

REGISTERED COMPANY NUMBER: 03038464 (England and Wales)
REGISTERED CHARITY NUMBER: 1045547

Report of the Trustees
and
Unaudited Financial Statements for the Year Ended 31 March 2018
for
The Somerset & Dorset Railway Heritage Trust

David R Johnson & Co
Chartered Certified Accountants
110A Cher
Minehead
Somerset
TA24 5EW

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for the Year Ended 31 March 2018

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Report of the Trustees
for the Year Ended 31 March 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and Activities

To remind members, the Trust and S&DJR Company have distinct but over-lapping functions. The Trust is essentially responsible for property, railway assets, funding, heritage, education and publications. The Company oversees railway operations and commercial activity (shop and catering), with support from the Trust. The Trust endorses recommendations from the Company to add to the working Directors. The Trust leaves all aspects of commercial activity to the Company to determine, supervise and audit. Both Company and Trust continue to work towards having different people on both Boards. Any profit made by the Company is gifted to the Trust as appropriate.

This report focuses on Trust activity in the financial year 2017-18, ending in March 2018 but with inevitable cross-references to Company activity. Significant progress continues to be made in both developing the overall project (Trust) and consolidating railway operations (Company). Liaison between the Company and Trustees is ongoing and regular.

Volunteers

The Trust remains entirely dependent on volunteers for all activity, both practical and administrative.

The trustees value the interest of all members but those who volunteer are particularly appreciated. Volunteers are able to influence the project's development within the overall policy framework since without their effort, whether on or off site, the railway would make no progress at all. All members contribute money but volunteers give time and skill in addition, voluntary labour being valued at about £50 per day by grant-giving bodies. The Board fully recognises and appreciates the value of this effort, which is probably worth over £100k per annum.

Report of the Trustees
for the Year Ended 31 March 2018

ACHIEVEMENT AND PERFORMANCE

Overview of the year and project development

Work has continued on laying track on the leased Duchy land with progress made some distance beyond the former Hunt Crossing working closely with farmer Paul Mattick who formerly leased the land on which the extension has been laid. This section opened for passenger traffic in 2017 and is a fine tribute to the excellent work of the trackgang under the leadership of Trevor Hodge and also to the involvement via Stephen Lacey of pro bono work from Mott MacDonald who sent a considerable number of their staff to work for us as part of their commitment to charitable organisations. Work remains to enable Paul Mattick to access his leased land either side of the railway and to extend the track right up to the Chilcompton infill and this will be reported on in the 2018 - 19 report. A formal reopening ceremony will take place in 2019 once the BSK coach has been made fully operational so that its disabled facility can also be formally opened at the same time by the Lord Lieutenant for Somerset who is herself disabled.

The Track Extension appeal fronted by John Buck is still producing some funding essential to complete this part of the project and the total raised has been boosted by Gift Aid income. Plans announced in the 2016-17 report to construct a run round loop and platform have been put on hold because the topography required would have involved a very steeply graded incline to access level track and there was some doubt as to whether Joyce or any visiting engine could tackle it successfully. The Trust also decided not to go for a national appeal as it was felt this would be better devoted to the Somervale running shed project when more positive proposals to move forwards are made in 2018-19.

The signalling team under Alan Price has erected another important signal as the line progresses southwards and has consolidated its excellent work on the creation of a fully signalled railway. New lineside signage is an essential part of train operation and has been erected close to the former Hunt Crossing by his team whilst further cabling has been laid.

In respect of the Somervale project, progress has been very slow for various reasons and, in order to move things forward more swiftly, a new project team comprising Stephen Lacey (Trust Chairman) Barrie Papworth (CME) and Brian Litherland (Company Director) was formed in late 2017. This is expected to produce positive recommendations by the time of the AGM.

Over the course of the last 18 months, the Trust has been dealing with the executors of a very substantial legacy from the late Peter Sainsbury, which, when it is finally distributed in 2018-19, will help considerably towards the provision of the running shed. Preliminary investigations into ways in which this legacy can be used to pump prime further grants, rather than simply spend what is on offer, started in the latter part of the current financial year. John Baxter is acting as the Trust's representative in negotiating the distribution of the estate in accordance with Peter's wishes (he effectively left the vast majority of his estate to the Trust) whilst keeping in touch with his surviving family members on the Trust's proposals for the use of the legacy.

Work continues on the BSK's 4 individual compartments and disabled compartment restoration. Those members who recall the state of this coach when rescued from a semi derelict state from the Churnet Valley have been astounded at the changes primarily financed by the Meade-King family. More recently Chief Mechanical Engineer, Barrie Papworth was able to negotiate a significant purchase of a large number of Mk1 carriage parts from a location in East Anglia which will be more than enough to complete the work and provide spare parts for future use.

It had been intended that SK ownership be transferred across to the Trust but other priorities intervened and that is now expected to take place this coming autumn. Barrie Papworth has produced a scheme for the restoration of wagons that we own or lease and the emphasis has been the restoration of the LMS brake van. The major part of the work on the Brake van has been carried out by Bob Freeman who took over project leadership last autumn. The next major project, the Milk Tanker restoration, is being led by Bob Edwardes, one of our regular steam drivers. The Monday volunteers have grown in numbers and skills but we can always do with more helpers.

We took delivery of BSO W9267 which Barrie Papworth discovered was being taken out of service on the North York Moors Railway but which he found is the last remaining coach in the UK that travelled over the S&D in a special on the last day of operation. That it survived is remarkable and we now have this on a three year loan at a peppercorn rent. Special mention must be made of Phil Jones who has single handedly painted all three of our Mk 1 coaches, D1120 and more recently D4095. This is all the more amazing as he has to fit in grandfather duties as well as driving D1120 or the 08 engineer's trains most Sundays.

Report of the Trustees
for the Year Ended 31 March 2018

ACHIEVEMENT AND PERFORMANCE

Overview of the year and project development

Patient negotiations with the owner of a number of wagons on site, John Painter, has resulted in newly signed agreements that now form the template for all other private wagon agreements at Midsomer Norton. The importance of determining what the wishes of the owners are in the event of their demise now forms an important part of the agreement as this has caused innumerable problems with estate executors in other heritage railways who will regard the rolling stock as an asset of the estate if no other provision has been made. No other changes to rolling stock were made in 2017-18.

Railway and commercial operations

The Trust continued to support the S&DJR Company in its monthly events throughout the year with Trust volunteers taking on safety critical roles for the Company and providing support staff for all events. Annie Davenport who has been instrumental in designing events posters, helping with events and carrying out a number of superb painting tasks across the site over the past few years had to take a back seat during the financial year for health reasons and it is good to report that she is now much better and wanting to get back into the swing of things. She has been sorely missed.

Membership

Total membership as at March 2018 stands at 1071 up by 4% from 2016-17. The Trust is particularly grateful for the work carried out by Tim Deacon as Membership Secretary who also supervises the distribution of "The Telegraph" and "Between The Lines". Sadly, a number of long-standing members have died over the last year but new members have always exceeded those who have passed on. The increased activity at events weekends and attendance at other outside events has all helped to keep membership numbers buoyant. The Trust would remind all members to let us have new email addresses when you change them as we always have a number of bounce backs when sending out details of events and "Between the Lines". Chasing up members who have not given us their new email address takes the Trust Secretary an inordinate amount of time and effort to help Tim keep the membership database up to date

Many members will have had messages from all sorts of organisations they subscribed to under the new Data Protection regulations threatening to cease their memberships if they didn't re-sign forms to allow access to their data. The Trust took the correct and pragmatic approach fully endorsed by the Information Commissioner not to ask members to re-sign forms because you had already done so and we already ensured that your membership data was used for specific membership purposes and is never sold on to any third parties.

Emails are always blind copied to ensure that no other members see your email address except in circumstances (such as emails between Trustees) where it is important that members know to whom a particular set of emails have been sent and can see their responses to them. These will always be in the minority. Where we did take the opportunity to update details was on our lapsed members listing and that has now been updated only to include those former members who wish to continue receiving our information emails. This does have a purpose as a number of such lapsed member on seeing what we are doing when we send a copy of "Between the Lines" have been prompted to rejoin the Trust.

Heritage

The museum comprising the main Stable Block, the Anderson Shelter, Pillbox and Kilmersdon wagon has continued to develop under Barry Bax and Roger Taylor, our Curators. They have been working tirelessly every month on Museum Accreditation which, because of even more changes to the process imposed nationally will mean more delays in the award of the final accreditation certification. However the fruits of all their work has recently been relayed to the Trust and the first stages have been passed. This will enable Barry and Roger to access grants specifically to enhance the museum experience across the site over the coming years.

Loans and donations to the museum continue and new displays are being assembled all the time in line with the standards set under Museum Accreditation. Steps have yet to be taken to look at some of the precious paperwork we have on site to be placed on loan to the Somerset Records Office in Norton Fitzwarren (to accompany paperwork already deposited there by the Washford Trust). Zaida Haworth continues to liaise successfully with local schools and a number of very successful visits have been made to the site.

ACHIEVEMENT AND PERFORMANCE

Overview of the year and project development

Buildings and grounds

The Trust has continued to support the gardening team in creating a very high standard of floral and vegetable displays, which have been entered in the South West in Bloom competition. The gardens continue to attract significant interest both locally and further afield and Dave Rogers and Gail Coleshill and their team members keep up the tradition for superb flower displays for which the station won prizes in the 1960s. The gardening team has also continued to maintain the grounds and greenhouse as they would have been in the railway's heyday. The buildings team has also replaced the wooden lintel above the goods shed, which had rotted at both ends.

Formal links to three of our local schools

The Trust has special formal links to three local schools. Norton Hill Academy has since our inception provided us with parking facilities at weekends when their facilities are not required by the school for which we are extremely grateful. We reciprocate their generosity by taking on a number of Duke of Edinburgh Awards pupils under the tutelage of John Marriott who quietly and tirelessly ensures that their needs are met. John has also forged important links with Fosseway School where pupils with a range of special needs are taught. Supervised regular visits are made by pupils to the site on Sundays and Mondays and whilst this can create a number of demands on volunteers on site, the Trust considers that such links (favourably commented upon by our local MP Jacob Rees-Mogg in his newsletters) is an important part of our relationships with the local community.

Liaison with Midsomer Norton Town Council, Radstock Town Council, Bath & North East Somerset Council and Mendip Council

2017-18 saw us forging much stronger links with all four councils with whom we have a working relationship (either through tourism or planning initiatives). Midsomer Norton Mayor Paul Myers has encouraged the Trust to ensure that our aim to forge northwards across Silver Street to Radstock are recognised in the local Neighbourhood Plans and we have had favourable responses to our initial letters to both councils. Regular event visits from senior Councillors have been made with all being impressed by the professionalism we show and the effects on the local economy. This is very much in line with the position nationally for heritage railways which is recognised by MPs with the publication of the paper endorsing the positive effects on local and national tourism that heritage railways engender and the joint Heritage Railways Association/Parliamentary body that regularly meets in London to discuss matters of mutual concern.

Liaison with other Somerset & Dorset organisations

The Trust continues to host regular meetings, normally six monthly, where the various organisations either on the S&D or associated with it meet to discuss what their respective organisations are currently experiencing and their plans for the coming year.

Liaison with the Heritage Railway Association

The Trust is a member of the HRA which produces regular guidance notes on all aspects of railway operations, the work and requirements of trustees and company directors. John Baxter is the HRA's Secretary to their Operating and Safety Committee and provides regular updates on aspects of HRA operations. In addition a number of local heritage railways both standard and narrow gauge, covering Somerset, Bath & North East Somerset, Bristol, Wiltshire, South Gloucestershire and Gloucestershire meet every couple of months to discuss matters of mutual concern.

Publications

The S&D "Telegraph" and "Between the Lines" Newsletter have been issued on a regular basis throughout the year and these continue to attract praise for their content and professionalism. The website has been completely revamped by Gordon McKay and this continues to support the Company with operations and sales information, while updating news, enabling on-line membership applications and supplying other project information. Further enhancements are planned. The Joint Trusts' Calendar for the first time used colour photographs from John Woods S&D collection held by Washford.

Report of the Trustees
for the Year Ended 31 March 2018

FINANCIAL REVIEW

STATEMENT OF PUBLIC BENEFITS OF THE CHARITY

Under the Charities Act 2006, Trustees must report on their charity's public benefits in their Annual Report, showing the types and nature of the benefits that justify its continued charitable status. The level of detail depends on gross income, currently below the audit threshold of £250,000 p.a. Benefit reporting should be proportionate and appropriate to the charity's circumstances. This table shows benefits provided in 2017-18.

CHARITY OBJECTS (from Memorandum of Association).

Restoration and use of S&DJR route and running stock.

CORRESPONDING CLASS OF PUBLIC BENEFIT	ACTIVITIES PROVIDING BENEFITS IN 2017-18	PRINCIPAL BENEFICIARIES
Accessible historic railway for visitors.	Development, repair and expansion of railway and station buildings.	General public. Visitors. Volunteers. Trust Members.
Conservation of cultural history	Restoration of historic locomotives, carriages and wagons.	General public. Visitors. Volunteers. Trust Members.
Associated environmental conservation	Extension of trackbed in accordance with environmental considerations for wildlife and tree preservation	General public. Visitors.
Preservation and display of S&DJR artefacts and documents.	Dynamic and static museum facilities in three locations on site. Upgrading and variation of internal museum displays.	General public. Visitors. Volunteers.
Research into the S&DJR and associated local history.	Research facility. Educational resource. Responding to queries on the S&DJR.	Visitors. Students. Volunteers. Trust Members. Historians.
Public education about the S&DJR.	Continuing publication of the "Telegraph" magazine and "Between the Lines" newsletter. Escorted group visits for schools, railway societies and general public. S&D orientated film shows at other society locations.	Visitors. Students. Volunteers. Trust Members. Historians.
Provision of recreational facilities.	Extension of permissive lineside path. Improved access for disabled visitors. Management of ecological spaces. Photographic/filming events.	General public. Walkers. Visitors. Photographers. Film Makers.
Provision of educational and training facilities to those restoring the S&DJR.	Training for safety-critical roles on railway operations and general 'mutual improvement' classes. Personal track safety. Hygiene, first aid and museum accreditation related courses.	Railway volunteers.

Report of the Trustees
for the Year Ended 31 March 2018

FINANCIAL REVIEW
STATEMENT OF PUBLIC BENEFITS OF THE CHARITY

Financial Review (Summary)

Financial results for 2017-18 reflected the high spend on infrastructure and vehicle restoration with outgoings of £60518 against income of £76008. Major routine spending was again on membership (including the journal), insurance (with the newly negotiated HRA mutual organisation) and utilities. In respect of the latter we now have a member of the Trust whose company is monitoring free of charge our utilities expenditure and ensuring that we are on the most effective tariffs. Mechanical engineering work took up the largest element of development spending and is expected to do so for the future. Main routine income sources were the transferred surplus from the Company, membership fees, legacies, regular donations and the Extension appeal co-ordinated by John Buck.

Prospects for 2018-19

The over-riding priority entering 2018-19 remains supporting the Company with the consolidation of regular and more frequent public train services with its intention in 2019 to start offering one additional regular Sunday services in selected months. This includes updating and reviewing safety management systems, staff competencies, railway instructions, and the recruiting and training of more volunteers in key operating areas.

Other high priorities continue to be: major fund-raising for capital developments alongside the Peter Sainsbury legacy; more rapid project development of the Somervale site alongside the need for an additional carriage and wagon facility; attracting more volunteers in all areas; recruiting new younger Trustees, Company Directors and service managers; completing any resultant land negotiations and planning applications for further railway facilities. A longer-term aim remains to explore further extensions to the running line in both directions subject to the availability of funds and accessibility.

An important aspect of our income streams are those members who in addition to their annual membership also make a regular monthly donation to the Trust. Also the value of Gift Aid is vital to our income stream where a donation of £100 is increased to £125 by HMRC paying us the difference of £25. A regular monthly donation plus Gift Aid is therefore an excellent way to help our cash flow so please consider doing this for 2018/19. The necessary forms can be obtained from John Baxter, Trust Secretary, 12 Deverell Close, Bradford on Avon, Wilts' BA15 1UY or by email to jbsdjr@btinternet.com

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a company limited by guarantee, as defined by the Companies Act 2006. The Trust is managed by a board of up to nine Trustees elected at the Annual General Meeting. Trustees have power to co-opt to fill a vacancy that occurs during the year with that newly co-opted Trustee having full voting rights and serving until the end of the term that the previous Trustee would have held. Membership of the Trust is by subscription under various categories.

The Somerset & Dorset Joint Railway Company is a share-limited company and subsidiary of the Trust. It is controlled on behalf of Trust members through the Trustees' majority voting rights and their right to appoint all Directors except for one appointed by the ordinary shareholders.

The Trustees set the overall policy and budget giving due consideration to proposals put forward by the Company. The Trust holds assets such as property, rolling stock and infrastructure.

The Company is responsible for the commercial operation of the Trust's assets and its profits are gifted back to the Trust normally at the end of the financial year that runs to the 31st March. Work on the Trust's assets is financed by the Trust and can be carried out using either outside contractors or volunteers according to the skill sets of the latter, the extent of the work to be undertaken and any pertinent regulations in force at the time the work is undertaken.

The Trust is responsible for membership, the "Telegraph" magazine and "Between the Lines" newsletter, the museum and education of the public in the S & D heritage. It is also responsible for the purchase or lease of land, obtaining planning permissions, the purchase or lease of locomotives and rolling stock, on-site security, insurance and fundraising.

Induction and training of new Trustees

Recruitment of sufficient competent Trustees is recognised as an ongoing issue for small charities. The Trust issues guidance that allows prospective Trustees to consider their own suitability for the role before applying as candidates.

Trustees are expected to act in a collaborative manner whilst a member of the Trust Board and associated sub committees from time to time appointed, applying and accepting collective, democratic decision making. They are not expected to be a Trustee simply for their own ends or for that part of the railway operation with which they are primarily associated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relationship between the Charity and Related Parties

There are no relationships between the Trust and related parties that fall within the requirements for disclosure under the Charity Commission's SORP requirements

The Trust is a member of the Heritage Railway Association and the Bristol Area Railway Heritage Group which comprises of a number of heritage railways based in Somerset, Wiltshire, Bristol, South Gloucestershire, Bath & North East Somerset and Gloucestershire.

The Trust periodically meets informally with The Somerset & Dorset Railway Trust, The North Dorset Railway Trust, The New Somerset & Dorset Railway and those restoring Spetisbury Station.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03038464 (England and Wales)

Registered Charity number

1045547

Registered office

Midsomer Norton South Station
Silver Street
Midsomer Norton
Nr Bath
Somerset
BA3 2EY

Trustees

John Ronald Baxter

Peter Brent Russell

Shirley June Steel

Alan John Price

Brenden Charles Hill

Stephen Lacey

Philip Howard Jones

Philip John Ewins

Company Secretary

- resigned 30.11.17

Vice-Chairman

Chairman

Finance Director

Independent examiner

David Robert Johnson

Chartered Certified Accountant

David R Johnson & Co

Chartered Certified Accountants

110A Cher

Minehead

Somerset

TA24 5EW

Bankers

HSBC

45 Milsom Street

Bath

Somerset

BA1 1OU

Legal Advisers

Gregory-Rowcliffe-Milners

1 Bedford Row

London

WC1R 4BZ

Report of the Trustees
for the Year Ended 31 March 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Insurance Brokers

HRA, Regis Managing Agencies
2/4 Mount Ephraim
Tunbridge Wells
TN4 8AS

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the Board of Trustees on and signed on its behalf by:

.....
Stephen Lacey - Trustee

Independent Examiner's Report to the Trustees of
The Somerset & Dorset Railway Heritage Trust

Independent examiner's report to the trustees of The Somerset & Dorset Railway Heritage Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

David Robert Johnson
Chartered Certified Accountant
David R Johnson & Co
Chartered Certified Accountants
110A Cher
Minehead
Somerset
TA24 5EW

Date:1/9/2018.....

The Somerset & Dorset Railway Heritage Trust

Statement of Financial Activities
for the Year Ended 31 March 2018

		Unrestricted fund	Restricted funds	31.3.18 Total funds	31.3.17 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies		59,668	16,334	76,002	83,349
Investment income	2	<u>6</u>	<u>-</u>	<u>6</u>	<u>16</u>
Total		59,674	16,334	76,008	83,365
EXPENDITURE ON					
Raising funds		<u>52,718</u>	<u>7,800</u>	<u>60,518</u>	<u>74,997</u>
NET INCOME		6,956	8,534	15,490	8,368
Transfers between funds	12	<u>8,243</u>	<u>(8,243)</u>	<u>-</u>	<u>-</u>
Net movement in funds		15,199	291	15,490	8,368
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>99,657</u>	<u>128,104</u>	<u>227,761</u>	<u>219,393</u>
TOTAL FUNDS CARRIED FORWARD		<u>114,856</u>	<u>128,395</u>	<u>243,251</u>	<u>227,761</u>

The notes form part of these financial statements

The Somerset & Dorset Railway Heritage Trust

Balance Sheet
At 31 March 2018

		Unrestricted fund	Restricted funds	31.3.18 Total funds	31.3.17 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6	74,938	38,873	113,811	100,580
Heritage assets	7	30,807	64,076	94,883	89,273
Investments	8	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
		106,745	102,949	209,694	190,853
CURRENT ASSETS					
Stocks	9	1,319	-	1,319	1,561
Debtors	10	18,532	-	18,532	14,230
Prepayments and accrued income		32	-	32	355
Cash at bank and in hand		<u>-</u>	<u>25,446</u>	<u>25,446</u>	<u>53,049</u>
		19,883	25,446	45,329	69,195
CREDITORS					
Amounts falling due within one year	11	(11,772)	-	(11,772)	(32,287)
NET CURRENT ASSETS		<u>8,111</u>	<u>25,446</u>	<u>33,557</u>	<u>36,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>114,856</u>	<u>128,395</u>	<u>243,251</u>	<u>227,761</u>
NET ASSETS		<u>114,856</u>	<u>128,395</u>	<u>243,251</u>	<u>227,761</u>
FUNDS	12				
Unrestricted funds				114,856	99,657
Restricted funds				<u>128,395</u>	<u>128,104</u>
TOTAL FUNDS				<u>243,251</u>	<u>227,761</u>

The notes form part of these financial statements

Balance Sheet - continued
At 31 March 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Stephen Lacey -Trustee

Notes to the Financial Statements
for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Rolling stock	- 5% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Buildings and grounds etc.	- 2% on reducing balance

Heritage assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery etc.	- 5% and 10% on reducing balance
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Stocks

Stock of fuel has been valued at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

At a meeting of the trustees on 28th May 2017 it was agreed that the balances on various long outstanding restricted funds be released to finance current expenditure plans.

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

2. INVESTMENT INCOME

	31.3.18	31.3.17
	£	£
Bank interest	<u>6</u>	<u>16</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.18	31.3.17
	£	£
Depreciation - owned assets	<u>5,889</u>	<u>5,225</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	49,358	33,991	83,349
Investment income	<u>16</u>	<u>-</u>	<u>16</u>
Total	49,374	33,991	83,365
 EXPENDITURE ON			
Raising funds	<u>62,700</u>	<u>12,297</u>	<u>74,997</u>
Total	<u>62,700</u>	<u>12,297</u>	<u>74,997</u>
 NET INCOME	(13,326)	21,694	8,368

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	112,983	106,410	219,393
TOTAL FUNDS CARRIED FORWARD	<u>99,657</u>	<u>128,104</u>	<u>227,761</u>

6. TANGIBLE FIXED ASSETS

	Rolling stock £	Fixtures and fittings £	Buildings and grounds etc. £	Totals £
COST				
At 1 April 2017	100,119	7,032	18,854	126,005
Additions	<u>19,120</u>	<u>-</u>	<u>-</u>	<u>19,120</u>
At 31 March 2018	<u>119,239</u>	<u>7,032</u>	<u>18,854</u>	<u>145,125</u>
DEPRECIATION				
At 1 April 2017	21,385	2,021	2,019	25,425
Charge for year	<u>5,116</u>	<u>436</u>	<u>337</u>	<u>5,889</u>
At 31 March 2018	<u>26,501</u>	<u>2,457</u>	<u>2,356</u>	<u>31,314</u>
NET BOOK VALUE				
At 31 March 2018	<u>92,738</u>	<u>4,575</u>	<u>16,498</u>	<u>113,811</u>
At 31 March 2017	<u>78,734</u>	<u>5,011</u>	<u>16,835</u>	<u>100,580</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

7. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 April 2017	107,850
Additions	<u>10,641</u>
At 31 March 2018	<u>118,491</u>
PROVISIONS	
At 1 April 2017	18,577
Charge for year	<u>5,031</u>
At 31 March 2018	<u>23,608</u>
NET BOOK VALUE	
At 31 March 2018	<u>94,883</u>
At 31 March 2017	<u>89,273</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2017 and 31 March 2018	<u>1,000</u>
NET BOOK VALUE	
At 31 March 2018	<u>1,000</u>
At 31 March 2017	<u>1,000</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Somerset and Dorset Railway Company Limited

Registered office: Within the United Kingdom

Nature of business: Operating trains and running ancillary trading

	% holding
Class of share:	
Ordinary "A" shares of £1 each	100

	31.3.18 £	31.3.17 £
Aggregate capital and reserves	<u>27,150</u>	<u>25,850</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

9. STOCKS

	31.3.18	31.3.17
	£	£
Stock of fuel	<u>1,319</u>	<u>1,561</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18	31.3.17
	£	£
Trade debtors	193	260
Amounts owed by group undertakings	7,365	6,521
Other debtors	<u>10,974</u>	<u>7,449</u>
	<u>18,532</u>	<u>14,230</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18	31.3.17
	£	£
Trade creditors	451	2,037
Other creditors	8,200	9,800
Accrued expenses	<u>3,121</u>	<u>20,450</u>
	<u>11,772</u>	<u>32,287</u>

Other creditors includes the sum of £8200 advanced by Members as interest free loans, repayable on demand.

12. MOVEMENT IN FUNDS

	At 1.4.17	Net movement	Transfers	At 31.3.18
	£	in funds	between funds	£
		£	£	
Unrestricted funds				
General fund	99,657	6,956	8,243	114,856
Restricted funds				
Carriage & Wagon Fund	20,058	-	(13,021)	7,037
Museum Fund	3,956	(2,303)	-	1,653
Sentinel Fund	2,000	-	(2,000)	-
Track and Land Fund	55,868	12,961	17,758	86,587
Diesel Fund	9,485	(574)	-	8,911
Building Fund	(37)	(18)	-	(55)
Heritage Coaching Stock Fund	28	(1,305)	13,021	11,744
TCL Coach	3,395	(170)	-	3,225
Toilets	931	-	-	931
Masbury Appeal Fund	30,710	-	(24,001)	6,709
Masbury Residual Fund	230	-	-	230
Wickham Trolley Fund	<u>1,480</u>	<u>(57)</u>	<u>-</u>	<u>1,423</u>
	128,104	8,534	(8,243)	128,395
TOTAL FUNDS	<u>227,761</u>	<u>15,490</u>	<u>-</u>	<u>243,251</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	59,674	(52,718)	6,956
Restricted funds			
Museum Fund	-	(2,303)	(2,303)
Track and Land Fund	16,334	(3,373)	12,961
Heritage Coaching Stock Fund	-	(1,305)	(1,305)
Wickham Trolley Fund	-	(57)	(57)
Diesel Fund	-	(574)	(574)
Building Fund	-	(18)	(18)
TCL Coach	-	(170)	(170)
	16,334	(7,800)	8,534
TOTAL FUNDS	76,008	(60,518)	15,490

Comparatives for movement in funds

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted Funds			
General fund	112,983	(13,326)	99,657
Restricted Funds			
Carriage & Wagon Fund	20,058	-	20,058
Museum Fund	5,120	(1,164)	3,956
Signal Box Fund	68	(68)	-
Sentinel Fund	2,140	(140)	2,000
Track and Land Fund	31,455	24,413	55,868
Diesel Fund	10,089	(604)	9,485
Building Fund	(19)	(18)	(37)
Heritage Coaching Stock Fund	-	28	28
Railway Path Fund	1,011	(1,011)	-
TCL Coach	3,574	(179)	3,395
Toilets	1,731	(800)	931
DMU Fund	12	(12)	-
PMV Fund	231	(231)	-
Masbury Appeal Fund	30,710	-	30,710
Masbury Residual Fund	230	-	230
Wickham Trolley Fund	-	1,480	1,480
	106,410	21,694	128,104
TOTAL FUNDS	219,393	8,368	227,761

Notes to the Financial Statements - continued
for the Year Ended 31 March 2018

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	49,374	(62,700)	(13,326)
Restricted funds			
Museum Fund	255	(1,419)	(1,164)
Signal Box Fund	140	(208)	(68)
Sentinel Fund	-	(140)	(140)
Track and Land Fund	31,611	(7,198)	24,413
Heritage Coaching Stock Fund	400	(372)	28
DMU Fund	50	(50)	-
Wickham Trolley Fund	1,535	(55)	1,480
Diesel Fund	-	(604)	(604)
Building Fund	-	(18)	(18)
Railway Path Fund	-	(1,011)	(1,011)
TCL Coach	-	(179)	(179)
Toilets	-	(800)	(800)
DMU Fund	-	(12)	(12)
PMV Fund	-	(231)	(231)
	<hr/>	<hr/>	<hr/>
	33,991	(12,297)	21,694
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>83,365</u>	<u>(74,997)</u>	<u>8,368</u>

13. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

14. POST BALANCE SHEET EVENTS

During the course of the last eighteen months the Trust became entitled to a substantial legacy from the estate of Peter Sainsbury deceased. The trustees have agreed that no call on the extent of the legacy be made until such time as the full amount is known. The estimate by the solicitors acting for the estate is that completion will not be until later in 2018.

Detailed Statement of Financial Activities
for the Year Ended 31 March 2018

	31.3.18 £	31.3.17 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	52,079	59,535
Covenant from Company	10,509	8,403
Membership fees	10,877	13,266
Use of facilities	2,220	2,145
Sale of scrap	<u>317</u>	<u>-</u>
	76,002	83,349
Investment income		
Bank interest	<u>6</u>	<u>16</u>
Total incoming resources	76,008	83,365
EXPENDITURE		
Raising donations and legacies		
Marketing and publicity	642	554
Carriage and wagon	2,149	3,608
Locomotives	2,485	8,534
Signals and telegraph	4,910	6,394
Buildings and grounds	3,567	3,884
Housekeeping	-	3,473
Heat, light and power	7,947	7,163
Water	590	1,370
Postage and telephone	5,105	3,077
Administration	1,098	3,401
Insurance	9,376	8,909
Membership costs	4,834	5,354
Health and safety	1,111	880
Legal and professional charges	2,650	6,191
Rent	645	675
Bank charges	186	147
Heritage	2,303	1,419
Depreciation	<u>10,920</u>	<u>9,964</u>
	60,518	74,997
Total resources expended	60,518	74,997
	<u> </u>	<u> </u>
Net income	<u>15,490</u>	<u>8,368</u>