



THE RAILWAY CORRESPONDENCE AND TRAVEL SOCIETY

Charity Registration Number 1169995

ANNUAL TRUSTEES REPORT AND FINANCIAL STATEMENT 2021

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Charity Registration Number 1169995

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Trustees (at 1st June 2022):

A Callum MacLeod (Chairman)
David B Bird (Deputy Chairman)
Geoffrey T Adams (Secretary) *[to 31st March 2022]*
Richard L Morris (Secretary) *[from 9th May 2022]*
A Reginald Wood (Treasurer)
Andrew P Davies
David P Goddard
James Milne
Irene L Rabbitts
John Redgate
Michael S Robinson
Matthew Shaw

Professional Advisers:

Bankers

Lloyds Bank plc
PO Box 1000
Andover
BX1 1LT

Independent Examiners

R.S. Porter & Co Ltd
Chartered Accountants (ICAEW)
The Old Dairy, Ashton Hill Farm,
Weston Road, Failand,
Bristol
BS8 3US

Solicitors

Hollingworth Bissell
Albert Buildings
49 Queen Victoria Street
London
EC4N 4SA

Insurance Brokers

Hettle Andrews Associates Ltd
Eleven Brindley Place
2 Brunswick Square
Brindley Place
Birmingham
B1 2LP

Trustee Annual Report for the Administration year to 31st December 2021

CHARITY STATUS:

Charitable Incorporated Organisation.

OBJECTIVES:

The objectives of the CIO are to advance the education of the public in the subject of historic and current railway operations, through:

- I. The publication of a regular monthly magazine, *The Railway Observer*, and its associated websites.
- II. The publication of books containing detailed historical records relating to railways, including locomotive classes, traction equipment and railway infrastructure.
- III. The formation and support of local branches of the Society with a view to providing a programme of speakers and visits so as to enable the public to study and understand various aspects of the practice of historic and current railway operation.
- IV. The development and conservation of an extensive library/archival centre so as to advance the public knowledge and understanding of historic and current railway practice and railway heritage.
- V. The dissemination to the public of photographic images illustrating historic railway heritage and current railway operations.

SOCIETY GOVERNANCE AND ORGANISATION:

The Society became a Charitable Incorporated Organisation in November 2016. This Trustee Annual Report covers activities by the Society for the Administrative year 1st January to 31st December 2021. The Financial Report and Statement of Accounts covers the Society's Financial year 1st November 2020 to 31st October 2021.

The Society continues to be governed by a Board of Trustees of 11 members, with working groups for Administration, Commercial, Finance and Strategy, each led by a Trustee and reporting to the Board. The Board of Trustees met by Zoom on four occasions during the year plus once 'face-to-face' in London (when two members participated via a Zoom link). The Society Annual General Meeting (in June) was also held on Zoom, but the Officers' Conference in October was held in person as part of the Members' Weekend.

The Society obtained three Zoom licences enabling the Webmaster, 'Zoom-master' and the Trustee responsible for the Archive and Library to host meetings on behalf of the Branches, as well as national meetings such as the AGM and national speaker led presentations.

For the first eight months of 2021, the Society's activities, the ability to hold 'in person' meetings by our network of Branches, and the ability for members to travel, continued to be severely curtailed by the impact of the Covid pandemic. For much of this early period the country was in full lockdown. However the on-line meeting facility Zoom provided the opportunity for national meetings to be held, and a number of Branches also used the facility to hold local area meetings. From September onwards, with the easing of Covid protection measures, a number of Branches ventured to restart 'in person' meetings and in October 2021 the Society held its Annual Members' Weekend in Taunton. This was the planned location for the 2020 Members Weekend but that, of course, disappeared in a cloud of Covid

travel restrictions and lockdowns.

Membership: Membership of the Society as of 31st December 2021 stood at 2695, compared with 2756 at the end of December 2020. Being unable to attend railway interest exhibitions during 2021 undoubtedly impacted on the ability to recruit new members, but many of the 426 new or re-joining members were recruited through the Society website (www.rcts.org.uk) substantially offsetting the losses through death, resignation, or non-renewal to leave the Society with a net loss of just 61 over the year under review.

Branches: The Society manages a network of 25 Branches – spread over the length and breadth of England with two more in Wales and one in Scotland. During the early part of 2021, when the country was under the most severe pandemic restrictions, 15 of these Branches took up the opportunity to utilise the Zoom facility to hold on-line presentations for their local members. The biggest advantage of using Zoom was that the meetings could be attended by members residing elsewhere in the country and indeed the world. One member in Canada, two from Australia and several from European countries registered and attended many of these Branch meetings. Additionally using Zoom meant that Branches could invite presenters from other parts of the country, and two Branches had presenters from Europe. Most Branches hosting Zoom meetings reported attendances of anywhere between 60 and 100 attendees, in many cases this is a lot more than would normally attend 'in person' meetings. In addition to the national Zoom licences mentioned above, two Branches obtained licences so they could host their own meetings. In the dark days of lockdowns, being able to attend an on-line Zoom meeting proved invaluable for members who were feeling lonely - stuck at home unable to go anywhere or see anyone face to face. In terms of funding, each Branch is expected to be, and is, financially self-supporting. Each Branch has a range of technology items to assist with meetings. Most, if not all, now have a decent quality digital projector as the vast majority of presenters come armed with digital images either on a laptop or USB memory stick. The ability to present traditional slides is still possible within each Branch as there are a handful of presenters who don't have 'modern technology'! A couple of Branches ventured to try 'hybrid' meetings when they were able to meet in person by also using Zoom to reach members who still feel unable to travel due to Covid concerns. This had mixed success, but it has been a learning experience. Hybrid does rely on meeting locations having a pretty robust Wi-fi connection as Zoom can be resource heavy when screen sharing images. A microphone in the hand of the presenter and linked, by USB, into the presenting laptop also essential as a laptop internal microphone is generally not good enough to pick up a speaker from several feet away. One Branch established that having two laptops to hand was an advantage - one to present the images and the other to manage the Zoom application. This worked well.

Website: The Society Webmaster developed and launched a completely new website during 2021 which was aimed to be more user friendly for members who browse using mobile devices, as well as the more traditional browsing means.

Library and Archive During the early part of the year the Library and Archive facility in Leatherhead was closed, but later in the year the facility was opened for members to go and do some research, or simply to see the building (it opened in this new location only eighteen months before the pandemic hit in 2020!) and have a look round. The Library is usually open one day a week, either a midweek day or a Saturday, but any member who cannot visit

during these normal opening times can negotiate with the Librarian or Archivist to visit on a different day.

Promoting the Society A Network Rail cl.43 High Speed Train locomotive is named *The Railway Observer* with an additional plate reflecting that this is the journal of the Railway Correspondence and Travel Society. This locomotive is part of Network Rail's New Measurement Train and travels over much of the railway network in England, Scotland, and Wales, fortnightly measuring and testing the tracks for good health. Any imperfections found are notified in real time to the management team who then organise maintenance teams to go out and repair any faults. Unfortunately, during 2021 this particular locomotive apparently suffered from mechanical problems and made very few, if any, journeys around the network. Steps are being taken to transfer the name to a more reliable freight locomotive.

Finances The Society continues to be financially stable. The financial report and summary statement of accounts follows this report

On behalf of the Board of Trustees,

A.C. Macleod
Chairman

R. L. Morris
Secretary

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2021

This report covers the Society's financial affairs for the year from 1 November 2020 to 31 October 2021.

This second year of operating under the covid controls has brought further challenges to both the Society and enthusiasts generally, with the "travel" in our title being seriously constrained. Members with unplanned time on their hands made our zoom meetings programme very well supported, and our publications sales delivered a boost to our finances from greater sales. Later in the year we managed to hold our national Members' Weekend which proved popular and successful. Branch indoor meetings were resumed so local funds generation resumed.

The overall financial outcome for the year was a surplus of £3,452 compared with £3,200 in the previous year.

It is a Society policy for magazine fees for *The Railway Observer* to cover the costs of its production, printing and despatch. This has been achieved again in 2020/21. A review of our Life Membership Fund with the future liability for funding the *RO* led to a £3,000 increased provision and Nil released this year. Our policy is to use income from publication sales, bank interest and donations from members to maintain the annual subscription below what would otherwise be needed if all other running costs were to be met directly from the subscription.

Publication sales almost trebled at £17,836 (last year £6,353) with the launch of two books, *Brush Diesel and Electric Locos 1980-2020*, and *Michael Mensing – Railway Photographer Vol 1*, and reprints of two *BR Standard Locos* titles, an overall investment of almost £8,000. Sales have suffered with bookshops closed, though half of the print run has been sold. Publications achieved a surplus of £7,063 after recent years break evens and deficits. Excess stock provisions have been reviewed to write down stock valuations of slower selling titles and binders. Publications stock is valued at the lower of cost or forecast sale value and was £17,156 at Year End after provisions of £14,722.. This represents 11.5 months of sales.

Our income from membership subscriptions grew 6% this year to £69,197, and our funds inflow from donations and gift aid breaking records at £10,494 and £3,893. These figures are 50% of receipts, the balance being capitalised to cover future library costs. Sadly, our sale of images reduced.

During the year our investment in the Society image library continued with a further £600 spent adding 1,300 images.

During the year Branch funds invested centrally increased with a deposit of £5,000 by East Midlands Branch to reach a total of £15,694. I thank Branch committees for their help.

Our largest expense is of course the *RO*, which cost £51,717 (2019/20 £46,012) to produce.

This year's financial statement shows membership and related promotion costs presented in the membership income section. Our other Society administration costs totalled £9,422 (2019/20 £7,776) with external finance costs (ie for zoom use, and paypal etc costs) increasing by £1,500. Travelling was again reduced and the saving of the AGM cost is notable. Admin costs are currently just 8.5% of income.

Our major archives project sees a net £6,349 cost shown in the revenue account. We still await our railway company landlord finalisation of the lease and progress on Business Rates etc. Amortisation of donations and gift aid has reduced the cost by £4,540..

On the Balance Sheet, we wrote off the net remaining asset cost of our old website, now superseded, of £8,425.

Our Working Capital increased 22% to £164,139. This is primarily in Creditors including almost £36,100 (three and a half years' worth) of the new library/archive occupation costs awaiting landlord invoicing. Funds are set aside for this.

The Trustees received regular analysis, reporting and review of the Society's financial position during the year, with budgetary control and reporting now in operation within our committees.

A. Reg Wood FCMA CGMA MAPM FMAAT
Society Treasurer

The Railway Correspondence and Travel Society
ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2021

REVENUE ACCOUNT

for the year ended 31st October 2021

	2021	2020
£	£	£
Publication Sales	17836	6353
Cost of Sales	- <u>10773</u>	- <u>5888</u>
	7063	465
Add: Other Income		
Magazine Fees	63352	59477
Subscriptions	5345	5634
Less Membership Costs	- <u>10262</u>	- <u>10012</u>
	58935	55099
Bank Interest	148	1070
Library/Archive	4166	7955
Donations	15931	4272
Sundry	<u>3279</u>	<u>2944</u>
	<u>23524</u>	<u>16291</u>
	89522	71855
Less: Expenditure:		
<i>Railway Observer</i>	51717	46012
Society Administration	8602	6976
Independent Examination	820	800
Branch Expenditure	43	49
Library/Archive	7364	8379
Sundry Activities	- 37	168
Life Membership Fund Provision	3000	0
Depreciation	<u>14561</u>	<u>5911</u>
	<u>86070</u>	<u>68655</u>
Surplus before Taxation	3452	3200
Taxation	0	- 100
Surplus for the year	3452	3300
Retained surplus brought forward	104185	100885
Retained surplus carried forward	<u>107637</u>	<u>104185</u>

The Railway Correspondence and Travel Society
ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2021

BALANCE SHEET
as at 31st October 2021

	2021	2020
£	£	£
ASSETS EMPLOYED		
FIXED ASSETS	29788	43026
CURRENT ASSETS		
Stock	20200	19027
Debtors and prepayments	4447	4681
Cash and bank balances	<u>226728</u>	<u>184710</u>
	251375	208418
CURRENT LIABILITIES		
Creditors	52702	33557
Branch Investment Funds	15694	10694
VAT	230	1081
Magazine Fees and Subscriptions	<u>18610</u>	<u>28485</u>
	87236	73817
NET CURRENT ASSETS	164139	134601
NET ASSETS	<u>193927</u>	<u>177627</u>
FINANCED BY:		
Retained Surplus	107637	104185
Library Capital Fund	25151	27946
Amortised Donations/Gift Aid	31826	19183
Life Membership Fund	29313	26313
	<u>193927</u>	<u>177627</u>

A.R. Wood, FCMA, CGMA, MAPM, FMAAT
Society Treasurer

INDEPENDENT EXAMINERS REPORT

My examination was carried out in accordance with the General Directions given by the Charity 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.

In connections with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements to keep accounting records in accordance with Section 130 of the Charities Act 2011; and to prepare accounts which accord with the accounting records, comply with the accounting requirements of the 2011 Act and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the account to be reached.

Christopher J Porter, FCA
R S Porter and Co. Limited
Chartered Accountants (ICAEW)
26th March 2022

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Weston Road, Failand,
Bristol
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