

Company Registration No. 08707779 (England and Wales)

**AEROSPACE TECHNOLOGY INSTITUTE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 SEPTEMBER 2019**

**PAGES FOR FILING WITH REGISTRAR**



# **AEROSPACE TECHNOLOGY INSTITUTE**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AEROSPACE TECHNOLOGY INSTITUTE****STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2019**

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	4		75,857		84,117
Tangible assets	5		127,498		140,407
			<u>203,355</u>		<u>224,524</u>
<b>Current assets</b>					
Debtors	6	2,256,430		1,171,331	
Cash at bank and in hand		4,069,486		4,426,637	
		<u>6,325,916</u>		<u>5,597,968</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(6,529,271)</u>		<u>(5,822,492)</u>	
<b>Net current liabilities</b>			<u>(203,355)</u>		<u>(224,524)</u>
<b>Total assets less current liabilities</b>			<u>-</u>		<u>-</u>
<b>Capital and reserves</b>					
Profit and loss reserves			-		-
<b>Total equity</b>			<u>-</u>		<u>-</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 23/1/2020 and are signed on its behalf by:

  
 .....  
 Mr G Elliott  
 Director

# AEROSPACE TECHNOLOGY INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 1 Accounting policies

#### Company information

The Aerospace Technology Institute is a private company limited by guarantee incorporated in England and Wales. The registered office is Martell House, University Way, Cranfield, Bedford, MK43 0TR.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Going concern

The statement of financial position shows net current liabilities of £203,355 as at 30 September 2019. This figure includes £5,543,834 of deferred income including deferred grant income from the Department of Business, Energy & Industrial Strategy (BEIS) and deferred industrial contributions. The net current asset position of the Company at the reporting date excluding these amounts is £5,340,479 which includes net cash balances of £4,069,486. The directors have prepared forecasts covering a period of at least one year from the anticipated date of the accounts being approved and are satisfied that the Company will be able to meet all debts as they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

#### Turnover

Turnover represents income from government grant funding and industrial contributions. Grants are recognised as receivable at fair value when there is reasonable assurance that the company will comply with the conditions attaching to the grant and that the grant will be received.

Grants are classified as either relating to revenue or assets.

Grants relating to revenue are recognised as income in turnover on a systematic basis over the periods in which the company recognises the related costs for which the grant was intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred it is recognised as deferred income and not deducted from the carrying amount of the asset.

Industrial contributions are received to fund at least half of the Aerospace Technology Institute's expenses over the life of the grant in line with the conditions of the grant offer letter between the Aerospace Technology Institute and the Department for Business, Energy and Industrial Strategy (BEIS).

Industrial contributions are recognised as receivable when the lead partner of the project has a signed Innovate UK grant offer letter (and signed Aerospace Technology Institute framework agreement), has an agreed project spend forecast and the project has commenced; at this point the company is contractually entitled to the income.

# AEROSPACE TECHNOLOGY INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 1 Accounting policies (Continued)

#### Turnover (continued)

Where industrial contributions recognised as being receivable are in excess of the expenditure for which the contributions were intended to compensate, the excess is included in deferred income.

#### Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer software	over 1-10 years
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#### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	over the remaining lease term
Fixtures, fittings and equipment	3 to 5 years
Computer equipment	3 years

#### Financial assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include trade debtors, other debtors and accrued income, are initially recognised at transaction price and are subsequently carried at the transaction price less any amounts settled and impairment losses.

#### Financial liabilities

Basic financial liabilities which include trade creditors, accruals and other creditors are initially recognised at the transaction price and subsequently carried at transaction price less any amounts settled.

#### Retirement benefits

The company operates a defined contribution scheme. The amount charged to profit or loss is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown in either other creditors or prepayments.

#### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

# AEROSPACE TECHNOLOGY INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 2 Employees

The average monthly number of persons (including directors) employed by the Company during the year was 33 (2018 - 32).

### 3 Directors' remuneration

	2019 £	2018 £
Remuneration paid to directors	383,319	383,679

### 4 Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1 October 2018	120,168
Additions	3,863
At 30 September 2019	124,031
<b>Amortisation and impairment</b>	
At 1 October 2018	36,051
Amortisation charged for the year	12,123
At 30 September 2019	48,174
<b>Carrying amount</b>	
At 30 September 2019	75,857
At 30 September 2018	84,117

# AEROSPACE TECHNOLOGY INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 5 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 October 2018	134,426	89,001	140,505	363,932
Additions	-	12,288	48,480	60,768
Disposals	-	-	(78,868)	(78,868)
At 30 September 2019	134,426	101,289	110,117	345,832
<b>Depreciation and impairment</b>				
At 1 October 2018	56,318	52,385	114,822	223,525
Depreciation charged in the year	24,408	17,498	31,771	73,677
Eliminated in respect of disposals	-	-	(78,868)	(78,868)
At 30 September 2019	80,726	69,883	67,725	218,334
<b>Carrying amount</b>				
At 30 September 2019	53,700	31,406	42,392	127,498
At 30 September 2018	78,108	36,616	25,683	140,407

### 6 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	403,575	58,107
Grant debtors	799,181	-
Prepayments and accrued income	1,053,674	1,113,224
	2,256,430	1,171,331

### 7 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	510,430	234,850
Other taxation and social security	91,552	73,779
Deferred income	5,543,834	5,106,734
Other creditors	23,490	22,444
Accruals	359,965	384,685
	6,529,271	5,822,492

# AEROSPACE TECHNOLOGY INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 8 Reserves

The Company is limited by guarantee and does not have share capital. Consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the Company on winding up such amounts as may be required not exceeding £1. At 30 September 2019 there were 3 members (2018: 3).

The profit and loss reserve represents the cumulative profit and loss of the Company.

### 9 Operating lease commitments

#### Lessee

At the reporting date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	340,238	316,512
Between one and five years	819,756	187,394
In over five years	228,769	-
	<u>1,388,763</u>	<u>503,906</u>

### 10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Richard Bartlett-Rawlings ACA.

The auditor was RSM UK Audit LLP.