
THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

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THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 OCTOBER 2018**

Corporate Trustee

**Richard Shuttleworth
Trustees**

**Directors of the corporate
trustee**

E M Wood, Chairman
Prof M D Alder
R Bailey
Lord Cobham
P J A Cooper
E A Davies
S Gardner
Princess Hohenlohe
T P Routsis
C E S Whitbread
R Graff von Waldburg-Wolfegg

**Charity registered
number**

307534

Principal office

Old Warden Park
Biggleswade
Bedfordshire
SG18 9EP

Secretary

A P Rutt

Independent auditors

Peters Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Barclays Bank PLC
High Street
Bedford
MK40 1NJ

Solicitors

Charles Russell Speechlys LLP
5 Fleet Place
London
EC4M 7RD

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2018

The Trustees present their annual report together with the audited financial statements of the Group and the Trust for the 1 November 2017 to 31 October 2018.

OBJECTIVES AND ACTIVITIES

OBJECTIVES

The Trust has two principal objectives:

- (a) the promotion of education and training in the science, practice and history of aviation and automotive transport; and
- (b) the promotion of:
 - (i) education and training in the science and practice of agriculture; and
 - (ii) in so far as it is ancillary thereto, education and training in the science and practice of food production and the management of rural resources by making arrangements for the provision and conduct of a college.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

STRATEGIES FOR ACHIEVING OBJECTIVES

The first objective (a) is achieved through the Shuttleworth Collection ("the Collection"): a world-renowned collection of vintage aircraft and motor vehicles, which are maintained in working-condition and open to the general public both as a static display and on specific days flown and driven by volunteers appointed and trained by the Collection. The Collection employs a number of trained and licensed engineers to restore and maintain the aircraft but is also heavily dependent upon volunteers, who are members of the Shuttleworth Veteran Aeroplane Society (SVAS) (an independent Trust established in 1964) and provide assistance with engineering and administration on a weekly basis and assistance with airshows and events during the season. The SVAS also makes substantial financial contributions to support the Collection.

The Collection raises funds by charging for admission to view its aircraft and motor vehicles. It also receives donations and bequests from those wishing to ensure its continuity and engages in a number of fund raising activities including an annual Flying Proms concert.

To further its objective in education and training in aviation, the Collection has a trainee engineering scheme under the supervision of Marshall's Aerospace, Cambridge, which commenced in September 2008, with each trainee having a four year contract.

The second objective (b) has been achieved for many years by Shuttleworth College ("The College") which is a college for further and higher education, concentrating on land based studies which are available to the general public of any age over 16. The College originally opened its doors in 1946 and became an independent college well-known for the quality of its agricultural training. Funding changes have meant that the College can only sensibly now exist in association with another educational institution. Since July 2009 this has been Bedford College with whom the Trust has now entered into a 40 year lease to 31 October 2056 for the Campus, as well as property at Kingshill and Mount Pleasant.

The Trust draws upon its investments and rented property portfolio to provide funds, which are used to support both objectives. In particular, such funds have been used to fund infrastructure at the Collection, to insure and maintain buildings used by the Collection and College, including the Shuttleworth family mansion. An annual subsidy is also given to the College to assist with the resources provision for education of students.

Any benefit received by organisations or individuals, other than as a beneficiary, is purely incidental to the objects of the Trust.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF ACTIVITIES

Total expenditure to further charitable objectives was £2,391,000 in the year, (2017: £3,006,000).

Analysed between the main objectives:	2018	2017
Collection - Aviation and Automotive Transport	£1,915,000	£2,379,000
College - Agriculture	£476,000	£627,000
	£2,391,000	£3,006,000

Objective A: Aviation and Automotive Transport:

The Trust offers a unique opportunity in the operation and exhibition of a working collection of cars and aircraft which it uses to fulfil its educational objectives.

Visitors

The annual visitor count increased 9% from the previous year, as set out below. Air show attendances were considerably up on previous years, with the Collection blessed with very good weather, improved content and reputation of the shows. The disappointment continues to be the number of daily admissions to the Collection and management is focused on improving this over the coming years, as this income type is less susceptible to weather effects.

Financial year	2016	2017	2018
Daily - Collection	20,117	20,341	22,915
- Swiss Garden	19,291	22,695	21,761
Airshows	24,404	23,600	30,237
Model Events	4,318	3,642	2,368
Concerts & other events	5,141	6,301	6,430
TOTAL VISITORS	73,271	76,559	83,711
<i>Percentage change</i>	<i>-5.7%</i>	<i>4.5%</i>	<i>9.3%</i>

The RAF Centenary celebrations were an opportunity to increase the number of Science Technology Engineering and Maths (STEM) activities offered at air shows, improving younger visitor numbers. This was successful in attracting over 1000 children on site, up from a show average of between 150-300.

Informal Learning

In addition to general visits to the Collection, specific informal learning activities are being developed to improve and increase the Trust's ability to deliver STEM learning through partnership working at specialist event days and during the school holidays. The RAF 100 Baton Relay and RAF Scout Day were successful examples of attracting ATC, Scouts, Guides and Brownies to suitable sessions and a total of 1,181 young people from organised youth groups undertook activity visits. A further 906 children took part in summer holiday workshops.

Formal Learning

Formal learning at the Trust was improved with the creation of the first dedicated learning space within the Collection, named the Discovery Workshop. Completed in April 2018, volunteers undertook a significant number of hours clearing, cleaning and decorating the former car workshop/fire station alongside paid staff. Key features include a 1920s replica of the Pilcher Hawk Glider, fixed on a pulley system to lower it to child height during school visits, WiFi, three screens for interactive sessions, and child-sized portable tables with chairs.

For our budget year ending October 2018, the number of schoolchildren visiting for KS1-KS3 totalled 1825.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

The Trainee Engineer Scheme offers apprenticeships to young people working with the Trust's engineers and collection aircraft. Formal tuition is offered through Marshalls of Cambridge and which commenced in September 2008. The trainees, who started in September 2014 and September 2015 are also progressing well with their training. The cost of the trainee engineering scheme during the year was £53,144 (2017 - £125,237). Two trainees previously on the scheme were moved to permanent payroll in November 2017.

Management and Funding

The day to day responsibility for the Objective was undertaken by senior managers overseen by a Management Committee, which includes the Aviation Trustee, Tim Routsis, assisted by Trustees Edmund Wood and Roger Bailey.

This objective is largely self-financing, raising income from its visitors, donations and operations. Infrastructure works at the Collection are financed through a designated fund, which during the year was charged with £123,000 and included improvements to the IT infrastructure across the site, upgrade of electrical system and construction of a replacement fuel installation. Excluding the trading results of Old Warden Limited (shown in note 30 on page 44) the Collection ended the year with an operating deficit of £370,000, but before receipt of £350,000 in restricted donations and legacies.

Financial year	2016	2017	2018
Collection admission income	£793,406	£829,223	£994,705
Garden admission income	£110,735	£108,691	£111,221
TOTAL ADMISSION INCOME	£904,141	£937,914	£1,105,926

Objective B: Agriculture and Land Based Industry

The Trust has fulfilled its agricultural objective by supporting the College by granting a 40 year lease to 2056, which includes a three year rent free period at commencement, discounted rents on farm land and free of charge accommodation in the Mansion.

The student success rate for the 2017/18 academic year was good and above the national averages for the Further Education (FE) sector. Overall retention on all courses has also been good and, again, above national averages. Internal quality controls indicate the College remains in the 'good' category. A number of students have progressed to Higher Education courses and, for the rest, progression has been to either higher levels of Further Education or into employment.

Student recruitment for 2018 was a small increase on 2017, particularly in Animal Care programmes. Agriculture and Countryside courses remain the core strategic objective of the Trust and these have continued to recruit at a satisfactory level. The College has also put on a range of short courses, all of which have been well subscribed. The College is particularly pleased with the continued growth in higher level courses, especially at Foundation degree and degree level. The College is in need of new facilities and the new Farm buildings at Kings Hill have been a bonus. The College is developing long term plans both in relation to facilities and courses, which are detailed in the future plans paragraph.

In addition, the Trust has continued to support the Soil Association with a £40,000 grant in order to set up a Centre of Excellence for Sustainable Forest Management and to deliver a series of courses. The second and third courses took place during the year and were supported by the Trust with accommodation and catering.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

Estate and Property (including Visitor Attractions)

The Trust owns the Old Warden Estate, comprising the House and Parkland, the Swiss Garden, the airfield and some 4,500 acres of farm and woodland, as well as many cottages. Most of this is let to produce a growing investment income to support the objectives of the Trust. Part of this income is used to refurbish the investment property, particularly on the change of tenants to ensure that the quality of the property is maintained and that the income continues to grow. The farm tenant who occupied much of the Home Farm site has been moved to a new farmyard called Willow Farm, which the Trust has created on the former gravel processing site and this will enable the Home Farm buildings to be improved and let to commercial tenants during 2019.

The House is now being used to generate income from weddings, conferences and other revenue generating activities while the attendees of events such as airshows are invited to see the public rooms. The House and parkland, in addition to the Swiss Garden, are being run in conjunction with the Collection where there is also a restaurant and a shop. While trading income has grown satisfactorily during the year, it is still insufficient to cover the necessary costs of maintaining the House in good condition.

INVESTMENT POLICY AND PERFORMANCE

Investment policy

The investment portfolio managers for the stocks and shares work to a benchmark which is set in discussion with the Trustees, during the year under review the performance was slightly under this benchmark but the Trustees accepted this was affected by the movement in the markets. The land agent, Robinson & Hall, manages the wider estate with the aim to achieve the market rate for the rental of the land and property and this is monitored by the Estates Committee.

Investment Income

The Trust, as well as drawing income from an estate of land and properties valued at £54,330,000 (2017: £54,015,000) as at 31 October 2018, also draws income from a stock exchange portfolio valued at £7,591,000 (2017: £7,905,000) at 31 October 2018.

Property income was £1,807,000 gross and £1,031,000 net, after maintenance costs, professional fees and support costs.

Income from interest and dividends totalled £270,000 gross or £225,000 net, after management charges.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

FINANCIAL REVIEW

The Trust's overall net deficit, before gains on investment assets, was £173,000 in the year to 31 October 2018 (2017: deficit £903,000) made up as follows:

	2018 £'000	2017 £'000
Restricted funds	464	122
Designated funds	(242)	(919)
General funds	(1,131)	(883)
Endowment funds	736	777
	<u>(173)</u>	<u>(903)</u>

Gains on Investment Assets amounted to £267,000 (2017: £886,000), which together with the net income meant a increase in the Trust's Funds of £94,000 (2017: decrease £17,000) during the year.

Further details are provided in the Statement of Financial Activities and the notes.
The split in percentage terms of Income and Expenditure is shown below:

Income - £5,255,000 (2017 - £4,579,000)

Investment Income	40%	(2017 - 43%)
Donations and Legacy Income	13%	(2017 - 7%)
Other trading activities	29%	(2017 - 32%)
Charitable Activities	18%	(2017 - 18%)
	100%	

Expenditure - £5,428,000 (2017 - £5,482,000)

Cost of trading activities	30%	(2017 - 26%)
Cost of investing activities	16%	(2017 - 13%)
Other costs of raising funds	10%	(2017 - 6%)
Charitable Expenditure (see Note 7)	44%	(2017 - 55%)
	100%	

Includes the cost of managing the assets of the historic grade 2* estate.

Total Return

The Trust has adopted a Total Return approach to its investments. For 2017/18 the Trustees have adopted a two step approach to allocating investment returns and net income:

- 1) A transfer is made from unapplied total return to endowment funds to maintain the real value of the endowment. This is calculated as a compound return on capital of 3% of endowed capital
- 2) A transfer to general reserves is made under the spending rule. For 2017/18 the spending rule has been agreed by Trustees at 4%.

The balance of unapplied total return is shown in Note 21.

Support and Governance Costs

Support costs of £424,000 (2017 - £416,000) have been reallocated to the two charitable objectives and investing activities and governance on a percentage basis of time and usage. The Trust has incurred a total £156,000 (2017: £110,000) of governance costs, which includes a proportion of the support expenditure.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

GOING CONCERN

The Trust has considerable financial resources and as a consequence, the Trustees believe that the Trust is well placed to manage its business risks successfully and accordingly has a reasonable expectation that the Trust has adequate resources to continue in operational existence for at least 12 months from the date the financial statements are signed. Accordingly, the Trustees continue to adopt the going concern basis in preparing the annual report and financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees confirm that the major risks to which the Trust and group are exposed have been identified. These risks are recorded in the risk assessment register, which is reviewed annually by the senior management, following which the Finance and Estate Committees review the level of the risks identified and the systems that are in place to mitigate those risks. These systems include the senior management, the agents and consultants of the Trust having responsibility for the risks associated with their area of authority. The support, assistance and commitment of the senior management is required to ensure that the Trustees manage the risks identified to the best of their ability. It is appreciated that the nature of the activities of the Trust means that the systems can only provide reasonable assurance and are not risk free. The major risks affecting the Trust have been identified as follows:

- Reduced return from investments, causing cash flow problems
- External Regulations, including those of the Civil Aviation Authority
- Loss of key trustees and staff
- Adverse publicity

RESERVES POLICY

As reported in note 19 of the Financial Statements, the Endowment Fund of investment property and other assets is £43,674,000, (2017: £45,151,000).

Of the figure above the Unapplied Total Return is £13,924,000 and this represents investment growth not yet allocated, reference note 21 in the Financial Statements and the paragraph above.

As at 1 November 2012 the Trustee took the decision to bring onto the Balance Sheet the Trust's Heritage Assets at Trustee's valuation in the sum of £17,000,000 for the Collection assets and £2,500,000 for the paintings and artefacts in the Mansion House. In addition the property within the conservation area, including the Mansion House, Visitor Attractions and Garden, were brought onto the balance sheet at a professional valuation in the sum of £2,930,000. The two later sums have been added to the endowment fund, together with £2,000,000 of the Collection assets, being the current value of assets that were in the Trust's ownership at its inception. The remaining £15,000,000 of the Collection assets has been added to the Heritage Designated Fund, being assets either gifted or acquired with specific donations to the Collection.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 OCTOBER 2018

Designated Funds:

At 31 October 2018 reserves were:

	2018 £'000	2017 £'000
Heritage Fund	16,846	16,884
Maintenance Fund	4,294	4,654
Strategic Reserve	7,064	6,892
College Reserve	2,000	2,000
Collection Infrastructure	213	336
Collection Operational	3,637	3,699
	<u>34,054</u>	<u>34,465</u>

The strategic reserve aims to be equivalent to one year's normal expenditure but will also provide support for exceptional expenditure, which is inherent in the nature of the Trust's assets. The sum corresponds with the Trust's stated aim of holding £5,000,000 in reserve, indexed since 2004 at 2.5% pa and at 2018 this was £7,064,000.

Explanation of the other designated funds is shown on note 19.

General funds as at 31 October 2018 amounted to £5,830,000 (2017: £4,313,000), which is retained for day to day operational activities, of this sum the free reserves were £5,178,000 (2017: £3,871,000).

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Richard Ormonde Shuttleworth Remembrance Trust ("The Trust"), Trust registration number 307534, was formed on 26 April 1944 under a deed of trust executed by Mrs Dorothy Clotilda Shuttleworth as a registered Trust in memory of her son, Richard Ormonde Shuttleworth, who died in 1940 whilst serving in the RAF. The sole trustee of The Richard Ormonde Shuttleworth Remembrance Trust is "Richard Shuttleworth Trustees" (RST), a Company Limited by Guarantee and also a registered Trust. The officers and professional advisers of the Trust are documented on page 1.

The Group includes a subsidiary trading company, Old Warden Limited (OWL). The shares in OWL are held by RST but as nominee for the Trust. Both the Trust and OWL share the common parent in RST. The Trustee has deemed that the Trust exerts control and significant influence over OWL and accordingly these two entities are consolidated together.

The Trustees of Richard Shuttleworth Trustees (a company limited by Guarantee and who are also the directors of the charitable company for the purposes of company law) in office during the year and at the date of signing are documented on page 1.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees of RST are appointed by agreement of the full Board of Trustees and shall be appointed for a period of three years (a term). Trustees shall not serve more than four consecutive terms but are eligible for re-appointment after the expiry of two years from the date of the relevant retirement. New members with appropriate skills and experience continue to be sought.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

New Trustees are provided with an induction pack to acquaint them with the history of the Trust and its objectives. They are made aware of their responsibilities and provided with copies of the Trust Commissioners' guidance on the responsibilities of a trustee.

The Trustees met four times a year as a full Board, in the year ended 31 October 2018.

All Trustees give of their time freely and no Trustees' remuneration was paid in the year. Details of Trustees' expenses and related party transactions are disclosed in note 26 to the financial statements. Trustees are required to disclose all relevant interests and register them with the secretary to the Trust and in accordance with the Trust's Policy withdraw from decisions where a conflict of interest arises.

PAY POLICY FOR SENIOR STAFF

Day to day management of the Trust is delegated to a senior management team and heads of departments. The total costs of the Key Management Personnel is disclosed in note 11 of the Financial Statements and these salaries are set by benchmarking against market rates.

In July 2018 the Trustees took the decision to recruit an Executive Director with the assistance of a Recruitment Agency. Interviews took place in November 2018 with Trustees and Senior Managers and the successful candidate, Miss Rebecca Dalley, commenced at Shuttleworth in February 2019.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The day to day running of the Trust was undertaken under the supervision of four Committees, which are responsible to the main Board of Trustees. Each committee has its own constitution and terms of reference and comprises a number of the Trustees and other co-opted members chosen for their expertise in that sphere of operation. Each committee meeting is also attended by members of the senior management team. These committees meet on a regular basis throughout the year to authorise activities and expenditures and to make recommendations to the main Board for wider consideration. Trustees are free to attend any meeting they wish.

Finance, Personnel and General Purposes Committee

Membership
E M Wood (Chairman)
Professor M D Alder
Lord Cobham
P J A Cooper
T P Routsis
R Graf von Waldburg-Wolfegg

Estate Committee

Membership
P J A Cooper (Chairman)
Professor M D Alder
E A Davies
R Diggle
S Gardner
Princess Hohenlohe
C E S Whitbread
E M Wood

Visitor Attraction Committee

Membership
T P Routsis (Chairman)
R Bailey
Lord Cobham
Princess Hohenlohe
E M Wood

Education Committee

Membership
Professor M D Alder (Chairman)
R Bailey
E A Davies
Mrs C Drummond
S Gardner
Princess Hohenlohe
R Graf von Waldburg-Wolfegg
E M Wood

In addition there is a Nomination Committee to consider the appointment of new Trustees and the membership of Trust Committees. There are also various sub-committees for specific purposes.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

As reported in last year's report a planning application for a new entrance to the College and Collection from the Sandy/Shefford road had been made, which was approved in December 2018. This will enable the closure of the present road across the main runway which is currently a major safety concern, as well as the restoration to the damage done to the historic parkland by the volume of traffic using the Old Warden entrance, particularly when airshows are held.

Architects and a specialist historic house business consultant have been employed to consider options to improve the commercial viability of the House.

Aviation and Automotive Transport:

Budget year ending October 2019 will mark the end of three-year strategic plan put into place, when Education became part of the overall Marketing team, to create a framework for direction and delivery with key performance indicators. Key aims for 2019 include: increase the number of schools visiting both The Collection and Swiss Garden; secure visits from schools who have not booked a trip to Shuttleworth within the last five years.

Partnership events continue to be a key plank of the education offer. Planned events for 2019 include:

- Women in Engineering on Sunday 23 June, intentionally led by a group of young people from Bedford Secondary School.
- Schools Takeover Day in May, with the RAF STEM Youth and engagement team;
- Royal Aero Society's 'Cool Aeronautics' workshop for 60 school children each time.
- The 2019 CCF Eastern Area competition, organized for RAF Cadets, is planned to take place at Shuttleworth in November

Agriculture and Land Based Industry:

In 2017 the Trust signed a 40 year lease with Bedford College for the college buildings at Shuttleworth. The lease has facilitated both the growth in student numbers and courses as well as further capital developments. The Trust continues to support the College with its plans for capital development of animal care facilities and facilities for its animal collections. A major new Animal Care Centre building has planning approval and building commenced in 2018 for an opening in 2019.

The College hopes for an increase in student numbers, particularly at Higher Education level and working with the University of Bedford. Developments in Higher Education will lead to the development of research activities. In 2017 the Trust agreed to fund a research project with the University of Bedford into the use and development of bio inoculants. An appointment for a PhD student to work on this research has been made.

The Trust has also established a link with the Soil Association to develop a series of courses on Forest Accreditation. In 2017 the first phase of this work commenced, which was the marketing of the provision and development of the curriculum and course materials. At the end of 2017 the first course was fully recruited with overseas students and ran very successfully. In 2018 these courses continued, with the programme due to conclude in 2019.

Over time the Trust hopes to support other education and research initiatives relevant to its objectives. One of these developments has been the establishment of travel scholarships which will commence in 2019. All of these developments are now supported through the newly-formed Trust Education & Research Committee.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

Estate and Property:

The planning application for a new entrance to the College and Collection from the Sandy/Shefford road was made and approved in December 2018. This will enable the closure of the present road across the main runway which is currently a major safety concern, as well as the restoration to the damage done to the historic parkland by the volume of traffic using the Old Warden entrance, particularly when air shows are held.

INFORMATION ON FUNDRAISING PRACTICES

The Trust raises funds through

- Admissions and events relating to the Collection
- A small number of grants from philanthropic and statutory sources

Its key fundraising mechanisms are through associated supporter groups, the Shuttleworth Veteran Aviation Society and The Friends of The Swiss Garden, both of which are independent charities.

Any information it obtains from the public who attend events is not used for further fundraising. The Trust is developing a fundraising policy in order.

FINALLY

As reported above, just after the year end the Trustees appointed Rebecca Dalley as Executive Director to provide day by day leadership for the whole trust. In this role she is supported by a dedicated, enthusiastic and professional team of managers, other employees and volunteers. My thanks are due to all of them.

In addition Rebecca will be taking over responsibility for developing and expanding current services as well as working with the Board of Trustees to develop business strategy, plans and targets.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 OCTOBER 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

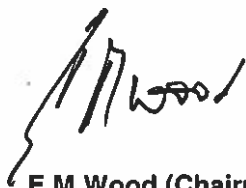
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and the Group and of the incoming resources and application of resources of the Group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Trust and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 14 May 2019 and signed on their behalf by:



E M Wood (Chairman)

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

OPINION

We have audited the financial statements of The Richard Ormonde Shuttleworth Remembrance Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 October 2018 which comprise the Group Consolidated Statement of Financial Activities, the Group Consolidated Balance Sheet, the Group Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable Trust's affairs as at 31 October 2018 and of the Group's incoming resources and application of resources 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable Trust has not kept sufficient accounting records; or
- the parent charitable Trust 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, the Trustees are responsible for the preparation of financial statements which 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 charitable Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable Trust or to cease operations, or have no realistic alternative but to do so.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RICHARD ORMONDE
SHUTTLEWORTH REMEMBRANCE TRUST**

AUDITORS' 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 Auditors' 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.

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 Auditors' Report.

USE OF OUR REPORT

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



Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
14 May 2019

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	2	132	552	-	684	329
Charitable activities	3	934	-	-	934	822
Other trading activities		1,560	-	-	1,560	1,474
Investments	4	755	56	1,266	2,077	1,954
TOTAL INCOME AND ENDOWMENTS		3,381	608	1,266	5,255	4,579
EXPENDITURE ON:						
Raising funds	5,6	2,487	20	530	3,037	2,476
Charitable activities	7	2,267	124	-	2,391	3,006
TOTAL EXPENDITURE	9	4,754	144	530	5,428	5,482
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS						
Net gains on investments	13,15	(1,373)	464	736	(173)	(903)
		100	1	166	267	886
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	(1,273)	465	902	94	(17)
		2,379	-	(2,379)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		1,106	465	(1,477)	94	(17)
NET MOVEMENT IN FUNDS		1,106	465	(1,477)	94	(17)
RECONCILIATION OF FUNDS:						
Total funds brought forward		38,778	1,718	45,151	85,647	85,664
TOTAL FUNDS CARRIED FORWARD		39,884	2,183	43,674	85,741	85,647

The notes on pages 21 to 44 form part of these financial statements.


THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2018**

	Note	£000	2018 £000	£000	2017 £000
FIXED ASSETS					
Tangible assets	12	3,582		3,522	
Investment property	13	54,330		54,015	
Total tangible assets			57,912		57,537
Heritage assets	14		19,527		19,381
Investments	15		7,591		7,905
			<u>85,030</u>		<u>84,823</u>
CURRENT ASSETS					
Stocks	16	102		101	
Debtors	17	889		638	
Cash at bank and in hand		913		1,091	
		<u>1,904</u>		<u>1,830</u>	
CREDITORS: amounts falling due within one year	18	<u>(1,193)</u>		<u>(1,006)</u>	
NET CURRENT ASSETS			711		824
NET ASSETS			<u>85,741</u>		<u>85,647</u>
CHARITY FUNDS					
Endowment funds	19		43,674		45,151
Restricted funds	19		2,183		1,718
Unrestricted funds	19		39,884		38,778
TOTAL FUNDS			<u>85,741</u>		<u>85,647</u>

The financial statements were approved by the Trustees on 14 May 2019 and signed on their behalf, by:


E M Wood
Trustee


T P Routsis
Trustee

The notes on pages 21 to 44 form part of these financial statements.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**TRUST BALANCE SHEET
AS AT 31 OCTOBER 2018**

	Note	£000	2018 £000	£000	2017 £000
FIXED ASSETS					
Tangible assets	12	3,582		3,522	
Investment property	13	54,330		54,015	
Total tangible assets			57,912		57,537
Heritage assets	14		19,527		19,381
Investments	15		7,741		8,055
			85,180		84,973
CURRENT ASSETS					
Stocks	16	7		24	
Debtors	17	851		661	
Cash at bank		701		868	
		1,559		1,553	
CREDITORS: amounts falling due within one year	18	(1,037)		(886)	
NET CURRENT ASSETS			522		667
NET ASSETS			85,702		85,640
CHARITY FUNDS					
Endowment funds	19		43,674		45,151
Restricted funds	19		2,183		1,718
Unrestricted funds	19		39,845		38,771
TOTAL FUNDS			85,702		85,640

The financial statements were approved by the Trustees on 14 May 2019 and signed on their behalf, by:


E M Wood
Trustee


T P Routsis
Trustee

The notes on pages 21 to 44 form part of these financial statements.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash used in operating activities	22	<u>(2,225)</u>	<u>(2,806)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,077	1,954
Proceeds from the sale of tangible fixed assets		69	5
Purchase of tangible fixed assets		(203)	(430)
Proceeds from sale of investments		1,200	1,488
Purchase of investments		<u>(1,006)</u>	<u>(1,795)</u>
Net cash provided by investing activities		<u>2,137</u>	<u>1,222</u>
Cash flows from financing activities:			
Net gain/(loss) on investment		(120)	-
Receipt of endowment		30	-
Net cash used in financing activities		<u>(90)</u>	<u>-</u>
Change in cash and cash equivalents in the year		(178)	(1,584)
Cash and cash equivalents brought forward		<u>1,091</u>	<u>2,675</u>
Cash and cash equivalents carried forward	23	<u><u>913</u></u>	<u><u>1,091</u></u>

The notes on pages 21 to 44 form part of these financial statements.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Richard Ormonde Shuttleworth Remembrance Trust constitutes a public benefit entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Trust and its sister trading company Old Warden Limited (OWL), recognising the substance of the transaction as a quasi-subsiary. Both entities share a common parent in Richard Shuttleworth Trustees, a company limited by guarantee. The Trustees have deemed that the Trust exerts control and significant influence over OWL.

No separate SOFA has been presented for the Trust alone as permitted by the applicable regulations in the Charities SORP.

The net movement in funds for the Trust alone for the year was £20k deficit (2017: £49k deficit).

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. ACCOUNTING POLICIES (continued)

1.2 INCOME

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

Voluntary income with or without donor imposed restrictions are recognised in the Statement of Financial Activities when the Trust is entitled to it. Restricted income is retained within the Restricted reserves until such time that it is utilised in line with such restrictions, at which point the income is released to general reserves through a reserve transfer.

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

No amounts are included in the financial statements for services donated by volunteers.

Donated fixed assets are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

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

Income from Charitable Activities relates to activities run by the Trust in furtherance of the charitable objectives and is recognised on an accruals basis.

Income from Trading Activities relates to the activities of the quasi-subsidary Old Warden Limited.

Investment income is earned through holding assets for investment purposes such as property and shares. It includes rental income, dividends and interest. Investment income is included when the amount can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. ACCOUNTING POLICIES (continued)

1.3 EXPENDITURE

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

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Trust and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

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

Charitable activities and Governance costs are costs incurred on the Trust's operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities. The basis of allocation of support and governance costs is noted in Note 9.

All expenditure is inclusive of irrecoverable VAT.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land and property	-	Not depreciated
Plant and machinery	-	20% on cost

The transitional arrangements of FRS102 were utilised to adopt the freehold property valuation as its deemed cost. Subsequent additions to freehold land and property are help at cost.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. ACCOUNTING POLICIES (continued)

1.5 HERITAGE ASSETS

Heritage assets are included at the Trustee's valuation which is a proxy for cost. Any additions or disposals are recorded in the year that they occur at cost. There will be no policy of revaluing these assets, although impairment is considered annually. A register of all assets held by the Trust is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

1.6 INVESTMENTS

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

- (i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.

1.7 REVALUATION OF INVESTMENTS

Investments include property and quoted investments and are administered under a Total Return Approach to investment.

The Trust has adopted the revaluation model to revalue properties held for investment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Other investments are revalued annually to open market value.

The policy in respect of investment surpluses is as follows:

any increase or decrease or decrease in the value of the investments and the net income is credited or debited to the endowment fund, being included in the Unapplied Total Return;

the Unapplied Total Return is subject to a transfer to permanent endowment in respect of a sum authorised by the Board of the Corporate Trustee. The cumulative rate used in these statements is 3%. The transfer is designed to maintain the real value of the Trust's endowment;

a further transfer is made to general reserves in respect of the 'spending rule' in accordance with the Charity Commission total Return Order. The rate applied in the financial statements is 4% of the average investment balance for the preceeding five years.

1.8 STOCKS AND WORK IN PROGRESS

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

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

1. ACCOUNTING POLICIES (continued)

1.9 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The Trust 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.

1.13 PENSIONS

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

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

1. ACCOUNTING POLICIES (continued)

1.14 FUND ACCOUNTING

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

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

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

Endowment funds are funds where the asset must be held permanently by the Trust, it includes gains from the disposal and exploitation of property and the revaluation of investments assets, less amounts transferred under the Total Return Policy.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of properties

Following management's instruction, in 2018 properties held for investment by the Trust were appraised by Robinson & Hall LLP, Chartered Surveyors. Management accepted the valuation reported and, in accordance with the accounting policy, revalued the properties held by the Trust accordingly.

Valuation of quoted investment

Annually the Trustees are provided with a portfolio valuation of its quoted investments by the Trust's investment advisers Sarasin and Partners, which the Trustees deem to represent the fair value of the holding at the year end.

Heritage assets

The Trust's heritage assets are split in to two categories: Exhibits at the Collection and Paintings and Artefacts. Both of these categories were valued by the Trustees on 1 November 2012 for £17m and £2.5m respectively. The Paintings and Artefacts are valued every five years by professional valuers, and this is reviewed against the original valuations for reasonableness. With regards to the Exhibits these are not subject to professional valuation due to the anticipated cost that would be incurred due to the unique nature of the holding.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Gift aid admissions	84	-	-	84	78
Donations and legacies	48	435	-	483	126
Restricted SVAS donation	-	117	-	117	125
	<u>132</u>	<u>552</u>	<u>-</u>	<u>684</u>	<u>329</u>
Total donations and legacies					
	<u>108</u>	<u>221</u>	<u>-</u>	<u>329</u>	
Total 2017					

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Aviation and automotive transport	934	-	-	934	822
	<u>823</u>	<u>-</u>	<u>-</u>	<u>823</u>	
Total 2017					

4. INVESTMENT INCOME

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Rental income	663	43	1,101	1,807	1,630
Dividend income	90	13	165	268	317
Interest income	2	-	-	2	7
	<u>755</u>	<u>56</u>	<u>1,266</u>	<u>2,077</u>	<u>1,954</u>
Total 2017					
	<u>662</u>	<u>46</u>	<u>1,246</u>	<u>1,954</u>	

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

5. COSTS OF RAISING FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Investing activity	299	19	502	820	647
Trading activities (excl staff costs)	565	-	-	565	483
Fundraising costs	182	-	-	182	40
Support and governance costs	340	-	-	340	325
Staff costs	1,085	-	-	1,085	932
	<u>2,471</u>	<u>19</u>	<u>502</u>	<u>2,992</u>	<u>2,427</u>
Total 2017	<u>1,934</u>	<u>24</u>	<u>469</u>	<u>2,427</u>	

Trading costs including staff costs are £1,266k (2017: £1,083k)

6. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Investment management fees	16	1	28	45	49
Total 2017	<u>49</u>	<u>-</u>	<u>-</u>	<u>49</u>	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 £000
Aviation and automotive transport	1,512	323	1,835	2,324
Agriculture and land based industry	455	21	476	627
Governance	-	80	80	55
Total 2018	<u>1,967</u>	<u>424</u>	<u>2,391</u>	<u>3,006</u>
Total 2017	<u>2,590</u>	<u>416</u>	<u>3,006</u>	

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

8. SUPPORT AND GOVERNANCE COSTS

	Basis of Allocation	Aviation and automotive transport £000	Agriculture and land based industry £000	Governance £000	Total 2018 £000	Total 2017 £000
Premises costs	100%	91	-	7	98	86
Office costs	Mainly 50/50	32	8	2	42	41
Non-recoverable VAT	Percentage	1	1	3	5	6
Professional fees		-	-	31	31	67
Trustee costs		-	-	5	5	5
Wages and salaries	Percentage	199	12	32	243	211
		<u>323</u>	<u>21</u>	<u>80</u>	<u>424</u>	<u>416</u>
Total 2017		<u>319</u>	<u>42</u>	<u>55</u>	<u>416</u>	

9. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £000	Depreciation 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Expenditure on raising voluntary income	1,085	-	1,907	2,992	2,427
Expenditure on investment management	-	-	45	45	49
COSTS OF RAISING FUNDS	<u>1,085</u>	<u>-</u>	<u>1,952</u>	<u>3,037</u>	<u>2,476</u>
Aviation and automotive transport	1,005	65	764	1,834	2,324
Agriculture and land based industry	12	-	464	476	627
Governance	32	-	48	80	-
CHARITABLE ACTIVITIES	<u>1,049</u>	<u>65</u>	<u>1,276</u>	<u>2,390</u>	<u>2,951</u>
	<u>2,134</u>	<u>65</u>	<u>3,228</u>	<u>5,427</u>	<u>5,427</u>
Total 2017	<u>1,929</u>	<u>-</u>	<u>3,539</u>	<u>5,468</u>	

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£000	£000
Depreciation of tangible fixed assets: - owned by the charitable group	100	1
Audit fee	23	22
Non-audit services	12	12
	=====	=====

11. STAFF COSTS

Staff costs were as follows:

	2018	2017
	£000	£000
Wages and salaries	1,944	1,755
Social security costs	132	127
Other pension costs	58	51
	=====	=====
	2,134	1,933
	=====	=====

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

	2018	2017
	No.	No.
Collection	68	60
Support	6	8
	=====	=====
	74	68
	=====	=====

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

The Trust considers its key management personnel comprise the Trustees and the seven managers of the Senior Management Team (General, Operations, House & Parkland, HR, Chief Engineer, Marketing & Communications, Garden and Accounts). The total employment benefits including employer pension contributions of the key management personnel were £305k (2017: £318k).

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

12. TANGIBLE FIXED ASSETS

GROUP	Freehold property £000	Plant and machinery £000	Total £000
COST			
At 1 November 2017	3,257	1,091	4,348
Additions	-	75	75
Disposals	-	(7)	(7)
Transfer from investment property	85	-	85
At 31 October 2018	<u>3,342</u>	<u>1,159</u>	<u>4,501</u>
DEPRECIATION			
At 1 November 2017	-	826	826
Charge for the year	-	100	100
On disposals	-	(7)	(7)
At 31 October 2018	<u>-</u>	<u>919</u>	<u>919</u>
NET BOOK VALUE			
At 31 October 2018	<u>3,342</u>	<u>240</u>	<u>3,582</u>
At 31 October 2017	<u>3,257</u>	<u>265</u>	<u>3,522</u>
TRUST			
COST			
At 1 November 2017	3,257	1,084	4,341
Additions	-	75	75
Transfer from investment property	85	-	85
At 31 October 2018	<u>3,342</u>	<u>1,159</u>	<u>4,501</u>
DEPRECIATION			
At 1 November 2017	-	819	819
Charge for the year	-	100	100
At 31 October 2018	<u>-</u>	<u>919</u>	<u>919</u>
NET BOOK VALUE			
At 31 October 2018	<u>3,342</u>	<u>240</u>	<u>3,582</u>
At 31 October 2017	<u>3,257</u>	<u>265</u>	<u>3,522</u>

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

14. CHARITY HERITAGE ASSETS

GROUP AND TRUST MARKET VALUE	Exhibits at the Collection £000	Paintings and artefacts £000	Total £000
At 1 November 2017	16,881	2,500	19,381
Additions	226	-	226
Disposals	(80)	-	(80)
	<u>17,027</u>	<u>2,500</u>	<u>19,527</u>
At 31 October 2018	<u>16,881</u>	<u>2,500</u>	<u>19,381</u>
At 31 October 2017	<u>16,881</u>	<u>2,500</u>	<u>19,381</u>

SUMMARY OF MOVEMENTS ON HERITAGE ASSETS

	2017/18 £000	2016/17 £000	2015/16 £000	2014/15 £000	2013/14 £000
Paintings and artefacts					
Acquired	-	-	-	-	-
Disposals	-	-	-	-	-
Exhibits at the Collection					
Acquired	226	95	11	145	9
Disposals	(80)	(5)	(658)	-	(20)
Total	<u>146</u>	<u>90</u>	<u>(647)</u>	<u>145</u>	<u>(11)</u>

The Trust was formed in 1944 for the purpose of providing a permanent memorial to the memory of Richard Ormonde Shuttleworth, who was killed in 1940 in a flying accident whilst on active service in the RAF, by the provision of a museum and college. This has been achieved by the establishment of The Shuttleworth Collection, an active museum of principally pre Second World War aircraft, many unique and in flying condition with hangers and airfield, and also the provision and support to The Shuttleworth College, which uses the Mansion and surrounding premises and parkland for its activities. The property is fundamental to the core activities of the charitable activities and the Trust's objects, as are the exhibits and historic artefacts depicting the Shuttleworth inheritance, many of which are irreplaceable and of national importance. These properties and artefacts are not assets in the normal sense as they have permanence while the Trust has a continuing responsibility to protect and maintain them for future generations, the costs of which cannot be fully assessed.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

Paintings and Artefacts

The Mansion contains a large number of paintings, artefacts and furniture collected by the Shuttleworth Family, an inventory of which is maintained by Christies, valuers, recording the nature, provenance and location. The Trust has adopted a policy to value the contents of the Mansion every 5 years for insurance purposes, the last valuation was undertaken by Christies in June 2015.

The Trustees placed the figure of £2.5 million as the market value of these assets as at 1 November 2012 and have reviewed this figure in light of the June 2015 valuation and consider the value still appropriate.

The paintings underwent a conditions survey in 2007 by an independent conservator and following this a 10 year repair programme was agreed by the Trust. The furniture is reviewed by Christies on a five yearly basis and repairs done on an ad hoc basis.

Exhibits at the Collection

These are made up of the aircraft, engines, motorcycles, propellers and costumes. Inventories are maintained and the Trustees placed a conservative informal valuation of £17 million on these assets as at 1 November 2012 and consider the value still appropriate. Since this date net acquisitions have been made in the sum of £72,000. The aircraft and cars are deemed to have indeterminate lives and the Trustees believe that the benefits of obtaining formal valuations would not justify the cost, additionally this would be difficult due to their unique nature. It is the Collection's policy to maintain the aircraft, motor vehicles and motorcycles in full working order and maintenance costs are charged to the Statement of Financial Activities. As noted in note 30, the SVAS provides volunteer support in the maintenance of the exhibits plus an annual donation towards the costs.

Expenditure on the above assets

The costs of preservation, restoration and maintenance of all the above assets has been charged to the Statement of Financial Activities. Any additions to the exhibits or buildings in charitable use are capitalised.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

15. FIXED ASSET INVESTMENTS

GROUP	Listed securities £000
MARKET VALUE	
At 1 November 2017	7,905
Additions	1,006
Disposals	(1,200)
Revaluations	(120)
	7,591
At 31 October 2018	7,591

TRUST	Listed securities £000	Trade investments £000	Total £000
MARKET VALUE			
At 1 November 2017	7,905	150	8,055
Additions	1,006	-	1,006
Disposals	(1,200)	-	(1,200)
Revaluations	(120)	-	(120)
	7,591	150	7,741
At 31 October 2018	7,591	150	7,741

16. STOCKS

	GROUP		TRUST	
	2018 £000	2017 £000	2018 £000	2017 £000
Raw materials	7	23	7	24
Work in progress	95	78	-	-
	102	101	7	24
	102	101	7	24

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

17. DEBTORS

	GROUP		TRUST	
	2018	2017	2018	2017
	£000	£000	£000	£000
Trade debtors	58	75	25	48
Amounts owed by group undertakings	-	-	10	83
Other debtors	710	463	708	447
Prepayments and accrued income	121	86	108	83
Tax recoverable	-	14	-	-
	889	638	851	661

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		TRUST	
	2018	2017	2018	2017
	£000	£000	£000	£000
Trade creditors	210	449	169	402
Amounts owed to group undertakings	-	-	-	9
Other taxation and social security	90	25	55	-
Other creditors	510	106	508	105
Accruals and deferred income	383	426	305	370
	1,193	1,006	1,037	886

	GROUP		TRUST	
	£000	£000	£000	£000
DEFERRED INCOME				
Deferred income at 1 November 2017	43	34	19	8
Resources deferred during the year	85	43	21	19
Amounts released from previous years	(43)	(34)	(19)	(8)
Deferred income at 31 October 2018	85	43	21	19

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 November 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 October 2018 £000
DESIGNATED FUNDS						
Heritage fund	16,884	30	(68)	-	-	16,846
Maintenance reserve	4,654	-	(360)	-	-	4,294
Strategic reserve	6,892	-	-	172	-	7,064
College reserve	2,000	-	-	-	-	2,000
Collection infrastructure	336	-	(123)	-	-	213
Collection operational	3,699	2,369	(2,431)	-	-	3,637
	<u>34,465</u>	<u>2,399</u>	<u>(2,982)</u>	<u>172</u>	<u>-</u>	<u>34,054</u>
GENERAL FUNDS						
General Funds - all funds	4,313	982	(1,772)	2,207	100	5,830
Total Unrestricted funds	<u>38,778</u>	<u>3,381</u>	<u>(4,754)</u>	<u>2,379</u>	<u>100</u>	<u>39,884</u>
ENDOWMENT FUNDS						
Investment property	37,721	1,266	(530)	(2,379)	166	36,244
Heritage assets - Collection	2,000	-	-	-	-	2,000
Heritage assets - Paintings and artefacts	2,500	-	-	-	-	2,500
Land and property in charitable use	2,930	-	-	-	-	2,930
	<u>45,151</u>	<u>1,266</u>	<u>(530)</u>	<u>(2,379)</u>	<u>166</u>	<u>43,674</u>
RESTRICTED FUNDS						
Cissie Kirby scholarship fund	244	7	(7)	-	(5)	239
Collection restricted fund	515	569	(124)	-	3	963
Colin Smith charitable fund	959	32	(13)	-	3	981
	<u>1,718</u>	<u>608</u>	<u>(144)</u>	<u>-</u>	<u>1</u>	<u>2,183</u>
Total of funds	<u><u>85,647</u></u>	<u><u>5,255</u></u>	<u><u>(5,428)</u></u>	<u><u>-</u></u>	<u><u>267</u></u>	<u><u>85,741</u></u>

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

19. STATEMENT OF FUNDS (continued)

Designated Funds

Heritage fund - for maintenance and restoration of the Trust's Heritage Assets.

Maintenance reserve - for maintenance of Trust's properties not including that of the Collection and College.

Strategic reserve - aims to be equivalent to one year's normal expenditure but will also provide support for exceptional expenditure, which is inherent in the nature of the Trust's assets. The sum corresponds with the Trust's stated aim of holding £5m in reserve, indexed since 2004 at 2.5% pa and at 2018 this was £7,064k (2017: £6,892k).

College reserve - for maintenance and improvement of College property.

Collection infrastructure - for maintenance and improvement of Collection property.

Collection operational - funds held for the operational purposes of the Collection.

Endowment Funds

A lease of land owned by the Trust was granted for a maximum period of 21 years commencing on 29 September 1995 for mineral extraction and a further lease was granted on additional land on 18 April 2007 on similar provisions. Royalties realised were capitalised and were not available for general charitable expenditure until the adoption of A Total Return Approach to investment in 2003.

The endowment fund represents the gains from the disposal and exploitation of property, the revaluation of investment assets (which formed part of the original endowment or which were purchased from funds from realisations of the original endowment). Endowment assets were identified as at 1 November 1995 for Total Return purpose and a growth rate has been applied to the endowment investment assets in accordance with the accounting policies adopted.

The original endowment is included in the Financial Statements at Trustee valuation (see note 14) except where represented as an investment asset.

The balance as at 31 October 2018 is made up of Unapplied Total Return (note 21) of £13,924k (2017: £15,961k) and unrestricted permanent endowment of £29,750k (2017: £29,190k).

Restricted Funds

The restricted funds comprise the following unexpended balances of donation and grants held on Trust to be applied for specific purposes:

Cissie Kirby Scholarship Fund - The Cissie Kirby Scholarship Fund was endowed to the Trust for the purpose of providing scholarships for study, research or experimental work, to students of the College and the earned income is allocated to a restricted fund. The fund is not administered on a Total Return basis as the funds are separately invested from the balance of the Trust's investments.

Collection Restricted Fund - legacies and donations received that are restricted for use at the Shuttleworth Collection.

Colin Smith Charitable Fund - restricted to aero engineering, aircraft restorations, classic vehicles and engineering displays at the Shuttleworth Collection.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 November 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 October 2017 £000
DESIGNATED FUNDS						
Heritage fund	2,033	18	(30)	14,863	-	16,884
Maintenance reserve	4,960	-	(306)	-	-	4,654
Strategic reserve	6,724	168	-	-	-	6,892
College reserve	2,000	-	-	-	-	2,000
Collection infrastructure	937	-	(601)	-	-	336
Collection operational	3,960	2,117	(2,378)	-	-	3,699
	<u>20,614</u>	<u>2,303</u>	<u>(3,315)</u>	<u>14,863</u>	<u>-</u>	<u>34,465</u>
General Funds - all funds	<u>2,510</u>	<u>754</u>	<u>(1,544)</u>	<u>2,297</u>	<u>296</u>	<u>4,313</u>
ENDOWMENT FUNDS						
Investment property	38,683	1,246	(469)	(2,297)	558	37,721
Heritage assets - Collection	2,000	-	-	-	-	2,000
Heritage assets - Paintings and artefacts	2,500	-	-	-	-	2,500
Land and property in charitable use	2,930	-	-	-	-	2,930
	<u>46,113</u>	<u>1,246</u>	<u>(469)</u>	<u>(2,297)</u>	<u>558</u>	<u>45,151</u>
RESTRICTED FUNDS						
Cissie Kirby scholarship fund	226	7	(3)	-	14	244
Collection restricted fund	15,269	238	(135)	(14,863)	6	515
Colin Smith charitable fund	932	22	(7)	-	12	959
HLF Bid - Swiss garden	-	9	(9)	-	-	-
	<u>16,427</u>	<u>276</u>	<u>(154)</u>	<u>(14,863)</u>	<u>32</u>	<u>1,718</u>
Total of funds	<u><u>85,664</u></u>	<u><u>4,579</u></u>	<u><u>(5,482)</u></u>	<u><u>-</u></u>	<u><u>886</u></u>	<u><u>85,647</u></u>

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Endowment funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	652	-	2,930	3,582
Listed investments	5,428	2,164	-	7,592
Investment property	18,086	-	36,244	54,330
Heritage assets	15,027	-	4,500	19,527
Current assets	1,885	19	-	1,904
Creditors due within one year	(1,194)	-	-	(1,194)
	<u>39,884</u>	<u>2,183</u>	<u>43,674</u>	<u>85,741</u>

Unrestricted funds comprise General funds of £5,830k and Designated funds of £34,054k.
General funds are made up of tangible fixed assets, current assets, current liabilities and £4,468 of fixed asset investments only.

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Endowment funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	442	-	2,930	3,522
Listed investments	6,358	1,698	-	7,905
Investment property	16,294	-	37,721	54,015
Heritage assets	14,881	-	4,500	19,381
Current assets	1,811	20	-	1,830
Creditors due within one year	(1,006)	-	-	(1,006)
	<u>38,780</u>	<u>1,718</u>	<u>45,151</u>	<u>85,647</u>

Unrestricted funds comprise General funds of £4,313k and Designated funds of £34,467k.
General funds are made up of tangible fixed assets, current assets, current liabilities and £3,066 of fixed asset investments only.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018**

21. MEMORANDUM OF UNAPPLIED TOTAL RETURN

	2018 £000	2017 £000
Unapplied total return bought forward	15,961	17,467
Increase in value during the year	902	1,334
Transfer to permanent endowment	(560)	(543)
	16,303	18,258
Application of unapplied total return	(2,379)	(2,297)
Total	13,924	15,961

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	GROUP	
	2018 £000	2017 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	94	(17)
Adjustment for:		
Depreciation charges	100	112
(Gain)/losses on investments	(267)	(886)
Dividends, interest and rents from investments	(2,077)	(1,954)
Profit on the sale of fixed assets	(9)	-
Increase in stocks	(1)	(25)
Increase in debtors	(252)	(199)
Increase in creditors	187	336
Decrease in provision	-	(173)
Net cash used in operating activities	(2,225)	(2,806)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	GROUP	
	2018 £000	2017 £000
Cash at bank and in hand	913	1,091
Total	913	1,091

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

24. PENSION COMMITMENTS

The Trust operates defined contribution pension scheme. The assets of the schemes are held separately from those of the Trust in independently administered funds. The pension cost charges represent contributions payable by the Trust to the funds and amounted to £58,073 (2017: £51,320). Pension payable at the year end was £NIL (2017: £NIL) included in other creditors.

25. MEMBERS' LIABILITY

Each member of the Trust undertakes to contribute to the assets of the Trust in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.

26. RELATED PARTY TRANSACTIONS

The Trust has considered the disclosure requirements of the Statement of Recommended Practice for Charities and of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and believes that the following related party transactions requires disclosure:

During the year under review six Directors of the Corporate Trustee (2017: six) received reimbursement of travel and subsistence expenses in the sum of £4,936 (2017: £3,802). No Trustee received any remuneration from holding office as Director of the Corporate Trustee (2017: £NIL).

The Trust has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose transactions with group undertakings or investors in the group qualifying as related parties, on the grounds it is a wholly owned subsidiary and will be included in its parent company publicly available consolidated financial statements.

27. INSURANCE

Building and Contents

Insurance cover is arranged to provide for the full replacement cost of buildings to a similar standard to that existing before any event. Contents of premises are insured for loss and reinstatement. The exhibits displayed at the Collection, which are predominantly unique and irreplaceable, were not insured during the year except for third party due to escalating costs. Since the year end cover has been extended to include these exhibits when static.

28. SHUTTLEWORTH VETERAN AEROPLANE SOCIETY (SVAS)

The SVAS was established in 1964 and is an independent Trust, number 800095, which exists to support The Shuttleworth Collection. Substantial support is given by volunteers to the work undertaken at the Collection in addition to financial support.

THE RICHARD ORMONDE SHUTTLEWORTH REMEMBRANCE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

29. CONTROLLING PARTY

The Trust is a wholly owned subsidiary of Richard Shuttleworth Trustees (a company limited by guarantee), which is regarded as the ultimate controlling party. The group of which Richard Shuttleworth Trustees is the parent organisation, forms the largest group preparing consolidated financial statements which include The Richard Ormonde Shuttleworth Remembrance Trust. The smallest group preparing consolidated financial statements are The Richard Ormonde Shuttleworth Remembrance Trust and its subsidiary Old Warden Limited.

Copies of the Richard Shuttleworth Trustees consolidated financial statements can be obtained from Companies House at Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

30. PRINCIPAL SUBSIDIARIES

Old Warden Limited

Subsidiary name	Old Warden Limited
Company registration number	06366021
Basis of control	Quasi subsidiary
Total assets as at 31 October 2018	£ 355,767
Total liabilities as at 31 October 2018	£ 168,866
Total equity as at 31 October 2018	£ 186,901
Turnover for the year ended 31 October 2018	£ 1,626,056
Expenditure for the year ended 31 October 2018	£ 1,598,939
Profit for the year ended 31 October 2018	£ 26,905