

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019
FOR
THE DAVID CLARKE RAILWAY TRUST**

Duncan & Toplis Limited, Statutory Auditor
The Gables
Bishop Meadow Road
Loughborough
Leicestershire
LE11 5RE

THE DAVID CLARKE RAILWAY TRUST

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FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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THE DAVID CLARKE RAILWAY TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

TRUSTEES	M Freckelton R J S Stephens K M Lloyd C I Baines
PRINCIPAL ADDRESS	3 Wharnccliffe Road Loughborough Leicestershire LE11 1SL
REGISTERED CHARITY NUMBER	1104839
AUDITORS	Duncan & Toplis Limited, Statutory Auditor The Gables Bishop Meadow Road Loughborough Leicestershire LE11 5RE
SOLICITORS	Bird Wilford & Sale 20 Church Gate Loughborough Leicestershire LE11 1UD
BANKERS	National Westminster Bank PLC 1 Granby Street Leicester LE1 9GT Yorkshire Bank 29 Horsefair Street Leicester LE1 5BL

THE DAVID CLARKE RAILWAY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2019

The trustees present their annual report and financial statements of the charity for the year ended 30 September 2019. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charities trust deed, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard FRS102 (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The trust was established to contribute to the education of the public in railway transport systems. This is accomplished in a number of ways. Amongst these are the preservation and operation of locomotives, rolling stock, signalling systems, buildings and the production of education material, and promotion of events.

Significant activities

During the year, the Trust has continued to focus its attention on the Great Central Railway (GCR) operating between Leicester and Loughborough. It also supports groups involved in heritage restoration based on that Railway. The Great Central Railway remains the only double track preserved mainline railway in the country and it mirrors the opportunity to have insight into the operation of how mainline railways ran up to the 1960's.

The Railway remains a major attraction in Leicestershire and recent developments have enhanced the experience of visitors with the addition of more facilities to attract families and the younger generation. The Railway gives enthusiasts and the public the opportunity to see many different types of heritage locomotives under full repair and in operation. These include locomotives owned by the nation as part of the National Railway Museum's collection and the double track mainline gives visitors the opportunity to see large steam engines working on both passenger and freight trains.

Public benefit

The trustees continue to consider the the guidance of public benefit issued by the Charity Commission in its work. It is considered that the charity provides a public benefit through the maintenance of the railway locomotives and systems for the education and enjoyment of the public.

Social investments

Programme related investments are made at the discretion of the trustees where in accordance with the charity's objects.

Grantmaking

The Charity assists with grants, not only for the restoration or maintenance of locomotives but also goods and passenger vehicles, all of which are repaired and maintained in the GCR's workshops. This work requires many skills, which are encouraged by the Charity. It is essential to retain the knowledge to continue work on heritage railway assets and assistance is given with maintaining the skills for the future.

Grants are made at the discretion of the trustees where in accordance with the charities objects.

Volunteers

There is no significant use of volunteers.

THE DAVID CLARKE RAILWAY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2019

ACHIEVEMENT AND PERFORMANCE

Charitable activities

As stated on page two the Trust continued to assist with the appeal to restore a section of railway infrastructure north of Loughborough Central Railway Station. Upon completion this will provide an 18 mile main line preserved railway between Ruddington in Nottinghamshire and the outskirts of Leicester. This is a major project which will continue for a number of years. The project has continued to receive nationwide interest with numerous single donations and regular donations again being received.

Witherslack Hall continued to be operational during the year. The restoration to working order after years of inactivity continued to be well received by the general public and enthusiast alike. The 8F locomotive no. 48305 also returned to traffic and offers further interest.

The Trust has during the year assisted with numerous visitor and educational projects on the Great Central Railway and has plans to assist with further improvements to visitor facilities on the railway. These include carriage restoration locomotive servicing facilities. Significant assistance has been given for the refurbishment of the carriage workshop.

During the period the Trust made grants and other payments in support of the Great Central Railway and supporting organisations amounting to £1,353,476 (2018 - £1,155,057).

At the end of the reporting period the Trust had unrestricted funds carried forward of £2,214,734 (2018 - £2,501,716).

The split of unrestricted funds carried forward between fixed assets, debtors, creditors and actual cash available is shown on page 8.

Investment performance

Social investments are held for the purposes of the charitable objectives and have increased in value by £40,221. Other investments were left by legacy to the charity and have generated £3,139 in income but decreased in value by £1,540.

FINANCIAL REVIEW

Reserves policy

The Trustees policy is to manage its expenditure according to the funds available for distribution at the time. Incoming resources are variable being dependent upon donations, legacies received and investment returns. Special projects are funded by appeals when required.

Reserves have been built up in the current year in anticipation of large project expenditure in the future.

FUTURE PLANS

The charity plans to continue to support the Great Central Railway and assist with the appeal to restore a section of railway infrastructure north of Loughborough Central Railway Station as referred to above. It will also continue to assist with the restorations of locomotives and carriages and it also has plans to assist with further improvements to visitor facilities on the railway. The charity is also assisting with carriage storage shed and locomotive shed improvements and significant visitors improvements at Rothley.

COVID-19

The impact of COVID-19 on the world including the United Kingdom has been considerable and life changing in many ways. The trust is primarily a grant giving charity and its trustees have considered the implications of this event and its potential impact. The trustees have concluded that the effect although very regrettable will not have a significant long term impact on the work of the trust. The trustees fully expect there to be a reduction in donation income in the short term but expect that that will be a short term alteration.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its government document, a deed of trust dated 22 December 2003 and constitutes an unincorporated charity registered with the Charities Commission under number 1104839.

THE DAVID CLARKE RAILWAY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

When recruiting a new trustee consideration is given to the professional skills of the candidate together with their experience of railway matters.

Organisational structure

Decisions are made by the body of trustees.

The trustees possess a wide range of professional skills, and a considerable fund of knowledge about railway matters.

Day to day management has been delegated to Malcolm Freckelton.

Induction and training of new trustees

Trustees are made aware of their responsibilities at the time of appointment and kept informed of changes in the charity law and any matters affecting the governance of assets of the Trust.

Related parties

Mr C I Baines, a trustee of the charity throughout the year, became a director of Great Central Railway plc on 15 September 2017. To avoid any potential conflict of interest Mr C I Baines excluded himself from any meeting of the Trust where grants to Great Central Railway plc were being considered. Great Central Railway plc also use rolling stock owned by the Trust free of charge.

Risk management

The trustees have carried out an assessment of the risks to which the charity is exposed and are satisfied that ongoing management procedures are adequate.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

THE DAVID CLARKE RAILWAY TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Approved by order of the board of trustees on 19 July 2020 and signed on its behalf by:

M Freckelton - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE DAVID CLARKE RAILWAY TRUST

Opinion

We have audited the financial statements of The David Clarke Railway Trust (the 'charity') for the year ended 30 September 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE DAVID CLARKE RAILWAY TRUST

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

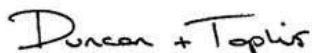
Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Duncan & Toplis Limited, Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
The Gables
Bishop Meadow Road
Loughborough
Leicestershire
LE11 5RE

30 July 2020

THE DAVID CLARKE RAILWAY TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,014,617	406,843	1,421,460	2,198,408
Charitable activities					
Witherslack Hall locomotive income	4	-	30,000	30,000	28,800
Investment income	3	11,764	-	11,764	5,252
Total		<u>1,026,381</u>	<u>436,843</u>	<u>1,463,224</u>	<u>2,232,460</u>
EXPENDITURE ON					
Raising funds	5	8,903	600	9,503	10,662
Charitable activities					
Restoration and maintenance of locomotives, carriages, railcars and other units	6	-	38,420	38,420	75,238
Supporting the linking or development of further sections of the Great Central Railway		-	479,855	479,855	7,800
Other activities		186,723	675,034	861,757	1,110,850
Total		<u>195,626</u>	<u>1,193,909</u>	<u>1,389,535</u>	<u>1,204,550</u>
Net gains on investments		<u>38,681</u>	<u>-</u>	<u>38,681</u>	<u>19,881</u>
NET INCOME/(EXPENDITURE)		<u>869,436</u>	<u>(757,066)</u>	<u>112,370</u>	<u>1,047,791</u>
Transfers between funds	17	<u>(1,156,418)</u>	<u>1,156,418</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(286,982)</u>	<u>399,352</u>	<u>112,370</u>	<u>1,047,791</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>2,501,716</u>	<u>871,973</u>	<u>3,373,689</u>	<u>2,325,898</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>2,214,734</u></u>	<u><u>1,271,325</u></u>	<u><u>3,486,059</u></u>	<u><u>3,373,689</u></u>

The notes form part of these financial statements

THE DAVID CLARKE RAILWAY TRUST

**STATEMENT OF FINANCIAL POSITION
30 SEPTEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	11	395,978	-	395,978	403,956
Heritage assets	12	35,622	216,552	252,174	261,621
Investments					
Investments	13	69,370	-	69,370	70,910
Social investments	14	898,021	-	898,021	857,800
		<u>1,398,991</u>	<u>216,552</u>	<u>1,615,543</u>	<u>1,594,287</u>
CURRENT ASSETS					
Debtors	15	5,086	55,920	61,006	237,329
Cash at bank		817,401	1,127,450	1,944,851	1,794,962
		<u>822,487</u>	<u>1,183,370</u>	<u>2,005,857</u>	<u>2,032,291</u>
CREDITORS					
Amounts falling due within one year	16	(6,744)	(128,597)	(135,341)	(252,889)
		<u>815,743</u>	<u>1,054,773</u>	<u>1,870,516</u>	<u>1,779,402</u>
NET CURRENT ASSETS					
		<u>815,743</u>	<u>1,054,773</u>	<u>1,870,516</u>	<u>1,779,402</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,214,734</u>	<u>1,271,325</u>	<u>3,486,059</u>	<u>3,373,689</u>
NET ASSETS		<u>2,214,734</u>	<u>1,271,325</u>	<u>3,486,059</u>	<u>3,373,689</u>
FUNDS	17				
Unrestricted funds				2,214,734	2,501,716
Restricted funds				1,271,325	871,973
TOTAL FUNDS				<u>3,486,059</u>	<u>3,373,689</u>

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on 19 July 2020 and were signed on its behalf by:

M Freckelton - Trustee

THE DAVID CLARKE RAILWAY TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	138,125	979,110
Net cash provided by operating activities		<u>138,125</u>	<u>979,110</u>
Cash flows from investing activities			
Interest received		8,625	2,288
Dividends received		3,139	2,964
Net cash provided by investing activities		<u>11,764</u>	<u>5,252</u>
Change in cash and cash equivalents in the reporting period		<u>149,889</u>	<u>984,362</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,794,962</u>	<u>810,600</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,944,851</u></u>	<u><u>1,794,962</u></u>

The notes form part of these financial statements

THE DAVID CLARKE RAILWAY TRUST

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	112,370	1,047,791
Adjustments for:		
Depreciation charges	17,425	14,508
Gain on investments	(38,681)	(19,881)
Interest received	(8,625)	(2,288)
Dividends received	(3,139)	(2,964)
Decrease/(increase) in debtors	176,323	(184,524)
(Decrease)/increase in creditors	(117,548)	126,468
	<hr/>	<hr/>
Net cash provided by operations	<u>138,125</u>	<u>979,110</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of various investments which are included at market value, modified to include certain items at fair value. This is explained in more detail in the investments accounting policy.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants and donations are recognised in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services and facilities are included at the value to the charity where this can be quantified.

Donated supplies and facilities are included as both income and expenditure within the relevant income and expenditure heading where quantified.

Legacies are included when notification of entitlement has been received from the executors or an agent thereof.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Refurbished expenditure on heritage assets is expensed to the statement of financial activities, rather than capitalised.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the economic life of that asset as follows:

Freehold property	- 2% p.a. on cost
Rolling stock	- 5% p.a. on cost
Locomotives	- 5% p.a. on cost
Equipment	- 20% p.a. on cost

Freehold land has not been depreciated.

Artifacts have not been depreciated.

Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

Investments

With the exception of the City of London Investment Trust Plc and the Barclays UK Equity Income (Series 2) Fund investments, none of the investments are listed on a recognised stock exchange.

The shares in Great Central Railway plc are valued on an assets basis, having regard to the accounts of that company for the year ended 31 January 2019. Shares in Boscastle Locomotive Ltd and Bolton Steam Locomotive Company Ltd are valued on an assets basis, having regard to the accounts of those companies for the year ended 31 December 2018. Shares in the Mid Hants Railway Ltd are valued at par. Shares in the City of London Investment Trust Plc and the Barclays UK Equity Income (Series 2) Fund are valued at their market value at 30 September 2019.

Other shares are valued at cost.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the charity's activities. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Going concern

The financial statements have been prepared on the going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

As noted in the trustees report, the trustees have paid due regard to the Covid-19 pandemic while considering the going concern of the charity.

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Donations	1,205,751	1,142,227
Legacies	211,473	1,044,169
Prize draw receipts	4,236	12,012
	<u>1,421,460</u>	<u>2,198,408</u>

THE DAVID CLARKE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

3. INVESTMENT INCOME

	2019	2018
	£	£
Dividends	3,139	2,964
Bank interest	8,625	2,288
	<u>11,764</u>	<u>5,252</u>

4. INCOME FROM CHARITABLE ACTIVITIES

The charity received £30,000 (2018 - £28,800) from the leasing of locomotive Witherslack Hall.

5. RAISING FUNDS

Raising donations and legacies

	2019	2018
	£	£
Other expenses	1,027	1,120
Support costs	8,476	9,542
	<u>9,503</u>	<u>10,662</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Totals £
Restoration and maintenance of locomotives, carriages, railcars and other units	-	38,420	38,420
Supporting the linking or development of further sections of the Great Central Railway	-	479,855	479,855
Other activities	26,556	835,201	861,757
	<u>26,556</u>	<u>1,353,476</u>	<u>1,380,032</u>

Charitable activities costs include payments to the auditor of £7,729 (2018 - £6,300) for audit fees.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

7. GRANTS PAYABLE

	2019 £	2018 £
Restoration and maintenance of locomotives, carriages, railcars and other units	38,420	58,827
Supporting the linking or development of further sections of the Great Central Railway	479,855	7,800
Other activities	835,201	1,088,430
	<u>1,353,476</u>	<u>1,155,057</u>

The total grants paid to institutions during the year was as follows:

	2019 £	2018 £
Great Central Railway Plc & supporting institutions	<u>1,353,476</u>	<u>1,155,057</u>

The grants figure does not include any support costs. Other activities relate to preservation or activities offering educational and operational experiences of a railway nature. It also includes governance costs such as audit and accountancy fees and other professional fees in accordance with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard FRS102 (effective 1 January 2015).

8. SUPPORT COSTS

	Management £
Raising donations and legacies	<u>8,476</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2019 nor for the year ended 30 September 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2019 nor for the year ended 30 September 2018.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,767,055	431,353	2,198,408
Charitable activities			
Witherslack Hall locomotive income	-	28,800	28,800
Investment income	<u>5,252</u>	<u>-</u>	<u>5,252</u>
Total	<u>1,772,307</u>	<u>460,153</u>	<u>2,232,460</u>

EXPENDITURE ON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Raising funds	10,662	-	10,662
Charitable activities			
Restoration and maintenance of locomotives, carriages, railcars and other units	16,411	58,827	75,238
Supporting the linking or development of further sections of the Great Central Railway	-	7,800	7,800
Other activities	634,738	476,112	1,110,850
Total	661,811	542,739	1,204,550
Net gains on investments	19,881	-	19,881
NET INCOME/(EXPENDITURE)	1,130,377	(82,586)	1,047,791
Transfers between funds	(445,103)	445,103	-
Net movement in funds	685,274	362,517	1,047,791
RECONCILIATION OF FUNDS			
Total funds brought forward	1,816,442	509,456	2,325,898
TOTAL FUNDS CARRIED FORWARD	2,501,716	871,973	3,373,689

11. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment and vehicles £	Totals £
COST			
At 1 October 2018 and 30 September 2019	468,922	1,124	470,046
DEPRECIATION			
At 1 October 2018	64,966	1,124	66,090
Charge for year	7,978	-	7,978
At 30 September 2019	72,944	1,124	74,068
NET BOOK VALUE			
At 30 September 2019	395,978	-	395,978
At 30 September 2018	403,956	-	403,956

Freehold property is valued at cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

12. HERITAGE ASSETS

	Artefacts £	Locomotives £	Rolling stock £	Total £
COST				
At 1st October 2018	18,067	230,589	74,994	323,650
At 30th September 2019	18,067	230,589	74,994	323,650
DEPRECIATION				
At 1st October 2018	-	8,340	53,689	62,029
Charge for year	-	5,697	3,750	9,447
At 30th September 2019	-	14,037	57,439	71,476
NET BOOK VALUE				
At 30th September 2019	18,067	216,552	17,555	252,174
At 30th September 2018	18,067	222,249	21,305	261,621

Heritage assets and equipment are valued at cost. Capitalisation of Heritage Assets is dependent on the type and longevity of the asset.

Rolling Stock consists of coaches and wagons, which are not less than 30 years old.

The locomotives comprise a Hall Class locomotive, Witherslack Hall and a half share in a British Rail Class 8F steam locomotive.

The artifacts are numerous and are all of historic railway interest.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 October 2018	70,910
Revaluations	(1,540)
At 30 September 2019	69,370
NET BOOK VALUE	
At 30 September 2019	69,370
At 30 September 2018	70,910

There were no investment assets outside the UK.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

14. SOCIAL INVESTMENTS

	Programme related investments equity £
MARKET VALUE	
At 1 October 2018	857,800
Additions	18,553
Revaluations	21,668
	<hr/>
At 30 September 2019	898,021
	<hr/>
NET BOOK VALUE	
At 30 September 2019	898,021
	<hr/>
At 30 September 2018	857,800
	<hr/>

	2019 £	2018 £
Shares:		
Great Central Railway Plc	871,154	834,295
Loughborough Standard Locomotives Group Ltd	2,551	2,551
Boscastle Locomotive Ltd	7,261	4,379
Thompson B1 Locomotive Ltd	1,250	1,250
Dart Valley Plc	195	195
Bluebell Railway Plc	100	100
Peak Rail Plc	100	100
Bolton Steam Locomotive Ltd	12,390	11,910
Mid Hants Railway Ltd	20	20
Jurassica Oil & Gas Plc	1,000	1,000
Allied Gold Resources Plc	2,000	2,000
	<hr/>	<hr/>
	898,021	857,800
	<hr/>	<hr/>

Participating Interest

Company	Country of Incorporation	Shares	Percentage Held	Year End	Capital & Reserves	Profit for Year
Great Central Railway Plc	England & Wales	Ordinary Shares of 25p	31.9%	31 Jan 2019	£2,727,366	£33,329

THE DAVID CLARKE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	1,518	6,767
Other debtors	-	200,000
Gift aid	59,488	30,562
	<u>61,006</u>	<u>237,329</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	124,229	233,510
Accrued expenses	11,112	19,379
	<u>135,341</u>	<u>252,889</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS

	At 1.10.18 £	Net movement in funds £	Transfers between funds £	At 30.9.19 £
Unrestricted funds				
General fund	2,409,081	869,436	(1,063,798)	2,214,719
Leicester Museum Fund	92,635	-	(92,620)	15
	<u>2,501,716</u>	<u>869,436</u>	<u>(1,156,418)</u>	<u>2,214,734</u>
Restricted funds				
Windcutter Project	4,002	58	-	4,060
Signal & Telegraph	-	410	-	410
Carriage Repainting	-	(159,160)	200,000	40,840
8F Locomotive	161,621	(42,977)	53,439	172,083
Loughborough Standard Locomotives Group Ltd	-	10,794	-	10,794
Renaissance Railcars	14,287	313	5,066	19,666
Witherslack Hall Locomotive	141,019	27,520	-	168,539
Railbus	5,066	-	(5,066)	-
Boscastle Restoration	26,110	2,948	-	29,058
GCR 567 Locomotive Group	42,656	14,989	-	57,645
Mountsorrel Railway	21,326	(18,166)	-	3,160
Bridging the Gap	426,886	(188,688)	154,097	392,295
Oliver Cromwell	-	(18,022)	25,000	6,978
Double Track Project	1,000	-	-	1,000
Carriage Workshop	-	-	79,677	79,677
Gallery	-	(2,018)	3,842	1,824
Rothley Station	28,000	-	-	28,000
Separator	-	(37,229)	114,056	76,827
Ellis Tearoom	-	(92,578)	92,578	-
Loughborough Locomotive Shed	-	53,469	-	53,469
Crew Accommodation	-	-	100,000	100,000
O4 Restoration	-	-	25,000	25,000
Swithland Carriage	-	(308,729)	308,729	-
	<u>871,973</u>	<u>(757,066)</u>	<u>1,156,418</u>	<u>1,271,325</u>
TOTAL FUNDS	<u>3,373,689</u>	<u>112,370</u>	<u>-</u>	<u>3,486,059</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,026,381	(195,626)	38,681	869,436
Restricted funds				
Windcutter Project	512	(454)	-	58
Signal & Telegraph	1,500	(1,090)	-	410
Carriage Repainting	-	(159,160)	-	(159,160)
8F Locomotive	-	(42,977)	-	(42,977)
Loughborough Standard Locomotives Group Ltd	11,514	(720)	-	10,794
Renaissance Railcars	313	-	-	313
Witherslack Hall Locomotive	30,300	(2,780)	-	27,520
Boscastle Restoration	2,948	-	-	2,948
GCR 567 Locomotive Group	19,932	(4,943)	-	14,989
Mountsorrel Railway	24,588	(42,754)	-	(18,166)
Bridging the Gap	291,167	(479,855)	-	(188,688)
Oliver Cromwell	-	(18,022)	-	(18,022)
Gallery	-	(2,018)	-	(2,018)
Separator	-	(37,229)	-	(37,229)
Ellis Tearoom	-	(92,578)	-	(92,578)
Loughborough Locomotive Shed	54,069	(600)	-	53,469
Swithland Carriage	-	(308,729)	-	(308,729)
	<u>436,843</u>	<u>(1,193,909)</u>	<u>-</u>	<u>(757,066)</u>
TOTAL FUNDS	<u>1,463,224</u>	<u>(1,389,535)</u>	<u>38,681</u>	<u>112,370</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.10.17 £	Net movement in funds £	Transfers between funds £	At 30.9.18 £
Unrestricted funds				
General fund	1,705,222	1,148,962	(445,103)	2,409,081
Leicester Museum Fund	111,220	(18,585)	-	92,635
	<u>1,816,442</u>	<u>1,130,377</u>	<u>(445,103)</u>	<u>2,501,716</u>
Restricted funds				
Windcutter Project	3,262	740	-	4,002
Signal & Telegraph	1,622	(1,999)	377	-
Carriage Repainting	-	(74,621)	74,621	-
8F Locomotive	167,778	(48,185)	42,028	161,621
Loughborough Standard Locomotives Group Ltd	5,303	(6,430)	1,127	-
Renaissance Railcars	10,712	3,575	-	14,287
Witherslack Hall Locomotive	114,699	26,320	-	141,019
Railbus	5,066	-	-	5,066
Boscastle Restoration	17,990	2,120	6,000	26,110
GCR 567 Locomotive Group	61,769	(19,113)	-	42,656
Mountsorrel Railway	34,700	(27,374)	14,000	21,326
Bridging the Gap	73,555	353,331	-	426,886
Oliver Cromwell	12,000	(12,000)	-	-
Double Track Project	1,000	-	-	1,000
Carriage Workshop	-	(166,677)	166,677	-
Gallery	-	(61,824)	61,824	-
Rothley Station	-	28,000	-	28,000
Separator	-	(78,449)	78,449	-
	<u>509,456</u>	<u>(82,586)</u>	<u>445,103</u>	<u>871,973</u>
TOTAL FUNDS	<u>2,325,898</u>	<u>1,047,791</u>	<u>-</u>	<u>3,373,689</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,772,307	(643,226)	19,881	1,148,962
Leicester Museum Fund	-	(18,585)	-	(18,585)
	<u>1,772,307</u>	<u>(661,811)</u>	<u>19,881</u>	<u>1,130,377</u>
Restricted funds				
Windcutter Project	1,133	(393)	-	740
Signal & Telegraph	1,691	(3,690)	-	(1,999)
Carriage Repainting	-	(74,621)	-	(74,621)
8F Locomotive	-	(48,185)	-	(48,185)
Loughborough Standard Locomotives Group Ltd	16,281	(22,711)	-	(6,430)
Renaissance Railcars	5,105	(1,530)	-	3,575
Witherslack Hall Locomotive	29,100	(2,780)	-	26,320
Boscastle Restoration	2,770	(650)	-	2,120
GCR 567 Locomotive Group	13,766	(32,879)	-	(19,113)
Mountsorrel Railway	1,176	(28,550)	-	(27,374)
Bridging the Gap	361,131	(7,800)	-	353,331
Oliver Cromwell	-	(12,000)	-	(12,000)
Carriage Workshop	-	(166,677)	-	(166,677)
Gallery	-	(61,824)	-	(61,824)
Rothley Station	28,000	-	-	28,000
Separator	-	(78,449)	-	(78,449)
	<u>460,153</u>	<u>(542,739)</u>	<u>-</u>	<u>(82,586)</u>
TOTAL FUNDS	<u>2,232,460</u>	<u>(1,204,550)</u>	<u>19,881</u>	<u>1,047,791</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.10.17 £	Net movement in funds £	Transfers between funds £	At 30.9.19 £
Unrestricted funds				
General fund	1,705,222	2,018,398	(1,508,901)	2,214,719
Leicester Museum Fund	111,220	(18,585)	(92,620)	15
	<u>1,816,442</u>	<u>1,999,813</u>	<u>(1,601,521)</u>	<u>2,214,734</u>
Restricted funds				
Windcutter Project	3,262	798	-	4,060
Signal & Telegraph	1,622	(1,589)	377	410
Carriage Repainting	-	(233,781)	274,621	40,840
8F Locomotive	167,778	(91,162)	95,467	172,083
Loughborough Standard Locomotives Group Ltd	5,303	4,364	1,127	10,794
Renaissance Railcars	10,712	3,888	5,066	19,666
Witherslack Hall Locomotive	114,699	53,840	-	168,539
Railbus	5,066	-	(5,066)	-
Boscastle Restoration	17,990	5,068	6,000	29,058
GCR 567 Locomotive Group	61,769	(4,124)	-	57,645
Mountsorrel Railway	34,700	(45,540)	14,000	3,160
Bridging the Gap	73,555	164,643	154,097	392,295
Oliver Cromwell	12,000	(30,022)	25,000	6,978
Double Track Project	1,000	-	-	1,000
Carriage Workshop	-	(166,677)	246,354	79,677
Gallery	-	(63,842)	65,666	1,824
Rothley Station	-	28,000	-	28,000
Separator	-	(115,678)	192,505	76,827
Ellis Tearoom	-	(92,578)	92,578	-
Loughborough Locomotive Shed	-	53,469	-	53,469
Crew Accommodation	-	-	100,000	100,000
O4 Restoration	-	-	25,000	25,000
Swithland Carriage	-	(308,729)	308,729	-
	<u>509,456</u>	<u>(839,652)</u>	<u>1,601,521</u>	<u>1,271,325</u>
TOTAL FUNDS	<u>2,325,898</u>	<u>1,160,161</u>	<u>-</u>	<u>3,486,059</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,798,688	(838,852)	58,562	2,018,398
Leicester Museum Fund	-	(18,585)	-	(18,585)
	<u>2,798,688</u>	<u>(857,437)</u>	<u>58,562</u>	<u>1,999,813</u>
Restricted funds				
Windcutter Project	1,645	(847)	-	798
Signal & Telegraph	3,191	(4,780)	-	(1,589)
Carriage Repainting	-	(233,781)	-	(233,781)
8F Locomotive	-	(91,162)	-	(91,162)
Loughborough Standard Locomotives Group Ltd	27,795	(23,431)	-	4,364
Renaissance Railcars	5,418	(1,530)	-	3,888
Witherslack Hall Locomotive	59,400	(5,560)	-	53,840
Boscastle Restoration	5,718	(650)	-	5,068
GCR 567 Locomotive Group	33,698	(37,822)	-	(4,124)
Mountsorrel Railway	25,764	(71,304)	-	(45,540)
Bridging the Gap	652,298	(487,655)	-	164,643
Oliver Cromwell	-	(30,022)	-	(30,022)
Carriage Workshop	-	(166,677)	-	(166,677)
Gallery	-	(63,842)	-	(63,842)
Rothley Station	28,000	-	-	28,000
Separator	-	(115,678)	-	(115,678)
Ellis Tearoom	-	(92,578)	-	(92,578)
Loughborough Locomotive Shed	54,069	(600)	-	53,469
Swithland Carriage	-	(308,729)	-	(308,729)
	<u>896,996</u>	<u>(1,736,648)</u>	<u>-</u>	<u>(839,652)</u>
TOTAL FUNDS	<u>3,695,684</u>	<u>(2,594,085)</u>	<u>58,562</u>	<u>1,160,161</u>

Designated Funds (unrestricted)

The Leicester Museum Fund was set up for the Trust's contribution towards a feasibility study of a Lottery funded project to build a museum at Leicester North.

Restricted Funds

The Windcutter Project Fund was set up to aid the Windcutter wagons project, being the acquisition and maintenance of these wagons, now owned by the Trust.

The Signal and Telegraph Fund was set up to aid improvements to the Signal and Telegraph installations at the Great Central Railway.

The Carriage Repainting Fund was set up to aid the repainting of a rake of coaches for use on the Great Central Railway.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

17. MOVEMENT IN FUNDS - continued

The 8F Locomotive Standard Locomotives Group Fund was set up to assist in the purchase of a half share of the Locomotive 8F No.48305 and its subsequent operation.

The Loughborough Standard Locomotives Group Fund was set up to aid the restoration and maintenance of specific locomotives based on the Great Central Railway.

The Renaissance Railcars Fund was set up to aid the restoration and maintenance of diesel railcar units based on the Great Central Railway.

The Witherslack Hall Fund was set up to aid the restoration and maintenance of this locomotive, owned by the Trust.

The Railbus Fund was set up to aid restoration.

The Boscastle Restoration Fund was set up to assist with the restoration of 34039 Boscastle.

The GCR 567 Locomotive Group Fund was set up to assist with the building of a 'brand new' Great Central Railway Class 2 locomotive.

The Mountsorrel Railway Fund was set up to develop the Mountsorrel branch line.

The Bridging the Gap Fund was set up to aid the linking of the Loughborough to Leicester and Loughborough to Ruddington sections of the Great Central Railway.

The Oliver Cromwell Fund was set up to provide funds towards restorational upkeep of this locomotive, which is part of the National Collection.

The Double Track Project Fund was set up to provide double-track rail between Loughborough and Rothley.

The Carriage Workshop Fund was set up to aid the restoration of carriage restoration works.

The Gallery Fund was set up to aid the conversion of the old parcel office into a viewing area and reception.

The Rothley Station Fund was set up to hold monies for use at Rothley station.

The Separator Fund was set up to assist with the provision of a new reverse osmosis plant and separator to collect pollutants in the ground from the loco shed preparation area.

The Ellis Tearoom Fund was set up to assist with the provision of increased visitor facilities at the Ellis tearoom.

The Loughborough Locomotive Shed Fund was set up to provide increased facilities for locomotive restoration and the visitor viewing area.

The Crew Accommodation Fund was set up to provide money towards buying accommodation for crew members working on the restoration and maintenance of locomotives.

The O4 Restoration Fund was set up to provide funds towards restorational upkeep of this locomotive, which is part of the National Collection.

The Swithland Carriage Fund was set up to provide funds towards the cost of enclosed carriage facilities at Swithland.

THE DAVID CLARKE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2019

17. MOVEMENT IN FUNDS - continued

Transfers between funds

The transfers into restricted funds represent unrestricted fund monies utilised to finance restricted funds.

18. RELATED PARTY DISCLOSURES

Mr C I Baines, a trustee of the charity, was also a director of Great Central Railway plc. During the year the Trust paid grants amounting to £1,193,421 (2018 - £1,027,489) to Great Central Railway plc. To avoid any potential conflict of interest Mr C I Baines excluded himself from any meeting of the Trust where grants to Great Central Railway plc were being considered. During the year Great Central Railway plc also used rolling stock owned by the Trust free of charge.

At 30 September 2019 the David Clarke Railway Trust owed £124,229 (2018 - £233,510) to the Great Central Railway plc.

19. ULTIMATE CONTROLLING PARTY

The charity is controlled by the Trustees.

20. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments are as follows:

	2019 £	2018 £
Financial assets that are equity instruments measured at fair value through net income / expenditure:		
Fixed asset listed investments (note 13)	69,370	70,910
Social investments (note 14)	890,805	850,584
Financial assets that are debt instruments measured at amortised cost:		
Gift aid debtors (note 15)	59,488	30,562
Financial assets that are equity instruments measured at cost less impairment:		
Social investments (note 14)	7,216	7,216
Financial liabilities measured at amortised cost:		
Trade creditors (note 16)	124,229	233,510

The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2019 £	2018 £
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income / expenditure	38,681	19,881

The total interest income and interest expense for financial assets and financial liabilities that are not measured at fair value through the income statement was £nil (2018 - £nil) for both financial assets and liabilities respectively.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

21. CONTINGENT ASSETS

As at the reporting date, the charity has a contingent asset of £100,000 (2018 - £nil). This relates to legacies notified before the year end.

22. EVENTS AFTER THE REPORTING DATE

Since the financial reporting date, there has been a global pandemic from the outbreak of Covid-19. The potential impact of Covid-19 became significant in March 2020 and is causing widespread disruption to all aspects of economic, social and charitable activity across the world, including the UK. As a result, the charity has seen a fall in donations and in the value of investments since the year end.

The trustees have considered this and do not believe it will significantly impact the operations of the charity as they have sufficient cash reserves to continue to operate with reduced donation income and do not commit to paying out expenditure unless they have the necessary funds to do so.

Although the value of investments declined significantly in March 2020, values are starting to improve again as lockdown eases and the economy begins to open up.