

**REGISTERED COMPANY NUMBER: 02848449 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1040904**

**REPORT OF THE TRUSTEES AND CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 DECEMBER 2018  
FOR  
VINTAGE TRAINS CHARITABLE TRUST**

Mark J Rees LLP, Statutory Auditor  
Chartered Accountants  
Granville Hall  
Granville Road  
Leicester  
LE1 7RU



**VINTAGE TRAINS CHARITABLE TRUST**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 7
Consolidated Statement of Financial Activities	8
Consolidated Balance Sheet	9 to 10
Company Balance Sheet	11 to 12
Consolidated Cash Flow Statement	13
Notes to the Consolidated Cash Flow Statement	14
Notes to the Financial Statements	15 to 30
Detailed Statement of Financial Activities	31

---

## **VINTAGE TRAINS CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 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 December 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).

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Directors have considered how planned activities will contribute to the aims and objectives set.

#### **OBJECTIVES AND ACTIVITIES**

The principal activity and objectives of the charitable company are to encourage and promote public interest in the preservation of steam and other railway locomotives and rolling stock, machinery and equipment of historical interest, and in railways, locomotives, rolling stock, and railway machinery and equipment generally.

In the furtherance of this objective, we have continued with the restoration of our collection of locomotives and rolling stock. We are one of the most highly respected providers of specialist heritage engineering services in the United Kingdom and consequently we are able to attract significant external engineering work which is undertaken by our wholly owned subsidiary, Tyseley Locomotive Works Limited, whose customers include not only the heritage railway sector, but also modern railway operators. In the course of its activities, Tyseley Locomotive Works Limited propagates the use of engineering skills and techniques otherwise at risk of extinction. Our employees, apprentices and volunteers learn new skills, providing them with unique knowledge available in very few other environments, and this is a sound basis for their future careers.

#### **The Vision - *VINTAGE TRAINS: EXPRESS STEAM TRAINS ENGINEERING A FUTURE FOR EVERYONE***

##### **Our Mission**

To share the romance and excitement of express steam trains with the world.

We will do this by:

- Developing a main line heritage railway company open to everyone
- Bringing express steam trains into regular public service for the benefit of everyone
- Developing the skills and capacities of new generations in heritage railway engineering
- Operating our collection to the highest standards (this includes Tyseley depot and the locomotives and carriages)
- Creating new experiences based upon an appreciation of the past
- Sharing the fascinating stories of Birmingham's industrial railway heritage with the world

To:

- Inspire the public to travel by express steam trains

##### **Our values**

- Engineering excellence in all that we do
- Showcasing our heritage for present and future generations
- Open to everyone
- Build partnerships and work collaboratively
- Rooted within the community
- Local, national and global importance
- Long term sustainability

## VINTAGE TRAINS CHARITABLE TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

---

All organisations periodically revisit their brand and vision for the future to ensure that they remain on message and continue to deliver the right services to stakeholders and to be sustainable in the long term.

Clarity of brand, vision and mission is important in getting 'buy-in' from employees and members. It will also impact upon the capacity to attract support and funding from outside the organisation, and being recognised by the public, which translates into customers.

We have reviewed our brand and agreed the following;

**The Brand** - Vintage Trains has a strong and recognised brand which is made up of several elements:

- A vision
- A mission and purpose
- Values
- A consistent house style and tone of voice:
  - Logo
  - Uniform approved font
  - Consistent messages from all staff and volunteers

It is proposed to launch our revisions in 2019 contemporaneously with the full year's programme of our affiliated licenced operating company, Vintage Trains Limited and the proposed announcement of our development plan to underpin our Vision by the development of express steam trains integrated with West Midland Rail's franchise and community operations and the redevelopment of our Tyseley depot.

In furtherance of this Vision and Mission, in 2017, we formed Vintage Trains Community Benefit Society under the Co-operative and Community Benefit Societies Act with Financial Conduct Authority (registration number 7668). We are the Parent of this company and are entitled to appoint the majority of its board of directors and, in the majority of circumstances, have member control. The CBS opened a Community Share Offer on 1 December 2017, approved by the Financial Conduct Authority, with a minimum target of £800,000 which was reached by 31 May 2018. The purpose of the offer is to encourage community involvement in railways, from a base at our Tyseley depot, including the establishment of a company to operate express steam trains on the national railway network. To this end CBS established Vintage Trains Limited as its subsidiary company in order to obtain an operating licence and this was issued by the Office of Rail and Road in September 2018. We believe this is a unique proposition to create the only charitably controlled and publicly owned main line railway company in Britain to operate express steam trains.

#### ACHIEVEMENT AND PERFORMANCE

We continue to have custodial stewardship of the 7029 Clun Castle Limited collection of locomotives and rolling stock. The Directors closely monitor the performance of its trading subsidiary, Tyseley Locomotive Works Limited in accordance with tried and tested financial methodology and business reporting. It has adopted the same practice with Vintage Trains Community Benefit Society and its subsidiary Vintage Trains Limited.

Vintage Trains Limited ran its first train on 26 September 2018 for Vivarail and the first steam train on 9 October 2018 using 4965 Rood Ashton Hall. In December 2018 we operated 68 Polar Express Christmas trains under the Warner Bros franchise from Birmingham Moor St which carried 23,000 passengers. Subsequent to the year end on 19 February 2019 7029 Clun Castle successfully returned to the main line and hauled her first public passenger train on 28 February 2019 to Worcester. She has now entered regular service and covered over 1,000 miles on VTL express trains.

We held two open weekends for the public at our Tyseley depot showcasing our collection and demonstrating in steam all our working locomotives.

## **VINTAGE TRAINS CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018**

---

We successfully implemented a Heritage Lottery Resilience Grant, this funded the appointment of a Volunteer Coordinator and Development Manager and allowed us to undertake a Governance Review to ensure we have the capacity and capability to drive forward the changes and developments described. Volunteer numbers have continued to grow and we have begun to attract more young people to volunteer across a broader range of tasks. We have also recruited new volunteers from within our Community Benefit Society, the Vintage Trains Society and from other main line and heritage railway companies. Roles now covered include a volunteer Public Relations Manager, who oversees what is given to the press and what is communicated to the staff, volunteers and members; A Human Resources Officer, who is helping with collating and writing policies for our staff and volunteers hand book; and a Collections Database volunteer, who has set up a database to record collections items in store. We have also recruited a youth board who are working up ideas and concepts to help develop us and themselves with a strategy plan on how to increase youth participation.

The Trustees would like to thank all our staff and volunteers for their continued commitment and hard work which enables us to continue to achieve outstanding results and a very satisfactory financial outcome for the year.

#### **FUTURE STRATEGY**

We will ensure our collection of locomotives and carriages continue to operate tourist trains, so providing a secure future for them continuing to fulfil the purpose for which they were designed. This will also deliver economic and social improvement, public benefit and enjoyment through the development of a tourist business run by a main line heritage railway company open to everyone. In turn, this will secure engineering, operating and business knowledge and skills for our children and future generations and we will engage with a wider and more diverse audience to deliver these objectives.

#### **FINANCIAL REVIEW**

The Statement of Financial Activities shows net movement in funds for the year of a surplus £235,240 (2017: deficit £600,317) and our reserves stand at £511,340 (2017: £276,100).

The major sources of funds were the trading activities of the subsidiary together with proceeds from the sale of surplus track and other equipment.

The Trustees were delighted to be notified of a substantial legacy from the estate of the late David Clifford which is to be applied to the restoration of former Great Western Railway locomotives and turntable. This will be treated as a restricted fund.

#### **Reserves Policy**

It is the intention of the Trustees that surplus funds be retained in accordance with business plans drawn up and revised from time to time to provide for the fulfilment of the objects of the charity. As a result, the extent of the funds may vary from time to time but the Trustees are of the opinion that a quantum of free reserves of a minimum of £80,000 would be appropriate after making allowance for long term loans and rent payable. At the year end reserves were in line with this figure.

## VINTAGE TRAINS CHARITABLE TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The charity is governed by its Board of Directors and decisions made at Board Level are actioned by the senior management team.

##### Recruitment and appointment of new trustees

The company may appoint Directors by ordinary resolution and the Directors may appoint to fill a vacancy or add an additional Director. Appointments made by the Directors during the year must be ratified at the next Annual General Meeting.

##### Director Induction and Training

All new Directors receive an information pack covering past history, structure and governance, together with a financial information pack covering both the Trust and its trading subsidiaries.

##### Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Change of name

The company passed a special resolution on 19 October 2017 changing its name from Vintage Trains to Vintage Trains Charitable Trust.

##### Registered Company number

02848449 (England and Wales)

##### Registered Charity number

1040904

##### Registered office

670 Warwick Road  
Tyseley  
Birmingham  
B11 2HL

##### Trustees

Mr CM Whitehouse

Mr MG Gilbert

Mr AJ Lambert

resigned 01.06.2018

Mr VE Michel

Mr A Shooter

Mr DW Keay

resigned 23.01.2019

Mr WT Hunt

(Emeritus trustee – non-voting)

Mr RG Thorne

(Emeritus trustee – non-voting)

##### Company Secretary

Mr IJS Kirkman

resigned 16.05.2018

Mr R Coombes

appointed 01.06.2018

## VINTAGE TRAINS CHARITABLE TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Auditors

Mark J Rees LLP, Statutory Auditor  
Chartered Accountants  
Granville Hall  
Granville Road  
Leicester  
LE1 7RU

##### Senior Management

Mrs Cath Bellamy is the Managing Director of Tyseley Locomotive Works and Vintage Trains Limited.

#### STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of Vintage Trains Charitable Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to;

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Mark J Rees LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on 13.8.19 and signed on its behalf by:



Mr CM Whitehouse - Director

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VINTAGE TRAINS CHARITABLE TRUST

---

### Opinion

We have audited the financial statements of Vintage Trains Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees, which includes the directors' report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Report of the Trustees.



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VINTAGE TRAINS CHARITABLE TRUST

---

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- The parent company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.

### Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Our responsibilities for the audit of the financial statements

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

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mark J Rees LLP

Mr P Bott FCA (Senior Statutory Auditor)  
for and on behalf of Mark J Rees LLP, Statutory Auditor  
Chartered Accountants  
Granville Hall  
Granville Road  
Leicester  
LE1 7RU

Date: 2/9/19

VINTAGE TRAINS CHARITABLE TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

		Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
	Notes				
<b>INCOME RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
<i>Voluntary income</i>	2				
Donations and legacies received		34,261	503,173	537,434	37,392
Grants		8,500	77,114	85,614	124,361
<i>Activities for generating funds</i>					
Commercial trading operations		1,725,435	-	1,725,435	1,733,647
<i>Investment income</i>	3				
Interest received		150	-	150	18
<i>Other income</i>	4	150,000	-	150,000	-
<b>Incoming resources from charitable activities</b>					
Grants received		-	-	-	-
Museum and open day receipts	5	41,969	-	41,969	26,540
<b>Total incoming resources</b>		<b>1,960,315</b>	<b>580,287</b>	<b>2,540,602</b>	<b>1,921,958</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Commercial trading operations		1,990,544	-	1,990,544	1,604,996
Community benefit society		107,200	7,650	114,850	-
<b>Charitable activities</b>					
Preservation of steam and other railway locomotives	6	116,233	67,770	184,003	907,124
<b>Governance costs</b>	7	15,965	-	15,965	10,155
<b>Total resources expended</b>		<b>2,229,942</b>	<b>75,420</b>	<b>2,305,362</b>	<b>2,522,275</b>
<b>NET INCOMING RESOURCES</b>		<b>(269,627)</b>	<b>504,867</b>	<b>235,240</b>	<b>(600,317)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>273,750</b>	<b>2,350</b>	<b>276,100</b>	<b>876,417</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>4,123</b>	<b>507,217</b>	<b>511,340</b>	<b>276,100</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 15 to 30 form part of these financial statements.

**VINTAGE TRAINS CHARITABLE TRUST**

**CONSOLIDATED BALANCE SHEET  
AT 31 DECEMBER 2018**

			Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
	Notes					
<b>FIXED ASSETS</b>						
Intangible assets	12		65,431	-	65,431	3,974
Tangible assets	13		298,527	1,694	300,221	311,033
			<u>363,958</u>	<u>1,694</u>	<u>365,652</u>	<u>315,007</u>
<b>CURRENT ASSETS</b>						
Stocks	15		177,879	-	177,879	63,943
Debtors	16		273,001	512,173	785,174	248,514
Cash at bank			<u>980,412</u>	<u>15,620</u>	<u>996,032</u>	<u>293,741</u>
			1,431,292	527,793	1,959,085	606,198
<b>CREDITORS</b>						
Amounts falling due within one year	17		(590,467)	(22,270)	(612,737)	(447,771)
<b>NET CURRENT ASSETS</b>			<u>840,825</u>	<u>505,523</u>	<u>1,346,348</u>	<u>158,427</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,204,783	507,217	1,712,000	473,434
<b>CREDITORS</b>						
Amounts falling due after more than one year	18		(268,890)	-	(268,890)	(197,334)
<b>PROVISIONS FOR LIABILITIES</b>			(1,270)	-	(1,270)	-
<b>NET ASSETS</b>			<u>934,623</u>	<u>507,217</u>	<u>1,441,840</u>	<u>276,100</u>
<b>FUNDS</b>	20					
Unrestricted funds					4,123	273,750
Restricted funds					507,217	2,350
Non-controlling interest	22				<u>930,500</u>	-
<b>TOTAL FUNDS</b>					<u>1,441,840</u>	<u>276,100</u>

**VINTAGE TRAINS CHARITABLE TRUST**

**CONSOLIDATED BALANCE SHEET - CONTINUED**  
**AT 31 DECEMBER 2018**

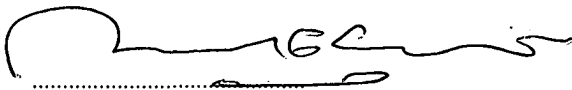
---

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

The financial statements were approved by the Board of Trustees on 13.8.19 and were signed on its behalf by:



.....  
Mr CM Whitehouse -Trustee



.....  
Mr MG Gilbert -Trustee

# VINTAGE TRAINS CHARITABLE TRUST

## COMPANY BALANCE SHEET AT 31 DECEMBER 2018

		Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
	Notes				
<b>FIXED ASSETS</b>					
Intangible assets	12	3,407	-	3,407	3,974
Tangible assets	13	84,191	1,694	85,885	88,203
Investments	14	<u>50,206</u>	<u>-</u>	<u>50,206</u>	<u>306</u>
		137,804	1,694	139,498	92,483
<b>CURRENT ASSETS</b>					
Stocks	15	128,610	-	128,610	7,314
Debtors	16	268,684	512,173	780,857	210,686
Cash at bank		<u>103,066</u>	<u>17,423</u>	<u>120,489</u>	<u>187,173</u>
		500,360	529,596	1,029,956	405,173
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>(12,500)</u>	<u>(24,074)</u>	<u>(36,574)</u>	<u>(169,718)</u>
<b>NET CURRENT ASSETS</b>		<u>487,860</u>	<u>505,522</u>	<u>993,382</u>	<u>235,455</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		625,664	507,216	1,132,880	327,938
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	<u>(53,000)</u>	<u>-</u>	<u>(53,000)</u>	<u>(53,000)</u>
<b>NET ASSETS</b>		<u>572,664</u>	<u>507,216</u>	<u>1,079,880</u>	<u>274,938</u>
<b>FUNDS</b>	20				
Unrestricted funds				572,663	272,588
Restricted funds				<u>507,217</u>	<u>2,350</u>
<b>TOTAL FUNDS</b>				<u>1,079,880</u>	<u>274,938</u>
Charitable company's surplus/(deficit) for the financial year				804,941	(600,317)

**VINTAGE TRAINS CHARITABLE TRUST**

**COMPANY BALANCE SHEET - CONTINUED  
AT 31 DECEMBER 2018**

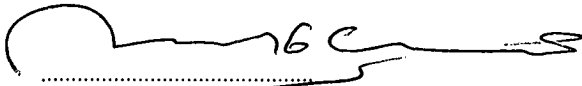
---

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

The financial statements were approved by the Board of Trustees on 15.8.19 and were signed on its behalf by:



.....  
Mr CM Whitehouse -Trustee



.....  
Mr MG Gilbert - Trustee

**VINTAGE TRAINS CHARITABLE TRUST**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

		<b>2018</b>	<b>2017</b>
	Notes	£	£
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<b>(152,672)</b>	<b>108,844</b>
<b>Net cash provided by (used in) operating activities</b>		<b>(152,672)</b>	<b>108,844</b>
<b>Cash flows from investing activities:</b>			
Purchase of fixed assets		<b>(75,537)</b>	-
Sale of tangible fixed assets		<b>-</b>	-
<b>Net cash provided by (used in) investing activities</b>		<b>(75,537)</b>	-
<b>Cash flows from financing activities:</b>			
Share issue		<b>930,500</b>	<b>(695)</b>
Sale of tangible fixed assets		<b>-</b>	-
<b>Net cash provided by (used in) investing activities</b>		<b>930,500</b>	<b>(695)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>702,291</b>	<b>108,149</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>293,741</b>	<b>185,592</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>996,032</b>	<b>293,741</b>

VINTAGE TRAINS CHARITABLE TRUST

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018

---

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	235,240	(600,317)
Adjustments for:		
Depreciation charges	24,892	21,327
Disposal of fixed assets	-	-
(Increase)/Decrease in stocks	(113,936)	631,247
(Increase)/Decrease in debtors	(536,660)	(132,731)
Increase/(Decrease) in creditors	<u>237,792</u>	<u>189,318</u>
Net cash provided by (used in) operating activities	<u>(152,672)</u>	<u>108,844</u>



## VINTAGE TRAINS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES

##### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable group, 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.

##### **STATUS OF COMPANY**

The company is limited by guarantee and does not have any share capital (company registered number 02848449, charity registered number 1040904). The liability of the member is limited but shall not exceed £1.

##### **BASIS OF CONSOLIDATION**

The consolidated accounts incorporate the results of the year ended 31 December 2018 of the charitable company and its subsidiary undertakings which have been included on a line by line basis.

##### **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. For legacies, the entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable company earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

##### **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.

##### **INTANGIBLE ASSETS**

Intangible assets are initially recognised at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Website costs are being amortised evenly over their estimated useful life of four years.

Patents and Licences consist of a trademark and the application costs to obtain a train line operating licence from the Office of Rail and Road.

Trademarks are capitalised then amortised through the profit and loss account by equal instalments over their estimated useful economic life up to a maximum of 10 years.

The operating licence will continue to be in force until revoked by the Office of Rail and Road. As there is no evidence that this will occur as of the approval date of the financial statements, it has been determined that the asset has an indefinite life.

The accounting policy will be reviewed annually to assess whether the life of the licence has become definite, in which case the asset will be amortised evenly over the remaining useful life.

## VINTAGE TRAINS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES - continued

##### TANGIBLE FIXED ASSETS

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

Freehold land	- Not depreciated
Land and buildings	- Equal instalments over the lease period
Rolling stock and trackwork	- 10-15 years
Plant and machinery	- 3-4 years

##### STOCKS

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

##### TAXATION

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

##### 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.

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

##### OPERATING LEASES

Rentals under operating leases are charged on a straight line basis over the life of the lease.

##### GOVERNMENT GRANTS

Government grants received in respect of capital expenditure relating to the leasehold property have been deferred on the balance sheet and will be released to the profit and loss account in accordance with the depreciation policy for the leasehold property.

##### DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### CREDITORS

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### GOING CONCERN

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

**VINTAGE TRAINS CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**2. DONATIONS AND LEGACIES - GROUP**

	2018	2017
	£	£
Donations	14,261	2,392
Legacies	523,173	35,000
Grants	<u>85,614</u>	<u>124,361</u>
	<u>623,048</u>	<u>161,753</u>

Grants received, included in the above, are as follows:

	2018	2017
	£	£
7029 Clun Castle Limited	8,500	86,585
Big Potential Fund	7,650	33,640
Heritage Lottery Fund	<u>69,464</u>	<u>4,136</u>
	<u>85,614</u>	<u>124,361</u>

**3. INVESTMENT INCOME – GROUP**

	2018	2017
	£	£
Interest received	<u>150</u>	<u>18</u>

**4. OTHER INCOME - GROUP**

	2018	2017
	£	£
Sale of land option	<u>150,000</u>	<u>-</u>

**5. INCOME FROM CHARITABLE ACTIVITIES - GROUP**

	2018	2017
	£	£
Museum and open day receipts	41,969	26,540
	<u>41,969</u>	<u>26,540</u>

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 6. CHARITABLE ACTIVITIES COSTS - GROUP

	2018 £	2017 £
Depreciation and Amortisation	24,892	21,327
Other costs	-	16,770
Legal fees	62,977	22,803
Donations/Gift of rolling stock	-	846,224
Bank charges	4,765	-
Admin expenses	38,123	-
Staff costs	53,246	-
	<u>184,003</u>	<u>907,124</u>

### 7. GOVERNANCE COSTS - GROUP

	2018 £	2017 £
Auditors' remuneration	15,965	10,155
	<u>15,965</u>	<u>10,155</u>

### 8. NET INCOME/(EXPENDITURE) - COMPANY

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

	2018 £	2017 £
Auditors' remuneration	-	-
Depreciation - owned assets	4,577	4,012
Patents and licences amortisation	<u>568</u>	<u>568</u>

### 9. TRUSTEES' REMUNERATION AND BENEFITS

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

#### TRUSTEES' EXPENSES

There were no Trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017.

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 10. STAFF COSTS - GROUP

	2018 £	2017 £
Wages and salaries	775,849	464,871
Social security costs	53,928	37,980
Pension	10,451	2,408
	<u>840,228</u>	<u>505,259</u>

The average monthly number of employees during the year was as follows:

	2018	2017
Management	3	1
Administration	8	3
Engineers	<u>18</u>	<u>17</u>
	<u>29</u>	<u>21</u>

One member of staff received emoluments within the range of £60,000 to £69,999 (2017 – nil) and one member of staff received emoluments within the range of £80,000 to £89,999 (2017 – nil).

During the year directors of group entities received remuneration totalling £135,068 (2017: £48,411).

### 11. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – 31 DECEMBER 2017

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOMING RESOURCES</b>			
Donations received	37,392	-	37,392
Grants	86,585	37,776	124,361
Commercial trading operations	1,733,647	-	1,733,647
Investment income	18	-	18
Museum and open day receipts	<u>26,540</u>	<u>-</u>	<u>26,540</u>
<b>Total</b>	<b>1,884,182</b>	<b>37,776</b>	<b>1,921,958</b>
<b>RESOURCES EXPENDED</b>			
Commercial trading operations	1,604,996	-	1,604,996
Charitable activities	871,698	35,426	907,124
Governance costs	<u>10,155</u>	<u>-</u>	<u>10,155</u>
<b>Total</b>	<b>2,486,849</b>	<b>35,426</b>	<b>2,522,275</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(602,667)</b>	<b>2,350</b>	<b>(600,317)</b>

VINTAGE TRAINS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018

11. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	876,417	-	876,417
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>273,750</u>	<u>2,350</u>	<u>276,100</u>

12. INTANGIBLE FIXED ASSETS

GROUP	Website £	Patents and licences £	Total £
<b>COST</b>			
At 1 January 2018	-	5,678	5,678
Additions	<u>9,366</u>	<u>55,000</u>	<u>64,366</u>
At 31 December 2018	<u>9,366</u>	<u>60,678</u>	<u>70,044</u>
<b>AMORTISATION</b>			
At 1 January 2018	-	1,704	1,704
Charge for year	<u>2,342</u>	<u>567</u>	<u>2,909</u>
At 31 December 2018	<u>2,342</u>	<u>2,271</u>	<u>4,613</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>7,024</u>	<u>58,407</u>	<u>65,431</u>
At 31 December 2017	<u>-</u>	<u>3,974</u>	<u>3,974</u>

VINTAGE TRAINS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018

12. INTANGIBLE FIXED ASSETS - continued

COMPANY	Patents and licences £
<b>COST</b>	
At 1 January 2018	<u>5,678</u>
<b>AMORTISATION</b>	
At 1 January 2018	1,704
Charge for year	<u>567</u>
At 31 December 2018	<u>2,271</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>3,407</u>
At 31 December 2017	<u>3,974</u>

13. TANGIBLE FIXED ASSETS

GROUP	Freehold property £	Leasehold property £	Rolling stock and trackwork £	Plant and machinery £	Computer equipment £	Total £
<b>COST</b>						
At 1 January 2018	58,766	293,125	109,976	76,941	-	538,808
Additions	<u>-</u>	<u>-</u>	<u>2,793</u>	<u>-</u>	<u>8,378</u>	<u>11,171</u>
At 31 December 2018	<u>58,766</u>	<u>293,125</u>	<u>112,769</u>	<u>76,941</u>	<u>8,378</u>	<u>549,979</u>
<b>DEPRECIATION</b>						
At 1 January 2018	-	91,399	88,944	47,432	-	227,775
Charge for year	<u>-</u>	<u>12,600</u>	<u>2,801</u>	<u>4,488</u>	<u>2,094</u>	<u>21,983</u>
At 31 December 2018	<u>-</u>	<u>103,999</u>	<u>91,745</u>	<u>51,920</u>	<u>2,094</u>	<u>249,758</u>
<b>NET BOOK VALUE</b>						
At 31 December 2018	<u>58,766</u>	<u>189,126</u>	<u>21,024</u>	<u>25,021</u>	<u>6,284</u>	<u>300,221</u>
At 31 December 2017	<u>58,766</u>	<u>201,726</u>	<u>21,032</u>	<u>29,509</u>	<u>-</u>	<u>311,033</u>

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 13. TANGIBLE FIXED ASSETS - continued

COMPANY	Freehold property	Leasehold property	Plant, rolling stock and trackwork	Computer equipment	Totals
		£	£	£	£
<b>COST</b>					
At 1 January 2018	58,776	47,241	109,975	-	215,982
Additions	-	-	-	2,259	2,259
At 31 December 2018	<u>58,766</u>	<u>47,241</u>	<u>109,975</u>	<u>2,259</u>	<u>218,241</u>
<b>DEPRECIATION</b>					
At 1 January 2018	-	38,836	88,943		127,779
Charge for year	-	1,909	2,103	565	4,577
At 31 December 2018	-	<u>40,745</u>	<u>91,046</u>	<u>565</u>	<u>132,356</u>
<b>NET BOOK VALUE</b>					
At 31 December 2018	<u>58,766</u>	<u>6,496</u>	<u>18,929</u>	<u>1,694</u>	<u>85,885</u>
At 31 December 2017	<u>58,766</u>	<u>8,405</u>	<u>21,032</u>	-	<u>88,203</u>

Included in cost or valuation of land and buildings is freehold land of £58,766 (2017 - £58,766) which is not depreciated.

An integral part of Vintage Trains Charitable Trust's work is the running of charter trains. The locomotives and rolling stock used for these excursions is provided by 7029 Clun Castle Limited (a related charitable company by virtue of common directorships).

The previously mentioned assets are subject to a loan agreement with Vintage Trains Charitable Trust. There is no cost associated with the loan agreement. The net book value of the assets included within the loan agreement is £1,795,472 (2017: £2,205,893).

### 14. FIXED ASSET INVESTMENTS - COMPANY

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 January 2018	306
Additions	50,000
Disposals	(100)
At 31 December 2018	<u>50,206</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>50,206</u>
At 31 December 2017	<u>306</u>



## VINTAGE TRAINS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 14. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.

The company owns the whole of the issued share capital, comprising 2 ordinary £1 shares, in each of Birmingham Railway Museum Limited, Tyseley Locomotive Works Limited and Metropolitan Railway Carriage & Wagon Company Limited. The company also owns the whole of the issued share capital, comprising 100 ordinary £1 shares, in Great Western Vintage Trains Limited and The Blue Pullman Limited.

The company also owns 50,000 shares in Vintage Trains CBS, a community benefit society.

During the year the company transferred its entire shareholding, comprising 100 ordinary £1 shares, in Vintage Trains Limited to Vintage Trains CBS.

Name	Activity
Tyseley Locomotive Works Limited	<b>General and mechanical engineering and hire of locomotives and rolling stock</b>
Vintage Trains Limited	<b>Operation of express steam and heritage diesel trains</b>
Birmingham Railway Museum Limited	<b>Agent for mainline charters (currently dormant)</b>
Metropolitan Railway Carriage & Wagon Company Limited	<b>Dormant Company</b>
Great Western Vintage Trains Limited	<b>Dormant Company</b>
The Blue Pullman Limited	<b>Dormant Company</b>
Vintage Trains CBS	<b>Community benefit society to raise funds for the set up and maintenance of a mainline railway company</b>

As permitted by Section 408 of the Companies Act 2006 the parent charity's Statement of Financial Activities has not been included in these financial statements. The parent charity's total incoming resources for the year were £920,363 (2017: £290,060) and total resources expended were £115,422 (2017: £890,377) resulting in net incoming resources for the year of £804,941 (2017: deficit of £600,317) which included a donation of £13,741 (2017: £214,874) from its wholly owned subsidiary undertaking Tyseley Locomotive Works Limited and a grant of £112,000 (2017: £nil) from Vintage Trains CBS, a community benefit society within the group.

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 14. FIXED ASSET INVESTMENTS - continued

The results for the year and the aggregate assets, liabilities and capital and reserves of the subsidiary undertakings at 31 December 2018 were as follows:

	Vintage Trains CBS £	Tyseley Locomotive Works Limited £	Birmingham Railway Museum Limited £	Metropolitan Railway Carriage & Wagon Company Limited £
Turnover	12,044	1,060,639	-	-
Expenditure	292,635	1,060,639	-	-
Result	<u>(280,591)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	784,552	546,872	-	2
Total liabilities	84,643	542,731	(2,975)	(2)
Net assets/(liabilities) being reserves	<u>699,909</u>	<u>4,141</u>	<u>(2,975)</u>	<u>-</u>

Tyseley Locomotive Works Limited made a donation under a deed of covenant of £13,741 (2017: £214,874) to the charitable company.

	Great Western Vintage Trains Limited £	Vintage Trains Limited £	The Blue Pullman Limited £
Turnover	-	784,192	-
Expenditure	-	1,073,304	-
Result	<u>-</u>	<u>(289,111)</u>	<u>-</u>
Total assets	100	742,216	100
Total liabilities	(100)	1,031,227	(100)
Net assets/(liabilities) being reserves	<u>-</u>	<u>(289,011)</u>	<u>-</u>

**VINTAGE TRAINS CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**15. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Locomotives and rolling stock under restoration	172,509	63,913	128,610	7,314
Finished goods	5,370	30	-	-
	<u>177,879</u>	<u>63,943</u>	<u>128,610</u>	<u>7,314</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	104,032	140,506	-	-
Amounts owed by group undertakings	-	-	217,744	198,136
Other debtors	661,986	108,008	562,184	12,550
VAT	19,156	-	929	-
	<u>785,174</u>	<u>248,514</u>	<u>780,857</u>	<u>210,686</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	226,270	150,664	1,094	14,163
Deferred government grants	4,222	4,222	-	-
Deferred grants	4,222	4,222	-	-
Social security and other taxes	23,298	12,007	-	-
VAT liability	-	7,931	-	-
Other creditors	354,725	268,725	33,514	155,555
Amounts owed to group undertakings	-	-	1,966	-
	<u>612,737</u>	<u>447,771</u>	<u>36,574</u>	<u>169,718</u>

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Loan	53,000	53,000	53,000	53,000
Accruals and deferred income	80,000	-	-	-
Deferred government grants	65,445	69,667	-	-
Deferred grants	70,445	74,667	-	-
	<u>268,890</u>	<u>197,334</u>	<u>53,000</u>	<u>53,000</u>

The loan is an interest free mortgage from Stratford - upon - Avon District Council secured by a first legal charge on the freehold land owned by the company.

The mortgage may be repayable if a steam servicing centre is not developed on the land.

The government grant was for £100,000 from Birmingham City Council and is secured by a debenture. The other grant was for £95,000 from 7029 Clun Castle Limited and is unsecured. Both grants were received to assist with the building of the leasehold property in 2013 and are being released to the profit and loss account in accordance with the depreciation policy for this asset.

### 19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	60,000	60,000
Between one and five years	240,000	240,000
In more than five years	<u>675,000</u>	<u>735,000</u>
	<u>975,000</u>	<u>1,035,000</u>

The charitable company has a 25 year operating lease in respect of the leasehold property.

### 20. MOVEMENT IN FUNDS

GROUP	At 1.1.18	Net movement in funds	At 31.12.18
	£	£	£
<b>Unrestricted funds</b>			
General fund	273,750	(269,627)	4,123
<b>Restricted funds</b>			
Big Potential Fund	2,350	-	2,350
Heritage Lottery Fund	-	1,694	1,694
Vintage Trains CBS	-	-	-
Clifford	-	503,173	503,173
<b>TOTAL FUNDS</b>	<u>276,100</u>	<u>235,240</u>	<u>511,340</u>

# VINTAGE TRAINS CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

### 20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,960,315	(2,229,942)	(269,627)
<b>Restricted funds</b>			
Big Potential Fund	7,650	(7,650)	-
Heritage Lottery Fund	69,464	(67,770)	1,694
Vintage Trains CBS	-	-	-
Clifford	503,173	-	503,173
<b>TOTAL FUNDS</b>	<b>2,540,602</b>	<b>(2,305,362)</b>	<b>235,240</b>

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
<b>COMPANY</b>			
<b>Unrestricted funds</b>			
General fund	272,588	300,075	572,663
<b>Restricted funds</b>			
Big Potential Fund	2,350	-	2,350
Heritage Lottery Fund	-	1,694	1,694
Vintage Trains CBS	-	-	-
Clifford	-	503,173	503,173
<b>TOTAL FUNDS</b>	<b>274,938</b>	<b>804,942</b>	<b>1,079,880</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	340,077	(40,002)	300,075
<b>Restricted funds</b>			
Big Potential Fund	7,650	(7,650)	-
Heritage Lottery Fund	69,464	(67,770)	1,694
Vintage Trains CBS	-	-	-
Clifford	503,173	-	503,173
<b>TOTAL FUNDS</b>	<b>920,364</b>	<b>(115,422)</b>	<b>804,942</b>

VINTAGE TRAINS CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018

20. MOVEMENT IN FUNDS – continued

Comparatives for movement in funds

GROUP	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
<b>Unrestricted funds</b>			
General fund	876,417	(602,667)	273,750
<b>Restricted funds</b>			
Big Potential Fund	-	2,350	2,350
Heritage Lottery Fund	-	-	-
Vintage Trains CBS	-	-	-
<b>TOTAL FUNDS</b>	<u>876,417</u>	<u>(600,317)</u>	<u>276,100</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,884,182	(2,486,849)	(602,667)
<b>Restricted funds</b>			
Big Potential Fund	33,640	(31,290)	2,350
Heritage Lottery Fund	4,136	(4,136)	-
Vintage Trains CBS	-	-	-
<b>TOTAL FUNDS</b>	<u>1,921,958</u>	<u>(2,522,275)</u>	<u>(600,317)</u>

Comparatives for movement in funds

COMPANY	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
<b>Unrestricted funds</b>			
General fund	875,255	(602,667)	272,588
<b>Restricted funds</b>			
Big Potential Fund	-	2,350	2,350
Heritage Lottery Fund	-	-	-
Vintage Trains CBS	-	-	-
<b>TOTAL FUNDS</b>	<u>875,255</u>	<u>(600,317)</u>	<u>274,938</u>

## VINTAGE TRAINS CHARITABLE TRUST

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

#### 20. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	252,284	(854,951)	(602,667)
<b>Restricted funds</b>			
Big Potential Fund	33,640	(31,290)	2,350
Heritage Lottery Fund	4,136	(4,136)	-
Vintage Trains CBS	-	-	-
<b>TOTAL FUNDS</b>	<u>290,060</u>	<u>(890,377)</u>	<u>(600,317)</u>

#### **Big Potential Fund**

Big Potential was a £20m Big Lottery Fund grant fund that provided grants and support to charities and social enterprises to help them work out how social investment could help them become more sustainable, build their capacity and scale up to deliver greater social impact. The grants were used to help pay for specialist support from approved 'providers'. All providers were individuals or organisations with specialist expertise that could provide technical, financial, legal, business or other support. All providers needed to have a proven track record of helping other charities and social enterprises successfully raise investment. Vintage Trains Charitable Trust received £47,160 under this scheme to assist with launching its Community Benefit Society, Vintage Trains CBS. At 31 December 2018, £5,870 remains unallocated.

#### **HLF Fund**

Resilient Heritage grants are awarded to help strengthen charitable organisations, and build the capacity of staff and volunteers to better manage heritage in the long term. Vintage Trains Charitable Trust was successful in applying for a £90,000 grant under the scheme towards an £118,000 project involving the recruitment of a Business Development Manager and Volunteer Liaison Officer and related expenditure to help fulfil these aims. At 31 December 2018, £81,000 of the grant had been received, with qualifying expenditure of £71,906 incurred.

#### **Vintage Trains CBS**

Vintage Trains Charitable Trust launched a fundraising exercise to establish a Community Benefit Society called Vintage Trains CBS which would proceed if funds reached the minimum target of £800,000 by 31 May 2018. Until that point, which was successfully achieved and indeed exceeded, subscriptions were collected in a separate bank account within VTCT, only to be released to Vintage Trains CBS when the minimum was achieved. £800,000 was released in early June 2018 followed by a further £40,000 in August 2018.

#### **Clifford**

The Trustees were delighted to be notified of a substantial legacy from the estate of the late David Clifford which is to be applied to the restoration of former Great Western Railway locomotives and turntable. This will be treated as a restricted fund.

**VINTAGE TRAINS CHARITABLE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**21. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption under section 33 of FRS 102 not to disclose transactions with group companies.

During the period Vintage Trains CBS made a grant of £112,000 to Vintage Trains Charitable Trust in respect of coach restoration works.

**22. NON-CONTROLLING INTERESTS**

As at 31 December 2018 the share capital issued by Vintage Trains CBS amounted to £980,500. At this date £930,500 was held outside of the group.

Vintage Trains Charitable Trust has legal control over Vintage Trains CBS as it holds the power to appoint the majority of the board and to the majority vote at general meetings.



# VINTAGE TRAINS CHARITABLE TRUST

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	2,217	2,392
Legacies	523,173	35,000
Grants	189,113	37,776
Gift aid donation received from subsidiary	<u>13,741</u>	<u>214,874</u>
	728,244	290,042
<b>Investment income</b>		
Interest received	150	18
<b>Other income</b>		
Sale of land option	150,000	-
<b>Charitable activities</b>		
Museum and open day receipts	<u>41,969</u>	<u>-</u>
<b>Total incoming resources</b>	920,363	290,060
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Advertising	-	3,100
Open day costs	24,602	-
Bank charges	-	1,034
Donation	-	846,224
Patents and licences	568	568
Short leasehold	1,909	1,909
Fixtures and fittings	2,103	2,103
Computer equipment	565	-
Staff costs	42,247	-
Administration costs	3,568	-
Legal fees	22,910	-
Other costs	<u>8,650</u>	<u>12,636</u>
	107,122	867,574
<b>Governance costs</b>		
Auditors' remuneration	8,300	-
Accountancy and legal fees	<u>-</u>	<u>22,803</u>
	8,300	22,803
<b>Total resources expended</b>	115,422	890,377
<b>Net (expenditure)/income</b>	<u>804,941</u>	<u>(600,317)</u>