

SOLENT SKY LIMITED

**Directors' Report and Unaudited Accounts
for the year ended 31 May 2018**

Company No. 960329

SOLENT SKY LIMITED

Directors' Report on the Unaudited Accounts for the year ended 31 May 2018

Governance

The company was incorporated on 15 August 1969, and is governed by memorandum and articles of association. It was also registered as a charity, number 262995. The company's working name is Solent Sky.

Whilst the directors wish to enlarge the board they have found it difficult to recruit directors who have the time to make a contribution to the running of the museum. From past experience it has been decided that there is no useful purpose served by appointing directors who are not prepared to become actively involved with the running of the company and museum.

Objectives, Achievement and Performance

The principal activity of the company is to advance the education of the public in matters relating to aviation by the maintenance of a museum as a permanent memorial to R J Mitchell, the designer of the Schneider Trophy S6B Seaplane and the Spitfire and as a memorial to the 26 aircraft companies from the Solent area.

On 11 September 2005 the charity set up a company limited by guarantee to be its sole trading arm. Solent Sky Ltd took over the shop activities at this date.

The directors, who are also the charity trustees, consider the state of affairs of the company to be satisfactory and that the level of funds held is sufficient to enable it to continue to meet its charitable objectives.

The main purpose of the charity is to keep the museum open for public viewing and to promote its educational opportunities. All other activities are directed towards raising funds to supplement the income from admission charges, the museum shop and obtaining new exhibits. The Trustees consider that they have considered the Charities Commission's published guidance on the public benefit requirement under the Charities Act 2011.

A significant measure of achievement is 35 years uninterrupted opening to the public. As ever the company has operated on minimal finance, receiving no grants from local authorities but, as the museum now has international as well as national recognition as the authority on the aviation history it covers, this has given more scope for fund raising.

After much work, the charity qualified for a national lottery grant in 2017. The final part of this grant £29125 is included in these accounts.

We also continue to host on the site, exhibits and volunteers from the Hampshire Police and Hampshire Fire Authorities memorabilia. These were installed at the museum during 2017 and remain to be on display.

The lottery grant has helped to cover the increased display and information costs.

SOLENT SKY LIMITED

Directors' Report on the Unaudited Accounts for the year ended 31 May 2018

Directors and Directors' Interests

The directors who served during the year were:

J G U Clark	
P D Dimmick	
A M Jones	
Mrs KE Jones	
R A R Little	
A N Gadd	(appointed 08.08.2017)
	(resigned 07.12.2017)

The interest of the directors at the year end in the share capital of the company were as follows: -

£1 ordinary shares at
beginning and end of period

J G U Clark	1
AM Jones	1

The Companies House registered number is: - 960329

The Charity registration number is: - 262995

The Charity operates from: - Albert Road South, Southampton, Hampshire. SO14 3FR, which is also the Charity's registered office.

Reserves

The directors are satisfied that the level of reserves maintained by the charity, of approximately three to six months of total expenditure, are sufficient to meet its needs.

The trustees consider that the balance sheet value does not correctly reflect the true asset value of the Company, which they consider to be nearer £2.5 million pounds, as there is a lease value, with 124 years to run and, museum exhibits and archives worth in excess of £2 million.

Risk Management Statement

The trustees are satisfied that the major risks to which the charity is exposed, as identified by the trustees, are being reviewed, and systems are being established to mitigate those risks.

SOLENT SKY LIMITED

Directors' Report on the Unaudited Accounts for the year ended 31 May 2018

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company at the end of the period and of its surplus or deficit for the period. In preparing these accounts, the directors are required to: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

This report has been prepared in accordance with the statement of recommended practice: Accounting and Reporting by Charities (FRS102) and, in accordance with the special provisions relating to companies' subject to the small companies' regime.

Approved by the board on 9 January 2019, and signed on its behalf.



J G U Clark
Director

**MINUTES OF THE ANNUAL GENERAL MEETING OF
SOLENT SKY LIMITED**

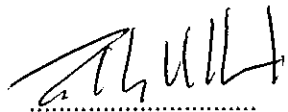
HELD AT 71 The Hundred, Romsey, Hampshire

ON 9 January 2019

PRESENT J G U Clark
P D Dimmick
A M Jones
K E Jones (Mrs)
RAR Little
AN Gadd

- 1 Formal notice of the meeting was waived.
- 2 Minutes of the last Annual General Meeting were read, adopted and signed by the Chairman.
- 3 The financial statements and Directors' Report for the year to 31 May 2018 were presented to the meeting and duly adopted.
- 4 There was no other business.

Chairman


.....



SOLENT SKY MUSEUM

Albert Road South, Southampton, Hampshire SO14 3FR

Telephone: 02380 635830

E-mail: aviation@spitfireonline.co.uk

Web: www.solentskymuseum.org

To: David Gamblin Limited, Chartered Accountants
71 The Hundred, Romsey, Hampshire. SO51 8BZ

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledges and experience such as we consider necessary in connection with your report on the company's financial statements for the year ended 31 May 2018. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

1. We acknowledge that the work performed by you is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that you do not express an audit opinion.
2. We confirm that the company qualifies as small in accordance with the conditions set out in chapter 1 of part 15 of the Companies Act 2006.
3. We confirm that the company was entitled to exemption under section 477 of the Companies Act 2006 from the requirement to have its financial statements for the financial year ended 31 May 2018 audited. We also confirm that the members have not required the company to obtain an audit of its financial statements for the financial year in accordance with section 476 of the Companies Act 2006.
4. We confirm that the charity qualifies as a small charity and is entitled to exemption from audit under the Charities Act 2011.
5. We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter dated 14 March 2018 under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view.
6. All the transactions undertaken by the company have been properly reflected and recorded in the accounting records.
7. All the accounting records and related financial information, including minutes of all management and shareholders' meetings have been made available to you for the purpose of your work.

Assets and Liabilities

8. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed as applicable in the notes to the financial statements.
9. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as applicable.
10. All actual liabilities, contingent liabilities given to third parties have been recorded or disclosed as applicable.

Loans and arrangements

11. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

Legal claims

12. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed as applicable in the financial statements.

Laws and regulations

13. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

14. Related party relationships and transactions have been properly accounted for and disclosed as applicable in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

Subsequent events

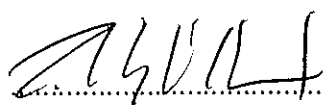
15. All events subsequent to the date of the financial statements which require adjustments or disclosure have been properly accounted for and disclosed as applicable.

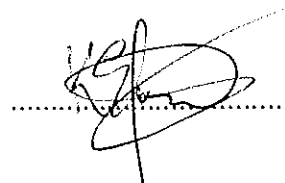
Going concern

16. We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the company's ability to continue as a going concern need to be made in the financial statements.

Yours faithfully

Signed on behalf of the board of directors by:

.....(director)

.....(director)

Date: 9 January 2019

SOLENT SKY LIMITED
Company No. 960329

Unaudited Balance Sheet as at 31 May 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
Fixed assets			
Tangible assets	9	£ 124317	£ 131202
Current assets			
Stock	10	£ 17228	£ 781
Debtors	11	623	-
Cash at bank and in hand		59177	66439
		<hr/>	<hr/>
		77028	67220
Creditors: amounts falling due within one year	12	(14791)	(24088)
		<hr/>	<hr/>
Net current assets		62237	43132
		<hr/>	<hr/>
Net assets		£ 186554	£ 174334
		<hr/>	<hr/>
Capital and reserves			
Called-up share capital	14	£ 2	£ 2
Accumulated restricted funds	15	120262	118762
Accumulated unrestricted funds	16	66290	55570
		<hr/>	<hr/>
Total charitable funds		£ 186554	£ 174334
		<hr/>	<hr/>

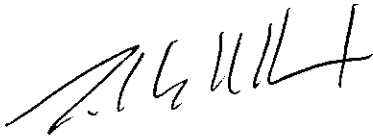
SOLENT SKY LIMITED
Company No. 960329

Unaudited Balance Sheet as at 31 May 2018

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of S.477 of the Companies Act 2006. Members have not required the company under S.476 of the Companies Act 2006, to obtain an audit for the year ended 31 May 2018. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with S.386 of the Companies Act 2006, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 May 2018, and of its result for the financial year in accordance with the requirements of the Companies Act 2006, so far as applicable to the company.

The accounts have been prepared in accordance with the provisions applicable to small companies, subject to the small companies' regime and, in accordance with FRS102 SORP.

The accounts were approved by the Board on 9 January 2019, and signed on its behalf.



J G U Clark
Director

SOLENT SKY LIMITED

**Directors' Report and Unaudited Accounts
for the year ended 31 May 2018**

Company No. 960329

SOLENT SKY LIMITED

Company Information

DIRECTORS:	J G U Clark P D Dimmick A M Jones Mrs KE Jones RAR Little AN Gadd	(appointed 08.08.2017) (resigned 07.12.2017)
SECRETARY:	Mrs K E Jones GR Bee	(appointed 07.12.2017) (resigned 07.12.2017)
REGISTERED OFFICE:	Solent Sky Albert Road South Southampton Hampshire SO14 3FR	
COMPANY NUMBER:	960329	
CHARITY NUMBER:	262995	
ACCOUNTANTS:	David Gamblin Limited Chartered Accountants 71 The Hundred Romsey Hampshire SO41 8BZ	
BANKERS:	National Westminster Bank Plc 12 High Street Southampton Hampshire SO14 2BF	

SOLENT SKY LIMITED

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SOLENT SKY LIMITED

Directors' Report on the Unaudited Accounts for the year ended 31 May 2018

Governance

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Whilst the directors wish to enlarge the board they have found it difficult to recruit directors who have the time to make a contribution to the running of the museum. From past experience it has been decided that there is no useful purpose served by appointing directors who are not prepared to become actively involved with the running of the company and museum.

Objectives, Achievement and Performance

The principal activity of the company is to advance the education of the public in matters relating to aviation by the maintenance of a museum as a permanent memorial to R J Mitchell, the designer of the Schneider Trophy S6B Seaplane and the Spitfire and as a memorial to the 26 aircraft companies from the Solent area.

On 11 September 2005 the charity set up a company limited by guarantee to be its sole trading arm. Solent Sky Ltd took over the shop activities at this date.

The directors, who are also the charity trustees, consider the state of affairs of the company to be satisfactory and that the level of funds held is sufficient to enable it to continue to meet its charitable objectives.

The main purpose of the charity is to keep the museum open for public viewing and to promote its educational opportunities. All other activities are directed towards raising funds to supplement the income from admission charges, the museum shop and obtaining new exhibits. The Trustees consider that they have considered the Charities Commission's published guidance on the public benefit requirement under the Charities Act 2011.

A significant measure of achievement is 35 years uninterrupted opening to the public. As ever the company has operated on minimal finance, receiving no grants from local authorities but, as the museum now has international as well as national recognition as the authority on the aviation history it covers, this has given more scope for fund raising.

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SOLENT SKY LIMITED

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A M Jones	
Mrs KE Jones	
R A R Little	
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The interest of the directors at the year end in the share capital of the company were as follows: -

	£1 ordinary shares at beginning and end of period
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The Companies House registered number is: - 960329
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Reserves

The directors are satisfied that the level of reserves maintained by the charity, of approximately three to six months of total expenditure, are sufficient to meet its needs.

The trustees consider that the balance sheet value does not correctly reflect the true asset value of the Company, which they consider to be nearer £2.5 million pounds, as there is a lease value, with 124 years to run and, museum exhibits and archives worth in excess of £2 million.

Risk Management Statement

The trustees are satisfied that the major risks to which the charity is exposed, as identified by the trustees, are being reviewed, and systems are being established to mitigate those risks.

SOLENT SKY LIMITED

Directors' Report on the Unaudited Accounts for the year ended 31 May 2018

Directors' Responsibilities

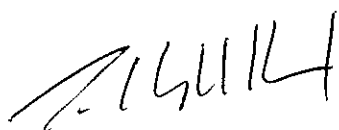
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company at the end of the period and of its surplus or deficit for the period. In preparing these accounts, the directors are required to: -

- select suitable accounting policies and then apply them consistently;
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This report has been prepared in accordance with the statement of recommended practice: Accounting and Reporting by Charities (FRS102) and, in accordance with the special provisions relating to companies' subject to the small companies' regime.

Approved by the board on 9 January 2019, and signed on its behalf.



J G U Clark
Director

SOLENT SKY LIMITED

**INDEPENDENT EXAMINERS REPORT TO THE DIRECTORS
OF SOLENT SKY LIMITED**

We report on the unaudited accounts of the company for the year ended 31 May 2018, which are set out on pages 5 to 16.

Respective responsibilities of Trustees and Examiners

The Trustees (who are also the Directors of the Company for the purposes of Company Law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and, that an independent examination is needed.

Having satisfied ourselves that the company is not subject to an audit under company law and is eligible for independent examination, it is our responsibility to:-

- examine the accounts under Section 145 of the 2011 Act
- follow the procedures laid down in the general Directions given by the Charity Commission under Section 145 (5) (b) of the 2011 Act and,
- to state whether particular matters have come to our attention.

Basis of Independent examiners' report

Our examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a full review of the accounting records kept by the Charity and, a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you, as Trustees, concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently, no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with the examination, no matter has come to our attention:

1. which gives us reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 396 of the Companies Act 2006, and;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the method and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met, or
2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

DAVID GAMBLIN LIMITED
Chartered Accountants

71 The Hundred
ROMSEY
Hampshire SO51 8BZ

.....

..... Dated

SOLENT SKY LIMITED

**Unaudited Statement of Financial Activities
for the year ended 31 May 2018
(including Income and Expenditure Account)**

	<u>Notes</u>	<u>Restricted Funds</u>	<u>Unrestricted funds</u>	<u>Total 2018</u>	<u>Total 2017</u>
		£	£	£	£
Income					
Income and endowments from:					
Donations and legacies	3.1	1500	61963	63463	41792
Generated funds	3.1	-	83173	83173	63253
Bank interest		-	16	16	16
Grants	3.1	-	29125	29125	32400
Funds transferred	3.2	-	-	-	33457
Total		1500	174277	175777	170918
Expenditure					
Costs of generating funds					
Fundraising trading: costs of goods sold and other costs		-	9374	9374	7452
Charitable activities	4	-	151783	151783	153145
Governance costs	5	-	2400	2400	2800
Total		-	163557	163557	163397
Net income/(expenditure) for the year		1500	10720	12220	7521
Total funds at 31 May 2017		118762	55570	174332	166811
Total funds at 31 May 2018		120262	66290	186552	174332

The statement of financial activities including all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

SOLENT SKY LIMITED
Company No. 960329

Unaudited Balance Sheet as at 31 May 2018

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
Fixed assets			
Tangible assets	9	£ 124317	£ 131202
Current assets			
Stock	10	£ 17228	£ 781
Debtors	11	623	-
Cash at bank and in hand		59177	66439
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Creditors: amounts falling due within one year	12	(14791)	(24088)
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Net current assets		62237	43132
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Net assets		£ 186554	£ 174334
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Capital and reserves			
Called-up share capital	14	£ 2	£ 2
Accumulated restricted funds	15	120262	118762
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SOLENT SKY LIMITED
Company No. 960329

Unaudited Balance Sheet as at 31 May 2018

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of S.477 of the Companies Act 2006. Members have not required the company under S.476 of the Companies Act 2006, to obtain an audit for the year ended 31 May 2018. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with S.386 of the Companies Act 2006, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 May 2018, and of its result for the financial year in accordance with the requirements of the Companies Act 2006, so far as applicable to the company.

The accounts have been prepared in accordance with the provisions applicable to small companies, subject to the small companies' regime and, in accordance with FRS102 SORP.

The accounts were approved by the Board on 9 January 2019, and signed on its behalf.



J G U Clark
Director

SOLENT SKY LIMITED

Notes to the Unaudited Accounts for the year ended 31 May 2018

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared under the historical cost convention, with items recognised at cost or transaction value.

The accounts have been prepared in accordance with the Statement of Recommended Practice, the Financial Reporting Charities Standard applicable in the United Kingdom and Republic of Ireland (FRS102) Statement of recommended practice and, with the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charity constitutes a public benefit entity as defined by FRS102.

1.2 Change of accounting policy

The accounts present a true and fair view and include the following changes to accounting policy:-

(a) Museum artefacts

The directors have decided not to continue to depreciate the carrying value of the museum artefacts as shown in note 9. This reflects more accurately the value of these items. This has resulted in lower costs of £2910 in the 2018 accounts.

(b) Stocks

The directors have included in stock the value of donated second-hand books and models totalling £15042 (note 10). This is a change in policy, as previously these items were not for re-sale.

1.3 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

1.4 Material prior year errors

No material prior year errors have been identified in the reporting period.

SOLENT SKY LIMITED

Notes to the Unaudited Accounts for the year ended 31 May 2018

1.5 Fund accounting

Unrestricted funds: Funds which can be used in accordance with the charitable objects at the discretion of the trustees. These are donations and other incoming resources receivable or generated for the objects of the charity.

Restricted funds: Funds to be used for specific purposes as laid down by the donor. Expenditure which meet these criteria is charged to the fund.

1.6 Tangible fixed assets

Tangible fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £200. Assets are stated in the balance sheet at cost, less depreciation.

Depreciation is charged on tangible fixed assets over their estimated useful lives as follows:

Museum buildings	40 years straight line
Displays and equipment	15% reducing balance
Museum artefacts	Nil (from 2018)
Vehicles	15% reducing balance

1.7 Stock

Stock is stated in the balance sheet at the lower of the cost and estimated sale price, less estimated costs to realise.

1.8 Incoming resources

Donations are recognised as the gross amount when received, or on the date at which the company becomes absolutely entitled to it, if earlier. Admissions income and shop sales are included, where applicable, net of value added tax. Grants are recognised in full in the statement of financial activities in the year in which they become receivable.

Advertising income is included at the time of invoice for the services, or receipt of monies if earlier.

1.9 Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered is considered as part of the original gift and is included in the same fund.

SOLENT SKY LIMITED

Notes to the Unaudited Accounts for the year ended 31 May 2018

2.0 Debtors

Debtors are measured at settlement amounts, less any provisions or impairments.

2.1 Volunteer help

The value of any volunteer help received is not included in the accounts. Volunteers generally provide their services for exhibit and building maintenance.

2.2 Resources expended

Resources expended have been wholly allocated to the relevant SOFA heading for expenditure as appropriate and have been recognised in the period in which they are incurred.

Costs of generating funds: These are costs incurred by the charitable company in raising funds for the charitable work.

Charitable activities: Resources expended on charitable activities comprise all the resources applied by the charity in undertaking its work to meet its charitable objectives.

Governance costs: Governance costs include those costs associated with meeting the statutory requirements of the charity and include the accountancy fees.

2.3 Creditors:

Creditors: the Charity has creditors, which are measured at settlement amounts, less any trade discounts.

No material item of deferred income has been included in the accounts.

2.4 Going concern

At the date of approval of these accounts, there are no material uncertainties about the Charity's ability to continue to trade.

SOLENT SKY LIMITED

**Notes to the Unaudited Accounts
for the year ended 31 May 2018**

3.1 Voluntary Income	<u>Restricted funds</u> £	<u>Unrestricted funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
Donations	1500	61963	63463	41792

Charitable activities:	<u>Restricted funds</u> £	<u>Unrestricted funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
Admission fees	-	62390	62390	45830
Sale of goods	-	11646	11646	8440
Rent	-	1200	1200	2674
Advertising revenue	-	700	700	3979
Hire fees	-	6250	6250	2330
	-	82186	82186	63253

3.2 Funds transferred

During the 2017 year, the Charity combined with the Hampshire Police Authority charity and, the Hampshire Fire and Rescue Authority charity.

No transfers were received during the 2018 year.

4 Expenditure – Other costs	<u>Restricted funds</u> £	<u>Unrestricted funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
Staff costs	-	68509	68509	68994
Premises costs	-	26901	26901	27322
Insurance	-	5552	5552	7936
Repairs, maintenance and equipment hire	-	14675	14675	17626
Travel and exhibitions	-	6602	6602	1783
Office costs	-	18932	18932	15631
Finance costs	-	2069	2069	1656
Depreciation	-	8543	8543	12197
	-	151783	151783	153145

SOLENT SKY LIMITED

Notes to the Unaudited Accounts For the year ended 31 May 2018

5	Governance costs				
	Accountancy and examination	-	2400	2400	2800
	Independent examiner's fees		700	700	800
	Accountancy work		1700	1700	2000
6	Staff costs		2018	2017	
	Salaries and wages		£ 14185	£ 12809	
	Employee's national insurance		795	647	
	Pension costs		95	13	
	Total staff costs		£ 15075	£ 13469	

The above payments were made to individuals for work done for the company.

The average number of persons employed by the Company during the year were:

	<u>No.</u>	<u>No.</u>
Museum attendants	1	1
Part-time office staff	1	1
	2	2

No employees received employee benefits (excluding employer pension costs) for the reporting period.

7 Pension contributions

The Charity operates a defined contribution scheme for its employees. Contributions are charged against profit as they become payable.

The assets of the scheme are held separately from those of the Charity in a separately administered fund.

8 Taxation

The company is registered as a charity under the Charities Act 2011 and no provision has been made for corporation tax on the understanding that any trading profits will be exempt.

SOLENT SKY LIMITED

**Notes to the Unaudited Accounts
for the year ended 31 May 2018**

9 Tangible fixed assets

	<u>Vehicles</u>	<u>Museum Buildings</u>	<u>Displays & equipment</u>	<u>Museum artefacts</u>	<u>Total</u>
	£	£	£	£	£
COST					
Brought forward	5939	168335	151347	116415	442036
Additions	-	-	1640	-	1640
At 31 May 2018	5939	168335	152987	116415	443676
DEPRECIATION					
Brought forward	5159	121392	123349	60934	310834
Charge for the year	117	4208	4200	-	8525
At 31 May 2018	5276	125600	127549	60934	319359
NET BOOK VALUE					
At 31 May 2018	663	42735	25438	55481	124317
At 31 May 2017	780	46943	27998	55481	131202

In the opinion of the directors, the current market value of the museum building and museum artefacts is significantly in excess of the net book values shown above.

10 Stock

	<u>2018</u>	<u>2017</u>
Goods for resale - purchased	£ 2186	£ 781
- donated	15042	-
	£ 17228	£ 781

11 Debtors

	<u>2018</u>	<u>2017</u>
Taxation	£ -	£ -
Prepayments	623	-
	£ 623	£ -

SOLENT SKY LIMITED

**Notes to the Unaudited Accounts
for the year ended 31 May 2018**

12	Creditors: amounts falling due within one year	<u>2018</u>	<u>2017</u>		
	Accruals	£ 2400	£ 2800		
	Trade creditors	2502	13102		
	Social security and other taxes	2197	205		
	Dunkirk Little Ships Restoration Trust	6825	6400		
	Card	663	1558		
	Pension contributions	204	23		
		<hr/>	<hr/>		
		£ 14791	£ 24088		
		<hr/>	<hr/>		
13	Operating lease commitments	<u>2018</u>	<u>2017</u>		
		£	£		
	The company had the following non-cancellable lease commitments at the year end:				
	Due less than one year	3146	3146		
	Greater than one year but less than five years	10637	12583		
	Due greater than five years	142800	144000		
		<hr/>	<hr/>		
14	Called-up share capital	<u>2018</u>	<u>2017</u>		
	Allotted, issued and fully paid:				
	Ordinary shares of £1 each	2	2		
		<hr/>	<hr/>		
15	Restricted funds				
	Balance at	Incoming	Outgoing	Balance at	
	<u>At 1 June 2017</u>	<u>resources</u>	<u>resources</u>	<u>31 May 2018</u>	
	£	£	£	£	
	Spitfire Fund	43032	1500	-	44532
	Building fund	50544	-	-	50544
	Air Display Fund	15000	-	-	15000
	Feasibility Study Fund	10186	-	-	10186
		<hr/>	<hr/>	<hr/>	<hr/>
		118762	1500	-	120262
		<hr/>	<hr/>	<hr/>	<hr/>

SOLENT SKY LIMITED

Notes to the Unaudited Accounts for the year ended 31 May 2018

15 Restricted funds continued.

The Spitfire Fund was established to raise money for the erection of a Spitfire statue.

The Building fund represents the net book value of the museum building improvements as stated in the accounts. The majority of this work was covered by grant funding when it was undertaken.

The Air Display Fund represents a donation from Hampshire County Council, Southampton City Council and Eastleigh Borough Council to put towards the Spitfire 70th Anniversary Air Display in March 2006.

The Feasibility Study Fund relates to a grant from Southampton City Council to review future strategy for the museum.

16 Analysis of net assets between funds

	Restricted Funds	Unrestricted funds	Total 2018	Total 2017
	£	£	£	£
Tangible fixed assets	52571	71746	124317	131202
Current assets	67692	9336	77028	67220
Current liabilities	-	(14791)	(14791)	(24088)
	<hr/>	<hr/>	<hr/>	<hr/>
	120263	66291	186554	174334
	<hr/>	<hr/>	<hr/>	<hr/>

17 Related party transactions

Payments of £49970 (2017: £45960) were made to Retroplan Limited, a management company engaged for the day to day management of the museum. Mr AM Jones is a director of Retroplan Limited.

Payments of £7200 (2017: £7200) were made to Timsbury Manor Fishing and Farming, a business operated by Mr A Jones.

Mr AM Jones also holds a £1 share in Solent Sky Limited but, cannot derive any financial benefit from this shareholding as it is barred by the Memorandum and Articles of Association.

Mr JGU Clark holds a £1 share in Solent Sky Limited but, is restricted from receiving any financial benefit from this shareholding by the Memorandum and Articles of Association.

SOLENT SKY LIMITED

**Notes to the Unaudited Accounts
for the year ended 31 May 2018**

18 Additional Information

The company is a charitable company, limited by shares and, registered in England.

The registered number is: 960329

The registered office address is: Albert Road South
Southampton
Hampshire
SO14 3FR