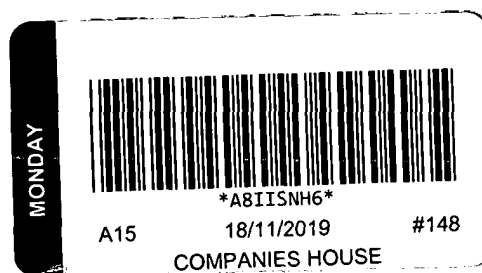


# **CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY**

## **Trustees Report and Financial Statements** **for the year ended 31 December 2018**



Registered No. 01927652

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Company Information

<b>Trustees:</b>	Mr M F Kidley	Chairman
	Dr A D Stead	Vice-Chairman
	Mrs C Fitzmaurice	
	Mr D M Goodenough	
	Mr T C Mackie	
	Mr D R Mannering	
	Mr J Stanford	

**Secretary:** Mrs Beverley Hills

**Treasurer:** Mr D M Goodenough

**Registered Office:** 5 Hithercroft Road  
Wallingford  
Oxon  
OX10 9GQ

**Registered Company No.:** 01927652

**Registered Charity No.:** 295279

**Bankers:** Barclays Bank plc  
2 Market Place  
Wallingford  
Oxon  
OX10 0EJ

## Table of Contents

	<u>Pages</u>
Company information	1
Trustees report	2 - 6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 14

## **Report of the Trustees for the year ended 31 December 2018**

### **Objectives, activities and purpose**

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

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

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

1. Keeping history alive by safeguarding its collection of historic artefacts through which its members and the public can actively view an aspect of social, technical and cultural history
2. Ensuring the financial stability of the organisation by endeavouring to establish continuity of income thereby ensuring the sustainability of the Society
3. Bringing together, in a not-for-profit environment, volunteers using a range of skills in the furtherance of the Society's objectives. During the next financial year and beyond, the Society will progress its work, particularly in:
  - a) the provision of enhanced visitor facilities as well as to introducing new ways of engaging members, passengers and visitors more fully
  - b) the development of its volunteer force to optimise the application of their skills on behalf of the Society and, in return, their own satisfaction and enjoyment through participation. Increasingly complex operations in certain areas of work, including track work and site and safety, will give rise to further training opportunities
  - c) exploring new opportunities for income. The Society recognises the importance of maintaining its financial stability by investigating and opening new sources of income as appropriate, including public funds and income generated through sale
  - d) adopting a more rigorous strategic approach to management by annual review and appropriate update of the business plan to ensure it continues to be consistent, coherent, effective and realistic

## **Structure, Governance and Management**

### Governing document

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

### Recruitment and appointment of Trustee Board

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

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

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

### Trustee induction and training

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

### Organisational structure

Under the Articles of Association, the maximum and minimum numbers of Board members is to be determined by the Society. However, unless and until agreed, there is no maximum number but must comprise a minimum of six. The Board is responsible for the strategic direction and policy decisions of the charity as well as all aspects of health and safety. It generally meets every month.

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

### Co-operation with other organisations

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

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

### Risk Management

The Trustees have a risk management strategy which includes:

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

the Society should those risks materialise

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

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

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

### **Achievements and performance**

The Society operated its service as advertised.

Some of the highlights included Easter Trains, 1940s weekend as well as Santa Specials and Bunkfest.

In 2018 we introduced online booking resulting in over 2,000 passengers being carried over the three weekends of Santa specials – an increase of 60% over the previous years.

Bunkfest also introduced late night trains to the Cholsey and Wallingford for the first time – these were run with the help of the Bunkfest committee in advertising the trains at the festival and using their social media.

To view the Society's operating timetable and for further information visit its website [www.cholsey-wallingford-railway.com](http://www.cholsey-wallingford-railway.com)

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

#### Fish 'n' Chip Specials & Cream Teas

"Fish 'n' Chip Special" evenings and Cream Tea specials have brought additional visitors to the line. The ongoing popularity of these events has ensured they will be continued during 2019, with some cream teas specials selling out in advance.

#### Maidenhead Canopy

The original Canopy at Maidenhead Station was probably installed in the 1880's and may even have stood at another station before being used at Maidenhead; it was certainly at Maidenhead during the time that Broad Gauge locomotives were still in use on the Great Western Railway. Unfortunately, the CrossRail project required the removal of this historic structure and the Cholsey and Wallingford Railway managed to persuade Network Rail that it should be removed, preserved and re-erected at Wallingford.

In the process of removing it from Maidenhead, the structure suffered considerable damage. After an initial assessment, conducted during 2016 by the Morton Partnership and financed by the award of a grant for c £14,500 from the Railway Heritage Trust (RHT), it was decided to seek further funding from the RHT to finance the complete repair and erection of the structure.

Further details on the progress of this major project are to be found in the publication of the Society – The Bunk.

## **Financial Review**

### Resources

The majority of income in the year, came from one-off grants from the Railway Heritage Trust in relation to the Maidenhead Canopy. The majority of the expenditure relates to the Maidenhead canopy. The level of income and expenditure in 2018 related to the Canopy project is unlikely to be repeated in 2019.

Excluding these elements around two-thirds of the income relates to revenue generated by charitable operations. Donations and Membership income increased in the year, as did other income as a result of the ad-hoc hire to contractors testing equipment as part of the Great Western Mainline upgrade programme.

Of the outgoing resources, 98% was utilised for the direct charitable objectives of the charity.

There was a surplus for the year of £21,510 (2017: £6,324), as the charity benefited from ad-hoc hire of the railway from contractors involved in the Great Western Mainline upgrade.

### Investment policy

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

### Reserves policy

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

## **Trustees responsibilities in relation to the financial statements**

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

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

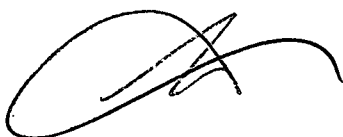
The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

### **Trustees**

The Directors set out have held office for the entirety of the period from 1 January 2018 to the date of this report:

Mr M F Kidley	Chairman
Mrs C Fitzmaurice	
Mr D M Goodenough	
Mr T C Mackie	
Mr D R Mannering	
Mr J Stanford	
Dr A D Stead	

Approved by the Trustees and signed on their behalf by:



Mr M F Kidley  
Chairman  
Cholsey & Wallingford Railway Preservation Society

Date: 2 October 2019

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Statement of Financial Activities and Income & Expenditure account for the year ended 31 December 2018

	<u>Notes</u>	<u>Unrestricted funds</u>	
		<u>2018</u>	<u>2017</u>
		£	£
<b>Income:</b>			
a) Generated funds:			
i) voluntary income:			
- donations & membership subscriptions		4,409	3,112
ii) activities for generating funds:			
- other income	3	1,220	2,150
b) Charitable activities:	4	46,633	35,978
c) Investment:	5	43	2
d) Grants:	6	318,107	18,811
e) Other:	7	16,007	7,613
<b>Total income:</b>		<b>386,419</b>	<b>67,666</b>
<b><u>Expenditure:</u></b>			
a) Costs of raising funds:			
- voluntary income / activities for generating funds	8	250	1,001
b) Charitable activities:	9	43,188	38,292
c) Grants:	10	320,352	20,874
d) Governance:	11	1,119	1,175
<b>Total expenditure:</b>		<b>364,909</b>	<b>61,342</b>
<b>Net income / (expenditure) and net movement in funds for the year</b>	12	<b>21,510</b>	<b>6,324</b>
<b>Total funds brought forward:</b>		<b>63,517</b>	<b>57,193</b>
<b>Total funds carried forward:</b>		<b>85,027</b>	<b>63,517</b>

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

All income and expenditure derives from continuing activities.



COMPANY  
NUMBER: 01927652

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Balance Sheet at 31 December 2018

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	13	23,644	25,186
Investments	14	180	180
		<u>23,824</u>	<u>25,366</u>
<b>Current Assets</b>			
Stock		1,133	2,266
Debtors	15	2,345	1,485
Cash at bank and in hand		60,497	39,524
		<u>63,975</u>	<u>43,275</u>
<b>Current Liabilities:</b>			
Creditors: Amounts falling due within one year	16	2,772	5,124
		<u>61,203</u>	<u>38,151</u>
<b>Net Current Assets / (Liabilities)</b>			
		85,027	63,517
<b>Total Assets less Current Liabilities</b>			
Creditors: Amounts falling due after more than one year	17	0	0
		<u>85,027</u>	<u>63,517</u>
<b>Funds</b>			
Unrestricted Fund		85,027	63,517
		<u>85,027</u>	<u>63,517</u>

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

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

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

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

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



Mr M F Kidley (Vice-Chairman)

Date: 11 October 2019

The notes on pages 9 to 14 form part of these financial statements

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

### 1. Accounting policies

#### a) Basis of preparation

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

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

#### b) Preparation of the accounts on a going concern basis

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

#### c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of any of the purposes of the charity.

#### d) Income recognition policies

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

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

#### e) Expenditure

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

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

1. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

2. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and any costs linked to the strategic management of the Charity
3. Overheads, including office expenses, have been allocated to the main Charitable Activities

f) Tangible fixed assets

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

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

As the rolling stock and the signal and telegraph equipment are considered artefacts, depreciation of these items ceased to be provided for as of 01.01.2000.

g) Stock

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

h) Recognition of liabilities

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

i) Corporation tax

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

j) Operating lease

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

## 2. **Legal status of the Charity**

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability of each member in respect of the guarantee is limited to £1.

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
<b>Note 3</b>		
<b>Activities for generating funds</b>		
Raffle	1,220	1,028
Sponsorships	0	1,122
	<u>1,220</u>	<u>2,150</u>
<b>Note 4</b>		
<b>Charitable Activities</b>		
Passenger receipts	44,451	31,172
Café receipts, On-Board sales & Shop Receipts	2,182	4,806
	<u>46,633</u>	<u>35,978</u>
<b>Note 5</b>		
<b>Investment Income</b>		
Interest received	43	2
<b>Note 6</b>		
<b>Grant Income</b>	<b>318,107</b>	<b>18,811</b>
The vast majority of grant income has come from the Railway Heritage Trust relating to the 'Maidenhead Canopy' Project		
<b>Note 7</b>		
<b>Other Income</b>		
Indirect taxation refunds	0	3,624
Gift Aid	0	421
Use of facilities	16,007	650
Sale of scrap batteries	0	918
Sale of water tower	0	2,000
	<u>16,007</u>	<u>7,613</u>
<b>Note 8</b>		
<b>Cost of Generating Voluntary Income</b>		
"The Bunk" magazine	0	737
Raffle costs	250	264
	<u>250</u>	<u>1,001</u>

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

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

		<u>2018</u>	<u>2017</u>
		£	£
<b>Note 9</b>	<b>Charitable Activities</b>		
	Operating Expenses	<b>43,188</b>	<b>38,292</b>
<b>Note 10</b>	<b>Grant Expenditure</b>	<b>320,352</b>	<b>20,874</b>
<b>Note 11</b>	<b>Governance cost</b>		
	Legal & professional	234	186
	Trustee Indemnity insurance	830	821
	Other	55	168
		<b>1,119</b>	<b>1,175</b>
<b>Note 12</b>	<b>Net incoming resources for the year</b>		
	This is stated after charging:		
	Depreciation	<b>1,542</b>	<b>1,286</b>

No Trustee received remuneration or expenses during the year

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

	2018	2017
	£	£
Note 9		
Charitable Activities		
(Operating Expenses)	43,188	38,303
Note 10		
Grant Expenditure	320,323	20,824
Note 11		
Governance cost		
Legal & professional	334	180
Trustee indemnity insurance	830	831
Other	22	108
	<u>£119</u>	<u>£119</u>
Note 12		
Net incoming resources for the year		
(This is stated after charitable depreciation)	1,243	1,280

No Trustee received remuneration or expenses during the year

# **CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY**

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

### **Note 13 Tangible Fixed Assets**

	<u>Track &amp; Ballast</u>	<u>Rolling Stock</u>	<u>Land &amp; Buildings</u>	<u>Signal &amp; Telegraph</u>	<u>Plant &amp; Machinery</u>	<u>Catering &amp; Other</u>	<u>Office Equipment</u>	<u>Total</u>
	£	£	£	£	£	£	£	£
<u>Cost</u>								
At 1/1/2018	30,575	9,105	13,032	879	5,684	4,368	1,417	65,060
Additions								0
<b>At 31/12/2018</b>	<b>30,575</b>	<b>9,105</b>	<b>13,032</b>	<b>879</b>	<b>5,684</b>	<b>4,368</b>	<b>1,417</b>	<b>65,060</b>
<u>Accumulated Depreciation</u>								
At 1/1/2018	14,396	3,476	10,636	176	5,407	4,367	1,416	39,874
Charge for the year	611		652		277	1	1	1,542
<b>At 31/12/2018</b>	<b>15,007</b>	<b>3,476</b>	<b>11,288</b>	<b>176</b>	<b>5,684</b>	<b>4,368</b>	<b>1,417</b>	<b>41,416</b>
<u>Net Book Values</u>								
At 31/12/2018	15,568	5,629	1,744	703	0	0	0	23,644
At 31/12/2017	16,179	5,629	2,396	703	277	1	1	25,186

### **Note 14 Investment**

Cost	£
At 1 January 2018 and at 31 December 2018	180

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

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

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

	<u>2018</u>	<u>2017</u>
	£	£
<b>Note 15 Debtors</b>		
Trade debtors	0	1,176
Accrued income	0	309
VAT receivable	2,345	0
	<u>2,345</u>	<u>1,485</u>

<b>Note 16 Creditors - Amounts falling due within one year</b>		
Trade creditors	1,652	4,504
Accrued expenditure	1,120	620
	<u>2,772</u>	<u>5,124</u>

### **Note 17 Obligations Under Leases**

At 31 December 2017 the charity made the following payments under non-cancellable operating leases:

Land and buildings:		
Operating Leases which expire over 5 years	2,438	2,438