

THE SOMERSET & DORSET RAILWAY TRUST LTD

(A company limited by guarantee)

REPORT & FINANCIAL STATEMENTS

Year ending 31st December 2019



Charity number 1158865

Company number 8945535

Registered address:

The Railway Station, Washford, Watchet, Somerset TA23 0PP



Report of the Directors for the year ending 31 December 2019

The Trustees are pleased to present their annual Directors' report together with the financial statements of the charity for the year ending 31 December 2019 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Chairman's review

The beginning of 2019 was marked by a celebration of the restoration of S&D six-wheeled coach No 4, completed in 2017. In February 2019, various members of the Trust attended the Annual Awards ceremony of the Heritage Rail Association in Birmingham. Coach No 4 had been shortlisted for an award and, although beaten to first place by a worthy competitor, the Trust gained good exposure and favourable publicity. It was appropriate that the Trust attendees included volunteers involved at various stages of the restoration. In January the Trust held another successful Annual Model Railway Exhibition at Edington. Footfall has increased in recent years under the stewardship of David Temple and Martin Rice and we may soon reach the maximum throughput available. The annual special train on the WSR also showed increased patronage. The train was hauled by our own locomotive, 53808, which also coped with the rescue of a distressed WSR service train, showing how important it is to the WSR's present operating structure.

Last year, HLF funding was received to carry out an evaluation of the Trust's resilience. Much useful information was gained concerning the Trust's activities in marketing, sales and volunteering. As a result, training and pastoral care of volunteers has been improved by the creation of a new volunteer training manual. Although H&S legislation does not apply to an organisation without paid staff it became clear that improvements needed to be made with the duty of care to volunteers. As a result, appointment of a Site Manager was made, a volunteer from the existing team being selected following an interview process. He reports to the Site Director. More focus is being given to the environment in which the volunteers can operate safely whilst, at the same time, making sure their efforts align more closely with the decisions made at Board level. Equally, the ideas and concerns of volunteers are fed back up to the Board in a meaningful way.

Another recommendation of the resilience project was to review governance. This was completed in the latter part of 2019. It consisted of questionnaires completed by Directors, and review of our Articles of Association as they relate to present activities. Safe working of volunteers was again highlighted. The absence of a long term plan was also an important omission and plans are in preparation to produce a vision and strategy in 2020 covering the next 10-15 years. The review also showed that our activities have evolved considerably since 2014 when the current structure was put into place. Further advice on the future structure is being sought. Sales generally have shown a welcome increase entirely due to off-site events and web-based orders.

The number of days on which the WSR was closed to traffic was up on previous years due to essential maintenance and track repair and inevitably impacted on the footfall at Washford and subsequent revenue. The Trust has endeavoured to maintain and develop existing working relationships with WSR plc both with regard to them being our landlord and as operator of our locomotive 53808. This has brought challenges to both parties.

Kilmersdon, the 0-4-0 Peckett locomotive, will return shortly, following a successful hiring period to the Helston Railway. Plans are being formulated regarding its overhaul during 2020.

The Trust received the resignations of three directors in early 2020 and this will result in a redrawing of responsibilities, which will be carried out at the same time as our long term strategy mentioned earlier. In the meantime the Trust will operate with fewer directors and opportunity will be taken to recruit new volunteers to report into a slimmer structure.

Ian Young (Chairman)

Our purposes and activities

The charity's objects are specifically restricted to the following:

- to advance the education of the public about the history and social and economic impact of the Somerset & Dorset Railway, its antecedents and its successors, on local communities, in the context of Britain's railway heritage;
- to establish and maintain a museum for the benefit of the public relating to the Somerset & Dorset Railway and railway heritage generally, and to preserve or restore historic railway items for public display and demonstration;
- to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of all individuals, including those who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances, with the object of improving their conditions of life.

In shaping our objectives for the year and planning our activities the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

In planning the programme for 2019, the Trustees paid particular attention to activities involving public benefit, including introducing interactive displays and extending video facilities at Washford. The Midford signal box repair and restoration work will be ready for us to stage signalling demonstrations to visitors during the 2020 season.

The strategies employed to achieve the charity's aims and objectives are to promote awareness of, and interest in, the Somerset & Dorset railway; promote the SDRT as a significant S&D organisation; attract, encourage and support members and volunteers; secure financial resilience for the Trust; build positive relationships and partnerships with related organisations; and deliver the agreed strategic priorities

Putting these strategies into action, the Board developed and adopted a five-year forward action plan. Several priority actions have been completed successfully. We have completed the restoration of Coach 4; undertaken a programme for 2016 marking the 50th anniversary of the railway's closure and the founding of the Trust; agreed and secured the future and development of the Washford site; and created a new website and refreshed the Trust's magazine 'Pines Express'.

Work continues on: improving the established organisational structure with clear accountabilities and engaging the membership in the development of the Trust and its future plans.

Our volunteers

The Board continues working to strengthen the Trust's volunteer management. In 2019 more attention has been given to the Trust's membership database as a resource to identify and nurture future volunteers. A number of promising contacts have been made and we have identified willing volunteers with skills as diverse as company structuring and planning, heritage, conservation and history, and legal support as well as additions to our regular teams of volunteers. Skills based training was funded by the HLF for four of our regular volunteers. We have also started an online training resource for volunteers. With advice from professional heritage bodies, the Board is putting in place policies and procedures to provide improved support, encouragement and retention for the 40 or so volunteers on which the Trust relies, and to identify further opportunities for volunteering within the Trust.

Achievements and performance

Washford

Our volunteers and outside contractors have worked during the year on repointing some areas of station brickwork, external repaint of the station, refurbishment of the museum room and ladies WC and have commenced work on the

station shop area in readiness for the start of the 2020 operating season. The first phase of an ultra high definition CCTV system was installed, covering parts of the site not covered by existing equipment.

Washford Museum Displays

Work fitting out the BR Mark 1 BG was completed including the transfer of displays from the grounded coach.

Following redecoration of the museum room some new displays were installed. Including an interactive route map, Modifications to the Midford signal box display now allow a full demonstration of the working of the box on occasions. A video of such a demo is shown continually on a monitor in the box.

New aluminium backed interpretation signs have been installed for two external exhibits - one encouraging correct use of the signal demonstration, the other describing the Eclipse Peat Railway. The first of a series of laminated cards describing signs and other items on display has been introduced.

Washford Events

A small team has put on a variety of events during the year, including a Beer Festival during the Diesel Gala in conjunction with Somerset CAMRA, WVS style catering at the 1940's weekend and a catering stall at the WSRA Norton Fitzwarren Steam Fayre.

Locomotive 'Kilmersdon'

'Kilmersdon' has been in the last year of its 10 year boiler certificate. The Helston Railway extended the long term loan of the locomotive for a second year. The locomotive was steamed for 45 days. This has resulted in a further significant fee being payable to the Trust which will go most of the way in providing funding for the upcoming overhaul.

Diesel Shunter

The Trust has been gifted one of the original Royal Ordnance Factory, Puriton Andrew Barclay diesel mechanical shunters in working condition. The Trustees acknowledge this generous donation from Mr Damien Stabler. The Trust paid for transport of the locomotive from its previous home in Essex.

HLF Resilience Project

The HLF Resilience Fund grant of £14,700 was used to fund external consultants to advise on improving our retail offering, marketing and volunteer management and support, as well as skills based training courses. The Trustees have started to take on board recommendations from the consultants, and commissioning a governance review.

'Pines Express' and website

The 'Pines Express' magazine continues to maintain its high standard. The ecommerce section of the website has yet again been successful, increasing online sales by nearly 100% in the year.

Sales Developments

Dapol produced a limited run of 105 wagons for the Trust depicting our recently restored Fruit D van. Retailing at £21, these all sold before the end of the year. Audio interviews with Ivo Peters and with ex S&D staff have been converted from cassette tape into the latest digital format and made available for sale in our online shop.

Photographic Collection

Progress has continued in digitising and cataloguing the Trust's photographic collection. The number of images available for purchase via the website has more than doubled to 600.

Opportunity has been taken to review the contents of the collection and 1,500 non S&D negatives from the Richardson collection were sold to a third party for £1,900, in accordance with our collections policy. At the same time, the Trust was successful in bidding for a small number of negatives from the Henry Casserley collection at auction for a cost of £425.

Coach Restoration Appeal

The 2019 annual raffle raised over £3,500 for the coach fund.

Organisation structure

The Trust adopted an organisation structure in 2016, based on the Forward Plan. This structure is reviewed regularly. In 2019 the structure and responsibilities on the Washford site were reviewed and Trustees have been pleased to confirm Paul Cracknell, one of our regular Tuesday volunteers, as Washford Site Manager. It is hoped that this will improve information flow to and from the Tuesday volunteers going forward. Current board responsibilities are shown on page 6. There remain a number of key vacancies and Trustees are actively looking to identify people to participate in the areas of administration, museum curation, locomotives and development, as well as to engender interest in such areas as S&D modelling and S&D history which tend to be under represented.

Financial review

There was a net inflow of £7,715 in the year boosted by hire fees for 'Kilmersdon' and a legacy. Of the closing unrestricted funds balance, £31,907 is in the General fund with the remainder designated (see note 16 for details). Restricted funds decreased from £7,000 to £931. The HLF Resilience final claim has been submitted but the timing and quantum are not yet certain. As a result that fund is temporarily in deficit over the year end although Trustees are confident that funds will be received shortly.

The Trustees have determined that a minimum of 4 months of unrestricted general expenditure should be held in reserves. The current position exceeds this threshold.

It is policy to invest funds at United Trust Bank and CCLA. At December 31 2019, £36,500 was held at CCLA in a no notice deposit, and £15,484 was held at United Trust Bank in a 12 month charity bond maturing in June 2020 earning interest at a fixed rate of 1.95%.

The Trustees have concluded from their review of financial activities and forward expenditure requirements that the charity is a going concern and accounts have been prepared on this basis. Review of financial performance is an important agenda item at each Trustees' meeting.

Plans for future periods

Plans for 2020 include:

Resilience and Governance

The Trustees will continue to review and implement where appropriate the findings of the three HLF consultants dealing with our retail offering, marketing and volunteer management.

Trustees will also consider findings from a recent Governance review with a view to updating the organisation structure, the future course and direction and long term objectives of the Trust.

Locomotive 'Kilmersdon'

The 10 year boiler ticket expired in January 2020. Trustees will get the work to be done specified by our boiler inspector and solicit quotes for the overhaul, with the aim of returning the locomotive to running order without undue delay.

Washford Site

The Trust will continue to make the most of the opportunities at Washford despite challenging constraints. Work will continue to upgrade museum displays. Whilst facilities are well developed, attention will be devoted in the coming months to procedures and regulatory compliance to ensure we meet the latest standards.

Digitisation of records

The digitisation and availability of the Trust's photo library will continue to be worked on through 2020.

Coach Restoration Appeal

Following a short delay, the Trust will launch this during 2020, to enable restoration of Coaches 98 and 114.

[Administrative details](#)

Charity number	1158865
Company number	8945535
Registered Office	The Railway Station, Washford, Watchet, Somerset TA23 0PP

Our advisers

Independent examiner	Martin & Co	Bridport
Bankers	HSBC Bank plc	Yeovil
Solicitors	Stephens Scown	Exeter

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and principal officers serving during the year and since the year end, together with the portfolios currently held, are as follows:

Elected Directors and Trustees:	I M Young	Chairman	(Governance)
	M Atkins	(resigned 31 January 2020)	
	A N Davies		(Sales, Washford Site)
	R Hardingham		(Promotions)
	R Jacob		(Volunteers)
	R D W Ormston		(Communications)
	R S Pope	(resigned 30 January 2020)	
	M J Rice		(Finance)
	J Rodney-Jones	(resigned 18 January 2020)	
	P J C Trenchard		(Partnerships & Heritage)
Principal Officers:			
Magazine Editor	R D W Ormston		
Membership Secretary	A Young		
Museum Collections Assistant	S R Gillett		
Treasurer	M J Rice		
Webmaster	A Beale		
Washford Site:			
Manager	P Cracknell		
Restoration Team Leader	E L Lambe		
Museum Displays Coordinator	D Temple		

[Structure, Governance and Management](#)

Governing Document

The Somerset & Dorset Railway Trust Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated 14 August 2014. It is registered with the Charity Commission. Existing members of the Somerset & Dorset Railway Trust transferred to the present Trust when the charities were listed on the Register of Mergers on 4 March 2015. New members apply for membership. In the event of the charity's dissolution, members resolve that any net assets will be passed directly for the objects, or any charity for purposes similar to the objects or to any charity for use for particular purposes that fall within the objects. Members are liable up to £10 per member for any debts remaining after dissolution.

Appointment of Trustees

As set out in the Articles of Association the Chairman of Trustees is appointed by the Trustees. Trustees are elected in rotation for three years by members either in person at the AGM or by proxy vote. The Trustees have the power to co-opt Trustees who stand until the following AGM.

All members are circulated with invitations to nominate Trustees prior to the AGM advising them of the retiring Trustees and requesting nominations for the AGM. When considering appointing Trustees the Board has regard to the requirement for any specialist skills needed.

Trustee induction and training

New Trustees are briefed on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and informed of the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. To facilitate effective operations, the Board has authority to delegate certain operational matters to working groups and volunteer officers. The Board meets bi-monthly and may establish sub-committees and time-limited working groups. Other officers attend Board meetings as required.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior officer of the charity with a related party must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Details of related party transactions are disclosed in note 17 to the accounts. In accordance with Trust policy Trustees withdraw from decisions where conflicts of interest arise.

Risk management

The primary risks facing the Trust are:

- The much publicised difficulties of our landlords, WSR plc, have thrown into sharp focus our relationship with them. Trustees have spent much time in recent months engaging with WSR management and seeking to protect the integrity, assets and well-being of the Trust.
- Relationships – as a relatively small membership organisation the Trust works hard to engage positively with its volunteers and the wider membership, and also with partner organisations within the West Somerset Railway “family”, other Somerset & Dorset Railway groups and the local communities of which it is part.
- Resilience – the Trustees are aware that the level of sustainable activities going forward may be constrained by insufficient manpower and other resources. The Trustees are actively looking to widen the skills and volunteer base and will take note of the HLF funded consultants’ reports in going forward.
- Financial Control – the stewarding of finite financial resources calls for financial discipline and spending plans are carefully managed to be within available finance.

Other risks are being addressed by maintaining up to date risk assessments of Trust activities, contingency planning where appropriate, emphasis of safe working practices and the development of, maintenance of, adherence to and monitoring of robust policies and regular training.

Following the year end the Trust received notice from West Somerset Railway plc to leave the Washford site. It is too early to determine the impact this will have and Directors are working to mitigate the outcomes.

Trustees' responsibilities in relation to the financial statements

The charity Trustees (who are also Directors of The Somerset & Dorset Railway Trust Ltd for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charity for the period. In preparing the financial statements, the Trustees 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;
- 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 that 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as disclosure to our independent examiner

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the independent examiner is unaware, and;
- The Trustees, having made enquiries of fellow Directors and the independent examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

By order of the Board of Trustees



I M Young (Chairman)

14 March 2020



INDEPENDENT EXAMINER'S REPORT

To the Members of The Somerset & Dorset Railway Trust Ltd on the accounts for the year ended 31st December 2019.

This report is made solely to the society's members, as a body. My examination work has been undertaken so that I might state to the society's members those matters I am required to state to them in an examiners' report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the society and the society's members as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of Society Board Members and the examiner

The Society Board Members consider that an audit is not required this year as an appropriate resolution was approved by members at the last AGM and that an independent examination is therefore appropriate.

It is my responsibility; to:

- examine the accounts
- state whether particular matters have come to my attention.

Basis of Independent Examiner's statement

An examination includes a review of the accounting records kept by the Company 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 Board Members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

- a) which gives me reasonable cause to believe that, in any material respect, the Board Members have not met the requirements to ensure that :
- i) proper accounting records are kept
 - ii) accounts are prepared which agree with the accounting records and comply with generally accepted accounting requirements; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed 

Date 6th March 2020

Name B.R. Kenway

Qualification FCCA

Address 2, VICTORA GROVE, BRIDPORT, DORSET, DT6 3AA

THE SOMERSET & DORSET RAILWAY TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES

for year ending 31st December 2019

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
INCOMING RESOURCES					
Subscriptions		9,998		9,998	9,906
Donations and grants	3	14,750	0	14,750	13,442
Charitable activities	4	9,240	5,222	14,462	15,588
Other activities	5	19,076		19,076	14,450
Investment income	6	514		514	347
Total incoming resources		<u>53,578</u>	<u>5,222</u>	<u>58,800</u>	<u>53,732</u>
RESOURCES EXPENDED					
Expenditure on charitable activities	7	34,987	196	35,183	34,211
Cost of generating funds	8	1,508	1,495	3,003	4,062
Governance and support costs	9	3,299	9,600	12,899	6,266
Total resources expended		<u>39,794</u>	<u>11,291</u>	<u>51,085</u>	<u>44,538</u>
Net (outgoing)/incoming resources for the year before transfers		13,784	-6,069	7,715	9,193
Transfers between funds		0	0	0	0
Net (outgoing)/incoming resources for the year		13,784	-6,069	7,715	9,193
Accumulated fund brought forward	16	70,962	7,000	77,962	68,768
Accumulated fund carried forward	16	<u>84,746</u>	<u>931</u>	<u>85,677</u>	<u>77,962</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE SOMERSET & DORSET RAILWAY TRUST LTD

BALANCE SHEET

as at 31st December 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible Assets	11	13,498	18,448
Investments	12	1	1
CURRENT ASSETS			
Retail stock		3,460	3,763
Debtors and prepayments	13	10,080	7,797
Bank deposits		51,984	44,225
Bank & cash in hand		15,744	10,247
		<u>81,268</u>	<u>66,032</u>
<i>LESS</i>			
CURRENT LIABILITIES			
<i>Falling due within one year</i>			
Creditors and accruals	14	3,457	2,001
Deferred income	15	5,633	4,518
		<u>9,090</u>	<u>6,519</u>
NET CURRENT ASSETS		72,178	59,512
NET ASSETS		<u>85,677</u>	<u>77,962</u>
<i>REPRESENTED BY:</i>			
Unrestricted funds	16	84,746	70,962
Restricted funds	16	931	7,000
ACCUMULATED FUNDS		<u>85,677</u>	<u>77,962</u>

The notes at pages 12 to 18 form part of these accounts

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

For the year ending 31 December 2019 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 14 March 2020

Signed on behalf of the board of directors


I M Young, Chairman

14 March 2020

THE SOMERSET & DORSET RAILWAY TRUST LTD

NOTES ON THE ACCOUNTS

1. Accounting Policies

- a. *General information and basis of preparation* The Somerset & Dorset Railway Trust Ltd is a company limited by guarantee incorporated in England within the United Kingdom. The address of the registered office is given in the company information on page 6 of these financial statements. The financial statements are presented in sterling which is the functional currency of the company. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.
- b. *Preparation of the accounts on a going concern basis* The accounts have been prepared on a going concern basis as the Trustees have no material uncertainties about the charity's ability to continue operating.
- c. *Income recognition policies* Items of income are recognised and included in the accounts when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met or fully within the control of the charity, there is sufficient certainty that the receipt of the income is considered probable and the amount can be measured reliably. Income received in advance, such as future year membership subscriptions, is deferred until the criteria for income recognition are met. Since the amount and timing of receipt of legacy income are unpredictable, it is accounted for only when received.
- d. *Donated services and facilities* The value of items received as donations to the charity would be difficult to quantify, and therefore not assessed. Consequently, they are not included in the accounts.
- e. *Interest receivable* Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.
- f. *Fund accounting* Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular activities of the charity.
- g. *Expenditure and irrecoverable VAT* Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.
- h. *Heritage assets* Accounting standard FRS30 applies to all heritage assets that are held principally for their contribution to knowledge and culture, having historical and other qualities. In 1988 the net book value of all items then classified as museum items, including steam locomotive 53808, was written off as an expense in order to comply with museum regulations prevailing at that time.
- i. *Tangible fixed assets* Individual fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

<i>Asset Category</i>	<i>Annual Rate</i>
Land	Nil
Buildings & Trackwork	7 – 11%
Rolling Stock	5 – 7%
Engineering Equipment	10 – 20%
Office & Other Equipment	10 – 20%

Steam locomotives owned by the charity are not capitalised and details by individual asset are found at Note 11

- j. *Stock* Stock of books, DVDs and other items for resale is included at the lower of cost or net realisable value.
- k. *Debtors* Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts due.
- l. *Cash at bank and in hand* Cash at bank and in hand includes cash and short term highly liquid investments.
- m. *Creditors and provisions* Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably and are recognised at their settlement value after allowing for any discounts due.

2. Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is restricted to a maximum of £10 per Trustee.

3. Income from donations and grants

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
General donations and gift aid		4,750		4,750	1,493
Grants and specific donations	16	0	0	0	9,004
Legacies	16	10,000		10,000	2,945
		14,750	0	14,750	13,442

Details of the income into specific restricted funds can be found in Note 16.

The charity greatly benefits from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with accounting standards, the economic contribution of volunteers is not measured in the accounts.

4. Income from charitable activities

	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Museum entrance	1,499		1,499	2,091
Raffle	0	5,222	5,222	4,565
Model railway display	2,354		2,354	2,083
Special train	2,153		2,153	2,008
Other events	1,234		1,234	2,342
S&D 200 Club	2,000		2,000	2,500
	9,240	5,222	14,462	15,588

5. Income from other activities

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Retail Sales		19,441		19,441	15,933
Less: Cost of Sales:					
Stock 1 January		3,763		3,763	4,043
Add: Purchases		9,989		9,989	8,056
Less: Stock 31 December		(3,460)		(3,460)	(3,763)
		10,292	0	10,292	8,336
Gross Profit		9,149	0	9,149	7,596
Less: Post, packing and sundry costs		1,385		1,385	1,028
Retail sales contribution		7,764	0	7,764	6,568
Photo collection income		162		162	101
Loco hire and other income	11, 16	11,150		11,150	7,781
		19,076	0	19,076	14,450

6. Investment income

All investment income arises from money held in interest bearing deposit accounts.

7. Expenditure on charitable activities

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Magazines		6,633		6,633	6,534
Insurance		5,130		5,130	4,833
Museum electricity		2,796		2,796	1,915
Museum rent, water, phone etc.		1,868		1,868	1,701
Museum safety and security		1,816		1,816	2,213
Museum maintenance		4,500		4,500	2,473
Shed, track, equipment maintenance	16	1,014	96	1,110	1,077
Locomotives expenditure		528		528	267
Carriage maintenance		323		323	2,417
Wagons maintenance		43		43	633
Website, publicity, other events	13	1,138		1,138	1,098
Museum purchase	10	425		425	15
Museum displays and administration		993	100	1,093	1,235
Depreciation	11	7,780		7,780	7,800
		34,987	196	35,183	34,211

8. Cost of generating funds

	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Cost of generating funds · - Raffle	0	1,495	1,495	1,511
- Model Railway Display	907		907	1,272
- Special train	378		378	395
- Washford events	223		223	884
	1,508	1,495	3,003	4,062

9. Governance and support costs

	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
AGM and board meetings	647		647	593
HRA subs, travel, stationery, postage	395		395	324
Trustees' travel expenses	209		209	0
Consultancy	1,240	9,600	10,840	4,500
Volunteer Management expenses	36		36	63
Membership administration	412		412	456
Examiner's fee and expenses	360		360	330
	3,299	9,600	12,899	6,266

The charity has no paid employees (2018: None).

The charity Trustees were not paid nor received any other benefits from the charity (2018: None). No Trustee were reimbursed expenses in attending Trustees' meetings (2018: None) in accordance with procedures laid down by the Trustees. No charity Trustee received payment for professional or other services supplied to the charity (2018: None)

10. Heritage assets

In 1988 all items then classified as museum items were written off as an expense in order to comply with museum regulations prevailing at that time. This amounted to £2,940 historical cost, £2,581 net book value. Since then the cost of additional museum items has been written off as an expense against income when incurred, totalling £20,800 to the end of 2019. No asset value is carried in the accounts for heritage assets held by the charity, whether obtained by purchase or donation.

The charity's collection of museum exhibits also includes donated items. The charity has a museum collection acquisitions and disposals policy, adopted by the Trustees in July 2015. Detailed records of the collection are kept.

11. Tangible fixed assets

	Totals	Buildings, Land & Trackwork	Rolling stock	Engineering equipment	Office & other equipment
Cost	£	£	£	£	£
Brought forward	149,659	91,503	12,235	15,924	29,997
Additions in the year	3,230	0	1,140	0	2,090
Disposals in the year	-800	0	0	-800	0
Carried forward	152,089	91,503	13,375	15,124	32,087
Depreciation					
Brought forward	131,211	83,482	10,169	14,931	22,629
Disposals in the year	-400	0	0	-400	0
Charge for the year	7,780	4,307	323	405	2,745
Carried forward	138,591	87,789	10,492	14,937	25,374
Net Book Value					
31st December 2018	18,448	8,021	2,066	993	7,368
31st December 2019	13,498	3,714	2,883	188	6,713

The charity owns two steam locomotives. Both locomotives are operational and do not qualify to be treated as heritage assets.

Locomotive 53808 had a book cost of £42,635 in 1988 when it was written out of the accounts, along with the heritage assets. It is subject to a long term hire agreement with West Somerset Railway plc

whereby the hirer is responsible for all maintenance and overhaul costs. The current agreement expires on 30 April 2030. The locomotive returned to service in 2016 after a major overhaul and was fully operational in 2019.

Locomotive 'Kilmersdon' was acquired in 2010 at nil cost after many years on loan. Overhaul costs in 2011-2012 (£37,000) and minor costs since then were treated as an expense. In 2019 income includes £9,000 in respect of hiring fees for 'Kilmersdon' (see note 5) (2017: £7,000).

12. Investments

The charity holds 5,150 shares in West Somerset Railway plc which were donated in previous years. These shares are considered to have no marketable value.

13. Debtors

	2019 £	2018 £
Prepaid website costs	0	398
Prepaid insurance	3,192	3,656
Other prepaid expenses	2,109	1,728
Accrued income	4,779	2,015
	<u>10,080</u>	<u>7,797</u>

14. Creditors: amounts falling due within one year

	2019 £	2018 £
Creditors	1,896	1,490
Accruals	1,561	511
	<u>3,457</u>	<u>2,001</u>

15. Deferred income

Deferred income comprises subscriptions received in advance for the following year, and for payment received in respect of security deposit received from Helston Railway Preservation Company Ltd in respect of hire of 'Kilmersdon'.

16. Analysis of charitable funds

Movements in restricted funds

	Opening Balance 01/01/2019 £	Incoming Resources £	Resources Expended £	Transfers in year £	Closing Balance 31/12/2019 £
Restricted Funds					
Washford Signal Projects	96	0	(96)		0
HLF Resilience Project	2,850	0	(9,600)		(6,750)
Museum Collection	1,000	0	(100)		900
Kilmersdon Tyres	3,053	0			3,053
Coach Restoration		5,222	(1,495)		3,727
Total Restricted Funds	<u>7,000</u>	<u>5,222</u>	<u>(11,291)</u>	<u>0</u>	<u>931</u>

- a) *Washford Signal Projects Restricted Fund:* This represents a single specific donation for the replacement of signal wire at Washford which was expended in 2017. The small remaining balance was spent in 2019 on similar signalling projects at Washford.

- b) *HLF Resilience Project*: This represents the grant received from the Heritage Lottery Resilience Fund less costs to date. Of the total £14,700 awarded, £7,350 had been received to the end of 2018. The project completed during 2019. The final claim has been submitted but the timing and quantum are not yet certain. As a result the fund is temporarily in deficit over the year end although Trustees are confident that funds will be received shortly.
- c) *Museum Collection*: This represents a single specific donation for the acquisition of appropriate items for our museum collection and display at Washford. There has been expenditure of £100 in 2019.
- d) *Kilmersdon Tyres Fund*: The net proceeds of the 2018 raffle were restricted for the purpose of renewing the tyres on Kilmersdon's driving wheels. The proceeds have been set aside to meet this anticipated liability which is likely to be incurred at the date of the next overhaul.
- e) *Coach Restoration Fund*: The net proceeds of the 2019 raffle were restricted for the purpose of restoring vintage coaches 98 and 114. The proceeds have been set aside to meet anticipated liabilities when this project gets underway.

Movements in unrestricted funds

	Opening Balance 01/01/2019	Incoming Resources	Resources Expended	Transfers in year	Closing Balance 31/12/2019
	£	£	£	£	£
Unrestricted Funds					
General Fund	36,582	34,578	(39,254)		31,907
Designated Funds:					
Coach Restoration (including coaches 98/114)	12,628				12,628
Kilmersdon Overhaul	17,863	9,000			26,863
HLF Resilience: SDRT committed contribution	540		(540)		0
Legacies	2,945	10,000			12,945
Baker Memorial	404				404
Total Unrestricted Funds	70,962	53,578	(39,794)	0	84,746

- a) *Coach Restoration Designated Fund (including coaches 98 & 114)*: During 2014 the Trustees agreed to set aside £38,700 from Unrestricted General funds to cover full restoration of Coach 4, and restoration of the two other vintage coaches (98/114). After the completion of Coach 4 in 2016 a balance of £12,628 is therefore available to contribute towards the restoration and/or conservation of the two remaining unrestored vintage coaches.
- b) *'Kilmersdon' Overhaul Fund*: On 21 January 2017 the Trustees agreed to designate hiring fees earned since 'Kilmersdon' was overhauled in 2012 to create a fund to provide funding for future overhauls. The next overhaul due following the expiry of the 10 year boiler ticket in January 2020. Fees designated to date amount to £26,863.
- c) *HLF Resilience Project SDRT Committed contribution*: As part of the application for a Heritage Lottery Fund grant (see above) the Trustees were required to provide £540 cash funding. Consequently this amount was designated by the Trustees. This was utilised in full in 2019.
- d) *Legacies*: This represents legacies received from the estate of the late Colin White in 2018 and the estate of the late Alasdair Morrison in 2019. The Trustees have agreed to designate these amounts whilst an appropriate use for the money is identified.
- e) *Baker memorial*: This represents donations received from the funeral of our late Chairman, Godfrey Baker in 2018. The Trustees have agreed to designate this amount whilst an appropriate use for the money is identified.

17. Related party transactions

Mr Roger Hardingham is the owner of Kingfisher Productions, a supplier of railway books and DVDs. During 2019 the Trust purchased goods to the value of £539 from, and sold goods to the value of £210 to Kingfisher Productions (2018: £830 and £262 respectively). At 31 December 2019 £Nil was owing to Kingfisher Productions (2018: £139), and £Nil was owing to the Trust (2018: £179)

Mr Ryan Pope was an employee of WSRA Promotions, a subsidiary activity of West Somerset Railway Association Ltd, until 31 December 2019. During 2019 the Trust purchased £Nil of goods and services from WSRA Promotions (2017; £1,907). At 31 December 2019 no money was owing to or from the Trust (2018: £Nil).

Mr Ryan Pope is the owner of locomotive Andrew Barclay 0-4-0ST 1219 "Caledonia Works". During 2019 the locomotive was stored at Washford. A formal agreement was in place whereby in return for storage free of charge, the loco was used to shunt the yard and was steamed on a number of occasions during the absence of our own loco 'Kilmersdon'. The locomotive is under the care of the Andrew Barclay Restoration Group. During 2019 the Trust purchased goods to the value of £Nil from Andrew Barclay Restoration Group (2018: £792). At 31 December 2019 no money was owing to Andrew Barclay Restoration Group.

18. Post balance sheet event

Following the year end the Trust received notice from West Somerset Railway plc to leave the Washford site. It is too early to determine the impact this will have and Directors are working to mitigate the outcomes.

Cover picture:

The Trust's own restored Fruit D in OO scale as produced by Dapol as a limited run edition. The vehicle is shown on the refurbished Edington layout which has been re-sited in the BG as part of our Washford museum display

Picture: Dave Temple