

VULCAN RESTORATION TRUST
A COMPANY LIMITED BY GUARANTEE
UNAUDITED ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018

VULCAN RESTORATION TRUST**TRUSTEES AND DIRECTORS**

Richard Clarkson - Secretary
 Paul Hartrup
 Matt Lawrence
 Peter Rainey
 Peter Archer – resigned 18 May 2019
 Keith Fathers
 Andy Wagstaff – appointed 17 January 2019

REGISTERED OFFICE

Hangar 5
 South Road
 London Southend Airport
 Southend-On-Sea
 Essex
 SS2 6YU

**REGISTERED NUMBER
(ENGLAND & WALES)**

03203724

**CHARITY REGISTRATION
NUMBER**

1058111

BANKERS

Charities Aid Foundation
 CAF Bank Limited
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent
 ME19 4JQ

INDEPENDENT EXAMINER

P Kittle FAIA FFA FIPA FFTA
 Public Accountant
 37 Fraser Close
 Chelmsford
 Essex CM2 0TD

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VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2018**

The trustees present their report and unaudited financial statements for the year ended 31 December 2018. The trustees' report also represents the directors' report which is required to be prepared under Section 419(2) of the Companies Act 2006.

The reference and administrative information set out on pages 1 form part of this report.

Structure Governance and Management

The company was constituted by the Memorandum and Articles of Association on the 24 May 1996. It was registered as a charity on the 18 September 1996.

The charity is limited by guarantee of its members to the extent of £1 each.

The trustees of the charity are a self-appointed body. Service on the board is for three years. Retiring trustees can be re-elected. The charity does not employ any staff. The charity maintains a Conflicts of Interest register. Copies of the register can be obtained by sending a stamped addressed envelope to the charity's registered office.

The board of directors met formally on eight occasions in 2018. The board is responsible for the overall management of the charity, takes policy decisions and ratifies all decisions made by its Engineering and Events sub-committees. As the charity does not employ any staff, the board is also responsible for the day-to-day running of the charity.

The Events Committee remained responsible for the charity's sales and publicity stand, its trading stock and the organisation of the charity's open days and other events. The day-to-day management of the charity's engineering functions continued to be dealt with by the Engineering Committee.

The board is content that the charity delivers satisfactorily against its aims and objectives, but is aware a more strategic approach is required if the charity is to fulfill its potential long-term. An increase in the number of volunteers to take on the charity's day-to-day functions is necessary if the board is to take a more strategic focus and carry out its review of the charity's progress against its previous strategic plan, something which is long overdue, and agree a new plan.

None of the trustees/directors received any remuneration or benefits from the charity. The charity does not have policies or processes for recruiting or inducting new trustees but does provide potential new trustees with relevant information about the charity and their responsibilities as a trustee/director. The board intends reviewing its trustee recruitment policy in due course. The board is aware of the need to recruit new volunteers, especially into areas such as fund raising, and the board will seek to address this issue as part of the new strategic planning process.

The charity is a member of Aviation Heritage UK and the Historic Aircraft Association.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2018

(Continued)

OBJECTIVES AND ACTIVITIES

The charitable objectives of the charity which represent its principal activity are:

1. To preserve and protect Avro Vulcan aircraft and other aircraft which may or have been in the past associated with the Avro Vulcan as historical objects for the benefit of the public and to demonstrate and display such aircraft at public events.
2. The advancement of education of the general public in items of historical interest together with the associated equipment thereto in particular in the field of aviation.

During the year the charity carried out maintenance and preservation work on former Royal Air Force Avro Vulcan B2 XL426 (G-VJET) at London Southend Airport, Essex, along with its associated ground equipment.

The charity's income is generated by membership fees, entrance fees, appeals, donations, fund-raising draws, auctions events and public displays.

Following its enforced move from Hangar 6 at London Southend Airport in December 2017, the charity relocated XL426 to the apron area immediately in front of the adjacent Hangar 5. The charity continued to occupy Hangar 5 which is used for storage of its spares and other equipment. The space within the hangar was subject to a complete reorganization to provide for more efficient working. The charity also continued to enjoy use of part of the workshop area located within the boundary of Hangar 6.

During the negotiations surrounding its move out of Hangar 6, the charity received firm assurances from the airport's owners, StobartGroup, that a suitable alternative site on the airport would be found for XL426. StobartGroup also committed to provide a substantial amount of assistance, both practical and financial, to move XL426 to a new site on the airport.

The charity maintained a position that that a new site must be accessible to the public and give access for XL426 to the airport's runway. This will be essential if the charity is to continue to deliver its charitable aim of displaying the Vulcan to the public, as well as maintaining XL426 as a live, taxiing aircraft. The charity also made it clear that it must have suitable workshop facilities to properly maintain XL426.

As part of this commitment to the charity, StobartGroup resurfaced the apron area in front of Hangar 5 at its own cost to provide a temporary home for XL426. It also made a financial contribution to the charity to acknowledge the sum that had been spent refurbishing Hangar 6 the previous year, much of which it had been raised via a public appeal.

The charity maintained contact with StobartGroup throughout 2018 regarding a move to a new site. It became apparent early in the year that the move may not take place for some time, possibly not until the existing buildings on the airport's southern side are replaced as part of StobartGroup's long-term development plans. The charity, therefore, decided to adopt a 'business-as-usual' approach until such time a date for a move was known. This approach included continuation of the charity's scheduled maintenance and restoration work on XL426, as well as re-establishing the planned expansion of its public events that had been put on-hold following the move out of Hangar 6.

Preservation and Protection of Avro Vulcan Aircraft

XL426 is listed by Aviation Heritage UK in its National Aviation Heritage Register as a 'significant' example of the type and is one of only three Vulcans in the world capable of taxiing under its own power. XL426, and its associated ground equipment, is owned by the charity.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2018

(Continued)

The charity's Engineering Committee continued to set the formal programme of maintenance on XL426 and met to review progress. Matt Lawrence continued as chief engineer supported by a team of Lead Engineers.

The charity's ongoing programme of checks, coupled with numerous works of maintenance and repair on XL426 and its associated ground equipment continued. Whilst adaptations had to be made due to the enforced move outdoors, the charity kept up an intensive programme restoration and maintenance work, including completion of repainting work that had been started whilst XL426 was inside Hangar 6.

Specific work of note included: renovation of XL426's starboard undercarriage bay; replacement of the starboard main undercarriage shock absorber; replacement of the end cap on No 3 engine jet pipe, and: renovation of the doors to the electronic countermeasures bay.

XL426's airframe continued to be monitored for signs of corrosion. Where found, the charity removed corrosion in accordance with the Vulcan's Structural Repair Manual and treated the affected areas treated with chemicals. The charity continued to run heaters and dehumidifiers in certain areas of the aircraft to inhibit corrosion, and the canopy cover was used to prevent water ingress into the cockpit.

Work was ongoing throughout the year servicing and maintaining the charity's items of ground equipment, including its air tug, air start unit, giraffe steps, ladders, aircraft jacks and servicing platforms.

The charity was represented at meetings of Aviation Heritage UK. VRT trustee, Paul Hartrup, is a member of Aviation Heritage UK's Executive Committee.

Demonstration and Display of Avro Vulcan Aircraft

The charity fulfilled its charitable objective to demonstrate and display Vulcan aircraft by holding four *Visit the Vulcan* public open days on 22 April, 17 June, 19 August and 16 September. The charity's volunteers adapted very quickly to holding events outdoors once again, with all four *Visit the Vulcan Days* being held on the apron area in front of Hangar 5. To meet London Southend Airport requirements, the charity must set-up a six-foot high fence to secure the public area from the airside operating area at these events.

The number of attractions for visitors at the *Visit the Vulcan* days in 2018 continued to grow, with aircraft cockpit sections and historic vehicles, plus a selection of catering stalls, attending. An innovation for 2018 was music from a military or brass band at each event. The charity estimates that approximately 2400 people visited its four *Visit the Vulcan* days in 2018, an increase of 20% on the previous year.

An engine ground run was carried out on 6 May. This event was exclusively for the charity's members.

Education and Information

The charity continued to fulfill its educational objectives by giving talks and guided tours of XL426 to interested groups and societies, displaying and distributing information about the Vulcan to the public and organising meetings for its members and interested members of the public.

A considerable number of requests to visit XL426 were received from interested groups and individuals, including schools and former Vulcan air and ground crew. The charity accommodated these wherever possible within the confines of it being a wholly voluntary body and limitations imposed by the aircraft's airside location.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2018****(Continued)**

Two editions of the charity's magazine, *Vulcan News*, were published. These were distributed free-of-charge to the charity's members and sold to the public at events. The charity continued to operate its Facebook page and website www.avrovulcan.com. The new website went 'live' in January and, as well as containing much information about the charity, the Vulcan and XL426, also incorporates an on-line membership system (live from June 2018) and an event ticket ordering system. The charity's Facebook page continued to provide up-to-the-minute news of the charity's engineering work, events and other activities, and played an important role in attracting visitors and new members.

Two Enthusiasts Event meetings were held. Guest speaker at the Spring Event, which also incorporated the charity's Annual General Meeting, was Colonel Rich Graham USAF Retired who spoke about his experiences flying the Lockheed SR-71 reconnaissance aircraft during the Cold War. The Christmas Enthusiasts' Event & Buffet featured Rod Dean, who gave a talk on the design and development of the Gloster Meteor, the RAF's first operational jet fighter.

The charity continued to maintain and add to its collection of Vulcan photographs, slides and other memorabilia.

Many of the stock items sold by VRT Enterprises Limited are educational in nature, including books, posters, flown philatelic covers containing informational inserts about the Vulcan's history, and postcards.

ACHIEVEMENTS AND PERFORMANCE**Structure, Governance and Management**

The charity is aware that its organisational structure must be strengthened in terms of both its financial and human resource if it is to continue to develop, as well as continuing to meet its existing operational targets and commitments.

To comply with the airside access arrangements at London Southend Airport, all the charity's volunteers regularly working airside must carry an airside pass, issued by the airport. Health & Safety procedures and policies covering all areas of the charity's work continued to be developed and updated during the year.

The charity continued to deliver its general induction course and airside safety training course (a London Southend Airport requirement) where appropriate to all new volunteers working for the charity. The charity continued to develop its overall programme of training for volunteers.

Preservation and Protection of Avro Vulcan Aircraft

The charity succeeded in maintaining Avro Vulcan XL426 as one of only three of the type capable of being taxied. As the aircraft gets older there is a need to improve maintenance to ensure serviceability. The charity's engineering programme of maintenance and restoration aims to ensure the long-term preservation of XL426 in full ground running condition for many years to come.

Demonstration and Display of Avro Vulcan Aircraft

The charity's four *Visit the Vulcan* days were very successful from an organisational and financial point of view. The events reflect the charity's desire to provide frequent public access to XL426, bearing in mind that the aircraft is located airside at an operational airport and that the charity is staffed solely by volunteers, and to ensure it maintains a high public profile in the South Essex area.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2018****(Continued)****Education and Information**

The charity continued to maintain its website (www.avrovulcan.com) and Facebook page featuring news and reports of the charity's activities, including engineering reports and historical information about XL426 and the Vulcan.

Five talks (compared with two in 2017) were given by the charity to interested community groups and societies about the role of the Avro Vulcan in the Cold War and its work at London Southend Airport.

A 'fact sheet' containing historical and technical information about the Vulcan and XL426 was distributed free-of-charge to all visitors attending each *Visit the Vulcan Day*.

Membership

The charity ended the year with 470 members, 50 down on the figure at the end of 2017. This is a concern given that the charity's membership also fell the previous year and the fact that the charity is enjoying a higher profile in terms of visitor numbers than it has for many years. Membership subscriptions continue to still be a vital source of income and the charity would like to thank all its members for their support during the year.

Publicity

Media releases were issued to publicise the charity's Visit the Vulcan Days and other activities. Details of the charity's events appeared in the local press, national aviation magazines, local event guides and websites, as well as on local radio.

The charity produced a full colour tri-fold leaflet to publicise its work and activities. Supplies of the leaflet were sent to local and national museums for display and were also distributed by the charity at its own and at public events.

The charity continued its policy of concentrating its efforts on raising its profile in South Essex and, consequently, did not attend any events outside its local area. On the evening of 18 August, the charity took part in the Southend Carnival parade on Southend sea front. This was the second year the charity had taken part in this major, local event, and as in the 2017 it helped attract a healthy number of visitors to its following day's *Visit the Vulcan* event

Fund-raising

As part of its expanded events programme, the charity organized a *Secret Cinema at the Vulcan* event on 12 May. This featured a showing of the James Bond film 'Thunderball' and was run as part of the Southend Film Festival. The event raised a considerable sum for the charity and will be repeated, with a different film, in 2019.

An evening photo shoot featuring XL426 was run in conjunction with Timeline Events on 17 February. This followed the previous year's 'shoot and once again the event sold out, providing very welcome income for the charity.

The charity also organized several photo shoots with car clubs, whose members wanted the opportunity of photographing their vehicles in front of XL426. These events provided valuable income for the charity.

The VRT 200 Club (a private club, operating within the charity, with membership restricted to the charity's members) continued to raise funds for the charity. At the end of 2018, £11,220 was held in the 200 Club account (compared with £10,937 at the end of 2017). In 2018, the 200 Club supported the purchase of a new starboard main undercarriage shock absorber and new main wheel covers for XL426.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2018****(Continued)**

The *Helping Hands* scheme, introduced in 2008, continued to provide charity members with the opportunity to make monthly donations by standing order. This income is not 'ring fenced' and can be used by the charity as it sees fit. At the end of 2018, monthly income from the *Helping Hands* scheme was on average £137, giving an annual income of more than £1,600. Income from the scheme has declined in recent years as contributors have left or reduced their donations. The charity will look at re-launching the scheme at some time with the aim of increasing the amount of donations received.

The charity ran a Prize Draw which realised an overall profit of £1,639 (2017: £477). The increased profit was due to a combination of getting draw tickets on sale earlier and a reduction in the total cost of the prizes. The charity would like to thank the Duxford Aviation Society for donating a VIP visit to Concorde G-AXDN as one of the prizes.

The charity also continued to receive donations by text via the *Just Giving* scheme operated by the Vodafone Foundation.

The charity would like to thank all the volunteers on its Engineering Team, events and fund raising teams, for all their hard work, support and dedication in 2018.

VRT Enterprises Limited

VRT Enterprises Limited (Company Limited by Guarantee) is set up to operate the trading activities of the charity. The charity controls the operations of this company as the trustees of the charity are members of VRT Enterprises. VRT Enterprises reported a trading loss of £1,436 (2017: profit £1,049) for the 2018 financial year.

The charity is connected with VRT Enterprises Limited (Registered Company No: 3300759) by virtue of the fact that it has common directors. All of the profits of VRT Enterprises Limited are transferred to the trust under Gift Aid.

VRT Enterprises Limited carried out the sale of aviation goods and memorabilia via the on-line shop, internet auction sites and via the charity's stand at *Visit the Vulcan Days* and other events.

VRT Enterprises Limited also ran a licensed bar and catering at the charity's Spring, *Secret Cinema at the Vulcan* and Christmas events.

At the end of 2018, the charity decided to incorporate its trading activities within its own operations, as it is now permitted to do so, and as a result VRT Enterprises Limited ceased trading on 31 December.

Risk Management

The directors continued to take steps to identify the major strategic and operational risks the charity faces and procedures have been put in place to mitigate these risks. The directors regularly review risk.

FINANCIAL REVIEW

Incoming resources for the year amounted to £76,759 (2017: £70,253). There were unrealised (loss) profits on investments of £(NIL) (2017: £(NIL)). Total resources expended for the year were £40,343 (2017: £ 61,882).

The net movement in funds was £36,416 (2017: £8,371).

The net assets of the charity as at 31 December 2018 were £62,200 (2017: £36,813). The charity's fixed assets comprise an Avro Vulcan B2 aircraft at London Southend Airport and its associated ground equipment and spare parts, four container stores and their fixtures and fittings, and two trailers. The net book value of these assets as at 31 December 2018 was £8,010 (2017: £8,674).

VULCAN RESTORATION TRUSTREPORT OF THE TRUSTEESFOR THE YEAR ENDED 31 DECEMBER 2018(Continued)

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit.

The trustees are satisfied with the financial position of the charity and would like to thank the many volunteers, companies and organisations who give their time and services to the charity.

PLANS FOR FUTURE PERIODS**Strategic Plan**

The charity's strategic plan has now expired. The charity will formulate a new plan for the next five years.

Statement of Trustees' Responsibilities

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing those financial statements we are required to:-

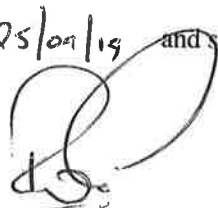
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures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

We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Provisions

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

Approved by the trustees on 25/09/19 and signed on their behalf by



Richard Clarkson
Secretary

INDEPENDENT EXAMINER'S REPORT TO
THE TRUSTEES OF VULCAN RESTORATION TRUST

This report on the accounts of the trustees for the year ended 31 December 2018, which are set out on pages 11 to 18, is in respect of an examination carried out under Section 145 of the Charities Act 2011.

Respective responsibilities of the trustees and examiner

As the members of the trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 144 of the Charities Act 2011 (The 2011 Act) does not apply.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act.
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)9(b) of the Charities Act); and
- To state whether in particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements;
 - to keep accounting records in accordance with Section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



P Kittle FAIA FFA FIPA FFTA
 Public Accountant
 37 Fraser Close
 Chelmsford
 Essex CM2 0TD

Date: 27 September 2019

VULCAN RESTORATION TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income	2	25,396	-	25,396	41,575
Activities for Generating Funds					
Fund Raising Income		24,294	-	24,294	14,342
Income from Investments	3	39	-	39	19
Donation receipt from trading subsidiary		-	-	-	1,049
Hangar appeal income		-	-	-	13,268
Hangar move compensation		16,001	-	16,001	-
TOTAL INCOMING RESOURCES		65,730	-	65,730	70,253
RESOURCES EXPENDED					
Cost of generating funds:					
Fund Raising Expenses		179	-	179	11,993
Charitable Activities	4	39,636	-	39,636	49,386
Governance Costs		528	-	528	503
TOTAL RESOURCES EXPENDED		40,343	-	40,343	61,882
NET INCOMING/(OUTGOING) RESOURCES		25,387	-	25,387	8,371
NET MOVEMENT IN FUNDS FOR THE YEAR		25,387	-	25,387	8,371
Balances brought forward					
At 1 January 2018		35,538	1,275	36,813	28,442
BALANCES CARRIED FORWARD					
At 31 December 2018		60,925	1,275	62,200	36,813

The notes on pages 13 to 18 form part of these accounts

VULCAN RESTORATION TRUST**BALANCE SHEET - 31 DECEMBER 2018**

	Notes	<u>2018</u>	<u>2017</u>
		£	£
FIXED ASSETS			
Tangible Assets	8	8,010	8,674
Investments	9	399	399
		<u>8,409</u>	<u>9,073</u>
CURRENT ASSETS			
Debtors	10	5,782	10,478
Cash at bank and in hand		53,814	17,752
		<u>59,596</u>	<u>28,230</u>
CURRENT LIABILITIES			
Creditors within one year	11	5,805	(490)
		<u>5,805</u>	<u>(490)</u>
NET CURRENT ASSETS		53,791	27,740
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>62,200</u>	<u>36,813</u>
FUNDS			
Unrestricted	12	60,925	35,538
Restricted		1,275	1,275
		<u>62,200</u>	<u>36,813</u>

The director's statement required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 13 to 18 form part of these accounts

VULCAN RESTORATION TRUST

BALANCE SHEET - 31 DECEMBER 2018

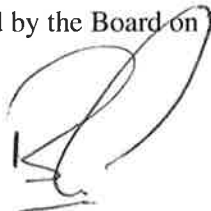
**DIRECTOR'S STATEMENTS REQUIRED BY SECTIONS 475(2) AND (3)
FOR THE YEAR ENDED 31 DECEMBER 2017**

In approving these financial statements as director of the company I hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 December 2016; and
- (c) that I acknowledge my responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 386; and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on 25 September 2019 and signed on its behalf by:



**R Clarkson
Director**

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2018****1. ACCOUNTING POLICIES****Accounting convention**

The financial statements have been prepared in accordance with the historical cost convention (as modified for the revaluation of fixed asset investments) and in accordance with the Charities Act 1993, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005), the Financial Reporting Standard for smaller Entities (effective April 2008) and the Companies Act 2006. The principal accounting policies which have been adopted on a consistent basis within that convention are set out below.

Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Donations are recognised on a receivable basis. Donations received for the general purposes of the charity are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are carried to relevant Restricted Funds.

Resources expended

Resources expended are accounted for in the period in which they are incurred. The irrecoverable element of VAT is included with the item of expense to which it relates.

Where an item of expenditure falls directly within one cost category it is attributed to that category only. Where expenditure involves more than one category, it is apportioned on a reasonable and justifiable basis.

Tangible Fixed Assets and Depreciation

Items of expenditure of a capital nature costing more than £400 are capitalised.

Depreciation of tangible fixed assets is calculated to write off the cost less any residual value over its estimated useful life:

Vulcan XL426	10% per annum on the straight line basis
Plant and Equipment	15% per annum on the reducing balance basis

Listed Investments

Investments are included in the balance sheet at their market value at the balance sheet date. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activities in the year in which they arise. Investment income is credited to income on an accruals basis.

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2018****(Continued)****Financial Instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the statement of financial activities. Finance costs are calculated so as to produce a constant rate of return on outstanding liability.

Unrestricted Funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees and which have not been designated for other purposes.

Designated Funds

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects. The aim and use of each designated fund is set out in the notes to the financial statement.

Restricted Funds

The restricted funds are funds raised for hanger refurbishment.

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2018****(continued)**

	Unrestricted 2018	Restricted 2018	Total 2018 £	Total 2017 £
2 VOLUNTARY INCOME				
Donations	11,816	-	11,816	20,445
Gift aid	3,516	-	3,516	7,929
Subscriptions	10,064	-	10,064	13,201
	<hr/> 25,396	<hr/> -	<hr/> 25,396	<hr/> 41,575
3 INVESTMENT INCOME				
Dividends on UK listed securities	34	-	34	7
Interest Receivable & similar Income	5	-	5	12
	<hr/> 39	<hr/> -	<hr/> 39	<hr/> 19
4 ANALYSIS OF TOTAL RESOURCES EXPENDED				
Charitable Expenditure				
To preserve & protect Avro Vulcan	34,763	-	34,763	48,057
Advancement and Education	4,873	-	4,873	1,832
	<hr/> 39,636	<hr/> -	<hr/> 39,636	<hr/> 49,889
5 NET OUTGOING RESOURCES				
Net Incoming Resources is stated after charging				
Depreciation of Tangible Fixed Assets	664			1,531
Dispersal Pan Rental	-			1,257

6 TAX STATUS

The company, being a registered charity, is exempt from any taxation with the exception of value added tax.

7 DIRECTORS

Three Directors were reimbursed travel expenses 2018: £ 3,005 (2017: £6,035)

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2018****(continued)****8 TANGIBLE FIXED ASSETS**

COST	Vulcan XL426 £	Plant & Equip £	Total £
At 1 January 2017	8,500	17,147	25,647
Additions			
Disposals			
At 31 December 2018	8,500	17,147	25,647
DEPRECIATION			
At 1 January 2017	8,500	8,473	16,973
Charge for the year	-	664	664
At 31 December 2018	8,500	9,137	17,637
NET BOOK VALUE			
At 31 December 2018	-	8,010	8,010
At 1 January 2017	-	8,674	8,674

All tangible fixed assets are used in direct furtherance of the charity's objectives.

	2018 £	2017 £
9 FIXED ASSET INVESTMENTS		
UK Listed Securities	399	399
10 DEBTORS		
Tax Reclaims Due	3,616	7,929
Amounts due from Group Undertakings	-	1,049
Prepayments	2,166	1,500
	5,782	10,478
11 CREDITORS		
Accruals	5,805	490
	5,805	490

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2018****(continued)**

12 ANALYSIS OF FUNDS	Balance Brought Forward £	Incoming Resources £	Resources Expended £	Unrealised Gains/ (Losses) £	Balance Carried Forward £
Unrestricted Fund					
General Reserve	26,864	65,730	(39,679)	-	52,915
Designated Fund					
Tangible Fixed Assets Fund	8,674	-	(664)	-	8,010
Restricted Fund	1,275	-	-	-	1,275
	<u>36,813</u>	<u>65,730</u>	<u>(40,343)</u>	<u>-</u>	<u>62,200</u>

The Tangible Fixed Asset Fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of tangible fixed assets.

13 GOVERNANCE COSTS

Included in governance costs is cost of the independent review £485 (2017: £490)

14 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee of its members to the extent of £1 each. At the balance sheet date there were 470 members (2017: 520) of the company.

15 SUBSIDIARY UNDERTAKING

The results for the year ended 31 December 2018 was turnover £6,736 (2017: £7,752) and a loss of £1,436 (2017 profit: £1,049). The reserves of VRT Enterprises Limited at 31 December 2018 were £10,281 (2017: £11,721).

Also at the balance sheet date an amount of £NIL (2017: £1,049) was due to the charity in respect of a donation from VRT Enterprises Limited.

16 TRUSTEES REIMBURSED EXPENSES	2018 £	2017 £
R Clarkson	976	889
K Fathers		1,431
P Archer	2,028	3,715
	<u>£ 3,004</u>	<u>6,035</u>

The Trustees made an unrelated donation of the equivalent amount