

REGISTERED COMPANY NUMBER: 04115126 (England and Wales)
REGISTERED CHARITY NUMBER: 1087318

**REPORT OF THE TRUSTEES AND
AUDITED GROUP FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 JANUARY 2025
FOR
THE SWANAGE RAILWAY TRUST
(A COMPANY LIMITED BY GUARENTEE)**

THE SWANAGE RAILWAY TRUST

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FOR THE YEAR ENDED 31 JANUARY 2025**

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THE SWANAGE RAILWAY TRUST
CHARITY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2025

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 period ended 31st January 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

Reference and administrative details

Registered company number

04115126 (England and Wales)

Registered charity number

1087318

Registered office

Station House
Swanage
Dorset
BH19 1HB

Trustees

Chair	F Roberts	
	A Atkins	
	D Bennett	
	C Collins	
	B Ford	
	C Hardy	
	G Johns	(Resigned 9 November 2024)
	I Kapur	
	R Patterson	
	M Richter	(Appointed 9 November 2024)
	E Sellen	
	W Sheret	(Resigned 9 November 2024)
	M Whitwam	

Auditors

MC Audit Limited
Chartered Accountants
Registered Auditors
Station House
North Street
Havant
Hampshire PO9 1QU

Bankers

Barclays Bank Plc
Barclays House
Wimborne Road
Poole
Dorset BH15 2BB

THE SWANAGE RAILWAY TRUST
REPORT OF THE CHAIRMAN
FOR THE YEAR ENDED 31 JANUARY 2025

This is my Report as your Chair of the Swanage Railway Trust, and it covers the financial year ending on 31st January 2025.

The business of the Swanage Railway Trust is managed by the Trustees who are all members of the Council of Management; its subsidiary is the Swanage Railway Company Limited with a Board of Directors. All trustees and directors are UK registered directors at Companies House in London.

Our business remains seasonal, susceptible to variations in the weather, with the Company again requiring additional financial support from the Trust during the winter months, as is detailed in these accounts.

The Company went 'cashless' in March 2024 with minimal or no effect on passenger numbers and income.

Following a disappointing season in 2023, the 2024 operating season was a great success.

The period since the Pandemic proved to be a very challenging time, and by summer 2023 it was clear that the finances to the Company required considerable review & support. On 14th September 2023 Trustees Gavin John, Robert Patterson and myself commenced work on the 36-month Recovery Business Plan which, with the support of the wider Railway team, closely supported by Financial Review Group comprised of Paola Hobson, Stuart Magnus and Neville Crook, this work directly leading to the improved financial statement within these accounts.

Major events 2024-25

- End of Wessex Belle
- Disposal of 2 dining coaches sold for £50,000
- Strictly Bullied II
- Diesel gala & beer festival
- Bluey the Dog
- Polar Express second year
- Community event
- Cream Teas
- Victorian weekend
- Easter event
- Roads to rail
- Dinosaurs

These activities are all dependent on volunteer support and I would like to thank every working member of staff whether they directly or indirectly support the operation on the Swanage Railway; volunteer or paid.

The increase in special events profit over the previous year was £136,000 and this together with an 11% fare increase accounted for a large part of the trading improvement.

No trains ran to Wareham in 2024 and none are planned for 2025. The railway completed its 2 year trial service in 2023. The service proved to be financially unviable and until it can be subsidised it will not resume. However, we continue to work with our stakeholders, primarily the Purbeck Community Rail Partnership to identify new opportunities, especially in the context of wider transport integration plans; in particular the Dorset Metro initiative.

Most of the rural branch lines in England are subsidised.

THE SWANAGE RAILWAY TRUST
REPORT OF THE CHAIRMAN
FOR THE YEAR ENDED 31 JANUARY 2025

In February 2025 at the HRA Annual Awards Ceremony, both the HRA Chairman's Special Award and the Steam Reader's Award, were awarded to the Railway's 563 Group for the restoration of the T3 Locomotive. The 563 Group are now spearheading the restoration of the T9 locomotive (owned by the National Railway

As a shareholder of the Drummond Locomotive Limited the Trust has worked to expedite the current works on the M7 locomotive (30053).

Save Your Railway fundraising contributed £278,000 to the cash position by the year end. Passenger numbers for the year were 181,695, (2023 178,648) an increase of 1.71%.

Legacies received in the year were £393,500, (2024 £317,064).

As a result of the Company's improved cash position, the winter support was reduced in 2024/25, allowing the Trust to direct funds to other areas, especially the construction of Herston Carriage shed which was completed in March 2025.

Swanage Railway comprises many different activities which are supported by over 400 volunteers:

- Carriage & Wagon
- Corfe Museum
- Cranes
- Estates & Stations teams
- Heritage Coaches & Heritage Wagons
- Herston Works - (Locomotive Overhaul and Maintenance)
- Purbeck Mining Museum
- Operations
- Passenger Services; shops & catering
- Permanent Way
- Signaling and Telecommunications
- Sygnets
- Finally, all those individuals who support members, staff and the wider Railway

I would like to thank the retiring Trustees in October 2024 for their services to the Trust:

- Will Sheret;
- Gavin Johns

Looking to future governance, the Trust re-affirmed its commitment to a unitary charitable governance model and the motion at the October 2023 AGM provided Trustees with a mandate to continue with this work. A subcommittee has now been formed to implement the reorganisation, which will see Swanage Railway Company becoming a Charity.

I am sincerely grateful for the support of every person who has supported us through this difficult time, in particular those who are no longer with us. We still have much to do, and I look to you all for your support during the implementation phase of the current Governance Review.



Frank Roberts BSc MCIRO,
Chair
Swanage Railway Trust

Date: 21 June 2025

THE SWANAGE RAILWAY TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JANUARY 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Swanage Railway Trust is registered as a company limited by guarantee (registration no. 04115126) and as a charity (registration no. 1087318). Its governing instrument is its memorandum and articles of association.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102).

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees refer to public benefit throughout this report.

Management

The Swanage Railway Trust has a single management body, the Board of Directors (also known as the Council of Management), elected by the members for a two year period. Fifty percent of the directors are required to retire by rotation each year at the Trust's Annual General Meetings. The list of the Trust Board of Directors can be found on page one.

The Council of Management delegate day to day responsibilities of managing the Railway to The Swanage Railway Company's Senior Management Team, overseen by the Company Board or Directors. The Directors consider the following people to be part of Key Management.

Company Directors

N Au

G J Johns

R Patterson (Resigned 12 October 2024)

K Potts

F E Roberts (Resigned 12 October 2024)

E Sellen

Senior Managers

J Cox (Carriage & Wagon Manager)

G Froud (Steam Locomotive Superintendent)

A Haddon (Health Safety and Compliance Manager)

A Haines (Operations Manager)

L Lock (Finance and Personnel Manager)

M Trott (Passenger Services Manager)

Key Management Personnel are employed by the Swanage Railway Company and are remunerated in accordance with the pay structures established by its Directors who act with the authority delegated by the Council of Management.

Directors Meetings

The Council of Management meets eight times a year with a number of additional online meetings.

THE SWANAGE RAILWAY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2025

Director Induction and Training

The directors of the charitable company are the trustees for the purpose of charity law and throughout this report are referred to as the directors.

The Directors of the Trust are elected by the membership of the Trust, or in the case of the Secretary and Treasurer, can be appointed ex-officio in order to ensure that the Board has suitably experienced persons in these positions. All Directors of the Trust are members of the Trust and as such are familiar with the overall goals of the Trust. A formal review of the Trust policies is held annually at the meeting following elections to ensure that these remain appropriate and that the new Directors are familiar with them.

The Swanage Railway Trust provides a briefing pack to members considering standing for election to the Council of Management. This pack includes, inter-alia, a copy of the Trust's Articles of Association, a copy of the Trust's formal policies and a copy of CC3 - The Charity Commission's guide for new Trust Directors. Successful candidates are asked to confirm receipt of these in writing and that they understand the information contained therein. Any changes to the guidance issued by the Charity Commission will be considered by the appropriate director, and where necessary, discussed at a meeting of the Council of Management.

Objectives and Activities

The objectives of The Swanage Railway Trust, as set down in its Memorandum of Association, is to study, compile records on and acquire, restore, preserve and maintain railway lines, locomotives, rolling stock and other items of railway interest, and to provide training and instruction in such activities and in particular but without prejudice to the generality of the foregoing those associated with the Isle of Purbeck, the former London and Southern Western Railway, other Railways which were in existence in Southern England during and before the year of nineteen hundred and twenty-three, the Southern Railway, and the Southern Region of British Railways, and to enter in such agreements and to take all such steps as may be necessary for these purposes, and to organise, sponsor and support displays and such other shows and events for the provision and stimulation of information, education and interest in such vehicles and other items of railway interest.

The SRC Board use annual passenger numbers on the railway to measure the performance of the Group.

Risk Management

The major risks that The Swanage Railway Trust and its trading subsidiary the Swanage Railway Company Limited face have been considered by separate review groups.

The major risks considered by the Trust are:

- Lack of funding and difficulties in fundraising to prevent the Trust from achieving its objectives which leads to inability to fund key infrastructure and heritage projects
- Adverse trading conditions of its subsidiary
- Difficulties in recruiting volunteers

These risks may cause a delay in the Trust achieving its objectives or curtail the operations of the trading subsidiary.

THE SWANAGE RAILWAY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2025

Related Parties

The charity acknowledges a relationship with:

The Swanage Railway Company Limited
Southern Locomotives Hire Ltd
Southern Locomotives Engineering Limited
71A Locomotive Ltd
Class 33/1 Preservation Co. Ltd

JMB Locomotive Services
Drummond Locos Ltd
National Railway Museum
563 Locomotive Group

The Swanage Railway Trust holds a controlling interest in the Swanage Railway Company Limited, which assists the Trust in meeting its objectives by operating the Swanage Railway and undertaking the associated trading activities. Whilst the company has a paid staff it is still heavily dependent on the supply of volunteers by the Trust for the operation of its train services and the maintenance and development of the railway.

A number of the directors of the Swanage Railway Trust are also directors of the Swanage Railway Company Limited. It is current Trust policy that the majority of voting Directors of the Swanage Railway Company are also Directors of the Swanage Railway Trust.

Volunteers

The charity is heavily dependent on the volunteers who perform many different tasks to assist with the management, administration, maintenance and operation of the railway.

Fundraising Standards Information

The charity does not use professional fundraisers or direct mail. Members receive regular communication through the magazine and appeal information is on the charity's website. The trustees are satisfied that there is no undue pressure on members of the public to donate to The Swanage Railway Trust.

Financial Review

The level of consolidated income has decreased largely because of the reduction of capital grants from outside organisations which were made to the trading subsidiary as those projects near completion although this is matched by a decrease in capital and revenue expenditure. Legacy income in the Trust was also substantially greater this year. The Trust has continued to make grants to the Swanage Railway Company Limited for the resotation and construction of railway buildings, track maintenance, locomotives and rolling stock which are part of the objectives of the Trust.

Consolidated funds total £7,427,291 at 31 January 2025 (2024: £6,653,439). There is a requirement for a high level of reserves given the substantial investment by the Trust and its subsidiary in fixed assets.

THE SWANAGE RAILWAY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2025

Reserves Policy

The Group has a requirement for a high level of reserves due to its large investment in fixed assets and its trading subsidiary and for setting aside resources for future projects.

Where funds have been raised for specific projects, the Group maintains separate funds either as designated or restricted funds - see note 20.

The available reserves of the Group are as follows:

Total consolidated funds at 31 January 2025	7,427,291
Less:	
• Tangible fixed assets	5,719,982
• Investment property	70,000
• Investments	127,350
• Restricted bank balances	232,737
	<hr/> 1,277,222

Free reserves are calculated by deducting fixed assets from the unrestricted (and undesignated) reserves held at the year-end. The trustees are able to undesignate reserves if required.

Funds in relation to fixed assets would only be released on the sale of those assets.

The Group will continue to invest in fixed assets and locomotive overhaul in 2025/26.

Future Plans

The Group intends to use its strategic objectives to utilise its resources and to develop its museum facilities and collections and to restore further items of equipment appropriate to its need for use on the Swanage Railway.

THE SWANAGE RAILWAY TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 JANUARY 2025

Statement of Trustees Responsibilities

The trustees (who are also the directors of The Swanage Railway Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On Behalf of the Board:



Frank Roberts BSc MCIRO,
Chair

Date 21 June 2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SWANAGE RAILWAY TRUST

Opinion

We have audited the financial statements of The Swanage Railway Trust and its subsidiaries for the year ended 31 January 2025, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 January 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of The Swanage Railway Trust and its subsidiaries for the year ended 31 January 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 31 August 2024.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SWANAGE RAILWAY TRUST

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE SWANAGE RAILWAY TRUST**

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the parent charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Mackie (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU
Date 28 July 2025

THE SWANAGE RAILWAY TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2025**

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
INCOME FROM					
Voluntary Income:	4				
Appeals, donations, legacies and covenants		488,948	471,857	960,805	759,860
Grant income		-	2,046	2,046	150,691
Activities for generating funds:	4				
Membership subscriptions		30,091	-	30,091	52,351
Fundraising and other income		24,115	-	24,115	23,341
Trading income		3,034,808	-	3,034,808	2,842,915
Investment income		22,388	3,607	25,995	39,880
Total		3,600,350	477,510	4,077,860	3,869,038
EXPENDITURE ON					
Cost of generating funds	5				
Trading expenses		2,986,551	-	2,986,551	3,263,853
Fundraising costs		19,320	-	19,320	6,015
Charitable activities	5	279,407	32,003	311,410	296,351
Total		3,285,278	32,003	3,317,281	3,566,219
Net income/(expenditure)		315,072	445,507	760,579	302,819
Provision for deferred taxation	23	(2,917)	-	(2,917)	12,154
Revaluation adjustment	14	16,190	-	16,190	72,789
Transfers between funds	20	-	-	-	-
Net movement in funds		328,345	445,507	773,852	387,762
RECONCILIATION OF FUNDS					
Total funds brought forward		5,387,904	1,265,535	6,653,439	6,265,677
TOTAL FUNDS CARRIED FORWARD		5,716,249	1,711,042	7,427,291	6,653,439

THE SWANAGE RAILWAY TRUST

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 JANUARY 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
FIXED ASSETS					
Tangible assets	12	5,719,982	5,653,133	1,513,700	1,515,113
Investment property	13	70,000	-	70,000	-
Investments	14	127,350	95,160	127,350	95,160
Investments in subsidiaries	15	-	-	470,605	470,605
		<u>5,917,332</u>	<u>5,748,293</u>	<u>2,181,655</u>	<u>2,080,878</u>
CURRENT ASSETS					
Stocks	16	100,688	85,361	-	-
Debtors	17	467,816	412,969	547,056	785,663
Cash at bank and in hand		1,677,885	1,605,085	1,339,511	1,524,019
		<u>2,246,389</u>	<u>2,103,415</u>	<u>1,886,567</u>	<u>2,309,682</u>
CREDITORS					
Amounts falling due within one year	18	(568,187)	(969,348)	(82,981)	(583,111)
NET CURRENT ASSETS		<u>1,678,202</u>	<u>1,134,067</u>	<u>1,803,587</u>	<u>1,726,571</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,595,534</u>	<u>6,882,360</u>	<u>3,985,241</u>	<u>3,807,449</u>
CREDITORS					
Amounts falling due in more than one year	19	(143,209)	(206,804)	(91,364)	(102,598)
PROVISIONS FOR LIABILITIES	23	(25,034)	(22,117)	-	-
NET ASSETS		<u>7,427,291</u>	<u>6,653,439</u>	<u>3,893,878</u>	<u>3,704,851</u>
FUNDS					
Restricted funds	20	1,711,042	1,265,535	1,711,042	1,265,535
Unrestricted funds	20	5,716,249	5,387,904	2,182,836	2,439,316
TOTAL FUNDS		<u>7,427,291</u>	<u>6,653,439</u>	<u>3,893,878</u>	<u>3,704,851</u>

The financial statements were approved by the Board of Trustees on21.June.2025..... and were signed on its behalf by:



F E ROBERTS



B FORD

REGISTERED COMPANY NUMBER: 04115126 (England and Wales)
REGISTERED CHARITY NUMBER: 1087318

THE SWANAGE RAILWAY TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 JANUARY 2025

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities				
Cash generated from operations	657,286	627,451	(169,282)	595,648
Cash provided by (used in) operating activities	<u>657,286</u>	<u>627,451</u>	<u>(169,282)</u>	<u>595,648</u>
Cash flows from investing activities				
Interest received	25,995	39,880	40,270	64,335
Interest paid	(9,842)	(12,936)	-	-
Purchase of tangible fixed assets	(350,290)	(344,251)	(23,306)	(313,496)
Disposals of tangible fixed assets	52,041	-	-	-
(Gains)/Losses on revaluations	(16,190)	(72,789)	(16,190)	(117,125)
Purchase of investments	(16,000)	(100,125)	(16,000)	(100,125)
Cash provided by (used in) investing activities	<u>(314,286)</u>	<u>(490,221)</u>	<u>(15,226)</u>	<u>(466,411)</u>
Cash flows from financing activities				
Loans repaid	(270,200)	(49,997)	-	-
Cash provided by (used in) financing activities	<u>(270,200)</u>	<u>(49,997)</u>	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	72,800	87,233	(184,508)	129,237
Cash and cash equivalents at the beginning of the reporting period	1,605,085	1,517,852	1,524,019	1,394,782
Total cash at the end of the year	1,677,885	1,605,085	1,339,511	1,524,019

THE SWANAGE RAILWAY TRUST

**CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 JANUARY 2025**

**RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Net movement in funds	773,852	387,762	189,027	506,598
Adjustments for:				
Depreciation charge	211,846	228,060	24,719	21,799
Deferred taxation movement	2,917	(12,154)	-	-
Profit share from subsidiary	-	-	-	-
Investment income	(25,995)	(39,880)	(40,270)	(39,880)
Interest paid	9,842	12,936	-	-
Non cash legacy received - Investement property	(70,000)	-	(70,000)	-
(Gains)/Losses on disposal of fixed assets	19,554	13,363	-	-
(Increase) / decrease in stocks	(15,327)	(1,306)	-	-
(Increase) / decrease in debtors	(54,847)	(25,963)	238,607	340,701
Increase / (decrease) in creditors	(194,556)	64,633	(511,365)	(233,570)
Cash generated by operations	<u>657,286</u>	<u>627,451</u>	<u>(169,282)</u>	<u>595,648</u>

ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 01.02.24 £	Cash flow £	At 31.01.25 £
Net cash			
Cash at bank	<u>1,605,085</u>	<u>72,800</u>	<u>1,677,885</u>
	1,605,085	72,800	1,677,885
Debt			
Debts falling due within 1 year	(50,000)	(220,200)	(270,200)
Debts falling due after 1 year	<u>(157,205)</u>	<u>410,000</u>	<u>252,795</u>
	(207,205)	189,800	(17,405)
Total	<u>1,397,880</u>	<u>262,600</u>	<u>1,660,480</u>

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the The Swanage Railway Trust ("charitable company") is a public benefit entity under FRS 102, have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), and the Companies Act 2006.

The Swanage Railway Company Limited ("subsidiary") is incorporated as a company limited by share and register in England and Wales (company number: 01412568).

The registered address of the charitable company and subsidiary can be found on page 1 of these accounts.

Going concern

The trustees therefore believe the charity has sufficient resources to continue in operational existence for the foreseeable future and, on the basis of these budgets and forecasts, the trustees consider the company to be a going concern and have prepared the financial statements accordingly.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary, on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Government grants shall be recognised on a systematic basis over the periods in which the entity recognises expenses for which the grants are intended to compensate.

Capital grants received by the company are shown on the balance sheet by including the grant in creditors as deferred income. The grant is released to the Profit and Loss Account in accordance with the depreciation policy of the asset to which the grant relates. Where an impairment has taken place on assets under capital funding the offset has reduced the credit balance on the grant.

Revenue grants are recognised as income over the period necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

Resources expended

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.

- Costs of generating funds are those costs incurred in relation to fundraising and trading activities.
- Charitable activities include expenditure associated with fulfilling the charity's objectives.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and Buildings	Freehold land	- not depreciated
	Buildings & railway structures	- 4% straight line
Long Leasehold		Over the term of the lease
Plant Machinery and Equipment	Fixtures, fittings, plant, equipment	- 20% reducing balance
	Computer equipment	- 25% straight line
	Motor vehicles	- 10% straight line
	Furniture	- 20% straight line
Shop Fittings and Equipment		- 20% straight line
Permanent Way and Other Assets		- 2% straight line
Assets Under Construction		- not depreciated

Tangible fixed assets costing £1,000 or more are capitalised at cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025

1. ACCOUNTING POLICIES - continued

Impairment of fixed assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Financial Activities as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, that estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Heritage assets

Part of the Objectives of the Trust is to acquire, restore, preserve and manage heritage locomotives and rolling stock. These assets are included in the accounts at valuation and are not subject to an annual depreciation charge, as in the opinion of the directors the nature of the assets concerned and the level of maintenance is such that there is no significant annual depreciation. Any permanent diminution in the value of such assets is charged to the Statement of Financial Activities when recognised in accordance with FRS 102. The directors have therefore used the values of the assets as provided by the Loco, Carriage & Wagon staff and volunteers, as best estimates.

Heritage assets are now held at valuation and were revalued at 31st January 2025. Heritage assets are not depreciated as residual values are considered to be at least equal to the current valuation. As the heritage assets are not usually traded on an open market, values are often hard to determine. The directors have therefore used the values of the assets as provided by the Loco, Carriage & Wagon staff and volunteers, as best estimates.

Detailed information on the locomotives and rolling stock of the Trust and its subsidiary company can be found at www.swanagerailway.co.uk.

Investment property

Investment properties are initially measured at their fair value at the date of acquisition, including those acquired through gifts or legacies, provided the fair value can be measured reliably.

Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. Changes in fair value are recognised immediately in the Statement of Financial Activities. No depreciation is charged on investment properties measured at fair value.

Where fair value cannot be measured reliably on an ongoing basis, investment properties are measured at cost less any accumulated depreciation and impairment losses.

Taxation

The charity is exempt from corporation tax on its charitable activities. Corporation tax is payable by the trading company on its taxable profits.

Deferred tax is recognised in respect of all timing differences in the subsidiary that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax computations in periods different from those in which they are recognised in the financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing differences.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits of the taxable subsidiary. No deferred tax

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Designated funds are unrestricted funds of the charity which have been set aside by the trustees to fund particular activities of the charity.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Stock

Stocks are valued at the lower of cost or net realisable value.

Investments

All investments in locomotive preservation groups are stated at cost. Investment in the subsidiary company is stated at cost. Listed investments are measured at cost initially where after it will be revalued to market value at the year end. The listed investments were gifted to the Trust as part of a legacy in previous years and are held to earn investment income. The Trust has no plans or policies in place for further investment in listed entities.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these financial instruments is detailed below.

Debtors & cash at bank

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand includes cash held on deposit or in a current account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 trustees have reviewed areas requiring such judgement and estimation and confirm that there are no significant critical accounting judgements or key sources of estimation uncertainty that have a material impact on the financial statements for the year.

2. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, Swanage Railway Company Limited.

A summary of the financial activities undertaken by the charity is set out below:

	2025 £	2024 £
Total incoming resources	1,219,077	1,150,498
Total expenditure on charitable activities	(1,030,050)	(643,900)
Net incoming resources	189,027	506,598
Total funds brought forward	3,704,851	3,198,253
Total funds carried forward	3,893,878	3,704,851
Represented by:		
Restricted funds	1,711,042	1,265,535
Unrestricted funds	2,182,836	2,439,316
	3,893,878	3,704,851

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

3. INCOME FROM COMMERCIAL TRADING OPERATIONS

The charity's wholly owned trading subsidiary, Swanage Railway Company Limited, which is incorporated in England and Wales. The following is an extract of the financial statements of Swanage Railway Trading Company Limited for the period ended 31 January 2025:

	2025 £	2024 £
Turnover	3,320,738	3,013,736
Cost of sales and administrative expenses	(3,007,253)	(3,229,864)
Profit before tax	313,485	(216,128)
Corporation tax	(2,917)	12,154
Profit after tax	310,568	(203,974)
Profits distributed to the charity		-
Retained in subsidiary	310,568	(136,175)
The assets and liabilities of the subsidiary were:		
Fixed assets	4,206,282	4,138,020
Current assets	506,875	248,066
Current liabilities	(632,260)	(974,030)
Long term liabilities and provisions	(2,603,078)	(2,244,805)
Net assets	1,477,819	1,167,251
Aggregate share capital and reserves	1,477,819	1,167,251

4. INCOMING RESOURCES

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Voluntary income (Trust)				
Donations and covenants	173,118	74,144	247,262	399,934
Gift aid	27,203	7,713	34,916	42,863
Legacies	288,627	390,000	678,627	317,064
Grant income	-	2,046	2,046	150,690
Membership subscriptions	30,091	-	30,091	52,351
Fundraising and other income	24,115	-	24,115	23,341
Investment income	22,388	3,607	25,995	39,880
Total voluntary income from Trust	565,542	477,510	1,043,052	1,026,123
Activities for generating funds (Company)				
Heritage passenger fare income	2,543,861	-	2,543,861	2,229,815
Shop income	182,016	-	182,016	185,759
Catering income	62,899	-	62,899	145,632
Other income	246,032	-	246,032	281,709
Total income from activities in Company	3,034,808	-	3,034,808	2,842,915
Total consolidated incoming resources	3,600,350	477,510	4,077,860	3,869,038

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

5. CHARITABLE ACTIVITIES COSTS

	Premises & railway running costs £	Admin, salaries and other £	Depreciation £	Total 2025 £	Total 2024 £
Charitable activities					
Rent	96,540	-	-	96,540	108,457
Rates & utilities	8,196	-	-	8,196	15,326
Printing & stationery	-	15,001	-	15,001	55,976
Repairs & other	98,500	39,369	24,719	162,588	96,503
Auditors remuneration (audit)	-	12,100	-	12,100	6,050
Auditors remuneration (non audit)	-	1,750	-	1,750	9,886
Legal & professional	-	15,235	-	15,235	4,153
Total charitable activities	203,236	83,455	24,719	311,410	296,351
Costs of generating funds					
Fundraising costs	-	19,320	-	19,320	6,015
Trading costs	1,601,178	1,198,246	187,127	2,986,551	3,263,853
Total cost of generating funds	1,601,178	1,217,566	187,127	3,005,871	3,269,868
Total resources expended	1,804,414	1,301,021	211,846	3,317,281	3,566,219

Included within trading costs above are £1,500 (2024: £9,886) of fees paid to the accountant (2024: auditor) of the subsidiary's financial statements, of which £1,500 (2024: £7,200) relate to accounts preparation services (2024: audit services).

6. NET OUTGOING RESOURCES - GROUP

Net resources are stated after charging:

	2025 £	2024 £
Auditors' remuneration	12,100	6,050
Auditors' remuneration - non audit work	3,250	9,886
Other operating leases	96,540	108,457
Depreciation	211,846	215,960

7. TAXATION

The charitable company is a registered charity and is therefore exempt from corporation tax on its charitable activities. As a result, no provision is considered necessary for taxation in respect of the parent entity.

The subsidiary is a registered company and is subject to corporation tax on its taxable profits. Current tax is calculated on the basis of tax laws and rates that have been enacted or substantively enacted by the balance sheet date.

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

8. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' received remuneration or other benefits during the year ended 31 January 2025 nor for the year ended 31 January 2024.

Trustees' Expenses

During the year two trustees (2024: none) were reimbursed for out of pocket expenses totalling £959 (2024: £0).

9. STAFF COSTS

	2025 £	2024 £
Wages and salaries	820,284	938,610
Social security costs	65,767	76,491
Employers pension costs	15,035	17,507
	<u>901,086</u>	<u>1,032,608</u>

The average monthly number of employees (full time equivalent) during the year was as follows:

	2025	2024
Employees	<u>32</u>	<u>35</u>
	<u>32</u>	<u>35</u>

No employees had annual emoluments of more than £60,000 per annum this year (2024: Nil)

10. KEY MANAGEMENT PERSONNEL

The key management personnel of the group, comprise the trustees, and the department heads. The total employee benefits of the key management personnel of the charitable company were £257,482 (2024: £214,193).

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME FROM				
Voluntary Income:				
Appeals, donations, legacies and covenants	492,609	267,251	759,860	436,654
Grant income	1	150,690	150,691	1,929
Activities for generating funds:				
Membership subscriptions	52,351	-	52,351	42,927
Fundraising and other income	23,341	-	23,341	21,306
Trading income	2,842,915	-	2,842,915	2,905,971
Investment income	37,879	2,001	39,880	1,857
Total	3,449,096	419,942	3,869,038	3,410,644
EXPENDITURE ON				
Cost of generating funds				
Trading expenses	3,263,853	-	3,263,853	3,439,587
Fundraising costs	6,015	-	6,015	5,720
Charitable activities	243,417	52,934	296,351	222,516
Total	3,513,285	52,934	3,566,219	3,667,823
Net income/(expenditure)	(64,189)	367,008	302,819	(257,179)
Provision for deferred taxation	12,154	-	12,154	108,132
Revaluation adjustment	72,789	-	72,789	(1,100)
Transfers between funds	(3,280)	3,280	-	-
Net movement in funds	17,474	370,288	387,762	(150,147)
RECONCILIATION OF FUNDS				
Total funds brought forward	5,370,430	895,247	6,265,677	6,415,824
TOTAL FUNDS CARRIED FORWARD	5,387,904	1,265,535	6,653,439	6,265,677

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025

12. TANGIBLE FIXED ASSETS - GROUP

	Land and Buildings £	Long Leasehold £	Heritage Assets £	Plant Machinery and Equipment £	Shop Fittings and Equipment £	Permanent Way and Other Assets £	Assets under construction £	Total £
COST								
At 1 February 2024	1,071,696	188,133	2,401,500	1,626,932	3,387	1,900,492	582,064	7,774,204
Additions	2,489	-	10,788	24,455	-	-	312,558	350,290
Disposals	-	-	(69,554)	(2,041)	-	-	-	(71,595)
Revaluation	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
At 31 January 2025	1,074,185	188,133	2,342,734	1,649,346	3,387	1,900,492	894,622	8,052,899
DEPRECIATION								
At 1 February 2024	505,402	12,099	-	1,084,807	3,322	515,441	-	2,121,071
Charge for year	42,963	12,542	-	123,662	13	32,666	-	211,846
Eliminated on disposals	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-
At 31 January 2025	548,365	24,641	-	1,208,469	3,335	548,107	-	2,332,917
NET BOOK VALUE								
At 31 January 2025	525,820	163,492	2,342,734	440,877	52	1,352,385	894,622	5,719,982
At 31 January 2024	566,294	176,034	2,401,500	542,125	65	1,385,051	582,064	5,653,133

TANGIBLE FIXED ASSETS - CHARITY

	Land and Buildings £	Long Leasehold £	Heritage Assets £	Plant Machinery and Equipment £	Assets under construction £	Total £
COST						
At 1 February 2024	190,321	188,133	1,171,500	33,898	26,337	1,610,189
Additions	2,489	-	10,788	-	10,029	23,306
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
At 31 January 2025	192,810	188,133	1,182,288	33,898	36,366	1,633,495
DEPRECIATION						
At 1 February 2024	51,784	12,099	-	31,193	-	95,076
Charge for year	10,782	12,542	-	1,395	-	24,719
Eliminated on disposals	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
At 31 January 2025	62,566	24,641	-	32,588	-	119,795
NET BOOK VALUE						
At 31 January 2025	130,244	163,492	1,182,288	1,310	36,366	1,513,700
At 31 January 2024	138,537	176,034	1,171,500	2,705	26,337	1,515,113

Heritage assets were revalued as at 31st January 2025.

The group continues to acquire new heritage assets in accordance with its acquisitions policy. In the last five years, acquisitions have been made as follows:

Heritage Assets	2025 £	2024 £	2023 £	2022 £	2021 £
Additions - Funded	10,788	300,196	189,515	165,370	245,000
Additions - Donated	-	-	-	-	-
Disposals (net book value)	(69,554)	-	-	(1,500)	(250)
Proceeds from disposals	-	-	-	-	-
Impairments	-	(188,133)	-	(350)	37,003

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

13. INVESTMENT PROPERTY

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Investment property	70,000	-	70,000	-
	<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>-</u>

During the year, the charity recognised an investment property with a fair value of £70,000. The property was received as part of a legacy from an individual who passed away on 29 November 2021. The charity's entitlement to the property was confirmed by the estate's solicitor in 2023, and the property was recognised in the financial statements when entitlement, probability of receipt, and reliable valuation were established in accordance with FRS 102 and the Charities SORP.

14. INVESTMENTS

	Listed Investments £	Unlisted Investments £	Total £
Market value\cost at 1 February 2024	95,160	-	95,160
Additions	-	16,000	16,000
Disposals	-	-	-
Gains/(losses)	16,190	-	16,190
Market value\cost at 31 January 2025	<u>111,350</u>	<u>16,000</u>	<u>127,350</u>

During the year, the charity acquired an unlisted investment in Drummon Locomotives Limited (company number: 03496400), through the purchase of £16,000 worth of equity shares. This equates to 16,000 shares out of a total issued share capital of 190,700 shares, representing a minority holding of approximately 8.39%.

The investment does not confer significant influence or control over the investee company and has been accounted for as a fixed asset investment at cost. The trustees consider cost to approximate fair value at the year end due to the recent nature of the acquisition and no indications of impairment or significant value change.

All the investments are kept within the United Kingdom.

15. INVESTMENTS IN SUBSIDIARIES

Investments represent the charity's shareholding in its trading company, Swanage Railway Trading Company Limited (company no. 06930934), of 470,605 ordinary £1 shares. This equates to 96% of the total share capital but 100% of the voting shares.

16. STOCKS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Shop stocks for resale	52,500	33,895	-	-
Catering stock	-	3,541	-	-
Consumable stocks	48,112	47,763	-	-
Driver experience	76	162	-	-
	<u>100,688</u>	<u>85,361</u>	<u>-</u>	<u>-</u>

THE SWANAGE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025**

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	2,936	45,971	109	124
Swanage Railway Company Limited Loan	-	-	135,719	455,719
Other debtors	410,000	289,767	410,000	289,767
Prepayments and accrued income	25,616	53,751	1,228	23,288
VAT	29,264	23,480	-	16,765
	<u>467,816</u>	<u>412,969</u>	<u>547,056</u>	<u>785,663</u>

At 31 January 2025, there was an amount of £135,719 (2024: £455,719) due from Swanage Railway Company Limited to The Swanage Railway Trust.

Included in the above balance is a Winter Loan of £nil (2024: £320,000).

Interest is charged at 1.5% above the banks base lending rate and the amount of interest charged in the year was £14,275 (2024: £20,722).

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	293,656	684,089	42,234	549,641
Other taxation and social security	21,766	18,336	-	-
Bank loans	52,348	50,000	-	-
Life membership equalisation account	13,237	12,930	13,237	12,930
VAT	-	-	11,333	-
Other creditors and accruals	187,181	203,992	16,177	20,540
	<u>568,187</u>	<u>969,347</u>	<u>82,981</u>	<u>583,111</u>

19. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Member loans	50,000	53,000	50,000	53,000
Bank loans	51,845	104,205	-	-
Life membership equalisation account	41,364	49,598	41,364	49,598
Other creditors and accruals	-	1	-	-
	<u>143,209</u>	<u>206,804</u>	<u>91,364</u>	<u>102,598</u>

LIFE MEMBERSHIP EQUALISATION ACCOUNT

Deferred income relates to funding received from various funders that are for a future accounting period. This relates to the life membership equalisation account which is a subscription paid and then released over ten years. Both Premier Life membership and Ordinary Life membership was closed to new applicants. The Travel membership continues.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Brought forward	62,528	63,158	62,528	63,158
Amount released to incoming resources	(12,930)	(12,930)	(12,930)	(12,930)
Amount deferred in year	5,003	12,300	5,003	12,300
Carried forward	<u>54,601</u>	<u>62,528</u>	<u>54,601</u>	<u>62,528</u>

THE SWANAGE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025**

20. MOVEMENT IN FUNDS

Analysis of unrestricted fund movements

	Balance at At 01.02.24 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on revaluation £	Balance at At 31.01.25 £
Company						
General fund	2,379,022	3,034,808	(2,989,468)	-	-	2,424,362
Revaluation reserve	569,567	-	-	-	-	569,567
	<u>2,948,589</u>	<u>3,034,808</u>	<u>(2,989,468)</u>	<u>-</u>	<u>-</u>	<u>2,993,929</u>
Charity						
General fund	1,656,729	565,542	(298,727)	-	16,190	1,939,734
<u>Designated funds:</u>						
Restoration	78,569	-	-	-	-	78,569
Other capital expenditure	32,564	-	-	-	-	32,564
Other projects	68,643	-	-	-	-	68,643
4TC designated	17,772	-	-	-	-	17,772
T3 restoration	112,434	-	-	-	-	112,434
Carriage shed	207,605	-	-	-	-	207,605
Strategic reserves	250,000	-	-	-	-	250,000
Governance review	15,000	-	-	-	-	15,000
	<u>2,439,316</u>	<u>565,542</u>	<u>(298,727)</u>	<u>-</u>	<u>16,190</u>	<u>2,722,321</u>
	<u>5,387,905</u>	<u>3,600,350</u>	<u>(3,288,195)</u>	<u>-</u>	<u>16,190</u>	<u>5,716,250</u>

Analysis of restricted fund movements

	Balance at At 01.02.24 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on revaluation £	Balance at At 31.01.25 £
Charity						
Museum group	300,290	30,098	(29,811)	-	-	300,577
The 563 Locomotive Group	-	396,000	-	-	-	396,000
Swanage 4TC group	257,575	25,026	(394)	-	-	282,207
T3 restoration	635,273	25,386	(1,798)	-	-	658,861
Carriage shed	72,397	1,000	-	-	-	73,397
	<u>1,265,535</u>	<u>477,510</u>	<u>(32,003)</u>	<u>-</u>	<u>-</u>	<u>1,711,042</u>

The transfers from restricted to unrestricted funds relate to funds on which restrictions have been satisfied and therefore are no longer considered to be restricted funds.

The designated funds for purposes as described above are designated and reviewed annually by the Council of Management. Incoming resources are received into the general fund and are subsequently reallocated to the designated funds at the discretion of directors.

Museum group - donations towards the upkeep and development of the Museums at Norden and Corfe.

Swanage 4TC group - fundraising for and restoration of a 4TC unit to be based at Swanage to provide a push-pull set working with a Class 33/1 diesel electric locomotive.

T3 restoration - fundraising for and restoration of a T3 unit based at Swanage.

The 563 Locomotive Group - fundraising for and restoration of a 563 locomotive unit based at Swanage.

Carriage shed - fundraising for and expenditure on the construction of carriage sheds for rolling stock.

THE SWANAGE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025**

20. MOVEMENT IN FUNDS - COMPARATIVES

Analysis of unrestricted fund movements

	Balance at At 01.02.23 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on revaluation £	Balance at At 31.01.24 £
Company						
General fund	2,696,222	2,718,541	(3,035,740)	-	-	2,379,022
Revaluation reserve	371,202	-	-	-	198,365	569,567
	<u>3,067,424</u>	<u>2,718,541</u>	<u>(3,035,740)</u>	<u>-</u>	<u>198,365</u>	<u>2,948,589</u>
Charity						
General fund	1,501,587	721,722	(463,624)	22,620	(125,576)	1,656,729
Restoration	69,735	8,834	-	-	-	78,569
Other capital expenditure	58,464	-	-	(25,900)	-	32,564
Other projects	68,643	-	-	-	-	68,643
4TC designated	18,323	-	(551)	-	-	17,772
T3 restoration	113,649	-	(1,215)	-	-	112,434
Carriage shed	207,605	-	-	-	-	207,605
Strategic reserves	250,000	-	-	-	-	250,000
Governance review	15,000	-	-	-	-	15,000
	<u>2,303,006</u>	<u>730,556</u>	<u>(465,390)</u>	<u>(3,280)</u>	<u>(125,576)</u>	<u>2,439,316</u>
	<u>5,370,430</u>	<u>3,449,097</u>	<u>(3,501,130)</u>	<u>(3,280)</u>	<u>72,789</u>	<u>5,387,905</u>

Analysis of restricted fund movements

	Balance at At 01.02.23 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) on revaluation £	Balance at At 31.01.24 £
Charity						
Museum group	163,291	186,653	(52,934)	3,280	-	300,290
Swanage 4TC group	246,909	10,666	-	-	-	257,575
T3 restoration	412,650	222,623	-	-	-	635,273
Carriage shed	72,397	-	-	-	-	72,397
	<u>895,247</u>	<u>419,942</u>	<u>(52,934)</u>	<u>3,280</u>	<u>-</u>	<u>1,265,535</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Fixed assets	5,917,332	-	5,917,332	5,748,293
Current assets	535,347	1,711,042	2,246,389	2,103,415
Current liabilities	(568,187)	-	(568,187)	(969,348)
	<u>5,884,492</u>	<u>1,711,042</u>	<u>7,595,534</u>	<u>6,882,360</u>

THE SWANAGE RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

22. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Expiring:				
Within one year	108,600	299,188	-	-
Between one and five years	410,400	1,484,520	-	-
After five years	1,027,000	4,782,085	-	-
	<u>1,546,000</u>	<u>6,565,793</u>	<u>-</u>	<u>-</u>

The Swanage Railway Company Limited utilises the motive power and engineering support provided by Southern Locomotives Engineering Limited for which there is an agreement under which Swanage Railway Company Limited pays a fixed amount each year.

Southern Locomotives Engineering Limited is a subsidiary of the Southern Locomotives Group, of which a number of the directors of The Swanage Railway Trust are also directors. Details of the transactions can be seen in note 24.

The Swanage Railway Company Limited utilised the locomotive power provided by JMB Locomotive Services. The amount invoiced by JMB Locomotive Services to the trading company during the year was £158,184 (2024: £168,480). A total of £11,232 was the outstanding balance at the year end (2024: £28,080).

23. DEFERRED TAXATION PROVISION

Deferred tax is recognised in the consolidated financial statements in respect of the taxable subsidiary only. The parent charity is not subject to corporation tax and therefore no deferred tax arises in respect of its activities.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Balance at 1 February 2024	22,117	34,272	-	-
Provided during year	2,917	(12,155)	-	-
Balance at 31 January 2025	<u>25,034</u>	<u>22,117</u>	<u>-</u>	<u>-</u>

At the year end, a deferred tax asset of £427,700 has been recognised in respect of accumulated tax losses of £1,710,802 (2024: £2,079,279). The recognition of this asset reflects management's judgement that sufficient future taxable profits will be generated within the subsidiary to enable recovery.

THE SWANAGE RAILWAY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2025**

24. RELATED PARTY TRANSACTIONS

The total amount outstanding on loans made to Swanage Railway Company Limited by the Trust was £135,719 (2024: £455,719). Interest is charged on the above loans at 1.5% above the Bank of England base rate. Interest charged in the year was £14,275 (2024: £20,722).

As stated in note 22, four trustees/directors have a shareholding in the parent of the Southern Locomotives Group, which is used by the Swanage Railway Group as a supplier. During the year, there was transactions totalling £115,000 (2024: £156,000) with £6,000 (2024: £12,000) outstanding at year end.

Trustees donated amounts totalling £281 (2024: £700) of which £0 (2024: £400) was donated towards the T3 appeal. The remaining donations were without conditions.

25. CAPITAL COMMITMENTS

Prior to the year end, the trustees committed to a contract with Avon Construction for building works on a carriage shed. The amounts committed to but not invoiced until after year end totalled £130,704.