



THE RAILWAY CORRESPONDENCE AND TRAVEL SOCIETY

Charity Registration Number 1169995

ANNUAL TRUSTEES REPORT AND FINANCIAL STATEMENT 2023

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Trustees (at 1st June 2023):

A James Milne (Chairman)
David B Bird (Deputy Chairman)
Richard L Morris (Secretary)
A Reginald Wood (Treasurer)
David M Cross
Andrew P Davies
David P Goddard
Irene L Rabbitts
John Redgate
Michael S Robinson
Matthew Shaw (*resigned as Trustee December 2023*)

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 2023

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, 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, 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 2023. The Financial Report and Statement of Accounts covers the Society's Financial year 1st November 2022 to 31st October 2023.

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 on six occasions during the year – either in person or using Zoom video conferencing. The Society Annual General Meeting, in April, was held in hybrid format with members 'in person' in Wolverhampton and others joining by Zoom video conferencing. The Officers' Conference held in Doncaster in October was a day event and included workshops focussing on finances, for the benefit of Branch Treasurers and website management primarily for the benefit of Branch website correspondents and others who have sign-on access to submit reports, events and updates directly to the website. The Society President also hosted a small group meeting for newly appointed Branch Officers.

During the year the new Society Chairman contacted his counterparts of similar enthusiast clubs and societies, to make introductions. Responses from two generated follow up correspondence with a view to exploring the option of working closer together. Fact finding meetings took place towards the end of the year between the Chairman, Secretary and their opposite numbers.

Membership: Membership of the Society as of 31st December 2023 stood at 2347, compared with 2467 at the end of December 2022. 275 members were recruited during

2023 – many new to the Society but also including some returning after a period away. The membership renewals process commenced in October with, once again, most members received their renewal invitation by email. This process reaches 80% of our members and thus significantly reduces costs, principally postal costs, of sending individual renewal invitations out by post. Following closure, by our bank, of the Direct Debit methodology which we used, the Society moved to a new process provided by GoCardless in early 2023 for new members enrolling. We migrated existing members to the new method for the 2023/24 renewals season. The new process was thoroughly tested prior to launch to ensure a smooth transition from the old method to the new one.

Branches: The Society manages a network of 28 Branches – spread over the length and breadth of England with two more in Wales and one in Scotland. All held ‘in person’ meetings at their locations, with some using Zoom video conferencing for occasional meetings. Two Branches opted to trial a hybrid format with attendees in a meeting room whilst others signed in on Zoom, one Branch more successfully than the other. This does rely on the meeting location having a very robust Wi-fi facility, alongside necessary computer facilities and members’ knowledge of how to make hybrid work, but it can open up meetings to more attendees. It also allows the opportunity for presenters to be in a remote location – and this featured during the year with a member living in Germany providing a presentation for an audience in the UK. In addition to Branches holding meetings in their centre, there has been a programme of National Zoom meetings throughout the year. These are hosted in the UK but are often attended by members and guests from around the world as well, on occasion, as the presenter being located away from the UK.

Website: Development of the Society website continues along with the new Digital Archive. Members, and guests, can use PayPal as well as Debit Card or Credit Card capability for buying Society products through the website. The online shop is in two separate ‘aisles’ – one for printed publications, the other for digitised products (historical RO magazines, older series books which have been digitally remastered, photograph images which have been digitised).

The massive project to digitise and catalogue all the photographs, slides and images which have been bequeathed to the Society continues. Many are not suitable for publication in the Society magazine or books, but they have a potentially enormous historical value which it is important to retain. There had been earlier endeavours to do this work with some success, but it became clear a new method of operation was required as the monumental size of the task. The Society Digital Officer leads this revitalised project along with the Archivist and Librarian.

Library and Archive The Library and Archive facility in Leatherhead has continued to open one day a week, either a midweek day or a Saturday, for members to visit and do research or reading. The digitisation project, mentioned earlier, is based at the Library with scanning equipment, cameras and necessary computer hardware located there. The Library is housed in the former Station Master’s House at Leatherhead Station, so is very easy to access by train with services provided by South Western Railway and Southern Railway.

Publications The Society continues to produce a high-quality magazine *The Railway Observer* for members. This is available in B5 format, printed, or downloadable as a PDF from

the Society website. New publications launched in 2023 were *Observing the Railway 2022*, similar to the previous version as a picture book of photographs submitted for *The Railway Observer* magazine but not used; and *An Illustrated History of First Generation DMUs*, which catalogues the development, production and use of many, varied, Diesel Multiple Units on British Railways from the late 1950s right through to the late 1990s. The acclaimed *Locomotives of the Great Western Railway* series of printed books, in fourteen parts which ran from the 1950 to 1978, was digitised into three combined volumes by the Society Digital Officer, in 2023, and made available as PDF downloads or through the Amazon 'print on demand' facility.

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. J. Milne
Chairman

R. L. Morris
Secretary

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 OCTOBER 2023

This report covers the Society's financial affairs for the year from 1 November 2022 to 31 October 2023.

The overall financial outcome for the year was a deficit of £11,662 compared with a surplus of £5,251 in the previous year. For 2022/3 the Board of Trustees, recognizing the economic pressures on our members, froze membership subscriptions at the previous year's levels. With high inflation impacting the Society's costs, a forecast deficit was therefore planned. The deficit presented is below the level forecast.

Our normal Society policy is for magazine fees for *The Railway Observer* to cover the costs of its production, printing, and despatch. This was not achieved in 2022/3, a deficit of £5,807 (10%) being recorded.

Publication sales achieved £20,192 (last year £24,237). To this figure can be added the results of the first year of our new publications imaging project which has added income of £4,633. Some £19,000 has been invested in new publications and reprints this year, including new titles *Photographic Journey*, *Observing the Railway 2022* and *DMUs*. The last named sold out its first print run and a second imprint is now available. We reprinted books 1-3 in our *BR Standard Locomotives* series. Our excess stock provision has used market information and seen a slight increase. Our publications activities delivered a net surplus of £2,606. Publications stock is valued at the lower of cost or forecast sale value and was £12,046 at Year End. This represents 7.1 months of sales.

Our income from membership subscriptions achieved £61,785 plus a contribution from the Life Fund of £2,666. Income from donations and gift aid record £11,492 and £1,000, being 50% of actual receipts with the balance being capitalised to cover future library and imaging costs.

Our largest expense is of course *The Railway Observer*, which cost £61,920 (2021/2 £53,987) to produce. Increasing postal charges accounts for the majority of the increase.

Society administration costs totalled £19,488 (2021/2 £12,527). High inflation has increased our costs of Board of Trustees, our AGM, and regional meetings, with our Officers Conference in 2023 being held as a free standing event rather than integral to our Members' Weekend.

Our major library and image projects have benefited this year from our strong stream of donations, for which we thank members. We have also negotiated an additional discretionary discount on our library building business rates which has reduced library accommodation costs.

On the Balance Sheet our increased publications stock (net £12,000) invests for our future. The largest individual provision is a creditor of £58,200 for lease, utilities and business rates on our library/archive awaiting lease finalisation.

A. REG WOOD FCMA CGMA MAPM FMAAT

Society Treasurer

The Railway Correspondence and Travel Society
ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2023

REVENUE ACCOUNT

for the year ended 31st October 2023

	2023	2022
£	£	£
Publication Sales	24825	24237
Cost of Sales	- <u>22219</u>	- <u>20499</u>
	2606	3738
Add: Other Income		
Magazine Fees	58779	58185
Subscriptions	5672	4806
Less Membership Costs	- <u>8779</u>	- <u>8390</u>
	55672	54601
Bank Interest	1566	56
Library/Archive	2065	9074
Donations	13193	10544
Sundry	<u>2358</u>	<u>3682</u>
	<u>19182</u>	<u>23356</u>
	77460	81695
Less: Expenditure:		
<i>Railway Observer</i>	61920	53987
Society Administration	18588	11652
Independent Examination	900	875
Branch Expenditure	251	134
Library/Archive	3811	6641
Sundry Activities	998	643
Depreciation	10402	2512
- Funded from Project Donations	- <u>7748</u>	- <u>0</u>
	<u>89122</u>	<u>76444</u>
Surplus before Taxation	-11662	5251
Taxation	0	0
Surplus for the year	-11662	5251
Retained surplus brought forward	112888	107637
Retained surplus carried forward	<u>101226</u>	<u>112888</u>

The Railway Correspondence and Travel Society
ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2023

BALANCE SHEET
as at 31st October 2023

	2023	2022
£	£	£
ASSETS EMPLOYED		
FIXED ASSETS	25537	27276
CURRENT ASSETS		
Stock	14546	13580
Debtors and prepayments	5217	6531
Cash and bank balances	<u>249053</u>	<u>253237</u>
	<u>268816</u>	<u>273348</u>
CURRENT LIABILITIES		
Creditors	76790	62054
Branch Investment Funds	14944	14944
VAT	269	1205
Magazine Fees and Subscriptions	<u>10788</u>	<u>16249</u>
	<u>102791</u>	<u>94452</u>
NET CURRENT ASSETS	166025	178896
NET ASSETS	<u>191562</u>	<u>206172</u>
FINANCED BY:		
Retained Surplus	101227	112888
Library Capital Fund	19561	22356
Amortised Donations/Gift Aid	45731	44280
Life Membership Fund	25043	26648
	<u>191562</u>	<u>206172</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)
15th February 2024

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