

HAMPTON & KEMPTON WATERWORKS RAILWAY LIMITED



FINANCIAL ACCOUNTS AND TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2023

Company Number 08428299

Registered Charity Number 1166913

www.hamptonkemptonrailway.org.uk

HAMPTON & KEMPTON WATERWORKS RAILWAY LIMITED

Trustees' report for year ended 31 December 2023

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, the privatised successor to the Metropolitan Water Board, and is surrounded by Thames Water land which extends as far as Hampton and the Kempton Park main-line station which is adjacent to the race course.

When built in 1928 it was coal fired and fuel was brought up from the Thames at Hampton by an existing narrow-gauge railway. Although the railway was closed and dismantled in the 1940's, significant parts of the original route through Thames Water land remained largely undeveloped, so in 2003 KGET members amongst others decided that restoring the railway to Hampton was feasible and would add considerably to the attraction of the Kempton Park site. The Metropolitan Water Board Railway Society (MWBRs) was formed to progress this project and although independent was strongly supported by the KGET who allowed use of part of their leased land to construct an initial demonstration circuit now called the 'Hanworth Loop'.

This was opened in May 2013 and for legal reasons a limited company, the Hampton & Kempton Waterworks Railway Ltd (HKWR) was set up to construct and operate the line. Charitable status was achieved in 2016 which meant that HKWR Company Directors also became Charity Trustees.

The MWBRs continues as a support organisation and the HKWR trustees have given the society responsibility for all aspects of construction and operation. All work is performed by volunteers, there being no paid staff. The trustees provide oversight and strategic direction to ensure the railway achieves its charitable objectives. To this end they meet regularly with representatives from the MWBRs who report on progress and other matters such as Health and Safety.

As the trustees are also directors, the HKWR being a Limited Company, they are also required to comply with both company and charity law.

The Hanworth Loop

The early acquisition of a steam locomotive on long-term lease from a volunteer meant that most trains could be steam hauled from the opening. This remains the case today and the railway's early popularity was in large part due to the attraction of steam. Although the 'Hanworth Loop' is quite short this does mean that trains can be operated frequently giving many opportunities for volunteers to become fully trained in running a preserved railway.

Since opening more rolling stock has been gradually acquired and the infrastructure has been improved culminating in a Heritage Railway Association award in 2023 for our new carriage shed entirely assembled on site by volunteers.

Like other attractions the railway closed during the Covid epidemic but survived without any government assistance. Since the reopening in 2021 passengers and revenue have recovered and have steadily increased following a decision to concentrate on running popular special events such as 'Halloween Ghost Night' and 'Santa Specials'. Annually, before depreciation, a small operating surplus is produced which is used to maintain and improve the infrastructure.

Building the Mainline

Once the 'Hanworth Loop' was shown to be operating successfully and financially viable, attention turned to the real goal of rebuilding the line to Hampton.

A lease for the proposed route was needed before construction could begin. As the freeholder, Thames Water had already agreed in principle to this. However it was not possible to use all the original formation because parts had been used for various purposes by Thames Water and its predecessors. All this took time since Thames Water needed to ensure that the proposed route would not interfere with their future development plans. Nevertheless significant sections of the original formation were available and a route using as much as possible was agreed with Thames Water and a lease signed in 2018.

Planning including a detailed survey started together with preparations for the various consents required from Hounslow Council and environmental authorities. The most important of these was the necessity to obtain planning permission from the council.

Work was brought to a halt during the COVID epidemic and lockdown during which the railway closed for over a year.

Once work restarted it became obvious that parts of the agreed route needed changes because of poor ground conditions. Preliminary discussions with Hounslow Council while positive also revealed that an extended car-park would be needed to satisfy HM Government regulations before planning permission could be granted. Together with the discovery that parts of the leased route had also been previously leased to the Kempton Great Engines Trust meant that changes to the lease would be required.

By the end of 2022 Thames Water had verbally agreed to the route changes requested and to the provision of an area suitable for car parking.

2023 Developments

The year was marked by the sad and unexpected passing of our Chairman, Michael Hamilton. Michael was instrumental in setting up the Hampton & Kempton Waterworks Railway in 2013 and had also been involved with the KGET from its own inception in 1997. His contribution to both is much appreciated and he will be greatly missed.

David Lewis, an existing trustee and an experienced civil engineer, was elected by the other trustees to be the new chairman of the railway.

Operations on the 'Hanworth Loop' continued successfully with extra capacity being provided after the introduction of an additional coach following extensive refurbishment since its acquisition in 2018. In spite of sharply increased costs during the year a small operating surplus was again achieved.

As far as the mainline is concerned, early optimism of being able to be in a position to start construction in 2024 proved unfounded. A combination of factors prevented this happening but an important factor was Thames Water's serious financial situation. This did not affect routine train operation but the widespread personnel changes following the resignation of their Chief Executive in July 2023, meant that there was no progress made on finalising the verbally agreed lease changes. This had a knock on effect as until these are completed the planning application cannot be submitted to Hounslow Council since they will require exact details of the route and proposed car parking arrangements.

A similar difficulty affected the Kempton Great Engines Trust who are anxious to use a redundant boiler house as part of a proposed museum *extension*.

Outlook for 2024

Operation of the 'Hanworth Loop' is expected to follow a similar pattern as previous years with the emphasis on running a number of special events often in conjunction with the Kempton Great Engines Trust.

It is hoped that progress will be made with Thames Water and to this end it has been agreed with the KGET that we will act jointly in our negotiations with Thames Water.

The KGET and HKWR have always been closely associated but with slightly different objectives. Prompted by our meetings with Thames Water it has been agreed for our two organisations to work together in a slightly more formalised way on areas of mutual interest such as parking. A memorandum of understanding has been agreed between the HKWR and the KGET to aid future discussions.

Both organisations have experienced difficulties in fund raising on their own account and once construction of the main line is authorised the need for funds will increase dramatically. It is apparent that potential major donors will be more likely to make grants to either organisation if the application is within the context of an overall development plan for the Kempton Park site. The same principle applies to attracting increased visitor numbers and it is becoming evident throughout the heritage movement that visitors require more than the basic offering such as a train ride, or viewing pumping engines. In our case the Kempton Park site offers the opportunity to provide an experience that leads to a wider understanding of the vital part played in the supply of clean water since the 19th Century.

Trustees

The following served as trustees during 2023

First Elected	Name	Last Elected	Attendance 2023
March 2013	Michael Hamilton	July 2022	4/4
May 2021	Bernard Chorley	September 2023	6/6

May 2021	Colin Clode	September 2023	4/6
June 2014	Robert Leadbetter	September 2023	4/6
May 2021	David Lewis	May 2021	6/6
March 2013	Ray Marie	July 2022	5/6
March 2013	Nick Reynolds	July 2022	6/6
November 2022	Linda Roberts	November 2022	5/6

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

None of the Trustees was paid any remuneration or personal expenses during the year.

Financial Activity

Statement for the period 1 January 2023 to 31 December 2023

	Notes (see	2023	2022
<i>Income</i>			
Incoming resources	1	£38,122	£40,077
Donations & grants	2	£10,003	£14,194
Trading income		£48,125	£54,271
<i>Expenditure</i>			
Trading costs	3	£37,674	£34,077
Depreciation	4	£20,604	£17,632
Total expenditure		£58,277	£51,709
Balance (income-expenditure)		-£10,152	£2,562
Funds at start of year		£185,742	£183,180
Total at end of year		£175,590	£185,742

Notes

		2023	2022
1 Sales	Passengers	£29,88	£28,95
	Miscellaneous	£8,238	£11,12
		£38,1	£40,0
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2 Donations &	Grants	£0	£1,250
	Gift Aid	£926	£1,021
	Donations	£9077	£11,92
		£10,0	£14,1
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3 Costs	Estate improvements	£1,587	£424
	Events	£6,472	£5,870
	Fuel	£2,096	£2,457
	Insurance	£5,248	£4,664
	Maintenance of coaches	£67	£41
	Maintenance of estates	£325	£2,894
	Maintenance of locomotives	£3,363	£721
	Maintenance of mobile	£477	£1,227
	Maintenance of PW	£947	£906
	Management	£1,285	£1,399
	Membership fees	£170	£454
	Mobile equipment	£0	£3,174
	New carriage shed	£0	£8,355
	Operations	£2,363	£633
	Promotion	£3,367	£3,396
	Recruitment	£0	£153
	Restoration of coaches	£0	£2,831
	Restoration of locomotives	£740	£48
	Restoration of wagons	£260	£22
	Safety	£736	£2,086
	Site security	£36	£1,162
	Ticket office extension	£5,714	£3,975
	Training	£552	£136
	Donations	£561	£0
		£37,6	£47,0
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4 Depreciation	Track costs will be written off over 10 years, all other assets expected lives. In 2022 WIP was included in the costs		

Balance Sheet

	2023	2022
Fixed assets and WIP	£105,94	£125,605
Cash in hand and at bank	£61,958	£49,648
Prepayments	£2,295	£2,841
Shop stock	£3,382	£3,220
VAT refund due	£4,399	£3,503
Gift Aid claimed	£1,305	£926
Creditors	-£3,695	£0
Total assets at year end	£175,59	£185,742

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 £8,000.

Employees

There were no paid employees during the year.

Small Companies Exemption

For the financial year ending 31 December 2023, 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 charitable company, the Hampton & Kempton Waterworks Railway Limited, for the year ending 31 December 2023.

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 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 the 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 par 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	
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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 David Bishop Lewis

Position Trust Chairman

Date