

**THE STANDARD STEAM LOCOMOTIVE COMPANY
LIMITED**

(A Company limited by guarantee)

APPROVED REPORT & FINANCIAL STATEMENTS

30 April 2023

**Charity Number 1062320
Company Number 03192444**

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2023

CONTENTS	PAGES
Trustees/Directors and Professional Advisers	1
Trustees/Directors' Annual Report	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities (including Income and Expenditure account)	7 to 8
Notes to the Financial Statements	9

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

TRUSTEES/DIRECTORS AND PROFESSIONAL ADVISERS

YEAR ENDED 30 APRIL 2023

Trustees & Directors

Mr. A. England (Chairman)
Mr. I. Henderson
Mr. J. Hind
Mr. R. Ife
Mr A. Jones (retired 19th November 2022)
Mr. C. Jones
Mr. G. Turner
Mr. P. Waldron (retired 19th November 2022)

Company Secretary

Mr. S Loeber

Correspondence address

97 Pingle Road
Sheffield
S7 2LN

Independent Examiner

Mrs Eileen Osborn-King

Bankers

Lloyds Bank plc
Business Centre
PO Box 1000
BX1 1LT

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 30 APRIL 2023

The Trustees/Directors present their report and the financial statements of the Company for the year ended 30 April 2023, under the terms of the Memorandum and Articles of Association.

AIMS & OBJECTIVES

The Standard Steam Locomotive Company Limited ("the Charity") is an independent charitable company limited by guarantee, incorporated on 30 April 1996, and also registered as a charity in 1996. It was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the Charity being wound up the Directors are required to contribute an amount not exceeding £1.

The Charity's purposes are as set out in the objects contained in the Memorandum and Articles of Association, namely, to construct and operate a steam locomotive and to exhibit for public benefit, for educational and instructional purposes, a locomotive of historic or scientific importance. This involves specifically building a BR Standard "Clan" Class locomotive 72010 "Hengist" of lot 242 cancelled by BR in 1956, to prove the success of the Standard 6MT design and include the modifications that were to be made to Lot 242.

The aims of the Charity are to construct a modern, go anywhere, low maintenance, low running cost steam locomotive, to complement and help complete the story of the British Railways' Standard Class Locomotives. These aims fully reflect the purposes that the Charity was set up to further.

PUBLIC BENEFIT

The Charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the Charity's charitable purposes for the public benefit. The trustees/directors have complied with this duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission and have paid due regard to this guidance in deciding what activities the Charity should undertake.

ORGANISATION, MANAGEMENT and GOVERNANCE

The Charity is run by a Council of Management ("CofM") of up to 9 individuals who meet and correspond regularly and are responsible for its strategic direction and policy. The CofM participants include both Trustees & Directors. They come from a variety of professional backgrounds relevant to the work of the Charity. All individuals serving on the CofM give their time voluntarily and received no benefits from the Charity.

Those persons on the CofM, who served during the year under review, are set out on page 3.

New Members of the CofM are appointed on the basis of having appropriate experience and skills and are formally advised by existing Members as to their responsibilities and duties.

Under the requirements of the Memorandum and Articles of Association one third of the Members of the CofM retire each year but are eligible to be re-elected at the next Annual General Meeting (AGM). All Members appointed during the year are required to be elected at the next AGM.

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 30 APRIL 2023

The CofM conducts a periodic review of the major risks to which the Charity is exposed, and, where required, systems or procedures are established to mitigate the risks the Charity may face. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with the health and safety of volunteers and volunteers attending forums and supporting sales events. These are also periodically reviewed to ensure that they continue to meet the needs of the Charity and its members and volunteers.

THE COUNCIL OF MANAGEMENT

The individuals who served the Charity on the CofM during the period were as follows:

Mr. A. Jones (Chairman – until 9th October 2021; Director & Trustee)
Mr. A. England (Chairman – from 9th October 2021; Director & Trustee)
Mr. I. Henderson (Director & Trustee)
Mr. J. Hind (Director & Trustee)
Mr. R. Ife (Director & Trustee)
Mr. C. Jones (Director & Trustee)
Mr. G. Turner (Director & Trustee)
Mr. P. Waldron (Director & Trustee, retired 19th November 2023)
Mr A. Jones (retired 19th November 2022)
Mr P Lawne (appointed 16th February 2023)
Mr J Spenceley (appointed 16th February 2023)

TRUSTEES/DIRECTORS' RESPONSIBILITIES

Charity law requires the trustees/directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity at the end of the year and of the incoming and outgoing resources for the year ended.

In preparing the financial statements, they are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operational existence.

They are responsible for keeping proper accounting records which 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 relevant Companies Acts. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Charity is entitled to an exemption from the audit requirement contained in Section 477 of the Companies Act 2006 for the year ended 30th April 2023. No member of the Charity has deposited a notice pursuant to Section 476, requiring an audit of these accounts.

The Council of Management acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with Section 386 of the Act and for preparing accounts which give a true and fair view of the state of the affairs of the Charity as at the

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 30 APRIL 2023

end of the financial year in question and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 in relation to accounts, so far as applicable to the Charity.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

In the last year, the Council of Management (CofM) has continued to ensure that the Charity sustains progress towards the stated aim of the project, namely to construct and operate a steam locomotive for public benefit, thereby providing for both educational and instructional purposes, a locomotive of historic importance.

The completed sections of the locomotive (cab and smokebox) remain available for members and guests to inspect at open days and AGMs. The smokebox is now mounted on the frames complete with smoke deflectors and nameplates. The cab is currently being worked on with a view to fitting as many controls as is possible so that members and the public can view a more complete part of the locomotive than has been possible to date.

Considerable work has taken place over the last year on the front bogie. The side plates are now permanently fitted. Work is now concentrating on fitting the axle box guides, machining of which is complete. The wheelset component parts were sent to South Devon Railway Engineering for assembly. These were returned to us, certified for mainline running, some weeks later. Once the axle box guides and liners are fitted the wheels sets will be installed permanently in the front bogie.

The storage container which was made available to the project has been fitted with LED lighting powered by a solar panel. It has been fitted out with shelving and a work bench. Newly manufactured ferrous parts are catalogued and placed onto one of the numbered shelves until required in the assembly shop.

We have been gifted an LMS van body which has been delivered to our storage area at CTL Seal. This has now had a new floor fitted and shelving erected for storage of sales stock. New roofing felt has recently been fitted so that the van is now watertight. The exterior has been primed and undercoated ready for a final coat of Bauxite topcoat. Some repair work remains to be completed on the door but this can be opened and closed. It has been fitted with a padlock so the contents are secure. Nothing of great value is currently stored here until the work on the door can be completed.

Membership numbers continue to increase steadily. Membership leaflets continue to be placed around the country and in particular at the many preserved railways, with some success.

The project continues to get very favourable coverage in leading steam orientated railway magazines. A weekly update on various social media pages is conducted. These are very well received with many positive comments about progress made on a regular basis.

Members continue to receive two issues a year of the in-house magazine, which, as part of our rebranding exercise, has been renamed Hengist Herald. This details progress made in the preceding period and provides information on how they can assist in the promotion of the Charity's aims. During the year electronic newsletters have been introduced for those members with email addresses who are keen to receive more regular reports.

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 30 APRIL 2023

The finances of the Charity remain very healthy as will be seen elsewhere in this report. Costs remain under tight control, as the CofM continually concentrate on ensuring that the majority of funds raised go towards the project's main aim of building a new steam locomotive. We have also now appointed a professional fundraiser to assist in raising funds from previously untapped sources. This is proving to be a success and extra funding is becoming available to us as a result.

PRINCIPAL FUNDING SOURCES

Aside from income generated by sales of donated items and company merchandise, the principal funding source for the Charity remains monthly and ad-hoc donations, and legacies. In addition, the Charity continues to seek sponsorship and funding of parts and items which contribute towards the long-term building plans.

INVESTMENT POLICY

Aside from retaining a prudent amount to cover day-to-day expenses and costs, the Charity's funds are spent in the short term, leaving little scope for any long-term investment. The Council of Management remains of the opinion that this is the most appropriate course of action to meet the aims of the Charity.

RESERVES POLICY

The Council of Management is satisfied with the overall financial position of the Charity. They have examined the Charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby contracts for new components are entered into only as and when sufficient funds are available. In addition, funds are only committed if the expenditure is in line with the build plan. The strategy is to continue to build reserves through planned operating surpluses when possible.

Correspondence address:
97 Pingle Road
Sheffield
S7 2LN

Signed by order of the Chair:

A handwritten signature in black ink, reading "A England", enclosed within a thin black rectangular border.

Mr Andrew England (Trustee/Director & Chair)

Date : 22/08/2023

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

INDEPENDENT EXAMINER'S REPORT

YEAR ENDED 30 APRIL 2023

I report to the Charity trustees on my examination of the accounts for the year ended 30 April 2023 set out on pages 7 to 8.

RESPONSIBILITIES AND BASIS OF THE 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 do not require an audit under 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") and in carrying out my examination I have followed all the applicable 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 material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Society as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Signed:

Eileen Osborn-King

Date:

23/8/23

Name of Examiner:

Mrs Eileen Osborn-King

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES BALANCE SHEET

ENDED 30 APRIL 2023

		Total (Unrestricted) Funds		Total (Unrestricted) Funds
		2022/2023		2021/2022
		£	Notes	£
	INCOME			
	Membership Fees & Donations	52919		56192
	Gift Aid	6923		14000
	Bank Interest	393		16
	Sales Income	5387		11013
	Other Income	287		1174
		65909		82395
	EXPENDITURE			
	Parts - Orders	54407		50663
	Parts - Transport	250		240
	Legal, Professional & Fundraising Costs	7320		3865
	Charity expenses (meetings, travel etc)	700	2	539
	Insurance	2775		2866
	Sales - Stock purchases	1123		1278
	VAT (non-recoverable)	0	1e	126
	Interest/Bank Charges	26		97
	Advertising	1030		229
	Members - Postage & Packing	651		737
	Members - Printing, Incentives & Awards	979		1984
		69261		62624
	Surplus (Deficit) - Total	-3352		19771
	Balances brought forward	304005		284234
	-Deficit/Surplus	-3352		19771
	Balances carried forward	300653		304005

The notes on page 9 form part of these financial statements

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES BALANCE SHEET

ENDED 30 APRIL 2023

	2022 £	Notes	2021 £
FIXED ASSETS			
Locomotive Parts & Equipment	125000	3	125000
CURRENT ASSETS			
Cash at bank	171876		173300
Debtors	3777	4	5705
	175653		179005
NET ASSETS	300653		304005
CURRENT LIABILITIES			
Creditors (falling due within one year)	0		0
NET ASSETS less LIABILITIES	300653		304005
TOTAL FUNDS	300653		304005

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Charity are classed as continuing.

These Financial Statements were approved by the Trustees/Directors on the
and are signed on their behalf by:

Mr Andrew England
Trustee/Director & Chairman

A stylized, handwritten signature in black ink that reads "A England". The signature is enclosed within a rectangular box.

Date 22/08/2023

The notes on page 9 form part of these financial statements

THE STANDARD STEAM LOCOMOTIVE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of accounting

The financial statements have been prepared in accordance with the guidance issued by the Charity Commission (CC) for Charitable Companies with charitable income of between £25000 and £250000 per annum. Therefore, whilst they follow as far as possible the Statement of Recommended Practice "Accounting and Reporting by Charities", the trustees ensure that the accounts remain both clear and concise for members through the use of natural categories for income and expenditure.

(b) Fund of accounting

All funds are classed as unrestricted and available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

(c) Incoming resources

Voluntary income is received by way of subscriptions, donations and gifts and is included in full in the Statement of Financial Activities. Donated services and facilities are included at the value to the Charity where this can be quantified. Items donated for resale by the Charity are included as incoming resources within activities for generating funds when they are sold. Any investment income is included when receivable.

(d) Expenditure

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 necessary to support them.

(e) VAT

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

(f) Taxation

As a Charity, The Standard Steam Locomotive Co. Ltd. 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 objects.

2. TRUSTEE REMUNERATION

No members of the Council of Management received any remuneration during the year. Expenses related to those associated with the running of the Charity (AGM etc).

3. PARTS RE-VALUATION

The trustees/directors have considered the current value of the various parts held, together with progress made over the past year, and judge that the current figure remains appropriate, and that no further re-valuation is required at this time.

4. DEBTORS

£3778 is represented by the Q4 VAT re-claim (£2051) due from HMRC at 30 April 2023.