

Charity registration number: 1172852

Littlehampton Heritage Railway Association

Annual Report and Financial Statements

for the Year Ended 31 May 2022

Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

Littlehampton Heritage Railway Association

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Littlehampton Heritage Railway Association

Reference and Administrative Details

Trustees

C Shanks

D Harris

M Cook

G Bashall

S Shanks

Charity Registration Number

1172852

Principal Office

The Engine Shed

Mewsbrook Park

Hendon Avenue

Littlehampton

West Sussex

BN16 2LX

Littlehampton Heritage Railway Association

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 May 2022.

Objectives and activities

Objects and aims

As stated in the charity's memorandum, the object of the charity is:

To restore, preserve, exhibit and operate railway locomotives, carriages, wagons, vehicles and other artefacts of historical interest and the structures connected therewith for the benefit and education of the general public and to conserve books, drawings, records, documents, sound and visual recordings, cinematography, films and photographs and other archive material relating to such artefacts and vehicles, their history and development.

Public benefit

The Littlehampton Heritage Railway Association (LHRA) is run on a not for profit basis and the trustees have had regard to the Charity Commission guidance on public benefit and paid due regard to it in deciding what activities the charity should undertake.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The Littlehampton Heritage Railway continues to improve and upgrade the track, the winter maintenance programme was at Norfolk Road, the old turntable was removed and replaced with a new point to improve ease of use when running trains, new rail and sleepers were used throughout the station area and the platform was extended to allow four coach trains to be run without blocking the pedestrian crossing when standing in the station. New sign boards were installed at both Mewsbook Park and the old Norfolk Gardens, with the nameboard now reading Norfolk Road, reverting to its original name. The improvement in track alteration proved very beneficial to the volunteers throughout the year with an extremely busy passenger season.

The Guards coach with wheelchair section was overhauled, during the winter of 2022 with the wheelchair section enlarged to hold four passengers and one wheelchair allowing larger family units to be carried, the guard portion was enlarged to add a small desk to help with the card reader and to carry promotional leaflets. A bell push system was added linking through all coaches and the four locomotives to give a warning signal operation to Drivers and Guards.

Winter checks on the carriage rolling stock included removing all bogies for servicing.

A shed with railway style fascia boards painted in railway colours was built to house the grass cutting and track side cutting equipment.

Work progresses slowly on the heritage Queen Elizabeth rolling stock and locomotive, wheel blanks have been rough profiled throughout the year with new steel work welded ready for installing in the old railway carriages. Further assessment of the engine and driving system continues so that modern safety practises can be built in.

Training continues with new volunteers and annual reviews of all operational volunteers regarding safe railway operation.

In addition to our stalwart volunteers, thanks are also due to Arun District Council and Littlehampton Town Council for their invaluable help and support.

Littlehampton Heritage Railway Association

Trustees' Report

Social and community

LHRA continues to operate extremely active Facebook and Twitter sites as part of our community outreach program, which are regularly updated by our Community Officer. This continues to get extremely positive feedback from the local community as well as continuing to give valuable information for tourists.

Financial review

Policy on reserves

The trustees seek to maintain adequate unrestricted reserves to enable the smooth day to day operations of the charity. At the present moment in time the trustees would like to build the level of unrestricted reserves to cover six months expenditure.

Investment policy and objectives

The trustees may borrow or raise money for the objects of the charity on such terms and on such security as may be thought fit and whether by the creation and issue of debentures or debenture stock or otherwise.

They may also invest monies of the company not immediately required for its purpose in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law and subject also as hereafter provided.

Structure, governance and management

Nature of governing document

The charity is registered as a charitable incorporated organisation (CIO) as of 3 May 2017.

Organisational structure

The charity is run by a board of trustees who delegate the day to day operation to volunteers.

The annual report was approved by the trustees of the charity on 14 February 2023 and signed on its behalf by:



.....
C Shanks
Trustee

Littlehampton Heritage Railway Association

Independent Examiner's Report to the trustees of Littlehampton Heritage Railway Association ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2022.

Responsibilities and basis of report

As the charity's trustees of Littlehampton Heritage Railway Association 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 your charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Littlehampton Heritage Railway Association as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.



M J Hodson FCA
Independent Examiner

Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

14 February 2023

Littlehampton Heritage Railway Association

Statement of Financial Activities for the Year Ended 31 May 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Charitable activities	2	55,471	2,438	57,909
Investment income	3	2	-	2
Total income		<u>55,473</u>	<u>2,438</u>	<u>57,911</u>
Expenditure on:				
Charitable activities	4	<u>(32,609)</u>	<u>(1,915)</u>	<u>(34,524)</u>
Total expenditure		<u>(32,609)</u>	<u>(1,915)</u>	<u>(34,524)</u>
Net income		22,864	523	23,387
Transfers between funds		<u>3,056</u>	<u>(3,056)</u>	-
Net movement in funds		25,920	(2,533)	23,387
Reconciliation of funds				
Total funds brought forward		<u>62,366</u>	<u>2,547</u>	<u>64,913</u>
Total funds carried forward	11	<u>88,286</u>	<u>14</u>	<u>88,300</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Charitable activities	2	30,068	4,000	34,068
Investment income	3	4	-	4
Total income		<u>30,072</u>	<u>4,000</u>	<u>34,072</u>
Expenditure on:				
Charitable activities	4	<u>(17,076)</u>	<u>(1,635)</u>	<u>(18,711)</u>
Total expenditure		<u>(17,076)</u>	<u>(1,635)</u>	<u>(18,711)</u>
Net income		12,996	2,365	15,361
Transfers between funds		<u>1,318</u>	<u>(1,318)</u>	-
Net movement in funds		14,314	1,047	15,361
Reconciliation of funds				
Total funds brought forward		<u>48,052</u>	<u>1,500</u>	<u>49,552</u>
Total funds carried forward	11	<u>62,366</u>	<u>2,547</u>	<u>64,913</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 11.

The notes on pages 7 to 14 form an integral part of these financial statements.


Littlehampton Heritage Railway Association

(Registration number: 1172852)

Balance Sheet as at 31 May 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	7	30,796	25,189
Current assets			
Debtors	8	5,115	-
Cash at bank and in hand	9	53,998	40,239
		59,113	40,239
Creditors: Amounts falling due within one year	10	(1,609)	(515)
Net current assets		57,504	39,724
Net assets		88,300	64,913
Funds of the charity:			
Restricted income funds			
Restricted funds		14	2,547
Unrestricted income funds			
Unrestricted funds		88,286	62,366
Total funds	11	88,300	64,913

The financial statements on pages 5 to 14 were approved by the trustees, and authorised for issue on 14 February 2023 and signed on their behalf by:



 C Shanks
 Trustee

The notes on pages 7 to 14 form an integral part of these financial statements.

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 Charities Act 2011.

Basis of preparation

Littlehampton Heritage Railway Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations, are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliable measurable with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

Investment income

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	over 4 years
Fixture and fittings	15% reducing balance
Equipment	between 2 and 5 years

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Railway operation	55,471	2,438	57,909
Total for 2022	55,471	2,438	57,909
Total for 2021	30,068	4,000	34,068

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

3 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	2	2
Total for 2022	2	2
Total for 2021	4	4

4 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2022 £
Railway operations	31,971	1,460	33,431
	Activity undertaken directly £	Activity support costs £	2021 £
Railway operations	17,484	340	17,824

In addition to the expenditure analysed above, there are also governance costs of £1,093 (2021 - £887) which relate directly to charitable activities. See note 5 for further details.

Included in charitable expenditure of £33,431 is restricted expenditure of £1,915 (2021 £1,635).

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees Examination of the financial statements	1,093	1,093
Total for 2022	1,093	1,093
Total for 2021	887	887

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

7 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost			
At 1 June 2021	15,083	24,120	39,203
Additions	<u>5,059</u>	<u>5,870</u>	<u>10,929</u>
At 31 May 2022	<u>20,142</u>	<u>29,990</u>	<u>50,132</u>
Depreciation			
At 1 June 2021	5,032	8,982	14,014
Charge for the year	<u>2,323</u>	<u>2,999</u>	<u>5,322</u>
At 31 May 2022	<u>7,355</u>	<u>11,981</u>	<u>19,336</u>
Net book value			
At 31 May 2022	<u>12,787</u>	<u>18,009</u>	<u>30,796</u>
At 31 May 2021	<u>10,051</u>	<u>15,138</u>	<u>25,189</u>

8 Debtors

	2022 £
Prepayments	3,927
Other debtors	<u>1,188</u>
	<u>5,115</u>

9 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	222	303
Cash at bank	35,000	21,162
Short-term deposits	<u>18,776</u>	<u>18,774</u>
	<u>53,998</u>	<u>40,239</u>

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	1	-
Accruals	1,608	515
	<u>1,609</u>	<u>515</u>

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

11 Funds

	Balance at 1 June 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 May 2022 £
Unrestricted funds					
<i>General</i>					
Railway Operation	62,366	55,473	(32,609)	3,056	88,286
Restricted funds					
Sussex Community Trust	132	-	-	(118)	14
Track Repairs	800	-	(800)	-	-
Mewsbrook Ticket Office	1,115	-	(1,115)	-	-
Queen Elizabeth	500	2,438	-	(2,938)	-
Total restricted funds	<u>2,547</u>	<u>2,438</u>	<u>(1,915)</u>	<u>(3,056)</u>	<u>14</u>
Total funds	<u>64,913</u>	<u>57,911</u>	<u>(34,524)</u>	<u>-</u>	<u>88,300</u>
	Balance at 1 June 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 May 2021 £
Unrestricted funds					
<i>General</i>					
Railway Operation	48,052	30,072	(17,076)	1,318	62,366
Restricted					
Sussex Community Trust	1,500	-	(50)	(1,318)	132
Track Repairs	-	800	-	-	800
Mewsbrook Ticket Office	-	2,700	(1,585)	-	1,115
Queen Elizabeth	-	500	-	-	500
Total restricted funds	<u>1,500</u>	<u>4,000</u>	<u>(1,635)</u>	<u>(1,318)</u>	<u>2,547</u>
Total funds	<u>49,552</u>	<u>34,072</u>	<u>(18,711)</u>	<u>-</u>	<u>64,913</u>

Littlehampton Heritage Railway Association

Notes to the Financial Statements for the Year Ended 31 May 2022

12 Analysis of net funds

	At 1 June 2021	Financing cash flows	At 31 May 2022
	£	£	£
Cash at bank and in hand	40,239	13,759	53,998
Net debt	40,239	13,759	53,998

13 Related party transactions

During the year the charity made the following related party transactions:

Littlehampton Heritage Railway Limited

Confirmation statement filing. At the balance sheet date the amount due from Littlehampton Heritage Railway Limited was £109 (2021 - £Nil).