

**HAMPTON & KEMPTON WATERWORKS RAILWAY LIMITED**



**FINANCIAL ACCOUNTS  
AND TRUSTEES' REPORT**

**YEAR ENDED 31 DECEMBER 2022**

Company Number 08428299

Registered Charity Number 1166913

[www.hamptonkemptonrailway.org.uk](http://www.hamptonkemptonrailway.org.uk)

# HAMPTON & KEMPTON WATERWORKS RAILWAY LIMITED

## Trustees' report for year ended 31 December 2022

### **Company Structure, Governance and Management**

In the 1990's the disused ex-Metropolitan Water Board steam powered water pumping station at Kempton Park was restored to working order by a charity, the Kempton Great Engines Trust (KGET). Since then it has proved a popular historic tourist attraction. The pumping station is on a long lease from Thames Water and is surrounded by Thames Water land which extends as far as Hampton and Kempton Park main-line station.

Originally it was coal fired and fuel was brought up from the Thames at Hampton by a narrow-gauge railway. Although this had been closed and was dismantled in the 1940's, the original route through what by then was Thames Water land remained largely intact. In 2003 a number of KGET members and others decided that restoring the railway to Hampton was feasible and would add considerably to the attraction of the Kempton Park site. Initially an unincorporated society, the Metropolitan Water Board Railway Society (MWBRs) was formed to progress this project. Although independent it worked closely with and was supported by the KGET.

Work proceeded over the next few years until it became possible to construct a small demonstration circuit on land already leased from Thames Water by the KGET. This is known as the 'Hanworth Loop' and opened in May 2013. For legal reasons a company limited by guarantee, the Hampton & Kempton Waterworks Railway Ltd (HKWR) was set up to construct and operate the railway. It obtained charitable status in 2016. The MWBRs continues as an unincorporated support organisation.

The HKWR Trustees have given the MWBRs responsibility for all aspects of construction and day-to-day operation of the railway which are performed by their volunteers. The Trustees provide oversight and meet bimonthly with representatives from the MWBRs who report on all aspects of the railway including health and safety.

The Trustees are ultimately responsible for ensuring the railway is run in order to achieve its charitable objectives. As the Trustees are also Directors, the HKWR being a Limited Company, they are also required to comply with Company as well as Charity Law.

### **Progress since opening in 2013**

Once the railway was running and proving successful, attention turned to the objective of restoring the railway on its original formation to Hampton. Thames Water had agreed in principle to this but it was not possible to use all the original formation because parts had been used for various purposes by Thames Water and its predecessors. However significant sections of the original formation were available. The railway opened to the public in May 2013 on a circular operating mainly at weekends initially using one coach and a steam locomotive on loan from the Museum of Steam and Water at Brentford, but later replaced on long-term loan by another locomotive belonging to an MWBRs volunteer.

Supported by a relatively small number of dedicated volunteers, traffic has gradually increased resulting in a small operating surplus being made for each year of operation which has been reinvested in the railway. The railway did shut down during the Covid epidemic but was able to manage without government assistance because fixed costs are low on a railway that is run entirely by volunteers.

All this took time since Thames Water needed to ensure that the proposed route would not interfere with their future development plans. However, agreement was reached and a lease was signed by HKWR and Thames Water in March 2018.

## **Recent Developments**

A period of consolidation followed the lease agreement with additional rolling stock being acquired and refurbished to cope with the steadily increasing traffic. At the same time work started on obtaining planning permission from Hounslow Council.

All this was brought to a stop by the lockdown in 2019 and the railway was closed for over a year before reopening in June 2021. Luckily as an all volunteer organisation fixed costs are low, and it was possible to survive the crisis financially without having to apply to the Government for any assistance.

Once the epidemic was over work resumed on the planning application which apart from needing the approval of Hounslow Council also has to satisfy various environmental organisations. The Council have been very supportive but have to work within Government guidelines which include making provision for public parking based on the expected number of visitors. Discussions on this issue have been very protracted and have involved not only Thames Water but also Transport for London, who have an interest in one of the proposed locations beneath the elevated A316, as well as the KGET who have their own plans for development.

This matter was unresolved at the end of the financial year at 31<sup>st</sup> December 2022, but in early 2023 Thames Water offered a lease on land adjacent to railway at Kempton Park.

Also interrupted by the shutdown was the construction of a carriage shed and workshop which enables most rolling stock to be stored under cover and provides a much improved working environment for volunteers working on rolling stock. It was partly financed by a substantial grant from the Hounslow Community Fund but was constructed by volunteers and completed in late 2022.

The successful completion of this project represents a major achievement by volunteers none of whom had been involved in a project of this kind before. The building was entered into the Heritage Railway Association annual awards competition in early 2023 and won the award for best infrastructure development in 2022.

Since reopening in 2021 there has been a steady increase in visitors and the railway continues to produce a small operating surplus each year. Special events such as Christmas and Halloween attract many visitors and provide a significant proportion of revenue.

## **Outlook for 2023**

The offer of the lease of car-parking space by Thames Water in early 2023 removes the last remaining obstacle in the way of applying for planning permission. However although most of the preparation has been done processing the planning application is likely to take several months but it is hoped to start construction in 2024. In the meantime volunteers have been running the existing railway, restoring and repairing rolling-stock, and upgrading the infrastructure, preparing for the start of construction. This has been assisted by grants from local organisations together with donations from members and visitors. It has also been possible to stockpile some materials such as track leaving the railway physically well-prepared for the time when construction can start.

However, the original plan estimated the cost of the extension to Hampton to be about £1.5 Million but since then costs have risen significantly particularly during the last year. Although it is planned to reopen the line to Hampton in stages over a number of years each section will require funding substantially in excess of that raised hitherto.

A high priority for this year will be to expand the fund raising team and to widen fund raising activities including approaching potential corporate sponsors based on an updated and fully costed business plan.

## **Trustees**

The following served as Trustees during 2022 –

M.J.Hamilton (Chairman)	
R.Leadbetter	
D.Lawrie	Resigned 23 March 2022
D.Lewis	
R.Marie	
N.Reynolds	
L.Roberts	Appointed 8 November 2022
S.Webb	Resigned 18 December 2022
B Chorley	
C.Clode	

A. Eaton acted as Company/Trust secretary throughout the year

## Statement of financial activity

For the period 1 January 2022 to 31 December 2022

	Notes	2022	2021
<i>Income</i>			
Incoming resources	1	£40,077	£21,748
Donations & grants	2	£14,194	£22,647
Trading income		£54,271	£44,395
<i>Expenditure</i>			
Trading costs	3	£34,077	£15,360
Depreciation	4	£17,632	£13,710
Total expenditure		£51,709	£29,070
Balance (income-expenditure)		£2,562	£15,325
Funds at 1/1/2022		£183,180	£167,855
Total 2022		£185,742	£183,180

## Balance sheet

Fixed assets and WIP	£125,605	£130,864
Cash in hand and at bank	£49,648	£46,317
Prepayments	£2,841	£1,755
Shop stock	£3,220	£3,525
VAT refund due	£3,503	£1,088
Gift Aid claimed	£926	-£369
Creditors	£0	£0
Total assets at 31/12/2022	£185,742	£183,180

## Notes to the accounts

		2022	2021
1	Donations & grants		
	Grants	£1,250	£11,250
	Gift Aid	£1,021	£1,671
	Donations	£11,923	£9,726
		£14,194	£22,647
2	Sales		
	Passengers	£28,953	£19,854
	Miscellaneous	£11,124	£1,894
		£40,077	£21,748
3	Costs (inc WIP)		
	Estate improvements	£424	£775
	Events	£5,870	£2,259
	Fuel	£2,457	£846
	Insurance	£4,664	£4,452
	Maintenance of coaches	£41	
	Maintenance of estates	£2,894	£1,590
	Maintenance of locomotives	£721	£251
	Maintenance of mobile equipment	£1,227	£377
	Maintenance of PW	£906	
	Management	£1,399	£177
	Membership fees	£454	£230
	Mobile equipment	£3,174	
	New carriage shed	£8,355	£7,545
	Operations	£633	£1,592
	Promotion	£3,396	£1,097
	Recruitment	£153	
	Restoration of coaches	£2,831	£579
	Restoration of locomotives	£48	
	Restoration of wagons	£22	
	Safety	£2,086	£954
	Site security	£1,162	
	Ticket office	£3,975	£1,911
	Training	£136	
		£47,029	£24,634
4	Depreciation		
	Track costs will be written off over 10 years, all other assets over their expected lives		

## Reserves Policy

The company is building up reserves of £10,000 for major work on its steam locomotive due in 2029. The reserve currently stands at £7,000 and there is also an operating reserve of a further £7,000.

## Employees

There were no paid employees during the year.

## Small Companies Exemption

For the financial year ending 31 December 2022, the company was entitled to exemption under Section 477 of the Companies Act relating to small companies. No members have required the Company to have an audit of its accounts for the year in question under section 476 of the Act. The directors acknowledge their responsibility for complying with the requirements of the Act in relation to accounting records and for the preparations of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

### Independent Examiner's Report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2022.

#### Responsibilities and basis of report

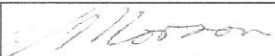
As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

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.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Signed		Date	10 <sup>th</sup> July 2023
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Name	John Morson
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## Declarations

The trustees declare that they have approved the trustees' report above.

Signature



Full name

Anthony Eaton

Position

Company Secretary

Date

12/7/23