

IX (B) Squadron Association

Report and Financial Statements

Year Ended

31 March 2020

Registered Charity Number 1153852
and SC049562



IX (B) Squadron Association

Report of the trustees
for the year ended 31 March 2020

Contents

Page:

1	Charity information
3	Report of the Trustees
6	Financial report
8	Independent Financial Assessment
9	Balance sheet
10	Independent Examiners Statement

Board of Trustees

Nicholas Hay	Chair
Andy Turk	Vice Chair
Stuart Evans	President
Alan Ferguson	Vice President
Paul Lenihan	Treasurer
Andrew Holland	Secretary to the Board

Advisory Members to the Board

James Heeps	Officer Commanding IX(B)
Mike Inder	Warrant Officer IX(B) Squadron
Robert Swanson	Deputy Secretary

Era Secretaries

Lancaster	–
Lincoln	– Harry Brittlebank
Canberra	– Michael Milligan
Vulcan	– Alan Ferguson
Tornado	– Richard James

Charity numbers

1153852 and SC049562

IX (B) Squadron Association

Report of the trustees
for the year ended 31 March 2020 (*continued*)

Registered Address

	Mr Paul Lenihan
	Royal Air Force Lossiemouth
	Lossiemouth
	Morayshire IV31 6SD
Telephone no:	07554008483
Email:	charity.commission@9sqn.co.uk
Website:	http://www.9sqn.co.uk/

Independent Financial Advisor

Kelly Ferguson Finance Officer

Bankers

Bank of Scotland, 33 Old Broad Street London Branch PO Box 1000, BX2 1LB

IX (B) Squadron Association

Report of the trustees for the year ended 31 March 2020

Introduction

1. The end of the Financial Year 2019/20 saw the Association supporting the stand-up parade for the Squadron Typhoon FGR4. The Association delivered its first “non-MOD establishment” annual reunion dinner held at the Bentley Hotel and Spa; it also delivered the memorial service at Bardney: the latter being the spiritual home for the Association since the Second World War, and the event commemorates those fallen in Service of the Squadron. The Association continued to support the National Service of Remembrance at the Cenotaph in London and, in a concurrent service, laid wreaths at the International Bomber Command Centre

The Association

2. Formed in 1975, the Association was formed from the backbone of Second World War veterans who had been meeting informally in London from 1966. The Association grew in numbers, encompassing the era of aircraft flown by the Squadron and due to its increased membership and the diverse activities applied for, and was granted, charitable status in 2013.

Impact and achievements for the public benefit

3. The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charities Commission. In line with the Memorandum and Articles of Association, the Charity’s aims for the last year were:

- a. To promote the efficiency of the RAF by preserving its traditions and esprit-de-corp.
 - i. The Association secured a grant for, and led the planning for, Association members to attend the stand-up parade at Raf Lossiemouth for the Squadron being equipped with its new aircraft.
 - ii. The Association continues to host its annual reunion dinner for past and present Squadron members: this year saw the event held at the Bently Hotel and Spa; the first held outside of a MOD establishment.
 - iii. Members of the Association marched past the Cenotaph during the National Service of Remembrance ceremony in London: demand for places from Association members continues to outstrip available places.
 - iv. The Association laid wreaths at The International Bomber Command Centre.
- b. To maintain contact with past members of the Squadron.
 - i. The Charity has a current membership list of 475 members. This list comprises active and retired members of the Squadron, their spouses and supporters. It also contains members who have no service background but have become members through the camaraderie displayed by the Association. Of this membership, 273 of which are fully active: the remainder are semi or intermittently active within the Association.
 - ii. The Association also publishes an annual booklet that highlights Association and Squadron events. This is distributed to all Association members, in either soft or hard copy, and is made available to the public.
 - iii. The Association has delivered low level building maintenance projects to invalided Association members.

IX (B) Squadron Association

Report of the trustees for the year ended 31 March 2020

- c. To educate and inform the general public about the work of RAF Bomber Command, Strike Command, Air Command and their subordinate formations.
 - i. The Association continues to fund and promote its web site. Listed here are all Association meeting notices, history and research posts. It contains archives of historical and current aircraft and posts articles from historians, Association and Squadron members.
 - ii. The Association historian's output has increased significantly over the reporting period supporting research activities of US and UK historians, US charity foundations and UK writers, museums and family members requesting service details for those who served during WW II.
- d. To make grants to, and supporting charities, projects or appeals associated with the above commands.
 - i. A grant was made to support the stand-up parade of IX (B) Sqn (Typhoon).

Trustees' Responsibilities

- 4. The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law requires the Trustees to prepare accounts for each financial year that give a true and fair view of the of the charitable company and of the results of the company for that period. In preparing those accounts, the Trustees are required to: select suitable accounting policies and then apply them consistently, make judgments and estimates that are reasonable and prudent; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- 5. The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- 6. As far as the Trustees are aware, there is no relevant audit information (information needed by the Charity's financial assessor about preparing this of report) of which the Charity's assessor is unaware;
- 7. Each Trustee has taken all the steps that he ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the company's assessor is aware of that information.
- 8. The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of internal control across the whole organisation. These systems of internal control, put in place by the Trustees, are designed to provide reasonable but not absolute assurance against material misstatement or loss and include:
- 9. The Charity's treasurer keeps full accounting records of all financial records and provides reconciled accounts every quarter to the board for approval. The treasurer also:
 - a. Consults with the trustees before making any financial transactions outwith the financial plan.
 - b. Provides an annual set of accounts.

IX (B) Squadron Association

Report of the trustees for the year ended 31 March 2020

c. Ensures that the Charity submits Annual Reports to the Charity Commission and Companies House in line with current standard reporting procedures.

10. The Board of Trustees of the Association shall meet no less than once a year: a trustee can serve no longer than 5 years and all must be re-elected at each and every AGM.

Management of Risk

11. The Trustees manage risk through governance (formal Committee meetings, e-mail correspondence) and close control of any expenditure.

Grant Making Policy

12. The Association sets all grant making against the requirements of its financial security and the needs of the grant applicant. One grant has been approved in this FY.

Trustee Training and Induction

13. New and current Trustees are briefed on their legal obligations under charity and company law, the content of the Constitution of the committee and decision-making processes. This includes the delivery of Charity Commission publications explaining their role.

Policies

14. The board has fully reviewed all Association policies to ensure full compliance with England and Wales. The board has commenced the application process to be approved charitable status in Scotland. This policy review will meet all Scottish Charity Commission requirements.

IX (B) Squadron Association

Financial Review for the year ended 31 March 2020

Financial review

15. This Financial Year (2019/20) saw the Association's holdings increase by 32% to £30 502.7. Subscription levels saw a drop of 1% to £2 394.41. The former increase due to a higher level of income gained from donations and legacies.

16. Income was £34, 410, an unforeseen 195% increase: this due to a high level of donations. The Association Expenses were also correspondingly high, showing a 65% increase to £26 861.70. The Association's cash turnover continues to increase with this FY's activity delivering a surplus of £3 640.50 (set against a budgeted deficit of £4 617). This surplus excess achieved through a larger than anticipated increase in donations and grants received. The Assn received a grant of £2913 from Veterans Scotland: this to enable Association members to attend the Squadron's Stand-Up parade at RAF Lossiemouth.

17. Expenditure on charitable activities was £30 452.33 (FY 18/19, £18 578) representing a 226% increase over the previous FY. This unanticipated increase due to the support the Association gave to the Squadron's stand-up parade. Additionally, £82 supplemented the Association Dinner whereas the Bardney and St Omer events delivered £18 surplus. Admin costs were overbudget by £27 but this was more than offset by postage being £40 under budget.

Reserves

18. The treasurer, on behalf of the Board of Trustees, monitors the level of unrestricted and restricted reserves in the general fund: this based on the expected charity expenditure to provide:

- a. Enough funds to deliver the Association's annual dinner and memorial service.
- b. Restricted funds to provide maintenance costs for the memorial at the National Arboretum
- c. General funds are allocated to meet the Charity's Aims and Objectives.

Unrestricted reserves

19. Unrestricted reserves have increased to £26 325.00.

Restricted reserves

20. Restricted reserves have reduced to £4 177.71.

21. Plans for the future

- a. In addition to continuing the much-valued existing activities, particularly in providing information and support for Association members, their families and the public, the Association will provide maintenance to the memorial at the National Arboretum; the stone cutting requires refining and restoration is needed on the sandstone – costs for which will be taken from the unrestricted account.
- b. The Association has agreed a "on-off payment" to the National Arboretum which will now maintain the IX (B) Squadron Memorial in perpetuity. This will require a considerable commitment from both unrestricted funds and will reduce the restricted funds to zero.
- c. The Association also intends to place memorial plaques at the International Bomber Command Centre.

22. The trustees have taken all the steps that they ought to have taken to make themselves aware of any

IX (B) Squadron Association

Financial Review for the year ended 31 March 2020

information needed by the Charity's external assessor for her audit and to establish that the auditors are aware of that information. The trustees are therefore not aware of any relevant audit information of which the assessor is unaware.

	Restricted Fund 19/20 £	Unrestricted Fund 19/20 £	Total 2020 £	Total 2019 £	19/20 FP
<u>Incoming Resources</u>					
Subscriptions	0.00	2394.41	2394.41	2440.00	2440
HMRC		655.52	655.52	298.75	300
Donation and legacies	2596.28	3512.40	6108.68	3472	1000
Charitable Activities	0.00	25251.99	25251.99	18577.99	7922
Total	7671.31	31814.32	34410.60	24788.74	11662.00
<u>Resources Expended</u>					
All Activities	3908.40	26861.70	30770.10	22147.33	16279
Total	3908.40	26861.70	26861.70	22147.33	16279
Net Income/expenditure	3762.91	4952.62	7548.90	2641.41	-4617.00
Total funds	414.80	21372.38	21787.18	24220.80	28014.21
Funds C/F	4177.71	26325.00	30502.71	26862.21	23397.21
Funds of the Charity					
Unrestricted			26325.00	21372.53	22982.41
Restricted			4177.71	5489.83	414.80
Stock			766.40		
Total			31269.11	26862.36	23397.21

Signed on behalf of the Board of Trustees on

P Lenihan

IX (B) Squadron Association

Independent External Assessment
for the year ended 31 March 2020

Principle Accounting Policies

23. These accounts and annual statement have been prepared under the historical cost convention with items recognized at cost or transaction value unless stated in the relevant note(s) to these accounts.

24. These accounts have been prepared in accordance with:

- a. 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 the Republic of Ireland (FRS 102) published on the 9 September 2016.
- b. and with the Charities Act 2016.

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

Change In basis of Accounting

26. There has been no change to the accounting policies since last year.

Changes to Previous Accounts

27. No changes have been made to the accounts for the previous year

Going Concern

28. The trustees consider the Charity to be a going concern and have considered a period of 12-months from the date of the approval of the accounts.

Fund Accounting

29. General funds are unrestricted funds which are available for use at the discretion of the trustees in the furtherance of the general objectives of the Charity and have not been designated for other purposes. Restricted funds and those to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for specific purposes.

Resources Expended

30. All expenditure is included on an accruals basis and is recognized when there is a legal or constructive obligation to pay for expenditure. The Charity is not registered for VAT and accordingly, expenditure is shown as gross of irrecoverable VAT. Expenses are apportioned where necessary. There are no fundraising costs per se as all activity is undertaken on a voluntary basis: the cost of disseminating information in support of charitable activities is met through the issue of the Association magazine and use of its social media sites.

IX (B) Squadron Association

Balance sheet
for the year ended 31 March 2020

31. Charitable Activities

	Restricted Fund 2020 £	Unrestricted Fund 2020 £	Total 2020 £	Total 2019 £
<u>Charitable Activities</u>				
Bardney Lunch		372		365
Assn Dinner		10638		9402.02
Memorial	3908.40		3908.40	735.2
Stand Up parade		10978.10		0
Grants		3744.8		1011.53
Postage and Delivery		130.67		248
TABS		405.00		395
Assn Expenses		275.49		1259.08
	3908.4	26543.93	30452.33	13415.83

32. Funds Carried Forward

Unrestricted Fund	<u>Balance at</u> <u>1.4.19</u> £	<u>Income</u> <u>Resources</u> £	<u>Outgoing</u> <u>Resources</u> £	<u>Transfers</u> £	<u>Balance at</u> <u>31.03.20</u> £
General Fund	21372.38	31814.32	26861.70	0	26325.00
Restricted Fund	<u>Balance at</u> <u>1.4.19</u> £	<u>Income</u> <u>Resources</u> £	<u>Outgoing</u> <u>Resources</u> £	<u>Transfers</u> £	<u>Balance at</u> <u>31.03.20</u> £
	5489.83	2596.28	3908.40	0	4177.71
Cash Totals	26862.21	34410.6	30770.10	0	30502.71
Charity Value					31269.11

33. The purpose of the restricted funds is to provide monies for the continued upkeep and maintenance of the IX(B) Squadron memorial at the National Arboretum.

Trustees Remuneration

34. The trustees neither received nor waived any emoluments during this period. Trustee/Association expenses comprised:

- a. Association Standard - £120
- b. Cenotaph Wreath - £37

IX (B) Squadron Association

Independent External Assessment for the year ended 31 March 2020

Related Party Transactions

35. The Charity is controlled by its board of trustees.

36. I report to the trustees on my examination of the accounts of the IX (B) Squadron Association for the year ending 31 March 2020, charity number 1153852 and SC049562, which are set out on pages 1-9.

37. This report is made solely to the Charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiners work has been undertaken so that I may state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted in law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's members as a body and the Charity's trustees as a body for my independent examiners work, for this report, or for the opinions I have formed.

Responsibilities and Basis of Report

38. As the Charity Trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011.

39. I report in respect of my examination of the Charity's accounts carried out under section 154 of the 2011 Act and in carrying out my examination, I have followed the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiners Statement.

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

- a. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- b. the accounts do not accord with those records; or
- c. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities SORP (102) other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination

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

K Ferguson
Finance Officer

Dated

August 2020