

VULCAN RESTORATION TRUST
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2013

VULCAN RESTORATION TRUST

TRUSTEES AND DIRECTORS	Keith Harvey - Interim Chair & Treasurer – Resigned 19.10.13 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 MCFI Incorporated Financial 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 2013

The trustees present their report and unaudited financial statements for the year ended 31 December 2013. 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 2013
(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 Wagstaffe - buildings and infrastructure; and Paul Hartrup - engineering administration. Martin White left the engineering team temporarily in 2013 and his responsibilities for liaising with London Southend Airport on security and airside access arrangements were shared between the chief and remaining lead engineers. 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. The charity did not undertake any specific fundraising for *Return to Power* in 2013 and only £200 of 'ring fenced' donations were received during the year. By the end of the year, a total of £18,875 (total £18,675 at the end of 2012) had been received for the appeal. The charity did, however, continue to receive considerable 'in kind' support for the project. However, the charity accepts that its *Return to Power* fundraising efforts must be improved.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

Return to Power programme engineering activity concentrated on a number of areas. Work to rectify corrosion on the aircraft's skin continued as did work on the Powered Flying Control Units (PFCUs) and brake units. Work removing and overhauling (or remanufacturing) the piping from XL426's main undercarriage bays also continued, with the bay area's themselves being de-corroded and repainted.

Problems with leaks from XL426's No.2 fuel tank resulted in the tank being declared irreparable and the charity is in discussion with GKN Aerospace regarding the supply of a replacement tank. A new set of relays controlling the fuel system was also obtained and installed during the year.

The aircraft repainting programme continued in 2013. It had been expected to complete during the year but this was not possible and the charity is now aiming to finish the repaint in 2014. Although the work is not yet complete, XL426's external appearance is better than it has been for many years and has been the subject of many complimentary remarks from visitors at the charity's open days.

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.

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.

Work was ongoing throughout the year servicing and maintaining the charity's items of ground equipment, including its air tugs, giraffe steps, ladders, and servicing platforms. The charity took the decision to sell its smaller air tug following completion of the overhaul on its larger air tug. This single tug is sufficient for the charity's needs and was the subject of a full repaint. The full re-build and overhaul of the charity's air start unit, begun in 2012, was delayed during the year and will now be completed in 2014.

The charity continued maintenance work continued on its workshop building, its three containers situated at London Southend Airport and its aircraft hardstanding.

The charity was represented at meetings of the BAPC during 2013. 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 2013.

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 28 April, 16 June, 11 August and 29 September. To meet London Southend Airport requirements, the public area at all the charity's open days must be enclosed within a minimum six-foot high fence which is put up and taken down either side of each open day. The charity estimates that approximately 1600 people attended its four *Visit the Vulcan* days in 2013.

Special preview events were also held on the day before the August and September *Visit the Vulcan* days at which charity members were given an exclusive opportunity to visit XL426. These proved very popular with those who attended and will be continued in 2014.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

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, displaying and distributing information about the Vulcan to the public and organising meetings for its members and interested members of the public.

The charity was forced to take its website off-line during 2013 due to security issues and launched a new website in the latter part of the year. The charity would like to record its thanks to trustee Dave Griffiths for his work setting up the new website in a short space of time. The new website continues to include information about the charity's work and the Vulcan in general, and will be subject to further development and enhancement in 2014. The website address is www.avrovulcan.com.

A new Facebook page was set up in 2013 and had achieved over 1000 'likes' by the end of the year. The page provided up-to-the-minute news of the charity's engineering work and also carried details of charity events and other activities. The charity will continue to expand its social media presence in 2014.

Vulcan News, the charity's magazine, was re-launched after a break of three years, with a single issue being published in October 2013. The charity took advantage of new printing technology to produce the magazine at a much reduced cost than previously, whilst maintaining a high standard of production. The charity intends publishing *Vulcan News* twice-yearly.

Two Enthusiasts Event meetings were held in 2013. Guest speaker at the April event, which also incorporated the charity's Annual General Meeting, was Squadron Leader Joe Marsden who spoke about his times flying the Vulcan and the Canberra. The Christmas Enthusiasts' Event & Buffet featured as guest speaker Dr Robert Fleming, chief executive of the Vulcan to the Sky Trust, who spoke about the return to flight of Vulcan XH558 and the Trust's future plans for the aircraft. 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) featuring former test pilot, John Farley, who spoke about his career, in particular his time as Chief Test Pilot on the Harrier programme. As 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.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2013

(Continued)

ACHIEVEMENTS AND PERFORMANCE

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 2007-12). 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.

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. The charity sought college and employer references for all new volunteers, with each new volunteer also 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.

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 2013 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.

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 at some time in the future. The charity has 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 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.

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.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2013
(Continued)

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.

Two talks (compared with seven in 2012) 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.

Membership

The charity ended the year with 503 members, two up on the previous year. The overall trend in recent years has been for membership to fall year-on-year and it is hoped this leveling-out can be sustained, and even turned into regular annual increases, going forward. 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 resigned as the charity's Media Liaison Officer during the year to concentrate on his business. The charity would like to express its thanks to Phil for his work on its behalf in recent years. A replacement to fill the vacant role will be sought in 2014. 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 page continued to provide the charity with a very useful means of promoting its activities and events, with many of the charity's new members in 2013 making their first contact with the charity via the page.

The charity continued its policy of concentrating its efforts on raising its profile in South Essex and, as a consequence, only attended two events outside its local area (the *Shoreham Aerojumble* in April and the *RAF Waddington International Air Show* in July) in 2013.

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 2013, £16,647 was held in the 200 Club account (compared with £14,192 at the end of 2012).

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 2013, monthly income from the *Helping Hands* scheme was on average £230, slightly above that in 2012, giving an annual income of more than £2,760.

A single Prize Draw in 2013 which raised a profit of £2,282 (2012: £1,778). The charity would like to thank its Vice-President Graham Cash for promoting the Draw and its President Norman Skinner who personally sold 845 of the total number of 3195 tickets sold.

The charity also began receiving donations by text via the *Just Giving* scheme operated by the Vodafone Foundation, a total of £158 being received by the year's end.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES**
FOR THE YEAR ENDED 31 DECEMBER 2013**(Continued)****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 £2,999 (2012: £3,742) for the 2013 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 air displays and other events.

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 2013.

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 £37,329 (2011: £41,591). There were unrealised (loss) profits on investments of £Nil (2012: £Nil). Total resources expended for the year were £36,315 (2012: £43,078).

The net movement in funds was £(1,014) (2011: £1,487).

The net assets of the charity as at 31 December 2013 were £26,302 (2012: £25,288). 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 £728 (2011: £425).

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.

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2013
(Continued)

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 2014-15.

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 judgments 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 26 September 2014 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 2013, 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 FFA FFTA MCMI FCIE
Incorporated Financial Accountant
37 Fraser Close
Chelmsford
Essex CM2 OTD

Date: 16 October 2014

VULCAN RESTORATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2013

		Total	
	Notes	2013	2012
		£	£
INCOMING RESOURCES			
Incoming Resources from Generated Funds			
Voluntary Income	2	25,578	33,378
Activities for Generating Funds			
Fund Raising Income		10,518	7,137
Income from Investments	3	27	33
Gift aid receipt from trading subsidiary		1,206	1,043
TOTAL INCOMING RESOURCES		<u>37,329</u>	<u>41,591</u>
RESOURCES EXPENDED			
Cost of generating funds:			
Fund Raising Expenses		2,765	1,312
Charitable Activities	4	33,550	41,766
TOTAL RESOURCES EXPENDED		<u>36,315</u>	<u>43,078</u>
NET INCOMING/(OUTGOING) RESOURCES		1,014	(1,487)
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>1,014</u>	<u>(1,487)</u>
Balances brought forward			
At 1 January 2012		25,288	26,775
BALANCES CARRIED FORWARD			
At 31 December 2013		<u>£ 26,302</u>	<u>£ 25,288</u>

The notes on pages 14 to 18 form part of these accounts

VULCAN RESTORATION TRUSTBALANCE SHEET - 31 DECEMBER 2013

	Notes	<u>2013</u>		<u>2012</u>	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	8		728		425
Investments	9		399		399
			<u>1,127</u>		<u>824</u>
CURRENT ASSETS					
Debtors	10	5,206		5,167	
Cash at bank and in hand		21,165		19,297	
		<u>26,371</u>		<u>24,464</u>	
CURRENT LIABILITIES					
Creditors within one year	11	1,196		-	
		<u>1,196</u>		<u>-</u>	
NET CURRENT ASSETS			25,175		24,464
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 26,302</u>		<u>£ 25,288</u>
FUNDS					
Unrestricted	12		26,302		25,288
			<u>£ 26,302</u>		<u>£ 25,288</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 - 31 DECEMBER 2013

**DIRECTOR'S STATEMENTS REQUIRED BY SECTIONS 475(2) AND (3)
FOR THE YEAR ENDED 31 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 31 December 2013; 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 26 September 2014 and signed on its behalf by:

M Lawrence

Acting Chairman

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2013****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 TRUSTNOTES TO THE FINANCIAL STATEMENTS31 DECEMBER 2013(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 TRUSTNOTES TO THE FINANCIAL STATEMENTS31 DECEMBER 2013(continued)

	Total	
	2013	2012
	£	£
2 VOLUNTARY INCOME		
Return to Power Appeal	200	300
Donations	9,320	10,920
Gift Aid	5,000	9,526
Subscriptions	11,058	12,632
	<u>£ 25,578</u>	<u>£ 33,378</u>
	—	—
3 INVESTMENT INCOME		
Dividends on UK Listed Securities	-	33
Interest Receivable & similar Income	27	-
	<u>£ 27</u>	<u>£ 33</u>
	—	—
4 ANALYSIS OF TOTAL RESOURCES EXPENDED		
Charitable Expenditure		
To preserve & protect Avro Vulcan	33,286	37,947
Advancement and Education	264	3,819
	<u>£ 33,550</u>	<u>£ 41,766</u>
	—	—
5 NET OUTGOING RESOURCES		
Net Incoming Resources is stated after charging		
Depreciation of Tangible Fixed Assets	129	75
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

Two Directors was reimbursed travel expenses totalling £2,056 (2012: One Director total £1,480)

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2013****(continued)****8 TANGIBLE FIXED ASSETS**

	Vulcan XL426	Plant & Equip	Total
COST	£	£	£
At 1 January 2012	8,500	5,504	14,004
Additions	-	432	432
At 31 December 2013	<u>8,500</u>	<u>5,936</u>	<u>14,436</u>
DEPRECIATION			
At 1 January 2012	8,500	5,079	13,579
Charge for the year	-	129	129
At 31 December 2013	<u>8,500</u>	<u>5,208</u>	<u>13,708</u>
NET BOOK VALUE			
At 31 December 2013	£ -	£ 728	£ 728
At 1 January 2012	<u>£ -</u>	<u>£ 425</u>	<u>£ 425</u>

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

	2013	2012
9 FIXED ASSET INVESTMENTS	£	£
UK Listed Securities	£ 399	£ 399
10 DEBTORS	—	—
Tax Reclaims Due	4,000	4,124
Amounts due from Group Undertakings	1,206	1,043
	<u>£ 5,206</u>	<u>£ 5,167</u>
11 CREDITORS		
Accruals	1,196	-
	<u>£ 1,196</u>	<u>-</u>

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2013****(continued)**

	Balance Brought Forward £	Incoming Resources £	Resources Expended £	Balance Carried Forward £
12 ANALYSIS OF FUNDS				
Unrestricted Fund				
General Reserve	24,863	37,329	36,186	26,006
Designated Fund				
Tangible Fixed Assets Fund	425	-	129	296
	<u>£ 25,288</u>	<u>£ 37,329</u>	<u>£ 36,315</u>	<u>£ 26,302</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 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 503 members (2012: 501) of the company.

14 SUBSIDIARY UNDERTAKING

The results for the year ended 31 December 2013 was turnover £8,171 (2012: £7,792) and a profit of £1,206 (2012: £1,043). The reserves of VRT Enterprises Limited at 31 December 2013 were £11,721 (2012: £11,721).

Also at the balance sheet date an amount of £1,206 (2012: £1,043) was due to the charity in respect of Gift Aid from VRT Enterprises Limited.

	2013 £	2012 £
15 TRUSTEES REIMBURSED EXPENSES		
A Vass	1,440	-
R Clarkson	616	1,480
	<u>£ 2,056</u>	<u>£ 1,480</u>