

THE TRANSPORT TRUST
(A company limited by guarantee)

DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 OCTOBER 2007

Company Registration No 1509733 (England and Wales)
Registered Charity No. 280943



THE TRANSPORT TRUST

CHARITY INFORMATION

Council of Management

Stuart Wilkinson	- Chairman (from 22 June 2007)
David Lee	- Chairman (until 22 June 2007)
Colin Billington	- appointed 17 June 2007
Bryan Blaxall	
John Butler	
Peter Doe	
Denis Dunstone	
Julian Ghosh	
Ian Horner	- appointed 4 June 2007
Neil Marshall	- appointed 17 June 2007
Malcolm Mildren FCA	- Treasurer
Rob Shorland-Ball	
Peter Stone	
Michael Sutcliffe MBE	

Secretary

David Morgan MBE, TD

Director of Operations

Clive Morris

Bankers

Girobank plc
62 Hagley Road
Birmingham B16 8PE

Accountants

Target Winters Limited
29 Ludgate Hill,
London EC4M 7JE

Registered Office

202 Lambeth Road
London SE1 7JW

THE TRANSPORT TRUST

Patron	HRH Prince Michael of Kent GCVO
President	The Hon Sir William McAlpine Bt
Deputy President	David Morgan MBE TD

Vice Presidents

The Lord O'Neill TD
The Rt Hon Lord Montagu of Beaulieu
The Rt Hon Lord Hesketh KBE PC
Dame Margaret Weston DBE
Sir Jack Hayward OBE
David Shepherd OBE
Ian Allan OBE
David Roscoe
David Weston
James B. Sherwood
Sir Michael Bishop CBE
S. Martin Summers
Richard Muir Beddall
Air Chief Marshal Sir John Rogers, KCB, CBE, FRAeS
Phil Samson
Air Chief Marshal Sir John Allison KCB, CBE, ADC, FRAeS
Sir Torquil Norman CBE
Bryan Heatley TD
Peter Blond
John Cameron
Bevan Braithwaite

THE TRANSPORT TRUST

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THE TRANSPORT TRUST

CHAIRMAN'S AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2007

The Members of Council, who also act as trustees and directors of the charitable company, have pleasure in presenting their report and financial statements for the year ended 31 October 2007

Objects

Founded in 1965, the Transport Trust is the United Kingdom's only national charity whose aim is to promote and support the conservation of Britain's air, water, rail and road transport heritage. The Trust offers practical advice and financial assistance and seeks to increase public awareness of the achievements and needs of the transport heritage sector. The Heritage Lottery Fund is amongst clients who have made use of the Transport Trust's unique knowledge of all aspects of transport preservation.

Mission Statement

The aims of The Transport Trust are to promote and encourage the permanent preservation, for the benefit of the nation, of

- 1 Transport items of historical or technical interest
- 2 Books, drawings, films, photographs and recordings of all forms of transport by rail, road, air and water

In furtherance of these aims, The Trust sets out to co-ordinate the whole transport preservation movement and generally seeks to advise and assist in all aspects of preservation, including the raising of funds.

Additionally, it arranges displays and rallies of historical transport for the benefit of the public and to stimulate public interest in, and support of, historical transport.

Britain's place in the history and development of transport is second to none. The Trust's aim is to ensure that future generations have the opportunity to study and enjoy our achievements in water, road, rail and air transport, by preventing the loss of irreplaceable relics and material and providing accommodation and maintenance facilities for these that are saved.

Grant Making

The Trust continues a policy of making small grants to individuals and groups restoring historically important transport artefacts whilst eschewing contributions towards infrastructure, maintenance or repair. Also, whilst acknowledging the significance of large ships, the Trust recognises that substantial costs are often associated with such projects which can better be met by large grants from other sources. In the year ended October 2007 grants of £13,250 were awarded as further explained in note 2 to the financial statements.

Raising Public Awareness

- The Trust publicises the needs and achievements of the transport heritage sector, primarily through the medium of its *Transport Digest* journal and its website www.transporttrust.com. The *Digest* is respected as an independent voice providing an outlet for news and opinion for all categories of transport. In the past year, the Trust allocated £8,120 to this publication. The website has benefited from significant investment and restructuring to make it one of the very best in its field.
- With its publicity stand manned by volunteers, the Trust continues to attend appropriate events around the country, including, in 2007, the Great Dorset Steam Fair and the Thames Traditional Boat Rally, to increase the public's knowledge of the work of the Trust.
- The Trust seeks to maintain links with current and potential sponsors to ensure a flow of valuable corporate contributions and support to transport preservation.

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CHAIRMAN'S AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2007

Achievement Awards

In 2007 the Trust's Royal Patron HRH Prince Michael of Kent presented the Annual Awards at Brooklands, the site of the world's first purpose-built motor racing circuit, on the occasion of its 100th anniversary

The Preservationist of the Year award created in 2000 recognises an outstanding contribution by an individual to transport preservation whether by practical effort or through organisational leadership. The award was presented in 2007 to Dr Robert Fleming in recognition of his achievement in leading the team which restored a Vulcan bomber to flying condition. The Young Preservationist of the Year award went to 18 year old Adam Meredith who has established a business as a traditional signwriter and painter of vehicles. Lifetime Achievement awards went to Bill and Penny Rose (Thames boats), Fred and Harold Panton (WWII aircraft and airfield), Bill Hume (Motorcycles) and Michael Banfield (Commercial vehicles).

Preservation activities

During the year the Trust commenced work on two new initiatives

The Transport Trust Red Wheel scheme seeks to identify and mark sites of importance to Britain's transport heritage by the erection of a Red Wheel plaque. Brief details are given on the plaque but extensive material is available via a dedicated website to which the viewer of the plaque is referred. This is the first scheme to make such innovative use of internet resource, and efforts are progressing to secure significant sponsorship so that the scheme can be rolled out countrywide.

The Trust is leading a campaign to bring back into existence the Brighton Belle, an electric service which ran between London and Brighton for many years. The rolling stock still exists but is dispersed, and once reconstructed it is hoped that the Brighton Belle will draw much needed attention to the problems faced by the electric train preservation movement.

In addition the Trust

- Continued support of the Trust's library and archives at Ironbridge which is being upgraded to improve access
- Planned and promoted a number of visits for Trust members to places of historical transport importance including the Zeppelin factory in Friedrichshafen
- Produced a quarterly journal (the "Digest") covering issues concerning the preservation of transport and the promotion of the Trust's activities
- Upgraded its website to class-leading status
- Continued support of Heritage Skills Centres as a means of training young people in Transport Preservation techniques
- Extended financial support to the National Aviation Heritage Skills Initiative created by the Imperial War Museum, Duxford and the British Aviation Preservation Council

Funding and Support

The Trust irregularly benefits from generous bequests and during 2007 received bequests totalling £3,575. The work of the Trust is undertaken entirely by volunteers to whom the Trustees wish to express their profound gratitude.

Membership subscription rates have been increased for 2007/08 renewals.

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CHAIRMAN'S AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 OCTOBER 2007

Results for the year

There was a deficit for the year on the general fund of £9,698 (2006 – surplus of £11,333) as set out on page 5. When added to the general fund balance at 1 November 2006 of £331,171 this results in a balance on the general fund of £321,473 carried forward at 31 October 2007. A balance of £10,000 (2006 – £10,000) is carried forward at 31 October 2007 on the Forest of Dean Fund.

The Members of the Council consider that unrestricted reserves on the General Fund should equate at least to two years' management and administration costs together with liabilities under the unexpired term of the lease. Unrestricted General Funds at 31 October 2007 of £321,473 are considered adequate to meet this criterion.

Members of Council of Management

Except where indicated, members served throughout the year and are listed on the Charity information page of the financial statements.

Council of Management's responsibilities

The Members of the Council are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income and expenditure, of the charity for the year.

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company disclosure

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Council of Management on 9 April 2008 and signed on its behalf by

Stuart Wilkinson
Chairman



THE TRANSPORT TRUST

ACCOUNTANTS REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF THE TRANSPORT TRUST

We report on the financial statements for the year ended 31 October 2007 set out on pages 5 to 9

Respective responsibilities of the Council of Management and reporting accountants

As described on page 3 the trustees, who are also the directors for the purposes of company law, are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

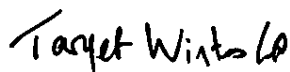
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act, as modified by section 249A(5), and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)



Target Winters Limited
Chartered Accountants
29 Ludgate Hill
London
EC4M 7JE

23 May 2008

THE TRANSPORT TRUST

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 31 OCTOBER 2007

	Notes	Unrestricted Funds £	Restricted Fund £	2007 Total Funds £	2006 Total Funds £
Incoming resources					
Incoming resources from generated funds					
Subscriptions and donations		15,444	-	15,444	18,172
Interest receivable		17,665	-	17,665	13,946
Legacies		3,575	-	3,575	17,565
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total incoming resources		36,684	-	36,684	49,683
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Resources expended					
Charitable activities	2	42,622	-	42,622	37,050
Governance costs	4	3,760	-	3,760	1,300
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total resources expended		46,382	-	46,382	38,350
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net movement in funds		(9,698)	-	(9,698)	11,333
Balances brought forward		<u>331,171</u>	<u>10,000</u>	<u>341,171</u>	<u>329,838</u>
Balances carried forward		<u>321,473</u>	<u>10,000</u>	<u>331,473</u>	<u>341,171</u>

THE TRANSPORT TRUST

BALANCE SHEET AS AT 31 OCTOBER 2007

	Notes	2007		2006
		£	£	£
Fixed assets				
Tangible assets	6		4,220	4,220
Current assets				
Debtors	7	2,249		17,157
Loans	9	2,000		4,000
Cash at bank and in hand		<u>324,295</u>		<u>330,977</u>
		328,544		352,134
Creditors amounts falling due within one year	8	(1,291)		(15,183)
Net current assets			<u>327,253</u>	<u>336,954</u>
Net assets			<u>331,473</u>	<u>341,171</u>
Funds				
Unrestricted			321,473	331,171
Restricted	9		<u>10,000</u>	<u>10,000</u>
			<u>331,473</u>	<u>341,171</u>


In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

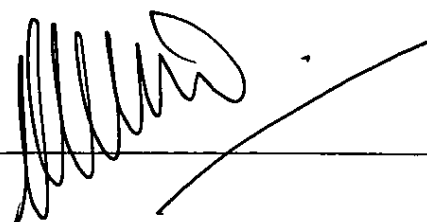
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Council on 9 April 2008 and signed on its behalf by

Stuart Wilkinson
Chairman



Malcolm Mildren
Treasurer



THE TRANSPORT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2007

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Incoming resources

Incoming resources include subscriptions, corporate subscriptions, donations, legacies and surpluses arising from activities. Subscriptions and corporate subscriptions are included on a cash basis. Receipts for life membership are included in total in the year of receipt.

1.3 Resources expended

Liabilities are recognised as resources as resources expended where there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is calculated on an accruals basis and includes value added tax, which is irrecoverable.

Costs are allocated between charitable activities and other expenditure according to the nature of the costs.

1.4 Depreciation

Depreciation is provided so as to write off the cost of tangible fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Furniture and office equipment	25%
Library Shelving	10%
Trophies, relics and collections	Nil

1.5 Relics and collections

For financial statement purposes no value is attributed to relics and collections donated to the Charity.

2 Charitable activities

	2007 £	2006 £
Grants and awards	13,250	12,500
Cost of "Digest"	8,120	8,500
Preservationist of the year award	<u>1,626</u>	<u>1,663</u>
	22,996	22,663
Support costs (see note 3)	<u>19,626</u>	<u>14,387</u>
	<u>42,622</u>	<u>37,050</u>

During the year the Charity awarded six grants to individuals and twelve to institutions. The grants to institutions totalled £9,500, including £1,500 to MTB 102 Trust, £1,500 to Brooklands Museum Trust, £1,500 to Cotswold Steam Preservation and £1,000 to the Imperial War Museum, Duxford.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2007

3. Support costs	2007	2006
	£	£
Travel expenses (see note 5)	3,799	4,867
Rent payable	4,860	4,880
Stationery, post and telephone	2,376	2,108
Miscellaneous	229	174
Insurance	887	1,345
Computer and website costs	5,584	303
Archiving costs	881	-
Advertising	1,010	710
	<u>19,626</u>	<u>14,387</u>

4. Governance costs		
Accountants' fee	3,760	1,300
	<u>3,760</u>	<u>1,300</u>

5. Trustees' expenses

No remuneration is paid or payable directly or indirectly out of the funds of the charity to any trustee or to any person known to be connected with any of them. Travel expenses of £3,469 were reimbursed to three trustees during the year.

6. Tangible fixed assets

	Furniture and Office Equipment £	Library Shelves £	Exhibition Stand £	Trophies, Relics and Collections £	Total £
Cost					
At 1 November 2006 and at 31 October 2007	3,797	2,757	200	4,219	10,973
	<u>3,797</u>	<u>2,757</u>	<u>200</u>	<u>4,219</u>	<u>10,973</u>
Depreciation					
At 1 November 2006	3,796	2,757	200	-	6,753
Charge for the year	-	-	-	-	-
At 31 October 2007	3,796	2,757	200	-	6,753
	<u>3,796</u>	<u>2,757</u>	<u>200</u>	<u>-</u>	<u>6,753</u>
Net book amount					
At 31 October 2007	1	-	-	4,219	4,220
	<u>1</u>	<u>-</u>	<u>-</u>	<u>4,219</u>	<u>4,220</u>
At 31 October 2006	1	-	-	4,219	4,220
	<u>1</u>	<u>-</u>	<u>-</u>	<u>4,219</u>	<u>4,220</u>

THE TRANSPORT TRUST
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007

7	Debtors	2007 £	2006 £	
	Prepayments and accrued income	2,249	2,312	
	Other debtors	<u>-</u>	<u>14,845</u>	
		<u>2,249</u>	<u>17,157</u>	
8	Creditors amounts falling due within one year			
	Deferred income	-	1,330	
	Other creditors	-	2,096	
	Accruals	<u>1,291</u>	<u>11,757</u>	
		<u>1,291</u>	<u>15,183</u>	
9	Forest of Dean Fund			
	<p>In 1993 an interest free loan of £10,000 was assigned as a debt by the Forest of Dean Railway to the Charity for its general purposes but with the request that the Charity use the funds received to assist preserved railways, locomotive and rolling stock groups with loans to enable them to carry out specific projects</p> <p>During the year ended 31 October 2004 the funds were applied in making two loans of £5,000 to the Dean Forest Railway Company Limited and North Norfolk Railway During 2007 further repayments were received for both of these funds, for which the outstanding debt now totals £2,000 Interest of £46 (2006 - £130) was received on these loans</p>			
10	Analysis of net assets between funds			
	Unrestricted Funds General Fund £	Restricted Fund Forest of Dean Fund £	Total £	
	Fixed Assets	4,220	-	4,220
	Loan Assets	-	2,000	4,000
	Current Assets	318,544	8,000	324,544
	Current liabilities	<u>(1,291)</u>	<u>-</u>	<u>(1,291)</u>
		<u>321,473</u>	<u>10,000</u>	<u>331,473</u>
11	Company status			

The Charity is a charitable company limited by guarantee