



AEROSPACE
BRISTOL

**BRISTOL AERO COLLECTION TRUST
TRUSTEES' REPORT AND ACCOUNTS**

FOR THE YEAR ENDED 31 MARCH 2021

Company registered number: 02689238

Charity registered number: 1010632

BRISTOL AERO COLLECTION TRUST

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

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BRISTOL AERO COLLECTION TRUST

TRUSTEES' ANNUAL REPORT

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Our Vision

An aerospace industrial museum and learning centre in Filton that inspires and entertains today's and future generations through the stories and achievements of Bristol's aerospace industry - past, present and future.

Aims and Objectives

The Trustees have had due regard, as required by the Charities Act 2011, to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its activities. The Objects of the Trust, as stated in its Memorandum of Association are:

- To advance public education in all matters concerning aircraft and the aircraft and aerospace industries, in particular by the provision of a museum for the public display, restoration and conservation of aircraft, flying boats, missiles, rockets, satellites, other flying aerial or space devices or machines and the component parts of them and drawings or archives and other products of, or relating to the aircraft and aerospace industries; and
- To promote or undertake research into the history of aircraft design manufacture and operation including the history of the persons and companies involved in these activities and to publish and disseminate the useful results of that research.

The specific public benefits that flow from our Vision and Objects are:

- To enable a wide range of people to participate in and learn about the region's aviation heritage;
- To advance learning, skills and training, particularly in science, technology, engineering and design as well as heritage conservation skills;
- To conserve the aviation heritage, including Concorde 216, for present and future generations to experience, appreciate and enjoy; and
- To celebrate the world class achievements of the aerospace industry and the people who made it possible.

Achievements

This report covers the period to date from 1 April 2020, which was shortly after the Trust's museum, Aerospace Bristol, closed to the public on 18 March 2020 due to Covid-19 restrictions. Evidently, the pandemic has had, and continues to have a dramatic impact on the museum's operations and its financial performance. However, Aerospace Bristol has survived and the Trustees believe that its long-term future is sustainable and that it will continue to achieve its charitable purposes and public benefit outcomes.

Thanks to careful financial management, the support of South Gloucestershire Council, a £250,000 grant from the National Lottery Heritage Emergency Fund and support from the Government's Job Retention Scheme, the museum re-opened its doors on 1 August 2020 following nearly 5 months of closure, achieving encouraging visitor numbers.

In October 2020, the Trust was awarded a grant of £514,000 from round-one of the Department for Digital, Culture, Media and Sport (DCMS) Culture Recovery Fund to safeguard the museum through the second lockdown in England which began on 3 November 2020 and was expected to last a few months. Due to an extended lockdown period, the Trust applied for and was awarded a

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further £358,000 in April 2021 from round two of the Culture Recovery Fund and, to support the museum through its post-opening recovery, an additional £233,000 from round-three was awarded in October 2021.

Aerospace Bristol was able to reopen to the public on 19 May 2021, initially operating five days a week, rising to seven days a week during school holidays and from 1 October 2021. Admission numbers have been building slowly, school visits are returning, and the Trust is encouraged by the gradual recovery of its group travel and events business.

Despite the frustrations and delays to programmes and activities caused by the pandemic, the Trust has been able to successfully progress a number of new and existing initiatives. Many were wholly delivered or enhanced as a result of grant funding. This included a generous grant of £244,000 received in December 2020 from Garfield Weston Foundation's Weston Culture Fund to support improvements to the physical and digital infrastructure, such as new IT equipment, on-line shop, souvenir guide book and office fit-out.

During the first lockdown, the Trust created 'At Home with Aerospace Bristol' to keep engaged with its audiences, providing daily posts and on-line content, including STEM activity videos and demonstrations, children's activity sheets and resources, mini spotlight talks about objects in the exhibitions, wellbeing activities and online reminiscences.

The Trust has developed and launched a new children's app initially working with students from UWE Bristol, to expand accessibility and engage with young visitors at the museum. With support from Art Fund, it launched Aerospace Lives, a community history platform with trails around the museum landscape, featuring archive material and oral histories.

As well as 'At Home with Aerospace Bristol', the museum has run virtual school visits and workshops, developed virtual museum tours and run on-line community history sessions.

Sponsored by Ogden Trust, we have run a series of family science shows and, with funding from The Nisbet Trust, a STEAM (Science, Technology, Engineering, Art and Maths) Club programme targeting areas of low income and engagement in Bristol.

In partnership with the University of Bristol's Astronomy and Astrophysics department and with funding from the Science and Technology Facilities Council, we have developed new learning sessions based on how we use telescopes to understand the universe, and created loan boxes to supplement school workshops.

Working with the South Gloucestershire Museums Group and Avon Indian Community Group, the Trust is developing an oral history project and travelling exhibition. This is part of the Trust's continued aims to strengthen links with BAME communities and expand representation in the collections and exhibitions.

Throughout the first part of 2021, the majority of the Trust's reserve collection was relocated from temporary storage to the museum site. Many borrowed objects were returned to their owners, while some were approved by the board for disposal through the museum's formal collections review process.

After significant enforced delays to its completion, in July 2021 we were honoured that the Trust's Royal Patron, HRH The Princess Royal officially opened the new Conservation Workshop housed in restored Grade II listed Hangar 16M. Here visitors are able to view conservation in action and engage with knowledgeable volunteers. The hangar also provides learning and community spaces, collections storage and care areas, and new offices. Along with a Bristol Bolingbroke and Bristol Freighter, a Bristol Fighter with many original elements, is also on display following its return from

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the USA in October 2020. The Trust is indebted to Biffa Award for enabling this important project to take-off and the many other Trusts, Foundations and individuals for supporting this unique project. We will continue to raise funds to support conservation and learning activities in the workshop, especially to engage young people through practical work experience and volunteering opportunities.

In June 2021, the museum successfully soft-launched a new on-line shop which is already being significantly enhanced in readiness for the Christmas sales period.

Some three months after reopening, the museum was assessed by Visit England under its Visitor Attraction Quality Assurance Scheme. We were delighted to achieve a score of 90% which is exceptional, making the museum eligible for a Gold Award, Visit England's highest accolade.

During the year, the museum also received a number of prestigious awards: Best Museum or Gallery in the Group Leisure & Travel Awards; Best Museum Visit in the School Travel Awards and TripAdvisor's Travellers' Choice Award, which places the museum in the top 10% of attractions on the global TripAdvisor platform.

Staff at the museum are pleased to exchange their knowledge and contribute to the wider community through the DETI (Digital Engineering Technology and Innovation) programme; Inspire Advisory Group (a project led by UWE); Bristol Heritage Education Forum; Bristol Cultural Education Partnership; ABTEM (Association of British Transport and Engineering Museums) and; Aviation Heritage UK. Specifically, staff members chair the South Gloucestershire Museums Group and South West Military Aviation Heritage Network.

Deferred from 2020, the Trust submitted its updated application to Arts Council England's Museum Accreditation Scheme in August 2021 and is awaiting award in the autumn.

The Trust is very grateful for the hard work, commitment and loyalty of its staff and volunteers during what has been an exceptionally challenging time. There is a continuing process of recruiting new volunteers and a drive towards increasing diversity, with some 170 volunteers currently contributing to the work of the Trust.

The Trust thanks all its members, individual donors, government-backed funders, companies and grant-giving Trusts and Foundations that have supported the museum throughout the year and allowed it to survive and thrive into the future.

Plans for the future

The Trust's Forward Plan sets out its strategic goals and plan of action for the period until 2024 in order to achieve its charitable purposes and maintain its financial sustainability.

To successfully, sustainably and safely operate a nationally-recognised and fully accredited museum

Highly prudent financial management will continue to be critical as the Trustees consider that the effects of the pandemic will continue to be felt throughout 2022, with operations not returning to full or near pre-Covid levels until 2023.

The Trust will aim to

- Achieve an operating surplus in each year of operations and become debt-free over the next 10 years
- Make improvements against the standards set by Museum Accreditation, maintain a Gold

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Accolade under the Visit Britain's Visitor Attraction Quality Scheme and achieve Archive Accreditation.

- Attract and retain high quality professional staff.
- Maintain a minimum of 200 volunteers to support the museum's activities and improve the diversity of our staff, including volunteers, to reflect the community served by the museum.
- Continue to work towards achieving net zero greenhouse gas emissions by 2050 to meet the goal for the UK, as well as aligning with South Gloucestershire's 2030 Zero Carbon target.

To advance learning, training and skills particularly history and heritage, and in science, technology and engineering, its past, present and future applications

The Trust will build on its learning and outreach programmes, developing its partnership with local universities, colleges, schools, industry and community organisations. The museum will aim to offer many more volunteering opportunities, especially for young people as a means of providing pathways into training and employment and engage with hard to reach audiences.

The Trust will aim to:

- Attract a minimum of 10,000 student visits in each year of operations, with an emphasis on those from disadvantaged backgrounds
- Deliver 200 formal and informal learning events, including through on-line activities
- Host/lead c.10 major events or projects each year with STEM, community and heritage partners such as universities, industry and professional bodies
- Participate in or attend 5 major learning and/or community projects or events a year

To conserve heritage and enhance the collections for present and future generation to experience, appreciate and enjoy

The Trust will continue the major review of its reserve collection, digitise and catalogue the museum's nationally-significant archive and make our collections increasingly accessible to the public.

The Trust will aim to:

- Make the collections more accessible by documenting objects and archives to SPECTRUM/archive standards, and increase visibility of collections through community outreach, display, social media, digital platforms and engagement with specialist networks.
- Maintain a program of preventative conservation and deliver progress on large scale conservation and restoration projects: Bolingbroke, Fighter, and Freighter.
- Complete a collections review of the reserve collection to ensure the collections are appropriate; dispose of objects if required and identify gaps in the current collection.
- Prepare plans for the development of the next phase of exhibitions, storage and facilities for Building 16R and the 'Futures' gallery in Hangar 16S.

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Financial Review

Results (£000's)

The consolidated net movement in funds figures for 2021 and 2020 after transfers are summarised below:

| | 2021 | 2020 |
|--------------------------------------|---------------------|---------------------|
| | £000's | £000's |
| Net movement in the Free fund | (10.1) | 29.6 |
| Net movement in the Fixed asset fund | <u>218.0</u> | <u>120.9</u> |
| Total movement in Unrestricted funds | 207.9 | 150.5 |
| Net movement in Restricted funds | <u>70.8</u> | <u>10.1</u> |
| Net movement in funds | <u>278.7</u> | <u>160.6</u> |

The balance held in each of the funds at the year-end are as follows:

| | | |
|-----------------------------------|-----------------|-----------------|
| Charity free fund (£000's) | 2021 (£2,408.5) | 2020 (£2,628.7) |
| BAC Trading Limited fund (£000's) | 2021 £0.8 | 2020 £2.9 |
| Charity fixed asset fund (£000's) | 2021 £16,722.0 | 2020 £16,732.2 |
| Restricted funds (£000s) | 2021 £439.1 | 2020 £368.3 |

Cash Flow (£000's)

The net cash inflow for the year of £315.2 compares favourably with the previous year's inflow of £10.6.

Going concern

The Trustees believe the Charity is a going concern, yet there are material uncertainties regarding this matter.

Since the 2021 financial year end, discussions and negotiations have been successfully completed to provide the following new financial arrangements:

- Under a £1 million loan agreement secured with South Gloucestershire Council over a 10-year period, the first repayment of £100,000 was due on 31st March 2020 with further annual payments of £100,000 over subsequent years. Annual interest of 4% over Base Rate will be paid on the amount of outstanding loan. However, due to the Covid pandemic and the museum facing serious financial uncertainty, the first loan and interest repayment was deferred to March 2022, with interest accruing for the prior years.
- An overdraft facility of £1.4 million obtained from Lloyds Bank is secured by a guarantee provided by BAE Systems. Interest will be charged at 1.8% above Base Rate. The current annual overdraft extends to 30th November 2021 but, supported by BAE System's guarantee, the Trust has agreed a new 12 months overdraft facility to 30th November 2022.

The Trust's need for the above financial facilities is the result of a shortfall in funding for capital expenditure incurred in the implementation period prior to the opening of the museum in October

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2017. This creates a level of uncertainty as the free fund is in deficit, and part of the deficit has to be funded by way of an overdraft facility. Legally an overdraft facility can be withdrawn at short notice even though a new facility has been granted until 30th November 2022 and is secured by BAE Systems' guarantee.

The Trustees remain confident that the current overdraft arrangements will continue to be made available, thanks to the ongoing support provided by BAE Systems.

Since re-opening the museum in May 2021, visitor admissions have been steady, school and group bookings are encouraging and there is a cautious return of the museum's events and hospitality business. Despite the potential threat of further lockdowns and the continued impact of Covid-19 on consumer and business confidence, it is expected that overall income levels will return to near pre-pandemic levels through 2022 and by 2023. This will be coupled with reduced operating costs which have been driven over the last eighteen months.

Moving forward, due to increased profitability, the Trust may be able to either reduce its bank overdraft limit or convert the short term overdraft facility into a long term loan arrangement, similar to that agreed with South Gloucestershire Council.

The Trust has been supported by over £1.1 million in grants from the National Lottery Heritage Emergency Fund and Arts Council England Culture Recovery Fund, with a further £233,000 awarded in October 2021 to support the museum from November 2021 to January 2022 as admission and trading income recover.

The Trustees consider that there are adequate resources available to fund the normal on-going activities of the Trust as well as pay down debt.

Based on the above, the financial statements are prepared on the assumption that the entity is a going concern.

Reserves policies

The Trust's policy is to firstly eliminate the deficit on the consolidated Free fund of £2,408,547 and then to build reserves sufficient to provide an appropriate level of cover against future operating risks and uncertainties.

Funds have been classified as follows:

Free fund

Usually a designated fund cannot result in a negative general funds position. However, the Trustees have chosen to show the net book value of the tangible fixed assets and heritage assets as a designated fund in order to clearly show the negative free reserves position of the Trust. At the end of the 2021 financial year end this fund has a negative free reserve position of £2,408,547 (2020: negative £2,628,660). The results of the Trust's charitable and commercial activities are incorporated in this fund.

Fixed asset fund

This unrestricted fund represents net book value of the charitable fixed assets and heritage assets. At the 2021 financial year end this fund's position is £16,722,014 (2020 £16,732,206).

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Aerospace Bristol fund

This fund incorporates transactions specifically relating to the creation of the Aerospace Bristol museum for which the remaining amount is required for the refurbishment of the Hangar 16M building. Over the period of the 16M project £1,096,377 of restricted income has been gifted to the Charity and at the year-end £963,717 had been utilised on the development, leaving a balance of £132,660. The building is open for visitors, although there is still some work to be completed.

Restoration fund

This restricted fund has been established to provide funds specifically for the conservation of large objects of importance that the Trust intends to eventually exhibit. Currently the funds are only held in respect of the Bolingbroke aircraft. In previous years, funds were used to acquire the Bristol Fighter F2B and Bristol Freighter; these funds were fully utilised in those years.

Other restricted funds

This includes a number of grants received for specific short-term projects and activities.

The Trust is extremely grateful to all those that have provided funds during the year.

Principal risks and uncertainties

The Executive Management Committee, Audit Committee, and Board of Trustees monitor the risk management plan on a regular basis. The Audit Committee is specifically responsible for regularly reviewing the risks that the Trust may face, and for ensuring that there are adequate procedures to manage the identified risks.

The main risks faced by the Trust are:

- Covid-19 pandemic continuing to cause a reduction in consumer and business confidence which impacts on admission and secondary spend, and the museum's events and hospitality business. To mitigate, admissions levels and cash flow forecasts are reviewed weekly, full use has been made of job support and other government schemes, significant cost reductions has been made and a strict expenditure control process is in place.
- Financial risks relating to the repayment of debt as explained in the Financial Review above.
- Environmental and other risks such as fire, flood and terrorism which could lead to the damage or destruction of the museum. Mitigating factors include insurance cover, good housekeeping and communication, emergency plans and staff training.
- Climate change causing extreme weather patterns, with high temperatures impacting a largely indoor attraction. Consideration is being given to extending outdoor provisions. Insurance against this can be considered.
- Incidents causing loss of reputation affecting visitor numbers and stakeholder confidence in the Trust. Careful recruitment and staff training, particularly in Visitor Services, plus close monitoring of social media and customer feedback are ways used to manage this risk.
- A flat management structure designed to minimise staff costs creates a level of risk if key personnel leave at short notice. The aim is to develop existing management roles and succession planning to reduce any risk.

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It is the policy of the Board to hold insurance on its collection of artefacts and archival material on the basis of the possible repair and restoration costs and/or alternative replacement costs, but not the like-for-like replacement cost that may be incurred, as most of the collection is unique and irreplaceable. Items under loan are insured for costs prescribed under the terms of loan agreement.

Structure, governance and management

The Trust is a company limited by guarantee, incorporated on 19 February 1992 with number 02689238 and registered as a charity on 24 April 1992 with number 1010632.

New Articles of Association were adopted in May 2018 to bring them into line with current legislation and best practice, and to provide a suitable corporate governance framework for the future. Members of the Trust are required to renew annually and a register of members is maintained by the Trust.

The Board met formally twenty-three times during the financial year to review and manage the Trust's financial position during the Covid pandemic, reverting to meeting monthly from February 2021. The Board is responsible for policy, setting strategic objectives and the overall management of the Trust.

The Trust's Nominations and Governance Committee remains engaged in a review process to ensure that the Board has the necessary skills, experience and diversity to successfully direct and manage the charity into the future. There is a continual process of improvement in the governance of the charity, with the planned introduction of a Code of Conduct for Trustees, and new Trustees principally recruited through public advertisement.

The Trust's Audit Committee meets regularly and has responsibility for reviewing, monitoring and reporting to the Board on financial performance, budgets and forecasts, policies and procedures, risk management, internal controls, external audit and the Annual Accounts.

An Executive Management Team, headed by an Executive Director, is responsible for the day-to-day operational management of the Trust's activities.

The Board and its Management are supported by a Heritage & Collections Advisory Group and a Learning Futures Advisory Group which operate under formal terms of reference and are chaired by experienced Trustees.

Annual accounts are prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102 SORP).

Following this year's review process, recommendations were made by the Nominations and Governance Committee. These were then considered by the Board and approved candidates were put to the Membership at an AGM held on the 21 December 2020. The following Trustees were appointed:

- Jenny Body
- Sian Smith

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- Jon Finch
- Richard Pettit
- Paul Craig

Fundraising

Aerospace Bristol has a small full-time professional fundraising team and does not outsource any fundraising nor rely on external expertise.

The Trust is a registered with the Fundraising Regulator for which the voluntary levy is paid. Fundraising activity adheres to the the Fundraising Code relating to ethical matters, fundraising standards and best practice. The Trust has received no complaints through the Fundraising Preference Service.

Aerospace Bristol is not a corporate member of the Institute of Fundraising (IoF), however members of the Development team are individually registered with the IoF. Members of the team have completed Fundraising Diplomas with the IOF and the museum's Fundraising activity adheres to the Code of Fundraising Practice. This sets the legal requirements, policies and systems which apply to UK fundraising activity. The Trust has a data protection policy and complies with the General Data Protection Regulations (GDPR). The Trust will continue to refer to all the relevant professional and statutory bodies as guidance and regulation develops on both fundraising and GDPR.

The Trust works hard to ensure that money is managed responsibly and that a good reputation is maintained by being transparent and trustworthy. Feedback is welcomed from donors, supporters and others who are approached for funds and is always taken seriously, serving to develop and improve activities and communications.

The Trust takes very seriously its responsibility towards supporters who may be considered to be in vulnerable circumstances. In line with being a Dementia Friendly Organisation, the Trust will carefully consider donations given by vulnerable adults and when appropriate consider the return of the donation. The fundraising team will comply with the donations policy which has been approved by the Board of Trustees.

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BRISTOL AERO COLLECTION TRUST
REFERENCE & ADMINISTRATIVE INFORMATION
YEAR ENDED 31 MARCH 2021

Patron: HRH The Princess Royal

Vice Patrons: Sir George White Bt.
Mr. Jack Lopresti MP

Registered charity number: 1010632

Company registered number: 02689238

Trustees:

| | |
|------------|--|
| Chair | I Gray |
| Vice Chair | J Body (appointed 21 December 2020) |
| Secretary | R Pettit (appointed 21 December 2020) |
| | K Anthony Wilkinson (resigned 21 December 2020) |
| | A Gregg |
| | L Brodie |
| | L Burnell (resigned 21 December 2020, reappointed 24 May 2021) |
| | P Craig (reappointed 21 December 2020) |
| | J Finch (appointed 21 December 2020) |
| | J D Heron |
| | N Philippidis |
| | M Sanders |
| | C Ware (resigned 21 December 2020) |
| | S Smith (appointed 21 December 2020) |

Guarantors: All members of the Bristol Aero Collection Trust are guarantors.

Executive Management Committee:

| | |
|---|-------------------------|
| Executive Director | Lloyd Burnell |
| Head of Finance and Administration | Helen Brown (Treasurer) |
| Collections Manager | Stefanie Vincent |
| Development Manager | Martha Lewington |
| Facilities & IT Manager | Paul Handoll |
| Learning & Community Engagement Manager | Amy Seadon |
| Marketing Manager | Adam Jones |
| Visitor Services & Retail Manager | Rachel Chivers |

Auditor and Registered office: Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road, Flax Bourton
Bristol BS48 1UR

Bankers: Lloyds Bank
Canons House
Canons Way
Bristol BS99 7LB

BRISTOL AERO COLLECTION TRUST

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of Bristol Aero Collection Trust for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of 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;
- make judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 the 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's auditors are unaware; and
- the trustees have taken all steps that they ought to make themselves aware of that information.

This report and the financial statements have been prepared in accordance with the Companies Act 2006, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities" and have been prepared taking advantage of the small companies exemptions conferred by Part 15 of the Companies Act 2006.

On behalf of the Board of Trustees


Iain Gray, Chair

Approved by order of the Board of Trustees on 22 NOVEMBER 2021

BRISTOL AERO COLLECTION TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRISTOL AERO COLLECTION TRUST

YEAR ENDED 31 MARCH 2021

Independent auditor's report to the members of Bristol Aero Collection Trust

Opinion

We have audited the financial statements of Bristol Aero Collection Trust (the "parent") and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated and parent Statement of Financial Activities, the consolidated and parent Balance Sheets, the consolidated Cash Flow Statement 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 Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent's affairs as at 31 March 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards in 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 the 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 in relation to going concern

We draw attention to note 21 in the financial statements and the Trustees' Report, which indicates that the group is being affected negatively by Covid-19, has negative free reserves of £2,408,527 at the year-end and is relying on an overdraft of £1,109,986 that is repayable on demand and is due for renewal in November 2022. Within 12 months of the signing date of the financial statements the charity will begin repaying the South Gloucestershire Council loan capital and interest. The Trustees are confident, based on the successful operation of the site when open, the Trustees' forecasting, post year grant income and the guarantor of BAE Systems on the overdraft, that the overdraft facility will continue and that the group's creditors will be able to be serviced from

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRISTOL AERO COLLECTION TRUST

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operating cash flows. The financial statements have therefore been prepared on a going concern basis. The conditions of operating in the environment of the pandemic with operational restrictions outside of the Trustees' control indicate that a material uncertainty exists that may cast significant doubt on the parent and the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual 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 themselves. 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 the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (incorporating the directors' report). We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or returns adequate for our audit have not been received from branches not visited by us; or;
- the parent charitable company financial statements are not in agreement with the accounting records and returns;

BRISTOL AERO COLLECTION TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRISTOL AERO COLLECTION TRUST

YEAR ENDED 31 MARCH 2021

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 and the parent'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the group's remuneration policies.

BRISTOL AERO COLLECTION TRUST

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRISTOL AERO
COLLECTION TRUST**

YEAR ENDED 31 MARCH 2021

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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/apb/scope/private.cfm This description forms part of our auditor's report.

Joshua Kingston BSc., ACA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited Chartered Accountants and Statutory Auditor

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date:

BRISTOL AERO COLLECTION TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted Free Funds £ | Unrestricted Designated Funds £ | Restricted Funds £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------------|-----------|------------------------------------|--|--------------------------|--------------------------|--------------------------|
| Income from: | | | | | | |
| Donations and legacies | 2 | 1,648,481 | - | 434,822 | 2,083,303 | 1,226,769 |
| Charitable activities | 3 | 207,587 | - | - | 207,587 | 1,024,452 |
| Other trading activities | 4 | 44,313 | - | - | 44,313 | 1,582,235 |
| Total income | | 1,900,381 | - | 434,822 | 2,335,203 | 3,833,456 |
| Expenditure on: | | | | | | |
| Raising funds | 5 | 181,567 | - | - | 181,567 | 1,207,924 |
| Charitable activities | 6 | 1,498,344 | 369,747 | 6,813 | 1,874,904 | 2,464,912 |
| Total expenditure | | 1,679,911 | 369,747 | 6,813 | 2,056,471 | 3,672,836 |
| Net income/(expenditure) | 8 | 220,470 | (369,747) | 428,009 | 278,732 | 160,620 |
| Transfers between funds | 22 | (2,382) | 359,555 | (357,173) | - | - |
| Net movement in funds | | 218,088 | (10,192) | 70,836 | 278,732 | 160,620 |
| Total funds at 1 April | 22 | (2,625,790) | 16,732,206 | 368,274 | 14,474,690 | 14,314,070 |
| Total funds at 31 March | 22 | (2,407,702) | 16,722,014 | 439,110 | 14,753,422 | 14,474,690 |

The Group has no recognised gains or losses other than the results for the year as set out above.
All of the activities of the Group are classed as continuing.

See note 10 for the comparative Statement of Financial Activities.

The notes on pages 20 to 35 form part of these financial statements.

BRISTOL AERO COLLECTION TRUST

THE CHARITY'S STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2021

| | Note | Unrestricted Free Funds £ | Unrestricted Designated Funds £ | Restricted Funds £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------------|------|------------------------------------|--|--------------------------|--------------------------|--------------------------|
| Income from: | | | | | | |
| Donations and legacies | 2 | 1,648,481 | - | 434,822 | 2,083,303 | 1,449,126 |
| Charitable activities | 3 | 207,587 | - | - | 207,587 | 1,024,452 |
| Other trading activities | 4 | 14,285 | - | - | 14,285 | 467,262 |
| Total income | | 1,870,353 | - | 434,822 | 2,305,175 | 2,940,840 |
| Expenditure on: | | | | | | |
| Raising funds | 5 | 149,514 | - | - | 149,514 | 227,982 |
| Charitable activities | 6 | 1,498,344 | 369,747 | 6,813 | 1,874,904 | 2,464,912 |
| Total expenditure | | 1,647,858 | 369,747 | 6,813 | 2,024,418 | 2,692,894 |
| Net income/(expenditure) | 8 | 222,495 | (369,747) | 428,009 | 280,757 | 247,946 |
| Transfers between funds | 22 | (2,382) | 359,555 | (357,173) | - | - |
| Net movement in funds | | 220,113 | (10,192) | 70,836 | 280,757 | 247,946 |
| Total funds at 1 April | 22 | (2,628,660) | 16,732,206 | 368,274 | 14,471,820 | 14,223,874 |
| Total funds at 31 March | 22 | (2,408,547) | 16,722,014 | 439,110 | 14,752,577 | 14,471,820 |

The Charity has no recognised gains or losses other than the results for the year as set out above.
All of the activities of the Charity are classed as continuing.

See note 11 for the comparative Statement of Financial Activities.

The notes on pages 20 to 35 form part of these financial statements.

BRISTOL AERO COLLECTION TRUST

BALANCE SHEETS

AT 31 MARCH 2021

Company number: 02689238

| | Note | Group 2021 £ | Charity 2021 £ | Group 2020 £ | Charity 2020 £ |
|--|------|--------------------------|--------------------------|--------------------------|--------------------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | 16,490,428 | 16,487,023 | 16,500,085 | 16,497,215 |
| Heritage assets | 14 | 234,991 | 234,991 | 234,991 | 234,991 |
| Investments | 15 | - | 1 | - | 1 |
| | | <u>16,725,419</u> | <u>16,722,015</u> | <u>16,735,076</u> | <u>16,732,207</u> |
| Current assets | | | | | |
| Stocks | 16 | 62,005 | - | 60,427 | - |
| Debtors | 17 | 194,815 | 271,989 | 756,140 | 487,242 |
| Cash at bank | 26 | 372,663 | 290,476 | 57,427 | 20,390 |
| | | <u>629,483</u> | <u>562,465</u> | <u>873,994</u> | <u>507,632</u> |
| Creditors: Amounts falling due within one year | 18 | <u>(1,659,813)</u> | <u>(1,590,236)</u> | <u>(2,087,646)</u> | <u>(1,721,285)</u> |
| Net current assets | | <u>(1,030,330)</u> | <u>(1,027,771)</u> | <u>(1,213,652)</u> | <u>(1,213,653)</u> |
| Creditors: Amounts falling due after more than one year | 18 | <u>(941,667)</u> | <u>(941,667)</u> | <u>(1,046,734)</u> | <u>(1,046,734)</u> |
| Net assets | | <u><u>14,753,422</u></u> | <u><u>14,752,577</u></u> | <u><u>14,474,690</u></u> | <u><u>14,471,820</u></u> |
| Unrestricted funds | | | | | |
| Restricted funds | 23 | 439,110 | 439,110 | 368,274 | 368,274 |
| Unrestricted funds | 23 | 14,314,312 | 14,313,467 | 14,106,416 | 14,103,546 |
| | | <u><u>14,753,422</u></u> | <u><u>14,752,577</u></u> | <u><u>14,474,690</u></u> | <u><u>14,471,820</u></u> |

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These accounts were approved by the Board on 22/11/21, and signed on their behalf by:



Nina Philippidis
Trustee

The notes on pages 20 to 35 form part of these financial statements.

BRISTOL AERO COLLECTION TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2021

| | Notes | 2021 £ | 2020 £ |
|---|-----------|-----------------------|----------------------|
| Net outflow from operating activities | 24 | 404,467 | (130,672) |
| Non-operational cash flows: | | | |
| Investing activities | | | |
| Tangible fixed asset additions | | (360,641) | (487,675) |
| Incoming capital grants (per SOFA) | | 392,242 | 561,490 |
| Decrease in capital debtors | | 140,120 | 27,258 |
| Increase/(decrease) in fixed asset creditors | | <u>(261,450)</u> | <u>261,450</u> |
| | | (89,729) | 362,523 |
| Financing activities | | | |
| Increase/(repaid) on bank overdraft | 26 | 97,232 | (268,010) |
| Loans (repaid)/increased | 26 | <u>(96,734)</u> | <u>46,734</u> |
| | | 498 | (221,276) |
| Net cash inflow/(outflow) for the year | 25 | <u><u>315,236</u></u> | <u><u>10,575</u></u> |

Cashflow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 20 to 35 form part of these financial statements.

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.01 Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and the Charities Statement of Recommended Practice in accordance with the Financial Reporting Standard 102 (SORP FRS102).

The Charity is a public benefit entity as defined under FRS102.

The Trustees consider there to be a material uncertainty around the ability of the Charity to exist as a going concern. Notwithstanding this uncertainty, the accounts have been prepared on a going concern basis. This is explained in more detail in the Trustees' Report on page 5 and in note 21.

1.02 Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA), Consolidated Balance Sheet and Consolidated Cash Flow Statement consolidate the financial statements of the Charity and its subsidiary, BAC Trading Limited. The results of the subsidiary are consolidated on a line by line basis.

1.03 Income

All income becoming available to the Charity in the year is recognised in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Donations and legacies includes income generated from gifts, donations and legacies and grants and is included in full in the SOFA when receivable. Grants, where entitlement is conditional on the delivery of specific performance by the Charity are recognised when the Charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

1.04 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Expenditure on raising funds comprises the costs associated with attracting donation, grant and legacy income and the costs of trading for fundraising purposes.

Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to this activity and those costs of an indirect nature necessary to support them.

Support costs and other costs that cannot be directly attributed to activities are allocated on a basis consistent with the use of the resource.

Governance costs which are included within support costs of charitable activities include all those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1 Accounting policies *(Continued)*

1.05 Hire purchase and leasing commitments

Amounts paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.06 Pension Costs

The company operates a defined contribution pension scheme. The pension costs charged in the Statement of Financial Activities represent the contributions payable by the company during the year.

1.07 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|----------------------------------|--------------------------------|
| Leasehold land & buildings | Length of lease, straight line |
| Exhibitions and collections | 20 years straight line |
| Fixtures, fittings and equipment | 7 years straight line |

The lease of the site is for 150 years ending December 2166. Leasehold land and buildings are reviewed annually by the trustees for any indication of impairment.

Only assets costing more than £1,000 are capitalised.

1.08 Heritage Assets

Where heritage assets have been acquired and there are records available, these are recognised at cost together with direct restoration costs. Where no such records are available, the heritage assets are not recognised on the balance sheet on the grounds that the cost of obtaining this information would outweigh the benefit in doing so.

The heritage assets acquired are considered to have indefinite lives by the trustees and therefore are not depreciated. Annually at the reporting date, the heritage assets are reviewed by the trustees for indications of impairment.

Conservation costs are written off each year as an expense.

1.09 Stocks

Stock is valued at the lower of cost and net realisable value.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.

1.11 Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

1 Accounting policies (*Continued*)

1.12 Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

1.13 Funds

Free funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The costs 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.

2 Income from: Donations and legacies Group & Charity

| | Unrestricted Funds £ | Restricted Funds £ | Total funds 2021 £ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| Donations and grants | 1,305,481 | 434,822 | 1,740,303 |
| Sponsorship | 100,000 | - | 100,000 |
| Donations in kind | 243,000 | - | 243,000 |
| Donations from BAC Trading Limited | - | - | - |
| | <u>1,648,481</u> | <u>434,822</u> | <u>2,083,303</u> |
| Less inter-group activity | - | - | - |
| Total Group | <u><u>1,648,481</u></u> | <u><u>434,822</u></u> | <u><u>2,083,303</u></u> |

Previous year Group & Charity

| | Unrestricted Funds £ | Restricted Funds £ | Total funds 2020 £ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| Donations and grants | 136,603 | 642,666 | 779,269 |
| Sponsorship | 204,500 | - | 204,500 |
| Donations in kind | 243,000 | - | 243,000 |
| Donations from BAC Trading Limited | 222,357 | - | 222,357 |
| | <u>806,460</u> | <u>642,666</u> | <u>1,449,126</u> |
| Less inter-group activity | (222,357) | - | (222,357) |
| Total Group | <u><u>584,103</u></u> | <u><u>642,666</u></u> | <u><u>1,226,769</u></u> |

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

| 3 Income from: Charitable activities Group & Charity | Unrestricted Funds £ | Restricted Funds £ | Total funds 2021 £ | Total funds 2020 £ |
|---|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Visitor admissions | 204,637 | - | 204,637 | 1,023,052 |
| Filming | 2,950 | - | 2,950 | 1,400 |
| | <u>207,587</u> | <u>-</u> | <u>207,587</u> | <u>1,024,452</u> |

Total income from charitable activities was unrestricted for the 2020 year.

| 4 Income from: Other trading activities | Unrestricted Funds £ | Restricted Funds £ | Total funds 2021 £ | Total funds 2020 £ |
|--|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Fundraising events | 80 | - | 80 | 122,935 |
| Trust incidental trading | 7,539 | - | 7,539 | 38,174 |
| Management charge - BAC Trading Ltd | 6,643 | - | 6,643 | 305,559 |
| Other | 23 | - | 23 | 594 |
| Total Charity | <u>14,285</u> | <u>-</u> | <u>14,285</u> | <u>467,262</u> |
| BAC Trading Limited | 36,671 | - | 36,671 | 1,420,532 |
| Less inter-group activity | (6,643) | - | (6,643) | (305,559) |
| Total Group | <u>44,313</u> | <u>-</u> | <u>44,313</u> | <u>1,582,235</u> |

Total income from other trading activities was unrestricted for the 2020 year.

| 5 Expenditure on: Raising funds | Staff Costs £ | Direct Costs £ | Support Costs £ | Total 2021 £ |
|--|------------------------------|-------------------------------|--------------------------------|-----------------------------|
| Cost of generating donated income | 60,737 | 1,191 | 87,586 | 149,514 |
| Total Charity | <u>60,737</u> | <u>1,191</u> | <u>87,586</u> | <u>149,514</u> |
| BAC Trading Limited | - | 38,696 | - | 38,696 |
| Less inter-group activity | - | (6,643) | - | (6,643) |
| Total Group | <u>60,737</u> | <u>33,244</u> | <u>87,586</u> | <u>181,567</u> |

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

5 Expenditure on: Raising funds (Continued)
Previous year

| | Staff Costs £ | Direct Costs £ | Support Costs £ | Total 2020 £ |
|-----------------------------------|------------------------------|-------------------------------|--------------------------------|-----------------------------|
| Cost of generating donated income | 78,229 | 58,234 | 91,519 | 227,982 |
| Total Charity | <u>78,229</u> | <u>58,234</u> | <u>91,519</u> | <u>227,982</u> |
| BAC Trading Limited | - | 1,507,858 | - | 1,507,858 |
| Less inter-group activity | - | (527,916) | - | (527,916) |
| Total Group | <u><u>78,229</u></u> | <u><u>1,038,176</u></u> | <u><u>91,519</u></u> | <u><u>1,207,924</u></u> |

6 Expenditure on: Charitable activities
Group & Charity

| | Staff Costs £ | Direct Costs £ | Support Costs £ | Total 2021 £ |
|---|------------------------------|-------------------------------|--------------------------------|-----------------------------|
| Visitor services | 271,649 | 665 | 358,806 | 631,120 |
| Learning and volunteering | 70,194 | 898 | 93,667 | 164,759 |
| Museum and facilities management and development costs | 140,153 | 207,359 | 500,998 | 848,510 |
| Collection conservation and management | 89,235 | 8,302 | 132,978 | 230,515 |
| | <u>571,231</u> | <u>217,224</u> | <u>1,086,449</u> | <u>1,874,904</u> |

Previous year

| | Staff Costs £ | Direct Costs £ | Support Costs £ | Total 2020 £ |
|---|------------------------------|-------------------------------|--------------------------------|-----------------------------|
| Visitor services | 400,646 | 6,122 | 268,399 | 675,167 |
| Learning and volunteering | 111,955 | 8,566 | 80,058 | 200,579 |
| Museum and facilities management and development costs | 166,221 | 482,445 | 825,386 | 1,474,052 |
| Collection conservation and management | 54,533 | 13,484 | 47,097 | 115,114 |
| | <u>733,355</u> | <u>510,617</u> | <u>1,220,940</u> | <u>2,464,912</u> |

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

7 Governance costs

Charity

Within the support costs of charitable activities and raising funds (notes 5 & 6) are the following amounts relating to governance costs:

| | 2021 | 2020 |
|--|---------------|---------------|
| | £ | £ |
| Accountancy and audit fees | 10,856 | 17,180 |
| Audit fees (over)/under accrued in previous year | - | (4,683) |
| Legal fees | - | 975 |
| | <u>10,856</u> | <u>13,472</u> |

8 Net income for the year

| | Group | Charity | Group | Charity |
|--|--------------|----------------|--------------|----------------|
| | 2021 | 2021 | 2020 | 2020 |
| | £ | £ | £ | £ |
| This is stated after charging: | | | | |
| Depreciation | 370,298 | 369,747 | 367,257 | 366,758 |
| Auditor's Remuneration | | | | |
| - Audit fees for current year | 18,881 | 10,856 | 29,615 | 17,180 |
| - Under/(over) accrual for previous year | (360) | - | 4,755 | (4,683) |
| Trustees' Remuneration (see below) | 79,845 | 79,845 | 79,556 | 79,556 |
| Payment of Trustees' travel expenses | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity for their work as Trustees. However, the Executive Director, Lloyd Burnell, who is also a Trustee, does receive remuneration and out of pocket expenses in fulfilling his full time management role.

Of the £79,845 (2020: £79,556) trustee remuneration, £1,313 (2020: £1,307) related to pension contributions in the year.

Remuneration of a Trustee is permitted under the governing document and with an order from the Charity Commission.

No trustees (2020: nil) have been reimbursed for out of pocket travel expenses.

9 Staff costs and numbers

Group & Charity

The aggregate payroll costs were:

| | 2021 | 2020 |
|-----------------------|----------------|------------------|
| | £ | £ |
| Wages and salaries | 843,611 | 1,035,390 |
| Social security costs | 60,234 | 78,226 |
| Pension contributions | 14,661 | 17,018 |
| Redundancy payments | 11,548 | - |
| | <u>930,054</u> | <u>1,130,634</u> |

The number of employees who received employee benefits (excluding employer pension costs and employer national insurance costs) of more than £60,000 are as follows:

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

9 Staff costs and numbers (Continued)

Group & Charity

| | 2021 No. | 2020 No. |
|-----------------------------|-------------|-------------|
| Between £60,000 and £70,000 | - | - |
| Between £70,000 and £80,000 | <u>1</u> | <u>1</u> |

The total aggregate employment benefits, including employer pension costs and employer's national insurance contributions, received by key management personnel were £335,312 (2020: £301,797).

The average number of employees (headcount) during the year was 58 (2020 - 62).

The employees of the group are employed by the Charity, a charge for employee time that is utilised by the trading subsidiary is invoiced to BAC Trading Limited as a management charge.

10 Comparative Statement of Financial Activities

Group

| | Unrestricted Free Funds £ | Unrestricted Designated Funds £ | Restricted Funds £ | Total funds 2020 £ |
|-------------------------------------|------------------------------------|--|--------------------------|--------------------------|
| Income from: | | | | |
| Donations and legacies | 584,103 | - | 642,666 | 1,226,769 |
| Charitable activities | 1,024,452 | - | - | 1,024,452 |
| Other trading activities | 1,582,235 | - | - | 1,582,235 |
| Total income | <u>3,190,790</u> | <u>-</u> | <u>642,666</u> | <u>3,833,456</u> |
| Expenditure on: | | | | |
| Raising funds | 1,207,924 | - | - | 1,207,924 |
| Charitable activities | 2,025,133 | 366,758 | 73,021 | 2,464,912 |
| Total expenditure | <u>3,233,057</u> | <u>366,758</u> | <u>73,021</u> | <u>3,672,836</u> |
| Net income/(expenditure) | (42,267) | (366,758) | 569,645 | 160,620 |
| Transfers between funds | 71,829 | 487,675 | (559,504) | - |
| Net movement in funds | <u>29,562</u> | <u>120,917</u> | <u>10,141</u> | <u>160,620</u> |
| Total funds at 1 April 2019 | (2,655,352) | 16,611,289 | 358,133 | 14,314,070 |
| Total funds at 31 March 2020 | <u>(2,625,790)</u> | <u>16,732,206</u> | <u>368,274</u> | <u>14,474,690</u> |

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

**11 Comparative Statement of Financial Activities
Charity**

| | Unrestricted Free Funds £ | Unrestricted Designated Funds £ | Restricted Funds £ | Total funds 2020 £ |
|-------------------------------------|------------------------------------|--|--------------------------|--------------------------|
| Income from: | | | | |
| Donations and legacies | 806,460 | - | 642,666 | 1,449,126 |
| Charitable activities | 1,024,452 | - | - | 1,024,452 |
| Other trading activities | 467,262 | - | - | 467,262 |
| Total income | <u>2,298,174</u> | <u>-</u> | <u>642,666</u> | <u>2,940,840</u> |
| Expenditure on: | | | | |
| Raising funds | 227,982 | - | - | 227,982 |
| Charitable activities | 2,025,133 | 366,758 | 73,021 | 2,464,912 |
| Total expenditure | <u>2,253,115</u> | <u>366,758</u> | <u>73,021</u> | <u>2,692,894</u> |
| Net income/(expenditure) | 45,059 | (366,758) | 569,645 | 247,946 |
| Transfers between funds | 71,829 | 487,675 | (559,504) | - |
| Net movement in funds | <u>116,888</u> | <u>120,917</u> | <u>10,141</u> | <u>247,946</u> |
| Total funds at 1 April 2019 | (2,745,548) | 16,611,289 | 358,133 | 14,223,874 |
| Total funds at 31 March 2020 | <u>(2,628,660)</u> | <u>16,732,206</u> | <u>368,274</u> | <u>14,471,820</u> |

12 Taxation

The Charity is exempt from corporation tax on its charitable activities.

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets
Group

| Cost | Leasehold land & buildings £ | Exhibitions & collections £ | Fixtures fittings & equipment £ | Total £ |
|-----------------------|---|--|--|--------------------|
| At 1 April 2020 | 13,247,902 | 3,407,216 | 770,151 | 17,425,269 |
| Additions | 354,923 | 4,632 | 1,086 | 360,641 |
| At 31 March 2021 | <u>13,602,825</u> | <u>3,411,848</u> | <u>771,237</u> | <u>17,785,910</u> |
| Depreciation | | | | |
| At 1 April 2020 | 214,074 | 425,902 | 285,208 | 925,184 |
| Charge for the year | 89,863 | 170,361 | 110,074 | 370,298 |
| At 31 March 2021 | <u>303,937</u> | <u>596,263</u> | <u>395,282</u> | <u>1,295,482</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>13,298,888</u> | <u>2,815,585</u> | <u>375,955</u> | <u>16,490,428</u> |
| At 31 March 2020 | <u>13,033,828</u> | <u>2,981,314</u> | <u>484,943</u> | <u>16,500,085</u> |

Charity

| Cost | Leasehold land & buildings £ | Exhibitions & collections £ | Fixtures fittings & equipment £ | Total £ |
|-----------------------|---|--|--|--------------------|
| At 1 April 2020 | 13,247,901 | 3,407,216 | 766,657 | 17,421,774 |
| Additions | 354,923 | 4,632 | - | 359,555 |
| At 31 March 2021 | <u>13,602,824</u> | <u>3,411,848</u> | <u>766,657</u> | <u>17,781,329</u> |
| Depreciation | | | | |
| At 1 April 2020 | 214,074 | 425,902 | 284,583 | 924,559 |
| Charge for the year | 89,863 | 170,361 | 109,523 | 369,747 |
| At 31 March 2021 | <u>303,937</u> | <u>596,263</u> | <u>394,106</u> | <u>1,294,306</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>13,298,887</u> | <u>2,815,585</u> | <u>372,551</u> | <u>16,487,023</u> |
| At 31 March 2020 | <u>13,033,827</u> | <u>2,981,314</u> | <u>482,074</u> | <u>16,497,215</u> |

The National Heritage Memorial Fund has a £4,682,000 legal charge over the assets in the event of a sale. See note 20 for additional details.

South Gloucestershire Council has a £1 million floating legal charge over the assets of the Trust in relation to their outstanding loan.

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

14 Heritage assets
Group

| | Heritage assets £ | Total £ |
|--------------------------------------|-------------------------|------------|
| Cost | | |
| At 1 April 2020 and at 31 March 2021 | 234,991 | 234,991 |

15 Investments - Subsidiary undertaking
Charity

| | Subsidiary undertakings £ |
|--------------------------------------|---------------------------------|
| Cost | |
| At 1 April 2020 and at 31 March 2021 | 1 |

| Company name | Country | Percentage shareholding | Principal activity |
|---------------------|----------------------|----------------------------|--|
| BAC Trading Limited | England and Wales | 100 | To carry out retail, events and catering activities within facilities provided by Bristol Aero Collection Trust. |

| | Year ended 31 March 2021 £ | Year ended 31 March 2020 £ |
|--------------------------------------|-------------------------------------|----------------------------------|
| BAC Trading Limited | | |
| Turnover | 36,671 | 1,420,532 |
| Cost of sales | (20,022) | (940,079) |
| Gross profit | 16,649 | 480,453 |
| Administrative expenses | (18,674) | (345,422) |
| Operating profit | (2,025) | 135,031 |
| Interest payable and similar charges | - | - |
| Profit before taxation | (2,025) | 135,031 |
| Tax charge for the year | - | - |
| Profit for the period | (2,025) | 135,031 |
| Retained earnings brought forward | 2,870 | 90,196 |
| Less donation to parent Charity | - | (222,357) |
| Retained earnings carried forward | 845 | 2,870 |

16 Stock

| | 2021 £ | 2020 £ |
|--------------------|-----------|-----------|
| Shop stock | 62,005 | 60,427 |
| Total Group | 62,005 | 60,427 |

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

17 Debtors

| | Group 2021 £ | Charity 2021 £ | Group 2020 £ | Charity 2020 £ |
|------------------------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Gift aid recoverable | 13 | 13 | 62,507 | 62,507 |
| Other debtors | 33,502 | 17,903 | 367,818 | 99,548 |
| Prepayments and accrued income | 161,300 | 160,928 | 325,815 | 325,187 |
| Amounts owed by group undertakings | - | 93,145 | - | - |
| | <u>194,815</u> | <u>271,989</u> | <u>756,140</u> | <u>487,242</u> |

18 Creditors: amounts falling due within one year

| | Group 2021 £ | Charity 2021 £ | Group 2020 £ | Charity 2020 £ |
|------------------------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Trade creditors | 43 | - | 177,462 | - |
| Other creditors | 407,562 | 346,053 | 491,162 | 474,164 |
| Social security | 14,077 | 14,077 | 21,140 | 21,140 |
| Accruals and deferred income | 119,812 | 111,787 | 385,128 | 141,152 |
| Amounts owed to group undertakings | - | - | - | 72,075 |
| Bank overdraft | 1,109,986 | 1,109,986 | 1,012,754 | 1,012,754 |
| Covid 19- 'Bounce Back' loan | 8,333 | 8,333 | - | - |
| | <u>1,659,813</u> | <u>1,590,236</u> | <u>2,087,646</u> | <u>1,721,285</u> |

Creditors: amounts falling due after more than one year

| | Group 2021 £ | Charity 2021 £ | Group 2020 £ | Charity 2020 £ |
|------------------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Covid 19- 'Bounce Back' loan | 41,667 | 41,667 | - | - |
| Council loan | 900,000 | 900,000 | 1,046,734 | 1,046,734 |
| | <u>941,667</u> | <u>941,667</u> | <u>1,046,734</u> | <u>1,046,734</u> |

A bank loan with capital totalling £1,000,000 from Lloyds Bank was due for repayment on 30 April 2019 but was converted to an overdraft by the bank. The overdraft is guaranteed by BAE Systems who have an indemnity arrangement with the charity. This facility is extended until 30 November 2021 and, as an overdraft, is repayable on demand. The total overdraft facility available as at 31 March 2021 is £1,400,000.

The council loan above from South Gloucestershire Council is secured by a floating legal charge on the charity's assets and was due for repayment on 30 March 2019. During the year the loan was renegotiated and interest is due for repayment starting in 2021/22, when a new agreement will be drawn up.

19 Operating leases

At 31 March 2021 the Charity has total commitments under non-cancellable operating leases as set out below:

| | Group 2021 £ | Charity 2021 £ | Group 2020 £ | Charity 2020 £ |
|---------------------------|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Payments due: | | | | |
| Within one year | 2,547 | 2,547 | 3,003 | 3,003 |
| Between two to five years | 681 | 681 | 3,228 | 3,228 |
| | <u>3,228</u> | <u>3,228</u> | <u>6,231</u> | <u>6,231</u> |

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

20 Contingent liability

In the event of the sale of the property, the National Lottery Heritage Fund have the right to receive £4,682,000 for a period of 20 years from the completion and opening of the museum which occurred in October 2017. No provision has been made in respect of the grant as the conditions are deemed unlikely to occur.

21 Going concern

The Trustees believe the Charity is a going concern, however, due to the current challenges faced by the Trust, there are material uncertainties regarding this matter.

The overdraft facility has been renewed for a further year until 30th November 2022 and is guaranteed by BAE Systems. The £1m loan capital and interest repayments to South Gloucestershire Council have been deferred until March 2022.

Since re-opening the museum in May 2021, visitor admissions have been steady, school and group bookings are encouraging and there is a cautious return of the museum's events and hospitality business. Despite the potential threat of further lockdown and continued impact of Covid-19 on consumer and business confidence, it is expected that overall income levels will return to near pre-pandemic levels through 2022 and by 2023, coupled with reduced operating costs which have been driven over the last eighteen months.

When the Museum was open it operated successfully and a number of funding grants were applied for and the Trust was successful in these applications.

The monies received are being, and will be, carefully monitored by the Trust's Finance team to ensure that they are used in the best way possible to ensure the Trust remains a going concern.

Based on the above and positive results from our 2022 forecasts, the financial statements are prepared on the assumption that the entity is a going concern.

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

22 Movement in funds

| Current year | At 1 April 2020 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2021 £ |
|--|----------------------------------|---------------------|--------------------------|------------------------|-----------------------------------|
| Restricted funds | | | | | |
| Aerospace Bristol fund | 341,591 | 148,242 | - | (357,173) | 132,660 |
| Restoration fund | 22,083 | - | - | - | 22,083 |
| Physical and Digital Infrastructure fund | - | 244,000 | - | - | 244,000 |
| Other restricted funds | 4,600 | 42,580 | (6,813) | - | 40,367 |
| | <u>368,274</u> | <u>434,822</u> | <u>(6,813)</u> | <u>(357,173)</u> | <u>439,110</u> |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Fixed asset fund | 16,732,206 | - | (369,747) | 359,555 | 16,722,014 |
| Free funds | (2,628,660) | 1,870,353 | (1,647,858) | (2,382) | (2,408,547) |
| | <u>14,103,546</u> | <u>1,870,353</u> | <u>(2,017,605)</u> | <u>357,173</u> | <u>14,313,467</u> |
| Total funds Charity | <u>14,471,820</u> | <u>2,305,175</u> | <u>(2,024,418)</u> | <u>-</u> | <u>14,752,577</u> |
| BAC Trading Limited funds | 2,871 | 36,671 | (38,696) | - | 846 |
| Inter-entity transactions | (1) | (6,643) | 6,643 | - | (1) |
| Total funds Group & Charity | <u>14,474,690</u> | <u>2,335,203</u> | <u>(2,056,471)</u> | <u>-</u> | <u>14,753,422</u> |

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

22 Movement in funds (*Continued*)

| Previous year | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2020 £ |
|--|-------------------------|------------------|--------------------|------------------|--------------------------|
| Restricted funds | | | | | |
| Aerospace Bristol fund | 329,100 | 571,995 | - | (559,504) | 341,591 |
| Restoration fund | 22,864 | - | (781) | - | 22,083 |
| Play area fund | 5,219 | 12,565 | (17,784) | - | - |
| Other restricted funds | 950 | 58,106 | (54,456) | - | 4,600 |
| | <u>358,133</u> | <u>642,666</u> | <u>(73,021)</u> | <u>(559,504)</u> | <u>368,274</u> |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Fixed asset fund | 16,611,289 | - | (366,758) | 487,675 | 16,732,206 |
| Free funds | (2,745,548) | 2,298,174 | (2,253,115) | 71,829 | (2,628,660) |
| | <u>13,865,741</u> | <u>2,298,174</u> | <u>(2,619,873)</u> | <u>559,504</u> | <u>14,103,546</u> |
| Total funds Charity | <u>14,223,874</u> | <u>2,940,840</u> | <u>(2,692,894)</u> | <u>-</u> | <u>14,471,820</u> |
| BAC Trading Limited funds | 90,197 | 1,420,532 | (1,507,858) | - | 2,871 |
| Inter-entity transactions | (1) | (527,916) | 527,916 | - | (1) |
| Total funds Group & Charity | <u>14,314,070</u> | <u>3,833,456</u> | <u>(3,672,836)</u> | <u>-</u> | <u>14,474,690</u> |

Free funds

The free funds of the Charity are used in line with its purposes at the discretion of the Trustees. The free funds of the Charity are in deficit at the year-end. Usually the creation of a designated fund cannot result in a negative general funds position. However, the Trustees have chosen to show the net book value of the tangible fixed assets and heritage assets as a designated fund in order to clearly show the negative free reserves position of the charity.

Fixed asset fund

This fund, designated by the Trustees, is set aside at the net book value of the charitable fixed assets and heritage assets.

Aerospace Bristol fund

The fund incorporates all the restricted funds received specifically relating to creating Aerospace Bristol less related overhead costs and capital transfers to the Fixed asset fund. The remaining restricted funds are held to complete outstanding building work relating to building 16M.

Restoration fund

Previously, individual funds were established for the restoration of a Bolingbroke aircraft, a Bristol Fighter F2B aircraft and additionally, in 2017, funds were established for the acquisition of the Bristol Freighter. The funds relating to the Bristol Fighter and Bristol Freighter were fully utilised in 2018 and prior years. This, therefore leaves funds specifically restricted for the restoration of the Bolingbroke aircraft.

Physical and Digital Infrastructure fund

This fund is to ensure that the charity can react and make critical adaptations to the museum space and digital infrastructure. It will enable the charity to reopen the museum safely in May 2021 and restart its charitable activities with added breadth.

Other Restricted funds

This includes a number of grants received for specific short term projects and activities.

BRISTOL AERO COLLECTION TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

23 Analysis of net assets between funds

| As at 31 March 2021 | Tangible Fixed assets £ | Other Net assets £ | Total £ |
|--|--|-----------------------------------|--------------------------|
| Restricted funds | | | |
| Aerospace Bristol Centre fund | - | 132,660 | 132,660 |
| Restoration fund | - | 22,083 | 22,083 |
| Physical and Digital Infrastructure fund | - | 244,000 | 244,000 |
| Other restricted funds | - | 40,367 | 40,367 |
| Unrestricted funds | | | |
| Fixed asset fund | 16,722,014 | - | 16,722,014 |
| Free funds | - | (2,408,547) | (2,408,547) |
| Total Charity | <u>16,722,014</u> | <u>(1,969,437)</u> | <u>14,752,577</u> |
| BAC Trading Limited | - | 845 | 845 |
| Total Group | <u><u>16,722,014</u></u> | <u><u>(1,968,592)</u></u> | <u><u>14,753,422</u></u> |
| | | | |
| As at 31 March 2020 | Tangible Fixed assets £ | Other Net assets £ | Total £ |
| Restricted funds | | | |
| Aerospace Bristol fund | - | 341,591 | 341,591 |
| Restoration fund | - | 22,083 | 22,083 |
| Other restricted funds | - | 4,600 | 4,600 |
| Unrestricted funds | | | |
| Fixed asset fund | 16,732,206 | - | 16,732,206 |
| Free funds | - | (2,628,660) | (2,628,660) |
| Total Charity | <u>16,732,206</u> | <u>(2,260,386)</u> | <u>14,471,820</u> |
| BAC Trading Limited | - | 2,870 | 2,870 |
| Total Group | <u><u>16,732,206</u></u> | <u><u>(2,257,516)</u></u> | <u><u>14,474,690</u></u> |

BRISTOL AERO COLLECTION TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

24 Reconciliation of net movement in funds to net cash inflow from operating activities Group

| | 2021 | 2020 |
|---|----------------|------------------|
| | £ | £ |
| Statement of Financial Activities: Net movement in funds | 278,732 | 160,620 |
| Depreciation | 370,298 | 367,257 |
| Capital grants | (392,242) | (584,560) |
| Increase/(decrease) in operational creditors: current liabilities | (271,948) | 48,554 |
| (Increase)/decrease in operational debtors | 421,205 | (136,961) |
| Decrease/(increase) in stocks | (1,578) | 14,418 |
| | <u>404,467</u> | <u>(130,672)</u> |

25 Analysis of changes in cash and cash equivalents Group

| Current year | 2021 | 2020 | Change |
|--------------------------|----------------|---------------|----------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>372,663</u> | <u>57,427</u> | <u>315,236</u> |
| Prior year | 2020 | 2019 | Change |
| | £ | £ | £ |
| Cash at bank and in hand | <u>57,427</u> | <u>46,852</u> | <u>10,575</u> |

26 Analysis of changes in net debt Group

| Current year | At 1 April 2020 | Cash flow movements | At 31 March 2021 |
|--------------------------|--------------------|------------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 57,427 | 315,236 | 372,663 |
| Overdraft | (1,012,754) | (97,232) | (1,109,986) |
| Council loan | (1,046,734) | 96,734 | (950,000) |
| | <u>(2,002,061)</u> | <u>314,738</u> | <u>(1,687,323)</u> |
| Prior year | At 1 April 2019 | Cash flow movements | At 31 March 2020 |
| | £ | £ | £ |
| Cash at bank and in hand | 46,852 | 10,575 | 57,427 |
| Overdraft | (1,280,764) | 268,010 | (1,012,754) |
| Council loan | (1,000,000) | (46,734) | (1,046,734) |
| | <u>(2,233,912)</u> | <u>231,851</u> | <u>(2,002,061)</u> |

27 Related parties

BAC Trading Ltd is the trading subsidiary of Bristol Aero Collection Trust. In the financial year ended 31 March 2021 BAC Trading Ltd made a gift aid donation of £nil (2020: £222,357) to Bristol Aero Collection Trust. In addition to this, BAC Trading Ltd paid £nil (2020: £305,559) to the Charity in respect of rent and overheads. At the year end, £85,173 was due to the Charity (2020: £72,075 was due from the Charity) from the subsidiary in respect of a short-term inter-company loan. There were no other related party transactions other than those disclosed in the accounts.

