

Fly Navy Heritage Trust Limited
(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 December 2019

Company Number: 05971284

Charity Registered in England and Wales Number: 1117272



Fly Navy Heritage Trust Limited

Contents

For the Year Ended 31 December 2019

	<u>Page</u>
Reference and Administrative Details	1
Trustee Directors' Report (including Statement of Trustees' Responsibilities)	2 – 7
Independent Auditors' Report	8 – 10
Consolidated Statement of Financial Activities	11
Balance Sheet and Consolidated Balance Sheet	12 – 13
Statement of Cash Flows and Consolidated Statement of Cash Flows	14
Notes to Financial Statements	15 – 29

Fly Navy Heritage Trust Limited
Reference and Administrative Details
For the Year Ended 31 December 2019

Patron

HRH the Duke of York KG GCVO

President

Admiral Sir George Zambellas GCB DSC ARC DL FRAeS

Trustee Directors:

Chairman

Rear Admiral T A Cunningham CBE

Ex- Officio

Rear Admiral K E Blount CB OBE

Commodore N H J Tindal RN

Rear Admiral M J Connell

– Asst Chief of Naval Staff (Aviation & Carriers)(resigned 20 Feb 2019)

– Commanding Officer RNAS Yeovilton (resigned 20 Jul 2020)

– Asst Chief of Naval Staff (Aviation & Carriers)(appointed 20 Feb 2019)

Elected

Commodore S F Baldwin RN

Rear Admiral S B Charlier CBE FRAeS

Ms S L Cook

– Programme Director, Rolls Royce Plc

– Chairman FAA Officers' Association

– Vice President, UK Government business
Leonardo (MW) (appointed 20 Feb 2019)

Commodore W M Covington CBE RN

Commodore N R Griffin RN

Mr P N Livingston

– Business Executive, aircraft owner

– Commanding Officer RNAS Yeovilton (appointed 20 Jul 2020)

– Vice President and Group Managing Director,
Lockheed Martin UK Integrated Systems

Mr T J Manna

Mr H G Mason

Mr M J Ryan

Mr N R Smith

Mr M J F Strong

Rear Admiral I P G Tibbitt CBE

– President, Kennet Aviation

– Heritage Manager, BAE Systems

– Business Executive, aircraft owner

– Solicitor

– Chartered Accountant

– Deputy Chairman FNHT, Business Executive

Chief Executive Officer

Commodore R S Alexander OBE FRAeS

Company Secretary

Mr N R Smith

Charity Number

1117272

Company Number

05971284

Principal Address and Registered Office

Building 412, South Dispersal, RNAS Yeovilton, Ilchester, Somerset, BA22 8HT

Auditors

Albert Goodman LLP, Goodwood House, Blackbrook Park Avenue, Taunton, Somerset, TA1 2PX

Bankers

Barclays Bank Plc, King George Street, Yeovil, Somerset, BA20 1PX

The Trustee Directors ("Trustees") present their report and accounts for the year ended 31 December 2019. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Charity's governing document, applicable law and the requirement of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

References and Administrative Details

Administrative information is given in a separate section at the front of these accounts.

Structure Governance and Management

The Fly Navy Heritage Trust was registered with the Charity Commission and is constituted and regulated by a Declaration of Trust dated 16 July 1991. In December 2006 the Trust transferred its assets and undertakings, in accordance with the incorporation agreement dated 31 December 2006, to the Fly Navy Heritage Trust Limited. This company, limited by guarantee, (company registration number 05971284) was incorporated on 18 October 2006; it is registered with the Charity Commission (charity registration number 01117272). In accordance with the governing document, the current trustees may appoint additional trustees and have absolute discretion and unrestricted powers to invest trust monies. Trustees may serve for up to three years before requiring re-appointment.

Induction and training of trustees

New Trustees are inducted and trained using information obtained from various sources, including the Charity Commission, attendance as required at specialist courses and by personal briefings.

Organisational structure

A full list of trustees and directors (all trustees are also directors of the company) who have served since 31 December 2017 is shown on page 1. The Trustees meet at least three times a year to discuss and review the current and future position of the Charity. The Charity occupies office space within MOD owned buildings within RNAS Yeovilton and now, in accordance with the Trustees' directive to increase the fundraising capacity of the charity, employs twelve staff members, six of them part time.

Related parties

Naval Aviation Limited (NA Ltd) (company registration number 07052646) is a wholly owned subsidiary of the Charity and exists as the trading operation of the Charity. Activities include sales of aircraft displays, sales of souvenir merchandise and the operation of the Hawker Sea Fury T20 (G-RNHF) and the de Havilland Sea Vixen FAW2 XP924 (G-CVIX).

The Charity also had a close affinity with the Royal Navy Historic Flight (RNHF), a unit whose purpose was to preserve the Royal Navy's aviation heritage by maintaining in flying condition a small number of other notable British naval aircraft and displaying them before the public. However, the RNHF was disbanded on 31 March 2019, which will affect the future of the Trust as discussed below.

Charitable donations made by the Charity have supported the activity of both the RNHF and NA Ltd. One of the trustees of the Charity, Commodore N Tindall RN, is a senior member of the management team of the RNHF. RNHF aircraft airworthiness is regulated by the MOD and NA Ltd aircraft airworthiness by the Civil Aviation Authority.

Key management personnel

Remuneration for key management personnel is set by a Remuneration Committee comprising the Trust Chairman, Deputy Chairman and the Financial Trustee (an accountant). In setting salary levels, market comparators for similar roles within the charities sector are taken into consideration. There is also the need to ensure that key posts are attractive to personnel having the detailed knowledge, experience and skills demanded of both the charity and directing an aircraft operating company.

Risk management

The Trustees routinely assess the risks to which the Charity is exposed to ensure that systems and procedures are in place to mitigate exposure in these areas. A Risk Register is held in the Charity's Business Plan and is reviewed at Management Group level and at each Trustees' meeting. Risk mitigation actions are included as part of the charity's annual Work Plan.

Objectives

The Charity's objectives are set out in the Memorandum of Association as follows:

- To educate members of the Royal Navy and the public in the history, traditions and exploits of the Fleet Air Arm and the history of Royal Navy aviation generally.
- To provide a memorial and tribute to the men and women who have flown, maintained or contributed in any way to the operation of aircraft within the fleet.
- To advance the effectiveness of the armed forces of the Crown by promoting the efficiency of aviation in the Royal Navy.

This can be summed up as: To Educate, Inspire and Remember; this is articulated as a single aim as follows: *Inspiring future generations by bringing together the aircraft, people and the story of flying from ships.*

Activities

The Chief Executive Officer, Commodore Jock Alexander, joined the Trust in February 2016, following which the Charity was re-branded as 'Navy Wings' in July of the same year. The aim remains to reach a far wider audience with a new look, supported by a new web-site and a wider collection of aircraft enabled by embracing an Associate Collection. The latter includes individuals in the UK who operate their own, vintage naval aircraft and the Trust invites them to join the Navy Wings Associate Collection. This has been a huge success and there are now 20 aircraft as part of that collection, ranging from a WW1 Bristol Scout, through to a Sea King helicopter from the 1990's. Importantly, the Trust does not raise money for the Associates, but rather they join a club of like-minded people which enable Navy Wings to tell a more comprehensive story about our heritage.

Most management activity this year was spent working with the CAA in preparation for the expected transfer of the RNHF aircraft to the Trust, which was planned for 31 Mar 2019. A Joint Business Plan has been agreed with the Royal Navy, which is under-pinned by a Memorandum of Understanding, but the actual transfer of the aircraft has again been held up by inertia in the process. The Royal Navy Historic Flight disbanded on 31 Mar 2019 and the aircraft were removed from the military register as planned, but are not yet on the civilian register and have therefore been unable to fly for the last two years, which has held up the transition plan and fund-raising efforts. The revised plan is now to transfer them all on 1 Jan 2021, which should allow the newly named Navy Wings Heritage Flight to appear on the display circuit in 2021. Although this plan includes Grant money for the first five years, the profile of that cash-flow has been slowed down as it was not all required when the aircraft were not flying.

All other activities during the year were aimed at raising money to achieving the Charity's objectives. 2019 saw the nation mark the 40th Anniversary of the Sea Harrier, which provided this year's theme for our Ambassadors Dinner, held in the Chelsea Harbour Hotel, London. Several other fund-raising events were successfully carried out, assisted by considerable input of effort from volunteer supporters. These events included a corporate dinner in the Honourable Artillery Company, London, our usual annual golf tournament, the auction of a BMW motor-bike kindly donated to Navy Wings and attendance at varied air displays. For the first time we also organised a charity Clay Pigeon Shoot at the Royal Berkshire Shooting Ground in association with Purdey and this was a great success which will now become an annual event.

Volunteers and Sponsorship

The Trust and Naval Aviation Ltd, together trading as 'Navy Wings', continue with their well established Volunteering Policy, which has been stream-lined to concentrate on a critical nucleus who provide the core of this support. As always, this network of volunteers is drawn from the Navy Wings Supporter base who provide their time free in order to promote, develop and support various activities that aim to deliver required funds to continue operation. Volunteer support is invaluable and is particularly useful in sales of merchandise and aircraft support operations. The latter encompasses aircraft stores, documentation and admin support alongside supervised aircraft mechanical engineering tasks. All volunteers receive induction and training and, as necessary, health and safety briefings and workplace clothing. In addition, we have a small team of high profile Supporters who volunteer to promote 'Navy Wings' and the heritage aircraft as 'Ambassadors'.

Corporate Support

The Trust continues to enjoy support from some key players in industry, not only from a financial perspective, but also from their knowledge of the aviation industry and in particular, heritage aircraft. The Corporate Support package, which we launched in 2017 with three different levels of support continues to be extremely popular.

Grant making policy to Naval Aviation Ltd (NAL)

The Trustees consider the needs of our sole beneficiary (NAL) to ensure that all support is provided in accordance with the objects of the charity. As part of the overall business planning for Navy Wings and NAL, the intention and plans are for Naval Aviation Ltd to trade towards being profitable, the key drivers will be the diversification and growth of income streams such as growing the online merchandising, the lottery income, as well as generating income from aircraft. As alluded to above, NAL was not able to conduct much display flying in 2019, this has been compounded in 2020 with Covid 19 and the cancellation of every planned air show; this has contributed to losses due to lack of display fees and accompanying sales of merchandise on the ground. That said, traction is gradually building with merchandise along with the recently launched Navy Wings lottery and the plan is to build on this, along with display income and paid for flights, to produce a profit in Naval Aviation.

Achievements and Performance

The principal achievement of the Charity has been raising funds to support the activities and maintenance of naval heritage aircraft, in accordance with the objectives of the Charity. This includes the aircraft currently owned by the Royal Navy of the RNHF and the Sea Vixen and Sea Fury T20 operated by NA Ltd. The Sea Vixen remains unserviceable following her forced wheels-up landing at RNAS Yeovilton in 2017 and is unlikely to generate any income in the foreseeable future. The damaged aircraft is now in our hangar and we have determined that she could fly again given enough time and money to recover her, but that project will have to wait until we find some way of under-writing the costs, which are estimated at over £2.5M. The Sea Fury is serviceable and conducted a full season in 2019, but has not flown this year due to the cancellation of all air shows.

Reserves policy

Since there can be no guarantee of the quantum of future income streams, the Trustees' policy is to retain funds in excess of the current needs to meet unanticipated expenditure which is an inherent feature of maintaining historic aircraft. In addition, Trustees continue to ensure that available free reserves are adequate to cover in excess of 3 months operating costs of £87,886. At 31 December 2019 the group held £291,691 of free reserves and excess reserves to provide future funding for aircraft.

Review of financial position

From a financial point of view, 2019 mostly followed the budgeted plans except for a delay to an expected legacy donation, but savings were achieved in direct and overhead costs to offset this somewhat. Due to the disbandment of the RNHF, 2019 was very much the start of a transition period which requires us to invest for the future as described above.

The total consolidated income included £144,628 of restricted income (17.8%) and £670,121 of unrestricted income (82.2%). Restricted income was applied to the purposes for which it was provided. Income from grants, donations and legacies increased this year by £226,557 to £442,789 and surpassed budget by just over £100,000. The increase was solely due to the restricted donation.

NA Ltd retail sales (covering merchandising and aircraft displays) provided £94,422 of income. Merchandising was slightly below budget however it continues to grow year on year and indeed was 20% higher than 2018. Other income of £2,833 was above budget by £2,833 but down on 2018.

FNHT Events, which form a large part of most income streams, provided a sizeable contribution of £274,585.

Total consolidated expenditure in 2019 totalled £979,902, which although an increase on prior year was a direct result of restricted expenditure for which funds were provided for.

The Group held £149,878 of restricted funds at the year end and £391,689 in unrestricted funds. Cash and short term investments totalled £401,753 at 31 December 2019 compared with £533,722 at the previous year end. Capital expenditure totalled £32,682 during the year, comprising of operational equipment (Helmets, Headsets) and computer equipment.

Plans for future periods

The Charity regularly reviews its ten-year rolling plan as well as annual plans and budgets. A full Business Plan review was conducted in 2019 and a completely new Plan was written to take account of the transfer of the aircraft from the RN, which is under-pinned by a new Risk Register. Heritage aircraft are expensive to maintain and require regular, extensive overhauls of their engines along with the provision of back-up engines and spares. The new Plan anticipates an increase in expenditure to support this and aims to double income within the next five years. The Trust continues to plan for a sustainable programme and anticipates eventually operating a core flying fleet of one Swordfish, one Sea Fury (either the T20 or FB11) and one jet (either the Sea Vixen or Seahawk) on an annual basis. Aircraft not in use, would then either be taken down for long term maintenance, or preserved in a non-flying state to allow the financial burden to be focussed on the flying fleet.

Impact of Covid-19 and going concern

In the current year, the Trust has clearly felt the impact of Covid 19 and decisions were taken very early in the crisis to ameliorate the situation and protect the Trust. Trustees were informed in early April of the new Aim for the year as follows:

To achieve the right balance between achieving savings at this crucial time to ensure we remain viable, against the need to emerge from lockdown in the best position we can to capitalise on our increased on-line presence, with a fully integrated and flexible team who can maximise emerging opportunities as they arise.

To facilitate this, staff involved with event planning and routine admin were furloughed in April and everyone else was placed on a three-day week with concomitant pay reductions. Marketing and sales teams were kept on in accordance with the aim and this remained the status quo until October, when furloughed members were brought back once the CJRS ceased to operate, although still on a three-day week. This saved substantial amounts of capital and an emergency budget was produced in April, which projected the Trust would end the year about cost neutral. Further savings measures were eked out in the summer and meanwhile the investment in on-line presence and retail has paid dividends, with month to month sales up by over 150% since May. The situation has been further ameliorated by the award of a Grant up to £280,000 from the Culture Recovery Fund, which will cover most outgoings between Oct 2020 and Apr 2021. We now expect to end the calendar year with a slight surplus and the financial year with a surplus of some £100,000 once the next tranche of RN Grant money (which has been confirmed) is received in the New Year.

In light of the impact of Covid-19 the trustees have given careful consideration to the cashflow forecasts of the charity covering the period of at least twelve months from the date of signing the accounts, they are satisfied that the charity has sufficient working capital resources in place over that period, and therefore the accounts are drawn up on the going concern basis.

Auditors

The auditors, Albert Goodman LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the small companies regime under section 487(2) of the Companies Act 2006.

Statement of trustees' responsibilities

The trustees (who are directors of the Fly Navy Heritage Trust Limited for the purposes of company law) are responsible for preparing the Trustee 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 the Republic of Ireland* (United Kingdom Generally 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 incoming resources and application of resources, including the income and expenditure of the charitable 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 judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standard 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

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.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report of which the group's auditor is unaware; and
- The trustees have each taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information

Approved by the Trustees on 10 Dec 20 and signed on their behalf by:



Rear Admiral T A Cunningham CBE
Chairman and Trustee

Fly Navy Heritage Trust Limited

Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 December 2019

Opinion

We have audited the financial statements of the Fly Navy Heritage Trust Limited for the year ended 31 December 2019, which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated and parent charitable company 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 Generally Accepted Accounting Practice, including Financial Reporting Standard 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 the parent charitable company's affairs as at 31 December 2019, 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 Companies Act 2006.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Fly Navy Heritage Trust Limited

Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 December 2019

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.

Opinion 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 Trustee Directors' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustee Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustee 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:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 6), the trustees (who are also the directors of the parent 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 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Fly Navy Heritage Trust Limited

Independent Auditors' Report to the Trustees and Members
For the Year Ended 31 December 2019

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.

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 Report of Independent Auditors.

Use of our report

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



Paul Hake FCCA (Senior Statutory Auditor)
for and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

19/12/2020

Fly Navy Heritage Trust Limited

Consolidated Statement of Financial Activities (including income and expenditure account)

For the Year Ended 31 December 2019

	Notes	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Income:							
Grants, donations and legacies	2	298,161	144,628	442,789	214,589	1,643	216,232
Other trading activities	3	371,840	-	371,840	375,899	-	375,899
Interest receivable	4	120	-	120	1,545	-	1,545
Total income		670,121	144,628	814,749	592,033	1,643	593,676
Expenditure:							
Costs of raising funds	5	233,552	-	233,552	230,344	-	230,344
Charitable activities	6	582,552	163,798	746,350	565,338	21,573	586,911
Total expenditure		816,104	163,798	979,902	795,682	21,573	817,255
Net (expenditure)/income for the year before transfers and gains and losses		(145,983)	(19,170)	(165,153)	(203,649)	(19,930)	(223,579)
Realised and unrealised gains/(losses) on revaluation		-	-	-	99,998	-	99,998
Net income/(expenditure) and net movement in funds for the year	7	(145,983)	(19,170)	(165,153)	(103,651)	(19,930)	(123,581)
Reconciliation of funds							
Total funds brought forward		537,672	169,048	706,720	641,323	188,978	830,301
Total funds carried forward		391,689	149,878	541,567	537,672	169,048	706,720

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

All income and expenditure derive from continuing activities.

Fly Navy Heritage Trust Limited – Company Number 05971284

Balance Sheet and Consolidated Balance Sheet

As at 31 December 2019

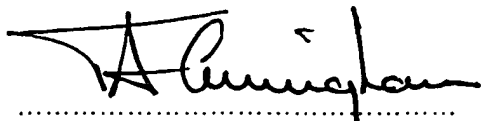
	Notes	2019		2018	
		£ Group	£ Charity	£ Group	£ Charity
Fixed assets					
Tangible fixed assets	11	130,596	498	101,805	1,805
Investments	12	-	1	-	1
		<u>130,596</u>	<u>499</u>	<u>101,805</u>	<u>1,806</u>
Current assets					
Stock	13	104,661	-	75,220	-
Debtors	14	85,167	265,612	57,930	161,336
Cash at bank and in hand		401,753	381,261	533,722	513,875
		<u>591,581</u>	<u>646,873</u>	<u>666,872</u>	<u>675,211</u>
Liabilities:					
Creditors falling due within one year	15	(180,610)	(151,055)	(61,957)	(25,643)
		<u>410,971</u>	<u>495,818</u>	<u>604,915</u>	<u>649,568</u>
Total net assets		<u>541,567</u>	<u>496,317</u>	<u>706,720</u>	<u>651,374</u>
The funds of the charity:					
Restricted funds	16	149,878	149,878	169,048	169,048
Unrestricted funds	16	291,691	346,439	437,674	482,326
Revaluation reserve	16	99,998	-	99,998	-
		<u>541,567</u>	<u>496,317</u>	<u>706,720</u>	<u>651,374</u>
Total charity funds		<u>541,567</u>	<u>496,317</u>	<u>706,720</u>	<u>651,374</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared and delivered in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes from pages 15 – 29 form part of these accounts.

Fly Navy Heritage Trust Limited
Balance Sheet and Consolidated Balance Sheet
As at 31 December 2019

Approved by the Board on 10 Dec 20 and signed on their behalf by:



.....
Rear Admiral T A Cunningham CBE
Trustee Director



.....
Mr M J F Strong
Trustee Director

Fly Navy Heritage Trust Limited

Statement of Cash Flows and Consolidated Statement of Cash Flows

For the Year Ended 31 December 2019

	Notes	Total 2019		Total 2018	
		£ Group	£ Charity	£ Group	£ Charity
Cash flows from operating activities					
Net movements in funds for the year		(165,153)	(155,058)	(123,581)	(218,744)
Adjustments to cash flows from non-cash items					
Depreciation	11	3,891	1,307	1,589	1,589
Revaluation gain		-	-	(99,998)	-
Interest receivable	4	(120)	(120)	(1,545)	(1,545)
		(161,382)	(153,871)	(223,535)	(218,700)
Working capital adjustments					
(Increase)/decrease in stocks	13	(29,441)	-	(43,184)	-
(Increase)/decrease in debtors	14	(27,237)	(104,276)	(4,910)	(31,492)
Increase/(decrease) in creditors	15	118,653	125,412	22,841	3,389
Net cash flow from operations		(99,407)	(132,734)	(248,788)	(246,803)
Cash flows from investing activities					
Interest receivable	4	120	120	1,545	1,545
Acquisitions of tangible assets	11	(32,682)	-	(1,698)	(1,698)
Net (decrease)/increase in cash and cash equivalents		(131,969)	(132,614)	(248,941)	(246,956)
Cash and cash equivalents at the beginning of the reporting period		533,722	513,875	782,663	760,831
Cash and cash equivalents at the end of the reporting period		401,753	381,261	533,722	513,875
Cash & Cash equivalents reconciliation:					
Cash at bank		401,753	381,261	533,722	513,875
Total cash & cash equivalents at the end of the reporting period		401,753	381,261	533,722	513,875

1 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fly Navy Heritage Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) and all amounts are presented in £ sterling.

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Naval Aviation Limited, on a line by line basis. The "Group" heading within the balance sheet refers to the consolidated accounts of the Fly Navy Heritage Trust Limited and Naval Aviation Limited.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

Going concern

In light of the impact of Covid-19 the trustees have given careful consideration to the cashflow forecasts of the charity covering the period of at least twelve months from the date of signing the accounts, they are satisfied that the charity has sufficient working capital resources in place over that period, and therefore the accounts are drawn up on the going concern basis.

1.2 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The company is incorporated in England and Wales and the company registered office is detailed on page 1, reference and administration details.

1.3 Income

Income from grants and donations is recognised in the year in which they are receivable when there is evidence of entitlement, receipt is probable and the amount can be reliably measured.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from other trading income is included in the period in which the group is entitled to receipt, it is probable that economic benefits will flow to the entity and the amount can be reliably measured.

1.4 Donated goods and services

Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Income is recognised within grants, donations and legacies and expenditure within costs of raising funds and charitable activities.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.6 Expenditure and irrecoverable VAT

Resources expended are recognised on the accruals basis to match the period in which the expenditure was incurred.

Costs of raising funds are expenditure incurred in generating the trading subsidiary funds and in generating the charity fundraising event income funds.

Charitable activities expenditure comprises costs incurred in by the charity in the delivery of its charitable purposes for beneficiaries including grants payable to other institutions.

Grants payable are at the discretion of the Trustees. They are in furtherance of the charity's objects, to support and promote the efficiency of aviation in the Royal Navy and to educate the members of the public in the history, traditions and exploits of the Fleet Air Arm and the history of Royal Naval Aviation.

1.7 Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1.8 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific artistic projects being undertaken by the Trust.

1.9 Tangible fixed assets and depreciation

Aircraft are initially recorded at cost and are then revalued at the year end. The Trustees review the assets for impairment each year.

Computer equipment is stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life as follows:

Plant and machinery	3 years straight line
Office equipment	3 years straight line
Computer equipment	33% reducing balance

1.10 Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

1.11 Stock

Stock consists of merchandise for resale and is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

1.11 Debtors

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

1.12 Cash at bank and in hand

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.

1.13 Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Defined contribution pension

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as staff pension expense through the profit and loss when they are due.

1.15 Taxation

As a registered charity, the company is not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities. The charity subsidiary is able to recover Value Added Tax and therefore it is not included within the relevant costs in the Statement of Financial Activities.

1.16 Financial instruments

The charity only holds basic financial instruments as defined by FRS 102. The financial assets and financial liabilities of the company are as follows;

Financial assets – trade and other debtors, accrued income, amounts owed by group undertakings and other debtors are basic financial instruments, and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, amounts owed to group undertakings, bank loans, accrued expenses and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security and corporation tax creditors are not included in the financial instruments disclosure definition.

2 Grants, donations and legacies

	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Grants, donations and legacies	298,161	144,628	442,789	214,589	1,643	216,232
	<u>298,161</u>	<u>144,628</u>	<u>442,789</u>	<u>214,589</u>	<u>1,643</u>	<u>216,232</u>

3 Other trading income

	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Display fees	10,452	-	10,452	24,060	-	24,060
Merchandise	83,970	-	83,970	69,798	-	69,798
Fundraising event income	274,585	-	274,585	270,051	-	270,051
Other income	2,833	-	2,833	11,990	-	11,990
	<u>371,840</u>	<u>-</u>	<u>371,840</u>	<u>375,899</u>	<u>-</u>	<u>375,899</u>

Fly Navy Heritage Trust Limited
Notes to the Financial Statements
For the Year Ended 31 December 2019

4 Interest receivable

	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Bank interest	120	-	120	1,545	-	1,545

5 Costs of raising funds

	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Fundraising costs	127,459	-	127,459	106,938	-	106,938
PR and advertising	19,596	-	19,596	15,102	-	15,102
Trading costs	86,497	-	86,497	108,304	-	108,304
	233,552	-	233,552	230,344	-	230,344

6 Charitable activities

	Unres- tricted £	Res- tricted £	Total 2019 £	Unres- tricted £	Res- tricted £	Total 2018 £
Aircraft maintenance	152,328	143,243	295,571	218,981	1,643	220,624
Grants paid to institutions	-	20,555	20,555	5	19,930	19,935
Insurance	8,737	-	8,737	6,632	-	6,632
Payroll fees	1,138	-	1,138	723	-	723
Staff costs	352,318	-	352,318	284,619	-	284,619
Consultancy	21,116	-	21,116	5,018	-	5,018
Other administration	32,857	-	32,857	30,041	-	30,041
Other direct costs	-	-	-	40	-	40
Depreciation	1,307	-	1,307	1,589	-	1,589
Governance costs	12,751	-	12,751	17,690	-	17,690
	<u>582,552</u>	<u>163,798</u>	<u>746,350</u>	<u>565,338</u>	<u>21,573</u>	<u>586,911</u>

Grants paid to institutions are broken down as follows:

RNHF general	-	-	-	5	-	5
RNHF aircraft	-	20,555	20,555	-	19,930	19,930
	<u>-</u>	<u>20,555</u>	<u>20,555</u>	<u>5</u>	<u>19,930</u>	<u>19,935</u>

7 Net income/(expenditure) for the year

This is stated after charging:

	Charity		Subsidiary		Total	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
Depreciation of owned assets	-	1,589	-	-	-	1,589
Auditors remuneration						
Audit services	4,000	3,300	2,200	1,900	6,200	5,200
Other services - accounting	2,363	1,221	88	13	2,451	1,234
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8 Trustee directors

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2018 – £nil). No trustees were reimbursed expenses (2018 – £20) during the year. No charity trustee received payment for professional or other services supplied to the charity (2018 – £nil).

The charity has paid £1,198 (2018 – £1,198) for directors and officers indemnity insurance.

9 Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £3,555 (2018 – £2,026).

Contributions totalling £nil (2018 – £nil) were payable to the scheme at the end of the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019	2018
Chief executive officer	1	1
Management and administration	11	11
	<hr/>	<hr/>
	12	12
	<hr/>	<hr/>

Employment costs

	2019	2018
	£	£
Wages and salaries	319,916	261,442
Social security costs	28,179	21,151
Pension costs	3,823	2,026
	<hr/>	<hr/>
	351,918	284,619
	<hr/>	<hr/>

The number of employees whose annual emoluments were £60,000 or more were:

	2019	2018
	number	number
£90,000 - £100,000	1	1
	<hr/>	<hr/>

No pension costs were paid to this individual during the year (2018– £nil)

The key management personnel of the group comprise those of the Trust and its wholly owned subsidiary Naval Aviation Limited. The key management personnel of the Trust comprise the trustees and the Chief Executive Officer. Naval Aviation Limited does not have remuneration costs as all staff are paid by the Trust.

The total employee benefits including employers national insurance and employers pension costs of the key management personnel of the Trust were £114,106 (2018 - £111,324).

Fly Navy Heritage Trust Limited
Notes to the Financial Statements
For the Year Ended 31 December 2019

11 Tangible fixed assets
Group

	Aircraft	Plant & Machinery	Office Equipment	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2018	100,000	-	-	41,257	141,257
Additions	-	24,390	8,292	-	32,682
At 31 December 2019	100,000	24,390	8,292	41,257	173,939
Depreciation					
At 1 January 2018	-	-	-	39,452	39,452
Charge for the year	-	1,355	1,229	1,307	3,891
At 31 December 2019	-	1,355	1,229	40,759	43,343
Net book value					
At 31 December 2019	100,000	23,035	7,063	498	130,596
At 31 December 2018	100,000	-	-	1,805	101,805

The year end open market value of the aircraft has been considered by the Trustees and the revaluation reflected in in the accounts. The historical cost of the aircraft is £2.

Charity

	Computer Equipment	Total
	£	£
Cost		
At 1 January 2019	41,257	41,257
Additions	-	-
At 31 December 2019	41,257	41,257
Depreciation		
At 1 January 2019	39,452	39,452
Charge for the year	1,307	1,307
At 31 December 2019	40,759	40,759
Net book value		
At 31 December 2019	498	498
At 31 December 2018	1,805	1,805

12 Investments

	Charity	
	2019	2018
	£	£
Naval Aviation Limited - Ordinary shares of £1 each	1	1
eCommodities PLC - Ordinary shares of £1 each	-	-

Naval Aviation Limited (company no. 07052646) was incorporated in England and Wales on 21 October 2009 as a wholly owned trading subsidiary of Fly Navy Heritage Trust Limited. The parent charity holds 100% of the issued share capital and voting rights of the subsidiary.

The principal activity of the company is the operation of commercial activity on behalf of Fly Navy Heritage Trust Limited. The subsidiary gift aids its taxable profits to Fly Navy Heritage Trust Limited, and files audited accounts with the Registrar of Companies.

A summary of the trading results is shown below:

	2019	2018
	£	£
Turnover	371,971	324,093
Cost of sales	(365,930)	(306,186)
Gross profit	6,041	17,907
Administrative expenses	(16,138)	(22,741)
Net loss before tax	(10,097)	(4,834)
Surplus on revaluation	-	99,998
Retained in subsidiary	(10,097)	95,164
The assets and liabilities were:		
Fixed assets	130,098	100,000
Current assets	147,612	108,490
Current liabilities	(232,460)	(153,143)
Total net assets	45,250	55,347
Called up share capital	1	1
Revaluation reserve	99,998	99,998
Profit and loss account	(54,749)	(44,652)
	45,250	55,347

12 Investments (cont'd)

The shares in eCommodities PLC were donated to the charity. The company is not listed and there is therefore no readily available market value to determine the value of the donation. The Trustees have reviewed the accounts of the company and concluded that any value on donation or at the balance sheet date is negligible.

13 Stocks

	Group	2019	Group	2018
	£	Charity	£	Charity
	£	£	£	£
Goods for resale	104,661	-	75,220	-

14 Debtors

	Group	2019	Group	2018
	£	Charity	£	Charity
	£	£	£	£
Trade debtors	49,185	48,033	18,265	17,250
Other debtors	8,340	-	12,408	-
Prepayments and accrued income	27,642	14,675	27,257	27,257
Amounts owed by group undertakings	-	202,904	-	116,829
	85,167	265,612	57,930	161,336

15 Creditors: Amounts falling due within one year

	Group	2019	Group	2018
	£	Charity	£	Charity
	£	£	£	£
Trade creditors	18,919	3,461	40,481	6,168
Accruals	23,034	8,936	11,501	9,500
Deferred income	125,549	125,549	-	-
Taxation and social security	13,108	13,109	9,975	9,975
	180,610	151,055	61,957	25,643

16 Summary of movement in funds

Group	Opening Balance £	Incoming Resources £	Outgoing Resources £	Transfers & valuation gains £	Closing Balance £
<u>Unrestricted funds</u>					
General	237,674	670,121	(816,104)	-	91,691
Sea Vixen	200,000	-	-	-	200,000
Revaluation reserve	99,998	-	-	-	99,998
<u>Restricted funds</u>					
Transitional funds	-	143,243	(143,243)	-	-
Swordfish W5856	169,048	-	(20,555)	-	148,493
Sea Vixen	-	1,385	-	-	1,385
	<u>706,720</u>	<u>814,749</u>	<u>(979,902)</u>	<u>-</u>	<u>541,567</u>
Charity	Opening Balance £	Incoming Resources £	Outgoing Resources £	Transfers £	Closing Balance £
<u>Unrestricted funds</u>					
General	282,326	573,150	(709,037)	-	146,439
Sea Vixen	200,000	-	-	-	200,000
<u>Restricted funds</u>					
Transitional funds	-	143,243	(143,243)	-	-
Swordfish W5856	169,048	-	(20,555)	-	148,493
Sea Vixen	-	1,385	-	-	1,385
	<u>651,374</u>	<u>717,778</u>	<u>(872,835)</u>	<u>-</u>	<u>496,317</u>

Unrestricted funds

The Trustees designated funds of £200k in 2017 towards the retention of an engineer and storeman for the Sea Vixen with a view to ensuring that should the parts come available there is a possibility that the Sea Vixen will get back to flying status. The revaluation reserve is the difference between the fair value and original cost of the aircraft.

Restricted funds

- The Swordfish W5856 fund represents monies received from HM Treasury's LIBOR Fines Fund specifically for the provision of onward funding to the Royal Navy Historic Flight for the essential maintenance, repair and operation of Swordfish W5856.
- The Sea Vixen income has come from private individuals wishing to fund the restoration of the Sea Vixen. The amount was used by Naval Aviation for this purpose.
- Transitional funds relates to income received for the maintenance of aircraft transferred to the charity.

Summary of movement in funds - 2018

Group	Opening Balance £	Incoming Resources £	Outgoing Resources £	Transfers £	Closing Balance £
<u>Unrestricted funds</u>					
General	441,323	592,033	(795,682)	-	237,674
Sea Vixen	200,000	-	-	-	200,000
Revaluation reserve	-	-	-	99,998	99,998
 Restricted funds					
Sea Fury	-	-	-	-	-
Swordfish W5856	188,978	-	(19,930)	-	169,048
Sea Vixen	-	1,643	(1,643)	-	-
	<u>830,301</u>	<u>593,676</u>	<u>(817,255)</u>	<u>99,998</u>	<u>706,720</u>
 Charity					
<u>Unrestricted funds</u>					
General	481,140	488,564	(687,378)	-	282,326
Sea Vixen	200,000	-	-	-	200,000
 Restricted funds					
Sea Fury	-	-	-	-	-
Swordfish W5856	188,978	-	(19,930)	-	169,048
Sea Vixen	-	1,643	(1,643)	-	-
Project Kestrel	-	-	-	-	-
	<u>870,118</u>	<u>490,207</u>	<u>(708,951)</u>	<u>-</u>	<u>651,374</u>

17 Analysis of assets between funds

	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Group				
Unrestricted funds	130,596	-	261,093	391,689
Restricted funds	-	-	149,878	149,878
As at 31 December 2019	<u>130,596</u>	<u>-</u>	<u>410,971</u>	<u>541,567</u>
As at 31 December 2018	<u>101,805</u>	<u>-</u>	<u>604,915</u>	<u>706,720</u>

	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Charity				
Unrestricted funds	498	1	345,940	346,439
Restricted funds	-	-	149,878	149,878
As at 31 December 2019	<u>498</u>	<u>1</u>	<u>495,818</u>	<u>496,317</u>
As at 31 December 2018	<u>1,805</u>	<u>1</u>	<u>649,568</u>	<u>651,374</u>

18 Financial instruments

Categorisation of financial instruments

	2019	2018
	£	£
Financial assets that are debt instruments measured at amortised cost	632,199	647,955
	<u>632,199</u>	<u>647,955</u>
Financial liabilities measured at amortised cost	12,397	15,668
	<u>12,397</u>	<u>15,668</u>

Items of income, expense, gains or losses

The total interest income for financial assets not measured at fair value through profit or loss is £Nil (2018: - £Nil). The total interest expense for financial liabilities not measured at fair value through profit or loss is £Nil (2018: £Nil).

19 Income and expenditure account of the company

The company has taken advantage of Section 408 of the Companies Act and has not included its own Income and Expenditure Account or separate Statement of Financial Activities.

The Fly Navy Heritage Trust Limited has net outgoing resources for the year of £155,057 (2018 - net outgoing resources of £218,744) based on income of £717,778 (2018 - £490,207).

20 Related parties

There are no related party transactions in the reporting period that require disclosure.

21 Contingent assets

The charity has received notice that they have been named as a beneficiary of a legacy. The amount receivable cannot be reliably measured as the Will is being contested, but it is estimated that it will be in the region of £200k

22 Post balance sheet events

As set out more fully in the Trustees report the Trustees have identified the Covid-19 pandemic as a non-adjusting post balance sheet event as the position is not indicative of any conditions that were in existence at the year end.