

REGISTERED COMPANY NUMBER: 03927595 (England and Wales)
REGISTERED CHARITY NUMBER: 1082199

TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022
FOR
GCR ROLLING STOCK TRUST

Harrison Beale & Owen Limited
Chartered Accountants
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

GCR ROLLING STOCK TRUST

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GCR ROLLING STOCK TRUST

TRUSTEES' REPORT for the year ended 31 July 2022

The trustees of the Rolling Stock Trust are pleased to present their report for the 22nd year of the trust concluded 31 July 2022, and to advise its supporters and all those who have the same interest in the saving and restoring of the last remaining fleet of GCR original railway carriages that, despite three critical restraints on its work and activities, the trust is in good financial heart. This is due to the encouragement and funding from our much appreciated donors.

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 aims

The aim of the trust is to conserve Great Central Railway carriages and to educate. To conserve, however, has also required essential research to take carriage restoration forward, especially as all vehicles were unceremoniously stripped bare of their interiors, the second most costly part of putting a vintage carriage back into public service.

Significant activities

The three restraints were, until weeks prior to the annual year end, near total prohibition of any physical work in the restoration of its Barnum no.228 by the GCRN Operating Company; further restrictions imposed by the Covid pandemic on any team-working together, with saddening consequences; and a total recasting of the board of the operating company which gave rise to a stalemate on the issue of a dedicated trust workshop. This trust was obliged to grant no further funds to progress the completion of Building no.4. The risk was deemed too great - and even today GCR(N) stability is not assured. We do not in any way exaggerate the critical state we are hoping to exit, with regard to the continuance of the trust's activities on site at the Heritage Centre.

The three main restraints have nevertheless brought major benefit in the work at home delivery through advanced computer use thankfully by Keith Stimpson and both fundamental and wide research led by Roger Penson. This work has helped to take forward component design for the two bogies - being heavy-overhauled by a most generous sponsor, Nemesis Rail - and into the design of water tanks; and the classic seating units which will equip the Barnum saloons. The trust work activities have reached a specific change point where manufacture by specialist contractors will provide major benefits from economies of scale and speeding of the restoration process. These factors will provide some compensation for the loss of those long serving much-valued personal skills, due to age-related withdrawal.

That however did not stop the team under leading trustees Pat Sumner CME and Deputy Chairman Tony Keeble from ensuring with supporter Gordon Maslin the completion of all aspects of outstanding work, and the fitting and final testing of the vacuum brake system on the Quintinshill Memorial Carriage MS&L No.946 to enable it to undertake passenger carriage. Thanks are very much due to the Nunckley Hill Rail Museum which maintains and displays to the public's delight.

We pay special tribute to our new Patron Colonel Edward Cowan for helping us to enhance our association with The Royal Scots (The Royal Regiment), which was brought together by our carriage being of the type involved in the Quintinshill catastrophe of May 1915 which killed or maimed so many.

The national contraction in charitable giving has also affected our finances - in particular new income sources - but prudent maintenance of the reserves built up over the years and minimal but essential expenditures have proved that the funds held can now help the Trust move forward positively into the next financial year.

Looking forward, the trust has set in motion a new and ambitious fundraising initiative for the next stages of the Barnum restoration, with the aim of raising a nominal £50,000 to add to existing funds with the intent of completion in three years - to complement the 125th anniversary of the 1899 opening of the enormous GCR enterprise of the new trunk express railway from Sheffield, via Nottingham, Loughborough and Leicester, to London.

This is a massive task for the trust which will be energetically seeking backers through sponsorship and aiming to exploit an increasingly successful and attractive project.

GCR ROLLING STOCK TRUST

TRUSTEES' REPORT for the year ended 31 July 2022

Parallel to this is the intention to stabilise the trust's base with a formal agreement relating to both accommodation and presence of a unique fleet of original GCR carriages which in time will be aimed to travel the original GCR route once again. While the first we hope will be completed within the year, the latter will still be much influenced by access to workshop, skilled team and generous benefactors.

Steps will continue during the coming year to develop relations with like-minded heritage carriage restoration groups to spread the funding and load of work required on the GCR original stock held by the Trust. Having rescued 8 vehicles in various states of dilapidation, there is intent only to hold them in reserve until conditions improve and prospects for their restoration become more favourable.

Public benefit

The Charity Commission in its "Charities and Public Benefit" Guidance states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit; firstly, there must be an identifiable benefit and secondly, that the benefit must be to the public or a section of the public. The Trustees are satisfied that the aims and objectives of the Charity, and the activities reported on below to achieve those aims, meet these principles.

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

FINANCIAL REVIEW

Reserves policy

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. The trustees propose to maintain the charity's reserves at a level which is at least equivalent to 3 months operational expenditure. Gross income from all sources for this year totalled £13,850 (2021 - £37,189) and total revenue expenditure of £21,508 (2021 - £5,873). At the end of the year, 31 July 2022, the unrestricted funds of the charity amounted to £224,213 (2021 - £206,871).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

New trustees are elected by the 'Board of Trustees'.

Risk management

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03927595 (England and Wales)

Registered Charity number

1082199

Registered office

Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

GCR ROLLING STOCK TRUST

TRUSTEES' REPORT
for the year ended 31 July 2022

Trustees

A T Barber

A Keeble

P Sumner

R Penson

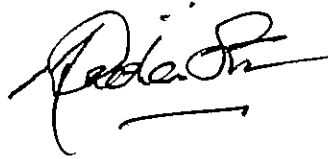
J Quick

R Tilden Smith

M Lang

Approved by order of the board of trustees on 8 December 2022 and signed on its behalf by:

R Tilden Smith - Trustee

A handwritten signature in black ink, appearing to read 'R Tilden Smith', with a horizontal line underneath.

GCR ROLLING STOCK TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 2022**

		2022 Unrestricted funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	13,808	37,183
Investment income	4	42	6
Total		13,850	37,189
 EXPENDITURE ON			
Raising funds		15,132	460
Charitable activities			
Preservation of rolling stock		6,376	5,413
Total		21,508	5,873
 NET INCOME/(EXPENDITURE)		(7,658)	31,316
 Other recognised gains/(losses)			
Gains/(losses) on revaluation of fixed assets		25,000	(8,000)
Net movement in funds		17,342	23,316
 RECONCILIATION OF FUNDS			
Total funds brought forward		206,871	183,555
 TOTAL FUNDS CARRIED FORWARD		224,213	206,871

The notes form part of these financial statements

GCR ROLLING STOCK TRUST

BALANCE SHEET

31 July 2022

	Notes	2022 Unrestricted funds £	2021 Total funds £
FIXED ASSETS			
Tangible assets	7	151,186	126,186
CURRENT ASSETS			
Stocks	8	2,500	2,500
Debtors	9	2,123	1,953
Cash at bank		74,410	77,482
		<u>79,033</u>	<u>81,935</u>
CREDITORS			
Amounts falling due within one year	10	(6,006)	(1,250)
NET CURRENT ASSETS		<u>73,027</u>	<u>80,685</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>224,213</u>	<u>206,871</u>
NET ASSETS		<u>224,213</u>	<u>206,871</u>
FUNDS	11		
Unrestricted funds		<u>224,213</u>	<u>206,871</u>
TOTAL FUNDS		<u>224,213</u>	<u>206,871</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 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.

The notes form part of these financial statements

GCR ROLLING STOCK TRUST

BALANCE SHEET - continued
31 July 2022

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 8 December 2022 and were signed on its behalf by:

R Tilden Smith - Trustee

A handwritten signature in black ink, appearing to read 'R Tilden Smith', with a horizontal line underneath.

The notes form part of these financial statements

GCR ROLLING STOCK TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2022

1. COMPANY STATUS

The charity is a company limited by guarantee and incorporated in England and Wales. The members of the company are the trustees who are also the directors. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charitable company's registered numbers and registered office address can be found in the Report of the Trustees.

2. 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 Charities SORP (FRS102) '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 (FRS102) (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 costs convention as modified by revaluation of certain assets' etc.

The principal accounting policies adopted in the preparation of the financial statements are set out below and remain unchanged from the previous year.

Income

All incoming resources are included on 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.

Voluntary income is received by way of legacies, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

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.

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 indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

Irrecoverable VAT is charged as a cost against the act for which the expenditure is incurred.

Tangible fixed assets

Tangible fixed assets comprise railway carriages and rail track, which are included at Trustees' valuation to take into consideration the degree of restoration work carried out on each asset individually. No depreciation has been provided on these assets because these items are maintained in such a state of repair that its residual value is at least equal to its net book value. As a result, the corresponding depreciation would be immaterial and therefore is not charged in the statement of financial activities.

The trustees review the assets annually for impairment under FRS102.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

GCR ROLLING STOCK TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

2. ACCOUNTING POLICIES - continued

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.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Gift aid recoverable	1,543	2,038
Cash donations	12,265	35,145
	<u>13,808</u>	<u>37,183</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	42	6
	<u>42</u>	<u>6</u>

5. SUPPORT COSTS

	Management	Governance	Totals
	£	£	£
Preservation of rolling stock	4,115	2,261	6,376
	<u>4,115</u>	<u>2,261</u>	<u>6,376</u>

Support costs, included in the above, are as follows:

	2022	2021
	Preservation of rolling stock £	Total activities £
Travel and subsistence	1,026	46
Insurance	2,416	2,204
Bank charges	103	85
Telephone	282	-
Postage and stationery	288	343
Sundries	-	180
Accountancy and legal fees	1,290	1,521
Professional fees	-	439
Marketing	971	595
	<u>6,376</u>	<u>5,413</u>

GCR ROLLING STOCK TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2022

6. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

During the year ended 31 July 2022 trustees' expenses of £2,081 (2021 - £1,016) were paid to Mr R Tilden Smith.

7. TANGIBLE FIXED ASSETS

	Railway items £
COST OR VALUATION	
At 1 August 2021	126,186
Revaluations	25,000
	<hr/>
At 31 July 2022	151,186
	<hr/>
NET BOOK VALUE	
At 31 July 2022	151,186
	<hr/>
At 31 July 2021	126,186
	<hr/>

Cost or valuation at 31 July 2022 is represented by:

	Railway items £
Valuation in 2022	95,896
Cost	55,290
	<hr/>
	151,186
	<hr/>

8. STOCKS

	2022 £	2021 £
Stocks of materials	2,500	2,500
	<hr/>	<hr/>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Gift aid recoverable	665	579
Prepayments and accrued income	1,458	1,374
	<hr/>	<hr/>
	2,123	1,953
	<hr/>	<hr/>

GCR ROLLING STOCK TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accrued expenses	<u>6,006</u>	<u>1,250</u>

11. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	129,624	(7,658)	121,966
Revaluation reserve	<u>77,247</u>	<u>25,000</u>	<u>102,247</u>
	<u>206,871</u>	<u>17,342</u>	<u>224,213</u>
TOTAL FUNDS	<u>206,871</u>	<u>17,342</u>	<u>224,213</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	13,850	(21,508)	-	(7,658)
Revaluation reserve	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
	<u>13,850</u>	<u>(21,508)</u>	<u>25,000</u>	<u>17,342</u>
TOTAL FUNDS	<u>13,850</u>	<u>(21,508)</u>	<u>25,000</u>	<u>17,342</u>

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	At 31.7.21 £
Unrestricted funds			
General fund	106,308	23,316	129,624
Revaluation reserve	<u>77,247</u>	<u>-</u>	<u>77,247</u>
	<u>183,555</u>	<u>23,316</u>	<u>206,871</u>
TOTAL FUNDS	<u>183,555</u>	<u>23,316</u>	<u>206,871</u>

GCR ROLLING STOCK TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 July 2022

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	37,189	(5,873)	(8,000)	23,316
TOTAL FUNDS	<u>37,189</u>	<u>(5,873)</u>	<u>(8,000)</u>	<u>23,316</u>

The revaluation reserve represents the excess market value over historic cost for a number of railway items.

12. RELATED PARTY DISCLOSURES

The charity has a close relationship with The East Midlands Industry and Traction Company Limited, a company in which a trustee, Mr R Tilden Smith is a director. This company has been incorporated to act as a trading arm for the trust in the future, however it is currently dormant.

GCR ROLLING STOCK TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gift aid recoverable	1,543	2,038
Cash donations	12,265	35,145
	<u>13,808</u>	<u>37,183</u>
Investment income		
Deposit account interest	42	6
	<u>13,850</u>	<u>37,189</u>
Total incoming resources		
	<u>13,850</u>	<u>37,189</u>
EXPENDITURE		
Other trading activities		
Materials	9,305	-
Events	485	460
Restoration costs	5,342	-
	<u>15,132</u>	<u>460</u>
Support costs		
Management		
Travel and subsistence	1,026	46
Insurance	2,416	2,204
Bank charges	103	85
Telephone	282	-
Postage and stationery	288	343
Sundries	-	180
	<u>4,115</u>	<u>2,858</u>
Governance costs		
Accountancy and legal fees	1,290	1,521
Professional fees	-	439
Marketing	971	595
	<u>2,261</u>	<u>2,555</u>
Total resources expended	<u>21,508</u>	<u>5,873</u>
Net (expenditure)/income	<u>(7,658)</u>	<u>31,316</u>

This page does not form part of the statutory financial statements