

Registered No. 01927652

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Trustees Report and Financial Statements

for the year ended 31 December 2019



CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Company Information

Board of Directors

Dr Tony Stead (Chairman)

Mr John Cook

Ms Tracey Evans

Mr Tim Fediw

Mr Peter Mitchell

Mr Michael Palfrey

Mr Tony Peters

Mr George Thomas

Secretary

Mrs Beverley Mannering

Registered Office

5 Hithercroft Road

Wallingford

Oxfordshire

OX10 9GQ

Registered Company No.: 01927652

Registered Charity No.: 295279

Bankers:

Barclays Bank plc

2 Market Place

Wallingford

Oxfordshire

OX10 0EJ

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Report of the Trustees for the year ended 31 December 2019

Objectives, activities and purpose

The Trustees have referred to the Charity Commission's general guidance on Public Benefit when reviewing their aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The charity's principal objective is to maintain and preserve the 4km stretch of standard gauge heritage railway line between Cholsey and Wallingford in Oxfordshire, being most of the former Wallingford branch of the Great Western Railway (GWR). Originally opened as the Wallingford and Watlington Railway in 1866, the branch reached only as far as Wallingford, instead of the intended terminus at Watlington, due to prohibitive construction costs on account of the severest financial crisis of the 19th century. In 1872, the company was sold to the GWR who continued to make full use of the line throughout its period of ownership by the company. The GWR was subsumed into British Railways (BR) in 1948. The line closed to passengers in 1959 and the last BR freight ran in 1965. The original station and yard were demolished in 1969, but the remaining line was retained to serve the adjacent malting. This also ceased in 1981 following the removal of Cholsey junction by BR. The Cholsey and Wallingford Railway Preservation Society (CWRPS) was formed to both conserve the line and provide a tourist service to generate the necessary funding. The Society ran its first public train on a small track section in 1985 with the first train travelling the full length of the line in 1997.

In addition to conservation and tourist activities, the CWRPS works towards:

1. Keeping history alive by safeguarding its collection of historic artefacts through which its members and the public can actively view an aspect of social, technical and cultural history
2. Ensuring the financial stability of the organisation by endeavouring to establish continuity of income thereby ensuring the sustainability of the Society
3. Bringing together, in a not-for-profit environment, volunteers using a range of skills in the furtherance of the Society's objectives.

Structure, Governance and Management

Governing document

The Cholsey & Wallingford Railway Preservation Society is a company limited by guarantee, incorporated on 1 July 1985 and registered as a charity. It is governed by its Memorandum of Association and Articles of Association. In the event of the company being wound up, each member is required to contribute £1 as limited by the guarantee.

Recruitment and appointment of Trustee Board

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles of Association, are members of the Trustee Board. The Articles of Association require a proportion of the members of the Trustee Board to stand down each year.

Report of the Trustees for the year ended 31 December 2019 (continued)

All members are advised of the retiring trustees prior to the AGM and are invited to make nominations accordingly.

The Board has a range of operational, engineering and management backgrounds and includes nominated representatives from the two local authorities.

Trustee induction and training

No formal selection or induction procedures exist; appointments to the Board arise from recommendations of existing board members or the Society membership at large. Such recommendations are invariably based on a proven record of service to the Society.

Organisational structure

Under the Articles of Association, the maximum and minimum numbers of Board members is to be determined by the Society. The current maximum of 12 was adopted at the Extraordinary General Meeting in November 2020, and the minimum number is six. The Board is responsible for the strategic direction and policy decisions of the charity as well as all aspects of health and safety. It generally meets every month.

In addition to the Board, there are various sub-committees covering commercial operations and the Permanent Way.

Co-operation with other organisations

The charity is a member of the Heritage Railway Association (HRA). The HRA promotes the interest of its members in the heritage and tourist railway and tramway sector and encourages good practice in all fields. It represents its members interests to government and other bodies and maintains high standards in the sector by requiring members to conform to the Association's Code of Conduct. The HRA provides professional advice and other such help and assistance as appropriate.

The charity is affiliated to local and regional tourist organisations and is exploring the possibility of developing the informal links it already has established with the local train operator on the National Rail network.

Risk Management

The Trustees have a risk management strategy which includes:

- a continuous review of its policies, systems and procedures to ensure consistency with best practice and to identify any potential risks and uncertainties
- the establishment of robust policies, systems and procedures to mitigate any risks and uncertainties identified
- the implementation of procedures designed to minimise or manage any potential impact on the Society should those risks materialise

Report of the Trustees for the year ended 31 December 2019 (continued)

Both trustees and volunteers alike are suitably trained, supported and supervised as they carry out their activities for the charity. Appropriate and adequate insurance is in place to provide cover for those carrying out work for and on behalf of the charity.

Financial sustainability continues to be the major financial risk for the Society. The Board actively manages its financial risk by regular reviews of available funds and ensures that internal control risk is minimised by employing procedures that require all transactions to be properly authorised and recorded in the Society's accounts.

Furthermore, it strives to increase its resources, not only from its main activities - passenger, shop and café operations - but also from subscriptions, donations.

Achievements and performance

The Society operated its service as advertised with, as in previous years, the largest passenger numbers being associated with Bunkfest, Santa Specials and our 1940's weekend. The adoption of on-line booking again provided increases in Santa bookings with trains often running at capacity.

We continued to successfully run, and indeed expand, late trains for Bunkfest. The improved engagement with the directors has led to the proposal in future years we run on a Friday afternoon and evening & we also support other town-wide events, such as the Car Rally.

For the majority of the year we operated with our trusted 08 shunters but in August the Sentinel, Iseworth, arrived and, after some teething problems, was run successfully over several weekends. A special 'Sentinel Gala' was run with two Sentinel steam lorries (6- and 8-wheeled variants) also in attendance which provided some memorable photo opportunities.

To view the Society's operating timetable and for further information visit its website www.cholsey-wallingford-railway.com

In addition to the train operations, a significant proportion of the volunteers' effort was directed to the ongoing programme of improvements to its Permanent Way and maintenance of the Society's heritage rolling stock.

Afternoon Cream Teas

Cream Tea specials have brought additional visitors to the line. The ongoing popularity of these events has ensured they will be continue, with some cream teas specials selling out well in advance.

Maidenhead Canopy

Much has been written about the origin of this structure (see last years Annual Report). The restoration of the structure, undertaken by McCurdy's of Stamford Dingley was completed in 2019 and, after a competitive tender process, the job of erecting the structure awarded to The Green Oak Carpentry Company of Liss, Hampshire. Accommodating the needs of the company around what was to be a busy operating schedule in 2020 suggested a 12 week time period for erection thus this was set to be done over the summer of 2020.

Report of the Trustees for the year ended 31 December 2019 (continued)

AGM 2019

The outcome of the 2019 AGM, at which the entire Board tendered their resignation, subject to suitable candidates stepping forward. This, not surprisingly, a lot of concern. However, the new board and all the volunteers worked hard to ensure that our Santa Specials ran as planned with a record-breaking year contributing significantly to the financial surplus.

2020 and beyond

A new board was in place from 23rd November 2019, and for 2020 and beyond a strategic plan is being implemented based on the following key points:

- To provide an improved visitor attraction and diversify revenue streams; our main audience is young families with railway enthusiasts contributing only a small proportion to our income.
- To provide an opportunity for visitors to appreciate what travel might have been like in the past be that by steam- or diesel-hauled trains. In general, but not uniquely, we will endeavour to re-create GWR-style travel.
- To provide an opportunity for volunteers, regardless of skills or knowledge, to work together for the furtherance of the aims above.

Despite the challenges that Covid-19 has brought during 2020, progress has been made with the Maidenhead Canopy being a key element to improving the railway as a visitor attraction, an increase in active volunteers at the station site (despite no running days) and running a trial with a pop-up coffee shop on site.

Financial Review

Revenue

A record breaking Santa season and a Bunkfest weekend resulted in an increase in revenue of 15% from Direct Charitable activities. Donations/Membership income was down in the year, largely as a result of one-off donations in 2018.

Revenue was down from 2018 as a result of reduced grant income relating to the Maidenhead Canopy, with 2018 also benefitting from one-off revenue relating to the Great Western Mainline upgrade.

Expenditure

Of the outgoing resources, excluding the Maidenhead Canopy expenditure, 97% was utilised for the direct charitable objectives of the charity.

There was a surplus for the year of £16,900 (2018: £21,510), with Bunkfest and Santa Specials contributing almost all the operating surplus.

Report of the Trustees for the year ended 31 December 2019 (continued)

Financial position

The Charity had cash reserves of £73,821 at 31 December 2020.

Investment policy

Under the Memorandum and Articles of Association, the Charity has the power to make any investments that the Trustees see fit.

Reserves policy

The Board has historically kept Reserves to an absolute minimum, preferring instead to invest in the maintenance and improvement of the physical plant.

The greatly increased income from bringing improving Santa Specials in 2018 and 2019 and one-off revenue associated with the Great Western Mainline in 2018 has contributed to reserves. In 2020 the Board of Directors opted to change the reserves policy to ensure that the Society would have around 12 months' worth of expenditure held in reserves, plus any required for the seasonality of income streams. The trustees believe that this will provide sufficient funds to cover a significant fall in revenue, or unplanned capital expenditure that may be required.

Trustees responsibilities in relation to the financial statements

The charity trustees, who are also the directors of the Cholsey and Wallingford Railway Preservation Society for the purposes of company law, are responsible for preparing financial statements for each year which provide a true and fair view of the state of affairs of the Company and of the incoming resources and the application of those resources, including the income and expenditure. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume the charity will continue in operation

The trustees are responsible for maintaining 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 for taking reasonable steps to prevent and detect fraud and other irregularities.

Report of the Trustees for the year ended 31 December 2019 (continued)

Trustees

The Directors set out have held office during the year were as follows:

Mr John Cook (appointed 23rd November)
Ms Tracey Evans (appointed 23rd November)
Mr Tim Fediw (appointed 23rd November)
Mrs C Fitzmaurice (resigned 20th November)
Mr D M Goodenough (resigned 23rd November)
Mr M F Kidley (resigned 23rd November)
Mr T C Mackie (resigned 23rd November)
Mr D R Mannering (resigned 23rd November)
Mr Peter Mitchell (appointed 23rd November)
Mr Michael Palfrey (appointed 23rd November)
Mr Tony Peters (appointed 23rd November)
Ms Naomi Reddyhoff (appointed 23rd November, resigned 25th November)
Mr J Stanford (resigned 23rd November)
Dr Anthony Stead
Mr George Thomas (appointed 23rd November)

Approved by the Trustees and signed on their behalf by:



Dr Tony Stead
Chairman
Cholsey & Wallingford Railway Preservation Society

Date: 24 December, 2020

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Statement of Financial Activities and Income & Expenditure account **for the year ended 31 December 2019**

	<u>Notes</u>	Restricted <u>2019</u> £	Unrestricted <u>2019</u> £	Total Funds <u>2019</u> £	<u>2018</u> £
Income:					
a) Generated funds:					
i) voluntary income:					
- donations & membership subscriptions			2,977	2,977	4,409
ii) activities for generating funds:					
- other income	3		1,350	1,350	1,220
b) Charitable activities:	4		54,091	54,091	46,633
c) Investment:	5		19	19	43
d) Grants:	6	39,597	0	39,597	318,107
e) Other:	7		368	368	16,007
Total income:		39,597	58,805	98,402	386,419
Expenditure:					
a) Costs of raising funds:					
- voluntary income / activities for generating funds	8		250	250	250
b) Charitable activities:	9		40,715	40,715	43,188
c) Grants:	10	39,597	0	39,597	320,352
d) Governance:	11		940	940	1,119
Total expenditure:		39,597	41,905	81,502	364,909
 Net income and net movement in funds for the year		 0	 16,900	 16,900	 21,510
 Total funds brought forward:		 0	 85,027	 85,027	 63,517
Total funds carried forward:		0	101,927	101,927	85,027

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 10 to 15 form part of these financial statements

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Statement of Financial Position at 31 December 2019

Registered Company No.: 1927652

	<u>Notes</u>	<u>2019</u> £	<u>2018</u> £
Fixed Assets			
Tangible Fixed Assets	13	20,883	23,644
Investments	14	180	180
		<u>21,063</u>	<u>23,824</u>
Current Assets			
Stock		873	1,133
Debtors	15	6,720	2,345
Cash at bank and in hand		73,821	60,497
		<u>81,414</u>	<u>63,975</u>
Current Liabilities:			
Creditors: Amounts falling due within one year	16	550	2,772
		<u>80,864</u>	<u>61,203</u>
Net Current Assets / (Liabilities)			
		<u>101,927</u>	<u>85,027</u>
Total Assets less Current Liabilities			
		0	0
		<u>101,927</u>	<u>85,027</u>
Funds			
Unrestricted Fund		101,927	85,027
		<u>101,927</u>	<u>85,027</u>

For the year ending 31 December 2018 the Company was entitled to exemption from audit under Section 477 of the 2006 Companies Act relating to small companies

The Members have not required the Company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions of the regime applicable to micro-entities

These financial statements were approved and authorised for issue by the Board.



Dr Tony Stead

Date: 24 December 2020

The notes on pages 10 to 15 form part of these financial statements

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2019

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the regime applicable to micro-entities and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Preparation of the accounts on a going concern basis

The future of the Charity is dependant upon the continued financial support of its members and the success of the operating days and events planned for 2018. The Trustees are of the opinion that the Charity can continue to operate for at least a period of one year from the date of approval of these financial statements and have therefore prepared them on a going concern basis.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of any of the purposes of the charity. Restricted funds are where grants and donations are for a specific, generally legally binding use only. The Trustees can designate funds to a certain project.

d) Income recognition policies

Items of income are recognised when all of the following criteria are met:

1. The Charity has entitlement to the funds
2. Any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity
3. There is sufficient certainty that receipt of the income is considered probable, and
4. The amount can be measured reliably

e) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measure reliably

Cost of generating funds comprises those costs associated with attracting future income:

1. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them
2. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and any costs linked to the strategic management of the Charity
3. Overheads, including office expenses, have been allocated to the main Charitable Activities

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2018

f) Tangible fixed assets

Tangible fixed assets are capitalised at cost and depreciated at rates calculated to write off cost on a straight-line basis less estimated residual value of each asset over its estimated economic life. The annual rates are as follows:

Track & ballast	2%
Land & buildings	5%
Plant & Machinery	15%
Catering & Other	20%

g) Stock

Stock is included at the lower of cost and net realisable value. Donated items of stock are recognised on receipt at fair value which is the amount the charity would have been willing to pay for the items on the open market.

h) Recognition of liabilities

Liabilities are recognised at the settlement amount where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

i) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

j) Operating lease

Rentals applicable to operating leases: where substantially all of the benefits and risk of ownership remain with the lessor, these are charged to the income and expenditure account on a straight line basis over the lease term.

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 of each member in respect of the guarantee is limited to £1.

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2019

		<u>2019</u>	<u>2018</u>
		<u>£</u>	<u>£</u>
Note 3	Activities for generating funds		
	Raffle	1,350	1,220
		<u>1,350</u>	<u>1,220</u>
Note 4	Charitable Activities		
	Passenger receipts	51,755	44,451
	Café receipts, On-Board sales & Shop Receipts	2,336	2,182
		<u>54,091</u>	<u>46,633</u>
Note 5	Investment Income		
	Interest received	19	43
Note 6	Grant Income	39,597	318,107
	The income has come from the Railway Heritage Trust relating to the 'Maidenhead Canopy' Project		
Note 7	Other Income		
	Use of facilities	368	16,007
		<u>368</u>	<u>7,613</u>
Note 8	Cost of Generating Voluntary Income		
	Raffle costs	250	250
		<u>250</u>	<u>250</u>

The directors have included the production cost of The Bunk magazine within marketing costs in 2018 to reflect the benefit of marketing the railway the magazine provides

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2019

		<u>2019</u>	<u>2018</u>
		<u>£</u>	<u>£</u>
Note 9	Charitable Activities		
	Operating Expenses	40,715	43,188
Note 10	Grant Expenditure	39,597	320,352
	Grant expenditure relates to the development of the Maidenhead Canopy project		
Note 11	Governance cost		
	Legal & professional	0	234
	Trustee Indemnity insurance	830	830
	Other	110	55
		940	1,119
Note 12	Net incoming resources for the year		
	This is stated after charging:		
	Depreciation	2,761	1,542
	No Trustee received remuneration or expenses during the year		

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2019

Note 13 Tangible Fixed Assets

	<u>Track & Ballast</u>	<u>Rolling Stock</u>	<u>Land & Buildings</u>	<u>Signal & Telegraph</u>	<u>Plant & Machinery</u>	<u>Catering & Other</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£	£	£	£	£	£
<u>Cost</u>								
At 1/1/2019	30,575	9,105	13,032	879	5,684	4,368	1,417	65,060
Additions	0	0	0	0	0	0	0	0
At 31/12/2019	30,575	9,105	13,032	879	5,684	4,368	1,417	65,060
<u>Accumulated Depreciation</u>								
At 1/1/2019	15,007	3,476	11,288	176	5,684	4,368	1,417	41,416
Charge for the year	613	1,365	651	132	0	0	0	2,761
At 31/12/2019	15,620	4,841	11,939	308	5,684	4,368	1,417	44,177
<u>Net Book Values</u>								
At 31/12/2019	14,955	4,264	1,093	703	0	0	0	20,883
At 31/12/2018	15,568	5,629	1,744	703	0	0	0	23,644

Note 14 Investment

Cost	£
At 1 January 2019 and at 31 December 2019	180

The Charity's investment consists of ordinary shares in 4247 Ltd. The Charity owns one share (less than 1%) of the Ordinary Share Capital. The cost of this investment was £180

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Note 15 Debtors		
VAT receivable	6,720	2,345
	<u>6,720</u>	<u>2,345</u>
 Note 16 Creditors - Amounts falling due within one year		
Trade creditors	0	1,652
Accrued expenditure	550	1,120
	<u>550</u>	<u>2,772</u>
 Note 17 Obligations Under Leases		
At 31 December 2019 the charity made the following payments under non-cancellable operating leases:		
Land and buildings:		
Operating Leases which expire over 5 years	2,438	2,438