

Report of the Trustees  
and  
Unaudited Financial Statements for the Year Ended 31 March 2022  
for  
Somerset & Dorset Railway Heritage Trust

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

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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 2022. 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 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and Activities**

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 Company is effectively owned by the Trust and 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 2021-22, ending in March 2022 but with inevitable cross-references to Company activity. Covid continued to affect the railway during the whole of this period as heritage railways generally started to recover from the effect of lockdowns and the restrictions imposed by central government. The Company was able to run its Santa Specials in December 2021 and these proved to be very popular with families visiting from across the south west. We were one of the few railways that were able to operate at the time and the results were reflected in the increase of gifted profits from Company to Trust.

The opportunity was taken to continue with the restoration of a number of vehicles and this has continued apace. We said farewell to two well used vehicles over many years, the ex-Virgin Mark 3 buffet (replaced with the fully restored Restaurant Miniature Buffet (RMB) and the DMU Trailer Composite Lavatory (TCL) which was used as an office, mess room and Board Room over many years. The Trust purchased the Midland Mark 1 Group's Second Composite (SK) on favourable terms from its consortium of members. Covid meant that volunteering, which had been concentrated primarily on Sundays for the track gang and Mondays for everyone else was stretched over more days in the week and since the restrictions were lifted that volunteering pattern has continued broadly unchanged with the buildings team, CME/carriage and wagon team on one day, the gardening team on another and the signalling team on another. Monday still continues to be the day when most work is carried out on site, but volunteers are welcome on all other working days.

Covid also saw Trust meetings carried out on Microsoft Teams and that pattern has continued with monthly meetings. It has also been possible to have specific subject meetings interspersed between the monthly meetings and decision taking also carried out by email to ensure that the project momentum is maintained. Members will recall that a key aspect of the Outline Planning Application was a substantial application for funding made to the Heritage Lottery Fund and whilst the application proceeded to the second stage, it, like every other application made just before the pandemic struck, was then rejected so that HLF funds could be allocated to the more urgent needs created by the pandemic.

Although the Trust made a further application to the HLF, again for a substantial sum, we now did not meet the changes in criteria being applied. The application was rejected by the HLF although they did suggest we apply for a substantially reduced sum instead. This we have yet to follow up simply because the new criteria are unaltered and our project would still not fit. This is particularly disappointing when the case we had in the original application was considered to be strong.

Despite this work continued apace on the Somervale Sidings element of the OPA working towards laying sidings on the land the Trust owns. In the meantime we came to an agreement with David Shearn on his additional land on which we have now begun to construct an alternative permissive path so that the current path can eventually be released for siding space. Planning for an upgraded and extended toilet block was also started. Negotiations also continued to purchase land at the far end of the line where a depot will be located in due course. Also work was started on what the longer funding requirement might be to extend the line northwards to Radstock level crossing.

### **Volunteers**

The Trust continues to value all its members whether sedentary or active but working volunteers are particularly appreciated. Sadly we lost a few prominent members over the period in question a number of whose ashes have been scattered at the station. The value of volunteer contributions based at around £50 per day was reduced substantially from over £200K in 2019/20 to £50K in 2020/21 but has now recovered and is estimated to be moving towards £300K. We continue to attract more volunteers to the site and the camaraderie that was lost during the pandemic has at last returned.

## **ACHIEVEMENT AND PERFORMANCE**

### **Achievement & Performance**

#### **Overview of the year and project development**

Mention has already been made of the post pandemic increase in services provided by the Company. The Company was able to extend the hire of Austin 1 from the Llangollen Railway and she continues to provide regular steam services alongside resident Sentinel Joyce which is currently the subject of an appeal to purchase her. The Trust's BR Class 08 and the loaned BR Class 03 have performed well although not without some occasional problems. The Trust's other diesel English Electric D1120 is still at Rowsley for the fitting of vacuum braking which should be completed in the current financial year paid for by the generosity of one of our members.

With regards to coaching stock as in previous years the expertise shown in keeping the current three coaches in working order by the small but dedicated team has recently been applied to the SK with its complete refurbishment in the "house" moquette. The SK at Cranmore has had some work done to make it watertight but a decision on further work and its location will be made in this financial year.

We are particular grateful to the membership for helping fund the overarching aim of creating a coal train of the type that graced Midsomer Norton's metals in the 1950s and 1960s. Two Grampus wagons await restoration and further work on the mineral wagons was undertaken. Work also started on a CCT that was previously at Bitton and this has been beautifully restored by the team and is now in use as the Company's Emporium for second hand books, model railway equipment and a donated N gauge model layout of Midsomer Norton that is currently being reconstructed inside the CCT by volunteers.

#### **Site developments**

As already mentioned, work continues apace regarding Somervale Sidings. The Trust engaged Mott MacDonald to carry out the necessary work which has entailed numerous reports (archaeological, environmental and more recently site drilling to understand the underlying structure) - this essential background work in the build up to the planning application continues into the current financial year.

Similar work has been undertaken at the Tunnel Lane site prior to and after its purchase and a planning application to Mendip Council is in preparation.

#### **Railway and commercial operations**

The Trust continued to support the S&DJR Company in all the events it was able to organise with Trust volunteers taking on safety critical roles for the Company and providing support staff for all events.

#### **Membership**

Total membership as at March 2022 stood at 1097 down from 1100 in March 2021. Sadly a dozen members passed away and with the financial difficulties that arose with the pandemic we saw over 20 who did not renew over the year. However the fact that we have only a net loss of 3 individuals was good. Just how the even worse financial circumstances that are affecting everyone currently will pan out as regards membership renewals is yet to be seen. The Trust thanks Vivienne Taylor for all her work as Membership Secretary aided by John Baxter. Can we again repeat the plea to let us know home address, telephone and email address changes as they occur and when you receive a request to pay your sub but decide not to renew to let Vivienne know so that further reminders are not needed. Also a plea to those who were asked to increase their subs for this financial year but then failed to do so to look at your standing orders to check that they reflect the correct membership fee and ask your bank to change them before the next renewal.

#### **Heritage**

The museum has opened regularly once again with a select band of willing helpers. The continued association with the S&DJR at Washford has resulted in a number of artefacts from there being relocated to Midsomer Norton for which the Trust is grateful.

#### **Buildings**

The Buildings Team had no serious issues to contend with during the financial year and their numbers have been boosted recently with additional volunteers.

#### **Gardens**

The Gardening Team now meets on Tuesdays and continues to provide a service that reflects the heyday of the railway when it regularly won prizes for the Best Kept Station.

### **Press and Publicity**

The enhanced website has been instrumental in keeping the public informed of events and appeals whilst full use of social media such as Facebook and Instagram is increasingly being made to publicise appeals and events and changes to timetables that were unforeseen. We have over 7000 followers on Facebook. The donations element via the website has proven to be very useful and for the Company the Digi Tickets system has proven to be a great success.

### **Safety considerations**

Safety remains paramount both in relation to the site overall, the running lines and train provision. The Trust carries out an annual inspection of the facilities to address all safety issues and create the necessary budget allocations to cover urgent or ongoing needs. In line with the recommendation of the Heritage Railway Association Operating & Safety committee the Trust considers the most recent safety issues and any reported incidents as its first Agenda Item.

### **Governance**

Trustees meet regularly every month to discuss policy and other matters. The Chairman, Secretary and Finance Director are appointed at the first meeting after the AGM. Sub committees of the Trust will be created where necessary but any spending decisions of those sub committees, unless specifically delegated will be ratified by a majority of Trustees. Where a meeting is not imminent, such decisions will be done by email but these are now ratified at the next available meeting. At present all meetings are via Microsoft Teams, Company minutes are a regular agenda item for Trust meetings and vice versa and joint meetings of the Company Directors and Trustees are held as and when necessary. Conference calls on specific areas are also held where necessary. Both Trust and Company have embraced the Heritage Railway Association. Office of Road & Rail Risk Management Maturity Module (known as RM3) to help them assess 10 areas essential for the running of a heritage railway including Governance, Competence and Risk Assessment. RM3 is a self-assessment tool designed to increase safety on all heritage railways and instil a culture of continuous improvement.

The Trust sets an annual income and expenditure budget. It will alter this where circumstances change (e.g. reducing expenditure if income is expected to be lower than expected). Budget holders can spend up to the limit of their budget but have to take cognisance of Trust cash flow in consultation with the Finance Director - expenditure is expected to be spread across the whole of the financial year. Where a newly proposed item of expenditure arises the budget holder must complete a budget justification form which also sets out where the income to cover the expenditure will be found.

The Trust holds a special interest bearing legacy account and has the power to invest such income as it sees fit using independent financial advice. Trustees, on the advice of the Finance Director agreed that it would be prudent to place £300K into two medium and long term investment accounts. With the Ukrainian crisis and general economic problems this has affected the value of these investments but the Trust remains confident that this will produce income enhancement over both the medium and long terms.

The Trust maintains a minimum of two signatories to pay invoices and sign any legal documents that may have a subsequent financial commitment and two signatories are needed to change any aspects of the Trust's accounting procedures or the primary user. As in any business situation, Trustees are not obliged to accept the lowest quotation or to seek a minimum of three quotations for every contractual obligation they enter into. Whilst this would be the ideal, Trustees have the right to consider other aspects than simple financial costs. All such decisions will be minuted for audit purposes. In all financial aspects, the Trust follows, where applicable, Charity Commission's guidelines for financial propriety.

### **Trustee Changes**

There were no Trustee changes during the course of the financial year.

### **Formal links to our local schools**

The Trust has special formal links to our 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 also have strong links to Fosseway special school, and we have now started to forge links with the new Norton Hill Primary.

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

2021-22 saw us continuing and enhancing the links with our local councils. These will be essential as we look to expand our operations on the existing single and double track sections and then north and south.

### **Liaison with other Somerset & Dorset organisations**

The Trust continues to maintain links with the various organisations either on the S&D or associated with it.

### **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 occasionally to discuss matters of mutual concern.

### **The wider Community**

The ambitions of the Trust acknowledge the heritage value of the Somerset and Dorset Railway line and the heritage value of Midsomer Norton Station. In addition, the Trust has an increasing understanding of the opportunity the Trust has to bring social, economic, health, well-being and environmental benefits to the community of Midsomer Norton and its hinterland. With the expansion of reopened sections of line, there is also the potential to perhaps improve the economic fortunes and the social, health and environmental prosperity of neighbouring communities and to connect these communities with all of the recognised benefits that result from this.

### **Publications**

The S&D Telegraph has been issued on a regular basis throughout the year with Graham Findley and Julian Jefferson providing the editorial team. This continues to attract praise for its content and professionalism.

### **Communications with members**

Apart from social media and our website we have also started to use the secure system called Mail Chimp to contact individual Trust members regarding appeals. Clearly we can only use this to contact those members who have provided a valid email address. As time goes on we will seek to use this to approach members relating to the renewal of their annual membership. We still have a round 200 members who do not have an email address or if they do have not contacted us about this - they will continue to receive paper copies of communications but if you wish us to switch over to using an email address please let the Trust Secretary or Membership Secretary know (address details are in every Telegraph). The current cost of sending out AGM papers for example is in the region of £600 and increasing every year.

### **Financial Review [Summary]**

Financial results for 2021-22 were on budget with outgoings of £75141 against income of £114415. Major routine spending was again on membership (including the Telegraph), insurance and utilities. Main routine income sources were the transferred surplus from the Company, membership fees, legacies and donations.

### **Prospects for 2022-23**

There are two over-riding priorities entering 2022-23. The first continues to be working towards the release of the planning conditions and starting work on the Somervale site. The second is supporting the Company with the consolidation of regular and more frequent public train services with its increased operating days.

Other high priorities continue to be major fund-raising for capital developments alongside the Peter Sainsbury legacy and the associated planning applications that will be required for specific building proposals, attracting more volunteers in all areas and recruiting new younger and more diverse Trustees, Company Directors and service managers and completing any resultant land negotiations. Finally we wish to ensure that all members who are eligible for Gift Aid have signed the necessary documentation to enable us to enhance every donation by 25%.

The current economic crisis is already starting to be felt in reduced general donations as opposed to targeted appeals but the serious issues for the Trust and Company will be the massive hike in energy costs (we only use electricity), coal and diesel fuel costs. A mid-year review of the budget is inevitable especially once we find out by how much our uncapped electricity costs will increase at the end of the current fixed contract that lasts until end of September.

## 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. Benefit reporting should be proportionate and appropriate to the charity's circumstances. This table shows benefits provided in 2021-22.

#### CHARITY OBJECTS (from Memorandum of Association).

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

<b>CORRESPONDING CLASS OF PUBLIC BENEFIT</b>	<b>ACTIVITIES PROVIDING BENEFITS IN 2021-22</b>	<b>PRINCIPAL BENEFICIARIES</b>
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 environmentalconservation	Extension of trackbed in accordance with environmental considerationsfor 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 andassociated 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.

## **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 next AGM when he or she would need to stand for election for the remainder of the term of the vacancy. 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 Company and thus the Trust own the rights to the production of the Somerset & Dorset Railway Company crest but allows those organisations with a direct S&D link to use this free of charge

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 including railway operations (including the hiring in of visiting locomotives and coal purchased for their operation), catering and the shop 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, 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, appointing consultants as deemed necessary, the purchase 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.

### **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 (BARHG) which comprises of a number of heritage railways based in Somerset, Wiltshire, Bristol, Gloucestershire, South Gloucestershire, Bath & North East Somerset, Gloucestershire and South Wales.

The Trust has pre-pandemic periodically met informally with The Somerset & Dorset Railway Trust, The North Dorset Railway Trust (based at Shillingstone on the S&D), The New Somerset & Dorset Railway (which promotes full restoration of the S&D), the Gartell Railway and those volunteers restoring Spetisbury and Midford Stations and hopes to be able to resume these post-pandemic.

## **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 - Company Secretary  
Joseph Cosgrave - Agenda and Minutes Secretary  
Terence Rodgers  
Malcolm Barton - Finance Director  
Roger Burfitt - Vice Chairman  
Brian Litherland  
Barrie Papworth  
Stephen Lacey - Chairman  
Philip Howard Jones

**Independent Examiner**

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

**Bankers**

HSBC  
41 Southgate Street  
Bath  
Somerset  
BA1 1TH

**Legal Advisers**

Thatcher & Hallam  
Island House  
Midsomer Norton  
BA3 2HJ

**Insurance Brokers**

**We insure Aviva which is a recognised insurer for a number of heritage railways through:**

Ernest R Shaw Ltd  
Heritage Rail Unit 9  
Caroline Point  
62 Caroline Street  
Birmingham B3 1UF

**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 the Board of Trustees on 25 August 2022 and signed on its behalf by:

Stephen Lacey - Trustee

**Independent examiner's report to the trustees of 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 2022.

**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

25 August 2022

Statement of Financial Activities for the Year Ended 31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		82,303	22,798	105,101	76,934
Investment income	2	22	-	22	77
Other income		<u>9,292</u>	<u>-</u>	<u>9,292</u>	<u>29,748</u>
<b>Total</b>		<u>91,617</u>	<u>22,798</u>	<u>114,415</u>	<u>106,759</u>
<b>EXPENDITURE ON</b>					
Raising funds		63,683	11,458	75,141	81,178
Net gains on investments		<u>3,500</u>	<u>-</u>	<u>3,500</u>	<u>-</u>
<b>NET INCOME</b>		31,434	11,340	42,774	25,581
<b>Transfers between funds</b>	13	<u>19,276</u>	<u>(19,276)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		50,710	(7,936)	42,774	25,581
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>608,404</u>	<u>185,483</u>	<u>793,887</u>	<u>768,306</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>659,114</u></u>	<u><u>177,547</u></u>	<u><u>836,661</u></u>	<u><u>793,887</u></u>

Balance Sheet  
31 March 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	7	193,290	63,720	257,010	172,269
Heritage assets	8	36,122	96,329	132,451	133,945
Investments	9	<u>314,766</u>	<u>-</u>	<u>314,766</u>	<u>305,474</u>
		544,178	160,049	704,227	611,688
<b>CURRENT ASSETS</b>					
Stocks	10	402	-	402	1,236
Debtors	11	11,501	-	11,501	12,442
Cash at bank		<u>106,518</u>	<u>17,499</u>	<u>124,017</u>	<u>172,369</u>
		118,421	17,499	135,920	186,047
<b>CREDITORS</b>					
Amounts falling due within one year	12	(3,485)	(1)	(3,486)	(3,848)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET CURRENT ASSETS</b>		<u>114,936</u>	<u>17,498</u>	<u>132,434</u>	<u>182,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>659,114</u>	<u>177,547</u>	<u>836,661</u>	<u>793,887</u>
<b>NET ASSETS</b>		<u><u>659,114</u></u>	<u><u>177,547</u></u>	<u><u>836,661</u></u>	<u><u>793,887</u></u>
<b>FUNDS</b>	13				
Unrestricted funds				659,114	608,404
Restricted funds				<u>177,547</u>	<u>185,483</u>
<b>TOTAL FUNDS</b>				<u><u>836,661</u></u>	<u><u>793,887</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25 August 2022 and were signed on its behalf by:

Stephen Lacey - Trustee

## 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 2019)', 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, as modified by the revaluation of certain assets.

The accounts have been prepared by the Trustees on a going concern basis which they consider appropriate, having taken into consideration the uncertainty of the future trading activities of the Trust over the next twelve months caused by the Covid-19 pandemic.

### Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions 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.

### Fund accounting

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

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

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**

	31.3.22	31.3.21
	£	£
Bank interest	<u>22</u>	<u>77</u>

**3. NET INCOME/(EXPENDITURE)**

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

	31.3.22	31.3.21
	£	£
Depreciation - owned assets	11,553	8890
Surplus on disposal of fixed assets	<u>(9,292)</u>	<u>(29,748)</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

**5. STAFF COSTS**

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

	31.3.22	31.3.21
	<u>9</u>	<u>9</u>
Trustees		

No Trustees received emoluments during the year ended 31 March 2022 nor for the year ended 31 March 2021.

## Notes to the Financial Statements for the Year Ended 31 March 2022- continued

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	56,772	20,162	76,934
Investment income	77	-	77
Other income	<u>29,748</u>	<u>-</u>	<u>29,748</u>
<b>Total</b>	<u>86,597</u>	<u>20,162</u>	<u>106,759</u>
<b>EXPENDITURE ON</b>			
Raising funds	72,964	8,214	81,178
<b>NET INCOME</b>	13,633	11,948	25,581
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>594,771</u>	<u>173,535</u>	<u>768,306</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>608,404</u>	<u>185,483</u>	<u>793,887</u>

**7. TANGIBLE FIXED ASSETS**

	Rolling stock £	Fixtures and fittings £	Buildings and grounds etc £	Totals £
<b>COST</b>				
At 1 April 2021	197,236	9,782	18,854	225,872
Additions	<u>40,144</u>	<u>-</u>	<u>56,150</u>	<u>96,294</u>
At 31 March 2022	<u>237,380</u>	<u>9,782</u>	<u>75,004</u>	<u>322,166</u>
<b>DEPRECIATION</b>				
At 1 April 2021	46,600	3,677	3,326	53,603
Charge for year	<u>9,693</u>	<u>427</u>	<u>1,433</u>	<u>11,553</u>
At 31 March 2022	<u>56,293</u>	<u>4,104</u>	<u>4,759</u>	<u>65,156</u>
<b>NET BOOK VALUE</b>				
At 31 March 2022	<u>181,087</u>	<u>5,678</u>	<u>70,245</u>	<u>257,010</u>
At 31 March 2021	<u>150,636</u>	<u>6,105</u>	<u>15,528</u>	<u>172,269</u>



## Notes to the Financial Statements for the Year Ended 31 March 2022- continued

**8. HERITAGE ASSETS**

	Total £
<b>MARKET VALUE</b>	
At 1 April 2021	176,783
Additions	<u>5,501</u>
At 31 March 2022	<u>182,284</u>
<b>PROVISIONS</b>	
At 1 April 2021	42,838
Charge for year	<u>6,995</u>
At 31 March 2022	<u>49,833</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>132,451</u>
At 31 March 2021	<u>133,945</u>

**9. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Listed investments £	Totals £
<b>MARKET VALUE</b>			
At 1 April 2021	1,000	304,474	305,474
Revaluations	<u>-</u>	<u>9,292</u>	<u>9,292</u>
At 31 March 2022	<u>1,000</u>	<u>313,766</u>	<u>314,766</u>
<b>NET BOOK VALUE</b>			
At 31 March 2022	<u>1,000</u>	<u>313,766</u>	<u>314,766</u>
At 31 March 2021	<u>1,000</u>	<u>304,474</u>	<u>305,474</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2022 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2022	-	313,766	313,766
Valuation in 2022	<u>1,000</u>	<u>-</u>	<u>1,000</u>
	<u>1,000</u>	<u>313,766</u>	<u>314,766</u>

**9. FIXED ASSET INVESTMENTS - continued**

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

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

31.3.22	31.3.21
£	£
<u>40,150</u>	<u>33,150</u>

Aggregate capital and reserves

**10. STOCKS**

31.3.22	31.3.21
£	£
<u>402</u>	<u>1,236</u>

Stock of fuel

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

31.3.22	31.3.21
£	£
2,609	7,478
<u>8,892</u>	<u>4,964</u>
<u>11,501</u>	<u>12,442</u>

Amounts owed by group undertakings

Other debtors

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

31.3.22	31.3.21
£	£
836	1,956
<u>2,650</u>	<u>1,892</u>
<u>3,486</u>	<u>3,848</u>

Trade creditors

Accrued expenses

## Notes to the Financial Statements for the Year Ended 31 March 2022- continued

## 13. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
General fund	608,404	31,434	19,276	659,114
<b>Restricted funds</b>				
Carriage & Wagon Fund	10,888	(142)	(5,833)	4,913
Museum Fund	1,385	(89)	-	1,296
Track and Land Fund	119,308	(4,920)	(1,856)	112,532
Diesel Fund	7,455	(373)	-	7,082
Building Fund	-	(16)	16	-
Heritage Coaching Stock Fund	24,038	(722)	-	23,316
TCL Coach	2,765	-	-	2,765
Toilets	824	-	-	824
Wickham Trolley Fund	3,271	(157)	(122)	2,992
Diesel 1120 Fund	8,000	-	(8,000)	-
SK Purchase Fund	-	14,533	-	14,533
Truck Fund	681	-	-	681
CSK Coach Appeal	<u>6,868</u>	<u>3,226</u>	<u>(3,481)</u>	<u>6,613</u>
	<u>185,483</u>	<u>11,340</u>	<u>(19,276)</u>	<u>177,547</u>
<b>TOTAL FUNDS</b>	<u>793,887</u>	<u>42,774</u>	<u>-</u>	<u>836,661</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	91,617	(63,683)	3,500	31,434
<b>Restricted funds</b>				
Carriage & Wagon Fund	-	(142)	-	(142)
Museum Fund	490	(579)	-	(89)
Track and Land Fund	150	(5,070)	-	(4,920)
Diesel Fund	-	(373)	-	(373)
Building Fund	-	(16)	-	(16)
Heritage Coaching Stock Fund	-	(722)	-	(722)
Wickham Trolley Fund	-	(157)	-	(157)
SK Purchase Fund	16,416	(1,883)	-	14,533
Truck Fund	2,168	(2,168)	-	-
CSK Coach Appeal	<u>3,574</u>	<u>(348)</u>	<u>-</u>	<u>3,226</u>
	<u>22,798</u>	<u>(11,458)</u>	<u>-</u>	<u>11,340</u>
<b>TOTAL FUNDS</b>	<u>114,415</u>	<u>(75,141)</u>	<u>3,500</u>	<u>42,774</u>

## Notes to the Financial Statements for the Year Ended 31 March 2022- continued

## 13. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
General fund	589,165	19,239	608,404
<b>Restricted funds</b>			
Carriage & Wagon Fund	4,621	6,267	10,888
Museum Fund	500	885	1,385
Track and Land Fund	84,273	35,035	119,308
Diesel Fund	7,847	(392)	7,455
Building Fund	(90)	90	-
Heritage Coaching Stock Fund	11,744	12,294	24,038
TCL Coach	2,911	(146)	2,765
Toilets	931	(107)	824
Masbury Appeal Fund	6,709	(6,709)	-
Masbury Residual Fund	230	(230)	-
Wickham Trolley Fund	3,315	(44)	3,271
Tamper Hire Fund	150	(150)	-
Diesel 1120 Fund	8,000	-	8,000
SK Purchase Fund	8,000	(8,000)	-
Land purchase Fund	40,000	(40,000)	-
Truck Fund	-	681	681
CSK Coach Appeal	-	6,868	6,868
	<u>179,141</u>	<u>6,342</u>	<u>185,483</u>
<b>TOTAL FUNDS</b>	<u>768,306</u>	<u>25,581</u>	<u>793,887</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	86,597	(72,964)	13,633
<b>Restricted funds</b>			
Carriage & Wagon Fund	-	(1,733)	(1,733)
Museum Fund	-	(60)	(60)
Signal Box Fund	-	(416)	(416)
Track and Land Fund	120	(5,085)	(4,965)
Diesel Fund	-	(392)	(392)
Heritage Coaching Stock Fund	12,294	-	12,294
TCL Coach	-	(146)	(146)
Toilets	-	(17)	(17)
Wickham Trolley Fund	-	(166)	(166)
Truck Fund	717	(36)	681
CSK Coach Appeal	7,031	(163)	6,868
	<u>20,162</u>	<u>(8,214)</u>	<u>11,948</u>
<b>TOTAL FUNDS</b>	<u>106,759</u>	<u>(81,178)</u>	<u>25,581</u>

## Notes to the Financial Statements for the Year Ended 31 March 2022- continued

**13. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
General fund	589,165	50,673	19,276	659,114
<b>Restricted funds</b>				
Carriage & Wagon Fund	4,621	(142)	(5,833)	(1,354)
Museum Fund	500	796	-	1,296
Track and Land Fund	84,273	30,115	(1,856)	112,532
Diesel Fund	7,847	(373)	-	7,474
Building Fund	(90)	74	16	-
Heritage Coaching Stock Fund	11,744	10,211	-	21,955
TCL Coach	2,911	-	-	2,911
Toilets	931	-	-	931
Masbury Appeal Fund	6,709	-	-	6,709
Masbury Residual Fund	230	-	-	230
Wickham Trolley Fund	3,315	(157)	(122)	3,036
Tamper Hire Fund	150	(150)	-	-
Diesel 1120 Fund	8,000	-	(8,000)	-
Land Purchase Fund	40,000	(40,000)	-	-
SK Purchase Fund	8,000	6,533	-	14,533
Truck Fund	-	681	-	681
CSK Coach Appeal	-	10,094	(3,481)	6,613
	<u>179,141</u>	<u>17,682</u>	<u>(19,276)</u>	<u>177,547</u>
<b>TOTAL FUNDS</b>	<u>768,306</u>	<u>68,355</u>	<u>-</u>	<u>836,661</u>

Notes to the Financial Statements for the Year Ended 31 March 2022- continued

**13. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains, losses & Tfirs £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	178,214	(136,647)	9,106	50,673
<b>Restricted funds</b>				
Carriage & Wagon Fund	-	(1,875)	1,733	(142)
Museum Fund	490	(639)	945	796
Signal Box Fund	-	(416)	416	
Track and Land Fund	270	(10,155)	40000	30,115
Diesel Fund	-	(765)	392	(373)
Building Fund	-	(16)	90	74
Heritage Coaching Stock Fund	12,294	(722)	(1,361)	10,211
TCL Coach	-	(146)	146	-
Toilets	-	(17)	17	-
Wickham Trolley Fund	-	(323)	166	(157)
Tamper Hire Fund	-	-	(150)	(150)
SK Purchase Fund	16,416	(1,883)	(8000)	6,533
Land Purchase Fund	-	-	(40,000)	(40,000)
Truck Fund	2,885	(2,204)	-	681
CSK Coach Appeal	<u>10,605</u>	<u>(511)</u>	<u>-</u>	<u>10,094</u>
	<u>42,960</u>	<u>(19,672)</u>	<u>(5606)</u>	<u>17,682</u>
<b>TOTAL FUNDS</b>	<u><u>221,174</u></u>	<u><u>(156,319)</u></u>	<u><u>3,500</u></u>	<u><u>68,355</u></u>

**14. CAPITAL COMMITMENTS**

In January 2019 the Board agreed to purchase land at a cost of £3000, plus all legal charges, from the estate of Clarice Wells deceased once Probate has been executed.

**15. 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.

**16. POST BALANCE SHEET EVENTS**

The Trustees have yet to draw down the residual balance in respect of a substantial legacy from the estate of Peter Sainsbury deceased.

Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	31.3.22 £	31.3.21 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	53,816	44,139
Covenant from Company	21,940	7,533
HMRC Gift Aid	7,820	-
Membership fees	14,126	12,897
Use of facilities	2,596	2,365
Miscellaneous income	3,450	-
Sale of scrap	1,353	-
Government Grants	-	10,000
	<u>105,101</u>	<u>76,934</u>
<b>Investment income</b>		
Bank interest	22	77
<b>Other income</b>		
Gain on revaluation of tangible fixed assets	<u>9,292</u>	<u>29,748</u>
<b>Total incoming resources</b>	<u>114,415</u>	<u>106,759</u>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Marketing and publicity	-	2,989
Carriage and wagon	6,375	1,883
Locomotives	5,591	6,800
Signals and telegraph	577	620
Buildings and grounds	10,266	3,197
Heat, light and power	4,042	5,952
Water	972	438
Postage and telephone	1,619	1,466
Administration	3,910	2,008
Insurance	7,499	7,160
Membership costs	7,973	8,610
Health and safety	2,739	642
Legal and professional charges	3,064	18,084
Rent	1,076	976
Bank charges	311	121
Heritage	579	60
Covid-19 expenses	-	2,706
Digi tickets	-	1,500
Depreciation	<u>18,548</u>	<u>15,966</u>
	<u>75,141</u>	<u>81,178</u>
<b>Total resources expended</b>	<u>75,141</u>	<u>81,178</u>
<b>Net income before gains and losses</b>	<u>39,274</u>	<u>25,581</u>

Somerset & Dorset Railway Heritage Trust

	<u>Detailed Statement of Financial Activities for the Year Ended 31 March 2022</u>	
	31.3.22	31.3.21
	£	£
<b>Realised recognised gains and losses</b>		
Realised gains/(losses) on fixed asset investments	<u>3,500</u>	<u>-</u>
<b>Net income</b>	<u><u>42,774</u></u>	<u><u>25,581</u></u>

This page does not form part of the statutory financial statements