

The 762 Club

Charity No. 1139839

Company No. 07401325

Trustees' Report and Unaudited Accounts

31 December 2021

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 07401325

Charity No. 1139839

Principal Office

26 Oaklands

Bideford

Devon

EX39 3HW

Registered Office

c/o Accountancy Edge Ltd

12 Culm Close

Bideford

Devon

EX39 4AX

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

P. Miles

J.H. Pain

M.E.G. Swainson

Company Secretary

J.H. Pain

Accountants

Accountancy Edge Limited

12 Culm Close

Bideford

Devon

EX39 4AX

Bankers

Lloyds Bank plc

5 High Street

Bideford

Devon

EX39 2AD

OBJECTIVES AND ACTIVITIES

The charity's objects are specifically restricted to the following: to build, preserve, operate and exhibit for the public benefit, for educational benefit and instructional purposes locomotives of historical or scientific interest.

In particular this related to a Baldwin 2-4-2 steam locomotive named LYN which was designed and built by the charity and now operates on the nascent Lynton & Barnstaple Railway modelled on the historic locomotive LYN, but engineered using modern designs and technology to provide an efficient, easy-to-maintain and powerful engine that is fit for very many years service in the 21st Century.

The 762 Club has set itself a new challenge - to eventually recreate all four of the Manning Wardle locomotives which operated the original railway. Commencing with YEO and EXE, whilst at the same time manufacturing specific additional components for both TAW and LEW.

The Lynton & Barnstaple Railway Trust owns the original Manning Wardle Trademark, consequently the 762 Club will use the Manning Wardle name.

The locomotives will be designed and manufactured using "known technology". We have substantial support from the team that designed and built LYD the Ffestiniog Railway's L&B new-build locomotive as well as our own experiences creating and operating LYN.

The 762 Club will now build two new locomotives which will have all the appearance of the originals in recognition of the railway's heritage.

As Trustees of the charity we have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. The charity benefits the public through the advancement of scientific and technical knowledge involved in the design and construction of iconic steam locomotives. When the locomotives are completed they will be available to the public and will assist in educating them about steam locomotion and narrow gauge railways.

ACHIEVEMENTS AND PERFORMANCE

LYN continues in regular revenue earning services to the Lynton & Barnstaple Railway CIC at Woody Bay in North Devon.

Fundraising continues for Project YEO and EXE. This year progress was made on the wheel castings and machinery.

FINANCIAL REVIEW

The Trustees consider the performance of the charity in the year to be satisfactory.

LYN is now earning the charity a return through commercial steamings, which is anticipated to be sufficient to fund future maintenance of the locomotive.

The charity is now seeking to raise funds to construct sister locomotives. As each locomotive is estimated to cost up to £500,000 the charity's free cash reserves are currently insufficient to allow the completion of the either project. The Trustees are optimistic that further fundraising will continue to be successful.

The charity aims to keep sufficient free reserves to cover the ongoing maintenance costs of LYN.

PLANS FOR FUTURE PERIODS

As noted, the charity is now steaming LYN and is managing the construction of two additional locomotives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is governed by its Memorandum and Articles of Association incorporated on 8 October 2010 as amended 1 November 2010.

In addition to the power of the charity to appoint trustees at a general meeting, the Board of Trustees have power to appoint an eligible person as a trustee to fill a vacancy or act as an additional trustee.

The procedures adopted for the induction and training of trustees involve access to minutes of previous trustees' meetings, the advice of existing trustees, and the Charity Commission publication "The Essential Trustee".

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

J.H. Pain
Company Secretary
21 September 2022

I report to the charity trustees on my examination of the financial statements of The 762 Club for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors 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 charity 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 charity's financial statements 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

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

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.

James Hellyer MA (Cantab.) FCA
Chartered Accountant
Accountancy Edge Limited
12 Culm Close
Bideford
Devon

EX39 4AX
21 September 2022

The 762 Club
Statement of Financial Activities
for the year ended 31 December 2021

		Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Notes			
Income and endowments from:				
Donations and legacies	4	57,668	57,668	37,336
Other trading activities	5	12,600	12,600	11,106
Other	6	-	-	35
Total		70,268	70,268	48,477
Expenditure on:				
Raising funds	7	-	-	430
Charitable activities	8	1,678	1,678	1,543
Other	9	1,196	1,196	838
Total		2,874	2,874	2,811
Net gains on investments		-	-	-
Net income	10	67,394	67,394	45,666
Transfers between funds		-	-	-
Net income before other gains/(losses)		67,394	67,394	45,666
Other gains and losses				
Net movement in funds		67,394	67,394	45,666
Reconciliation of funds:				
Total funds brought forward		880,231	880,231	834,565
Total funds carried forward		947,625	947,625	880,231

The 762 Club
Summary Income and Expenditure Account
for the year ended 31 December 2021

	2021 £	2020 £
Income	70,268	48,477
Gross income for the year	<u>70,268</u>	<u>48,477</u>
Expenditure	2,874	2,811
Total expenditure for the year	<u>2,874</u>	<u>2,811</u>
Net income before tax for the year	67,394	45,666
Net income for the year	<u>67,394</u>	<u>45,666</u>

The 762 Club
Balance Sheet
at 31 December 2021

Company No. 07401325	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	12	739,067	706,637
		<u>739,067</u>	<u>706,637</u>
Current assets			
Debtors	13	8,142	1,860
Cash at bank and in hand		201,317	172,533
		<u>209,459</u>	<u>174,393</u>
Creditors: Amount falling due within one year	14	(901)	(799)
Net current assets		<u>208,558</u>	<u>173,594</u>
Total assets less current liabilities		<u>947,625</u>	<u>880,231</u>
Net assets excluding pension asset or liability		<u>947,625</u>	<u>880,231</u>
Total net assets		<u><u>947,625</u></u>	<u><u>880,231</u></u>
The funds of the charity			
Restricted funds	15		
Unrestricted funds	15		
General funds		843,302	764,531
Designated funds		104,323	115,700
		<u>947,625</u>	<u>880,231</u>
Total funds		<u><u>947,625</u></u>	<u><u>880,231</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 December 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 21 September 2022

And signed on its behalf by:

J.H. Pain
Trustee
21 September 2022

1 Accounting policies

Basis of preparation

The financial statements 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

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

Plant & machinery	0% straight line
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The residual value of the locomotive is equal to or higher than its historical cost. Therefore no depreciation is provided.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

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 and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Income and endowments from:		
Donations and legacies	37,336	37,336
Other trading activities	11,106	11,106
Other	35	35
Total	<u>48,477</u>	<u>48,477</u>
Expenditure on:		
Raising funds	430	430
Charitable activities	1,543	1,543
Other	838	838
Total	<u>2,811</u>	<u>2,811</u>
Net income	<u>45,666</u>	<u>45,666</u>
Net income before other gains/(losses)	45,666	45,666
Other gains and losses:		
Net movement in funds	<u>45,666</u>	<u>45,666</u>
Reconciliation of funds:		
Total funds brought forward	834,565	834,565
Total funds carried forward	<u>880,231</u>	<u>880,231</u>

4 Income from donations and legacies

	Unrestricted	Total 2021	Total 2020
	£	£	£
Donations	57,668	57,668	37,336
	<u>57,668</u>	<u>57,668</u>	<u>37,336</u>

5 Income from other trading activities

	Unrestricted	Total 2021	Total 2020
	£	£	£
Steaming fees	12,600	12,600	11,106
	<u>12,600</u>	<u>12,600</u>	<u>11,106</u>

6 Other income

	Total 2021 £	Total 2020 £
Advertising	-	35
	<u>-</u>	<u>35</u>

7 Expenditure on raising funds

	Total 2021 £	Total 2020 £
<i>Fundraising trading costs</i>		
Sale of donated items and memorabilia	-	430
	<u>-</u>	<u>430</u>

8 Expenditure on charitable activities

	Unrestricted £	Total 2021 £	Total 2020 £
<i>Governance costs</i>			
Trustees' indemnity insurance	1,678	1,678	1,543
	<u>1,678</u>	<u>1,678</u>	<u>1,543</u>

9 Other expenditure

	Unrestricted £	Total 2021 £	Total 2020 £
General administrative costs	346	346	101
Legal and professional costs	850	850	737
	<u>1,196</u>	<u>1,196</u>	<u>838</u>

10 Net income before transfers

	2021 £	2020 £
This is stated after charging:		
Independent Examiner's fee	850	750

11 Staff costs

No employee received emoluments in excess of £60,000.

12 Tangible fixed assets

	Plant & machinery	Total
	£	£
Cost or revaluation		
At 1 January 2021	706,637	706,637
Additions	32,430	32,430
At 31 December 2021	<u>739,067</u>	<u>739,067</u>
Net book values		
At 31 December 2021	<u>739,067</u>	<u>739,067</u>
At 31 December 2020	<u>706,637</u>	<u>706,637</u>

13 Debtors

	2021	2020
	£	£
VAT recoverable	8,142	1,860
	<u>8,142</u>	<u>1,860</u>

14 Creditors:

amounts falling due within one year

	2021	2020
	£	£
Accruals	901	799
	<u>901</u>	<u>799</u>

15 Movement in funds

	At 1 January 2021	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 December 2021 £
Restricted funds:					
Unrestricted funds:					
General funds	764,531	13,962	(2,874)	67,683	843,302
Designated funds:					
Sponsored parts fund	67,683	-	-	(67,683)	-
YEO fund	48,017	30,774	-	-	78,791
EXE fund	-	25,532	-	-	25,532
<i>Total</i>	<u>115,700</u>	<u>56,306</u>	<u>-</u>	<u>(67,683)</u>	<u>104,323</u>
 Total funds	 <u>880,231</u>	 <u>70,268</u>	 <u>(2,874)</u>	 <u>-</u>	 <u>947,625</u>

Purposes and restrictions in relation to the funds:

Designated funds:

Sponsored parts fund	To finance specified parts of the locomotive.
YEO fund	To finance the construction of the locomotive, YEO.
EXE fund	To finance the construction of the locomotive, EXE.

16 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	739,067	739,067
Net current assets	208,558	208,558
	<u>947,625</u>	<u>947,625</u>

17 Reconciliation of net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash and cash equivalents	172,533	28,784	201,317
	<u>172,533</u>	<u>28,784</u>	<u>201,317</u>
 Net debt	 <u>172,533</u>	 <u>28,784</u>	 <u>201,317</u>

18 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

The 762 Club
Detailed Statement of Financial Activities
for the year ended 31 December 2021

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies			
Donations	57,668	57,668	37,336
	<u>57,668</u>	<u>57,668</u>	<u>37,336</u>
Other trading activities			
Steaming fees	12,600	12,600	11,106
	<u>12,600</u>	<u>12,600</u>	<u>11,106</u>
Other			
Advertising	-	-	35
	<u>-</u>	<u>-</u>	<u>35</u>
Total income and endowments	70,268	70,268	48,477
Expenditure on:			
Costs of other trading activities			
Sale of donated items and memorabilia	-	-	430
	<u>-</u>	<u>-</u>	<u>430</u>
Total of expenditure on raising funds	-	-	430
Governance costs			
Trustees' indemnity insurance	1,678	1,678	1,543
	<u>1,678</u>	<u>1,678</u>	<u>1,543</u>
Total of expenditure on charitable activities	1,678	1,678	1,543
General administrative costs, including depreciation and amortisation			
Depreciation of Plant & machinery	-	-	-
Bank charges	93	93	88
Software, IT support and related costs	240	240	-
Sundry expenses	13	13	13
	<u>346</u>	<u>346</u>	<u>101</u>
Legal and professional costs			
Audit/Independent examination fees	850	850	737
	<u>850</u>	<u>850</u>	<u>737</u>
Total of expenditure of other costs	<u>1,196</u>	<u>1,196</u>	<u>838</u>

The 762 Club
Detailed Statement of Financial Activities

Total expenditure	2,874	2,874	2,811
Net gains on investments	-	-	-
	<hr/>	<hr/>	<hr/>
Net income	67,394	67,394	45,666
	<hr/>	<hr/>	<hr/>
Net income before other gains/(losses)	67,394	67,394	45,666
Other Gains	-	-	-
	<hr/>	<hr/>	<hr/>
Net movement in funds	67,394	67,394	45,666
	<hr/>	<hr/>	<hr/>
Reconciliation of funds:			
Total funds brought forward	880,231	880,231	834,565
Total funds carried forward	<hr/>	<hr/>	<hr/>
	947,625	947,625	880,231
	<hr/>	<hr/>	<hr/>