

VULCAN RESTORATION TRUST

A COMPANY LIMITED BY GUARANTEE

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2014**

P KITTLE FAIA FFA/FIPA FFTA FCIE
Incorporated Financial Accountant

VULCAN RESTORATION TRUST

TRUSTEES AND DIRECTORS	Richard Clarkson - Secretary David Griffiths Paul Hartrup Matt Lawrence Andy Vass – retired 12.04.2014
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 FAIA FFA/FIPA FFTA FCIE Incorporated Financial Accountant 37 Fraser Close Chelmsford Essex CM2 OTD

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VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

The trustees present their report and unaudited financial statements for the year ended 31 December 2014. 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 and 1(a) 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 four occasions. 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.

Andy Vass retired as a trustee of the charity in April 2014 having served continuously as such since the charity was registered in 1996 and previously as a committee member of the charity's predecessor body from 1992. During this time, Andy has carried out a number of different roles including that of charity treasurer in the late 1990s and early 2000s. Most notably, however, he has been a stalwart of the Events Committee, helping staff the charity's stand at events all over the country for many years as well as helping organise and run the charity's open days and other events. The charity would like to place on record its thanks to Andy for all his work on its behalf and looks forward to him continuing as one of its volunteers at its Visit the Vulcan Days.

Steve Barnes, the charity's Membership Secretary since 2010, sadly lost his battle with cancer on 16 May 2014. Alongside his membership role, Steve was a very active member of the charity's engineering team and led on the project to repaint XL426 until his illness meant he could no longer attend at Southend Airport. He was, however, determined to continue with his Membership Secretary work and was still processing renewals and new membership applications up until the week before his passing. Steve is much missed by his friends and colleagues at the Vulcan Restoration Trust and the charity's thoughts continue to be with Debbie and the rest of Steve's family.

The charity was also very saddened to hear of the passing of former trustee Don Packard on 24 June 2014. Don served as a trustee for 10 years from the 1990s to 2007 and was a familiar face at the charity's open days and on its sales stand. He will be remembered by all his former Vulcan Restoration Trust friends and colleagues and the charity extends its condolences to Kevin and Sarah Packard and family.

The 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 see the charity's volunteer base expand so 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. As in previous years, this meant that the Board could not fully address many of the wider, strategic issues facing the charity.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

(Continued)

However, 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. It is acutely aware that it has yet to carry out a formal review of the charity's progress against its previous strategic plan, this to be followed by the agreement of 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 full member of both 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.

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 four 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 its 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 ongoing development and the effect of this on the on the charity's activities.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

(Continued)

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 supported by a team of Lead Engineers.

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 originally estimated that £54,000 would be needed to complete the work but this figure has subsequently been revised downwards and the charity has not undertaken any specific fundraising for this work since 2012. Funds for the work have since been drawn from the charity's overall income but the need to launch any new fundraising initiative to complete the work will be reviewed.

The aircraft repainting programme was completed in 2014 and XL426's external appearance has continued to be 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 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 full re-build and overhaul of the charity's air start unit, begun in 2012, was completed in 2014. During the year, the charity purchased a secondhand trailer to transport large and heavy items between the airport and its workshop. The trailer was subject to a full refurbishment and overhaul following its purchase and was also used to move bulky items to assist in the setting-up and break-down of the charity's open days. 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 2014. 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 2014.

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 27 April, 15 June, 24 August and 21 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 1800 people attended its four *Visit the Vulcan* days in 2014.

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2014

(Continued)

Special preview events were also held on the day before each *Visit the Vulcan* days at which charity members were given an exclusive opportunity to visit XL426.

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 continued to operate its website www.avrovulcan.com and its Facebook page during 2014. The Facebook page provided 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. The charity published a single issue of its magazine, *Vulcan News*, and one issue of its *Vulcan News Update* newsletter.

Two Enthusiasts Event meetings were held in 2014. Guest speaker at the April event, which also incorporated the charity's Annual General Meeting, was Roger Smith whose subject was the former World War One aerodrome at Stow Maries, Essex, and the establishment in recent years of a museum at the site. The Christmas Enthusiasts' Event & Buffet featured as guest speaker John Hutchinson, the former BBC broadcaster and Concorde pilot, who spoke about his time flying the supersonic airliner. 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). This featured a very welcome re-appearance by Colonel Rich Graham, who once again entertained the audience with tales of his career with the US Air Force, in particular his time flying the Mach 3 SR-71 Blackbird reconnaissance aircraft. 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 are educational in nature, including books, videos, DVDs, flown philatelic covers containing informational inserts about the Vulcan's history, posters 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. 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.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2014****(Continued)**

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 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.

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 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.

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.

Six talks (compared with two in 2013) 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 505 members, two up on the previous year. The overall trend in recent years has been for membership to fall year-on-year but this is the second year running that the figure has remained constant and it is hoped this leveling-out can be sustained. 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.

Following Steve Barnes' death, the charity's Secretary Richard Clarkson took temporary charge of membership administration prior to handing over the role to a new Membership Secretary in 2015.

Publicity

Pam and Joe Marsden assumed the role of charity's joint Press Officers in 2014. Pam has worked for the BBC and Joe is an ex-Vulcan pilot, so both are well qualified to carry out the role. 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 and national aviation magazines, as well as local events guides and websites. Pam and Joe will continue to work to raise the charity's profile as part of the local community going forward.

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, as a consequence, did not attend any events outside its local area in 2014.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2014****(Continued)****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 2014, £16,036 was held in the 200 Club account (compared with £16,647 at the end of 2013).

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 2014, monthly income from the *Helping Hands* scheme was on average £185, slightly below that in 2013, giving an annual income of more than £2,220.

A single Prize Draw in 2014 which raised a profit of £1,309 (2013: £2,282). The charity would like to thank its Vice-President Graham Cash for promoting the Draw and its President Norman Skinner who personally sold 375 of the total number of 2010 (2013: 3195) tickets sold.

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

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 £1,878 (2013: £1,206) for the 2014 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 2014.

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 £33,819 (2013: £37,302). There were unrealised (loss) profits on investments of £(NIL) (2013: £(NIL)). Total resources expended for the year were £29,727 (2013: £36,315).

The net movement in funds was £4,134 (2013: £1,014).

The net assets of the charity as at 31 December 2014 were £30,436 (2013: £26,302). 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 was £1,844 (2013: £728).

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2014****(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 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 27th September 2015 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 2014, which are set out on pages 10 to 17, 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 FCIE
Incorporated Financial Accountant
37 Fraser Close
Chelmsford
Essex CM2 OTD

Date:

VULCAN RESTORATION TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	Total 2013 £
INCOMING RESOURCES			
Incoming Resources from Generated Funds			
Voluntary Income	2	21,664	25,578
Activities for Generating Funds			
Fund Raising Income		10,277	10,518
Income from Investments	3	42	27
Gift aid receipt from trading subsidiary		1,878	1,206
TOTAL INCOMING RESOURCES		<u>33,861</u>	<u>37,329</u>
RESOURCES EXPENDED			
Cost of generating funds:			
Fund Raising Expenses		2,089	2,765
Charitable Activities	4	27,638	33,550
TOTAL RESOURCES EXPENDED		<u>29,727</u>	<u>36,315</u>
NET INCOMING/(OUTGOING) RESOURCES		4,134	1,014
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>4,134</u>	<u>1,014</u>
Balances brought forward			
At 1 January 2013		26,302	25,288
BALANCES CARRIED FORWARD			
At 31 December 2014		<u>£ 30,436</u>	<u>£ 26,302</u>

The notes on pages 13 to 17 form part of these accounts

VULCAN RESTORATION TRUST**BALANCE SHEET - 31 DECEMBER 2014**

	Notes	<u>£</u>	<u>2014</u>	<u>£</u>	<u>2013</u>	<u>£</u>
FIXED ASSETS						
Tangible Assets	8			1,844		728
Investments	9			399		399
				<u>2,243</u>		<u>1,127</u>
CURRENT ASSETS						
Debtors	10	7,992			5,206	
Cash at bank and in hand		21,712			21,165	
		<u>29,704</u>			<u>26,371</u>	
CURRENT LIABILITIES						
Creditors within one year	11	1,511			1,196	
		<u>1,511</u>			<u>1,196</u>	
NET CURRENT ASSETS				28,193		25,175
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>30,436</u>		<u>26,302</u>
FUNDS						
Unrestricted	12			30,436		26,302
				<u>30,436</u>		<u>26,302</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 TRUSTBALANCE SHEET - 31 DECEMBER 2014DIRECTOR'S STATEMENTS REQUIRED BY SECTIONS 475(2) AND (3)
FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014; 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 *27th September* 2015 and signed on its behalf by:



R Clarkson
Director

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2014****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 2014****(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 2014(continued)

	Total	
	2014	2013
	£	£
2 VOLUNTARY INCOME		
Return to Power Appeal	-	200
Donations	12,180	9,320
Gift Aid	1,834	5,000
Subscriptions	7,650	11,058
	<u>21,664</u>	<u>25,578</u>
3 INVESTMENT INCOME		
Interest Receivable & similar Income	42	27
	<u>42</u>	<u>27</u>
4 ANALYSIS OF TOTAL RESOURCES EXPENDED		
Charitable Expenditure		
To preserve & protect Avro Vulcan	26,164	33,286
Advancement and Education	1,474	264
	<u>27,638</u>	<u>33,550</u>
5 NET OUTGOING RESOURCES		
Net Incoming Resources is stated after charging		
Depreciation of Tangible Fixed Assets	325	129
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 £979 (2013: Two Directors total £2,056)

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2014****(continued)****8 TANGIBLE FIXED ASSETS**

COST	Vulcan XL426 £	Plant & Equip £	Total £
At 1 January 2013	8,500	5,936	14,436
Additions	-	1,441	1,441
At 31 December 2014	8,500	7,377	15,877

DEPRECIATION

At 1 January 2013	8,500	5,208	13,708
Charge for the year	-	325	325
At 31 December 2014	8,500	5,533	14,033

NET BOOK VALUE

At 31 December 2014	-	1,844	1,844
At 1 January 2013	-	728	728

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

	2014 £	2013 £
9 FIXED ASSET INVESTMENTS		
UK Listed Securities	399	399
10 DEBTORS		
Tax Reclaims Due	5,834	4,000
Amounts due from Group Undertakings	1,878	1,206
Prepayments	280	-
	7,992	5,206
11 CREDITORS		
Accruals	1,511	1,196
	1,511	1,196

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2014****(continued)**

12 ANALYSIS OF FUNDS	Balance Brought Forward £	Incoming Resources £	Resources Expended £	Balance Carried Forward £
Unrestricted Fund				
General Reserve	25,574	32,420	29,402	28,592
Designated Fund				
Tangible Fixed Assets Fund	728	1,441	325	1,844
	<u>26,302</u>	<u>33,861</u>	<u>29,727</u>	<u>30,436</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 505 members (2013: 503) of the company.

14 SUBSIDIARY UNDERTAKING

The results for the year ended 31 December 2014 was turnover £8,546 (2013: £8,171) and a profit of £1,878 (2013: £1,206). The reserves of VRT Enterprises Limited at 31 December 2014 were £11,721 (2013: £11,721).

Also at the balance sheet date an amount of £1,878 (2013: £1,206) was due to the charity in respect of Gift Aid from VRT Enterprises Limited.

15 TRUSTEES REIMBURSED EXPENSES	2014 £	2013 £
A Vass	-	1,440
R Clarkson	979	616
	<u>979</u>	<u>2,056</u>