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**ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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COMPANY INFORMATION

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**DIRECTORS** Dr M A Fopp MA FRAeS  
Sir Gerald A Hosker KCB QC  
Sir Roger T Jackling KCB CBE  
Air Vice Marshal D Crwys-Williams CB FCIPD FIMgt RAF (Retd)  
Air Chief Marshal Sir John Day KCB OBE

**COMPANY SECRETARY** S H Garman FCIS (until 25/10/07)

**COMPANY NUMBER** 4026995

**REGISTERED OFFICE** RAF Museum  
Grahame Park Way  
Hendon  
London  
NW9 5LL

**AUDITOR** Hillier Hopkins LLP  
Chartered Accountants & Registered Auditor  
64 Clarendon Road  
Watford  
Herts  
WD17 1DA

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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## ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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The directors present their report and the financial statements for the year ended 31 March 2008.

#### PRINCIPAL ACTIVITIES

The company holds the legal title of the property interests of the Royal Air Force Museum (see also note 1.2).

The company is dormant and did not trade during the year.

#### DIRECTORS

The directors who served during the year were:

Dr M A Fopp MA FRAeS  
Sir Gerald A Hosker KCB QC  
Sir Roger T Jackling KCB CBE  
Air Vice Marshal D Crwys-Williams CB FCIPD FIMgt RAF (Retd)  
Air Chief Marshal Sir John Day KCB OBE

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgments and 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 proper accounting records that 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 1985. 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.

#### PROVISION OF INFORMATION TO AUDITOR

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 auditor is 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 auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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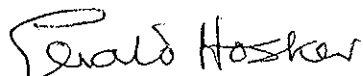
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2008

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AUDITOR

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *eighteenth December 2008* and signed on its behalf.



Sir Gerald A Hosker KCB QC  
Director

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**ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ROYAL AIR FORCE MUSEUM  
INVESTMENTS LIMITED**

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We have audited the financial statements of Royal Air Force Museum Investments Limited for the year ended 31 March 2008, set out on pages 5 to 7. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 Auditor's 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 AUDITOR**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ROYAL AIR FORCE MUSEUM  
INVESTMENTS LIMITED

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OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its results for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.



HILLIER HOPKINS LLP

Chartered Accountants  
Registered Auditor

64 Clarendon Road  
Watford  
Herts  
WD17 1DA

Date: 10 December 2008.

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2008

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The company has not traded during the year or the preceding financial year. During these periods, the company received no income and incurred no expenditure and therefore made neither profit or loss.

BALANCE SHEET  
AS AT 31 MARCH 2008

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	Note	£	2008 £	£	2007 £
<b>CURRENT ASSETS</b>					
Debtors	2		2		2
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2</u>		<u>2</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	3		2		2
<b>SHAREHOLDERS' FUNDS</b>	4		<u>2</u>		<u>2</u>

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

  
Sir Gerald A Hosker KCB QC  
Director

The notes on pages 6 to 7 form part of these financial statements.

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008

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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 applicable accounting standards.

1.2 SHORT LEASEHOLD PROPERTY

The short leasehold property relating to the Cosford site of the RAF Museum, was transferred to the company during the financial year ended 31st March 2005.

However, while the legal ownership sits with the company, in substance the museum retains the risks and rewards associated with these assets and therefore in accordance with FRS 5 the short leasehold property is recognised in the RAF Museum's financial statements.

2. DEBTORS

	2008	2007
	£	£
Amounts owed by group undertakings	2	2

3. SHARE CAPITAL

	2008	2007
	£	£
<b>AUTHORISED</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
2 Ordinary shares of £1 each	2	2

4. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2008	2007
	£	£
Shareholders' funds at 1 April 2007 and 31 March 2008	2	2

5. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent undertaking.

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ROYAL AIR FORCE MUSEUM INVESTMENTS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008

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6. **ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent undertaking are the Trustees of the RAF Museum.