

**BREDE STEAM ENGINE SOCIETY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 5 APRIL 2022**

# **BREDE STEAM ENGINE SOCIETY**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Directors</b>	J Moody	(Appointed 5 August 2021)
	B Atkinson	(Appointed 5 August 2021)
	R Wood	
	A Beaney	
	P Moore	
	Mr S Atkinson	
	C J Dadswell	

<b>Charity number</b>	1082438
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<b>Company number</b>	03451902
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<b>Registered office</b>	Waterworks Lane Brede Rye East Sussex TN31 6HG
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<b>Independent examiner</b>	Alexandra Durrant Limited 10a-12a High Street East Grinstead West Sussex RH19 3AW
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# **BREDE STEAM ENGINE SOCIETY**

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# **BREDE STEAM ENGINE SOCIETY**

## **DIRECTORS' REPORT**

### ***FOR THE YEAR ENDED 5 APRIL 2022***

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The directors present their annual report and financial statements for the year ended 5 April 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the society's Memorandum and Articles of Association, the Charities Act 2011 and "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**

The principal objects of the charitable company, under its memorandum and articles of association, are to advance the education of the public in the subject of steam pumping engines used in the water industry and in related subjects with particular reference to the Brede steam pumping engines and the Brede tramway. This is achieved by the charitable company undertaking restoration work on triple expansion steam engines and providing education, safekeeping and placing on public display these engines and other artefacts of a water pumping nature.

When planning the activities for the year the directors have considered the Charity Commission's guidance on public benefit. The directors consider they have satisfied the guidance in that the charitable company's activities do provide benefit to the public in terms of education and the preservation of heritage artefacts.

#### **Achievements and performance**

We enjoy a 99 year lease, signed in 2004, covering our part of the overall Brede site from our landlords, Southern Water, and accordingly ensure that we maintain a good working relationship with them. We do not have a pre-determined series of meeting with them, but take every opportunity to keep them informed and ask that they do the same. We are hoping to arrange a meeting in the near future with senior Southern Water executives with the aim of developing our contacts within their organisation. We want to show them the extent of our activities at Brede so that we can work together for our mutual benefit in the future. It still remains a disappointment and a cause of frustration that despite repeated requests to prioritise essential maintenance of these Grade 2 listed buildings over many years, none of this work has yet been planned or implemented by Southern Water. Severe damage occurred to the roof of the Tangye Building in Spring 2022 which has yet to be dealt with before the weather changes later in the year, causing further risk to the listed exhibits inside.

Our society and its members have continued to maintain its customary enthusiasm despite several lockdowns due to Covid-19 which necessitated site closures for prolonged periods of time. For the first few months of the year we were unable to hold our usual Open days, although Southern Water did allow 2 volunteers to enter the site weekly for inspection and maintenance. We have also not been able to host as many group visits as usual.

Our well-kept exhibits fill all our available space in both the Tangye House and the Worthington-Simpson House. Visitors enjoy the variety of our exhibits and are particularly pleased to see them operating. We are offered new potential exhibits from time to time and providing they relate to the water industry are happy to work on them for our collection. We are always looking for new projects but we now have to carefully consider our use of space.

Southern Water Treatment upgrades on site have now been completed. We have now been able to let a contract for the steel structure of the new Power House to be manufactured and installed on site. The funds collected over the years in the Buy-a-Brick campaign remain set aside for this project. We also were given a further boost to these funds by the receipt of a legacy of £92,000 from a former member and volunteer for which the society is very grateful. When complete, the Power House will provide a clean, secure area for our air compressors and also leave us space to develop further exhibits. You may remember that as a mark of thanks and respect the council agreed that this project be renamed the John Foxley Power House, after our founding chairman who did so much to make all this possible. Following the recent, unfortunate death of his wife, Diane, we will propose to the Annual General Meeting that this project be known instead as The Foxley Building, in memory of the huge contribution by both John and Diane Foxley to the society.

In addition, with the agreement of Southern Water, the society has undertaken a new project to develop an accessible toilet for the use of our visitors. Southern Water have given us access to an existing toilet/welfare unit that was being condemned due to water damage. This building already had a ramp access and access to all required water, sewage and electricity services. Work started in February with the provision of a new roof, followed quickly by a new floor. Planned work will fully refurbish the interior and install the necessary facilities. It is hoped that this will be complete by Autumn 2022.

# **BREDE STEAM ENGINE SOCIETY**

## **DIRECTORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 5 APRIL 2022***

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The financial condition of the society remains sound, the future looks promising. However, the society is actively trying to recruit new members and working volunteers to maintain a viable enterprise. Sadly, our numbers have been severely depleted post Covid-19.

We would like to thank Paul Draper for his contribution as an Archivist for the society and also for his work as Chairman during a most difficult few years for the society following the death of our founder John Foxley.

#### **Financial review**

The directors are pleased to report that the financial condition of the society remains sound as can be seen from the financial statements. The directors have a risk management strategy which comprises an annual review of the risks faced by the charitable company and the establishment of systems and procedures to mitigate those identified risks.

The directors aim to maintain adequate reserves to cover planned expenditure for the forthcoming year and to set aside funds for future capital projects. Surplus funds are invested in bank accounts.

The reserves are divided between Unrestricted funds totalling £256,684 and Restricted funds totalling £7,747. (2021 - £177,991 Unrestricted funds and £nil Restricted funds)

#### **Structure, governance and management**

Brede Steam Engine Society was incorporated on 20 October 1997 as a company limited by guarantee, with no share capital. It became a registered charity on 16 September 2000, charity number 1082438. The company's registered number and registered office address can be found on the company information page. The charitable company is controlled by its governing document, Memorandum and Articles of Association, incorporated on 20 October 1997 as amended by special resolution on 20 May 2000.

The charitable company is run by the directors who are elected at the annual general meeting. All members are circulated, prior to the annual general meeting, with invitations to nominate directors, advising them of retiring directors and requesting nominations for the annual general meeting. All appointments are confirmed at the annual general meeting. New directors are informed of their legal obligations under charity and company law, the contents of the memorandum and articles of association, the committee and decision making process and recent financial performance of the company.

The charitable company has a 99 year lease (signed July 2004) of the Brede Heritage site with Southern Water Services Limited. The site is located within the curtilage of an operational water treatment works, all in the ownership of Southern Water Services.

The directors who served during the year and up to the date of signature of the financial statements were:

J Moody	(Appointed 5 August 2021)
B Atkinson	(Appointed 5 August 2021)
R Wood	
A Beaney	
P Moore	
Mr S Atkinson	
C J Dadswell	
D F Foxley	(Resigned 5 August 2021)
P Draper	(Resigned 5 August 2021)

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

# **BREDE STEAM ENGINE SOCIETY**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 5 APRIL 2022***

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### **Small Company Provisions**

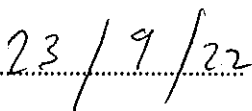
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The directors' report was approved by the Board of Directors.

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Mr S Atkinson

**Director**

Date: .....

# BREDE STEAM ENGINE SOCIETY

## INDEPENDENT EXAMINER'S REPORT

### TO THE DIRECTORS OF BREDE STEAM ENGINE SOCIETY

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I report to the directors on my examination of the financial statements of Brede Steam Engine Society (the society) for the year ended 5 April 2022.

#### Responsibilities and basis of report

As the charity trustees, and also directors of the company for the purposes of company law, you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the financial statements 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 company'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

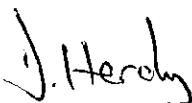
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the society as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of 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 financial statements to be reached.



**Darren Harding ACA FCCA DChA**

10a-12a High Street  
East Grinstead  
West Sussex  
RH19 3AW

Dated: 29/09/22

# BREDE STEAM ENGINE SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 5 APRIL 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	93,737	-	93,737	1,731
Charitable activities	4	1,275	-	1,275	-
Other income	5	921	-	921	448
<b>Total income</b>		<b>95,933</b>	<b>-</b>	<b>95,933</b>	<b>2,179</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	9,360	133	9,493	4,531
<b>Net incoming/(outgoing) resources before transfers</b>		<b>86,573</b>	<b>(133)</b>	<b>86,440</b>	<b>(2,352)</b>
Gross transfers between funds		(7,880)	7,880	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>78,693</b>	<b>7,747</b>	<b>86,440</b>	<b>(2,352)</b>
Fund balances at 6 April 2021		177,991	-	177,991	180,343
<b>Fund balances at 5 April 2022</b>		<b>256,684</b>	<b>7,747</b>	<b>264,431</b>	<b>177,991</b>

The statement of financial activities includes all gains and losses recognised in the year.

All funds are unrestricted and available for use in the charitable company's principal activities.



# BREDE STEAM ENGINE SOCIETY

## BALANCE SHEET

AS AT 5 APRIL 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	9		1,532		1,329
<b>Current assets</b>					
Debtors	10	25,060		14,776	
Cash at bank and in hand		239,791		162,366	
		264,851		177,142	
<b>Creditors: amounts falling due within one year</b>	11	(1,952)		(480)	
Net current assets			262,899		176,662
<b>Total assets less current liabilities</b>			264,431		177,991
<b>Income funds</b>					
Restricted funds	12		7,747		-
Unrestricted funds			256,684		177,991
			264,431		177,991

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 5 April 2021.

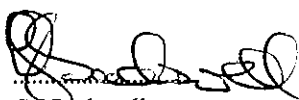
The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a. ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- a. preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss 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 company.

The financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 and SORP FRS102.

The financial statements were approved by the Directors on 23/09/22



C J Dadswell  
Trustee

# **BREDE STEAM ENGINE SOCIETY**

## **NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 5 APRIL 2022***

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### **1 Accounting policies**

#### **Charity information**

Brede Steam Engine Society is a private company, limited by guarantee, registered in England and Wales and a charity registered with the Charity Commission for England and Wales. The charitable company's registered number, registered office address and charity number can be found on the company information page. The charitable company is a public benefit entity.

#### **1.1 Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with: Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), SORP FRS102, the Charities Act 2011 and the Companies Act 2006.

The society has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Reserves are unrestricted and will be utilised to enable the charity to continue its work in the restoration of triple expansion steam engines for public display.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Income**

Income is recognised when the society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the society has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the society has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# BREDE STEAM ENGINE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the society's balance sheet when the society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# BREDE STEAM ENGINE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

### 2 Critical accounting estimates and judgements

In the application of the society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	988	1,215
Legacies receivable	92,201	-
Membership fees	548	516
	<u>93,737</u>	<u>1,731</u>

### 4 Charitable activities

	Unrestricted funds	2021
	2022	
	£	£
Food & Drink Sales	910	-
Tombola and Second Hand Goods	365	-
	<u>1,275</u>	<u>-</u>

# BREDE STEAM ENGINE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 5 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Bank Interest	250	448
Scrap Income	671	-
	<u>921</u>	<u>448</u>

### 6 Charitable activities

	Educating the public about steam engines	Educating the public about steam engines
	2022	2021
	£	£
Depreciation and impairment	180	159
Maintenance & Repairs	1,454	1,542
Special Project Costs	1,168	-
Diesel & Oil	1,376	-
Health & Safety	752	-
Printing, Postage & Stationary	20	-
Food & Drink Supplies	648	-
	<u>5,598</u>	<u>1,701</u>
Share of support costs (see note 7)	2,795	2,472
Share of governance costs (see note 7)	1,100	358
	<u>9,493</u>	<u>4,531</u>
<b>Analysis by fund</b>		
Unrestricted funds	9,360	4,531
Restricted funds	133	-
	<u>9,493</u>	<u>4,531</u>

# BREDE STEAM ENGINE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Insurance	2,406	-	2,406	2,192	-	2,192
Subscriptions	1	-	1	14	-	14
Admin & Publicity	388	-	388	266	-	266
IE Fees	-	990	990	-	288	288
Bank Fees	-	110	110	-	70	70
	<u>2,795</u>	<u>1,100</u>	<u>3,895</u>	<u>2,472</u>	<u>358</u>	<u>2,830</u>
Analysed between						
Charitable activities	<u>2,795</u>	<u>1,100</u>	<u>3,895</u>	<u>2,472</u>	<u>358</u>	<u>2,830</u>

Governance costs includes payments to the independent examiner of £990 (2021 - £288).

### 8 Directors

No director received any remuneration for their duties as a director or for any other services provided to the charitable company. Directors were reimbursed for expenses, totaling £5,539. (2021 - £2,433).

There were no related party transactions other than directors paying their annual subscriptions to the society.

### 9 Tangible fixed assets

	Plant and equipment
	£
<b>Cost</b>	
At 6 April 2021	9,085
Additions	<u>383</u>
At 5 April 2022	<u>9,468</u>
<b>Depreciation and Impairment</b>	
At 6 April 2021	7,756
Depreciation charged in the year	<u>180</u>
At 5 April 2022	<u>7,936</u>
<b>Carrying amount</b>	
At 5 April 2022	<u>1,532</u>
At 5 April 2021	<u>1,329</u>

# BREDE STEAM ENGINE SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2022

### 10 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Prepayments	25,060	14,776

### 11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	1,322	-
Accruals	630	480
	1,952	480

### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Incoming resources	Balance at 6 April 2021	Resources expended	Transfers	Balance at 5 April 2022
	£	£	£	£	£
Power House Project	-	-	(133)	7,880	7,747

### 13 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022	2022	2022	2021
	£	£	£	£
Fund balances at 5 April 2022 are represented by:				
Tangible assets	1,532	-	1,532	1,329
Current assets/(liabilities)	255,152	7,747	262,899	176,662
	256,684	7,747	264,431	177,991

### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

