

VULCAN RESTORATION TRUST
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2012

VULCAN RESTORATION TRUST**TRUSTEES AND DIRECTORS**

Keith Harvey - Interim Chair & Treasurer
 Richard Clarkson – Secretary
 David Griffiths
 Paul Hartrup
 Matt Lawrence
 Andy Vass

REGISTERED OFFICE

39 Breakspears Drive
 St Paul's Cray
 Orpington
 Kent
 BR5 2RX

**REGISTERED NUMBER
(ENGLAND & WALES)**

03203724

**CHARITY REGISTRATION
NUMBER**

1058111

BANKERS

National Westminster Bank Plc
 PO Box 98
 132 High Street
 Southend-On-Sea
 Essex
 SS1 1BA

INDEPENDENT EXAMINER

P Kittle FFA FFTA FCIE MCMI
 Incorporated Financial Accountant
 37 Fraser Close
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 Essex CM2 OTD

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Pages	2 - 10	Chairman's Report
	11	Examiner's Report
	12	of Financial Activities and Income and Expenditure Account
	13	Balance Sheet
	14 - 19	Notes to the accounts

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

The trustees present their report and unaudited financial statements for the year ended 31 December 2012. The trustees' report also represents the directors' report which is required to be prepared under Section 419(2) of the Companies Act 2006.

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 five occasions. The board is responsible for the overall management of the charity, takes policy decisions and ratifies all decisions made by its Engineering and Stock & 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 Stock & Events Committee remained responsible for the charity's sales and publicity stand, the 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 has an ongoing desire to see the charity's volunteer base expand so it can delegate more of its operational responsibilities and concentrate more fully on the strategic development of the charity. Throughout the year, individual directors remained heavily involved in sub-committee work and day-to-day tasks, meaning strategic issues such as the drafting of a new Strategic Plan could not be progressed.

During 2012 the charity intended formally reviewing progress against the *Vulcan Restoration Trust - Strategic Plan 2006-10* as part of its task of agreeing a new five-year Strategic Plan. This task had been carried over from the previous year. However the board's continuing high workload in 2012 did not allow sufficient time for this. The charity wants to put a new Strategic Plan in place intends agreeing a new Plan in 2013. The board remains happy that the charity delivers satisfactorily against its aims and objectives on a day-to-day basis, but is aware that a more strategic approach is required if the charity is to fulfill its potential long-term.

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. The board has intended reviewing both these areas for some time but the need to direct effort and resource into other areas has prevented this from happening. 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 full member of the British Aviation Preservation Council (BAPC) and the Historic Aircraft Association, and is an associate member of the Bomber Command 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 2012
(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 and buildings, held three public open days, gave educational talks about the aircraft to the public, organised meetings for members and interested members of the public and attended various public events.

The charity's income is generated by membership fees, entrance fees, appeals, donations, fund-raising draws, auctions and public displays. The charity's main objectives for the year continued and built upon those of the previous year and were: to continue the *Return to Power* engineering programme to return XL426 to full ground running condition; to develop and implement new Health & Safety procedures covering all areas of the charity's work; to continue implementing the recommendations of the Charity Commission Review Visit Report in 2005; to continue raising the charity's profile in the South Essex area; and to continue to improve its financial position. The board continued to liaise closely with London Southend Airport on matters relating to the airport development work and the effect of these on the on the charity's activities.

Preservation and Protection of Avro Vulcan Aircraft

XL426 is listed by the BAPC 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 being taxied under its own power. XL426, and its associated ground equipment, is owned by the charity.

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, with specific responsibility for airframe, engines and avionics, with the lead engineers being responsible for specific work areas as follows: Andy Wagstaff - buildings and infrastructure; Paul Hartrup - engineering administration; and Martin White - liaison with London Southend Airport on security and airside access arrangements. New volunteers continued to join the Engineering Team during the year.

Following the taxi-run at its Open Day in August 2006 the charity agreed to withdraw XL426 from taxiing service so that a programme of engineering work could be carried out to ensure the aircraft's long-term survivability. The charity estimates that £54,000 will be needed to complete the work and, at the beginning of 2007, launched an appeal called *426 Return to Power* to raise the necessary funds. By the end of 2012, it had raised a total of £18,675 (total £18,375 at the end of 2011). Although only a small amount of cash donations were received for *426 Return to Power* in 2012, the charity continued to receive considerable 'in kind' support for the project. However, the charity accepts that its *Return to Power* fundraising efforts must be improved and that it is unlikely it will be able to raise the full funding target for some considerable time.

Return to Power programme engineering activity concentrated on a number of areas. Work on the full overhaul refurbishment of No.4 elevon (flying control surface) was completed during the year, the unit

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

being re-fitted to XL426 in May. Made from the main structural elements of an ex-XH558 elevon donated by the Vulcan to the Sky Trust, the unit consists of approximately 60% new build parts, which required the design and manufacture of tooling to construct new internal ribs and channel sections. No.3 elevon was also the subject to external refurbishment.

Work also continued on the overhaul of XL426's brake units, the latter being very kindly carried out by a local company at no cost to the charity. The renovation or replacement of corroded areas of the aircraft's skin, plus renovation work on larger components such as the main undercarriage door fairings continued, with work on the Counterpoise Plate being completed during the year.

The ongoing task of overhauling the aircraft's wheels sets and Powered Flying Control Units (PFCUs) and electronic black boxes removed from the cockpit continued. The aim is to have all the wheels sets and PFCU units (including spares) fully serviceable by the time the *Return to Power* programme is complete.

Work began to remove and overhaul or remanufacture the piping from XL426's main undercarriage bays. The charity is contracting with David Hart Aerospace Pipes to overhaul the pipe work or to remanufacture it where necessary.

The programme to re-paint XL426 was re-started in 2012 following the problems that had led to this work being halted the previous year. A new supply of paint was sourced and the repainting work continued throughout the summer months and into autumn. The programme will be completed in 2013. The charity took the decision to replace the previous Vulcan Display Team fin markings with the 50 Squadron and 617 Squadron markings which XL426 had worn during the 1970s and early 1980s. The 50 and 617 Squadron markings were applied to the starboard and port sides of the fin respectively.

The charity's ongoing programme of regular checks, coupled with numerous works of maintenance and repair on XL426 and its associated ground equipment (additional to that set out in the *Return to Power* programme) continued. A slow-speed taxi-run was carried out in February and the aircraft's electrical systems, including the flying control surfaces and the airborne auxiliary power plant (AAPP), were run regularly and faults rectified as and when they occurred.

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

A new set of jet pipe end caps were also manufactured to replace the worn set previously in use.

Work was ongoing throughout the year servicing and maintaining the charity's items of ground equipment, including its two air tugs, giraffe steps, ladders, and servicing platforms. The larger of the charity's air tugs was the subject of a full overhaul during the latter part of the year, the charity employing a specialist engineer to lead on this task. A full re-build and overhaul of the charity's air start unit was also begun; this work will be completed in 2013 and the unit returned to service.

Work to fit-out of the charity's new workshop was completed during the early part of the year. The charity's three containers situated at London Southend Airport were also re-fitted, with a small workshop area being created within one of them. Maintenance of the hardstanding itself was restricted to removal of weeds and filling cracks where necessary.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012 (Continued)

The charity was represented at meetings of the BAPC during 2012. VRT trustee, Paul Hartrup, is a member of the BAPC Executive Committee.

The charity would like to thank all the members of its Engineering Team for their ongoing work, support and dedication in 2012.

Demonstration and Display of Avro Vulcan Aircraft

The charity fulfilled its charitable objective to demonstrate and display Vulcan aircraft by holding three *Visit the Vulcan* public open days on 22 July, 26 August and 30 September. This was one less than in previous years due to the charity having to meet the stricter arrangements on airside access that came into force at London Southend Airport in 2012. The public area at all the charity's open days must now be enclosed within a minimum six-foot high fence. The charity purchased sufficient fencing panels to enable it to meet the new regulations, the fence being put up and taken down either side of each open day.

The August event saw the charity's official celebration of XL426's 50th anniversary. XL426 made her first flight on 23 August 1962 prior to entering service with 83 Squadron the following month. The charity estimates that approximately 1200 people attended its three *Visit the Vulcan* days in 2012.

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.

Education and Information

The charity continued to fulfill its educational objectives by giving talks and guided tours of XL426 to interested groups and societies, maintaining a website containing information about the Vulcan (www.avrovulcan.com), displaying and distributing information about the Vulcan to the public and organising meetings for its members and interested members of the public.

The charity did not publish its magazine *Vulcan News* in 2012. Although the charity had intended re-starting publication of its magazine (last published in 2010) in 2012, this did not prove possible due to financial and personnel restraints. *Vulcan News* is one of the charity's primary sources of communication with its members and the charity is fully aware of the need to begin its publication again as a priority.

Written communication to members was restricted to a single Chairman's letter in 2012 – again the charity is aware this is below the level of communication members would reasonably expect. Issues of the VRT e-newsletter were, however, circulated on a regular basis, bringing up-to-the-minute news and announcements to charity members and interested members of the public. The e-newsletter is free and can be subscribed to via a link on the charity's website.

Two Enthusiasts Event meetings were held in 2012. Guest speaker at the April event, which also incorporated the charity's Annual General Meeting, was aviation author, Ken Ellis, who spoke on the history of aviation preservation in the UK. The Christmas Enthusiasts' Event & Buffet featured as guest speaker Sarah Hanna, director of the Old Flying Machine Company (OFMC), based at Duxford. Sarah spoke on the history of OFMC, in particular its flagship 'warbird', Spitfire MH434. Both events were open to charity members as well as guests and the public.

One evening talk at the Orsett Hall Hotel, Essex, was organised by VRT Enterprises Limited (see below) and featured air display pilot Rod Dean. Rod had been the charity's guest speaker at its Christmas Enthusiasts' Event & Buffet in 2011, and he returned to speak about his career flying vintage aircraft. As

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

with previous evening events held at the Orsett Hall Hotel, this proved very popular with most of the tickets being sold via the on-line ticketing facility on the charity's website.

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 (see below) are educational in nature, including books, videos, DVDs, flown philatelic covers containing informational inserts about the Vulcan's history, posters and postcards.

Achievements and Activities

Structure, Governance and Management

The charity continued to implement the recommendations of the Charity Commission Review Report by implementing its Strategic Plan for the period 2006-10 and its Action Plan for 2006 (carried forward into 2007-11). The targets and objectives set in the Action Plan were only partially met, although the charity is happy that progress continues to be made towards achieving the overall objectives of its Strategic Plan whilst it continues to fulfill its charitable objectives. 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. These aspects will be reviewed as the charity considers its strategic planning going forward.

New airside access arrangements came into force at London Southend Airport in 2012. All of the charity's volunteers working airside must now be in possession of an airside pass, issued by the airport. As part of this process, the charity had to seek college and employer references for all its volunteers, with each volunteer issued with a permanent pass having to obtain a clean Criminal Records Bureau clearance.

Health & Safety procedures and policies covering all areas of the charity's work continued to be developed and updated during the year.

During 2012 the charity sold the dismantled Romney Hut building it purchased in 2004 and which had been intended as a replacement for the charity's former workshop and stores building. London Southend Airport had informed the charity that, in the light of the recent airport developments, it was highly unlikely that it would now permit the building to be put up on the airport. The proceeds from the sale were used to buy the fencing panels needed to enclose the public area at the charity's open days (see above).

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 formulation and implementation of the *Return to Power* programme provides the charity with the opportunity to ensure the long-term preservation of XL426 in full ground running condition for many years to come.

The charity's current Engineering Team will need to be expanded if the *Return to Power* programme is to be completed within a reasonable timescale and if an improved maintenance schedule is to be put in place in the long-term. Additional volunteers continued to join the Team in 2012 and the charity is continuing to look at ways of attracting more volunteers in future, both for the Engineering Team and in other areas of its work.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

(Continued)

As the development of London Southend Airport continues, it is likely that the charity will have to relocate XL426 to a new site on the airport in 2014. The charity discussed options for a new site for XL426 with the airport's management and will continue to work with the airport to achieve a positive outcome for the charity and XL426.

Demonstration and Display of Avro Vulcan Aircraft

The charity's three *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.

London Southend Airport did not levy a facility charge for the events and the charity made every effort to reduce the overhead costs for each day.

Education and Information

The charity continued to maintain its website (www.avrovulcan.com) featuring news and reports of the charity's activities, including engineering reports and historical information about XL426 and the Vulcan. The charity will continue to expand the content of the website on an ongoing basis.

Seven talks (compared with four in 2011) 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.

Groups and societies visited XL426 on a number of occasions during the year.

Membership

The charity ended the year with 501 members, 75 down on the previous year. 36 new members joined in 2012 (2011: 38). This is the eleventh year in succession that membership of the charity has fallen. It had appeared in 2011 that the rate of drop-off had leveled-out, but 2012 saw the rate increase again. Membership subscriptions continue to be a vital source of income and the charity would like to thank all its members for their support during the year.

Publicity

Phil Whalley continued his work as the charity's Media Liaison Officer, ensuring its events were well publicised locally and nationally, and raising the charity's profile in the local media and national aviation press. Details of the charity's events appeared in the local press and national aviation magazines, as well as local events guides and websites. Reports of the charity's activities appeared regularly in local newspapers and specialist magazines.

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 Vulcan Restoration Trust Facebook Group continued to expand with 'membership' nearing 1000 by the end of the year. It continued to provide the charity with a very useful means of promoting its activities and events, with a large percentage of the charity's new members in 2012 making their first contact with the charity via the Group.

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

The charity decided not to use the display trailer it purchased in 2009 for publicity purposes and instead the trailer was made available to the engineering team for storage purposes.

The charity continued its policy of concentrating its efforts on raising its profile in South Essex and, as a consequence, only attended one event outside its local area (the *RAF Waddington International Air Show* in July) in 2012.

Fund-raising

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 2012, £14,192 was held in the 200 Club account (compared with £12,844 at the end of 2011).

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 2012, monthly income from the *Helping Hands* scheme was on average £216, consistent with that in 2011, giving an annual income of more than £2,610.

After a break in 2011, the charity began running a Prize Draw in 2012. This raised a profit of £1,778. The charity would like to thank its Vice-President Graham Cash for promoting the Draw. Thanks are also due to the charity's President Norman Skinner who personally sold 1155 of the total number of 2782 tickets sold.

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 profit of £1,043 (2011: £2,593) for the 2012 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 and via the charity's stand at air displays and other events. The only VRT branded items of memorabilia produced in 2012 were *50th Anniversary of XL426* t-shirts and mugs which featured a special 50th anniversary logo. VRT Enterprises Limited also ran a licensed bar and provided refreshments at the charity's Annual General Meeting and Christmas Enthusiast's Event & Buffet. The charity would like to thank the Catering and Bar Team for their efforts in 2012.

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.

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

Financial Review

Incoming resources for the year amounted to £41,591 (2011: £38,641). There were unrealised (loss) profits on investments of £Nil (2011: £(170)). Total resources expended for the year were £43,078 (2011: £38,202).

The net movement in funds was £(1,478) (2011: £269).

The net assets of the charity as at 31 December 2012 were £25,288 (2011: £26,775). 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 a display trailer. The net book value of these assets as at 31 December was £425 (2011: £500).

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 2006-10

The charity's strategic plan has now expired. The charity will formulate a new plan for the next five years during 2012-13.

Statement of Trustee's 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.

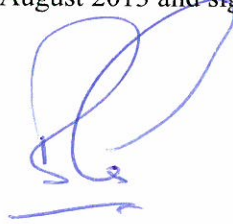
We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the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

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012
(Continued)

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 21 August 2013 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 31st December 2012, which are set out on pages 7 to 16, 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 FFA FFTA MCFI FCIE
 Incorporated Financial Accountant
 37 Fraser Close
 Chelmsford
 Essex CM2 0TD

Date: 30 August 2013

VULCAN RESTORATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31ST DECEMBER 2012

		Total	
	Notes	2012 £	2011 £
INCOMING RESOURCES			
Incoming Resources from Generated Funds			
Voluntary Income	2	33,378	28,798
Activities for Generating Funds			
Fund Raising Income		7,137	7,214
Income from Investments	3	33	36
Gift aid receipt from trading subsidiary		1,043	2,593
Other Incoming Resources		-	-
TOTAL INCOMING RESOURCES		<u>41,591</u>	<u>38,641</u>
RESOURCES EXPENDED			
Cost of generating funds:			
Fund Raising Expenses		1,312	831
Charitable Activities	4	41,766	37,371
TOTAL RESOURCES EXPENDED		<u>43,078</u>	<u>38,202</u>
NET INCOMING/(OUTGOING) RESOURCES		(1,487)	439
Unrealised losses on Investment Assets		-	(170)
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>(1,487)</u>	<u>269</u>
Balances brought forward			
At 1st January 2011		26,775	26,506
BALANCES CARRIED FORWARD			
At 31st December 2012		<u>£ 25,288</u>	<u>£ 26,775</u>

The notes on pages 11 to 16 form part of these accounts

VULCAN RESTORATION TRUST**BALANCE SHEET - 31ST DECEMBER 2012**

	Notes	<u>£</u>	<u>2012</u>	<u>£</u>	<u>£</u>	<u>2011</u>	<u>£</u>
FIXED ASSETS							
Tangible Assets	8			425			500
Investments	9			399			399
				<u>824</u>			<u>899</u>
CURRENT ASSETS							
Debtors			5,167			7,768	
Cash at bank and in hand			19,297			18,108	
			<u>24,464</u>			<u>25,876</u>	
NET CURRENT ASSETS				24,464			25,876
TOTAL ASSETS				<u>£ 25,288</u>			<u>£ 26,775</u>
FUNDS							
Unrestricted	11			25,288			26,775
				<u>£ 25,288</u>			<u>£ 26,775</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.

VULCAN RESTORATION TRUST

BALANCE SHEET - 31ST DECEMBER 2012

**DIRECTOR'S STATEMENTS REQUIRED BY SECTIONS 475(2) AND (3)
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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 30th April 2011; 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 21 August 2013 and signed on its behalf by:



Mr Keith Harvey
Chairman

VULCAN RESTORATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2012

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 £500 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****31ST DECEMBER 2012****(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.

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 2012****(continued)**

	Total	
	2012	2011
	£	£
2 VOLUNTARY INCOME		
Return to Power Appeal	300	1,450
Donations	10,920	10,307
Gift Aid	9,526	5,686
Subscriptions	12,632	11,355
	£ 33,378	£ 28,798
3 INVESTMENT INCOME		
Dividends on UK Listed Securities	33	35
Interest Receivable & similar Income	-	1
	£ 33	£ 36
4 ANALYSIS OF TOTAL RESOURCES EXPENDED		
Charitable Expenditure		
To preserve & protect Avro Vulcan	37,947	27,923
Advancement and Education	3,819	9,448
	£ 41,766	£ 37,371
5 NET OUTGOING RESOURCES		
Net Incoming Resources is stated after charging		
Depreciation of Tangible Fixed Assets	75	88
Dispersal Pan Rental	3,102	3,102

6 TAX STATUS

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

7 DIRECTORS

One Director was reimbursed travel expenses totalling £1,480 (2011: Six Directors total £6,223)

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 2012****(continued)****8 TANGIBLE FIXED ASSETS**

COST	Vulcan XL426 £	Plant & Equip £	Total £
At 1 January 2011	8,500	5,504	14,004
At 31 December 2012	8,500	5,504	14,004
DEPRECIATION			
At 1 January 2011	8,500	5,004	13,504
Charge for the year	-	75	75
At 31 December 2012	8,500	5,079	13,579
NET BOOK VALUE			
At 31 December 2012	£ -	£ 425	£ 425
At 1 January 2011	£ -	£ 500	£ 500

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

9 FIXED ASSET INVESTMENTS	2012 £	2011 £
UK Listed Securities	£ 399	£ 399
10 DEBTORS		
Tax Reclaims Due	4,124	4,400
Amounts due from Group Undertakings	1,043	2,593
Pre-payments	-	775
	£ 5,167	£ 7,768

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 2012****(continued)**

	Balance Brought Forward £	Incoming Resources £	Resources Expended £	Balance Carried Forward £
11 ANALYSIS OF FUNDS				
Unrestricted Fund				
General Reserve	26,275	41,591	43,003	24,863
Designated Fund				
Tangible Fixed Assets Fund	500	-	75	425
	<u>£ 26,775</u>	<u>£ 41,591</u>	<u>£ 43,078</u>	<u>£ 25,288</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.

12 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 501 members (2011: 588) of the company.

13 SUBSIDIARY UNDERTAKING

The results for the year ended 31 December 2012 was turnover £7,792 (2011: £10,485) and a profit of £1,043 (2011: £2,593). The reserves of VRT Enterprises Limited at 31 December 2012 were £11,721 (2011: £11,721).

Also at the balance sheet date an amount of £1,043 (2011: £2,593) was due to the charity in respect of Gift Aid from VRT Enterprises Limited.