

Charity Registration No. 1101948

Company Registration No. 04478686 (England and Wales)

VULCAN TO THE SKY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 OCTOBER 2020**



VULCAN TO THE SKY TRUST
HONOURING THE PAST, INSPIRING THE FUTURE

VULCAN TO THE SKY TRUST

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VULCAN TO THE SKY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2020

1. OBJECTIVES AND ACTIVITIES OF THE TRUST

The principal objects of the Vulcan to the Sky Trust ("VTST", "the Trust") are to:

- (1) Preserve and protect Avro Vulcan XH558 and return her to full working order for the benefit of the public and to demonstrate and display her to the public and to conserve and return to full working order other aircraft and engineering artefacts in general which are of significant heritage interest and to maintain such in a purpose-built facility.
- (2) Advance the education of the general public in Avro Vulcan XH558, in aviation and engineering heritage, in its associated provenance, historical and social context and in the strategy of deterrence, for the benefit of British heritage, and historical knowledge.
- (3) Advance the education of the general public in Avro Vulcan XH558 and other aircraft and engineering artefacts in general of significant heritage interest, in their design, engineering and technologies, operational and maintenance processes and procedures; for the benefit of British heritage, and technical knowledge and conservation, by providing access to engineering demonstrations and practical activities.

The Trust provides these services throughout Great Britain.

Ensuring that VTST delivers on its objects

The Trust reviews its objectives and activities regularly throughout the year, looking at the success of its activities and the benefits that the Trust has brought to the public. The Trustees refer to the advice contained in the Charity Commission's general guidance on public benefit when deciding on its plans and activities. The particular public benefits generated from our work are detailed on pages 3 – 5.

Following a ten-year restoration project, Avro Vulcan XH558 ("XH558") returned to flight on 18th October 2007, having previously been grounded on 23rd March 1993 at the end of its RAF career. The Trust was granted approval by the Civil Aviation Authority ("CAA") to operate Vulcan XH558 under UK Civil Regulations on 2nd July 2008. The aircraft was granted a CAA Permit to Fly on 3rd July 2008, a condition of which was the continuing contractual support from the aircraft's Engineering Authority, Marshall Aerospace. This was a first for a Complex category ex-military aircraft on the UK Civil Register, and marked the successful completion of the world's most complex aircraft restoration project.

Subsequently, Vulcan XH558 was presented by the Trust to the public at air shows and events around the UK in each year following, supported by educational and interpretational activities.

In April 2011, XH558 flew in to Robin Hood Doncaster Sheffield Airport ("DSA"), and Hangar 3 there became its home operating base.

In January 2015, the Trust received notice from Marshall Aerospace, BAE Systems and Rolls-Royce that at the end of 2015, they would collectively be withdrawing the Engineering and Design Authority support required as a condition of the aircraft's Permit to Fly, thereby consequently bringing to the end the flying life of Vulcan XH558. The aircraft's final flight took place on Wednesday 28th October 2015 at Doncaster Sheffield Airport.

Grounded at DSA since that date, nevertheless Vulcan XH558 has been maintained in a safe ground-running and taxiing condition, and continues to attract much enthusiastic support from the public. The Trust is planning to offer excellent public access to the aircraft as both a static exhibit in a New Hangar and also in engine-running and taxiing demonstrations.

In addition, the Trust continues to plan for its strategic direction following the aircraft's end of flying. In accordance with its objects, the Trust plans to broaden its scope and interests by the acquisition of other aircraft and aviation-

VULCAN TO THE SKY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

related heritage assets. In furtherance of this, in May 2016 the Trust acquired an important English Electric Canberra aircraft (WK163) that broke the world altitude record in 1957.

In November 2020, the Trust purchased a second Canberra, WT327, at auction in the USA that included WK163's original cockpit which brings both a significant technical benefit and a very fortuitous heritage provenance. The intention is to use WT327's cockpit and other parts in the restoration of WK163. The Trust plans to repatriate this aircraft to the UK when Covid-19 restrictions allow and to store it until the restoration of WK163 begins. This restoration will not begin until the new hangar and permanent home for XH558 is secured.

The Trust's activities include charitable fundraising in many different ways to ensure that sufficient funds are available to allow the continuation of the Trust's public benefit delivery.

Through to the beginning of 2017, the public were able to come to see XH558 in Hangar 3 at DSA on a pre-booked basis, receive educational guided tours of the aircraft, hear talks about the Vulcan and its history, and buy merchandise from an in-hangar shop. Much publicity was gained by offering the large space in the hangar for both private and corporate events "under the wings" of the Vulcan.

However, from the beginning of 2017, the Trust was forced to stop public visits because the airport required the hangar space for other uses. This effectively stopped the major revenue-earning activities of the Trust, and severely curtailed its main public benefit delivery activities. As a result of this forced cessation of public tours and events, the Trust had to rapidly restructure to match its costs with the much lower revenues expected.

The Trust's two aircraft have been parked outside at DSA since July 2017, an unsatisfactory situation for these important heritage assets. The Trust's other assets were either put into storage or disposed of.

Plans for a New Hangar were drawn up with significant help from local companies, Doncaster Municipal Borough Council and the Airport. In December 2017, the Trust received full planning approval for the new hangar from the council. DSA offered the Trust a lease on a site upon which to build a new hangar specifically designed for its tour, event and engineering activities. Land specifically for this purpose was purchased from Anglian Water by DSA in April 2018.

A comprehensive business plan for the New Hangar has been developed using the experience gained from the Trust's visitor and event activities in Hangar 3. This shows that the facility will be financially viable and will be an exciting new visitor attraction for South Yorkshire.

Quotations were received showing that the new facility will require approximately £4 million capital investment including fit-out costs but we have revisited this given the costings are now several years old and we estimate this to have risen to £4.6 million. Fit out costs are defined as having a building safe for public access with cafeteria and retail shop. We expect the full Vulcan Experience as envisaged will be funded by grants and sponsorship.

The investor with whom we were working so hard with throughout 2018 caused us to lose confidence in early 2019 as the result of multiple delays. The investor failed to provide any proof that the funds he had promised actually existed, and progress on this deal ceased at the beginning of March 2019.

With the assistance of interested parties, the Trust now has in place a modified funding model for the hangar. The Trustees are working hard to find new investors.

The Trust has now developed a funding model where £2.4 Million (52%) of the capital funding for the hangar build will be via a commercial mortgage and the balance (£2.2 million) via a public appeal (Operation Safeguard) and this was launched in October 2020. The mortgage is still subject to negotiation. This funding package will secure a permanent and safe home for XH558 and will be supplemented by funding for "state of the art" content and grant funding and sponsorship bids are in development for this aspect.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

In April 2021 we signed a license to begin "pre-commencement" building works which secured our planning permission indefinitely.

The Trust continues to enjoy the support of DSA. In October 2021 we signed an Agreement for Lease for the land where the New Hangar will be built, which will become a full legal lease for the hangar once the funding is in place. This is supported by an Operations Agreement that will allow access to the airfield for tours, including our popular engine ground runs. The terms of the Agreement for Lease require the funding for the New Hangar to be raised by 31 December 2021. Our plan is to raise the money needed by this date, so that we can build XH558 the home she needs and deserves. If by this current deadline we have not managed to achieve this, we will need to revise our plans and look for alternative ways to keep this much-loved iconic aircraft looked after and available for public viewing. We would work with the airport and our partners to explore what we can deliver.

The Vulcan Experience will not just benefit supporters of the aircraft; it will be an inspirational visitor attraction for children and young people to explore the climate crisis in our Green Technology Hub and will be a welcome addition to the Yorkshire region. We are calling on people from across the country with an interest in heritage, aviation and the Climate Challenge to get behind this project and help us to create a venue that will inspire generations for decades to come, and through our Green Technology Hub investigate solutions to greener travel.

The Trust has become much more reliant on volunteer support. A team of appropriately-skilled volunteers has been trained as the Vulcan ground support team, to permit demonstrations of the aircraft with its engines and systems running, and slow taxiing under its own power.

The Trust continues to carry out limited public benefit delivery activities at sites remote from the airport, including talks and presentations, and a presence at events such as airshows.

It should be noted that during 2020, access tours at the airport including Engine Ground Runs were suspended due to the Covid 19 restrictions. Whilst we have developed a "Covid secure" access programme, the Trust decided the suspension was correct to ensure our volunteers, many of whom are in the high-risk category were protected.

The merchandise stores, order fulfilment and some engineering bays, spares and stores required to keep Vulcan XH558 in full working order, and stores for Canberra WK163's restoration to flight, occupy an industrial unit at DSA; the rest of the stores are in a cheaper location near Stratford-upon-Avon. The administrative finance and HR functions is housed in serviced office space in Hinckley.

VTST's subsidiary, The Vulcan Operating Company Ltd ("VOC"), relinquished its CAA Maintenance Approvals in 2018, but is maintaining its safety management and quality procedures for heritage aircraft to ensure that XH558 can be operated safely.

VTST also has undertaken activities to provide interpretation of the aircraft under its care, and to educate a broad range of audiences on the Cold War: the Avro Vulcan and the English Electric Canberra including their history, design & engineering. These activities have included giving educational talks, and planning and providing school activities in line with the National Curriculum.

2. ACHIEVEMENTS AND PERFORMANCE OF THE TRUST

The move from Hangar 3 in February 2017 to a location which does not allow public access caused the suspension of much of the Trust's public benefit delivery activities. This has effectively put the Trust's future at risk because of the financial impact of the cessation of revenue-earning tours and events.

Following this event a significant restructure of the charity was undertaken, so that going forward the much reduced cost structure can be sustained by the forecast level of income. The support of our current major donors is fundamental to the charity's future until our new trading model is established in the New Hangar.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

Public Benefit Delivery: Conservation of Avro Vulcan XH558 in full working order, and of other heritage aircraft and engineering artefacts

Vulcan XH558 continues to be maintained to the same servicing regime as when she was flying, with regular engine runs, systems tests and slow taxi runs. For safety, the explosives associated with the ejection seats and canopy gun have been removed, but in all other aspects, Vulcan XH558 remains serviceable. Annual services were carried out on XH558 in early 2020 and commenced again in early 2021.

In May 2016 the Trust acquired an important English Electric Canberra aircraft, serial number WK163, together with a large amount of spare equipment including engines. An initial survey showed that the aircraft is in generally good shape, however there are some areas of corrosion on the fuselage, and the cockpit requires a complete rebuild (or possibly replacement with another complete cockpit). Also, the five Avon 100-series engines acquired at the same time need a full service, and the completion of a series of Mandatory Permit Directives required on these engines by the CAA.

This project will be the subject of a separate specific targeted fundraising campaign specifically to achieve the series of milestones that will result in a return to flight for WK163.

In November 2016, the Trust was loaned a static example of the Supermarine Swift F.4 to display alongside the two other aircraft. The Swift was returned to its owner in May 2019.

The Trustees are very grateful for the continuing support from the following:

- Doncaster Sheffield Airport, Doncaster Council and the Sheffield City Region Local Enterprise Partnership for their support, flexibility and enthusiasm in assisting VTST at the Airport.
- RG Group and Wordsworth Construction Services for their assistance in planning for the new hangar.
- The Founding Guardians, who were members of the now-disbanded Vulcan to the Sky Club, who have given freely their time, effort and commitment at air shows and other fundraising events, and the "Friends" of the Trust and members of the general public, whose support has been vital.
- All the Trust's volunteers, who performed important roles in support of the important hangar tour, merchandising and web store activities, in support of engineering and logistics activities, and in promoting the Trust and its activities around the country, including fundraising.

Public Benefit Delivery: Presentation of Avro Vulcan XH558 at air displays and other outside events

The Vulcan was seen by many millions of people during the eight years that the aircraft was flying, and by the end of its flying life XH558 had become quite famous. The Trustees remain pleased at the positive effect of the aircraft on spectators, especially on the young, and are delighted that so many happy memories have been laid down. Following the end of flying, the Trust has worked with the Airport to establish an agreed method and risk assessment for ground-running the Vulcan with spectators present. Plans for taxiing the aircraft on DSA's runway at full power have been agreed in principle.

Over the period, the Trust marketed and delivered opportunities for paying visitors to experience the sights and sounds of the Vulcan during its monthly ground runs in the summer months, and latterly at her parking site.

The Trust used the opportunities presented by the regular monthly anti-deterioration engine ground runs of the Vulcan to offer close-up demonstrations of the aircraft as she exercises her engines and systems to supporters. The Trust is also now able to demonstrate the aircraft taxiing. The sights and sounds of the running Vulcan are highly valued and much in demand, and represent an important revenue stream. The season finale ground run in November 2019 was attended by 38 visitors.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

The Trust commenced public and university student airside tours to the Vulcan at her parking site in January 2020, and to date, 290 supporters and students have visited over five occasions. During the tours, supporters hear a talk on the Vulcan, an update on maintenance activities and are shown some systems functioning. A highlight is a visit to the cockpit. These tours have been very well received.

All the above are paying customers, added to this at each event is a minimum of 6 volunteers plus engineering volunteers.

The plan for 2020 was to hold airside visits every 2 weeks and ground runs monthly. Unfortunately, the constraints imposed in March 2020 following the outbreak of the COVID-19 pandemic have meant that all public airside visits and engine ground runs have been suspended until such time as public group activities are permitted. Given the recent relaxation of restrictions, VTST did resume public access visits in August 2021.

Key to the Trust's ability to present the aircraft in full running state is the enthusiastic and dedicated volunteers who carry out the necessary ground support activities.

Public Benefit Delivery: Education of the general public in the Cold War, the Avro Vulcan and related topics

General talks and presentations on the Vulcan and related Cold War topics remain available and continue to be provided to a variety of audiences around the country. These include local aviation and general interest groups, Learned Society branches such as the Royal Aeronautical Society and the Institution for Engineering and Technology, Universities and commercial engineering companies. The programme was, however severely curtailed by restrictions relating to the Covid-19 pandemic albeit Robert Fleming did give occasional talks "on-line". As they were managed by him personally, we do not have a full record of this. In March 2020 the Trust was interviewed on a local radio station, TMCR, which has a broadcast audience of approximately 70,000 listeners.

One of the main vehicles for the Trust's communications to its supporters is its regular emails, now being distributed to over 40,000 subscribers. At the end of July 2019, the Trust's email newsletters changed from weekly to monthly, but this enabled their content to be increased considerably. The newsletters are currently the Trust's primary way of educating the public on the Cold War and the Vulcan.

The Trust's Outreach programme was severely constrained in 2020 due to the Covid-19 pandemic and this included the cancellation of all UK air shows. We hosted RAF cadets once, pre-Christmas 7th December at its Stratford-upon-Avon Spares Store. The Stores also held a single open day for the public on 30 November 2019 attended by approximately 65 visitors.

With the assistance and enthusiasm of the owners and managers of the Doncaster Lakeside retail park, the Trust was able to mount a three-month exhibition in a large retail space at the heart of the park from February to April 2019. Exhibits included many items explaining the Vulcan and the Cold War. The exhibition proved most popular, with over 9,000 people visiting during the period.

Education work has been in a development phase post year end albeit outreach has been limited due to the pandemic. We have, though, as part of the plans for the Vulcan Experience been actively working on a fully rounded education programme and some hi-lights are as follows;

- we are engaged with Work Wise in a project to deliver exhibits into the new hangar.
- in September 2021 we launched at the local UTC a major curriculum element where students will work on a design project centred on XH558.
- we have commissioned an ambitious education and community plan for the project.

The Trust's cash constraints have continued to mean that the allocation of a full and dedicated education budget have so far not been possible, limiting progress and curtailing long term planning. Efforts over the period have thus been focussed on short-term projects.

The Trust's volunteers continue to play absolutely key roles in delivering educational and inspirational outcomes.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

Revenue generation and public relations

Following the forced move from Hangar 3, the Trust has found itself under very significant cash constraints, but with the help of the on-going public donation stream, continuing merchandise revenues especially in high profit lines, monthly donations, a lottery and annual five-figure philanthropic donations, the Trust has been able to continue its operations.

The Trust has continued to invest in marketing, advertising and social media streaming aimed at both the general public and potential sponsors. The focus has been on small- to mid-range giving and appeals for specific needs. Incentives have included opportunities for donors to have their names on XH558's wing and a dynamic merchandise strategy.

The Names Under the Wing campaign launched in the autumn of 2019 was the most successful single funding appeal of recent years raising circa £1.2 million net of marketing costs.

The funding strategy is continuing to meet its now limited objectives:

- Standing Order and Direct Debit income received monthly by the Trust is consistent with prior years, which is heartening following the end of flying for the Vulcan.
- Gift Aid is claimed on eligible donations.
- A third highly successful "Names Under XH558's Wing" campaign has brought in over £1.5 million in donations, the majority of which additionally generated Gift Aid.
- The Guardian scheme for people who were members of the Vulcan to the Sky Club continues with positive feedback. For the avoidance of doubt, Guardians are not Members of the Trust.
- The sale on eBay of Vulcan and other spares that will never be required by the Trust continues to contribute to income.
- Merchandise gross sales are currently averaging approximately £16,000 per month.
- A campaign to encourage legacy giving will be launched once development of the new hangar is committed.

Over the period, approaches continue to be made to both aerospace and engineering industry and retail/FMCG companies for sponsorship.

The Trust's visibility across the UK air show scene has reduced in line with affordability, albeit this activity was suspended throughout 2020 as the UK air show programme was effectively cancelled because of the Covid 19 pandemic. This situation seems likely to continue for the 2021 season.

The Trust's website www.vulcantothesky.org is the one of the Trust's primary communications vehicles for its supporters. It is updated on a regular basis and continues to provide news and pictorial evidence of the Trust's progress. The website also hosts the Trust's "e-donate" funding stream.

The Trust's monthly email newsletters enable further fundraising opportunities.

Additionally, VTST has its own Facebook page with 279,000 followers and a Twitter channel with over 81,000 followers. The Trust continues to look for every opportunity to widen the exposure of its activities.

Fundraising policy

The Trust undertakes charitable fundraising in a variety of ways including through regular newsletters via email and mail, and at events. Funding contributions come mainly from the Trust's loyal supporter base, currently of some 40,000 people. Without their valued contributions, the Trust would not be able to continue delivering its public benefits.

Supporters are able to make regular donations through appeals, and customers can add a donation at the web store online checkout. The Trust also receives one-off donations, and supporters also engage in a monthly lottery and annual raffles. The Trust also offers speaker events throughout the country for which tickets are sold and merchandise is available.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

Fundraising activities are carried out by the employees and volunteers of the Trust; the Trust does not carry out any fundraising through professional fundraising agencies. The Board of Trustees regularly reviews the Trust's fundraising activities and outcomes.

Furthermore, the Trust does not carry out any fundraising through cold contact, whether unsolicited mailing, face-to-face fundraising or telemarketing. The Trust has never received a complaint about its fundraising activities. The Trust is registered with the Fundraising Regulator, and is aware of and follows its Code of Fundraising Practice and the Charity Commission's fundraising guidance. The Trust has had the benefit of advice from a consultant who is a member of the Institute of Fundraising. The Trust itself is a member of the Association of Independent Museums.

Vulcan to the Sky Enterprises Limited

Vulcan to the Sky Enterprises Limited ("VTSE") is the merchandise trading arm of the charity, and has enabled the Trust to receive funds through the sale of merchandise, memorabilia and services at events and through an 'online' shop, a revenue stream which is continuing to be successful. The financial results for the year ended 31st October 2020 are summarised in note 17 to the accounts. Performance is expected to improve once the New Hangar opens. VTSE covenants any profits to VTST under the Gift Aid scheme.

Heritage Lottery Fund

The Heritage Lottery Fund (HLF), in the form of its legal entity the National Heritage Memorial Fund (NHMF), maintains a charge over the Avro Vulcan XH558 on a reducing amount based on the HLF grant and the flying life of the aircraft, which is covered by the aircraft's Hull insurance. The contract between the VTST and the NHMF is for 80 years from 2005, requiring the Trust to deliver its public benefits based on the aircraft over this time. When XH558 finally ended its flying life, it had completed 346 hours flying since its return to flight in 2007, successfully exceeding its flying commitment to the NHMF of 250 flying hours.

3. FINANCIAL REVIEW

Total income of the group for the 12 months ended 31st October 2020 amounted to £2,346,282 (2019: £775,511). The Trust's principle funding comes from several sources such as donations, fundraising draws and lotteries, and merchandise sales. Total expenditure for the 12 months ended 31st October 2020 was £1,416,590 (2019: £923,198). Income, and expenditure, have primarily increased due to a third highly successful "Names Under XH558's Wing" campaign has brought in over £1.5 million in donations, the majority of which additionally generated Gift Aid. The campaign launched in the autumn of 2019 and was the most successful single funding appeal of recent years raising circa £1.2 million net of marketing costs. This demonstrates the appeal that XH558 still has with the public.

The net assets of the group as at 31st October 2020 were £1,791,617 (2019: £861,925).

The group's fixed assets comprise the Avro Vulcan XH558, its associated spare parts, ground equipment and tools, together with miscellaneous items, and are valued as at 31st October 2020 at £755,067 (2019: £773,666).

There is a charge over the aircraft in favour of the National Heritage Memorial Fund in the amount of £427,000 reducing on a straight line basis from 31st October 2016 until 2085. The amount repayable is currently limited to £402,248.

The Trustees believe that income in the form of donation streams, sponsorship, and merchandise revenues will allow the Trust to continue its activities for the foreseeable future. The Trust is also running an ongoing campaign to gain commercial sponsorship to help fund the future plans for the aircraft and supporting activities; central to this is securing funding for a new hangar.

The constraints imposed in March 2020 following the outbreak of the COVID-19 pandemic meant that all public airside visits and engine ground runs were suspended until such time as public group activities are permitted. Consequentially income and expenditure from charitable activities have decreased. The scaled back operations in place prior to the

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TRUSTEES' REPORT (CONTINUED)

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pandemic, due to the delays with the New Hangar, has meant that the financial impact of the pandemic has not been more severe. Nevertheless, in an attempt to mitigate its impact, the charity made use of the Coronavirus Job Retention Scheme.

Reserves Policy

The Trust's reserves policy has been to aim to build up, over time, free reserves (unrestricted funds less fixed assets) to a level equivalent to 6 months of expenditure. As at 31st October 2020 the Group's free reserves, following the highly successful Names Under the Wing campaign during the year, totalled £1,036,550 (2019: £88,259). The equivalent to almost 9 months of expenditure. The trustees retain the 6 month policy as an important target, and, subject to the success of future fundraising appeals, intend to use any surplus to assist with the Trust's running costs whilst the New Hangar is being built.

4. PLANS FOR FUTURE PERIODS

The Vulcan to the Sky Trust's objectives for future periods are to:

- Maintain Avro Vulcan XH558 in full working order, and to operate the aircraft on the ground safely to the benefit of spectators at DSA for as long as possible.
- Plan to restore Canberra WK163 to an airworthy condition, and to display the aircraft to the benefit of the public at airshows and other outside events around the country, and to raise funds specifically for that purpose.
- Develop a medium-term plan for the Trust to provide relevant public benefits, in particular in inspiring the young in engineering, technology and aviation.
- Build and develop the new hangar base at Doncaster Sheffield Airport to ensure growing public access to these important aircraft, and satisfy the requirements of operational and maintenance feasibility, affordability, visitor and school accessibility, catchment area and local & regional support.
- Deliver inspirational education experiences on design, science, technology, engineering and mathematics (STEM), to a range of audiences, including national curriculum topics for school children, on Cold War history and related subjects focused around the aircraft, and inform all of the various methods and technologies by which aviation's impact on climate change will be minimised.
- Secure the funding needed to achieve the above objectives, from a diverse range of sources so as to minimise risk, including expanding the Guardians scheme to all.

5. ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Vulcan to the Sky Trust was granted charitable status on 6 February 2004, and is registered with the Charity Commission under number 1101948.

Vulcan to the Sky Trust is constituted as an incorporated company limited by guarantee, its governing document comprising its memorandum and articles of association.

The Trustees (who are also the Trust's Directors) who have served since 1 November 2019 are as detailed in section 6.

The Board of Trustees met formally once between 1st November 2019 and 31st October 2020, and conducted two conference calls over this period. The Trustees are the only Members of the Trust. None of the Trustees received any remuneration or benefits apart from receipted expenses.

The Trust needs to put on record within this report a significant event that occurred after the year end. On 2nd February 2021, the charity's CEO, Dr Robert Fleming passed away suddenly. Robert worked tirelessly on the project setting up the Vulcan to the Sky Trust to return the last potentially airworthy RAF V-force aircraft, Avro Vulcan XH558 to flight. In 1997, when the idea first came to him, he built a Project Steering Team from key members of the aerospace establishment and former members of the RAF's Vulcan Display Flight.

Against all the odds, Robert and the team succeeded in their mission, raising millions of pounds in donations and returning XH558 to flight. The Vulcan to the Sky project succeeded spectacularly on 18th October 2007, with the first test flight of the restored Vulcan, some 14 years after its last flight, oversaw the aircraft's operational life and led the

VULCAN TO THE SKY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

campaign to build a permanent home for XH558. It is the Trust's ambition to appoint a new CEO once the funds are in place for the permanent home.

Recruitment and training of Trustees

Given the nature of its past activities, the recruitment of new Trustees had been primarily from the aviation community. However, as the Trust's activities broaden, Trustees are now being sought from the wider engineering, industry and education sectors, and the South Yorkshire region. New Trustees are appointed in accordance with the articles of association. Any new Trustees are provided with a one-on-one induction by the Company Secretary, including briefings on the workings of the Trust, its formal documentation, the Trustee's role, the financial status of the Trust and its future plans.

The activities of the Board

The Board is responsible for policy and overall management of the charity, but has delegated necessary operating powers and decision-making to an Executive Committee, which during the period comprised of Robert Pleming (Company Secretary), Michael Trotter (Commercial and Business Development) and Andrew Edmondson (Engineering Director). The Executive Committee meets on approximately a monthly basis. The remuneration of key management is approved by the Chairman of Trustees and is set against established pay scales, benchmarked in comparison with similar sized charities.

Following its restructure, the Trust had 5 full-time employees and 1 part-time employee as at 31st October 2020. The Trust also benefits significantly from a large amount of volunteer support, including specifically assisting with public relations, events, merchandise fulfilment and the Trust's air show presence.

At the Trust's 2019 Annual General Meeting, held on 23rd July 2020, the Board accepted the retirement-by-rotation of Sir Gerald Howarth, John Sharman and Sir Donald Spiers. As they each had offered themselves for reappointment, Philip Spiers formally proposed their reappointment. This was seconded by Ken Smart and the resolution passed nem con.

Subsidiaries

Vulcan to the Sky Enterprises Limited is the wholly-owned retail trading subsidiary of VTST. VTSE covenants its taxable profits to VTST under the Gift Aid scheme.

There are three additional wholly-owned subsidiaries of the Trust, which were incorporated to enable the Trust to undertake certain activities aimed at creating a sustainable business model during its occupation Hangar 3 at Doncaster Sheffield Airport. These subsidiaries, the Vulcan Marketing Company, The Vulcan Operating Company and the Vulcan Property Management Company are now dormant.

Andrew Edmondson remains a director of the Trust's subsidiaries.

Risk Management

The Trust, through its management team, continues to identify and review the major risks that the charity faces. Procedures, including a Safety Management System, have been put in place to mitigate and monitor these risks. Health and Safety are included as topics at every Executive Meeting.

The Trust's principle risks and uncertainties are:

- Securing funding for its charitable activities each year and managing working capital;
- The occurrence of an event that threatens the reputation or integrity of the Trust;
- Sudden loss of key personnel;
- Potential for overtrading with limited resources; and
- The implications to its plans of the coronavirus pandemic and changes in public behaviour.

The Trust's public liabilities arising from operation of the Vulcan aircraft are insured through K M Dastur and Company Ltd Aviation Insurance Brokers. Additional aviation insurance policies include cover for damage to the aircraft, for war and terrorism risks, and for personal injury insurance for the aircrew.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

6. REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

Trustees	Mr John Sharman FRAeS (Chairman) Air Commodore Ed Jarron (Vice Chairman) Mr Richard Clarke Sir Gerald Howarth Dr Stephen Liddle Mr Ken Smart CBE Sir Donald Spiers CB TD FRAeS Mr Phillip Spiers
Chief Executive	Dr Robert Pleming FRAeS – deceased 2 February 2021
Company secretary	Michael Trotter – appointed 2 February 2021
Charity number	1101948
Company number	04478686
Principal address	Unit 4, Delta Court Third Avenue Doncaster Sheffield Airport Doncaster DN9 3GN
Registered office	Unit 4, Delta Court Third Avenue Doncaster Sheffield Airport Doncaster DN9 3GN
Auditors	Newby Castleman LLP West Walk Building 110 Regent Road Leicester LE1 7LT
Bankers	HSBC Bank Plc 58 High Street Winchester Hampshire SO23 9BZ
Solicitors	Laceys Solicitors 5 Poole Road Bournemouth Dorset BH2 5QL

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Vulcan to the Sky Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs for the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company and group's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

8. SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Trustees

Mr John Sharman FRAeS
Chairman of Trustees

Approved by the Board of Trustees on 27 October 2021

VULCAN TO THE SKY TRUST

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF VULCAN TO THE SKY TRUST

Opinion

We have audited the financial statements of Vulcan to the Sky Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 October 2020 which comprise the Group Consolidated Statement of Financial Activities, The Group and Company Balance Sheet, The Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 October 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.3 of the financial statements, concerning the group's ability to continue as a going concern. This indicates that the group is reliant on the continued support of Doncaster Sheffield Airport and future financial support from its donors and investors to continue operating. These conditions, along with the other matters as set forth in note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

VULCAN TO THE SKY TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF VULCAN TO THE SKY TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Newby Castleman LLP

Chartered Accountants
Statutory Auditor
West Walk Building
110 Regent Road
Leicester
LE1 7LT

Date: 28 October 2021

Newby Castleman LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

VULCAN TO THE SKY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from					
Donations and legacies	3	2,034,193	25,408	2,059,601	295,327
Charitable activities	4	4,153	-	4,153	58,526
Other trading activities	5	282,281	-	282,281	421,427
Investments	6	195	-	195	231
Other	7	52	-	52	-
Total		2,320,874	25,408	2,346,282	775,511
Expenditure on					
Raising funds	8	1,174,560	-	1,174,560	536,526
Charitable activities	9	216,622	-	216,622	386,672
Other expenditure	14	-	25,408	25,408	-
Total		1,391,182	25,408	1,416,590	923,198
Net income / (expenditure) for the year / Net movement in funds		929,692	-	929,692	(147,687)
Reconciliation of funds					
Total funds brought forward		861,925	-	861,925	1,009,612
Total funds carried forward		1,791,617	-	1,791,617	861,925

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

VULCAN TO THE SKY TRUST

BALANCE SHEETS

AS AT 31 OCTOBER 2020

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Fixed assets					
Tangible assets	15	6,811	3,984	14,696	8,709
Heritage assets	16	748,256	748,256	758,970	758,970
Investments	17	-	5	-	5
Total fixed assets		755,067	752,245	773,666	767,684
Current assets					
Stocks	18	85,148	-	91,525	-
Debtors	19	56,631	219,681	74,747	295,550
Cash at bank and in hand		987,614	985,343	56,683	42,446
Total current assets		1,129,393	1,205,024	222,955	337,996
Liabilities:					
Creditors: Amounts falling due within one year	20	(92,843)	(85,145)	(134,696)	(136,259)
Net current assets		1,036,550	1,119,879	88,259	201,737
Total assets less current liabilities		1,791,617	1,872,124	861,925	969,421
Total net assets	22	1,791,617	1,872,124	861,925	969,421
The funds of the charity					
Restricted funds	21	-	-	-	-
Unrestricted funds		1,791,617	1,872,124	861,925	969,421
Total charity funds		1,791,617	1,872,124	861,925	969,421

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

As permitted by s408 Companies Act 2006, the charity has not presented its own statement of financial activities and related notes. The charity's surplus for the year was £902,703 (2019 - £129,590 deficit).

For the year ending 31 October 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as the company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

VULCAN TO THE SKY TRUST

BALANCE SHEETS (CONTINUED)

AS AT 31 OCTOBER 2020

The financial statements were approved and authorised for issue by the board of trustees on 27 October 2021 and are signed on its behalf by:

Mr John Sharman FRAeS
Chairman of Trustees

Company Registration No. 04478686

The notes on pages 18 - 35 form part of these financial statements.

VULCAN TO THE SKY TRUST

GROUP STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 OCTOBER 2020

			2020		2019
	Notes	£	£	£	£
Net cash (outflow) / inflow from operating activities	28		930,736		(61,965)
Cash flow from investing activities					
Payments to acquire tangible fixed assets		-		(2,174)	
Interest received		195		231	
Net cash (outflow) / inflow from investing activities			195		(1,943)
Net (decrease) in cash of cash equivalents			930,931		(63,908)
Cash or cash equivalents at 1 November 2019			56,683		120,591
Cash or cash equivalents at 31 October 2020			987,614		56,683

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting policies

Charity information

Vulcan to the Sky Trust ("the charity") is a private company limited by guarantee, incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the reference and administration section of the trustees' report.

The group consists of Vulcan to the Sky Trust and all of its subsidiaries ("the group"), being Vulcan to the Sky Enterprises Limited, The Vulcan Operating Company Limited, The Vulcan Property Management Company Limited, and The Vulcan Marketing Company Limited.

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. These financial statements have been prepared in accordance with: the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities applying FRS 102 (2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

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

These financial statements are prepared under the historical cost convention, modified to include the revaluation of certain heritage assets. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and net movement in funds of the group. The charity has taken advantage of the exemption from preparing a statement of financial activities and a statement of cash flows on the basis that these are incorporated into the group statement of financial activities and statement of cash flows.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Vulcan to the Sky Trust and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 October 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting Policies (continued)

1.3 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future.

As explained more fully in the trustees' report set out on pages 2 and 3, comprehensive business plans have been drawn up to build a new hangar specifically designed for the group's tour, event and engineering activities. Based on all of the information that is currently available, the trustees are not certain that they will secure the necessary investment for this project because they believe the funding campaign has been impacted by the Covid 19 pandemic, particularly the corporate sector, and the charity has until 31 December 2021 to raise the necessary funds. If the trust has not managed to achieve this, the trustees will need to revise their plans and look for alternative ways to keep the aircraft available for public viewing. The trustees have a reasonable expectation that they will receive the continued support of Doncaster Sheffield Airport ("DSA").

Whilst the trust is conscious of the need to bring the permanent home project to a resolution by securing the needed capital funding it will continue its on-going fundraising activities to maintain Avro Vulcan XH558 to the usual high standards and to deliver public access through our team of dedicated volunteers and staff.

The trustees have prepared forecasts for the period ended 31 October 2022 which incorporate the above plans. Based on these forecasts, and the voluntary income that has been received since the year end date, the trustees are of the opinion that the group will receive sufficient donations and investment for a period of at least 12 months from the date of approval of these financial statements to continue operating. However, donations are intrinsically uncertain and the ongoing support of the charity's current donors and supporters will be fundamental until the new trading model has been established.

On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised at the earlier of the charity being notified of an impending distribution or the legacy being received. Where legacies have been notified to the charity but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured with reliability. If entitlement is not met, then the amounts are deferred.

Income from charitable activities includes Hangar tour income and Engine ground-run income.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting Policies (continued)

Hangar tour income is recognised when the tour takes place. Income from ticket sales received in advance of the tour are deferred.

Engine ground-run income is recognised when the ground-run takes place. Income from ticket sales received in advance of the ground-run are deferred.

Income from trading activities primarily includes income earned from the sale of merchandise and raffles.

Sale of merchandise represents all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, have been transferred to the customer.

Investment income is earned through holding assets for investment purposes. It comprises bank interest and is recognised on an accruals basis.

1.6 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is recognised under the following headings:

- Costs of raising funds includes costs incurred in seeking donations, legacies, grants and fundraising.
- Expenditure on charitable activities includes costs relating to restoration and maintenance, and exhibition and display, to further the delivery of the objectives of the charity.

Irrecoverable VAT is charged against the category of resources expensed for which it was incurred.

1.7 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and costs of raising funds and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objectives of the charity. Support costs are allocated to costs of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 11.

The allocation of support costs has changed during the year to continue to reflect the activities of the charity.

1.8 Tangible fixed assets

Tangible fixed assets are 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:

Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% straight line

1.9 Heritage assets

Heritage assets comprise the Avro Vulcan G-VLCN (XH558) and the English Canberra (WK163). The Vulcan is stated at valuation less depreciation, whilst the Canberra is stated at cost. Depreciation is provided on the Vulcan at a rate calculated to write off the valuation less estimated residual value over its useful economic life, being 70 years from the date which the Vulcan ceased to fly. Depreciation is not yet provided for the Canberra because the asset is not yet available for display.

The trustees have estimated the remaining useful economic life of the Vulcan to be to October 2085 and the residual value of the aircraft to be £Nil. The charity's current policy is to maintain the aircraft in full

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

1 Accounting Policies (continued)

working order and associated maintenance costs are charged to the Statement of Financial Activities.

Public access to the aircraft is achieved through visits to their permanent home at Doncaster Sheffield Airport. However, as noted in the trustees' report, public access is currently restricted due to the move in hangars and the Covid-19 pandemic.

1.10 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount in order to determine the extent of the impairment loss (if any). Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities (SOFA) unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.11 Investments in subsidiaries

Investments are stated at cost less any provision for diminution in value.

1.12 Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock cost is recorded as invoice price net of any discounts received.

1.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.14 Financial instruments

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Debtors and creditors with no stated interest rate and receivable or payable within one year are measured at transaction price. Any losses arising from impairment are recognised in the SOFA.

1.15 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

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

1.18 Taxation

Vulcan to the Sky Trust is a registered charity and no taxation provision is required as its income from charitable activities falls within the various exemptions available to registered charities.

The tax expense represents the sum of deferred tax on all subsidiaries, after taking into account any profits covenanted up to the charity.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of heritage asset (Vulcan)

The valuation of the Vulcan is reassessed annually by the trustees and, when necessary, amended to reflect current estimates.

Allocation of support costs

The allocation of support costs is sensitive to changes in the level of work undertaken on each activity by the charity. The allocation is reassessed annually and amended when necessary to reflect current estimates.

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Regular donations	87,621	-	87,621	98,959
One off donations	29,524	-	29,524	15,979
Corporate donations and sponsorship	10,000	-	10,000	74,260
Other donations	78,082	-	78,082	85,832
Gift aid recovered	273,803	-	273,803	13,107
Legacies	-	-	-	2,690
Names under the Wing campaign	1,554,163	-	1,554,163	4,500
Government grants	-	25,408	25,408	-
Grant income	1,000	-	1,000	-
	<u>2,034,193</u>	<u>25,408</u>	<u>2,059,601</u>	<u>295,327</u>
Unrestricted funds				295,327
Restricted funds				-
				<u>295,327</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Exhibition and display	4,153	-	4,153	58,526
	<u>4,153</u>	<u>-</u>	<u>4,153</u>	<u>58,526</u>
Unrestricted funds				58,526
Restricted funds				-
				<u>58,526</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Sale of merchandise	191,833	-	191,833	203,523
Raffle income	87,030	-	87,030	212,816
Commission income	3,418	-	3,418	5,088
	<u>282,281</u>	<u>-</u>	<u>282,281</u>	<u>421,427</u>
Unrestricted funds				421,427
Restricted funds				-
				<u>421,427</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest receivable	195	-	195	231
	<u>195</u>	<u>-</u>	<u>195</u>	<u>231</u>
Unrestricted funds				231
Restricted funds				-
				<u>231</u>

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from recycling	52	-	52	-
	<u>52</u>	<u>-</u>	<u>52</u>	<u>-</u>
Unrestricted funds				-
Restricted funds				-
				<u>-</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

8 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Fundraising and publicity</u>				
Staff costs	131,876	-	131,876	-
Purchase of merchandise	111,248	-	111,248	109,663
Raffle costs	27,871	-	27,871	10,966
Consultancy costs	6,907	-	6,907	58,446
Carriage and packaging	88,317	-	88,317	33,771
Advertising and promotion	633,033	-	633,033	137,852
Computer costs	7,754	-	7,754	13,492
	<u>1,007,006</u>	<u>-</u>	<u>1,007,006</u>	<u>364,190</u>
Share of support costs (note 11)	167,554	-	167,554	172,336
	<u>1,174,560</u>	<u>-</u>	<u>1,174,560</u>	<u>536,526</u>
Unrestricted funds				536,526
Restricted funds				-
				<u>536,526</u>

The allocation of directly attributable staff costs has changed during the year due to the COVID-19 pandemic limiting time spent on charitable activities but also the need to focus on generating income to secure the new hangar and the charity's future.

9 Charitable activities

	Activities undertaken directly (note 10) £	Support costs (note 11) £	Total 2020 £	Total 2019 £
Restoration and maintenance	98,783	47,231	146,014	277,256
Exhibition and display	51,865	18,743	70,608	109,416
	<u>150,648</u>	<u>65,974</u>	<u>216,622</u>	<u>386,672</u>
Unrestricted funds			216,622	386,672
Restricted funds			-	-
			<u>216,622</u>	<u>386,672</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

10 Activities undertaken directly

	Restoration and maintenance £	Exhibition and display £	Total 2020 £	Total 2019 £
Staff costs	21,301	-	21,301	143,362
Depreciation	10,714	-	10,714	10,714
Aircraft costs	13,562	37,181	50,743	44,488
Hangar costs	49,817	-	49,817	61,554
Air show events	-	10,176	10,176	27,292
Travel costs	3,389	-	3,389	6,431
Printing, postage and stationery	-	4,508	4,508	1,740
	98,783	51,865	150,648	295,581

11 Support costs

	Raising funds £	Restoration and maintenance £	Exhibition and display £	Total 2020 £	Total 2019 £
Staff costs	76,103	-	8,456	84,559	90,505
Depreciation	6,704	1,181	-	7,885	12,175
Computer costs	16,553	5,912	1,182	23,647	27,935
Bank charges	2,946	-	-	2,946	19,814
Other costs	65,248	40,138	9,105	114,491	112,998
	167,554	47,231	18,743	233,528	263,427

Support costs have been allocated to activities on a relevant basis to the nature of the underlying costs in proportion to resources used. The allocation of support costs has changed during the year in light of the change in the level of work undertaken on each activity by the charity. Other costs include governance costs totalling £39,747 (2019 - £34,925). Governance costs include auditors remuneration totalling £18,500 (2019 - £18,500).

12 Trustees remuneration

Except for Richard Clarke, none of the trustees received any remuneration, benefits or reimbursed expenses from the charity during the year, or the previous year. Richard Clarke claimed expenses relating to travel and subsistence, amounting to £301 (2019 - £553).

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Management and administration	9	8
Aircraft crew	1	-
	<u>10</u>	<u>8</u>

Employment costs

	2020 £	2019 £
Wages and salaries	237,277	197,702
Social security costs	17,932	14,854
Pension costs	7,935	7,226
	<u>263,144</u>	<u>219,782</u>

There were no employees whose annual remuneration was £60,000 or more during the year.

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2020 £	2019 £
Aggregate compensation	<u>85,448</u>	<u>101,106</u>

14 Other expenditure

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Wages	-	25,408	25,408	-
	<u>-</u>	<u>25,408</u>	<u>25,408</u>	<u>-</u>
Unrestricted funds				-
Restricted funds				-
				<u>-</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

15 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
(a) Group			
Cost			
At 1 November 2019	360,448	8,821	369,269
Additions	-	-	-
Disposals	-	-	-
At 31 October 2020	360,448	8,821	369,269
Depreciation			
At 1 November 2019	347,133	7,440	354,573
On disposals	-	-	-
Charge for the year	7,195	690	7,885
At 31 October 2020	354,328	8,130	362,458
Net book value			
At 31 October 2020	6,120	691	6,811
At 31 October 2019	13,315	1,381	14,696
(b) Charity			
Cost			
At 1 November 2019	318,438	8,821	327,259
Additions	-	-	-
Disposals	-	-	-
At 31 October 2020	318,438	8,821	327,259
Depreciation			
At 1 November 2019	311,109	7,441	318,550
On disposals	-	-	-
Charge for the year	4,035	690	4,725
At 31 October 2020	315,144	8,131	323,275
Net book value			
At 31 October 2020	3,294	690	3,984
At 31 October 2019	7,329	1,380	8,709

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

16 Heritage assets

	Vulcan (valuation) £	Canberra (cost) £	Total £
Group and Charity			
Carrying amount at 1 November 2019	707,144	51,826	758,970
Depreciation / impairment	(10,714)	-	(10,714)
Carrying amount at 31 October 2020	696,430	51,826	748,256

At 31 October 2020 the charity held two heritage assets:

- 1) Avro Vulcan G-VLCN (XH558) – held at valuation
- 2) English Canberra (WK163) – held at cost

The Avro Vulcan B.MK2 G-VLCN (XH558)

XH558 was the last Vulcan to leave RAF service, flying on from 1986 to 1993 as the single RAF Display Vulcan, a career of 33 years. In 1997, a small team headed by Dr Robert Fleming started an audacious plan to return her to flight at Bruntingthorpe Aerodrome in Leicestershire. In 1999 Marshall of Cambridge Aerospace was appointed Engineering Authority for the restoration project. In December 2003, the Heritage Lottery Fund announced a grant of £2.7million for XH558's restoration. After extensive restoration work and tests, the Vulcan returned to the sky in October 2007.

However, the CAA Permit to Fly was withdrawn at the end of the 2015 calendar year, and so despite being technically able to fly, the aircraft was not permitted to fly. As a result, the trust's business model changed, from flying a globally-unique heritage asset to having the aircraft as the still-serviceable centrepiece of a new visitor attraction and education facility. This change in the status of the asset has had an impact on its residual valuation. As at 31 October 2015, the board valued the aircraft at £750,000. The nature of the asset means it is not possible to derive a market valuation. The trustees therefore valued the aircraft, based on their knowledge and experience of working in the aviation industry. As at 31 October 2019, the board have reassessed their valuation of the aircraft and still consider it to be reasonable.

The aircraft has developed a loyal following of many thousands of supporters. She is and will remain the best preserved all-British four-engined jet aircraft anywhere in the world still capable of powered ground runs. XH558 has to be maintained in the current working state, albeit not flying, under the terms of the trust's contract with the National Heritage Memorial Fund (NHMF) until 6 February 2085.

English Electric Canberra B.2 (WK163)

The English Electric Canberra aircraft was the Royal Air Force's first jet bomber, and entered service in January 1951. The design was very successful and the type was in service for more than 50 years. Many aircraft were sold around the world to the air forces of 17 countries. The trust's example, Canberra WK163 (G-CTTS) captured the world altitude record of over 70,000 feet in August 1957, and is a very important national aviation heritage asset.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

16 Heritage assets (continued)

Five year financial summary of heritage asset transactions (group and charity)

	2020	2019	2018	2017	2016
	£	£	£	£	£
Purchases					
Vulcan	-	-	-	-	-
Canberra	-	-	-	-	51,826
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,826</u>
	-	-	-	-	51,826
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Charge for impairment					
Vulcan	-	-	-	-	-
Canberra	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

17 Fixed asset investments

(a) Group

The group holds no investments

(b) Charity

	Shares in group undertakings £
Carrying amount	
At 1 November 2019	5
	<u>5</u>
At 31 October 2020	5
	<u>5</u>

Holdings of more than 20%

The charity holds 100% of the ordinary share capital in the following companies registered in England and Wales:

Subsidiary undertakings		Principle Activities
Vulcan to the Sky Enterprises Limited (04899710)	VTSE	That of selling merchandise through its website store and at air shows.
The Vulcan Operating Company Limited (03787161)	TVOC	Dormant.
The Vulcan Property Management Company Limited (09924223)	TVPMC	Dormant.
The Vulcan Marketing Company Limited (09906368)	TVMC	Dormant.

Where applicable, the subsidiaries covenant all available profits to Vulcan to the Sky Trust.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

17 Fixed asset investments (continued)

The trading results for the period and the aggregate amount of capital and reserves, as extracted from the financial statements of the subsidiary companies, are summarised below:

	TVOC	TVMC	TVPMC	VTSE	Total 2020	Total 2019
	£	£	£	£	£	£
Turnover	-	-	-	195,250	195,250	208,611
Cost of sales	-	-	-	(128,098)	(128,098)	(142,723)
Gross profit	-	-	-	67,152	67,152	65,888
Administrative expenses	-	-	-	(40,161)	(40,161)	(83,986)
Profit/Loss before taxation	-	-	-	26,991	26,991	(18,098)
Tax charge	-	-	-	-	-	-
Profit/loss for the year	-	-	-	26,991	26,991	(18,098)
Assets and liabilities:						
Assets	11,636	16,003	19,095	110,928	157,662	167,218
Liabilities	(13,805)	(6,612)	(12,566)	(205,182)	(238,165)	(274,712)
Total net assets	(2,169)	9,391	6,529	(94,254)	(80,503)	(107,494)
Capital and reserves:						
Called up share capital	2	1	1	1	5	5
Profit and loss account	(2,171)	9,390	6,528	(94,255)	(80,508)	(107,499)
	(2,169)	9,391	6,529	(94,254)	(80,503)	(107,494)
Statement of movement on profit and loss:						
Balance at 1 November 2019	(2,171)	9,390	6,528	(121,246)	(107,499)	(89,401)
Profit/Loss for the year	-	-	-	26,991	26,991	(18,098)
Donations paid to parent charity	-	-	-	-	-	-
Balance at 31 October 2020	(2,171)	9,390	6,528	(94,255)	(80,508)	(107,499)

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

18 Stock	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Goods for resale	85,148	-	91,525	-
	<u>85,148</u>	<u>-</u>	<u>91,525</u>	<u>-</u>
	<u>85,148</u>	<u>-</u>	<u>91,525</u>	<u>-</u>
19 Debtors	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Amounts falling due within one year:				
Trade debtors	11,905	3,700	23,364	21,009
Amounts due from subsidiary undertakings	-	139,941	-	229,575
Other debtors	400	43,790	16,731	16,423
Prepayments and accrued income	44,326	32,250	34,652	28,543
	<u>56,631</u>	<u>219,681</u>	<u>74,747</u>	<u>295,550</u>
	<u>56,631</u>	<u>219,681</u>	<u>74,747</u>	<u>295,550</u>
20 Creditors: Amounts falling due within one year	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	50,749	43,540	34,995	26,720
Amounts due to subsidiary undertakings	-	11,621	-	11,621
Other creditors	2,043	1,543	1,042	818
Accruals	23,927	23,927	32,925	32,925
Deferred income	-	-	60,387	60,387
Taxes and social security costs	16,124	4,514	5,347	3,788
	<u>92,843</u>	<u>85,145</u>	<u>134,696</u>	<u>136,259</u>
	<u>92,843</u>	<u>85,145</u>	<u>134,696</u>	<u>136,259</u>

The aircraft is subject to a first charge by the Trustees of The National Heritage Memorial Fund (see note 23 for further details).

Deferred income represents income received in advance for raffles occurring in the next financial year.

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

21	Restricted funds	Balance at 1 Nov 2019 £	Income £	Expenditure £	Balance at 31 Oct 2020 £
	Group and Charity				
	Coronavirus Job Retention Scheme	-	25,408	(25,408)	-
		<u>-</u>	<u>25,408</u>	<u>(25,408)</u>	<u>-</u>
		<u>-</u>	<u>25,408</u>	<u>(25,408)</u>	<u>-</u>

Coronavirus Job Retention Scheme

Represents amounts received from the Government to cover staff costs during the Covid-19 pandemic.

The Group and Charity did not have any movement on restricted funds during the year ended 31 October 2019.

22 Analysis of net assets between funds

(a) Group	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Funds balances are represented by:						
Tangible fixed assets	6,811	-	6,811	14,696	-	14,696
Heritage assets	748,256	-	748,256	758,970	-	758,970
Current assets	1,129,393	-	1,129,393	222,955	-	222,955
Creditors: amounts falling due within one year	(92,843)	-	(92,843)	(134,696)	-	(134,696)
	<u>1,791,617</u>	<u>-</u>	<u>1,791,617</u>	<u>861,925</u>	<u>-</u>	<u>861,925</u>
(b) Charity	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Funds balances are represented by:						
Tangible fixed assets	3,984	-	3,984	8,709	-	8,709
Heritage assets	748,256	-	748,256	758,970	-	758,970
Investments	5	-	5	5	-	5
Current assets	1,205,024	-	1,205,024	337,996	-	337,996
Creditors: amounts falling due within one year	(85,145)	-	(85,145)	(136,259)	-	(136,259)
	<u>1,872,124</u>	<u>-</u>	<u>1,872,124</u>	<u>969,421</u>	<u>-</u>	<u>969,421</u>

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

23 Contingent liabilities

In previous years the trust received funding from the National Heritage Memorial Fund (NHMF) in the sum of £2,734,000. The trust may be required to repay some or all of this grant in the event of the sale, disposal or mortgage charge of the plane without prior approval of the NHMF. The amount repayable is currently limited to £402,248.

The trust will also require an interest in the plane or right to the exclusive use and possession of the aircraft to 6 February 2085.

24 Operating lease commitments

At 31 October 2020 the group and charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2020	Charity 2020	Group 2019	Charity 2019
	£	£	£	£
Within one year	23,087	19,321	23,087	19,321
Between two and five years	-	-	19,000	19,000
	23,087	19,321	42,087	38,321

Lease payments totalling £44,850 (2019 – £55,732) have been recognised as an expense during the year.

25 Events after the reporting date

The ongoing COVID-19 pandemic resulted in another national lockdown in January 2021. Therefore charitable activity income has remained lower than pre-pandemic levels. The charity has continued to use the Coronavirus Job Retention Scheme during the period. More detail is included in the trustees' report on how COVID-19 has impacted the charity and the measures the trustees have taken to try and mitigate its impact.

Legacy income amounting to £141,000 was notified after 31 October 2020 and has not been recognised in these accounts.

26 Ultimate controlling party

The charity is controlled by its trustees acting in accordance with the terms of the memorandum and articles of association.

27 Related parties

The charity has taken advantage of the exemption given by FRS 102, from disclosing transactions with its wholly owned subsidiaries.

During the year, Angela Trotter (the spouse of Michael Trotter, a member of key management personnel), invoiced the company £3,805 (2019: £4,680) for her accountancy services from Greenways Business Services, a partnership in which Michael Trotter is a member. The amount due to be paid at the year end amounts to £Nil (2019: £500).

VULCAN TO THE SKY TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2020

28 Net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the year	929,692	(147,687)
Investment income	(195)	(231)
Depreciation of heritage assets	10,714	10,714
Depreciation of tangible assets	7,885	12,175
Movements in working capital:		
(Increase)/decrease in stocks	6,377	20,957
(Increase)/decrease in debtors	18,116	123,190
Increase/(decrease) in creditors	(41,853)	(81,083)
Net cash flow from operating activities	930,736	(61,965)

29 Analysis of changes in net funds

During the year the charity had no borrowings or obligations under finance leases. The changes in net funds of the charity therefore solely comprise of cash and cash equivalents.