

RHYL STEAM PRESERVATION TRUST

**ACCOUNTS FOR YEAR ENDED
31st DECEMBER 2020**

Charity Registration No. 1103953

RHYL STEAM PRESERVATION TRUST

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YEAR ENDED 31st DECEMBER 2020

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RHYL STEAM PRESERVATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Registration No.	1103953	
Accredited Museum No.	2263	
Operational Address	Central Station Marine Lake Wellington Road Rhyl LL18 1AQ	
Administrative Office	10 Cilnant Mold Flintshire CH7 1GG	
Trustees	Leslie Hughes Simon T Townsend LLB Carol Hughes Cllr Joan Butterfield JP Justin D Bell Lucille Green Louise Webster	Chairman Secretary Resigned on 23rd June 2021
Independent Examiners	DSG Unit 5 Evolution House Lakeside Business Park St David's Park Estate Ewloe Flintshire CH5 3XP	
Bankers	Lloyds Bank Plc 22 Mostyn Street Llandudno Gwynedd LL30 2RU	

RHYL STEAM PRESERVATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Charitable Status

The Trust's governing document is its Trust Deed dated 18th July 2000.
Charitable status was granted on 26th May 2004.

Recruitment and Appointment of Trustees

Trustees with appropriate skills are appointed by the existing Trustee body. Trustees reaffirm annually that they wish to continue to hold office. Where no reaffirmation is received this is taken to mean that they wish to resign. The Trustees have resolved that ownership of some locomotives and stock shall revert to the Hughes family in the event that the Trust should ever be wound up.

Trustee Induction and Training

Prospective Trustees are asked to review the Charity Commission's leaflet CC3 concerning the responsibilities of Charity Trustees. The present Trustees have wide experience within business, local government and the professions.

Risk Management

The Trustees have reviewed the major risks faced by the charity. Railway operating risks have been analysed in a risk assessment document and are covered by the Trust's public liability insurance policy for claims of up to £5,000,000.

The Trust's building 'Central Station' opened to the public in May 2007. The financial risks facing the Trust now arise from maintenance and operation costs of its infrastructure. The Trustees continue to monitor these risks and to offset them wherever possible.

Organisational Structure

Most day to day financial activities of the Trust are managed by its Secretary, with frequent input from other Trustees and from members of the support organisation 'Friends of Rhyl Miniature Railway'. The Trustees aim to meet formally three or four times a year, to decide upon the strategic direction of the Trust.

Related Parties

Joan Butterfield JP is an elected Councillor of Denbighshire County Council and Rhyl Town Council. The Trust leases land from Denbighshire County Council. The Trust has received grants from Rhyl Town Council. Councillor Butterfield's links within the local community have been invaluable to the Trust.

A Trustee has made a loan to the Trust, totalling to date £39 (2019: £1,957) . No interest is charged and there are no terms for repayment.

OBJECTIVES AND ACTIVITIES

Objects

The Trust's objects are:

To preserve and operate the historic miniature steam trains on the Rhyl Miniature Railway, at Marine Lake in the County of Denbighshire, for the benefit and education of future generations.

Public Benefit

The Trustees are confident that the charitable aims of the Trust satisfy the principles of public benefit as defined in the Charities Act 2011.

RHYL STEAM PRESERVATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)

Public Benefit (continued)

The Trustees ensure that nobody is excluded from the benefits of the Trust's activities. This is achieved by low fares for train rides, and free admission to the Trust's other facilities. We also provide access to our building and to train rides consistent with the Equality Act.

ACHIEVEMENTS AND PERFORMANCE

Mission Statement

The Trust's mission statement is:

To advance education of the public about the history of Rhyl Miniature Railway, through the continued operation of heritage steam trains, and in the context of

- Other similar miniature railways
- Marine Lake fairground and other local fairgrounds
- Main line railways to Rhyl.

To achieve this through promoting greater access to our collection, that involves adults, children, families and schools of all cultures, genders and abilities.

Railway Operations 2020

2020 will be remembered for when the railway did not open as well as when it did. Restrictions caused by the coronavirus meant that the operating season was confined to two weekends in July, 28 out of 31 days in August and then weekends in September. During August the railway still carried 11,200 passengers, which was both commendable and unexpected.

Almost all of our passengers this year travelled in enclosed coaches remaining in their own group. Around the station we had a one way system together with hand sanitisers and facilities to register attendance for NHS Test and Trace.

More disruption to the programme followed with the 2020 Santa trains. We found a way to operate the trains whilst maintaining distancing between passenger groups. We took bookings to run every train full for eight days, but we were beaten by worsening figures for the coronavirus, which meant greater restrictions and in turn led to the final six days' trains having to be cancelled.

The railway continues to benefit from the support of volunteers from the 'Friends of Rhyl Miniature Railway'. The Trust's three part time staff were employed as usual between Easter and September. During the summer one of the longstanding volunteers died and for this and other reasons the number of personnel left running the railway was very few.

We ended 2020 with only two of our steam locomotives in operation. The repaired boiler from loco Joan was returned to us on December 31st. Our Cagney loco has spent the year under overhaul, whilst loco Michael now needs repairs to its boiler before it can be steamed again. The new enclosed guard / wheelchair coach has been completed and was used on all the 2020 trains. A lot more time has been spent on replacing rotten sleepers in the railway track.

Museum Matters

Conservation work on the Trust's collection of locomotive drawings was carried out for us during the Autumn at Caernarfon Record Office, and the drawings will shortly be deposited at Denbighshire Archives for safe keeping. Although the work was delayed, the project's main funder the National Manuscripts Conservation Trust were so pleased that they told us that the project will be used amongst the case studies to guide future grant applicants.

RHYL STEAM PRESERVATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)

FINANCIAL REVIEW

Review of the Year

Like all heritage railways the Trust incurs a lot of up front annual costs, such as insurance, whether the trains operate or not. As our employees are all paid less than they are worth, we took the view that they should be paid in any case from when the railway had been due to be open, even though the costs would not be covered by the HMRC furlough scheme.

Matter improved when in May we received a grant of £10,000, Resilience funding, funded by Welsh Government through the Museums, Archives and Libraries Division, and the Federation of Museums and Art Galleries of Wales. In June we received a further £10,000 from the Welsh Government, followed in July by a further £9,000 from the WG / Federation Resilience fund. These grants were important money, because they paid our costs during closure, including payroll costs, but they also enabled our two expensive locomotive engineering projects to continue unchanged.

Once we did reopen to the public customer demand proved to be high, which also helped us financially. Shop sales of equipment for 'crabbing' showed still further growth during 2020; the quantities sold had to be seen to be believed.

In December 2020 cancellation of 6 days of Santa trains caused the Trust to have to return bookings to customers totalling £8,750. Had this not happened our closing bank balance and reserves would have been very similar to those at the end of 2019.

Reserves policy

Many of the railway's annual costs (including insurance, inspection and publicity) are incurred before the beginning of each operating season. The policy of the Trust is to build up sufficient reserves to enable at least these costs to be borne each year without the use of borrowing. The Trustees intend to take every future opportunity to increase unrestricted reserves.

Unrestricted reserves of the Trust at 31st December 2020 amounted to £180,993. Bank balances totalled £46,846. Although reserves carried forward at 2020 are less than a year ago the closing committed capital expenditure is also a great deal less, meaning that overall the closing position is satisfactory.

PLANS FOR FUTURE PERIODS

There was a very small team running the railway during 2020, and clearly for a sustainable future the available pool of skilled time needs to be increased.

The Trust's five year plan has identified a need for better volunteer facilities and for storage areas inside 'Central Station' which are bigger and more easily accessible. The Trustees intend to discuss these issues further, but our short term priorities have been maintaining our railway equipment and on resilience during the period of the virus.

Cllr Joan Butterfield resigned as a Trustee on 23rd June 2021. The remaining Trustees passed a resolution expressing thanks for all she had done for the Trust.

COVID-19

The consequences for the Trust of Covid 19 during 2020 are discussed in the report above.

It is expected that the 2021 season will again be subject to uncertainty due to the prevailing regulations caused by Covid 19.

RHYL STEAM PRESERVATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (CONTINUED)

INDEPENDENT EXAMINER

Messrs DSG were appointed as the Trust's independent examiners during the year and have expressed their willingness to continue in that capacity if so required.

This report has been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applic

Adopted by the Trustees at their meeting dated 31st October 2021.


..... Trustee

**INDEPENDENT EXAMINERS' REPORT
TO THE TRUSTEES OF RHYL STEAM PRESERVATION TRUST**

YEAR ENDED 31st DECEMBER 2020

I report to the Trustees on my examination of the accounts of the Rhyl Steam Preservation Trust (the Trust) for the year ended 31st December 2020, which are set out on pages 7 to 12.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act') .

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



DSG
Chartered Accountants
Unit 5 Evolution House
Lakeside Business Park
St David's Park Estate
Ewloe
Flintshire CH5 3XP

Date: 31/10/2021

RHYL STEAM PRESERVATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31st DECEMBER 2020

	Note	Restricted Fund - Building Project £	Restricted Fund - Locomotive Projects £	Restricted Fund - Gateway Project £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Income from:							
Charitable activities							
Fares - normal days		-	-	-	38,815	38,815	56,057
Fares - special events		-	-	-	3,106	3,106	16,714
Donations - cash	2	-	-	-	284	284	769
Donations - kind	2	-	-	-	-	-	-
Grants	3	-	-	-	30,622	30,622	2,122
Other trading activities							
Shop income		-	-	-	26,346	26,346	28,850
Investments	4	-	-	-	13	13	22
Total Income	1.3	-	-	-	99,186	99,186	104,534
Expenditure on:							
Raising funds							
Cost of shop purchases		-	-	-	12,966	12,966	13,794
Charitable activities:							
Railway operating costs	5	-	-	-	53,992	53,992	62,538
Depreciation		26,137	1,530	705	12,770	41,142	45,941
Governance costs	6	-	-	-	1,052	1,052	864
Total Expenditure		26,137	1,530	705	80,780	109,152	123,137
Net (Expenditure) / Income	7	(26,137)	(1,530)	(705)	18,406	(9,966)	(18,603)
Total funds at 1 January		561,260	2,380	2,115	162,589	728,344	746,947
Total funds at 31 December		535,123	850	1,410	180,995	718,378	728,344

RHYL STEAM PRESERVATION TRUST

BALANCE SHEET

YEAR ENDED 31st DECEMBER 2020

	Note	2020	2019
		£	£
FIXED ASSETS			
Tangible Assets	8		
Station building project	1.5	402,470	429,302
Station building improvements	1.5	2,089	3,134
Plant and equipment	1.5	94,048	73,217
Heritage assets	1.5	166,102	166,102
		<u>664,709</u>	<u>671,755</u>
CURRENT ASSETS			
Stock	1.6	6,300	2,970
Debtors	9	1,560	1,500
Bank		<u>46,848</u>	<u>55,026</u>
		54,708	59,496
CURRENT LIABILITIES			
Creditors	10	<u>(1,039)</u>	<u>(2,907)</u>
NET CURRENT ASSETS		53,669	56,589
TOTAL NET ASSETS		<u>718,378</u>	<u>728,344</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds		180,995	162,589
Restricted funds	1.7, 12	537,383	565,755
TOTAL CHARITY FUNDS		<u>718,378</u>	<u>728,344</u>

Approved at a meeting of the Trustees on 31st October 2021

L Hughes



Trustee

S Townsend



Secretary

RHYL STEAM PRESERVATION TRUST

NOTES TO THE ACCOUNTS YEAR ENDED 31st DECEMBER 2020

1 Accounting policies

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

1.1 Basis of accounting

The accounts 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 (FRS102) issued on 6 July 2014, and the Charities Act 2011 and applicable regulations.

The Trust constitutes a public benefit entity as defined by FRS102.

Except for Heritage Assets the accounts have been prepared under the historical cost convention with items recognised at cost or transaction value.

1.2 Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.3 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amounts can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Train fare and shop income from the Trust's activities is recognised upon receipt.
- Money donations are recognised on receipt; gift aid is recognised on receipt.
- Donated assets are included at the value to the charity when this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from grants, where related to specific projects, are accounted for as the charity earns the right to consideration by its performance.

1.4 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

1.5 Tangible fixed assets

- The station building and museum entered use during 2007. Depreciation of the leasehold building has been provided to write off its cost over the remaining life of the lease, and charged to the relevant fund.
- Purchased plant and equipment is depreciated on a straight line basis over its estimated useful life of three to ten years.
- Heritage assets donated to the Trust during 2006 have been included in the balance sheet at values which were assessed independently during 2004/2005. The assets concerned are miniature railway locomotives and rolling stock circa eighty years old. Additions to heritage assets are stated at cost. No depreciation is charged due to the nature of the asset. The values of these assets are subject to annual impairment reviews by the Trustees.

1.6 Stocks

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

1.7 Restricted funds

Balances on restricted funds created by grants and donations received for capital projects will be released to unrestricted funds against depreciation of the relevant assets.

RHYL STEAM PRESERVATION TRUST

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31st DECEMBER 2020

2 Donations

	Restricted Funds £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Donations and gifts - cash & gift aid	-	284	284	769

3 Grant income

	Restricted Funds £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Other	-	30,622	30,622	2,122

Grants receivable during 2020 were Welsh Government through the Museums, Archives and Libraries Division, and the Federation of Museums and Art Galleries of Wales £19,000, Welsh Government £10,000, National Manuscripts Conservation Trust £1,500 (2019: £1,500), Marine Lake Users Forum £nil (2019: £500), Rhyl Town Council, £122 (2019: £122),

4 Investment income

	Restricted Funds £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Bank interest	-	13	13	22

5 Expenditure on charitable activities

	Restricted Funds £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Railway Operating Costs				
Coal and oil	-	1,866	1,866	3,201
Inspection fees	-	1,030	1,030	660
Wages	-	22,686	22,686	20,272
Insurance	-	6,174	6,174	5,781
Electricity	-	2,663	2,663	3,118
Telephone and alarm maintenance	-	1,916	1,916	2,324
Water rates	-	460	460	811
Rent and rates	-	367	367	682
Repairs and maintenance	-	4,889	4,889	10,252
Special event costs	-	2,141	2,141	8,221
Leaflets and advertising	-	2,917	2,917	3,882
Sundries, museum equipment and consultancy	-	6,883	6,883	3,334
	-	53,992	53,992	62,538

RHYL STEAM PRESERVATION TRUST

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31st DECEMBER 2020

6 Governance costs

	Restricted Funds £	Unrestricted Funds £	Total 2020 £	Total 2019 £
Independent examiner's fee	-	1,052	1,052	864

7 Net income for the year

	2020 £	2019 £
This is stated after charging:		
Depreciation	41,142	45,941
Independent examiner's remuneration	1,052	864

No remuneration was paid to any Trustees during the year (2019: nil).

8 Tangible assets

	Station Building Project £	Building Improve- ments £	Plant and Equipment £	Heritage Assets £	Total £
Cost or valuation					
at 1st January 2020	778,046	10,449	163,875	166,102	1,118,472
Additions at cost					
during the year	-	-	34,096	-	34,096
Additions at valuation					
during the year	-	-	-	-	-
Disposals	-	-	-	-	0
Balances at 31st December 2020	778,046	10,449	197,971	166,102	1,152,568
Depreciation					
at 1st January 2020	348,744	7,315	90,658	-	446,717
Charge for the year	26,832	1,045	13,265	-	41,142
Disposals	-	-	-	-	0
Balances at 31st December 2020	375,576	8,360	103,923	-	487,859
Net Book Value					
At 31st December 2020	402,470	2,089	94,048	166,102	664,709
At 31st December 2019	429,302	3,134	73,217	166,102	671,755

The station building project is located on land leased for a period of thirty years from 8th March 2006.

RHYL STEAM PRESERVATION TRUST

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31st DECEMBER 2020

9 Debtors

	Total 2020 £	Total 2019 £
Prepayments	1,560	1,500
	<u>1,560</u>	<u>1,500</u>

10 Creditors: amounts falling due within one year

	Total 2020 £	Total 2019 £
Interest free loan from Trustee	39	1,957
Accruals	1,000	950
	<u>1,039</u>	<u>2,907</u>

11 Analysis of net assets between funds

	Restricted Funds Building Project £	Restricted Funds Locomotive Fund £	Restricted Fund - Gateway Project £	Unrestricted Funds £	Total £
Tangible fixed assets	535,123	850	1,410	127,326	664,709
Stock	-	-	-	6,300	6,300
Debtors	-	-	-	1,560	1,560
Bank	-	-	-	46,848	46,848
Creditors due within one year	-	-	-	(1,039)	(1,039)
Creditors due in more than one year	-	-	-	0	0
	<u>535,123</u>	<u>850</u>	<u>1,410</u>	<u>180,995</u>	<u>718,378</u>

RHYL STEAM PRESERVATION TRUST

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31st DECEMBER 2020

12 Restricted funds

Monies received by way of capital funding for the station building project have been credited to the station building project fund. Following completion of the project an annual depreciation charge for the building is being charged to the fund. The effect of the policy will be to reduce the balance of the fund to zero over the same period as the fixed asset concerned.

Monies received by way of capital funding for the restoration of locomotives have been credited to the locomotive projects fund. Following completion of each project an annual depreciation charge for the locomotive is being charged to the fund. The effect of the policy will be to reduce the balance of the fund to zero over the same period as the fixed asset concerned.

Monies received by way of capital funding for the Museum Gateway project have been credited to the Gateway Project fund. The main item funded this way was a wooden canopy which enhances the approach to Central Station. The depreciation charge on these items is being charged to the fund. The effect of the policy will be to reduce the balance of the fund to zero over the same period as the fixed assets concerned.

	Balance at 1 January 2020	Incoming resources	Transfer re depreciation	Balance at 31 December 2020
	£	£	£	£
Station building and museum project	561,260	-	(26,137)	535,123
Locomotive Projects Fund	2,380	-	(1,530)	850
Gateway Project Fund	2,115	-	(705)	1,410
	565,755	-	(28,372)	537,383