

Babbacombe Cliff Railway CIO

Trustees' report and financial statements

for the year ended 31 March 2022

Charity number: 1182292

Babbacombe Cliff Railway CIO

Contents

	Page
Legal and administrative information	1
Trustees' report	2-3
Independent examiners' report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 11

Babbacombe Cliff Railway CIO

Legal and administrative information

Charity number	1182292
Business address	Babbacombe Downs Road Torquay TQ1 3LF
Trustees	Mr L J Yelland (Chair) Mr D A Cooper Mr M G Strange Mr R F Southcombe (resigned 31 August 2022) Mr M J Angelos (resigned 30 September 2022) Mrs J N Ayres
Accountants	Best Accountancy Services (Plymouth) Ltd 12 Colebrook Road Plympton Plymouth Devon PL7 4AA
Bankers	HSBC Bank plc 4 The Strand Torquay Devon TQ1 2AB

Babbacombe Cliff Railway CIO

Report of the Trustees For the year ended 31 March 2022

The trustees present their report and the financial statements for the year ended 31 March 2022. The trustees, who served during the year and up to the date of this report are set out on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Babbacombe Cliff Railway is a registered charity, number 1153962.

Governing document

The charity is controlled by its governing document, a constitution dated 4th March 2019, as a Charitable Incorporated Organisation (CIO). The entity converted from a Community Interest Company (CIC) to a CIO with effect from 4th March 2019.

Recruitment and appointment of new trustees

The minimum number of trustees is four and the maximum is 6. Trustees are appointed for a term of three years and are eligible for re-appointment at the end of the term. Trustees are appointed by the board of trustees having regard to the skills, knowledge and experience needed for the effective administration of the charity.

OBJECTIVES AND ACTIVITIES

Objectives and activities

The objectives of the charity are to preserve, maintain and operate the historic Babbacombe Cliff Railway and its associated rolling stock, buildings and infrastructure for the public benefit, to ensure that the railway continues to operate for the benefit of the local community and visitors to Torbay.

Public benefit

The trustees are aware of the guidance from the Charity Commission regarding public benefit and can confirm that, in their opinion all the activities undertaken in the year were for the benefit of the public.

ACHEIVEMENT AND PERFORMANCE

Charitable activities

The main activity of the charity during the year was the operation and preservation of the heritage funicular railway in Babbacombe and associated activities.

FINANCIAL REVIEW

Financial position

At the end of the financial period the charity had free reserves in excess of £130,000.

The reserves policy is to hold approximately £100,000 in reserves to cover planned maintenance, especially the chains which have to be replaced every three years.

Babbacombe Cliff Railway CIO

Report of the Trustees

For the year ended 31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees of Babbacombe Cliff Railway are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

.....

Mr L J Yelland

Trustee

Plympton St Maurice Childcare Centre

Independent examiner's report to the trustees on the unaudited financial statements of Babbacombe Cliff Railway CIO.

We report on the accounts of Babbacombe Cliff Railway CIO for the year ended 31 March 2022 set out on pages 5 to 11.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is our responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and
- to state whether particular matters have come to our attention

Basis of independent examiner's statement

Our 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.

Independent examiner's statement

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

(i) which gives us reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

(ii) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Mr John Best
On behalf of Best Accountancy Services (Plymouth) Ltd
Licensed and regulated by the Association of Accounting Technicians
Independent examiner

Babbacombe Cliff Railway CIO

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 March 2022

		Unrestricted	2022	2021
		funds	Total	Total
	Notes	£	£	£
Incoming resources				
Incoming resources from generating funds:				
Donations and legacies	2	343,846	343,846	107,128
Investment income	3	33	33	10
Other income		2,773	2,773	1,308
Grants		22,112	22,112	87,326
		<hr/>	<hr/>	<hr/>
Total incoming resources		368,764	368,764	195,772
		<hr/>	<hr/>	<hr/>
Resources expended				
Raising funds		3,551	3,551	6,532
Charitable activities				
Charitable		225,581	225,581	196,931
		<hr/>	<hr/>	<hr/>
Total resources expended		229,132	229,132	203,463
		<hr/>	<hr/>	<hr/>
Net (outgoing)/incoming resources for the year		139,632	139,632	(7,691)
Total funds brought forward		245,695	245,695	253,386
		<hr/>	<hr/>	<hr/>
Total funds carried forward		385,327	385,327	245,695
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 6 to 10 form an integral part of these financial statements.

Babbacombe Cliff Railway CIO

Balance sheet

as at 31 March 2021

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		75,878		75,873
Current assets					
Stocks	8	2,500		2,500	
Debtors	9	6,311		4,334	
Cash at bank and in hand		310,102		164,313	
		<u>318,913</u>		<u>171,147</u>	
Creditors: amounts falling due within one year	10	(9,464)		(1,325)	
		<u></u>		<u></u>	
Net current assets					169,822
			<u></u>		<u></u>
Net assets			385,327		245,695
			<u></u>		<u></u>
Funds	11				
Unrestricted general funds			385,327		245,695
			<u></u>		<u></u>
Total funds			385,327		245,695
			<u></u>		<u></u>

The financial statements were approved by the trustees on 17 January 2023 and signed on its behalf by

.....

Mr L J Yelland

Trustee

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2022

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 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 2019), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

1.2. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included

Gifts donated for resale are included as incoming resources within the activities for generating funds when they are sold.

Income from investments is included in the year in which it is received.

1.3. Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2022

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% on reducing balance
Cables	-	25% on reducing balance
Rolling stock	-	25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Donations and Legacies

	2022	2021
	Total	Total
	£	£
Ticket sales	334,761	104,807
Merchandise	8,719	2,225
Donations	366	96
	<hr/>	<hr/>
	343,846	107,128
	<hr/>	<hr/>

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2022

3. Investment income

	2022	2021
	Total	Total
	£	£
Bank interest receivable	33	10
	<hr/>	<hr/>
	33	10
	<hr/>	<hr/>

4. Trustees' Remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021

5. Staff costs

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full-time equivalents, was as follows:

2022	2021
Number	Number
10	11
<hr/>	<hr/>

No employees received emoluments in excess of £60,000.

6. Pension costs

The company operates a defined contribution pension scheme in respect of the employee. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows.

	2022	2021
	£	£
Pension charge	1,370	2,459
	<hr/>	<hr/>

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2022

7. Tangible Fixed Assets	Plant and		Rolling	
	machinery	Cables	stock	Total
	£	£	£	£
Cost				
At 1 April 2021	22,761	35,389	88,083	146,233
Additions	7,960	-	-	7,960
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	30,721	35,389	88,083	154,193
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2021	17,708	32,726	19,926	70,360
Charge for the year	3,881	666	3,408	7,955
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	21,589	33,392	23,334	78,315
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 2022	9,132	1,997	64,749	75,878
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	5,053	2,663	68,157	75,873
	<hr/>	<hr/>	<hr/>	<hr/>
8. Stocks			2022	2021
			£	£
Stocks			2,500	2,500
			<hr/>	<hr/>
9. Debtors			2022	2021
			£	£
VAT			6,311	4,334
			<hr/>	<hr/>

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2022

10. Creditors: amounts falling due

within one year	2022	2021
	£	£
Trade creditors	5,733	-
Other taxes and social security	1,450	967
Other creditors	2,281	358
	<u>9,464</u>	<u>1,325</u>

11. Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Fund balances at 31 March 2022 as represented by:		
Tangible fixed assets	75,878	75,878
Current assets	318,913	318,913
Current liabilities	(9,464)	(9,464)
	<u>385,327</u>	<u>385,327</u>

12. Unrestricted funds

	At 1 April 2021 £	Incoming resources £	Outgoing resources £	At 31 March 2022 £
General Funds	245,695	368,764	(229,132)	385,327

Babbacombe Cliff Railway CIO

The following pages do not form part of the statutory accounts.

Babbacome Cliff Railway CIO

Detailed statement of financial activities For the year ended 31 March 2022

	2022	2021
	£	£
Incoming resources		
<i>Donations and legacies</i>		
Donations	366	96
Ticket sales	334,761	104,807
General sales	8,719	2,226
	<hr/>	<hr/>
	343,846	107,128
 <i>Investment income</i>		
Bank interest receivable	33	10
 <i>Other income</i>		
Insurance refund	2,773	1,308
 <i>Grants</i>		
Council grants	16,000	41,273
JRS grants	6,112	46,053
	<hr/>	<hr/>
Total incoming resources	368,764	195,772
	<hr/> <hr/>	<hr/> <hr/>

Babbacome Cliff Railway CIO

Detailed statement of financial activities For the year ended 31 March 2022

	2022		2021	
	£	£	£	£
RESOURCES EXPENDED				
<i>Other trading activities</i>				
Opening stock	2,500		8,629	
Purchases	3,551		403	
Closing stock	(2,500)		(2,500)	
		3,551		6,532
<i>Charitable activities</i>				
Wages and salaries	110,806		117,500	
Employers NI	1,751		2,599	
Pension costs	1,370		2,459	
Recruitment costs	20		-	
Rates and water	1,058		-	
Insurance	11,319		10,792	
Light and heat	9,446		5,770	
Telephone and internet	705		1,067	
Postage and stationery	152		477	
Advertising	2,511		1,175	
Travel costs	808		-	
Accommodation	1,867		-	
Entertaining	195		-	
Lift inspections & maintenance	35,461		24,143	
Repairs & renewals	14,364		16,531	
Equipment hire	216		521	
Uniforms and cleaning	528		381	
Sundry expenses	987		(6,461)	
Computer costs	200		-	
Subscriptions & membership fees	2,125		-	
Staff refreshments	73		-	
Depreciation of plant and machinery	3,881		2,238	
Depreciation of cables	666		887	
Depreciation of rolling stock	3,408		3,587	
		203,917		183,666

Babbacome Cliff Railway CIO

Detailed statement of financial activities For the year ended 31 March 2022

Support Costs

<i>Finance</i>			
Bank charges		4,610	1,375
<i>Governance costs</i>			
Accountancy & bookkeeping	4,454		1,500
Legal fees	-		3,573
Consultancy	5,250		2,917
Professional fees	7,350		3,900
	<hr/>	17,054	<hr/> 11,890
Total resources expended		<hr/> 229,132	<hr/> 203,463
Net (outgoing)/incoming resources for the year		<hr/> 139,632	<hr/> (7,691)
		<hr/>	<hr/>