

VULCAN RESTORATION TRUST
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

P KITTLE FAIA FFA FIPA FFTA FCIE
Public Accountant

VULCAN RESTORATION TRUST**TRUSTEES AND DIRECTORS**

Richard Clarkson - Secretary
 Paul Hartrup
 Matt Lawrence
 Peter Rainey
 Peter Archer – appointed 1 May 2017
 Keith Fathers – appointed 18 January 2018

REGISTERED OFFICE

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

**REGISTERED NUMBER
(ENGLAND & WALES)**

03203724

**CHARITY REGISTRATION
NUMBER**

1058111

BANKERS

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

INDEPENDENT EXAMINER

P Kittle FAIA FFA FIPA FFTA FCIE
 Public 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 2017**

The trustees present their report and unaudited financial statements for the year ended 31 December 2017. The trustees' report also represents the directors' report which is required to be prepared under Section 419(2) of the Companies Act 2006.

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

Structure Governance and Management

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

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

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

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

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

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

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

The charity is a member of Aviation Heritage UK (formerly the British Aviation Preservation Council) and the Historic Aircraft Association.

Public Benefit

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

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2017****(Continued)****Objectives and Activities**

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

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

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

The charity's income is generated by membership fees, entrance fees, appeals, donations, fund-raising draws, auctions and public displays. The charity's main priority during the year involved the long-anticipated move of XL426 from its parking pan on the airport's eastern perimeter to a new site on the airport and the establishing the charity's operating base there.

In early 2017, London Southend Airport informed the charity that XL426 must relocate as the area occupied by its parking pan was needed for extra car parking as part of the airport's ongoing expansion plans. Following very positive discussions with the airport, XL426 relocated to the vacant Hangar 6 in May, moving indoors for the first time since arriving at Southend in December 1986. The airport contributed practically and financially to the relocation, with the charity raising additional funds by way of a public appeal. The charity's lease, which also included most of the adjacent Hangar 5, was for five-years initially with a six-month 'break clause', whereby the airport would give notice to relocate the aircraft to another site on the airport. During negotiations, the airport stated that it did not anticipate needing to enforce the 'break clause' during the first five-years.

A project to refurbish Hangar 6 was led by Lead Engineer, Andy Wagstaff, supported by a large team of volunteers. Intensive work by the team during April and May meant the hangar was fit for XL426 to move in on 6 May. Refurbishment work continued to improve the hangar and its facilities in time for the Official Hangar Opening on 11 June, an event attended by more than 100 of the charity's members.

Hangar 5 was not refurbished to the same degree as Hangar 6 as it was not considered to be a 'public' area. Side rooms in Hangar 6 were converted to serve as a rest room for volunteers, this room doubling as a board and committee meeting room, and storage for electrical items and sales stock.

Unfortunately, the charity's occupation of Hangar 6 was relatively short. A fire which destroyed one of the airport's other hangars in August meant Stobart Group, the airport's owners, had to look at several options for relocating businesses at the airport. Stobart Group was especially keen to ensure the aircraft finishing company, Air Livery, remained at the airport. Hangar 6 was the only remaining hangar that could accommodate Air Livery and, as a result, the airport served notice on the charity to vacate the hangar, with XL426 moving back outside on 11 December.

The charity received firm assurances from Stobart Group that a suitable alternative site on the airport would be found for XL426 and that the airport would appropriately recognise the time, money and effort the charity had put into renovating Hangar 6. During the negotiations that followed, the charity's position was that a new site must be accessible to the public and give access for XL426 to the airport's runway.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2017****(Continued)**

This was essential if the charity was to continue delivering its charitable aim of displaying the Vulcan to the public, as well as maintaining XL426 as a live, taxiing aircraft. The charity also made it clear that it must have suitable workshop facilities to properly maintain XL426.

Stobart Group acknowledged this and the fact that much of the work carried out to renovate Hangar 6 had been financed by a public appeal. Stobart Group committed to provide a substantial amount of assistance, both practical and financial, to move XL426 to a new site on the airport.

Preservation and Protection of Avro Vulcan Aircraft

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

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

The charity's ongoing programme of checks, coupled with numerous works of maintenance and repair on XL426 and its associated ground equipment continued. The move to Hangar 6 meant a more intensive schedule of restoration and maintenance work could be carried out, the indoor environment being especially beneficial for the painting programme. XL426's airframe continued to be monitored for signs of corrosion. Where found, the charity removed corrosion in accordance with the Vulcan's Structural Repair Manual and treated the affected areas treated with chemicals. The charity continued to run heaters and dehumidifiers in certain areas of the aircraft to inhibit corrosion and the canopy cover continued to be used to prevent water ingress into the cockpit when the aircraft was outside.

Work was ongoing throughout the year servicing and maintaining the charity's items of ground equipment, including its air tug, air start unit, giraffe steps, ladders, and servicing platforms. A fuel bowser was purchased from funds donated.

Maintenance work continued on the charity's workshop building (off of the airport site) until the summer when it was decided to terminate its rental and consolidate all the charity's workshop and stores facilities into Hangars 5 and 6. A new workshop area in Hangar 6 was undergoing construction when the charity had to vacate the hangar in December, although it was continuing to enjoy use of part of the workshop area at the end of 2017. The charity's four containers were moved from the parking pan to Hangar 5 in April as part of the relocation project.

The charity was represented at meetings of Aviation Heritage UK during 2017. VRT trustee, Paul Hartup, is a member of the BAPC Executive Committee.

Demonstration and Display of Avro Vulcan Aircraft

The charity fulfilled its charitable objective to demonstrate and display Vulcan aircraft by holding four Visit the Vulcan public open days on 23 April, 18 June, 20 August and 24 September. The first event was held on the parking pan with the remaining three events held in Hangar 6 and the apron area immediately outside. To meet London Southend Airport requirements, the charity must set-up a six-foot high fence to secure the public area from the airside operating area at these events.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2017****(Continued)**

The number of attractions for visitors at the Visit the Vulcan days in 2017 continued to grow, with aircraft cockpit sections and historic vehicles attending a number of events. A selection of catering stalls also attended each event. The charity estimates that approximately 2000 people attended its four Visit the Vulcan days in 2017, an increase on the number in 2016.

The charity continued to receive requests to visit XL426 from interested small groups and individuals, including schools and scouts groups and former Vulcan air and ground crew. These were accommodated wherever possible bearing in mind the charity's wholly volunteer status and limitations imposed by the aircraft being located airside. It was notable that the number of requests for visits increased considerably following XL426's move indoors.

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.

Due to the additional workload involved in the relocation project, and its associated fund raising, the charity only published a single edition of its magazine, Vulcan News, in 2017. This continued the A5 format introduced the previous year. The charity will return to publishing two editions of Vulcan News in 2018.

The charity continued to operate its Facebook page and website www.avrovulcan.com. The new website, incorporating a new on-line membership system, did not go 'live' in 2017 as intended but will do so in 2018. The charity's Facebook page continued to provide up-to-the-minute news of the charity's engineering work, events and other activities, and played an important role in attracting visitors and new members.

Two Enthusiasts Event meetings were held in 2017. Guest speaker at the Spring Event, which also incorporated the charity's Annual General Meeting, was David Roberts who spoke about the RAF's operation of the Thor ballistic missile. The Christmas Enthusiasts' Event & Buffet featured Kevin 'Taff' Stone who gave a talk about his career as an aircraft engineer, including his time on XH558 with the Vulcan to the Sky Trust.

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

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

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

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

To comply with the airside access arrangements at London Southend Airport, all the charity's volunteers regularly working airside must carry an airside pass, issued by the airport. The charity sought college and employer references for all new volunteers, with each new volunteer also having to obtain a clean

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2017****(Continued)**

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.

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

Preservation and Protection of Avro Vulcan Aircraft

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

Demonstration and Display of Avro Vulcan Aircraft

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

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.

Two talks (compared with eight in 2016) 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 520 members, over 100 down on the figure at the end of 2016. This is disappointing given the increase in membership the previous year and the charity's higher profile in 2017. 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

Media releases were issued to publicise the charity's Visit the Vulcan Days and other activities. Details of the charity's events appeared in the local press, national aviation magazines, local events guides and websites, as well as on local radio. The charity was the subject of a four-page feature in the September edition of FlyPast magazine following the move to Hangar 6.

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.

VULCAN RESTORATION TRUST**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2017****(Continued)**

The charity continued its policy of concentrating its efforts on raising its profile in South Essex and, consequently, did not attend any events outside its local area in 2017. On the evening of 19 August, the charity took part in the Southend Carnival parade on Southend sea front for the first time, something which – combined with publicity on local radio the week before – helped attract a larger than usual number of visitors to the following day's Visit the Vulcan event

Fund-raising

The charity ran a public appeal using the Just Giving on-line platform to raise funds for the Vulcan Restoration Trust Hangar Appeal to refurbish Hangar 6. A total of £4,991 was raised on-line with a further £5,914 being received by post.

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 2017, £10,937 was held in the 200 Club account (compared with £14,112 at the end of 2016). The 200 Club contributed £5,000 towards the cost of the hangar refurbishment and relocation project during the year.

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 2017, monthly income from the Helping Hands scheme was on average £155, giving an annual income of more than £1,900. Income from the scheme has declined in recent years as contributors have left or reduced their donations. The charity will look at re-launching the scheme at some time with the aim of increasing the amount of donations received.

The charity ran a Prize Draw in 2017 which realised a small overall profit of £477 (2016: £1,265). This poor performance was due largely to the tickets only becoming available a few weeks before the draw date. This is something the charity will rectify in 2018.

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

An evening photo shoot featuring XL426 was run in conjunction with Timeline Events on 23 April, immediately following that day's Visit the Vulcan event. Photo shoots are extremely popular with amateur photographers and the event provided a very welcome boost to the charity's funds. The charity will work with Timeline Events to run one or more further photo shoots in 2018.

The charity would like to thank all the volunteers on its Engineering Team, events and fund raising teams, for all their hard work, support and dedication in 2017.

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 £1,049 (2016: £1,837) for the 2017 financial year.

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

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

VULCAN RESTORATION TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2017

(Continued)

VRT Enterprises Limited also ran a licensed bar and catering at the charity's Spring Event and its Christmas Enthusiast's Event & Buffet.

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 £70,253 (2016: £28,388). There were unrealised (loss) profits on investments of £Nil (2016: £(Nil)). Total resources expended for the year were £61,882 (2016: £ 41,080).

The net movement in funds was £8,371 (2016: (£12,692)).

The net assets of the charity as at 31 December 2017 were £36,813 (2016: £28,442). 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 2017 was £8,674 (2016: £4,035).

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

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

PLANS FOR FUTURE PERIODS

Strategic Plan

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

Statement of Trustees' Responsibilities

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

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

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

VULCAN RESTORATION TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017
(Continued)

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 15 September 2018 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 2017, which are set out on pages 11 to 18, is in respect of an examination carried out under Section 145 of the Charities Act 2011.

Respective responsibilities of the trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

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



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

Date: 20 September 2018

VULCAN RESTORATION TRUST**STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income	2	41,575		41,575	16,246
Activities for Generating Funds					
Fund Raising Income		14,342		14,342	10,295
Income from Investments	3	19	-	19	10
Donation receipt from trading subsidiary		1,049	-	1,049	1,837
Hangar appeal income		-	13,268	13,268	-
TOTAL INCOMING RESOURCES		56,985	13,268	70,253	28,388
RESOURCES EXPENDED					
Cost of generating funds:					
Fund Raising Expenses		-	11,993	11,993	-
Charitable Activities	4	49,889	-	49,889	41,080
TOTAL RESOURCES EXPENDED		49,889	11,993	61,882	41,080
NET INCOMING/(OUTGOING) RESOURCES		7,096	1,275	8,371	(12,692)
NET MOVEMENT IN FUNDS FOR THE YEAR		7,096	1,275	8,371	(12,692)
Balances brought forward					
At 1 January 2017		28,442	-	28,442	41,134
BALANCES CARRIED FORWARD					
At 31 December 2017		35,538	1,275	36,813	28,442

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

VULCAN RESTORATION TRUST**BALANCE SHEET - 31 DECEMBER 2017**

	Notes	<u>£</u>	<u>2017</u>	<u>£</u>	<u>2016</u>	<u>£</u>
FIXED ASSETS						
Tangible Assets	8		8,674		4,035	
Investments	9		399		399	
			<u>9,073</u>		<u>4,434</u>	
CURRENT ASSETS						
Debtors	10	10,478		5,452		
Cash at bank and in hand		17,752		19,024		
		<u>28,230</u>		<u>24,476</u>		
CURRENT LIABILITIES						
Creditors within one year	11	(490)		(468)		
NET CURRENT ASSETS			27,740		24,008	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>36,813</u>		<u>28,442</u>	
FUNDS						
Unrestricted	12	35,538		28,442		
Restricted		1,275		-		
		<u>36,813</u>		<u>28,442</u>		

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

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

VULCAN RESTORATION TRUST

BALANCE SHEET - 31 DECEMBER 2017

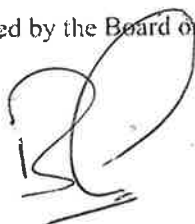
DIRECTOR'S STATEMENTS REQUIRED BY SECTIONS 475(2) AND (3)
FOR THE YEAR ENDED 31 DECEMBER 2017

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

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

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

The financial statements were approved by the Board on 15 September 2018 and signed on its behalf by:



R Clarkson
Director

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2017****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 2017(Continued)**Financial Instruments**

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

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

Unrestricted Funds

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

Designated Funds

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

Restricted Funds

The restricted funds are funds raised for hanger refurbishment.

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2017****(continued)**

	Unrestricted 2017	Restricted 2017	Total 2017 £	Total 2016 £
2 VOLUNTARY INCOME				
Donations	20,445	-	20,445	4,823
Gift aid	7,929	-	7,929	3,203
Subscriptions	13,201	-	13,201	8,220
	<u>41,575</u>	<u>-</u>	<u>41,575</u>	<u>16,246</u>
3 INVESTMENT INCOME				
Dividends on UK listed securities	7	-	7	-
Interest Receivable & similar Income	12	-	12	10
	<u>19</u>	<u>-</u>	<u>19</u>	<u>10</u>
4 ANALYSIS OF TOTAL RESOURCES EXPENDED				
Charitable Expenditure				
To preserve & protect Avro Vulcan	48,057	-	48,057	32,107
Advancement and Education	1,832	-	1,832	2,574
Website	-	-	-	6,399
	<u>49,889</u>	<u>-</u>	<u>49,889</u>	<u>41,080</u>
5 NET OUTGOING RESOURCES				
Net Incoming Resources is stated after charging				
Depreciation of Tangible Fixed Assets	1,531	-	1,531	712
Dispersal Pan Rental	1,257	-	1,257	3,660

6 TAX STATUS

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

7 DIRECTORS

Three Directors were reimbursed travel expenses 2017: £6,035 (2016: £1,225)

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2017****(continued)****8 TANGIBLE FIXED ASSETS**

COST	Vulcan XL426 £	Plant & Equip £	Total £
At 1 January 2016	8,500	10,977	19,477
Additions	-	6,170	6,170
Disposals	-	-	-
At 31 December 2017	8,500	17,147	25,647

DEPRECIATION

At 1 January 2016	8,500	6,942	15,442
Charge for the year	-	1,531	1,531
At 31 December 2017	8,500	8,473	16,973

NET BOOK VALUE

At 31 December 2017	-	8,674	8,674
At 1 January 2016	-	4,035	4,035

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

	2017 £	2016 £
9 FIXED ASSET INVESTMENTS		
UK Listed Securities	399	399
10 DEBTORS		
Tax Reclaims Due	7,929	2,700
Amounts due from Group Undertakings	1,049	1,837
Prepayments	1,500	915
	10,478	5,452
11 CREDITORS		
Accruals	490	468
	490	468

VULCAN RESTORATION TRUST**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2017****(continued)**

	Balance Brought Forward £	Incoming Resources £	Resources Expended £	Unrealised Gains/ (Losses) £	Balance Carried Forward £
12 ANALYSIS OF FUNDS					
Unrestricted Fund					
General Reserve	24,407	50,815	48,358	-	26,864
Designated Fund					
Tangible Fixed Assets Fund	4,035	6,170	1,531	-	8,674
Restricted Fund					
	-	13,268	11,993	-	1,275
	<u>28,442</u>	<u>70,253</u>	<u>61,882</u>	<u>-</u>	<u>36,813</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 520 members (2016: 639) of the company.

14 SUBSIDIARY UNDERTAKING

The results for the year ended 31 December 2017 was turnover £7,752 (2016: £6,913) and a profit of £1,049 (2016: £1,837). The reserves of VRT Enterprises Limited at 31 December 2017 were £11,721 (2016: £11,721)

Also at the balance sheet date an amount of £1,049 (2016: £1,837) was due to the charity in respect of a donation from VRT Enterprises Limited.

15 TRUSTEES REIMBURSED EXPENSES	2017 £	2016 £
R Clarkson	889	1,225
K Fathers	1,431	-
P Archer	3,715	-
	<u>6,035</u>	<u>1,225</u>

The Trustees made an unrelated donation of the equivalent amount