031	444,015	298,085	396,688
Other debtors	54,357	70,145	54,357	70,145
Prepayments	308,851	243,545	308,852	243,543
Amount due from subsidiary undertaking	-	-	88,630	-
	<u>688,239</u>	<u>757,705</u>	<u>749,924</u>	<u>710,376</u>

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

10. Creditors falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	260,312	363,794	260,312	357,674
Accruals and deferred income	1,316,329	1,283,389	1,301,959	1,258,969
Other taxes and social security	62,240	62,802	62,240	62,801
Loan for Property	-	32,450	-	32,450
Other creditors	146,710	115,194	145,415	97,987
Amount due to subsidiary undertaking	-	-	-	49,359
	1,785,591	1,857,630	1,769,926	1,859,240

Deferred income represents income from Subscription for Membership, Publications, Venue Hire, Conference, Sponsorship for future periods. This includes sponsorship from Marshall, Martin Baker and Airbus.

Reconciliation of deferred income	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Balance as at 1 January	1,103,962	732,199	1,077,042	684,099
Income deferred in the current year	1,082,911	1,008,862	1,076,651	994,702
Release from prior year	(995,016)	(637,099)	(976,206)	(601,759)
Balance as at 31 December	1,191,857	1,103,962	1,177,487	1,077,042

11. Creditors falling due after one year

	Group			Charity		
	2024	2023	2024	2023		
	£	£	£	£		
Loan for Property:						
Within 2 to 5 years	-	-	-	-		
After 5 years	-	687,963	-	687,963		
Sponsorship: Marshalls	57,140	59,426	57,140	59,426		
	57,140	747,389	57,140	747,389		

In March 2009 the Society purchased the freehold of No 4 Hamilton Place (Society's HQ) at a cost of £4,859,755; the Society repaid its mortgage in 2024. At the end of 2024, the outstanding loan on property was £nil (2023: £720,413).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

12. Operating lease

The RAeS is committed on operating leases as follows:

	2024 £	2023 £
Within 1 year	897	1,196
Within 2 to 5 years	-	897
	<u>897</u>	<u>2,093</u>

In 2024, the operating leases cost was £897 (2023: £1,196).

13 . Endowment funds

The following reserves are held in accordance with the reserves policy set out on page 7 of this report.

Funds: 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
CAARC Fund	17,085	-	-	1,025	496	18,606
Alan Snudden	78,309	-	-	-	2,213	80,522
Awards Trust	1,260,813	-	-	35,475	31,842	1,328,130
Total Expendable Endowment Funds	1,356,207	-	-	36,500	34,551	1,427,258

Funds: 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
CAARC Fund	16,209	-	-	792	84	17,085
Alan Snudden	77,933	-	-	-	376	78,309
Awards Trust	1,216,710	-	-	38,702	5,401	1,260,813
Total Expendable Endowment Funds	1,310,852	-	-	39,494	5,861	1,356,207

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FOR YEAR ENDED 31 DECEMBER 2024**

14. Restricted income funds

The following reserves are held in accordance with the reserves policy set out on page 7 of this report.

Funds: 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
CAARC Fund	-	1,182	(157)	(1,025)	-	-
Alan Snudden	37,600	6,798	(903)	-	638	44,133
Awards Trust	-	75,932	(37,457)	(38,475)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	249,740	14,435	(71,085)	3,000	6,053	202,143
National Aerospace Library Fund	153,067	8,915	(1,186)	-	3,739	164,535
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
Falcon 2 (Formerly School Build a Plane Challenge)	23,734	-	-	-	-	23,734
ALTA	4,852	5,000	(2,900)	-	-	6,952
Boeing - Project Altitude	103,272	37,647	(25,558)	-	-	115,361
Flying Start Challenge	5,641	10,207	(4,578)	(1,550)	-	9,720
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	160,191	3,119	-	-	-	163,310
Worldskills	4,775	-	-	-	-	4,775
AAU Outreach	23,429	-	-	-	-	23,429
CAA Sky Challenge	25,589	13,750	(14,730)	-	-	24,609
Total Funds	822,885	176,985	(158,554)	(38,050)	10,430	813,696

Funds: 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/(losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
CAARC Fund	-	938	(146)	(792)	-	-
Alan Snudden	32,938	5,396	(842)	-	108	37,600
Awards Trust	-	60,281	(18,579)	(41,702)	-	-
Centennial Scholarship Fund	243,651	11,460	(9,398)	3,000	1,027	249,740
National Aerospace Library Fund	146,459	7,078	(1,104)	-	634	153,067
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
School Build a Plane Challenge	23,446	-	288	-	-	23,734
ALTA	2,243	2,642	(33)	-	-	4,852
Boeing - Project Altitude	77,537	38,177	(12,442)	-	-	103,272
Flying Start Challenge	5,190	7,750	(7,299)	-	-	5,641
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	161,541	650	(2,000)	-	-	160,191
Worldskills	1,255	3,520	-	-	-	4,775
AAU Outreach	23,429	-	-	-	-	23,429
CAA Sky Challenge	-	41,250	(15,661)	-	-	25,589
Total Funds	748,684	179,142	(67,216)	(39,494)	1,769	822,885

Alan Snudden Fund – The Trustees had the power to accumulate surpluses for 21 years from the founding deed which was dated 1992; transfers to net income made from 2013-16 have been transferred back to Restricted to cover future commitments.

**ROYAL AERONAUTICAL SOCIETY
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15. Unrestricted reserve funds

The following reserves are held in accordance with the reserves policy set out on page 7 of this report.

Funds : 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
General Reserve - Functional Assets	8,417,893	8,938	-	-	-	8,426,831
General Reserve - Functional Assets Loan	(720,414)	-	-	720,414	-	-
General Reserve - Free Reserve	3,173,532	5,902,857	(5,476,627)	(814,735)	43,051	2,828,078
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	(12,101)	-	39,235
Mortgage & Premises Reserve	6,836	-	-	(6,836)	-	-
No.4 HP Refurbishment Project	100,000	-	-	(100,000)	-	-
Designated IT Project Fund	81,629	-	-	100,000	-	181,629
RAeS Foundation	254,941	24,515	(28,748)	-	-	250,708
	11,776,596	5,936,310	(5,505,375)	(113,258)	43,051	12,137,324
Pension Fund - FRS17 Reserve	-	-	(74,000)	76,000	(2,000)	-
Total Funds	11,776,596	5,936,310	(5,579,375)	(37,258)	41,051	12,137,324

The Free reserve represents the surplus on funds available for future general activities after allowances for the reserves specified in the policy. In 2024, branches received £38,808 subvention transfers from the Society's free reserves.

Funds : 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
General Reserve - Functional Assets	8,435,547	-	(17,654)	-	-	8,417,893
General Reserve - Functional Assets Loan	(752,032)	-	-	31,618	-	(720,414)
General Reserve - Free Reserve	2,402,289	5,685,187	(4,782,230)	(139,018)	7,304	3,173,532
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	-	-	51,336
Mortgage & Premises Reserve	6,836	-	-	-	-	6,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
Designated IT Project Fund	81,629	-	-	-	-	81,629
RAeS Foundation	261,279	54	(6,392)	-	-	254,941
	10,997,727	5,685,241	(4,806,276)	(107,400)	7,304	11,776,596
Pension Fund - FRS17 Reserve	-	-	6,000	76,000	(82,000)	-
Total Funds	10,997,727	5,685,241	(4,800,276)	(31,400)	(74,696)	11,776,596

**ROYAL AERONAUTICAL SOCIETY
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16. Designated Branches funds

Funds: 2024	Fund Balances Brought Forward 01/01/2024	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2024
	£	£	£	£	£	£
Branches	397,221	76,583	(109,365)	38,808	-	403,247
Total Funds	397,221	76,583	(109,365)	38,808	-	403,247

Funds: 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
Branches	359,706	79,993	(73,878)	31,400	-	397,221
Total Funds	359,706	79,993	(73,878)	31,400	-	397,221

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

17. Analysis of funds

Funds: 2024	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2024 are represented by:					
Fixed assets	8,837,674	-	-	-	8,837,674
Investments	1,965,056	476,081	1,577,050	-	4,018,187
Current assets	3,177,325	337,615	(149,792)	403,247	3,768,395
Current Liabilities	(1,785,591)	-	-	-	(1,785,591)
Total Funds Excluding Pension Liability and Non-Current liabilities	12,194,464	813,696	1,427,258	403,247	14,838,665
Long Term Liabilities	(57,140)	-	-	-	(57,140)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	12,137,324	813,696	1,427,258	403,247	14,781,525
Funds: 2023	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:					
Fixed assets	8,828,736	-	-	-	8,828,736
Investments	1,832,997	444,086	1,471,066	-	3,748,149
Current assets	3,719,882	378,799	(114,859)	397,221	4,381,043
Current Liabilities	(1,857,630)	-	-	-	(1,857,630)
Total Funds Excluding Pension Liability	12,523,985	822,885	1,356,207	397,221	15,100,298
Long Term Liabilities	(747,389)	-	-	-	(747,389)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	11,776,596	822,885	1,356,207	397,221	14,352,909

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

18. Subsidiary charities and companies

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

The subsidiary charities are:

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

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

The subsidiary companies are:

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

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

Aeronautical Trading Limited (registered number 03243525) is the only trading company and its results, assets and liabilities are included in the consolidated accounts. Its results and financial position are summarised below:

Aeronautical Trading Ltd - Profit and Loss Account	2024	2023
	£	£
Turnover	483,453	594,559
Cost of sales	(181,128)	(168,547)
Gross Profit	302,325	426,012
Administrative expenses	(359,709)	(337,646)
Operating (loss)/ profit	(57,384)	88,366

Aeronautical Trading Ltd - Balance Sheet

	2024	2023
	£	£
Debtors	26,945	96,686
Cash at Bank	19,968	39,430
Creditors: amounts falling due within 1 year		
Other creditors	(104,295)	(47,748)
Net (Liabilities)/ Assets	(57,382)	88,368
Represented By:		
Total Equity	(57,382)	88,368

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

19. Consolidated Statement of Activities 2023

The following Consolidated Statement of Financial Activities for the year ended 31 December 2023:

	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2023
	£	£	£	£	£
Income and endowments from:					
Donations & Legacies	255,936	93,989	-	79,993	429,918
Charitable Activities	4,411,593	-	-	-	4,411,593
Other Trading Activities	887,896	-	-	-	887,896
Investments	129,816	85,153	-	-	214,969
Total	5,685,241	179,142	-	79,993	5,944,376
Expenditure on:					
Raising Funds	582,674	13,286	-	-	595,960
Charitable Activities	4,217,602	53,930	-	73,878	4,345,410
Total	4,800,276	67,216	-	73,878	4,941,370
Net income/(expenditure) before losses on investments	884,965	111,926	-	6,115	1,003,006
Net losses on investments	7,304	1,769	5,861	-	14,934
Net income/expenditure	892,269	113,695	5,861	6,115	1,017,940
Transfers between funds	(31,400)	(39,494)	39,494	31,400	-
	860,869	74,201	45,355	37,515	1,017,940
Other recognised (losses)/gains:					
Net actuarial (losses) on Pension Scheme	(82,000)	-	-	-	(82,000)
Net movement in funds	778,869	74,201	45,355	37,515	935,940
Balance at 1 January	10,997,727	748,684	1,310,852	359,706	13,416,969
Funds at 31 December	11,776,596	822,885	1,356,207	397,221	14,352,909

20. Defined Benefit Pension Scheme (now frozen)

The valuation used for FRS102 disclosures has been based on the most recent actuarial valuation as at 1 April 2022 and updated by the Actuary to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 December 2024. Scheme assets are stated at their market value at 31 December 2024.

The most recent valuation on a discontinued basis was at 1 April 2022 which showed that the scheme's assets fully covered its priority liabilities and 77% of the remaining liabilities on that date; the actuarial valuation shows a deficit of £982k (2019: £1,294k).

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

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

Economic assumptions

	Proposed assumption at 31 December 2024	Assumption Adopted at 31 December 2023
Discount rate	5.40% p.a.	4.50% p.a.
Future increase in Retail Prices Index ("RPI")	3.15% p.a.	3.05% p.a.
Future increase in Consumer Prices Index ("CPI")	2.40% p.a.	2.20% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.40%p.a.	2.20%p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	2.95% p.a.	2.85% p.a.

Demographic assumptions

	Proposed assumption at 31 December 2024	Assumption adopted at 31 December 2023
Pre-retirement mortality	98% of SAPS3 tables, based on members' years of birth with CMI 2023 core projections with a longterm trend of 1.25% p.a	98% of SAPS3 tables, based on members' years of birth with CMI 2022 core projections with a longterm trend of 1.25% p.a
Post-retirement mortality	98% of SAPS3 tables, based on members' years of birth	98% of SAPS3 tables, based on members' years of birth
Future improvements in longevity	CMI 2023 projections with a long term trend of 1.25% p.a.	CMI 2022 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	25.9	26.1
Female currently aged 60	28.8	28.9
Male currently aged 40	27.4	27.6
Female currently aged 40	30.2	30.3
Commutation	50% of members assumed to commute some of their pension, using current commutation factors, to receive 100% of maximum tax-free cash lump sum.	50% of members assumed to commute some of their pension, using current commutation factors, to receive 100% of maximum tax-free cash lump sum.
Retirement age	1st April nearest to 60th birthday.	1st April nearest to 60th birthday.
Marital statistics	80% of males and 70% of females.	80% of males and 70% of females.
Age difference	Males assumed to be 3 years older than females	Males assumed to be 3 years older than females
Options (e.g. transfers out)	No allowance	No allowance

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

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

A) Assets and DBO

	31 December 2024	31 December 2023
	£'000	£'000
Total Value of total Scheme assets	1,716	2,224
Total Value of assets in respect of insured pensioners	592	682
Present value of DBO	(2,308)	(2,906)
Funded surplus / (deficit)	-	-

B) Reconciliation of the value of the DBO

	31 December 2024	31 December 2023
	£'000	£'000
Opening DBO	2,906	3,172
Interest on liabilities	124	153
Actuarial losses / (gains)		
From change on assumptions	(315)	128
From experience	(5)	46
Settlements	(250)	(483)
Benefits paid out	(152)	(110)
Expenses	-	-
Closing defined benefit obligation	2,308	2,906

C) Reconciliation of the value of the assets

	31 December 2024	31 December 2023
	£'000	£'000
Opening value assets	2,906	3,821
Interest income on Scheme Assets	150	187
Actuarial gains / (losses)	(194)	20
Society contributions	76	76
(Loss)/gain on Settlements	(297)	(511)
Benefits paid	(205)	(110)
Derecognition of surplus	(128)	(577)
Closing value of assets	2,308	2,906

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

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

D) Return on the Scheme Assets

	31 December 2024	31 December 2023
	£'000	£'000
Actual return on assets	(44)	207

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

	31 December 2024	31 December 2023
	£'000	£'000
Losses/ (gains) on settlement and curtailments	47	-
Administrative costs	53	-
Net interest cost	(26)	(6)
Total	74	(6)

E.2) Analysis of net interest cost

	31 December 2024	31 December 2023
	£'000	£'000
Interest income on Scheme assets	(150)	(187)
Interest in Scheme liabilities	124	153
Net interest (credit) / cost	(26)	(34)

F) Amount recognised in Other Comprehensive Income

	31 December 2024	31 December 2023
	£'000	£'000
Return on Scheme assets less interest income	(322)	92
Actuarial gains/(losses from a change in assumptions)	315	(128)
Actuarial gains/(losses) from experience	5	(46)
Expense recognised in Actuarial Losses	(2)	(82)

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2024**

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

H) Amounts for the current and previous two periods

	31 December 2024	31 December 2023	31 December 2022
	£'000	£'000	£'000
Present value of funded DBO	(2,308)	(2,906)	(3,172)
Scheme Assets	1,716	2,224	2,443
Value of assets in respect of insured pensions	592	682	729
Surplus/(deficit)	-	-	-
Experience gain/(loss) on DBO	5	(46)	(358)
Experience gain/(loss) on assets	(194)	20	(536)

I) Sensitivity of movement in key assumptions

	£'000
Discount rate + 0.50%	(132)
Inflation (RPI and CPI) + 0.50%	34
Life Expectancy + 1year	81

J) Forecast Profit & Loss for the next account period

	31 December 2025
	£'000
Service cost	-
Losses /(gains) on settlements and curtailments	-
Interest income	(159)
Administrative costs	53
Net interest cost/(credit)	121
Total	15

The recent FRS 102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the trustees feel that the recoverability of the asset is too remote and has not recognise the Pension Scheme asset in these accounts as a result

ROYAL AERONAUTICAL SOCIETY

England & Wales - Charity number 313708

Accounts



**ROYAL
AERONAUTICAL
SOCIETY**

Royal Aeronautical Society

**Trustees' Annual Report and Accounts
Year Ended 31 December 2023**

**Charity Registration Number: 313708
Incorporating:
Charity Registration Number: 1013530
Charity Registration Number: 1045004**

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2023**

Report of the Board of Trustees for the year ended 31 December 2023

The members of the Board of Trustees are pleased to present their annual report and financial statements of the Society for the year ended 31 December 2023.

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

The guiding principles of the Royal Aeronautical Society ("RAeS") are embodied in this extract from the Society's Royal Charter: "The objects and purposes are the general advancement of aeronautical Art, Science and Engineering and for promoting that species of knowledge which distinguishes the profession of Aeronautics (which expression includes Astronautics)".

The Society provides free lectures and access to the National Aerospace Library to encourage the public to engage in aerospace and aviation. Membership is open to those who have an interest or pursuing a career in aviation and aerospace.

Objectives and Activities

The Society is the only global organisation serving the entire aviation, aerospace and space community as both a learned society and a professional body.

As such, the RAeS is independent, evidence-based and authoritative, relying on a body of knowledge going back more than 150 years. We play a leading role in influencing opinion on aviation and aerospace matters through various means including our publications, social media profile, interaction with Governments, and an extensive events programme.

Our mission is to:

- Provide influence and leadership to the aerospace, aviation and space domains, disseminating impartial and authoritative knowledge and information to a broad audience.
- Attract and support a diverse and active membership base both nationally and internationally, via a wide range of activities across the entire aerospace, aviation and space community.
- Maintain and facilitate professional standards across a wide range of competence and academic activities.
- Act in accordance with and maintain charitable status.

The Society aims to achieve its mission and vision through the following strategic aims:

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

Achievements and performance

The goals for the Society's charitable and professional activities in 2023 were focussed on a number of key areas to continue working on delivering the strategic aims and meet charitable objectives. Success is measured through benchmarking key metrics, setting growth targets and gathering data on agreed outcomes and impact to determine trends and improvements.

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2023

The completion of the Relevance Project delivered input from across the membership and wider stakeholders on what the Society will have to provide, and where so that it will be relevant to current members, and potential members of the future. The data and analysis will be reviewed to take forward into the next corporate plan.

The review of by-laws was approved by Privy Council and successfully implemented achieving the objective to streamline governance, and benchmarking has been set to measure the extent to which all paying members vote in General Elections.

The Society achieved its goal to be approved for a new L7 Systems Engineer Standard and will develop over the coming year for future delivery.

Building on The Aeronautical Journal's status as a Transformative Journal, a record number of 357 papers were submitted for review achieving the objective to increase submissions and attract a broader range of research papers.

In terms of delivering of our responsibilities to provide public benefit, technical and policy papers on contrail management and sustainability were published however the Mental Health and Wellbeing paper was delayed until publication in 2024.

The aim of increasing engagement with UK MPs was boosted by research undertaken on recognition of the Society amongst politicians which has increased over the past 2 years.

The Society's outreach programmes continued to encourage new generations to enter the industry with Phase 2 of the Falcon 2 Flight Simulator programme initiated, and the Education & Skills team participated in National Apprenticeship Week 2023 in March, the Big Bang Fair in June and RIAT in July.

Developing our Membership

- The Membership Development Team, with invaluable support from volunteer member support, have continued to be active in their engagement within the aerospace, aviation and space community, online and in person. RAeS work closely with companies and volunteers to deliver a mix of online briefings, workshops and mentoring training, with over 36 of these delivered in 2023, achieving an increase of 20%.
- The Membership and Registration webinar programme reached over 392 potential members and registrants.
- In 2023, RAeS continued to encourage members to upgrade their membership to a higher grade which is an essential activity to ensure that the membership reflects the appropriate level of skill and service to the Sector.
- RAeS continued to see support from Society members through the nomination process, encouraging Members and Fellows to nominate colleagues for membership through a streamlined application route, including over 287 nominations in 2023.
- The Membership Team continued to promote and expand knowledge of the Society through attendance at a wide range of exhibitions and conferences covering various disciplines within aerospace, aviation and space. These included Advanced Engineering, the UK Space Conference, Global Air & Space Chiefs' Conference and the RAF's Engineering Branch Conference.
- Over 180 volunteers supported a range of Membership and Professional Development activities which includes the support of Committees, Panels and Sub Panels. Activities which volunteers are integral to include support as Panel members on Academic and Professional Development Accreditation Visits and as Professional Review Interview Assessors.
- At the end of 2023 the Royal Aeronautical Society had 25,477 total members, in 115 countries. It also had more than 350 industry, academic, and charitable partners around the world.

Promoting professional standards

- The Society continued to encourage young people to pursue a career in the aerospace, aviation and space industries and support learners through our offer of free Apprentice and Student Affiliate membership with access to mentoring, knowledge resources, networking opportunities, awards and scholarships.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2023**

- The Society continued to work with UK and international academic institutions to promote the benefits of membership to those at various levels of study, with over 2,900 full-time students joining the Society in 2023.
- The Membership and Education and Skills team presented to 37 Universities and Further Education Colleges, through live webinars and in-person visits.
- Over 160 Apprentices joined the Society in 2023.

Promoting professional standards

- The Society continued to review academic programmes that provide the recognised level of understanding, knowledge and skills to underpin professional competence to help graduates on their way to registration as Chartered or Incorporated Engineers.
- In 2023 we provided 103 Membership and Registration 1-to-1 support calls.
- The Society has participated in a full schedule of virtual and in person visits to review academic programmes and professional development schemes for accreditation, including 11 to Higher Education Institutions and 6 professional scheme visits.
- The Society successfully re-accredited academic programmes to maintain accreditation of 35 Universities and Further Education Colleges and 13 Professional Development Schemes.
- In total, End Point Assessment services were provided to over 75 aerospace, aviation, and advanced science and engineering employers across 5 different Apprenticeship Standards and, with thanks to our team of assessors, in 2023 completed 348 assessments for apprentices in the following disciplines:
 - Engineering Technician – ST0457 (Level 3)
 - Aircraft Certifying Technician – ST0019 (Level 4)
 - Aerospace Engineer – ST0010 (Level 6)
 - Aerospace Software Development Engineer – ST0013 (Level 6)
 - Post graduate Engineer – ST0456 (Level 7)
- We have worked with 20 Training Providers, 75+ Employers and 47 of which directly operate within the aerospace and aviation sectors (including supply chain).

Sharing knowledge and stimulating debate

- *AEROSPACE* coverage of the Future Combat Air & Space Summit in May made global headlines and significantly boosted the public profile of the Society, adding to the growing debate and discussion on AI and military aviation.
- *AEROSPACE* magazine featured one of the first public interviews with the new RAF Chief of the Air Staff in the summer - as well as a special survey on advanced manufacturing trends, the first report on BAE Systems HAPS UAV flight and an article on Cranfield University's Saab 340 flying lab, to tie in with its official Royal opening.
- 2023 saw the launch of the new monthly *AEROSPACE* NOTAM podcast series, which rounds up aerospace, aviation and spaceflight news from the previous month, as well as previewing the upcoming issue of the magazine and future RAeS events.
- In 2023 the *AEROSPACE* team reported from the Paris and Dubai Air Shows, which included a daily Insight blog and wrap-up news podcast, as well as other global events.
- The *AEROSPACE* Insight blog received 378,506 page views in 2023.
- The *Aeronautical Journal* achieved a record number of submissions - 357 papers were submitted and a record 104 papers were published.
- Papers downloaded from The *Aeronautical Journal's* website during 2023 surpassed 200,000 for the first time.
- A record 34% of papers were published as full open access.
- Approximately 1 in 5 members have now downloaded the *AEROSPACE* app.
- Five new articles were added to the Journal of Aviation History.
- We welcomed 3,323 attendees to events at the Royal Aeronautical Society's headquarters, No.4 Hamilton Place in London including:
 - 834 attendees across 10 conferences and Specialist Group seminars
 - 2,489 attendees across 20 talks, briefings, webinars and 8 social and networking events.
- We launched AeroSoc Late events including a Quiz night, Film night and Games night.
- Members had access to over 600 e-books and over 2,000 full-text journals via the e-Library.

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2023

- 20 historic podcasts were released, including Interviews with the civil pioneers – a series of interviews with those who first took passengers and post to the other side of the world and The Fallen Eagle: the demise of the RAF's TSR-2, taken from the joint conference between the Society's Aviation Heritage Specialist Group and the RAF Museum.
- An additional 100 classic RAeS Conference proceedings are now available online.
- Working with the FAST Museum and QinetiQ, we have released over 450 Royal Aircraft Establishment reports covering aerodynamics research at the time scientists were trying to get military and civil projects to beat the sound barrier.

Influencing opinion

- In 2023 the Royal Aeronautical Society contributed valuable evidence to the House of Commons Defence Committee's paper 'Aviation procurement: winging it'. We were honored to share insights and were invited to deliver oral evidence at a hearing earlier this year.
- The Greener by Design Contrail Management Paper was produced and distributed on the behalf of the Greener by Design Group.
- The President for 2023-2024, Kerissa Khan MRAeS, was invited to be a member of the World Economic Forum Global Future Councils.

Inspirational outreach programmes

- Through Project Altitude events we reached at least 2,300 young people, of which at least 500 are low-income and 500 from rural areas.
- We supported the Boeing Girls into Engineering Day, bringing girls from three different schools together to learn about aviation and aerospace, taking part in glider making activities and talks.
- The Falcon 2 programme saw school children using their creative skills to design a flight simulator, to enable able bodied and disabled people to experience the thrill of flying. Over 200 children from 13 schools participated in 2023. 27% of Phase 1 participants identified as SEND.
- We held 11 events including 1 international event for Cool Aeronautics in 2023. Venues included RAF Halton, Manchester Aerozone, Connestoga College in Ontario (Canada), Shuttleworth Collection, Derby Airfield, National Space Centre in Leicester and at No.4 Hamilton Place in London.
- Cool Aeronautics reached a total of 1,020 students both here in the UK and Internationally.
- We welcomed 90 children from London schools to participate in an engaging event with the theme of 'Future of Flight', to conclude the President's Conference in September.
- The Futures Awards Committee was formed in March 2023 to oversee the launch and review of the newly created Futures Scholarship Awards.
 - 17 individual applications and 4 team applications were received.
 - 5 individual applications were given an award with another 2 awards given to team applications.
- The careers team attended several external events including several university careers fairs as well as Further Education colleges and secondary schools to deliver talks and workshops.
- The annual Big Bang STEM Fair led by Engineering UK took place at the NEC in Birmingham welcoming over 10,000 children across 3 days.
- Working alongside other partners such as The CAA and British Airways, we were able to showcase the Society and host some engaging STEM based activities for the attendees.
- In July we exhibited at the Royal International Air Tattoo (RIAT) at RAF Fairford, led by the RAF Charitable trust. We had a stand showcasing the Society with activities and were available to provide career advice to those with an interest in embarking on a career in aerospace. We were supported by several apprentices from Boeing and volunteers who were with us for the duration of the event.
- Careers in Aviation and Aerospace LIVE welcomed 700 attendees from all age groups. The annual recruitment fair featured 22 exhibitors from different parts of the sector and 20 talks were delivered by industry professionals throughout the day.

Recognition and celebration outstanding achievements

- Although increasingly significant projects are delivered by teams there were some individuals who have made significant and specific contributions who we felt should be recognised with Society

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2023

Medals. No Gold Medals in 2023 were awarded although 1 Silver and 2 Bronze Medal recipients were identified together with 5 Specialist Group Named Award recipients this year. The Medals and Awards Committee was pleased to identify two Silver Team medal recipients for 2023, this reflected the increased in impact and innovation being achieved by teams rather than individuals. The Society were pleased to award the Young Person's Achievement Award, four Young Person's Commendations together with the Alan Marsh Award and the Herbert le Sueur Award

Royal Aeronautical Society Foundation – Fundraising

Since 2008/2009 the Foundation has focused on promoting Gift Aid to the Society's membership and ensuring that these funds are used to support the Society's charitable objectives. In 2023, The Society did not undertake any fundraising activity requiring disclosure under S162A of the Charities Act 2011. The Foundation has however continued to support a number of projects totalling £6,392 (2022: £8,732) with the following projects being supported:

- Cool Aeronautics (travel, venue costs for schools and programme delivery costs);
- Digitisation of the Society & NAL archive
- Student/Apprentice Learning & Development;
- Inspiration programme with Aeronautical professionals for today's generation

Financial Review

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

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2028 and the review of risks facing the charity. These forecasts incorporate key challenges surrounding the impact from ongoing cost of living crisis and have considered sensitivities surrounding our income in particular on Venue Hire. The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Income

Total income increased by 2.7% to £5,944,376 with total unrestricted income increasing by 1.7% to £5,685,241.

- ***Income from Donations & Legacies*** comprises donations to various funds, £429,918 was received in 2023 (2022: £385,035), including legacies of £250,000 from the late Captain Eric 'Winkle' Brown, £43,712 from Boeing and £79,993 (2022: £29,057) raised by the Society's Subsidiary Branches to fund their activities throughout the year.
- ***Income from Charitable Activities*** at £4,411,593 (2022: £4,459,078), represents 74.2% of the income generated by the Society in 2023; the principal income sources being Membership Services (including individual and Corporate Partner subscriptions), EPA, Conferences and Events and Publications.
 - Income from Membership Services represents just over 52% of the Society's income and increased by 4% in 2023 to £3,099,832 from £2,982,032.
 - The conferences and seminars were operated in person in 2023, the overall delegate and sponsorship income finished the year at £425,596 down by 21.2% on 2022.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2023**

- Publications income increased by 21.4% to £184,337 by increased sales of Advertising and *The Aeronautical Journal* (including archive sales) in 2023.
- The Education, Skills and Diversity Team generated £40,700 in 2023 (2022: £38,875), income increased by 4.7% which included sponsorship and income from its annual conference and sponsorship for some of its activity.
- Income from End Point Assessment (EPA) at £653,077 (2022: £737,575), down by 11.5%. It continued to have delayed assessments in 2023 and shortage of internal assessors at providers and awarding bodies in the latter part of 2023.
- **Income from Other Trading Activities**, room hire services, income generated £886,425, increased by 15% in 2023 from £770,712. The room hire activity is run by the trading subsidiary Aeronautical Trading Limited (ATL) which made a profit of £88,366 (2022: £71,101) which is passed, via Gift Aid, to the Society. There are no plans to change the activities of this business, which involves the provision of facilities to external customers and the running of the Members' facilities. The Society continued to lease (under licence to third parties) offices on the 4th and 5th floor, overall this had generated £218,163 in 2023 (2022: £182,440). Room sponsorship had generated £73,702 (2022: £49,286). Other Trading activities include the additional licence income of £150,476 from an exclusive room hire from the watchmaker Omega during February and March 2023.
- **Investment Income** increased to £214,969 from £168,394 in 2023. Of this, £96,328 (2022: £96,657) was reinvested by the Society during the year.

Expenditure

Expenditure increased by 6.2% to £4,941,370 with total unrestricted spending increasing by 6.9% to £4,800,276 as a result of the Society returning to in-person events and office usage.

- **The costs of Raising Funds** increased in 2023 by 7.2% to £595,960 with unrestricted costs also increasing by 7.5% to £582,674. Costs included room hire services, administration and investment fees. In 2023, the Society continued to upgrade its services to provide enhanced facilities to members and the general public.
- **Charitable Activities** Resources expended on the Society's Charitable Activities increased by 6.1% to £4,345,410 with unrestricted expenditure increasing by 6.8% to £4,217,602. Costs include all the expenditure on the Society's conference/event programmes, providing membership services, career advice service, library, and producing the Society's publications.
- The Society's headquarters at No.4 Hamilton Place continue to be invested in and upgraded in line with its Strategic Objectives.
- In 2023, Governance costs increased by 6.47% from £133,232 to £141,855. Costs includes staff costs for Head of Governance to oversee the support to the Board of Trustees, Council, and internal Boards of the Society. Other costs included expenses associated with the return of in-person Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus travel costs for the President.

Surplus

The net incoming resources (before losses on investments) for the year produced a surplus of £1,003,006 (2022: £1,134,039). During the year, the Society had gains on its investment of £14,934 and actuarial losses on the Society's Pension Scheme of £82,000. The net movement of funds for the year was a surplus of £935,940 (2022: £1,448,236).

- **Unrestricted funds** carried forward of £11,776,596 (2022: £10,997,727) represent approximately 38 months operating expenditure. However, not all these funds can be readily liquidated as they represent the functional fixed assets of the Society. In accordance with Charity Commission guidance, the Trustees have adopted a formal Reserves Policy set out below.

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- The overall income **for Room Hire Services** (*Operated by Aeronautical Trading Limited*) was up by 10.33% and finished the year at £594,559. All surpluses from this activity were transferred to the Society (utilising Gift Aid) to support charitable activities and the aims of the Society (see note 18 of the accounts). The Society received income from other Trading activities including leased offices (under licence) on 4th and 5th floors, at £218,163 and room sponsorship income at £73,702 in 2023.
- **Pensions Scheme**
 - The financial statements reflect the full financial position of the Defined Benefits Pension Scheme which became a closed scheme on 31 March 2001. The Scheme must be accounted for under FRS102 and under FRS102 the scheme's liabilities are valued based on assumptions derived from yields on AA rated corporate bonds and gilts. Changes in the assumptions applied to the Scheme's liabilities have resulted in a decline in the FRS102 deficit in 2023 and 2022 which showed a pension scheme asset in both years. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts in 2023. The Society contributed £76,000 to the fund in 2023.
 - From 1 April 2001 the staff pension arrangements are in the form of Group Personal Pensions with Standard Life, in 2021 this was transferred to Aegon. The Society makes contributions, but the funds are owned by and are the responsibility of the individual staff members. From August 2015 the Society adopted Automatic Enrolment and received an acknowledgement of re-declaration of compliance in September 2021 from the Pension Regulator.
- Functional Assets are also used by Aeronautical Trading Limited and these are included in support costs.
- **No.4 Hamilton Place – Purchase, Valuation and Charges on the Property** - In March 2009, the Society purchased the freehold of No.4 Hamilton Place at a cost of £4,859,755. Prior to the purchase, No.4 Hamilton Place was leased from the Crown Estates; in 2002 the lease was revalued by the Trustees on a draft valuation of £3,864,407 (based on existing use). From 2009 the Trustees have decided to add this valuation to the actual cost of the purchase of £4,859,755 to value the property in the Balance Sheet at £8,195,137 (less depreciation on property) as at 31/12/2023. At the time of purchase in March 2009 the Market Value of the freehold interest in No.4 Hamilton Place was £11,700,000.
- **Charges on No.4 Hamilton Place** - The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan. The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations if the Society defaults on its payments to the scheme. In return, by agreement with the Trustees of the Scheme, the Society will continue to pay reduced contributions to the Scheme in future years at a rate of £76,000.

Risk Management

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

The trustees have a risk management strategy which comprises:

- An annual review of the risks identified and regularly reviewed by the CEO and Audit Committee
- The establishment of policies, systems and procedures to mitigate the principal risks.

The principal risks identified in 2023 were:

- Ineffective Organisational Structure was mitigated by conducting a Governance Review, as a result, changes to the Society's governance structure are being implemented. The updated By-Laws and

ROYAL AERONAUTICAL SOCIETY REPORT OF THE TRUSTEES FOR YEAR ENDED 31 DECEMBER 2023

Regulations have all been approved and can now be found on the Society website. Work is now in progress implementing changes and updating terms of reference.

- Cyber Security remains an ever-present risk our organisation; to protect our systems, networks, and programs from digital attacks we continue to invest heavily in IT Security, Training and we run periodic test exercises of staff and volunteers. All of these are designed to mitigate the risks and boost awareness of cyber security.
- Decline in Relevance is being mitigated by continuing to deliver and develop individual and corporate member benefits, increase awareness and generation of learned and charitable output. A programme of internal discussion on the future of the Society, particularly focusing on next generation requirements, with external expert support, occurred in 2023.

Reserves Policy

Unrestricted Reserves and Designated Funds

The Finance Strategy was extended for an additional year covering the period 2018-2023, which was approved by the Trustees in March 2022 and is reviewed annually by the Finance Committee; the Finance Strategy will enable the Society to meet its Strategic Objectives to 2024 by:

- Operations to generate sufficient funds annually to ensure that the Society is fully resourced to achieve its long-term Strategic Objectives; all annual surpluses to be allocated to one of the Society's free reserves setup to safeguard the Society against future (adverse) events;
- The Society continuing to focus on re-building its unrestricted liquid reserves and increase the level to the equivalent of six months' trading costs; and
- The Society should endeavour to reduce its long-term liabilities once it has built up its reserves to a level that covers operational requirements.

At the end of 2023, the Society's liquid reserves (Free, Mortgage and Premises, Flight Simulations, No4HP refurbishment, Designated IT and RAeS Foundation Reserves) stood at £3,668,274 (2022: £2,903,369); this is 199.4% (2022: 174.8%) of the reserve target of the equivalent to at least six months' operational costs of £1,839,990 (2022: £1,660,758); the Society achieved the Reserves target (as outlined in the Finance Strategy).

At the end of 2023 unrestricted reserves and designated funds were as follows:

Free Reserve

The Trustees have reviewed its Finance Strategy, covering the period to 2023. The Trustees have decided that in view of the considerable uncertainty which characterises the current economic climate the Society should concentrate its efforts on re-building its unrestricted reserves and hold any additional cash (on interest bearing deposits) to cover any income shortfalls; at the end of 2023, the balance of the fund was £3,173,532 (2022: £2,402,289). This excludes fixed assets, loan on property and designated funds.

Royal Aeronautical Society Foundation

The Foundation was setup in 2006 by the Trustees to organise and co-ordinate support for the Society's wider charitable activities such as supporting aviation heritage projects supporting the next generation of aerospace professionals, as well as supporting the development of No.4 Hamilton Place (including repaying of the mortgage). This fund is a Designated Fund, and the Foundation Committee (on behalf of the Trustees) will decide each year which projects to fund out of this reserve. In 2023 the fund received £54 (2022: £260,761) from other income, no funds were received from Gift Aid in 2023 since the claims are pending until 2024. During the year, the Trustees released £6,392 (2023: £8,733) to support various charitable projects (educational/school projects); the fund balance stood at £254,941 at the end of 2023 (2022: £261,279).

Pension Fund Reserve

Under FRS102, and in accordance with SORP, this reserve has been setup to reflect the liability of the Defined Benefits Pension Scheme which shows a pension scheme asset at the end of 2023 and 2022. The Trustees feel that the recoverability of the asset is too remote and has not recognised the asset in the accounts in 2023.

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At the end of 2023 there were four Designated Funds as follows:

Flight Simulation Sponsorship Fund

Over the past couple of years, the Society has received sponsorship to support the Flight Simulation Group activities (events); there had been no movement in 2023. At the end of the year the fund stood at £51,336 (2022: £51,336).

Mortgage and Premises Reserve

This fund was setup in 2012 to be used to fund future capital improvements projects and to pay off the mortgage on the Society's HQ. At the end of 2023, the balance of the fund stood at £6,836 (2022: £6,836).

No.4 HP Refurbishment Project Fund

This fund was setup by the Trustees in 2019 to be used to fund the refurbishment and redecoration of the offices on the 4th and 5th floors in 2020 and 2021, however since the pandemic and the introduction of hybrid working this continues to be under review. At the end of 2023, the fund stood at £100,000 (2022: £100,000).

Designated IT Future Fund

This fund was setup by the Trustees in 2021 to be used to fund the IT projects to enhance and develop the digital capability of the Society. The IT project will start from 2024. At the end of 2023, the fund stood at £81,629 (2022: £81,629).

Restricted and Endowment Reserves

Restricted Funds

Alan Snudden Fund – Restricted

This is an Endowment Fund established to provide scholarships to young person's entering, or already engaged in, the air transport operating industry. The founding deed (1992) allowed the Trustees to initially accumulate unspent income into the Endowment Fund. However, the deed now allows the Trustees to hold the income generated in a restricted fund and this was setup in 2017. There were no activities in 2023. The fund received a total of £5,396 (2022: £5,373) from investment income; at the end of 2023, the fund stood at £37,600 (2022: £32,938).

ALTA

This fund was created from donations from a number of organisations to support the ALTA Mentoring Platform launched in 2019; the platform was setup for women in aerospace and aviation who are seeking woman-to-woman mentoring support with easy access to professional women working in the sector. In addition, the fund supports face-to-face networking events and research to provide greater support to women's retention and promotion within the industry. In 2023, the fund received a total of £2,642 (2022: £1,149) the fund stood at £4,852 (2022 £2,243) at the end of 2023.

Project Altitude – Boeing

In 2020, Boeing agreed to support various projects within the Society, one being **Project Altitude**; the aim is to encourage young people to become the innovators of tomorrow; the fund will support various STEM-based activities and events aimed at Primary, Middle and High Schools as well as young people just starting their careers. In 2023, the fund received a total of £38,177 and the fund stood at £103,272 (2022: £77,537) at the end of 2023.

RAeS Future Scholarship Fund (Formerly Centennial Scholarship Fund)

The Centennial Scholarship Fund was ceased in December 2020 and the balance of fund was transferred to RAeS Future Scholarship Fund from January 2021. The aim of the fund is to support funding costs for internships in the Aerospace sector to give the recipient an insight into working in the sector and enhancing the individuals Professional Development. In 2023, the fund received a total of £11,460 from donations and investment income and the fund stood at £249,740 at the end of 2023 (2022: £243,651).

Flying Start Challenge

This fund was setup in 2020 from donations from a number of Corporate Partners with the aim to support Flying Start Challenge; an annual competition aimed at providing secondary school students to design a glider; the competition is run and managed jointly by the participating organisations. In 2023, the fund received a total of £7,750 from donations and investment income. At the end of 2023, the fund stood at £5,641 (2022: £5,190).

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Kremer Fund

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

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

The assets of this fund are held as cash deposits and this fund paid out a total of £2,000 covering prizes in 2023; at the end of 2023, the fund balance stood at £160,191 (2022: £161,541).

Michael Bishop Foundation Fund

The Fund was setup in 2019 by the Trustees from a donation of £25,000 from Lord Glendonbrook/Michael Bishop Foundation to fund the Sir Ralph Robins Medal; this award is given to individuals demonstrating excellence in Engineering Leadership. At the end of 2023, the fund stood at £16,453 (2022: £16,453).

National Aerospace Library (NAL)

An appeal was started in 2004 towards the creation of a National Aerospace Library (NAL). In 2008 the Society opened a branch of the NAL within the Hub Building at Farnborough. In 2009 this facility was expanded and now houses the vast majority of the Society's historic library collections. The fund is used to support some of the ongoing operations of the NAL at Farnborough as well as future capital projects. During the year, a total of £7,078 (2022: £7,047) was received from donations and investment income and at the end of 2023 the fund stood at £153,067 (2022: £146,459).

RAF Chair in Air Power Studies

In 2008 the Society began (with support from the RAF) to raise funds for the Chair in Air Power Studies with the aim of establishing an independent academic Research Fellow at a UK university. By 2015 the Society had received donations totaling £624,000 from a number of Corporate Partners and these funds have helped to consolidate the senior academic post at the University of Birmingham and now support ongoing research in this area. At the end of 2023 the fund stood at £14,542 (2022: £14,542).

Falcon 2 (Formerly School Build-a-Plane Challenge)

In 2008 the Society launched the Schools Build-a-Plane (SBAP) Challenge which aims to provide young people in UK secondary schools with the opportunity to build a real light aircraft from kits, giving them hands-on experience of building aircraft and an understanding of scientific and engineering principles behind flight. This project is supported by funding from The Boeing Company (USA) and sales of the completed aircraft. From 2023, the fund balance will be spent towards the **Falcon 2** Initiative which is an extension of the SBAP programme. At the end of 2023 the fund stood at £23,734 (2022: £23,446).

World Skills

In 2021, the Society received a grant from World Skills UK who are an independent charity and work with employers, education and governments. They are a proud member of WorldSkills, a global movement of over 80 countries. WorldSkills supports young people across the world via competitions-based training, assessment and benchmarking, with members' national teams ultimately testing their ability to achieve world-class standards in the biennial 'Skills Olympics'. This covers the management and delivery of skills in the Aircraft Maintenance competition activity. At the end of 2023, the fund stood at £4,775 (2022: £1,255).

AAU Outreach Fund

In 2022, the Society received a donation from Association of Aerospace Universities (AAU) after dissolution, in accordance with the wishes of the members and office holders. The fund was set up to support the Society towards outreach activities within Aerospace and Aviation. There were no activities in 2023. At the end of 2023, the fund stood at £23,429 (2022: £23,429).

DFT & CAA Sky Challenge Fund

In 2023, DFT and CAA joined Boeing as one of the supporters for the **Falcon 2** Programme. The contribution from industry and government will allow for the delivery of a national outreach programme empowering students of all ages and abilities to experience the thrill of flight and variety of careers in aviation through the pathways highlighted within the programme. At the end of 2023, the fund stood at £25,589.

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Endowment Funds

The Alan Snudden Fund, Awards Trust and the CAARC (Commonwealth Advisory Aeronautical Research Council) Fund are held in pooled investments which were referred to as the Common Investment Fund in previous accounts. These funds are subsidiary charities of the Society as explained in Note 13.

Alan Snudden Fund

This fund is established to provide scholarships to young persons entering, or already engaged in, the air transport operating industry. As noted under restricted funds, a new Restricted Alan Snudden Fund was setup in 2018 to hold the net income generated by the Endowment fund; at the end of 2023, the fund stood at £78,309 (2022: £77,933).

Awards Trust

This was created in 1995 from several separate funds held for the purposes of Medals, Merit Awards, Educational Awards and Lecture fees. With the agreement of the Trustees of the Society and the Charity Commission these separate funds were combined to give greater flexibility and more efficient use of those funds. In 2022 this fund paid out a total of £5,200 to cover grants and awards and at the end of 2023 the fund stood at £1,260,813 (2022: £1,216,710).

CAARC Fund

Through the Awards Trust, the Society administers the Commonwealth Advisory Aeronautical Research Council (CAARC) Bursaries. Grants were made in the year to a number of Commonwealth and UK candidates, however due to the cancellation of awards from previous years the fund received a net increase on grants to offset some of the admin and investment costs; at the end of 2023, the fund stood at £17,085 (2022: £16,209).

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

Investments

Investments Policy

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

Investment funds

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

At the end of 2023, the investments stood at £3,748,149 (2022: £3,592,563); over the past 12 months investments have increased by 4.3% (against the target of RPI + 4%), though was up on the benchmark 7.9% (FSTE All Share Index). Overall, the Trustees were satisfied that the investment advisors had done all they could to protect the Society's investments considering the volatile economic and political background in 2023; since they took over in 2013 the investment advisors have produced an overall return of 66.8%.

Risk/Investment strategy

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

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

The Finance Committee agreed the asset allocation with the investment advisors, and this is reviewed on a quarterly basis. In 2023 the Finance Committee authorised the investment advisors to make short-term changes to the asset allocation to reflect market conditions and to give better opportunities for income and capital growth. At the end of 2023, the asset allocation was as follows:

Asset Distribution			
Sector	Bench Mark	Range	Fund Breakdown % as at 31/12/2023
Fixed Interest	17.5%	12.5-22.5%	16.11%
Equities - UK	60.0%	55-65%	30.58%
Equities - Overseas			40.86%
Alternatives (Property/Infrastructure)	17.5%	12.5-22.5%	11.55%
Cash	0.0%	0-10%	0.89%
Accrued Interest/Other	0.0%	0.0%	0.01%
			100.00%

Plans for future periods

Supporting the future of aerospace, aviation and space

- Global Impact: Addressing Challenges and Shaping Policies**
In 2024, the Society remains dedicated to providing unparalleled opportunities for professional development and accreditation. We will continue to actively engage with global leaders, governments, and industry stakeholders to confront the urgent challenges posed by climate change. Our focus includes contributing to sustainable aviation practices and shaping policies that will define the future of flight.
- Landmark Initiatives: The President's Briefing Paper**
The President's Briefing Paper on the 'Future of Flight: Safety Challenges and Action Plan.' will be launched later this year. This groundbreaking initiative brings together industry experts to outline strategies ensuring the highest safety standards in future aviation technologies.
- Inspiring the Next Generation: Nurturing Talent**
Our commitment to inspiring the next generation remains unwavering. Through outreach events and activities, we aim to engage with students and young professionals, providing them with the tools and knowledge to excel in their aerospace, aviation and space careers, supported by our recently launched Next Generation Board. We are expecting to reach even more students with our Project Altitude and Careers events, including our 1-2-1 CV support programme, and our tailored AI CV checking tool through Career Flightpath.
- Advancing End Point Assessment services**
During 2023, we have invested in the development of new systems to further support our EPA services and training, aimed at providing a higher and more efficient level of service; these new systems will be rolled out within 2024.

We are now approved to deliver the Systems Engineer – ST0107 (Level 7); development of delivery processes will be undertaken in the coming year. We will also be reviewing our EPA offering and exploring new opportunities within this area of the Society's activity.

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- **Strengthening Global Partnerships**
In 2024, we prioritise strengthening international partnerships and supporting our global Branches and Divisions. Collaborative efforts with aerospace, aviation, and space communities worldwide will enrich our collective knowledge, fostering a more globally integrated sector.
- **Influence on the Global Stage: World Economic Forum and Beyond**
Having contributed to shaping the agenda for the 2024 World Economic Forum Annual Meeting in Davos, the Royal Aeronautical Society will continue to actively influence international economic, social, and technological futures as a thought leader on the global stage.
- **Exciting Events: Farnborough Airshow and More**
We look forward to our presence at major events such as the Farnborough International Airshow and Singapore Airshow. Our Education and Skills team have several Careers Fairs in the diary for early 2024. The Society will have a significant presence at RIAT and on 'Futures Day' at the Farnborough International Airshow.
- **Aeronautical Journal Expansion and Special Issues**
The Aeronautical Journal will increase in size, featuring an average of 10 papers per issue in 2024. Special issues commemorating milestones such as 75 years of Aeronautical Engineering at Bristol University, the ISABE 2024 conference, and the RAeS 8th Structural Design Conference are set to be published.
- **As part of Finance Strategy 2018 to 2023, with the aim of further reducing its two major liabilities, the Mortgage on No.4 Hamilton Place and the Society's Defined Benefit Pension Scheme (closed). The Finance Committee's focus in 2024 is to rebuild the Society's reserves to ensure finishing the year in a stronger and more stable position which enables the Society to refocus on reducing the major liabilities in future years.**

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Structure, Governance and Management

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

The Society has 4 international divisions, 13 international branches and 36 UK branches. Each branch is run by a committee of volunteers and office holders within each committee include Chair, Secretary and Treasurer.

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

The Board of Trustees may delegate to any Board or Committee such powers and duties as it sees fit and the law and good practice for charities allows, but the Board of Trustees remains responsible for the actions of such Boards and Committees and the Board of Trustees may dissolve a Board or Committee at any time. The current Boards of the Board of Trustees are: The Learned Society Board (LSB), The Membership Services Board (MSB), and The Professional Standards Board (PSB). The Next Generation Board (NGB) will be established in 2024. The Board of Trustees has delegated the responsibility to the Finance Committee for directing the Society finances and developing sound financial practices and policies which protect and enhance the Society's finances and assets. The Audit Committee supports the Board of Trustees in monitoring the adequacy of the Society's governance, risk management, internal audit, and control processes through offering objective advice.

Members of the Council are elected, usually for a three-year term, by the voting members of the Society. The election takes place annually and the results are announced at the Society's Annual General Meeting (in May each year). The President is elected from within the Council approximately 18 months before taking office (from the AGM). Presidents serve a term of one year only. In the 12 months prior to taking office the President serves as President-Elect of the Society and in the 12 months after their one-year term the President serves as the immediate Past President of the Society. The President, President-Elect and Past President are ex officio members of the Council and Board of Trustees. The 6 other Trustee roles are recruited from open applications, with the process developed by the Nominations Committee.

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

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

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

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

The Chief Executive, boards and committees that report to the Trustees, prepare reports for each Trustee meeting. Each year the Annual Report and Annual Accounts are approved by the Trustees and are available to all members via the Society's website.

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Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society 313708

Subsidiary charities:

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

Subsidiary Companies:

Aeronautical Trading Limited 03243525
Aeronautical Trusts Limited 00239631

Registered Address:

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

The following were Trustees for all or part of 2023:

M Broadhurst OBE MA CDir FIoD FRAeS (Chair of the Board of Trustees - *Resigned May 2023*)
Air Cdre Peter Round FRAeS (Chair of The Board of Trustees - *Appointed May 2023*) & (Past President)
Kerrissa Khan MRAeS (President)
David Chinn FRAeS (President-Elect *Appointed June 2023*)
Howard Nye FRAeS
Lt Cdr R Gearing BEng(Hons) CEng FRAeS MCGI MCMI
Dr Alisdair Wood EngD CEng FRAeS
Andrew Cowdery FRAeS
Andy A Allen FRAeS
S Moynihan FCA CRAeS

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

D Edwards FRAeS, Chief Executive
L Price, Head of Governance & Compliance
P Mensah, Director of Membership and Professional Standards (for September 2023 meeting only)
R Saaristo, Council member (for November 2023 meeting only)

Directors of Aeronautical Trusts Limited:

D Edwards FRAeS, Chief Executive
S Moynihan FCA CRAeS

Executive Team:

D Edwards FRAeS, Chief Executive
E Bossom, MRAeS, Director of Knowledge and Networks (*Maternity leave March to December 2023*)
C Betts, Director of Operations (*Maternity cover – appointed February 2023*)
P Mensah, Director of Membership and Professional Standards
A Ng, Financial Controller

Advisors

Auditors:

Crowe U.K. LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR, UK

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Bankers:

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

Reference and Administrative Details (continued)

Investment Managers:

JM Finn & Co, 25 Copthall Avenue, London, EC2R 7AH, UK

Pension Advisors:

GPP Scheme

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

Defined Pension Scheme (Closed)

ISIO Group Limited, 27-45 Great Victoria Street, Belfast BT2 7SL, UK

Solicitors:

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

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FOR YEAR ENDED 31 DECEMBER 2023**

Statement of the responsibilities of the Board of Trustees

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

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

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

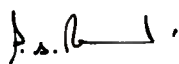
For the purpose of this statement the group comprises the Royal Aeronautical Society and subsidiary charities and companies as outlined in Note 18 within the notes accompanying the Financial Statements.

Website

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

Financial statements

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


Signed.....
Air Cdre Peter Round FRAeS
Chair of the Board of Trustees

Date: 25 March 2024

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Independent Auditor's Report to the Members of Royal Aeronautical Society**Opinion**

We have audited the financial statements of Royal Aeronautical Society for the year ended 31 December 2023 which comprise Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group and charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be recognition of grant income, publications, events and commercial venue hire income and legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over the completeness and timing of grant income,

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

publications, events and commercial venue hire income and legacy income, reading minutes of meetings of those charged with governance and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

Cheltenham

Date: 08 April 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Consolidated Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2023	Total 2022
		£	£	£	£	£	£
Income and endowments from:							
Donations & Legacies		255,936	93,989	-	79,993	429,918	385,035
Charitable Activities		4,411,593	-	-	-	4,411,593	4,459,078
Other Trading Activities		887,896	-	-	-	887,896	772,812
Investments		129,816	85,153	-	-	214,969	168,394
Total	2	5,685,241	179,142	-	79,993	5,944,376	5,785,319
Expenditure on:							
Raising Funds		582,674	13,286	-	-	595,960	555,809
Charitable Activities		4,217,602	53,930	-	73,878	4,345,410	4,095,471
Total	5	4,800,276	67,216	-	73,878	4,941,370	4,651,280
Net income/(expenditure) before gains on investments		884,965	111,926	-	6,115	1,003,006	1,134,039
Net (losses)/gains on investments	8	7,304	1,769	5,861	-	14,934	(842,966)
Net income/(expenditure)		892,269	113,695	5,861	6,115	1,017,940	291,073
Transfers between funds	13 - 15	(31,400)	(39,494)	39,494	31,400	-	-
		860,869	74,201	45,355	37,515	1,017,940	291,073
Other recognised (losses)/gains:							
Net actuarial (losses)/gains on Pension Scheme	20	(82,000)	-	-	-	(82,000)	798,333
Net movement in funds		778,869	74,201	45,355	37,515	935,940	1,089,406
Balance at 1 January	13 - 15	10,997,727	748,684	1,310,852	359,706	13,416,969	12,327,563
Funds at 31 December		11,776,596	822,885	1,356,207	397,221	14,352,909	13,416,969

All amounts relate to continuing activities. The notes 1 to 20 form part of these financial statements.

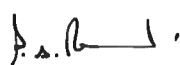
**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Consolidated Balance Sheet

	Note	Total 2023	Total 2022
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,667,915	2,695,139
Fixtures and Equipment	7	173,037	160,447
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	49,719	52,739
Investments at Market Value	8	3,748,149	3,592,563
		<u>12,576,885</u>	<u>12,438,953</u>
Current Assets			
Debtors	9	757,705	778,357
Cash at bank and in hand		3,623,338	2,481,705
		<u>4,381,043</u>	<u>3,260,062</u>
Less: Current Liabilities			
Creditors	10	(1,857,630)	(1,499,849)
		<u>(1,857,630)</u>	<u>(1,499,849)</u>
Net Current Assets		<u>2,523,413</u>	<u>1,760,213</u>
Total Assets Less Current Liabilities		<u>15,100,298</u>	<u>14,199,166</u>
Creditor due after one year	11	(747,389)	(782,197)
Defined Benefit Pension Scheme Liability	20	-	-
NET ASSETS		<u>14,352,909</u>	<u>13,416,969</u>
Represented by:			
Restricted Reserves	14	822,885	748,684
Endowments	13	1,356,207	1,310,852
Designated Funds - Branches	16	397,221	359,706
Unrestricted Reserves			
Unrestricted Reserves	15	11,776,596	10,997,727
Unrestricted Reserves Excluding Pension Liability		<u>11,776,596</u>	<u>10,997,727</u>
Pension Reserve	20	-	-
Total Unrestricted Reserves		<u>11,776,596</u>	<u>10,997,727</u>
TOTAL RESERVES		<u>14,352,909</u>	<u>13,416,969</u>

The notes 1 to 20 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 25 March 2024.



Air Cdre Peter Round FRAeS
Chair of the Board of Trustees



Sarah Moynihan (Mar 26, 2024 16:26 GMT)

S Moynihan FCA CRAeS
Trustee

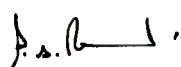
**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Charity Balance Sheet as at 31 December 2023

	Note	Total 2023	Total 2022
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,667,915	2,695,139
Fixtures and Equipment	7	173,037	160,447
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	49,719	52,739
Investments at Market Value	8	3,748,149	3,592,563
Investments in subsidiary undertakings	18	3	3
		<u>12,576,888</u>	<u>12,438,956</u>
Current Assets			
Debtors	9	710,376	725,981
Cash at bank and in hand		3,583,908	2,451,664
		<u>4,294,284</u>	<u>3,177,645</u>
Less: Current Liabilities			
Creditors	10	(1,859,240)	(1,489,136)
		<u>(1,859,240)</u>	<u>(1,489,136)</u>
Net Current Assets		<u>2,435,044</u>	<u>1,688,509</u>
Total Assets Less Current Liabilities		<u>15,011,932</u>	<u>14,127,465</u>
Creditor due after one year	11	(747,389)	(782,197)
Defined Benefit Pension Scheme Liability	20	-	-
		<u>14,264,543</u>	<u>13,345,268</u>
NET ASSETS			
Represented by:			
Restricted Reserves	14	822,885	748,684
Endowments	13	1,356,207	1,310,852
Designated Funds - Branches	16	397,221	359,706
Unrestricted Reserves			
Unrestricted Reserves		11,688,230	10,926,026
Unrestricted Reserves Excluding Pension Liability		<u>11,688,230</u>	<u>10,926,026</u>
Pension Reserve	20	-	-
Total Unrestricted Reserves		<u>11,688,230</u>	<u>10,926,026</u>
TOTAL CHARITY RESERVES		<u>14,264,543</u>	<u>13,345,268</u>

The notes 1 to 20 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 25 March 2024.



Air Cdre Peter Round FRAeS
Chair of the Board of Trustees



Sarah Moynihan (Mar 26, 2024 16:26 GMT)

S Moynihan FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Consolidated Cash Flow Statement

For the Year ended 31 December 2023	Total 2023	Total 2022
	£	£
Cash flows from operating activities		
Net cash provided by operating activities	1,257,373	961,637
Cash flows from investing activities		
Dividends, Interest and rents from investments	214,969	171,909
Purchase of property, plant and equipment	(158,439)	(203,272)
Proceeds from sale of investments	1,075,283	585,238
Purchase of investments	(1,215,935)	(723,771)
Net cash provided by operating activities	1,173,251	791,741
Cash flows from financing activities		
Repayments of borrowing	(31,618)	(790,047)
Net cash used in financing activities	(31,618)	(790,047)
Change in cash and cash equivalents in the reporting period	1,141,633	1,694
Cash and cash equivalents at the beginning of the reporting period	2,481,705	2,480,011
Cash and cash equivalents at the end of the reporting period	3,623,338	2,481,705

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

	Total 2023	Total 2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,017,940	291,073
Depreciation charges	176,093	223,636
Losses/(Gains) on investments	(14,934)	842,966
Dividends, Interest and rents from investments	(214,969)	(171,909)
Decrease/(Increase) in debtors	20,652	(236,068)
Increase in creditors	354,591	71,939
Movement of pension fund contributions/pension fund costs	(82,000)	(60,000)
Net cash provided by operating activities	1,257,373	961,637

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

Analysis of changes in net debt

	1 January 2023	Cash Flows	Other Non- Cash changes	31 December 2023
	£	£	£	£
Cash and cash equivalents				
Cash and cash equivalents	2,481,705	1,141,633	-	3,623,338
Overdraft	-	-	-	-
	<hr/> 2,481,705	<hr/> 1,141,633	<hr/> -	<hr/> 3,623,338
Borrowings				
Debt due within one year	(31,547)	31,618	(32,521)	(32,450)
Debt due after one year	(720,485)	<hr/>	32,521	(687,964)
	<hr/> (752,032)	<hr/> 31,618	<hr/> -	<hr/> (720,414)
	<hr/> 1,729,673	<hr/> 1,173,251	<hr/> -	<hr/> 2,902,924

Notes to the Financial Statements

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

- a) The Society is a Professional Membership Body and Learned Society holding a Royal Charter. It is established as a Charity under the terms issued by the Charity Commission (registered number: 313707). The Charter of Incorporation and the By-Laws form the code that governs the Society. The registered office address is 4 Hamilton Place, London, W1J 7BQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2028 and the review of risks facing the charity. These forecasts incorporate key challenges surrounding the impact from ongoing cost of living crisis and have considered sensitivities surrounding our income.

The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Taking into account the reserves position of the Society and the anticipated future results the Trustees do not consider that the appropriateness of this basis is subject to any material uncertainty.

- b) The consolidated accounts include the activities, assets and liabilities of the Society, its subsidiary companies, subsidiary charities and branches. Further information on the subsidiaries is disclosed in note 18. No separate SOFA or cashflow statement has been prepared for the charity as is permitted by the Charities SORP.

Aeronautical Trading Limited is the trading company and subsidiary company of the Society and its results, assets and liabilities are included in the consolidated accounts. The trading company operates the Venue Hire operations of the building. These activities are consolidated on a line by line basis and have the same year end as the Society.

Aeronautical Trusts Limited is the subsidiary company of the Society and is the corporate Trustee of the subsidiary charities - Royal Aeronautical Society Awards Trust (1045004) and Alan Snudden Memorial Trust Fund (1013530). This entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure accounts are presented as the movement in endowment funds are not material.

The Royal Aeronautical Society Awards Trust registered in England and Wales (registered number: 1045004) is a subsidiary charity of the Society, this entity is clearly

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material. The CAARC fund is shown as a distinct fund from the other funds of the Royal Aeronautical Society Award Trusts in these accounts. It is a specific fund administered within that charity.

Alan Snudden Memorial Trust Fund (1013530) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material.

Branches were established to promote the Society's Charter and objectives through Society activities in the area local to the branch and to represent the Society locally and organise lectures and other events. These activities are included in the charity results and distinguished those amounts as 'Designated – subsidiary Branches'. They have the same year end as the Society.

- c) Income is generally recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from Events, Education & Skills, Venue Hire, Donations, NAL, Publication, Policy are accounted for at the time of event in the year. Income from donations is recognised on receipt of payment. Income from legacies is recognised where evidence of entitlement exists, the value is measurable with sufficient reliability, and on the earlier or the date of receipt of finalised estate accounts of the date of payment.

Grant income is recognised in the SOFA when received or when the charity becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Individual subscriptions income is recognised on the amount received for the year. Amounts received during the year in relation to the future years are deferred. The Corporate Partners Scheme is recognised on receipt as anticipated funds are not enforceable debts. Where income is received net of tax, any taxation recoverable is taken to income on receipt of the net amount.

- d) Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Redundancy and termination costs only occur where absolutely necessary and are accounted for on an accruals basis when commitment to terminate a post on the grounds of redundancy has been made,

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

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

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

- f) Capital Expenditure - All purchases costing over £500 in total which are to be used for a period of more than one year are capitalised.

Heritage assets are held at deemed cost and not depreciated.

- g) Depreciation is provided on the following basis:
- Land is not depreciated.
 - Freehold premises – Property is depreciated over 100 years at 1%.
 - Fixtures and Equipment including computers - Over the estimated useful life of the asset which varies between two and ten years.

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- h) The operating leases are disclosed in the note 12 to the financial statements. Lease payments under operating leases are charged against income on a straight line basis over term of the lease.
- i) Restricted income funds represent income subject to donor specified restrictions and the income arising on endowment funds for which specific uses have been specified. Expenditure for the specified purposes is set against the relevant income in the statement of financial activities. Unexpended balances are carried forward as restricted income funds or where the terms of the endowment provide for this, transferred to the capital balance of the endowment fund.

Unrestricted and Designated funds represent amounts set aside by the Trustees as detailed within the reserves policy on page 8.

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

In addition, there is a frozen defined benefit scheme to which the Society continues to contribute in order to fund past service costs. In 2023, the recent FRS102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is closed scheme for future accruals, the Trustees feel the recoverability of the asset is too remote and has not recognise the asset in these accounts (See Note 20).

- k) The Society has charitable status and is exempt from taxation of its income and gains falling under with section 478 of the Corporation Tax Act 2010 or section 256 of the taxation of Charitable Gains Act 1992 to the extent they are applied to its chargeable objectives.

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

The heritage assets represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values, have an indefinite life and are therefore not depreciated. The Trustees have concluded a valuation in 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

- i) In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The valuation of assets and liabilities of the Defined Pension Scheme are performed by a professional actuary. Fuller details are provided in note 20 and these include details of the actuarial assumptions adopted. There is a pension scheme asset at the year-end. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts as an asset on the balance sheet in 2023. In the opinion of the Trustees, these assumptions represent the only material areas of estimation uncertainty in the financial statements.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

2. Analysis of Income

The analysis of income and expenditure by fund represents the activities of the Society including membership and the activities of its subsidiaries.

Income: 2023	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2023
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	255,936	93,989	-	79,993	429,918
	255,936	93,989	-	79,993	429,918
Income from Charitable Activities					
Education, Skills and Diversity	40,700	-	-	-	40,700
Conferences, events, seminars	425,596	-	-	-	425,596
End Point Assessment	653,077	-	-	-	653,077
Library (NAL)	8,051	-	-	-	8,051
Membership services	3,099,832	-	-	-	3,099,832
Publications and information	184,337	-	-	-	184,337
Policy & Research	-	-	-	-	-
	4,411,593	-	-	-	4,411,593
Income from Other Trading Activities					
Room hire services	886,425	-	-	-	886,425
Admin services	1,471	-	-	-	1,471
	887,896	-	-	-	887,896
Investment Income					
Investment Income	129,816	85,153	-	-	214,969
	129,816	85,153	-	-	214,969
Total	5,685,241	179,142	-	79,993	5,944,376

In 2023, The Society received £251,000 in legacies (2022: £260,687).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

2. Analysis of Income (continued)

Income: 2022	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2022
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	271,536	84,442	-	29,057	385,035
	271,536	84,442	-	29,057	385,035
Income from Charitable Activities					
Education, Skills and Diversity	38,875	-	-	-	38,875
Conferences, events, seminars	540,411	-	-	-	540,411
End Point Assessment	737,575	-	-	-	737,575
Library (NAL)	8,306	-	-	-	8,306
Membership services	2,982,032	-	-	-	2,982,032
Publications and information	151,879	-	-	-	151,879
Policy & Research	-	-	-	-	-
	4,459,078	-	-	-	4,459,078
Income from Other Trading Activities					
Room hire services	770,712	-	-	-	770,712
Admin services	2,100	-	-	-	2,100
	772,812	-	-	-	772,812
Investment Income					
Investment Income	87,128	81,266	-	-	168,394
	87,128	81,266	-	-	168,394
Total	5,590,554	165,708	-	29,057	5,785,319

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

3. Employee information

The average numbers of staff employed during the year was 48.5/46 FTE (2022: 44/40.7FTE).

	2023	2022
	£	£
Staff costs (for the above persons)		
Salaries	1,910,742	1,726,203
Social security costs	163,241	189,701
Other pension costs	254,385	220,271
Temporary staff and other staff costs	150,744	42,626
	<u>2,479,112</u>	<u>2,178,801</u>

The charity contributes towards a defined contribution pension scheme. The cost of this scheme is charged to SOFA and amounted to £198,178 (2022: £220,271). The scheme did not give rise to any provision.

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

	2023	2022
	Number	Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£80,001 - £90,000	-	2
£90,001 - £100,000	1	-
£130,001 - £140,000	-	1
£150,001 - £160,000	1	-

The key management personnel of the Society comprises the Board of Trustees and the Executive Team as listed on page 15. The total amount of employee benefits (including employer pension contributions) received by the Executive Team comprising the CE, three Directors (Head of Knowledge & Networks was on maternity leave) and Financial Controller for their services to the Society was £518,987 (2022: £399,188). Aggregate termination payments for the year were £11,171 (2022: £nil).

Trustees do not receive remuneration for their services. During the year the President was reimbursed £11,781 (2022: £9,540) and 2 (2022: 3) other Trustees were reimbursed £1,888 (2022: £1,044) in respect of travel and subsistence expenses incurred in performance of their duties.

In accordance with normal commercial practice the Society has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Society business. The insurance provides cover up to £5,000,000 on any one claim and the cost for 2023 was £3,773 (2022: £3,432).

ROYAL AERONAUTICAL SOCIETY FOR YEAR ENDED 31 DECEMBER 2023

4. Related party transactions

In 2023, The Society charged its subsidiary company Aeronautical Trading Limited £337,646 (2022: £338,753) in respect of administrative expenses which represents an allocation of overheads from the Society.

Under a Gift Aid declaration, Aeronautical Trading Limited will make a gift aid payment of the Charity of £88,366 (2022: £71,701).

The Aeronautical Trading Limited paid the charity £272,808 (2022: £452,568) of monies collected on invoices settled in 2023.

As at 31 December 2023, the charity owed the Aeronautical Trading Limited £49,359 (2022: £54,642).

There were no employment related transactions for any family of employees in 2023 (2022: £6,033). In 2022, the Society paid £6,033 to a close family of Financial Controller, who was on a temporary employment contract on data input entry for the Finance team within the Society and this was done on an arm length basis.

A number of Trustees hold senior positions in organisations in the aerospace industry which from time to time transact with the Society, the Trustees have no direct involvement with these transactions.

5. Analysis of expenditure

Expenditure: 2023	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2023
	£	£	£	£		£
Raising Funds:						
Fund Raising	12,289	39,940	52,229	-	-	52,229
Room Hire Services	168,547	337,646	506,193	-	-	506,193
Admin services	-	8,022	8,022	-	-	8,022
Investment management costs	12,717	3,513	16,230	13,286	-	29,516
	193,553	389,121	582,674	13,286	-	595,960
Charitable Activities:						
Careers & education	228,043	153,804	381,847	53,930	-	435,777
Conferences	336,759	215,983	552,742	-	-	552,742
End Point Assessment	336,173	206,315	542,488	-	-	542,488
NAL (Library)	309,665	89,948	399,613	-	-	399,613
Membership services	810,651	514,486	1,325,137	-	73,878	1,399,015
Publications & information	623,733	159,880	783,613	-	-	783,613
Policy & Research	141,707	90,455	232,162	-	-	232,162
	2,786,731	1,430,871	4,217,602	53,930	73,878	4,345,410
	2,980,284	1,819,992	4,800,276	67,216	73,878	4,941,370

Within Careers & Education, a total of £13,560 was paid to individuals (2022: £7,500) covering 26 grants and prizes (2022: 22). Grants are paid when approved and accrued from the time of approval.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

5. Analysis of expenditure (continued)

Expenditure: 2022	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2022
	£	£	£	£		£
Raising Funds:						
Fund Raising	13,416	37,380	50,796	-	-	50,796
Room Hire Services	128,418	338,753	467,171	-	-	467,171
Admin services	-	6,944	6,944	-	-	6,944
Investment management costs	13,395	3,508	16,903	13,995	-	30,898
	155,229	386,585	541,814	13,995	-	555,809
Charitable Activities:						
Careers & education	222,576	135,334	357,910	83,270	-	441,180
Conferences	413,605	233,319	646,924	-	-	646,924
End Point Assessment	323,936	165,021	488,957	-	-	488,957
NAL (Library)	224,082	75,329	299,411	-	-	299,411
Membership services	695,577	491,675	1,187,252	-	61,845	1,249,097
Publications & information	567,754	159,755	727,509	-	-	727,509
Policy & Research	170,811	71,582	242,393	-	-	242,393
	2,618,341	1,332,015	3,950,356	83,270	61,845	4,095,471
	2,773,570	1,718,600	4,492,170	97,265	61,845	4,651,280

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

6. Analysis of support costs

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

Support Costs: 2023	Management / Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2023
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	6,101	22,131	1,305	-	5,795	4,608	39,940
Room Hire Services	30,103	7,114	1,305	10,083	11,591	277,450	337,646
Admin services	400	3,162	-	1,260	2,898	302	8,022
Investment management costs	200	3,162	-	-	-	151	3,513
	36,804	35,569	2,610	11,343	20,284	282,511	389,121
Charitable Activities:							
Careers & education	47,306	9,485	19,704	12,604	28,976	35,729	153,804
Conferences	42,505	56,909	19,704	12,604	52,157	32,104	215,983
EPA	55,607	47,424	19,704	12,605	28,976	41,999	206,315
NAL (Library)	19,402	22,131	13,136	6,302	28,977	-	89,948
Membership services	129,515	104,334	45,975	44,116	92,725	97,821	514,486
Publications & information	50,906	15,808	13,136	12,605	28,976	38,449	159,880
Policy & Research	31,604	8,694	7,887	12,605	5,795	23,870	90,455
	376,845	264,785	139,246	113,441	266,582	269,972	1,430,871
	413,649	300,354	141,856	124,784	286,866	552,483	1,819,992
Support Costs: 2022							Total 2022
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	5,320	22,112	1,332	-	3,995	4,621	37,380
Room Hire Services	17,360	7,108	1,332	2,725	7,990	302,238	338,753
Admin services	373	3,159	-	1,090	1,998	324	6,944
Investment management costs	187	3,159	-	-	-	162	3,508
	23,240	35,538	2,664	3,815	13,983	307,345	386,585
Charitable Activities:							
Careers & education	40,133	9,477	19,985	10,902	19,976	34,861	135,334
Conferences	55,160	56,860	19,985	17,443	35,957	47,914	233,319
EPA	38,360	47,383	19,985	5,996	19,976	33,321	165,021
NAL (Library)	14,467	22,112	13,323	5,451	19,976	-	75,329
Membership services	124,412	104,243	39,970	49,059	65,921	108,070	491,675
Publications & information	53,386	15,795	13,323	10,902	19,976	46,373	159,755
Policy & Research	27,533	8,687	3,997	5,451	1,998	23,916	71,582
	353,451	264,557	130,568	105,204	183,780	294,455	1,332,015
	376,691	300,095	133,232	109,019	197,763	601,800	1,718,600

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

6. Analysis of support costs (continued)

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

Governance Costs

	Total 2023	Total 2022
	£	£
Staff Costs	70,520	59,781
Staff Training/Travel/Recruitment	1,058	680
President, Council & BofTs Expenses	21,188	16,773
Audit Fees	21,100	20,000
Support Costs	27,989	35,998
	141,855	133,232

The President, Council and Board of Trustees' Expenses were related to travel & subsistence, training and other administrative costs.

7. Fixed Assets – Group and Charity

	Property Land	Freehold Property	Fixtures and Equipment	Heritage Assets At Valuation	Website Development	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 January 2023	5,527,222	2,722,363	665,967	410,843	79,109	9,405,504
Additions	-	-	123,415	-	35,024	158,439
Disposals and other adjustments	-	-	(278,737)	-	-	(278,737)
Balance 31 December 2023	5,527,222	2,722,363	510,645	410,843	114,133	9,285,206
Depreciation						
At 1 January 2023	-	27,224	505,520	-	26,370	559,114
Charge for the year	-	27,224	110,825	-	38,044	176,093
Removed on disposal	-	-	(278,737)	-	-	(278,737)
Balance 31 December 2023	-	54,448	337,608	-	64,414	456,470
Net book value						
At 31 December 2023	5,527,222	2,667,915	173,037	410,843	49,719	8,828,736
At 31 December 2022	5,527,222	2,695,139	160,447	410,843	52,739	8,846,390

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

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

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

ROYAL AERONAUTICAL SOCIETY FOR YEAR ENDED 31 DECEMBER 2023

Of the above £8,417,893 (2022: 8,435,547) represents assets held for the Society's use. Functional Assets are also used by Aeronautical Trading Limited and this is reflected in their normal management charge.

The heritage assets of £410,843 (2022: £410,843) represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values. The Trustees have concluded a valuation 1997 which on transition to FRS 102 has been used as deemed cost. The impairment on heritage assets is considered annually.

8. Investments – Group and Charity

The Finance Committee (on behalf of the Board of Trustees) review the Society's investments with JM Finn & Co (investment advisors) on a quarterly basis; in 2023 there were minor changes to the asset allocation to reflect the ongoing changes within the markets.

	2023	2022
	£	£
Investments in Government and other listed securities:		
UK	500,770	269,381
Overseas	102,744	75,425
Official Investments Funds at market values:		
UK	1,145,017	1,067,596
Overseas	1,530,374	1,293,881
Property Funds	432,709	780,729
Bank Deposits	36,535	105,551
	<u>3,748,149</u>	<u>3,592,563</u>
Analysis of movements of investment assets:	2023	2022
	£	£
Investments at 1 January	3,592,564	4,296,997
Additions	1,215,935	723,771
Disposals	(1,075,283)	(585,238)
Revaluations	14,934	(842,966)
Investments at 31 December	<u>3,748,149</u>	<u>3,592,563</u>

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

9. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	444,015	543,904	396,688	491,528
Other debtors	70,145	67,750	70,145	67,750
Prepayments	243,545	166,703	243,543	166,703
	<u>757,705</u>	<u>778,357</u>	<u>710,376</u>	<u>725,981</u>

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

10. Creditors falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	363,794	294,438	357,674	294,318
Accruals and deferred income	1,283,389	952,517	1,258,969	904,417
Other taxes and social security	62,802	87,640	62,801	87,640
Loan for Property	32,450	31,547	32,450	31,547
Other creditors	115,194	133,707	97,987	116,572
Amount due to subsidiary undertaking	-	-	49,359	54,642
	<u>1,857,630</u>	<u>1,499,849</u>	<u>1,859,240</u>	<u>1,489,136</u>

Deferred income represents income from Subscription for Membership, Publications, Venue Hire, Conference, Sponsorship for future periods. This includes sponsorship from Marshall.

Reconciliation of deferred income	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Balance as at 1 January	732,199	1,011,446	684,099	976,316
Income deferred in the current year	1,008,862	646,073	994,702	603,123
Release from prior year	(637,099)	(925,320)	(601,759)	(895,340)
Balance as at 31 December	<u>1,103,962</u>	<u>732,199</u>	<u>1,077,042</u>	<u>684,099</u>

11. Creditors falling due after one year

	Group			Charity		
	2023	2022	2023	2022	2022	
	£	£	£	£	£	
Loan for Property:						
Within 2 to 5 years	149,923		149,923			
After 5 years	<u>538,040</u>	687,963	<u>538,040</u>	687,963	720,485	
Sponsorship: Marshalls		59,426		59,426	61,712	
		<u>747,389</u>		<u>747,389</u>	<u>782,197</u>	

In March 2009 the Society purchased the freehold of No 4 Hamilton Place (Society's HQ) at a cost of £4,859,755; the Society repaid its variable mortgage in 2022. At the end of 2023, the outstanding loan on property was £720,413 (2022: £752,032).

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

12. Operating lease

The RAeS is committed on operating leases as follows:

	2023 £	2022 £
Within 1 year	1,196	1,196
Within 2 to 5 years	897	2,093
	<u>2,093</u>	<u>3,289</u>

In 2023, the operating leases cost was £1,196 (2022: £1,196).

13 . Endowment funds

The following reserves are held in accordance with the reserves policy set out on page 11 of this report.

Funds: 2023	Fund Balances Brought Forward 01/01/2023 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Fund Balances Carried Forward 31/12/2023 £
CAARC Fund	16,209	-	-	792	84	17,085
Alan Snudden	77,933	-	-	-	376	78,309
Awards Trust	1,216,710	-	-	38,702	5,401	1,260,813
Total Expendable Endowment Funds	1,310,852	-	-	39,494	5,861	1,356,207

Funds: 2022	Fund Balances Brought Forward 01/01/2022 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	Fund Balances Carried Forward 31/12/2022 £
CAARC Fund	20,175	-	-	780	(4,746)	16,209
Alan Snudden	99,122	-	-	-	(21,189)	77,933
Awards Trust	1,493,375	-	-	28,246	(304,911)	1,216,710
Total Expendable Endowment Funds	1,612,672	-	-	29,026	(330,846)	1,310,852

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

14. Restricted income funds

The following reserves are held in accordance with the reserves policy set out on pages 9 and 10 of this report.

Funds: 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
CAARC Fund	-	938	(146)	(792)	-	-
Alan Snudden	32,938	5,396	(842)	-	108	37,600
Awards Trust	-	60,281	(18,579)	(41,702)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	243,651	11,460	(9,398)	3,000	1,027	249,740
National Aerospace Library Fund	146,459	7,078	(1,104)	-	634	153,067
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
Falcon 2 (Formerly School Build a Plane Challenge)	23,446	-	288	-	-	23,734
ALTA	2,243	2,642	(33)	-	-	4,852
Boeing - Project Altitude	77,537	38,177	(12,442)	-	-	103,272
Flying Start Challenge	5,190	7,750	(7,299)	-	-	5,641
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	161,541	650	(2,000)	-	-	160,191
Worldskills	1,255	3,520	-	-	-	4,775
AAU Outreach	23,429	-	-	-	-	23,429
CAA Sky Challenge	-	41,250	(15,661)	-	-	25,589
Total Funds	748,684	179,142	(67,216)	(39,494)	1,769	822,885

Funds: 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
CAARC Fund	-	934	(154)	(780)	-	-
Alan Snudden	34,560	5,374	(887)	-	(6,109)	32,938
Awards Trust	-	60,017	(28,771)	(31,246)	-	-
Centennial Scholarship Fund	285,592	11,409	1,616	3,000	(57,966)	243,651
National Aerospace Library Fund	176,376	7,047	(1,164)	-	(35,800)	146,459
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
School Build a Plane Challenge	23,994	-	(548)	-	-	23,446
ALTA	2,939	1,149	(1,845)	-	-	2,243
Boeing - Project Altitude	77,965	44,098	(44,526)	-	-	77,537
Flying Start Challenge	12,398	1,200	(8,408)	-	-	5,190
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	161,130	411	-	-	-	161,541
Worldskills	-	10,640	(12,578)	3,193	-	1,255
AAU Outreach	-	23,429	-	-	-	23,429
Total Funds	805,949	165,708	(97,265)	(25,833)	(99,875)	748,684

Alan Snudden Fund – The Trustees had the power to accumulate surpluses for 21 years from the founding deed which was dated 1992; transfers to net income made from 2013-16 have been transferred back to Restricted to cover future commitments.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

15. Unrestricted reserve funds

The following reserves are held in accordance with the reserves policy set out on pages 8 and 9 of this report.

Funds : 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
General Reserve - Functional Assets	8,435,547	-	(17,654)	-	-	8,417,893
General Reserve - Functional Assets Loan	(752,032)	-	-	31,618	-	(720,414)
General Reserve - Free Reserve	2,402,289	5,685,187	(4,782,230)	(139,018)	7,304	3,173,532
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	-	-	51,336
Mortgage & Premises Reserve	6,836	-	-	-	-	6,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
Designated IT Project Fund	81,629	-	-	-	-	81,629
RAeS Foundation	261,279	54	(6,392)	-	-	254,941
	10,997,727	5,685,241	(4,806,276)	(107,400)	7,304	11,776,596
Pension Fund - FRS17 Reserve	-	-	6,000	76,000	(82,000)	-
Total Funds	10,997,727	5,685,241	(4,800,276)	(31,400)	(74,696)	11,776,596

The Free reserve represents the surplus on funds available for future general activities after allowances for the reserves specified in the policy. In 2023, branches received £31,400 subvention transfers from the Society's free reserves.

Funds : 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
General Reserve - Functional Assets	8,455,911	-	(20,364)	-	-	8,435,547
General Reserve - Functional Assets Loan	(1,542,079)	-	-	790,047	-	(752,032)
General Reserve - Free Reserve	2,521,047	5,329,793	(4,447,023)	(589,283)	(412,245)	2,402,289
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	-	-	51,336
Mortgage & Premises Reserve	106,836	-	-	(100,000)	-	6,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
Designated IT Project Fund	81,629	-	-	-	-	81,629
RAeS Foundation	222,301	260,761	(8,783)	(213,000)	-	261,279
	10,407,824	5,590,554	(4,476,170)	(112,236)	(412,245)	10,997,727
Pension Fund - FRS17 Reserve	(858,333)	-	(16,000)	76,000	798,333	-
Total Funds	9,549,491	5,590,554	(4,492,170)	(36,236)	386,088	10,997,727

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

16. Designated Branches funds

Funds: 2023	Fund Balances Brought Forward 01/01/2023	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2023
	£	£	£	£	£	£
Branches	359,706	79,993	(73,878)	31,400	-	397,221
Total Funds	359,706	79,993	(73,878)	31,400	-	397,221

Funds: 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains/ (losses)	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
Branches	359,451	29,057	(61,845)	33,043	-	359,706
Total Funds	359,451	29,057	(61,845)	33,043	-	359,706

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

17. Analysis of funds

Funds: 2023	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:					
Fixed assets	8,828,736	-	-	-	8,828,736
Investments	1,832,997	444,086	1,471,066	-	3,748,149
Current assets	3,719,882	378,799	(114,859)	397,221	4,381,043
Current Liabilities	(1,857,630)	-	-	-	(1,857,630)
Total Funds Excluding Pension Liability and Non-Current liabilities	12,523,985	822,885	1,356,207	397,221	15,100,298
Long Term Liabilities	(747,389)	-	-	-	(747,389)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	11,776,596	822,885	1,356,207	397,221	14,352,909
Funds: 2022	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Fixed assets	8,846,390	-	-	-	8,846,390
Investments	1,756,909	425,652	1,410,002	-	3,592,563
Current assets	2,676,474	323,032	(99,150)	359,706	3,260,062
Current Liabilities	(1,499,849)	-	-	-	(1,499,849)
Total Funds Excluding Pension Liability	11,779,924	748,684	1,310,852	359,706	14,199,166
Long Term Liabilities	(782,197)	-	-	-	(782,197)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	10,997,727	748,684	1,310,852	359,706	13,416,969

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

18. Subsidiary charities and companies

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

The subsidiary charities are:

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

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

The subsidiary companies are:

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

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

Aeronautical Trading Limited (registered number 03243525) is the only trading company and its results, assets and liabilities are included in the consolidated accounts. Its results and financial position are summarised below:

Aeronautical Trading Ltd - Profit and Loss Account	2023	2022
	£	£
Turnover	594,559	538,872
Cost of sales	(168,547)	(128,418)
Gross Profit	426,012	410,454
Administrative expenses	(337,646)	(338,753)
Operating profit	88,366	71,701

Aeronautical Trading Ltd - Balance Sheet

	2023	2022
	£	£
Debtors	96,686	107,018
Cash at Bank	39,430	30,041
Creditors: amounts falling due within 1 year		
Due to parent undertaking	-	-
Other creditors	(47,748)	(65,356)
Net Assets	88,368	71,703
Represented By:		
Total Equity	88,368	71,703

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

19. Consolidated Statement of Activities 2022

The following Consolidated Statement of Financial Activities for the year ended 31 December 2022:

	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2022
	£	£	£	£	£
Income and endowments from:					
Donations & Legacies	271,536	84,442	-	29,057	385,035
Charitable Activities	4,459,078	-	-	-	4,459,078
Other Trading Activities	772,812	-	-	-	772,812
Investments	87,128	81,266	-	-	168,394
Total	5,590,554	165,708	-	29,057	5,785,319
Expenditure on:					
Raising Funds	541,814	13,995	-	-	555,809
Charitable Activities	3,950,356	83,270	-	61,845	4,095,471
Total	4,492,170	97,265	-	61,845	4,651,280
Net income/(expenditure) before losses on investments	1,098,384	68,443	-	(32,788)	1,134,039
Net losses on investments	(412,245)	(99,875)	(330,846)	-	(842,966)
Net income/expenditure	686,139	(31,432)	(330,846)	(32,788)	291,073
Transfers between funds	(36,236)	(25,833)	29,026	33,043	-
	649,903	(57,265)	(301,820)	255	291,073
Other recognised (losses)/gains:					
Net actuarial (losses) on Pension Scheme	798,333	-	-	-	798,333
Net movement in funds	1,448,236	(57,265)	(301,820)	255	1,089,406
Balance at 1 January	9,549,491	805,949	1,612,672	359,451	12,327,563
Funds at 31 December	10,997,727	748,684	1,310,852	359,706	13,416,969

20. Defined Benefit Pension Scheme (now frozen)

The valuation used for FRS102 disclosures has been based on the most recent actuarial valuation as at 1 April 2023 and updated by the Actuary to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 December 2023. Scheme assets are stated at their market value at 31 December 2023.

The most recent valuation on a discontinued basis was at 1 April 2022 which showed that the scheme's assets fully covered its priority liabilities and 77% of the remaining liabilities on that date; the actuarial valuation shows a deficit of £982k (2019: £1,294k).

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

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

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

Economic assumptions

	Proposed assumption at 31 December 2023	Assumption Adopted at 31 December 2022
Discount rate	4.50% p.a.	4.90% p.a.
Future increase in Retail Prices Index ("RPI")	3.05% p.a.	3.15% p.a.
Future increase in Consumer Prices Index ("CPI")	2.20% p.a.	2.20% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.20% p.a.	2.20% p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	2.85% p.a.	2.85% p.a.

Demographic assumptions

	Proposed assumption at 31 December 2023	Assumption adopted at 31 December 2022
Pre-retirement mortality	98% of SAPS3 tables, based on members' years of birth with CMI 2022 core projections with a longterm trend of 1.25% p.a	98% of SAPS3 tables, based on members' years of birth with CMI 2021 core projections with a longterm trend of 1.25% p.a
Post-retirement mortality	98% of SAPS3 tables, based on members' years of birth	98% of SAPS3 tables, based on members' year of birth
Future improvements in longevity	CMI 2022 projections with a long term trend of 1.25% p.a.	CMI 2021 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	26.1	26.7
Female currently aged 60	28.9	29.3
Male currently aged 40	27.6	28.2
Female currently aged 40	30.3	30.8
Commutation	50% of members assumed to commute some of their pension, using current commutation factors, to receive 100% of maximum tax-free cash lump sum.	50% of members assumed to commute some of their pension, using current commutation factors, to receive 100% of maximum tax-free cash lump sum.
Retirement age	1st April nearest to 60th birthday.	1st April nearest to 60th birthday.
Marital statistics	80% of males and 70% of females.	80% of males and 70% of females assumed to be married at retirement or earlier death.
Age difference	Males assumed to be 3 years older than females	Males assumed to be 3 years older than females
Options (e.g. transfers out)	No allowance	No allowance

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

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

A) Assets and DBO

	31 December 2023	31 December 2022
	£'000	£'000
Total Value of total Scheme assets	2,224	2,443
Total Value of assets in respect of insured pensioners	682	729
Present value of DBO	(2,906)	(3,172)
Funded surplus / (deficit)	-	-

B) Reconciliation of the value of the DBO

	31 December 2023	31 December 2022
	£'000	£'000
Opening DBO	3,172	5,242
Service cost	-	-
Past service cost	-	-
Members contributions	-	-
Interest on liabilities	153	95
Actuarial losses / (gains)		
From change on assumptions	128	(2,341)
From experience	46	358
Curtailments loss / (gain)	-	-
Settlements	(483)	-
Benefits paid out	(110)	(182)
Expenses	-	-
Closing defined benefit obligation	2,906	3,172

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

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

C) Reconciliation of the value of the assets

	31 December 2023	31 December 2022
	£'000	£'000
Opening value assets	3,821	4,384
Interest income on Scheme Assets	187	79
Actuarial gains / (losses)	20	(536)
Society contributions	76	76
Member contributions	-	-
(Loss)/gain on Settlements	(511)	-
Benefits paid	(110)	(182)
Derecognition of surplus	(577)	(649)
Closing value of assets	2,906	3,172

D) Return on the Scheme Assets

	31 December 2023	31 December 2022
	£'000	£'000
Actual return on assets	207	(457)

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

	31 December 2023	31 December 2022
	£'000	£'000
Service cost	-	-
Past service cost	-	-
Losses/ (gains) on settlement and curtailments	-	-
Administrative costs	-	-
Net interest cost	(6)	16
Total	(6)	16

E.2) Analysis of net interest cost

	31 December 2023	31 December 2022
	£'000	£'000
Interest income on Scheme assets	(187)	(79)
Interest in Scheme liabilities	153	95
Interest expense on irrecoverable surplus	-	-
Net interest (credit) / cost	(34)	16

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

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

F) Amount recognised in Other Comprehensive Income

	31 December 2023	31 December 2022
	£'000	£'000
Return on Scheme assets less interest income	92	(1,185)
Actuarial gains/(losses from a change in assumptions)	(128)	2,341
Actuarial gains/(losses) from experience	(46)	(358)
Expense recognised in Actuarial Losses	<u>(82)</u>	<u>798</u>

G) Society Contributions

Under the current Schedule of Contributions, the Society contributes the following:

Deficit contributions of £76k per annum from 1 April 2019 to 31 March 2034; and
all Scheme expenses (including PPF levies).

H) Amounts for the current and previous two periods

	31 December 2023	31 December 2022	31 December 2021
	£'000	£'000	£'000
Present value of funded DBO	(2,906)	(3,172)	(5,242)
Scheme Assets	2,224	2,443	3,410
Value of assets in respect of insured pensions	682	729	974
Surplus/(deficit)	-	-	(858)
Experience gain/(loss) on DBO	(46)	(358)	34
Experience gain/(loss) on assets	20	(536)	200

The recent FRS 102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the trustees feel that the recoverability of the asset is too remote and has not recognise the Pension Scheme asset in these accounts as a result

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2023**

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

I) Sensitivity of movement in key assumptions	£'000
Discount rate + 0.50%	(199)
Inflation (RPI and CPI) + 0.50%	55
Life Expectancy + 1year	100
J) Forecast Profit & Loss for the next account period	31 December 2024
	£'000
Service cost	-
Losses /(gains) on settlements and curtailments	-
Interest income	(154)
Administrative costs	-
Net interest cost/(credit)	128
Total	(26)

ROYAL AERONAUTICAL SOCIETY

England & Wales - Charity number 313708

Accounts



Royal Aeronautical Society

**Trustees' Annual Report and Accounts
Year Ended 31 December 2022**

Charity Registration Number: 313708

Incorporating:

Charity Registration Number: 1013530

Charity Registration Number: 1045004

Report of the Board of Trustees for the year ended 31 December 2022

The members of the Board of Trustees are pleased to present their annual report and financial statements of the Society for the year ended 31 December 2022.

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

The guiding principles of the Royal Aeronautical Society are embodied in this extract from the Society's Royal Charter: "The objects and purposes are the general advancement of aeronautical Art, Science and Engineering and for promoting that species of knowledge which distinguishes the profession of Aeronautics (which expression includes Astronautics)".

The Society provides free lectures and access to the National Aerospace Library to encourage the public to engage in aerospace and aviation. Membership is open to those who have an interest or pursuing a career in aviation and aerospace.

Objectives and Activities

The Society is the only global organisation serving the entire aviation, aerospace and space community as both a learned society and a professional engineering institution.

As such, the RAeS is independent, evidence-based and authoritative, relying on a body of knowledge going back more than 150 years. We play a leading role in influencing opinion on aviation and aerospace matters through various means including our publications, social media profile, interaction with Government, and an extensive events programme.

Our mission is to:

- Provide influence and leadership to the aerospace, aviation and space domains, disseminating impartial and authoritative knowledge and information to a broad audience.
- Attract and support a diverse and active membership base both nationally and internationally, via a wide range of activities across the entire aerospace, aviation and space community.
- Maintain and facilitate professional standards across a wide range of competence and academic activities.

Achievements and performance

The Society emerged from the challenges of the pandemic relatively strongly in 2022, meeting the objective to return to our in-person events, deliver a new conference model, and continue the programme of lectures, webinars and outreach work, building on the strength of the Learned output delivered virtually during 2020 and 2021.

The Society successfully achieved outreach and education objectives by maintaining OFQUAL, and launching Phase One of the Falcon 2 project although work continues to further develop CPD programmes and support via Aeroversity and the Career Flightpath platform, and to refresh the Corporate Partner Scheme.

The year was focussed on progressing the objective to review and strengthen the Society's Governance structures to take into account both the lessons learnt from the pandemic and our virtual delivery, together with ensuring that we continue to make the Society open and accessible to all.

The Society met the aim of enhancing our deployment of authoritative advice to stakeholders through delivering 10 responses to government consultations across a wide range of sector areas and meeting with key government Ministers including at the Farnborough Air Show. Overall financial targets were exceeded allowing reinvestment in the Society following the period of tight financial management during the pandemic.

Developing our Membership

- The Membership Development Team, with invaluable support from volunteer members, delivered 30 briefings, workshops and mentoring training sessions over the year, reaching over 300 potential members and registrants.
- There were over 160 nominations through the “member bring member” programme in 2022 (resulting in over 575 successful applications since its inception in 2018).
- Through the University and Further Education College visits programme, 2700 full time students and over 150 apprentices joined the Society in 2022, ending the year with total number of 25,333 members in 113 countries.
- The Membership Services Board led the 2022 Survey which attracted good response from both members and non-members. Analysis is currently being completed with a view to communicating the results and outcomes to the membership early in 2023 with an action plan supported by Council and the Trustees.

Promoting professional standards

- 75 membership and registration 1-to-1 support sessions were delivered to those working towards Engineering Technician, Incorporated Engineer or Chartered Engineer status.
- We currently accredit 35 Universities and Further Education Colleges and 17 Professional Development Schemes. During 2022 we reviewed the accreditation of 10 academic programmes and 5 professional development schemes.
- We provided End Point Assessment services to over 65 aerospace, aviation, and advanced science & engineering employers across 5 different Apprenticeship Standards and, with thanks to our team of assessors, completed 393 assessments for apprentices
 - Engineering Technician – ST0457 (Level 3)
 - Aircraft Certifying Technician – ST0019 (Level 4)
 - Aerospace Engineer – ST0010 (Level 6)
 - Aerospace Software Development Engineer – ST0013 (Level 6)
 - Post graduate Engineer – ST0456 (Level 7)

Sharing knowledge and stimulating debate

- *The Aeronautical Journal* celebrated the 125th anniversary with a special edition and increased its impact factor by 49%.
 - During 2022, 243 papers were submitted and 98 of those were published
 - A record 177,716 papers were downloaded from The Aeronautical Journal's website.
 - Three new Associate Editors joined The Aeronautical Journal during 2022, including Dr Ruxandra Botez, ETS, Canada, Katherine Smith, University of Manchester and Hever Moncayo, Embry-Riddle, US.
- *The Journal of Aeronautical History* published five new papers including A Celebration of the 250th Anniversary of the birth of Sir George Cayley.
- *AEROSPACE* magazine celebrated its 50th birthday.
- 400 events took place across our international branch network with 2,924 attendees at HQ-led events.
 - 1,939 attendees took part in 20 HQ talks, briefings and webinars and 2 networking receptions.
 - 985 people attended 9 Technical Conferences and Specialist Group seminars
- Our investment in supporting Continuing Professional Development provided members with access to 88 new e-books aimed at brushing-up skills and access to current awareness material through our e-journals and e-magazine platform.
- A new library catalogue has been implemented, which now includes 120,127 records detailing our library, journal and archive collections and hosting a growing selection of digital scans from our archive and historic library.
- 12 new classic podcasts were released, with our content leading the way towards the Society's total of 146,429 audio listens for 2022.

Influencing opinion

- In March 2022, a major joint report was launched from the RAeS and the University of the West of England, shining a light on the significant problem of gender discrimination and the lack of gender diversity amongst pilots in the airline industry with a specific focus on the airline pilot trainer role.
- The 2021-22 Greener by Design report was published at the seminar on the Non CO₂ climate effects of aviation and brought together stakeholders to agree.
- The Human Factors Engineering Sub-Group published a paper on the development of a strategy to enhance Human-Centred Design for Maintenance which gained good media and industry coverage and will be followed by a seminar in early 2023.
- In June, the ICAO Air Navigation Committee visited the RAeS HQ to build on collaborative opportunities and discuss strategic priorities. RAeS representatives from the Specialist Groups discussed aviation climate change impacts, design for maintenance and Mag to True North. The Flight Operations Group later submitted a response to an ICAO survey on this topic of runway designator changes
- The RAeS, as an Official Observer, attended the ICAO 41st Assembly in Montréal, Canada to present a Working Paper on the next generation and closing Skills Gaps resulting from the pandemic. It allowed the Society the opportunity to reengage with Regulators and Government officials from across the globe.
- With support from across the Specialist Groups network, 10 responses to government consultations were submitted on a wide variety of areas impacting our sector.

Inspirational outreach programmes

- Our primary-level Cool Aeronautics programme engaged with over 800 pupils.
- Phase One of our Falcon 2 Flight Simulator Project launched in September 2022 with 76 submissions from schools and youth groups from various regions of the UK.
- The Boeing Project Altitude programme delivered events to over 1500 14-18 year old students.
- Free Fun Kids Radio podcasts and Amy Aviation YouTube animated videos have soared over the last year with 450,000 views overall. Most popular videos include:
 - o 'How propellers work' (100,000 views)
 - o Satellites (55,000 views)
 - o Radars (47,000 view)
 - o Pilots (32,000 views)
 - o Jet Engines (25,000 views).

Providing Careers Advice & Guidance

- 100,000 visits to our Careers in Aerospace website that provides valuable resources, provided in partnership with Department for Transport and ADS Group.
- Over 500 visitors from all over the world interacted with almost 30 exhibitors at Careers in Aerospace & Aviation LIVE
- 1,200 students attended our careers and employability workshops at colleges and universities across the UK

Promoting Equity, Diversity & Inclusion

- Our woman-to-woman Alta mentoring programme won the Economic and Social Research Council Impact prize for work on empowering women in aviation ESRC is the UK's largest funder of economic, social, behavioural and human data science. Alta currently supports over 400 users with nearly 125 live relationships, and also welcomed 50 people to a networking event at the Farnborough Airshow in July.
- Delivered 4 EDI webinars and events across the year engaging with over 120 participants to shape discussions and policies including the introduction of a new discrimination reporting feedback system

Recognition and celebration outstanding achievements

- The Medals & Awards Committee awarded 4 Honorary Fellowships, 1 Honorary Companionship, together with a number of Gold, Silver and Bronze Medal individual and team awards, and also 5 Specialist Group Named Awards.
- With an increased emphasis on recognising achievement by young people, this year also saw the Young Person's Achievement Award, four Young Person's Commendations together with the Alan Marsh Award and the Herbert le Sueur Award.
- A silver, 2 bronze and a Young Person's Written Paper Prize were conferred for papers appearing in the twelve issues of The Aeronautical Journal. A Prize was also awarded for the best paper published in the Journal of Aeronautical History

Royal Aeronautical Society Foundation – Fundraising

Since 2008/2009 the Foundation has focused on promoting Gift Aid to the Society's membership and ensuring that these funds are used to support the Society's charitable objectives. In 2022, The Society did not undertake any fundraising activity requiring disclosure under S162A of the Charities Act 2011. The Foundation has however continued to support a number of projects totalling £8,732 (2021: £35,392) with the following projects being supported:

- Cool Aeronautics (travel, venue costs for schools and programme delivery costs);
- Digitisation of the Society & NAL archive;
- Student/Apprentice Learning & Development;
- External STEM & Skills Exhibitions
- RAeS Future Scholarship Fund (formerly Centennial Scholarship Fund).

Financial Review

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

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2027 and the review of risks facing the charity including Covid-19. These forecasts incorporate key challenges surrounding the impact from Covid-19 and ongoing cost of living crisis and have considered sensitivities surrounding our income. The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Income

Total income increased by 32% to £5,785,319 with total unrestricted income increasing by 32.9% to £5,590,554.

- ***Income from Donations & Legacies*** comprises donations to various funds which have increased from £158,958 to £385,035 in 2022, including legacies of £160,687 from the late Gwendoline and Neville Duke and £100,000 from the late Captain Eric 'Winkle' Brown, £45,248 from Boeing and £29,057 (2021: £47,990) raised by the Society's Subsidiary Branches to fund their activities throughout the year.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

- **Income from Charitable Activities** at £4,459,078 (2021: £3,829,190), represents 77.1% of the income generated by the Society in 2022; the principal income sources being Membership Services (including individual and Corporate Partner subscriptions), EPA, Conferences and Events and Publications.
 - Income from Membership Services represents just over 51% of the Society's income and increased by 1% in 2022 to £2,982,032 from £2,952,683.
 - The conferences and seminars were operated on hybrid and in person in 2022, the overall delegate and sponsorship income finished the year at £540,411 up by 156.3% on 2021.
 - Publications income increased by 19.5% to £151,879 by increased sales of *The Aeronautical Journal* (including archive sales) in 2022.
 - The Education, Skills and Diversity Team generated £38,875 in 2022 (2021: £23,523), income increased by just over 65% which included sponsorship and income from its annual Careers Fair and sponsorship for some of its activity.
 - Income from End Point Assessment (EPA) increased by just over 45%, finishing the year at £737,575 (2021: £507,710). It continued to have delayed assessments in 2022 while some companies were committed to completions on time.
- **Income from Other Trading Activities**, room hire services, income generated £770,712, increased by just over 226% in 2022 from £236,275, as the pandemic restrictions eased. This activity is run by the trading subsidiary Aeronautical Trading Limited (ATL) which made a profit of £71,701 (2021: £27,982) which is passed, free of Tax, to the Society. The building reopened for Room Hire services in 2022. The Society continued to lease (under licence to third parties) offices on the 4th and 5th floor and overall, this had generated £182,440 in 2022 (2021: £70,767).
- **Investment Income** increased to £168,394 from £159,241 in 2022. Of this, £96,657 (2021: £94,237) was reinvested by the Society during the year.

Expenditure

Expenditure increased by 27.2% to £4,095,471 with total unrestricted spending increasing by 26.6% to £4,492,170 as a result of the Society returning to in-person events and office usage

- **The costs of Raising Funds** increased in 2022 by 362.3% to £555,809 with unrestricted costs also increasing by 415.1% to £541,814. Costs included room hire services, administration and investment fees. In 2022, the Society continued to upgrade its services to provide enhanced facilities to members and the general public.
- **Charitable Activities** Resources expended on the Society's Charitable Activities increased by 15.8% to £4,095,471 with unrestricted expenditure increasing by 14.8% to £3,950,356. Costs include all the expenditure on the Society's conference/event programmes, providing membership services, career advice service, library, and producing the Society's publications.
- The Society's headquarters at No.4 Hamilton Place continue to be invested in and upgraded in line with its Strategic Objectives.
- In 2022 Governance costs increased by 23.8% from £107,654 to £133,232. Costs includes staff costs for Head of Governance to oversee the support to the Board of Trustees, Council, and internal Boards of the Society. Other costs included expenses associated with the return of in-person Council meetings, Council elections, maintaining the Society's constitution, external audit, and core executive management, plus travel costs for the President.

Surplus

The net incoming resources (before losses on investments) for the year produced a surplus of £1,134,039 (2021: £727,103). During the year, the Society had losses on its investment of £842,966 and actuarial gains on the Society's Pension Scheme of £798,333. The net movement of funds for the year was a surplus of £1,448,236 (2021: £1,814,159).

- **Unrestricted funds** carried forward of £10,997,727 (2021: £9,549,491) represent approximately 40 months operating expenditure. However, not all these funds can be readily liquidated as they

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represent the functional fixed assets of the Society. In accordance with Charity Commission guidance, the Trustees have adopted a formal Reserves Policy set out below.

- The overall income **for Room Hire Services** (*Operated by Aeronautical Trading Limited*) was up by 799.9% and finished the year at £538,872. All surpluses from this activity were transferred to the Society (utilising Gift Aid) to support charitable activities and the aims of the Society (see note 16 of the accounts).
- **Pensions Scheme**
 - The financial statements reflect the full financial position of the Defined Benefits Pension Scheme which became a closed scheme on 31 March 2001. The Scheme must be accounted for under FRS102 and under FRS102 the scheme's liabilities are valued based on assumptions derived from yields on AA rated corporate bonds and gilts. Changes in the assumptions applied to the Scheme's liabilities have resulted in a decline in the FRS102 deficit in 2022 which showed a pension scheme asset. As the scheme was closed to future accruals, the Trustees feel that the recoverability of the asset is too remote and this had not been recognised in the accounts in 2022. The Society contributed £76,000 to the fund in 2022.
 - From 1 April 2001 the staff pension arrangements are in the form of Group Personal Pensions with Standard Life, in 2021 this was transferred to Aegon. The Society makes contributions, but the funds are owned by and are the responsibility of the individual staff members. From August 2015 the Society adopted Automatic Enrolment and received an acknowledgement of re-declaration of compliance in September 2021 from the Pension Regulator.
- Functional Assets are also used by Aeronautical Trading Limited and these are included in support costs.
- **No.4 Hamilton Place – Purchase, Valuation and Charges on the Property** - In March 2009, the Society purchased the freehold of No.4 Hamilton Place at a cost of £4,859,755. Prior to the purchase, No.4 Hamilton Place was leased from the Crown Estates; in 2002 the lease was revalued by the Trustees on a draft valuation of £3,864,407 (based on existing use). From 2009 the Trustees have decided to add this valuation to the actual cost of the purchase of £4,859,755 to value the property in the Balance Sheet at £8,222,361 (less depreciation on property) as at 31/12/2022. At the time of purchase in March 2009 the Market Value of the freehold interest in No.4 Hamilton Place was £11,700,000.
- **Charges on No.4 Hamilton Place** - The Society's bankers, HSBC, have taken out a charge (not exceeding £4,255,000) on No.4 Hamilton Place to act as security against their loan. The Trustees of the Society's Defined Benefit Pension Scheme (closed) have taken out a second charge on No.4 Hamilton Place to cover the Society's obligations if the Society defaults on its payments to the scheme. In return, by agreement with the Trustees of the Scheme, the Society will continue to pay reduced contributions to the Scheme in future years at a rate of £76,000.

Risk Management

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

The Trustees have a risk management strategy which comprises:

- An annual review of the risks identified and regularly reviewed by the CEO and Audit Committee.
- The establishment of policies, systems and procedures to mitigate the principal risks.

The principal risks identified in 2022 were:

- Ineffective Organisational Structure was mitigated by conducting a Governance Review, designed to ensure we have the governance in place to remain compliant and well managed. This concluded in a revised set of By-Laws and Regulations.

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- Cyber Security remains an ever-present risk our organisation; we continue to invest heavily in IT Security, Training and penetration testing to mitigate the risks.
- Decline in Relevance is being mitigated by this year's cross-Society relevance project to ensure we remain relevant to the membership and can fully perform our Charitable objectives.

Reserves Policy

Unrestricted Reserves and Designated Funds

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

- Operations to generate sufficient funds annually to ensure that the Society is fully resourced to achieve its long-term Strategic Objectives; all annual surpluses to be allocated to one of the Society's free reserves setup to safeguard the Society against future (adverse) events;
- The Society continuing to focus on re-building its unrestricted liquid reserves and increase the level to the equivalent of six months' trading costs; and
- The Society should endeavour to reduce its long-term liabilities once it has built up its reserves to a level that covers operational requirements.

At the end of 2022, the Society's liquid reserves (Free, Mortgage and Premises and RAeS Foundation Reserves) stood at £2,903,369 (2020: £2,950,184); this is 174.8% (2021: 202.1%) of the reserve target of the equivalent to at least six months' operational costs of £1,660,758 (2021: £1,459,407); the Society achieved the Reserves target (as outlined in the Finance Strategy).

At the end of 2022 unrestricted reserves and designated funds were as follows:

Free Reserve

The Trustees have reviewed the Society's Finance Strategy, covering the period to 2022. The Trustees have decided that in view of the considerable uncertainty which characterises the current economic climate the Society should concentrate its efforts on re-building its unrestricted reserves and hold any additional cash (on interest bearing deposits) to cover any income shortfalls; at the end of 2022, the balance of the fund was £2,402,289 (2021: £2,521,047). This excludes fixed assets, loan on property and designated funds.

Royal Aeronautical Society Foundation

The Foundation was setup in 2006 by the Trustees to organise and co-ordinate support for the Society's wider charitable activities such as supporting aviation heritage projects, supporting the next generation of aerospace professionals, as well as supporting the development of No.4 Hamilton Place (including repaying of the mortgage). This fund is a Designated Fund, and the Foundation Committee (on behalf of the Trustees) will decide each year which projects to fund out of this reserve. In 2022 the fund received £260,761 (2021: £61,942) from legacy and other income, no funds were received from Gift Aid since this is pending and claims will be held until 2023. During the year, the Trustees released £8,733 (2021: £35,392) to support various charitable projects (educational/school projects); the fund balance stood at £261,279 at the end 2022 (2021: £222,301).

Pension Fund Reserve

Under FRS102, and in accordance with SORP, this reserve has been setup to reflect the liability of the Defined Benefits Pension Scheme which shows a pension scheme asset at the end of 2022 (2021: Liability £858,333). The Trustees feel that the recoverability of the asset is too remote and have not recognised the asset in the accounts in 2022.

At the end of 2022 there were four Designated Funds as follows:

Flight Simulation Sponsorship Fund

Over the past couple of years, the Society has received sponsorship to support the Flight Simulation Group activities (events); there had been no movement in 2022 due to impact from Covid-19. At the end of the year the fund stood at £51,336 (2021: £51,336).

Mortgage and Premises Reserve

This fund was setup in 2012 to be used to fund future capital improvements projects and to pay off the mortgage on the Society's HQ. In 2022 the RAeS Foundation made a transfer of £200k into this fund

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(normally £50k) allowing the variable interest part of the mortgage to be repaid to reduce interest rate risks. At the end of 2022, the balance of the fund stood at £6,836 (2021: £106,836).

No.4 HP Refurbishment Project Fund

This fund was setup by the Trustees in 2019 to be used to fund the refurbishment and redecoration of the offices on the 4th and 5th floors in 2020 and 2021, however since the pandemic and the introduction of hybrid working this is being reviewed. At the end of 2022, the fund stood at £100k.

Designated IT Future Fund

This fund was setup by the Trustees in 2021 to be used to fund the IT projects to enhance and develop the digital capability of the Society. At the end of 2022, the fund stood at £81,629.

Restricted and Endowment Reserves

Restricted Funds

Alan Snudden Fund – Restricted

This is an Endowment Fund established to provide scholarships to young person's entering, or already engaged in, the air transport operating industry. The founding deed (1992) allowed the Trustees to initially accumulate unspent income into the Endowment Fund. However, the deed now allows the Trustees to hold the income generated in a restricted fund and this was setup in 2017. Due to Covid-19, there was no activities in 2022. The fund received a total of £5,373 (2021: £5,150) from investment income; at the end of 2022, the fund stood at £32,938 (2021: £34,560).

ALTA

This fund was created from donations from a number of organisations to support the ALTA Mentoring Platform launched in 2019; the platform was setup for women in aerospace and aviation who are seeking woman-to-woman mentoring support with easy access to professional women working in the sector. In addition, the fund supports face-to-face networking events and research to provide greater support to women's retention and promotion within the sector. In 2022, the fund received a total of £1,149 (2021: 1,125) the fund stood at £2,243 (2021:£2,939) at the end of 2022.

Project Altitude – Boeing

In 2020, Boeing agreed to support various projects within the Society, one being **Project Altitude**; the aim is to encourage young people to become the innovators of tomorrow; the fund will support various STEM-based activities and events aimed at Primary, Middle and High Schools as well as young people just starting their careers. In 2022, the fund received a total of £44,098 and the fund stood at £77,537 (2021: £77,964) at the end of 2022.

RAeS Future Scholarship Fund (Formerly Centennial Scholarship Fund)

The Centennial Scholarship Fund was ceased in December 2020 and the balance of fund was transferred to RAeS Future Scholarship Fund from January 2021. The aim of the fund is to support funding costs for internships in the Aerospace sector to give the recipient an insight into working in the sector and enhancing the individual's Professional Development. In 2022, the fund received a total of £10,937 from donations and investment income and the fund stood at £243,651 at the end of 2022 (2021: £285,591).

Flying Start Challenge

This fund was setup in 2020 from donations from a number of Corporate Partners with the aim to support Flying Start Challenge; an annual competition aimed at providing secondary school students the opportunity to design a glider; the competition is run and managed jointly by the participating organisations. In 2022, the fund received a total of £1,200 from donations and investment income. At the end of 2022, the fund stood at £5,190 (2021: £12,398).

Kremer Fund

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

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

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The assets of this fund are held as cash deposits and no prizes were awarded in 2022; at the end of 2022, the fund balance stood at £161,541 (2021: £161,130).

Michael Bishop Foundation Fund

The Fund was setup in 2019 by the Trustees from a donation of £25,000 from Lord Glendonbrook/Michael Bishop Foundation to fund the Sir Ralph Robins Medal; this award is given to individuals demonstrating excellence in Engineering Leadership. At the end of 2022, the fund stood at £16,453 (2021: £16,453).

National Aerospace Library (NAL).

An appeal was started in 2004 towards the creation of a National Aerospace Library (NAL). In 2008 the Society opened a branch of the NAL within the Hub Building at Farnborough. In 2009 this facility was expanded and now houses the vast majority of the Society's historic library collections. The fund is used to support some of the ongoing operations of the NAL at Farnborough as well as future capital projects. During the year, a total of £7,047 (2021: £6,755) was received from donations and investment income and at the end of 2022 the fund stood at £146,459 (2021: £176,376).

RAF Chair in Air Power Studies

In 2008 the Society began (with support from the RAF) to raise funds for the Chair in Air Power Studies with the aim of establishing an independent academic Research Fellow at a UK university. By 2015 the Society had received donations totaling £624,000 from a number of Corporate Partners and these funds have helped to consolidate the senior academic post at the University of Birmingham and now support on-going research in this area. There had been no activities in 2022 due to Covid-19. At the end of 2022 the fund stood at £14,542 (2021: £14,542).

Falcon 2 (Formerly School Build-a-Plane Challenge)

The Falcon 2 Programme is the Society's STEM outreach challenge for young pupils aged 6-19 years. Supported by Boeing and the Department for Transport, launched in September 2022. Falcon 2 provides an opportunity for underrepresented groups, especially students with Special Educational Needs and Disabilities, to design, conceptualise and build an accessible mobile flight simulator as well as increasing disability awareness, a learning platform for all students to collaborate with their peers to address accessibility issues in the aviation and aerospace industry, paving a way for the future workforce to provide unique solutions to current limitations all whilst experiencing the wonder of flight. At the end of 2022, the fund stood at £23,446 (2021: £23,994).

World Skills

In 2021, the Society received a grant from World Skills UK who are an independent charity and work with employers, education and governments. World Skills UK is a proud member of WorldSkills, a global movement of over 80 countries. WorldSkills supports young people across the world via competitions-based training, assessment and benchmarking, with members' national teams ultimately testing their ability to achieve world-class standards in the biennial 'Skills Olympics'. This covers the management and delivery of skills in the Aircraft Maintenance competition activity. At the end of 2022, the fund stood at £1,255.

AAU Outreach Fund

In 2022, the Society received a donation from Association of Aerospace Universities (AAU) after dissolution, in accordance with the wishes of the members and office holders. The fund was set up to support the Society towards outreach activities within Aerospace and Aviation. At the end of 2022, the fund stood at £23,429.

Endowment Funds

The Alan Snudden Fund, Awards Trust and the CAARC (Commonwealth Advisory Aeronautical Research Council) Fund are held in pooled investments which were referred to as the Common Investment Fund in previous accounts. These funds are subsidiary charities of the Society as explained in Note 13.

Alan Snudden Fund

This fund is established to provide scholarships to young persons entering, or already engaged in, the air transport operating industry. As noted under restricted funds, a new Restricted Alan Snudden Fund was setup in 2018 to hold the net income generated by the Endowment fund; at the end of 2022, the fund stood at £77,933 (2021: £99,123).

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Awards Trust

This was created in 1995 from several separate funds held for the purposes of Medals, Merit Awards, Educational Awards and Lecture fees. With the agreement of the Trustees of the Society and the Charity Commission these separate funds were combined to give greater flexibility and more efficient use of those funds. In 2022 this fund paid out a total of £7,500 to cover grants and awards and at the end of 2022 the fund stood at £1,216,710 (2021: £1,493,374).

CAARC Fund

Through the Awards Trust, the Society administers the Commonwealth Advisory Aeronautical Research Council (CAARC) Bursaries. Grants were made in the year to a number of Commonwealth and UK candidates, however due to the cancellation of awards from previous years the fund received a net increase on grants to offset some of the admin and investment costs; at the end of 2022, the fund stood at £16,209 (2021: £20,175).

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

Investments

Investments Policy

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

Investment funds

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

At the end of 2022, the investments stood at £3,592,563 (2021: £4,296,997); over the past 12 months investments have decreased by 16.4% (against the target of RPI + 4%), though was up on the benchmark 0.3% (FSTE All Share Index). Overall, the Trustees were satisfied that the investment advisors had done all they could to protect the Society's investments considering the volatile economic and political background in 2022; since they took over in 2013 the investment advisors have produced an overall return of 59.8%.

Risk/Investment strategy

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

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

The Finance Committee agreed the asset allocation with the investment advisors, and this is reviewed on a quarterly basis. In 2022 the Finance Committee authorised the investment advisors to make short-term changes to the asset allocation to reflect market conditions and to give better opportunities for income and capital growth. At the end of 2022, the asset allocation was as follows:

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Asset Distribution			
Sector	Bench Mark	Range	Fund Breakdown % Value as at 31/12/2022
Fixed Interest	17.5%	12.5-22.5%	13.23%
Equities - UK	60.0%	55-65%	27.37%
Equities - Overseas			38.44%
Alternatives (Property/Infrastructure)	17.5%	12.5-22.5%	19.90%
Cash	5.0%	0-10%	1.06%
Accrued Interest/Other	0.0%	0.0%	0.00%
			100.00%

Plans for future periods

- With the pace of change of the world around us, consideration will be given to how we remain the relevant and accessible home for aviation, aerospace and space professionals of the future. During the course of 2023, the Relevance Project will be seeking views from members on what we will have to provide, and where so that we will be relevant to our current members, and potential members of the future.
- Following the Governance Review and consultations with Council, committee members and the membership last year, in 2023 we hope to have the Governance Review By-Law changes approved by the Privy Council (as required by our Royal Charter) and by the membership at a Special General Meeting. More detail on the proposed changes can be found at <https://www.youtube.com/watch?v=a5fOe2oNNNo>
- Outreach programmes will continue to develop with Phase 2 of the Falcon 2 flight simulator programme getting underway from March 2023 for the “Big Build” and the Education & Skills Team will support National Apprenticeship Week 2023 (March), the Big Bang (June) and RIAT (July) among many other industry outreach activities.
- In 2023, we hope to increase the number of Standards we can offer End Point Assessment for, this includes the Level 7 Systems Engineer Standard.
- As The Aeronautical Journal has become a Transformative Journal, which means it has committed to transition to open research, and meet the transformative journals requirements of Plan S, it should allow us to attract research papers from a broader range of organisations, researchers and authors committed to the principle of open access.
- Technical and policy papers on wellbeing in the industry, contrail management, sustainability and turbulence in relation to vertical flight are expected to be published to influence key stakeholders across government, operators and regulators.
- Engagement with incoming UK government ministers and Shadow Secretaries of State, civil service, and key international partners will be a focus for the policy and public affairs activity in 2023.
- The Society will continue to promote the RAeS Foundation as the primary vehicle for fundraising to support the Society’s long-term charitable objectives.
- As part of Finance Strategy 2018-2022, with the aim of further reducing its two major liabilities, the Mortgage on No.4 Hamilton Place and the Society’s Defined Benefit Pension Scheme (closed). The Finance Committee’s focus in 2023 is to rebuild the Society’s reserves to ensure finishing the year in a stronger and more stable position which enables the Society to refocus on reducing the major liabilities in future years.

Structure, Governance and Management

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

The Society has 4 international divisions, 13 international branches and 36 UK branches. Each branch is run by a committee of volunteers and office holders within each committee include Chair, Secretary and Treasurer.

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

The Board of Trustees may delegate to any Board or Committee such powers and duties as it sees fit and the law and good practice for charities allows, but the Board of Trustees remains responsible for the actions of such Boards and Committees and the Board of Trustees may dissolve a Board or Committee at any time. The current Boards of the Board of Trustees are: The Learned Society Board (LSB), The Membership Services Board (MSB), and The Professional Standards Board (PSB). The Board of Trustees has delegated the responsibility to the Finance Committee for directing the Society finances and developing sound financial practices and policies which protect and enhance the Society's finances and assets. The Audit Committee supports the Board of Trustees in monitoring the adequacy of the Society's governance, risk management, internal audit, and control processes through offering objective advice.

Members of the Council are elected, usually for a three-year term, by the voting members of the Society. The election takes place annually and the results are announced at the Society's Annual General Meeting (in May each year). The President is elected from within the Council approximately 18 months before taking office (from the AGM). Presidents serve a term of one year only. In the 12 months prior to taking office the President serves as President-Elect of the Society and in the 12 months after their one-year term the President serves as the immediate Past President of the Society. The President, President-Elect and Past President are *ex officio* members of the Council and Board of Trustees.

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

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

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

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

The Chief Executive, boards and committees that report to the Trustees, prepare reports for each Trustee meeting. Each year the Annual Report and Annual Accounts are approved by the Trustees and are available to all members via the Society's website.

**ROYAL AERONAUTICAL SOCIETY
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FOR YEAR ENDED 31 DECEMBER 2022**

Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society 313708

Subsidiary charities:

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

Subsidiary Companies:

Aeronautical Trading Limited 03243525
Aeronautical Trusts Limited 00239631

Registered Address:

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

The following were Trustees for all or part of 2022:

M Broadhurst OBE MA CDir FIoD FRAeS (Chair of the Board of Trustees)
Air Cdre Peter Round FRAeS (President)
Kerrissa Khan MRAeS (President-Elect)
Howard Nye FRAeS (Past President)
Lt Cdr R Gearing BEng(Hons) CEng FRAeS MCGI MCMI
Dr A Wood EngD CEng FRAeS
Andrew Cowdery FRAeS
Andy A Allen FRAeS
S Moynihan FCA CRAeS

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

D Edwards FRAeS, Chief Executive
L Price, Head of Governance & Compliance

Directors of Aeronautical Trusts Limited:

D Edwards FRAeS, Chief Executive
S Moynihan FCA CRAeS

Executive Team:

D Edwards FRAeS, Chief Executive
E Bossom, Director, Knowledge and Networks
P Mensah, Director of Membership and Professional Standards
A Ng, Financial Controller

Advisors

Auditors:

Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR, UK

Bankers:

HSBC Bank plc, Level 6, 71 Queen Victoria Street, London, EC4V 4AY, UK

Reference and Administrative Details (continued)

Investment Managers:

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

Pension Advisors:

GPP Scheme

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

Defined Pension Scheme (Closed)

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

Solicitors:

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

Statement of the responsibilities of the Board of Trustees

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

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

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


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

Website

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

Financial statements

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

Signed.....
Martin Broadhurst (Mar 27, 2023 17:10 GMT+1)
M Broadhurst OBE MA CDir FIoD FRAeS
Chair of the Board of Trustees

Date: 27 March 2023

Independent Auditor's Report to the Members of Royal Aeronautical Society

Opinion

We have audited the financial statements of Royal Aeronautical Society for the year ended 31 December 2022 which comprise Consolidated Statement of Financial Activity, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group and charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be revenue recognition, the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over the completeness and timing of income, reading minutes of meetings of those charged with governance and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

**ROYAL AERONAUTICAL SOCIETY
FOR YEAR ENDED 31 DECEMBER 2022**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Cheltenham

Mar 30, 2023

[Date]

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Consolidated Statement of Financial Activities (SOFA)

For the Year ended 31 December 2022

	Note	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2022	Total 2021
		£	£	£	£	£	£
Income and endowments from:							
Donations & Legacies		271,536	84,442	-	29,057	385,035	158,958
Charitable Activities		4,459,078	-	-	-	4,459,078	3,829,190
Other Trading Activities		772,812	-	-	-	772,812	236,275
Investments		87,128	81,266	-	-	168,394	159,241
Total	2	5,590,554	165,708	-	29,057	5,785,319	4,383,664
Expenditure on:							
Raising Funds		541,814	13,995	-	-	555,809	120,226
Charitable Activities		3,950,356	83,270	-	61,845	4,095,471	3,536,335
Total	5	4,492,170	97,265	-	61,845	4,651,280	3,656,561
Net income/(expenditure) before gains on investments		1,098,384	68,443	-	(32,788)	1,134,039	727,103
Net (losses)/gains on investments	8	(412,245)	(99,875)	(330,846)	-	(842,966)	312,056
Net income/expenditure		686,139	(31,432)	(330,846)	(32,788)	291,073	1,039,159
Transfers between funds	13 - 14	(36,236)	(25,833)	29,026	33,043	-	-
		649,903	(57,265)	(301,820)	255	291,073	1,039,159
Other recognised (losses)/gains:							
Net actuarial gains/(losses) on Pension Scheme	20	798,333	-	-	-	798,333	775,000
Net movement in funds		1,448,236	(57,265)	(301,820)	255	1,089,406	1,814,159
Balance at 1 January	12 - 15	9,549,491	805,949	1,612,672	359,451	12,327,563	10,513,404
Funds at 31 December		10,997,727	748,684	1,310,852	359,706	13,416,969	12,327,563

All amounts relate to continuing activities. The notes 1 to 20 form part of these financial statements.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Consolidated Balance Sheet

	Note	Total 2022	Total 2021
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,695,139	2,722,363
Fixtures and Equipment	7	160,447	206,326
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	52,739	-
Investments at Market Value	8	3,592,563	4,296,997
		<u>12,438,953</u>	<u>13,163,751</u>
Current Assets			
Debtors	9	778,357	542,288
Cash at bank and in hand		2,481,705	2,480,011
		<u>3,260,062</u>	<u>3,022,299</u>
Less: Current Liabilities			
Creditors	10	(1,499,849)	(1,460,114)
		<u>(1,499,849)</u>	<u>(1,460,114)</u>
Net Current Assets			
		<u>1,760,213</u>	<u>1,562,185</u>
Total Assets Less Current Liabilities			
		<u>14,199,166</u>	<u>14,725,936</u>
Creditor due after one year	11	(782,197)	(1,540,040)
Defined Benefit Pension Scheme Liability	20	-	(858,333)
		<u>13,416,969</u>	<u>12,327,563</u>
NET ASSETS			
Represented by:			
Restricted Reserves	14	748,684	805,949
Endowments	13	1,310,852	1,612,672
Designated Funds - Branches	16	359,706	359,451
Unrestricted Reserves			
Unrestricted Reserves	15	10,997,727	10,407,824
Unrestricted Reserves Excluding Pension Liability		<u>10,997,727</u>	<u>10,407,824</u>
Pension Reserve	20	-	(858,333)
Total Unrestricted Reserves		<u>10,997,727</u>	<u>9,549,491</u>
TOTAL RESERVES		<u>13,416,969</u>	<u>12,327,563</u>

The notes 1 to 20 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 27 March 2023.


Martin Broadhurst (Mar 27, 2023 17:10 GMT+1)

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


S Moynihan FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Charity Balance Sheet


	Note	Total 2022	Total 2021
		£	£
Fixed Assets			
Property - Land	7	5,527,222	5,527,222
Property - Property	7	2,695,139	2,722,363
Fixtures and Equipment	7	160,447	206,326
Heritage Assets at Valuation	7	410,843	410,843
Website Development	7	52,739	-
Investments at Market Value	8	3,592,563	4,296,997
Investments in subsidiary undertakings	18	3	3
		<u>12,438,956</u>	<u>13,163,754</u>
Current Assets			
Debtors	9	725,981	576,627
Cash at bank and in hand		2,451,664	2,011,515
		<u>3,177,645</u>	<u>2,588,142</u>
Less: Current Liabilities			
Creditors	10	(1,489,136)	(1,413,393)
		<u>(1,489,136)</u>	<u>(1,413,393)</u>
Net Current Assets			
		<u>1,688,509</u>	<u>1,174,749</u>
Total Assets Less Current Liabilities			
		<u>14,127,465</u>	<u>14,338,503</u>
Creditor due after one year	11	(782,197)	(1,540,040)
Defined Benefit Pension Scheme Liability	20	-	(858,333)
		<u>13,345,268</u>	<u>11,940,130</u>
NET ASSETS			
Represented by:			
Restricted Reserves	14	748,684	805,949
Endowments	13	1,310,852	1,612,672
Designated Funds - Branches	16	359,706	-
Unrestricted Reserves			
Unrestricted Reserves		10,926,026	10,379,842
Unrestricted Reserves Excluding Pension Liability		<u>10,926,026</u>	<u>10,379,842</u>
Pension Reserve	20	-	(858,333)
Total Unrestricted Reserves		<u>10,926,026</u>	<u>9,521,509</u>
TOTAL CHARITY RESERVES			
		<u>13,345,268</u>	<u>11,940,130</u>

The notes 1 to 20 form part of these financial statements.

These financial statements were approved and authorised for issue on behalf of the Trustees of the Royal Aeronautical Society on 27 March 2023.


Martin Broadhurst (Mar 27, 2023 17:10 GMT+1)

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


S Moynihan FCA CRAeS
Trustee

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Consolidated Cash Flow Statement

For the Year ended 31 December 2022

	Total 2022	Total 2021
	£	£
Cash flows from operating activities		
Net cash provided by operating activities	961,637	689,044
Cash flows from investing activities		
Dividends, Interest and rents from investments	171,909	159,241
Purchase of property, plant and equipment	(203,272)	(88,243)
Proceeds from sale of investments	585,238	362,072
Purchase of investments	(723,771)	(491,690)
Net cash provided by operating activities	791,741	630,424
Cash flows from financing activities		
Repayments of borrowing	(790,047)	(48,460)
Net cash used in financing activities	(790,047)	(48,460)
Change in cash and cash equivalents in the reporting period	1,694	581,964
Cash and cash equivalents at the beginning of the reporting period	2,480,011	1,898,047
Cash and cash equivalents at the end of the reporting period	2,481,705	2,480,011

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

	Total 2022	Total 2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	291,073	1,039,159
Depreciation charges	223,636	189,618
Losses/(Gains) on investments	842,966	(312,056)
Dividends, Interest and rents from investments	(171,909)	(159,241)
(Increase)/Decrease in debtors	(236,068)	168,782
Increase/(Decrease) in creditors	71,939	(184,218)
Movement of pension fund contributions/pension fund costs	(60,000)	(53,000)
Net cash provided by operating activities	961,637	689,044

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Analysis of changes in net debt

	1 January 2022	Cash Flows	Other Non- Cash changes	31 December 2022
	£	£	£	£
Cash and cash equivalents				
Cash and cash equivalents	2,480,011	1,694	-	2,481,705
	<hr/>	<hr/>	<hr/>	<hr/>
	2,480,011	1,694	-	2,481,705
Borrowings				
Debt due within one year	(790,047)	790,047	(31,547)	(31,547)
Debt due after one year	(752,032)	-	31,547	(720,485)
	<hr/>	<hr/>	<hr/>	<hr/>
	(1,542,079)	790,047	-	(752,032)
	<hr/>	<hr/>	<hr/>	<hr/>
	937,932	791,741	-	1,729,673
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements

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

- a) The Society is a Professional Membership Body and Learned Society holding a Royal Charter. It is established as a Charity under the terms issued by the Charity Commission (registered number: 313707). The Charter of Incorporation and the By-Laws form the code that governs the Society. The registered office address is 4 Hamilton Place, London, W1J 7BQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

The Trustees have considered a number of factors in concluding that the adoption of a going concern basis in the preparation of these financial statement is appropriate. This includes a review of the budget and forecast including cash flow for up to December 2027 and the review of risks facing the charity including Covid-19. These forecasts incorporate key challenges surrounding the impact from Covid-19 and ongoing cost of living crisis and have considered sensitivities surrounding our income.

The Society has a strong portfolio of investment and financial performance and these continue to be monitored regularly. The Trustees have reviewed the key assumptions within forecast and satisfied that the current level of free reserves and cash balances are adequate to meet the Society's obligations as they fall due.

Taking into account the reserves position of the Society and the anticipated future results the Trustees do not consider that the appropriateness of this basis is subject to any material uncertainty.

- b) The consolidated accounts include the activities, assets and liabilities of the Society, its subsidiary companies, subsidiary charities and branches. Further information on the subsidiaries is disclosed in note 18. No separate SOFA or cashflow statement has been prepared for the charity as is permitted by the Charities SORP.

Aeronautical Trading Limited is the trading company and subsidiary company of the Society and its results, assets and liabilities are included in the consolidated accounts. The trading company operates the Venue Hire operations of the building. These activities are consolidated on a line by line basis and have the same year end as the Society.

Aeronautical Trusts Limited is the subsidiary company of the Society and is the corporate Trustee of the subsidiary charities - Royal Aeronautical Society Awards Trust (1045004) and Alan Snudden Memorial Trust Fund (1013530). This entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure accounts are presented as the movement in endowment funds are not material.

The Royal Aeronautical Society Awards Trust registered in England and Wales (registered number: 1045004) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material. The CAARC fund is shown as a distinct fund from the other funds of the Royal

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

Aeronautical Society Award Trusts in these accounts. It is a specific fund administered within that charity.

Alan Snudden Memorial Trust Fund (1013530) is a subsidiary charity of the Society, this entity is clearly distinguished throughout, being those amounts as 'Endowments – subsidiary charities. No separate income and expenditure account are presented as the movement in endowment funds are not material.

Branches were established to promote the Society's Charter and objectives through Society activities in the area local to the branch and to represent the Society locally and organise lectures and other events. These activities are included in the charity results and distinguished those amounts as 'Designated – subsidiary Branches'. They have the same year end as the Society.

- c) Income is generally recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from Events, Education & Skills, Venue Hire, Donations, NAL, Publication, Policy are accounted for at the time of event in the year. Income from donations is recognised on receipt of payment. Income from legacies is recognised where evidence of entitlement exists, the value is measurable with sufficient reliability, and on the earlier or the date of receipt of finalised estate accounts of the date of payment.

Grant income is recognised in the SOFA when received or when the charity becomes entitled to receipt. Grants that have been received will be treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Individual subscriptions income is recognised on the amount received for the year. Amounts received during the year in relation to the future years are deferred. The Corporate Partners Scheme is recognised on receipt as anticipated funds are not enforceable debts. Where income is received net of tax, any taxation recoverable is taken to income on receipt of the net amount.

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

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

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

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

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

- g) Depreciation is provided on the following basis:

- Land is not depreciated.
- Freehold premises – Property is depreciated over 100 years at 1%.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

- Fixtures and Equipment including computers - Over the estimated useful life of the asset which varies between two and ten years.

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

- h) The operating leases are disclosed in the note 12 to the financial statements. Lease payments under operating leases are charged against income on a straight line basis over term of the lease.
- i) Restricted income funds represent income subject to donor specified restrictions and the income arising on endowment funds for which specific uses have been specified. Expenditure for the specified purposes is set against the relevant income in the statement of financial activities. Unexpended balances are carried forward as restricted income funds or where the terms of the endowment provide for this, transferred to the capital balance of the endowment fund.

Unrestricted and Designated funds represent amounts set aside by the Trustees as detailed within the reserves policy on page 6 and 7.

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

In addition, there is a frozen defined benefit scheme to which the Society continues to contribute in order to fund past service costs. In 2022, The recent FRS102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is closed scheme for future accruals, the Trustees feel the recoverability of the asset is too remote and has not recognise the asset in these accounts (See Note 20).

- k) The Society has charitable status and is this exempt from taxation of its income and gains falling under with section 478 of the Corporation Tax Act 2010 or section 256 of the taxation of Charitable Gains Act 1992 to the extend they are applied to its chargeable objectives.

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

The heritage assets represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values and have an indefinite life. The Trustees have concluded a valuation which they consider appropriate.

- l) In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparently from other sources.

The valuation of assets and liabilities of the Defined Pension Scheme are performed by a professional actuary. Fuller details are provided in note 20 and these include details of the actuarial assumptions adopted. In the opinion of the Trustees, these assumptions represent the only material areas of estimation uncertainty in the financial statements.

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

2. Analysis of Income

The analysis of income and expenditure by fund represents the activities of the Society including membership and the activities of its subsidiaries.

Income: 2022	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Branches) Funds	Total 2022
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	271,536	80,927	-	29,057	381,520
	271,536	80,927	-	29,057	381,520
Income from Charitable Activities					
Education, Skills and Diversity	38,875	-	-	-	38,875
Conferences, events, seminars	540,411	-	-	-	540,411
End Point Assessment	737,575	-	-	-	737,575
Library (NAL)	8,306	-	-	-	8,306
Membership services	2,982,032	-	-	-	2,982,032
Publications and information	151,879	-	-	-	151,879
Policy & Research	-	-	-	-	-
	4,459,078	-	-	-	4,459,078
Income from Other Trading Activities					
Room hire services	770,712	-	-	-	770,712
Admin services	2,100	-	-	-	2,100
	772,812	-	-	-	772,812
Investment Income					
Investment Income	87,128	84,781	-	-	171,909
	87,128	84,781	-	-	171,909
Total	5,590,554	165,708	-	29,057	5,785,319

In 2022, The Society received £260,687 in legacies and £137,174 in insurance payout due to loss of income from Covid-19.

Income: 2021	Unrestricted Funds	Restricted Funds	Endowments (Subsidiary Charities) Funds	Designated (Subsidiary Branches) Funds	Total 2021
	£	£	£	£	£
Income from Donations & Legacies					
Voluntary income & donations	62,868	48,100	-	47,990	158,958
	62,868	48,100	-	47,990	158,958
Income from Charitable Activities					
Education, Skills and Diversity	23,523	-	-	-	23,523
Conferences, events, seminars	210,816	-	-	-	210,816
End Point Assessment	507,710	-	-	-	507,710
Library (NAL)	7,399	-	-	-	7,399
Membership services	2,952,683	-	-	-	2,952,683
Publications and information	127,059	-	-	-	127,059
Policy & Research	-	-	-	-	0
	3,829,190	-	-	-	3,829,190
Income from Other Trading Activities					
Room hire services	236,275	-	-	-	236,275
	236,275	-	-	-	236,275
Investment Income					
Investment Income	77,975	81,266	-	-	159,241
	77,975	81,266	-	-	159,241
Total	4,206,308	129,366	-	47,990	4,383,664

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3. Employee information

The average numbers of staff employed during the year was 44/40.7 FTE (2021: 37/35.4 FTE).

	2022 £	2021 £
Staff costs (for the above persons)		
Salaries	1,726,203	1,544,042
Social security costs	189,701	159,892
Other pension costs	220,271	209,853
Temporary staff and other staff costs	42,626	78,345
	<u>2,178,801</u>	<u>1,992,132</u>

The charity contributes towards a defined contribution pension scheme. The cost of this scheme is charged to SOFA and the amount to £220,271 (2021: £209,853). The scheme did not give rise to any provision.

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

	2022 Number	2021 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	-	2
£80,001 - £90,000	2	1
£90,001 - £100,000	-	-
£130,001 - £140,000	1	-

The key management personnel of the Society comprises the Board of Trustees and the Executive Team as listed on page 13. The total amount of employee benefits (including employer pension contributions) received by the Executive Team (comprising the CE, two Directors and Financial Controller) for their services to the Society was £399,188 (2021: £378,655). Aggregate termination payments for the year were £0 (2021: £12,105).

Trustees do not receive remuneration for their services. During the year the President was reimbursed £9,540 (2021: £593) and 3 (2021: 1) other Trustees were reimbursed £1,044 (2021: £265) in respect of travel and subsistence expenses incurred in performance of their duties.

In accordance with normal commercial practice the Society has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Society business. The insurance provides cover up to £5,000,000 on any one claim and the cost for 2021 was £3,432 (2021: £2,984).

4. Related party transactions

In 2022, The Society charged its subsidiary company Aeronautical Trading Limited £338,753 (2021: £0) in respect of administrative expenses which represents an allocation of overheads from the Society.

Under a Gift Aid declaration, Aeronautical Trading Limited will make a gift aid payment of the Charity of £71,701 (2021: £27,982).

The Aeronautical Trading Limited paid the charity £452,568 (2021: £47,522) of monies collected on invoices settled in 2022.

As at 31 December 2022, the charity owed the Aeronautical Trading Limited £54,642.

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During 2022, the Society paid £6,033 to a close family of the Financial Controller, who was on a temporary employment contract on data input entry for the Finance team within the Society and this was done on an arm length basis.

A number of Trustees hold senior positions in organisations in the aerospace industry which from time to time transact with the Society, the Trustees have no direct involvement with these transactions.

5. Analysis of expenditure

Expenditure: 2022	Direct Costs	Support Costs	Total	Grant Funding of Activities	Branch Activity	Total 2022
	£	£	£	£		£
Raising Funds:						
Fund Raising	13,416	37,380	50,796	-	-	50,796
Room Hire Services	128,418	338,753	467,171	-	-	467,171
Admin services	-	6,944	6,944	-	-	6,944
Investment management costs	13,395	3,508	16,903	13,995	-	30,898
	155,229	386,585	541,814	13,995	-	555,809
Charitable Activities:						
Careers & education	222,576	135,334	357,910	83,270	-	441,180
Conferences	413,605	233,319	646,924	-	-	646,924
End Point Assessment	323,936	165,021	488,957	-	-	488,957
NAL (Library)	224,082	75,329	299,411	-	-	299,411
Membership services	695,577	491,675	1,187,252	-	61,845	1,249,097
Publications & information	567,754	159,755	727,509	-	-	727,509
Policy & Research	170,811	71,582	242,393	-	-	242,393
	2,618,341	1,332,015	3,950,356	83,270	61,845	4,095,471
	2,773,570	1,718,600	4,492,170	97,265	61,845	4,651,280

Within Careers & Education a total of £7,500 was paid to individuals (2021: £10,453) covering 22 grants and prizes (2021: 30 2020). Grants are paid when approved and accrued from the time of approval.

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

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6. Analysis of support costs

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

Support Costs: 2022	Management / Staff Costs	Finance Costs	Governance Costs	HR	IT Support	Premises Costs	Total 2022
	£	£	£	£	£		£
Raising Funds:							
Fund Raising	5,320	22,112	1,332	-	3,995	4,621	37,380
Room Hire Services	17,360	7,108	1,332	2,725	7,990	302,238	338,753
Admin services	373	3,159	-	1,090	1,998	324	6,944
Investment management costs	187	3,159	-	-	-	162	3,508
	23,240	35,538	2,664	3,815	13,983	307,345	386,585
Charitable Activities:							
Careers & education	40,133	9,477	19,985	10,902	19,976	34,861	135,334
Conferences	55,160	56,860	19,985	17,443	35,957	47,914	233,319
EPA	38,360	47,383	19,985	5,996	19,976	33,321	165,021
NAL (Library)	14,467	22,112	13,323	5,451	19,976	-	75,329
Membership services	124,412	104,243	39,970	49,059	65,921	108,070	491,675
Publications & information	53,386	15,795	13,323	10,902	19,976	46,373	159,755
Policy & Research	27,533	8,687	3,997	5,451	1,998	23,916	71,582
	353,451	264,557	130,568	105,204	183,780	294,455	1,332,015
	376,691	300,095	133,232	109,019	197,763	601,800	1,718,600

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

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

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6. Analysis of support costs (continued)

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

Governance Costs

	Total 2022	Total 2021
	£	£
Staff Costs	59,781	59,165
Staff Training/Travel/Recruitment	680	-
President, Council & BofT's Expenses	16,773	6,415
Audit Fees	20,000	19,500
Support Costs	35,998	22,574
	133,232	107,654

The President, Council and BofT's Expenses were related to travel & subsistence, training and other administrative costs.

7. Fixed Assets – Group and Charity

	Property Land	Freehold Property	Fixtures and Equipment	Heritage Assets At Valuation	Website Development	Total
	£	£	£	£	£	£
Cost or Valuation						
At 1 January 2022	5,527,222	2,722,363	744,857	410,843	-	9,405,285
Additions	-	-	124,163	-	79,109	203,272
Disposals and other adjustments	-	-	(203,053)	-	-	(203,053)
Balance 31 December 2022	5,527,222	2,722,363	665,967	410,843	79,109	9,405,504
Depreciation						
At 1 January 2022	-	-	538,531	-	-	538,531
Charge for the year	-	27,224	170,042	-	26,370	223,636
Removed on disposal	-	-	(203,053)	-	-	(203,053)
Balance 31 December 2022	-	27,224	505,520	-	26,370	559,114
Net book value						
At 31 December 2022	5,527,222	2,695,139	160,447	410,843	52,739	8,846,390
At 31 December 2021	5,527,222	2,722,363	206,326	410,843	-	8,866,754

Freehold premises are held at the historic valuation of the leasehold originally acquired by the Society plus the additional cost of the subsequent purchase of the freehold and less the depreciation on property (not land).

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

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

Of the above £8,435,547 (2021 £8,455,911) represents assets held for the Society's use. Functional Assets are also used by Aeronautical Trading Limited and this is reflected in their normal management charge.

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7. Fixed Assets – Group and Charity (continued)

The heritage assets of £410,843 (2021: £410,843) represent pictures, books and other items of Aeronautical interest held by the Society for which there are no readily identifiable market values. The Trustees have concluded a valuation in 1997 which they consider appropriate. A number of items are on display at the NAL (Farnborough) and a large number of historical papers have been digitised and can be viewed on the Society's Website.

8. Investments – Group and Charity

The Finance Committee (on behalf of the Trustees) review the Society's investments with JM Finn & Co (investment advisors) on a quarterly basis; in 2022 there were minor changes to the asset allocation to reflect the ongoing changes within the markets.

	2022	2021
	£	£
Investments in Government and other listed securities:		
UK	269,381	277,781
Overseas	75,425	212,153
Official Investments Funds at market values:		
UK	1,067,596	1,273,092
Overseas	1,293,881	1,550,851
Property Funds	780,729	850,946
Bank Deposits	105,551	132,174
	<u>3,592,563</u>	<u>4,296,997</u>
Analysis of movements of investment assets:	2022	2022
	£	£
Investments at 1 January	4,296,997	3,855,323
Additions	723,771	491,690
Disposals	(585,238)	(362,072)
Revaluations	(842,966)	312,056
Investments at 31 December	<u>3,592,563</u>	<u>4,296,997</u>

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

9. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	543,904	347,251	491,528	347,106
Other debtors	67,750	65,039	67,750	65,039
Prepayments	166,703	129,998	166,703	129,998
Amount due from subsidiary undertaking	-	-	-	34,484
	<u>778,357</u>	<u>542,288</u>	<u>725,981</u>	<u>576,627</u>

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10. Creditors falling due within one year

	Group		Charity	
	2022	2021	2022	2021
falling due within one year:	£	£	£	£
Trade creditors	294,438	77,898	294,318	77,106
Accruals and deferred income	952,517	1,153,941	904,417	1,118,811
Other taxes and social security	87,640	119,925	87,640	119,925
Loan for Property	31,547	66,037	31,547	66,037
Other creditors	133,707	42,313	116,572	31,514
Amount due to subsidiary undertaking	-	-	54,642	-
	<u>1,499,849</u>	<u>1,460,114</u>	<u>1,489,136</u>	<u>1,413,393</u>

Deferred income represents income from Subscription for Membership, Venue Hire, Conference, Sponsorship for future periods. This includes sponsorship from Marshall.

Reconciliation of deferred income	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Balance as at 1 January	1,011,446	1,063,409	976,316	1,025,349
Income deferred in the current year	646,073	815,576	603,123	803,356
Release from prior year	(925,320)	(867,539)	(895,340)	(852,389)
Balance as at 31 December	<u>732,199</u>	<u>1,011,446</u>	<u>684,099</u>	<u>976,316</u>

11. Creditors falling due after one year

	Group			Charity		
	2022	2021	2021	2022	2021	2021
falling due after one year:	£	£	£	£	£	£
Loan for Property:						
Within 2 to 5 years	141,499			141,499		
After 5 years	<u>578,986</u>	720,485	1,476,042	<u>578,986</u>	720,485	1,476,042
Sponsorship: Marshalls		61,712	63,998		61,712	63,998
		<u>782,197</u>	<u>1,540,040</u>		<u>782,197</u>	<u>1,540,040</u>

In March 2009 the Society purchased the freehold of No 4 Hamilton Place (Society's HQ) at a cost of £4,859,755; the Society repaid its variable mortgage in 2022. At the end of 2022, the outstanding loan on property was £752,032 (2021: £1,542,079).

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12. Operating lease

The RAeS is committed on operating leases as follows:

	2022	2021
	£	£
Within 1 year	1,196	-
Within 2 to 5 years	2,093	-
	<u>3,289</u>	<u>-</u>

The Society currently hold an operating lease with a third party, on a 36 month period and expiring in 2025.

13 . Endowment funds

The following reserves are held in accordance with the reserves policy set out on page 9 of this report.

Funds: 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains and Loses	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
CAARC Fund	20,175	-	-	780	(4,746)	16,209
Alan Snudden	99,122	-	-	-	(21,189)	77,933
Awards Trust	1,493,375	-	-	28,246	(304,911)	1,216,710
Total Expendable Endowment Funds	1,612,672	-	-	29,026	(330,846)	1,310,852

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

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14. Restricted income funds

The following reserves are held in accordance with the reserves policy set out on pages 7 to 9 of this report.

Funds: 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains and Losses	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
CAARC Fund	-	934	(154)	(780)	-	-
Alan Snudden	34,560	5,374	(887)	-	(6,109)	32,938
Awards Trust	-	60,017	(28,771)	(31,246)	-	-
Future Scholarship Fund (Formerly Centennial Scholarship)	285,592	11,409	1,616	3,000	(57,966)	243,651
National Aerospace Library Fund	176,376	7,047	(1,164)	-	(35,800)	146,459
RAeS Chair of Air Power Studies	14,542	-	-	-	-	14,542
Falcon 2 (Formerly School Build a Plane Challenge)	23,994	-	(548)	-	-	23,446
ALTA	2,939	1,149	(1,845)	-	-	2,243
Boeing - Project Altitude	77,965	44,098	(44,526)	-	-	77,537
Flying Start Challenge	12,398	1,200	(8,408)	-	-	5,190
Michael Bishop Foundation	16,453	-	-	-	-	16,453
Kremer Fund	161,130	411	-	-	-	161,541
Worldskills	-	10,640	(12,578)	3,193	-	1,255
AAU Outreach	-	23,429	-	-	-	23,429
Total Funds	805,949	165,708	(97,265)	(25,833)	(99,875)	748,684

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

Alan Snudden Fund – The Trustees had the power to accumulate surpluses for 21 years from the founding deed which was dated 1992; transfers to net income made from 2013-16 have been transferred back to Restricted to cover future commitments.

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15. Unrestricted reserve funds

The following reserves are held in accordance with the reserves policy set out on pages 7 and 8 of this report.

Funds : 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains and Loses	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
General Reserve - Functional Assets	8,455,911	-	(20,364)	-	-	8,435,547
General Reserve - Functional Assets Loan	(1,542,079)	-	-	790,047	-	(752,032)
General Reserve - Free Reserve	2,521,047	5,329,793	(4,447,023)	(589,283)	(412,245)	2,402,289
Heritage Assets	410,843	-	-	-	-	410,843
Flight Sims Sponsorship Fund	51,336	-	-	-	-	51,336
Mortgage & Premises Reserve	106,836	-	-	(100,000)	-	6,836
No.4 HP Refurbishment Project	100,000	-	-	-	-	100,000
Designated IT Project Fund	81,629	-	-	-	-	81,629
RAeS Foundation	222,301	260,761	(8,783)	(213,000)	-	261,279
	10,407,824	5,590,554	(4,476,170)	(112,236)	(412,245)	10,997,727
Pension Fund - FRS17 Reserve	(858,333)	-	(16,000)	76,000	798,333	-
Total Funds	9,549,491	5,590,554	(4,492,170)	(36,236)	386,088	10,997,727

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

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

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16. Designated Branches funds

Funds: 2022	Fund Balances Brought Forward 01/01/2022	Income	Expenditure	Transfers	Gains and Losses	Fund Balances Carried Forward 31/12/2022
	£	£	£	£	£	£
Branches	359,451	29,057	(61,845)	33,043	-	359,706
Total Funds	359,451	29,057	(61,845)	33,043	-	359,706

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

17. Analysis of funds

Funds: 2022	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Fixed assets	8,846,390	-	-	-	8,846,390
Investments	1,756,909	425,652	1,410,002	-	3,592,563
Current assets	2,676,474	323,032	(99,150)	359,706	3,260,062
Current Liabilities	(1,499,849)	-	-	-	(1,499,849)
Total Funds Excluding Pension Liability and Non-Current liabilities	11,779,924	748,684	1,310,852	359,706	14,199,166
Long Term Liabilities	(782,197)	-	-	-	(782,197)
Defined Benefit Pension Scheme Liability	-	-	-	-	-
Total Funds	10,997,727	748,684	1,310,852	359,706	13,416,969
Funds: 2021	Unrestricted Funds	Restricted Funds	Endowed Funds	Designated Branches Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:					
Fixed assets	8,866,754	-	-	-	8,866,754
Investments	2,101,406	509,114	1,686,477	-	4,296,997
Current assets	2,434,818	301,835	(73,805)	359,451	3,022,299
Current Liabilities	(1,455,114)	(5,000)	-	-	(1,460,114)
Total Funds Excluding Pension Liability	11,947,864	805,949	1,612,672	359,451	14,725,936
Long Term Liabilities	(1,540,040)	-	-	-	(1,540,040)
Defined Benefit Pension Scheme Liability	(858,333)	-	-	-	(858,333)
Total Funds	9,549,491	805,949	1,612,672	359,451	12,327,563

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

18. Subsidiary charities and companies

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

The subsidiary charities are:

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

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

The subsidiary companies are:

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

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

Aeronautical Trading Limited (registered number 03243525) is the only trading company and its results, assets and liabilities are included in the consolidated accounts. Its results and financial position are summarised below:

Aeronautical Trading Ltd - Profit and Loss Account

	2022	2021
	£	£
Turnover	538,872	59,880
Cost of sales	(128,418)	(31,898)
Gross Profit	410,454	27,982
Administrative expenses	(338,753)	-
Operating profit	71,701	27,982

Aeronautical Trading Ltd - Balance Sheet

	2022	2021
	£	£
Debtors	52,376	144
Cash at Bank	30,041	109,044
Due from parent undertaking	54,642	-
Creditors: amounts falling due within 1 year		
Due to parent undertaking	-	(34,484)
Other creditors	(65,356)	(46,720)
Net Assets	71,703	27,984
Represented By:		
Total Equity	71,703	27,984

**ROYAL AERONAUTICAL SOCIETY
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FOR YEAR ENDED 31 DECEMBER 2022**

19. Consolidated Statement of Activities 2021

The following Consolidated Statement of Financial Activities for the year ending 31 December 2021:

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

20. Defined Benefit Pension Scheme (now frozen)

The valuation used for FRS102 disclosures has been based on the most recent actuarial valuation as at 1 April 2019 and updated by the Actuary to take account of the requirements of FRS102 in order to assess the liabilities of the scheme at 31 December 2022. Scheme assets are stated at their market value at 31 December 2022.

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

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

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

Economic assumptions

	Proposed assumption at 31 December 2022	Assumption Adopted at 31 December 2021
Discount rate	4.90% p.a.	1.85% p.a.
Future increase in Retail Prices Index ("RPI")	3.15% p.a.	3.20% p.a.
Future increase in Consumer Prices Index ("CPI")	2.20% p.a.	2.25% p.a.
Deferred revaluation rate		
CPI subject to a maximum of 5.00% p.a.	2.20%p.a.	2.25%p.a.
Pension increase		
- Pre April 1997 in excess of GMP	4.00% p.a.	4.00% p.a.
- April 1997 - April 2005	2.85% p.a.	3.10% p.a.

Demographic assumptions

	Proposed assumption at 31 December 2022	Assumption adopted at 31 December 2021
Pre-retirement mortality	98% of SAPS3 tables, based on members' years of birth with CMI 2021 core projections with a longterm trend of 1.25% p.a	100% of A92 Ultimate tables
Post-retirement mortality	98% of SAPS3 tables, based on members' years of birth	98% of SAPS3 tables, based on members' year of birth
Future improvements in longevity	CMI 2021 projections with a long term trend of 1.25% p.a.	CMI 2020 projections with a long term trend of 1.25% p.a.
Life expectancy		
Male currently aged 60	26.7	26.7
Female currently aged 60	29.3	29.3
Male currently aged 40	28.2	28.2
Female currently aged 40	30.8	30.8
Commutation	50% of members assumed to commute some of their pension, using current commutation factors, to receive 100% of maximum tax-free cash lump sum.	No allowance
Retirement age	1st April nearest to 60th birthday.	1st April nearest to 60th birthday.
Marital statistics	80% of males and 70% of females assumed to be married at retirement or earlier death.	80% of males and 70% of females assumed to be married at retirement or earlier death.
Age difference	Males assumed to be 3 years older than females	Males assumed to be 3 years older than females
Options (e.g. transfers out)	No allowance	No allowance

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

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

A) Assets and DBO

	31 December 2022	31 December 2021
	£'000	£'000
Total Value of total Scheme assets	3,092	3,410
Total Value of assets in respect of insured pensioners	729	974
Present value of DBO	(2,443)	(4,268)
Liability in respect of insured pensioners	(729)	(974)
Funded surplus / (deficit)	649	(858)
Limitation of amount recognised	(649)	-
Total surplus / (deficit)	-	(858)

B) Reconciliation of the value of the DBO

	31 December 2022	31 December 2021
	£'000	£'000
Opening DBO	5,242	5,854
Service cost	-	-
Past service cost	-	-
Members contributions	-	-
Interest on liabilities	95	78
Actuarial losses / (gains)		
From change on assumptions	(2,341)	(541)
From experience	358	(34)
Curtailments loss / (gain)	-	-
Settlements	-	-
Benefits paid out	(182)	(115)
Expenses	-	-
Closing defined benefit obligation	3,172	5,242

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

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

C) Reconciliation of the value of the assets

	31 December 2022	31 December 2021
	£'000	£'000
Opening value assets	4,384	4,168
Interest income on Scheme Assets	79	55
Actuarial gains / (losses)	(536)	200
Society contributions	76	76
Member contributions	-	-
Assets distributed on settlements	-	-
Benefits paid	(182)	(115)
Expenses	-	-
Closing value of assets	3,821	4,384

D) Return on the Scheme Assets

	31 December 2022	31 December 2021
	£'000	£'000
Actual return on assets	(457)	255

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

	31 December 2022	31 December 2021
	£'000	£'000
Service cost	-	-
Past service cost	-	-
Losses/ (gains) on settlement and curtailments	-	-
Administrative costs	-	-
Net interest cost	16	23
Total	16	23

E.2) Analysis of net interest cost

	31 December 2022	31 December 2021
	£'000	£'000
Interest income on Scheme assets	(79)	(55)
Interest in Scheme liabilities	95	78
Interest expense on irrecoverable surplus	-	-
Net interest cost / (credit)	16	23

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
FOR YEAR ENDED 31 DECEMBER 2022**

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

F) Amount recognised in Other Comprehensive Income

	31 December 2022	31 December 2021
	£'000	£'000
Return on Scheme assets less interest income	(536)	200
Actuarial gains/(losses from a change in assumptions	2,341	541
Actuarial gains/(losses) from experience	(358)	34
Limitation of asset recognised	(649)	-
Expense recognised in Actuarial Losses	798	775

G) Society Contributions

Under the current Schedule of Contributions, the Society contributes the following:

Deficit contributions of £76k per annum from 1 April 2019 to 31 March 2034; and
all Scheme expenses (including PPF levies).

H) Amounts for the current and previous two periods

	31 December 2022	31 December 2021	31 December 2020
	£'000	£'000	£'000
Present value of funded DBO	(2,443)	(4,268)	(4,804)
Liability in respect of insured pensioners	(729)	(974)	(1,050)
Scheme Assets	3,092	3,410	3,118
Value of assets in respect of insured pensions	729	974	1,050
Limitation of amount recognised	(649)	-	-
Surplus/(deficit)	-	(858)	(1,686)
Experience gain/(loss) on DBO	(358)	34	26
Experience gain/(loss) on assets	(536)	200	133

The recent FRS 102 valuation shows a pension scheme asset. Under the Governing documents the charity is entitled to a refund when the last payment is made. As the scheme is a closed scheme for future accruals, the trustees feel that the recoverability of the asset is too remote and has not recognise the Pension Scheme asset in these accounts as a result.

I) Sensitivity of movement in key assumptions	£'000
Discount rate (+ / - 0.1%)	-/+ 230
Inflation(+/- 0.1%)	+/- 50
Mortality (+/-1year)	+/- 110

J) Forecast Profit & Loss for the next account period

	31 December 2023
	£'000
Service cost	-
Losses /(gains) on settlements and curtailments	-
Administrative costs	-
Net interest cost/(credit)	(34)
Total	(34)

ROYAL AERONAUTICAL SOCIETY

England & Wales - Charity number 313708

Accounts



**ROYAL
AERONAUTICAL
SOCIETY**

Royal Aeronautical Society

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

Charity Registration Number: 313708
Incorporating:
Charity Registration Number: 1013530
Charity Registration Number: 1045004

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

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

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

Objectives and Activities

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

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

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

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

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

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

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

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

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

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

Achievements and performance

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Achievements

Education, Skills and Diversity

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

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

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

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

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

Delivering Careers Support During COVID-19

Free Career Webinars

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

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

Free online careers service

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

University & Student Engagement

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

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

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

Staff also participated at external virtual careers events including:

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

Careers in Aerospace & Aviation LIVE 2021

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

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

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

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

Cool Aeronautics

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

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

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

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

Cool Aeronautics Webinar

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

Inspiring Our Future - Cool Aeronautics

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

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

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

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

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

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Fun Kids Radio and Amy Aviation YouTube

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

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

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

Careers in Aerospace Website

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

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

Social Media

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

Diversity and Inclusion

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

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

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

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

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

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

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

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

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

ALTA Mentoring

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

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

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

End Point Assessment (EPA) and Apprenticeships

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

EPA Delivery during the Pandemic

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

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

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

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

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

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

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

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

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

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

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

Knowledge

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

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

Sharing Knowledge Through Events

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

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

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

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

Learned Resources

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

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

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

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

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

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

Publications and Communications

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

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

AEROSPACE

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

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

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

The Aeronautical Journal

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

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

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

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

Social Media

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

Continuous Comms Improvements

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

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

Policy Engagement

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

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

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

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

Parliamentary outreach

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

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

Branches and Divisions

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

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

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

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

Young Persons Committee (YPC)

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

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

Woman in Aviation & Aerospace

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

Specialist Groups

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

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

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

Medal and Awards

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

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

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

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

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

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

Membership Services

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

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

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

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

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

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

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

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

Registration and Engineering Council Matters

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

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

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

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

Corporate Partners

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

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

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

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

Royal Aeronautical Society Foundation - Fundraising

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

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

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

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

Financial Review

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

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

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Income

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

Income from Donations & Legacies

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

Income from Charitable Activities

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

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

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

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

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

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

Income from Other Trading Activities

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

Investment Income

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

Expenditure

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

Raising Funds

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

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Charitable Activities

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

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

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

Surplus

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

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

Room Hire Services Operated by Aeronautical Trading Limited

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

Pension Scheme

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

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

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

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

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

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

Charges on No.4 Hamilton Place

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

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

Risk Management

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

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

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

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

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

Reserves Policy

Unrestricted Reserves and Designated Funds

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

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

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

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

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

Free Reserve

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

Royal Aeronautical Society Foundation

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

Pension Fund Reserve

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

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

Flights Simulation Sponsorship Fund

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

Mortgage and Premises Reserve

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

No.4 HP Refurbishment Project Fund

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

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Designated IT Future Fund

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

Restricted and Endowment Reserves

Restricted Funds

The following are Restricted Funds of the Society:

Alan Snudden Fund – Restricted

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

ALTA

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

Boeing Project Altitude

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

RAeS Future Scholarship Fund (formerly Centennial Scholarship Fund)

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

Flying Start Challenge

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

Kremer Fund

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

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

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

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Michael Bishop Foundation Fund

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

National Aerospace Library Fund (NAL)

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

RAeS Air Power Fellow at the University of Birmingham

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

Schools Build-a-Plane Challenge

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

Endowment Funds

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

Alan Snudden Fund

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

Awards Trust

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

CAARC Fund

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

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

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Investments

Investments Policy

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

Investment funds

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

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

Risk/Investment strategy

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

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

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

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

Plans for future periods

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

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

For 2022 the main points to note are:

Education, Skills, and Diversity (ESD)

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

Boeing Project Altitude

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

Falcon2 Challenge

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

Cool Aeronautics and Amy Aviation

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

AI Careers Platform – Career Flightpath

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

Mary Jackson Named Lecture

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

D&I webinars and forums

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

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

End Point Assessment (EPA)

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

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

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

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

Conferences & Events

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

Governance

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

National Aerospace Library (NAL)

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

Policy & Public Affairs

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

Publications and Communications

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

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

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

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

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

External Associations and Bodies

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

Operations

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

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

Membership Services

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

Royal Aeronautical Society Foundation

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

Financial Targets

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

Structure, Governance and Management

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

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

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

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

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

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

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

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

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

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

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

Reference and Administrative Details

Name/Registered charity number:

Royal Aeronautical Society

313708

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Subsidiary charities:

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

Registered Address:

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

The following were Trustees for all or part of 2021:

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

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

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

Directors of Aeronautical Trusts Limited:

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

Executive Team:

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

Advisors

Auditors:

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

Bankers:

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

Investment Managers:

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

Reference and Administrative Details (continued)

Pension Advisors:

GPP Scheme

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

Defined Pension Scheme (Closed)

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

Solicitors:

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

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Statement of the responsibilities of the Board of Trustees

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

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

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

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

Website

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

Financial statements

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

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

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

Date: 7 March 2022

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

Opinion

We have audited the financial statements of the Royal Aeronautical Society for the year ended 31 December 2021 which comprise consolidated Statement of Financial Activities, the consolidated and society Balance Sheets, the consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent society's affairs as at 31 December 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

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

Responsibilities of trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

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in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors
Date: 10 March 2022

10 Queen Street Place
London
EC4R 1AG

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

**ROYAL AERONAUTICAL SOCIETY
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Consolidated Statement of Financial Activities (SOFA)

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

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

**ROYAL AERONAUTICAL SOCIETY
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Consolidated Balance Sheet

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

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

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

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

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

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

S Moynihan BSc (Hons) FCA CRAeS
Trustee

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Charity Balance Sheet

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

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

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

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

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

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

S Moynihan BSc (Hons) FCA CRAeS
Trustee

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

Consolidated Cash Flow Statement

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

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

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

Analysis of changes in net debt

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

Notes to the Financial Statements

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

- a) The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) - (Charities SORP (FRS 102)) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

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

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

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

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

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

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

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

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

- g) Depreciation is provided on the following basis:

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

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

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

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

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

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

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

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

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

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

2. Analysis of Income

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

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

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

3. Employee information

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

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

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

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

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

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

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

4. Related party transactions

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

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

5. Analysis of expenditure

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

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

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

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

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

6. Analysis of support costs

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

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

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

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

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

6. Analysis of support costs (continued)

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

Governance Costs

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

7. Fixed Assets – Group and Charity

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

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

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

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

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

7. Fixed Assets – Group and Charity (continued)

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

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

8. Investments – Group

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

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

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

**ROYAL AERONAUTICAL SOCIETY
REPORT OF THE TRUSTEES
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9. Debtors

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

10. Creditors

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

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

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

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11. Endowment funds

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

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

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

12. Restricted income funds

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

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

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12. Restricted income funds (continued)

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

13. Unrestricted reserve funds

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

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

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

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13. Unrestricted reserve funds (continued)

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

14. Subsidiary branches funds

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

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

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15. Analysis of funds

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

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16. Subsidiary charities and companies

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

The subsidiary charities are:

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

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

The subsidiary companies are:

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

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

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

Aeronautical Trading Ltd - Profit and Loss Account

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

Aeronautical Trading Ltd - Balance Sheet

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

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17. Consolidated Statement of Activities 2020

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

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

18. Defined Benefit Pension Scheme (now frozen)

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

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

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

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

Economic assumptions

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

Demographic assumptions

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

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

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

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

A) Assets and DBO

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

B) Reconciliation of the value of the BDO

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

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

C) Reconciliation of the value of the assets

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

D) Return on the Scheme Assets

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

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

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

E.2) Analysis of net interest cost

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

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

F) Amount recognised in Other Comprehensive Income

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

G) Society Contributions

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

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

H) Amounts for the current and previous two periods

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

I) Sensitivity of movement in key assumptions

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

J) Forecast Profit & Loss for the next account period

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