
THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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COMPANIES HOUSE

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

COMPANY INFORMATION

DIRECTORS

Mr Stuart McLean
Mr Greg Couttie
Mr David McElroy
Mr Keith Boardman
Mr David Martin
Mr Alan Gilruth
Mr Robin Griggs (resigned 19 May 2011)
Mr Graeme Hammond
Mr Richard Blackburn
Mr David Gill (resigned 19 May 2011)
Mr Howard Duthie (appointed 19 May 2011)
Mr Ian Waghorn (appointed 19 May 2011)

COMPANY NUMBER

SC031521

REGISTERED OFFICE

The Aerodrome
Perth
PH2 6NP

AUDITORS

French Duncan LLP
Chartered Accountants and Statutory Auditors
Eldon House
74 Townhead
Kirkintilloch
Glasgow
G66 1NZ

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements for the year ended 31 December 2011.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 surplus or deficit 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 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 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.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of a flying club.

DIRECTORS

The directors who served during the year were:

Mr Stuart McLean
Mr Greg Couttie
Mr David McElroy
Mr Keith Boardman
Mr David Martin
Mr Alan Gilruth
Mr Robin Griggs (resigned 19 May 2011)
Mr Graeme Hammond
Mr Richard Blackburn
Mr David Gill (resigned 19 May 2011)
Mr Howard Duthie (appointed 19 May 2011)
Mr Ian Waghorn (appointed 19 May 2011)

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, French Duncan LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Mr Keith Boardman
Director

Date: 17/09/12

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE

We have audited the financial statements of The Scottish Aero Club Limited by Guarantee for the year ended 31 December 2011, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2005) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report.



John Anderson (Senior statutory auditor)

for and on behalf of
French Duncan LLP

Chartered Accountants and Statutory Auditors

Eldon House
74 Townhead
Kirkintilloch
Glasgow
G66 1NZ

Date:

21 September 2012

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
TURNOVER	1	165,275	172,980
Cost of sales		<u>(145,170)</u>	<u>(151,038)</u>
GROSS SURPLUS		20,105	21,942
Administrative expenses		(31,127)	(26,599)
Other operating income	2	<u>4,463</u>	<u>8,179</u>
OPERATING (DEFICIT)/SURPLUS	3	(6,559)	3,522
Interest receivable and similar income		<u>79</u>	<u>79</u>
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,480)	3,601
Tax on (deficit)/surplus on ordinary activities	4	<u>(34)</u>	<u>-</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	11	<u><u>(6,514)</u></u>	<u><u>3,601</u></u>

The notes on pages 7 to 10 form part of these financial statements.

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)
REGISTERED NUMBER: SC031521

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	5		44,015		59,135
CURRENT ASSETS					
Stocks		798		863	
Debtors	6	4,220		26,422	
Investments	7	2,250		2,250	
Cash at bank		36,488		27,250	
		<u>43,756</u>		<u>56,785</u>	
CREDITORS: amounts falling due within one year	8	(9,149)		(13,154)	
NET CURRENT ASSETS			34,607		43,631
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>78,622</u>		<u>102,766</u>
PROVISIONS FOR LIABILITIES					
Other provisions	9		-		(13,625)
NET ASSETS			<u>78,622</u>		<u>89,141</u>
CAPITAL AND RESERVES					
Other reserves	11		8,009		12,014
Income and expenditure account	11		70,613		77,127
			<u>78,622</u>		<u>89,141</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mr David McElroy
Director

Date: 17/09/12

The notes on pages 7 to 10 form part of these financial statements.

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Turnover comprises principally Hangarage, Membership Subscriptions and Training revenue recognised when receivable by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Aircraft	-	10% reducing balance
Fixtures & fittings	-	20% reducing balance
Office equipment	-	25% straight line
Trophies	-	Nil

1.4 Investments

Current asset investments are stated at the lower of cost and net realisable value.

2. OTHER OPERATING INCOME

	2011 £	2010 £
Release of other reserve	4,005	4,005
Release of provision	458	4,174
	<u>4,463</u>	<u>8,179</u>

3. OPERATING (DEFICIT)/SURPLUS

The operating (deficit)/surplus is stated after charging:

	2011 £	2010 £
Depreciation of tangible fixed assets:		
- owned by the company	6,122	8,086
Auditors' remuneration	1,500	687
	<u>7,622</u>	<u>8,773</u>

During the year, no director received any emoluments (2010 - £NIL).

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

4. TAXATION

	2011 £	2010 £
Analysis of tax charge in the year		
UK corporation tax charge on (deficit)/surplus for the year	17	-
Adjustments in respect of prior periods	17	-
	<u>34</u>	<u>-</u>
Tax on (deficit)/surplus on ordinary activities	<u>34</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Aircraft £	Fixtures & fittings £	Office equipment £	Trophies £	Total £
Cost					
At 1 January 2011	82,413	29,240	2,707	500	114,860
Additions	-	722	-	-	722
Disposals	(32,412)	-	-	-	(32,412)
At 31 December 2011	<u>50,001</u>	<u>29,962</u>	<u>2,707</u>	<u>500</u>	<u>83,170</u>
Depreciation					
At 1 January 2011	32,192	21,132	2,401	-	55,725
Charge for the year	4,050	1,766	306	-	6,122
On disposals	(22,692)	-	-	-	(22,692)
At 31 December 2011	<u>13,550</u>	<u>22,898</u>	<u>2,707</u>	<u>-</u>	<u>39,155</u>
Net book value					
At 31 December 2011	<u>36,451</u>	<u>7,064</u>	<u>-</u>	<u>500</u>	<u>44,015</u>
At 31 December 2010	<u>50,221</u>	<u>8,108</u>	<u>306</u>	<u>500</u>	<u>59,135</u>

6. DEBTORS

	2011 £	2010 £
Trade debtors	3,680	18,422
Other debtors	540	8,000
	<u>4,220</u>	<u>26,422</u>

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. CURRENT ASSET INVESTMENTS

	2011 £	2010 £
Unlisted investments	<u>2,250</u>	<u>2,250</u>

**8. CREDITORS:
Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	675	193
Corporation tax	17	-
Other creditors	8,457	12,961
	<u>9,149</u>	<u>13,154</u>

9. PROVISIONS

	G-CFNW Shareholder Funds £
At 1 January 2011	13,625
Amounts released	(458)
Amounts repaid	(13,167)
At 31 December 2011	<u>-</u>

G-CFNW Shareholder Funds

This provision represented amounts received in advance for use of aircraft G-CFNW. A member wishing to participate in this scheme paid an amount of £3,000 which entitled them to discounted ongoing use of the aircraft until such time as the share was redeemed less the pro-rata depreciation to a base level of £1,000. Income was released to the P&L account over this period. Each share was depreciated by £500 each year (pro-rated monthly). In 2011 it was decided to terminate this arrangement and all remaining shareholders were reimbursed their deposits less depreciation and any outstanding costs.

10. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

11. RESERVES

	Other reserves £	Income and expenditure account £
At 1 January 2011	12,014	77,127
Deficit for the year		(6,514)
Movement on other reserves	(4,005)	
At 31 December 2011	<u>8,009</u>	<u>70,613</u>

Other reserves of £16,019 had been carried forward until, in 2009, the directors concluded that the history of the balance could not be fully established and, therefore, decided to write the balance off over 4 years, commencing 2010. The balance of £8,009 is now net of 2 years write-down.

12. OPERATING LEASE COMMITMENTS

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows:

	2011 £	2010 £
Expiry date:		
Between 2 and 5 years	-	98,333
After more than 5 years	<u>95,000</u>	<u>-</u>

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Page	2011 £	2010 £
TURNOVER	12	165,275	172,980
Cost of sales	12	(145,170)	(151,038)
GROSS SURPLUS		20,105	21,942
Gross profit %		12.2 %	12.7 %
Other operating income	12	4,463	8,179
		24,568	30,121
 LESS: OVERHEADS			
Administration expenses	12	(31,127)	(26,599)
OPERATING (DEFICIT)/SURPLUS		(6,559)	3,522
Interest receivable	13	79	79
(DEFICIT)/SURPLUS FOR THE YEAR		(6,480)	3,601

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 £	2010 £
TURNOVER		
Hangarage	122,325	121,519
Membership subscriptions	25,295	31,914
SAC flight training	12,193	11,773
Miscellaneous and social events	3,062	2,989
Office space sub-rental	1,915	2,535
Donations received	485	2,250
	<u>165,275</u>	<u>172,980</u>

	2011 £	2010 £
COST OF SALES		
Cost of items for resale	403	357
Hangar, premises and airfield rental	97,500	96,667
Airfield operating charges	30,000	33,157
Hangar and club management	2,888	2,357
SAC flight training	9,056	9,235
Club aircraft costs	5,323	-
Airshow	-	9,265
	<u>145,170</u>	<u>151,038</u>

	2011 £	2010 £
OTHER OPERATING INCOME		
Release of other reserve	4,005	4,005
Release of shareholders funds	458	4,174
	<u>4,463</u>	<u>8,179</u>

	2011 £	2010 £
ADMINISTRATION EXPENSES		
Hotels, travel and subsistence	45	382
Printing and stationery	2,434	1,780
Postage	523	611
Telephone and fax	982	838
Computer costs	632	948
General office expenses	330	65
	<u>4,946</u>	<u>4,624</u>
Sub-total carried forward	4,946	4,624

THE SCOTTISH AERO CLUB LIMITED BY GUARANTEE
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**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 £	2010 £
ADMINISTRATION EXPENSES (continued)		
Sub-total brought forward	4,946	4,624
Advertising and promotion	95	-
Trade subscriptions	-	63
Charity donations	-	50
Legal and professional	275	498
Auditors' remuneration	1,500	687
Auditors' remuneration - non-audit	859	645
Bank charges	2,757	2,725
Bad debts	-	1,536
Water	521	184
Light and heat	2,369	-
Cleaning	3,452	3,150
Insurances	4,572	722
Repairs and maintenance	658	924
Sundry establishment expenses	100	248
Depreciation - plant and machinery	306	478
Depreciation - motor vehicles	4,050	5,580
Depreciation - fixtures & fittings	1,766	2,028
Profit/loss on sale of tangible assets	(280)	-
Social events	3,181	2,372
Repairs and renewals	-	85
	<u>31,127</u>	<u>26,599</u>
	2011 £	2010 £
INTEREST RECEIVABLE		
Other interest receivable	<u>79</u>	<u>79</u>