

Babbacombe Cliff Railway CIO

Trustees' report and financial statements

for the year ended 31 March 2023

Charity number: 1182292

Babbacombe Cliff Railway CIO

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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 Mrs J N Ayres |
| Accountants | Best Accountancy Services (Plymouth) Ltd Unit 103, The Apex Derriford Business Park Plymouth Devon PL6 5LF |
| 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 2023

The trustees present their report and the financial statements for the year ended 31 March 2023. 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.

ACHIEVEMENT 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 2023

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 2023 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 2023

| | | Unrestricted | 2023 | 2022 |
|---|-------|-------------------|-------------------|-------------------|
| | | funds | Total | Total |
| | Notes | £ | £ | £ |
| Incoming resources | | | | |
| Incoming resources from generating funds: | | | | |
| Donations and legacies | 2 | - | - | 366 |
| Charitable activities | | 290,145 | 290,145 | 343,480 |
| Investment income | 3 | 1,861 | 1,861 | 33 |
| Other income | | 16,352 | 16,352 | 2,773 |
| Grants | | - | - | 22,112 |
| | | <u> </u> | <u> </u> | <u> </u> |
| Total incoming resources | | 308,358 | 308,358 | 368,764 |
| | | <u> </u> | <u> </u> | <u> </u> |
| Resources expended | | | | |
| Raising funds | | 1,946 | 1,946 | 3,551 |
| Charitable activities | | | | |
| Charitable | | 219,414 | 219,414 | 225,581 |
| | | <u> </u> | <u> </u> | <u> </u> |
| Total resources expended | | 221,360 | 221,360 | 229,132 |
| | | <u> </u> | <u> </u> | <u> </u> |
| Net (outgoing)/incoming resources for the year | | 86,998 | 86,998 | 139,632 |
| Total funds brought forward | | 385,327 | 385,327 | 245,695 |
| | | <u> </u> | <u> </u> | <u> </u> |
| Total funds carried forward | | 472,325 | 472,325 | 385,327 |
| | | <u> </u> | <u> </u> | <u> </u> |

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 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 2023

| | | 2023 | | 2022 | |
|-----------------------------------|-------|----------------|---------|----------------|---------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 7 | | 69,208 | | 75,878 |
| Current assets | | | | | |
| Stocks | 8 | 2,500 | | 2,500 | |
| Debtors | 9 | 8,845 | | 6,311 | |
| Cash at bank and in hand | | 412,792 | | 310,102 | |
| | | <u>424,137</u> | | <u>318,913</u> | |
| Creditors: amounts falling | | | | | |
| due within one year | 10 | (21,020) | | (9,464) | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 403,117 | | 309,449 |
| | | | <u></u> | | <u></u> |
| Net assets | | | 472,325 | | 385,327 |
| | | | <u></u> | | <u></u> |
| Funds | 11 | | | | |
| Unrestricted general funds | | | 472,325 | | 385,327 |
| | | | <u></u> | | <u></u> |
| Total funds | | | 472,325 | | 385,327 |
| | | | <u></u> | | <u></u> |

The financial statements were approved by the trustees on 31 January 2024 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 2023

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 2023

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. Charitable Activities

| | 2023 | 2022 |
|--------------|---------|---------|
| | Total | Total |
| | £ | £ |
| Ticket sales | 283,117 | 334,761 |
| Merchandise | 7,028 | 8,719 |
| | <hr/> | <hr/> |
| | 290,145 | 343,480 |
| | <hr/> | <hr/> |

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2023

3. Investment income

| | 2023 | 2022 |
|--------------------------|-------|-------|
| | Total | Total |
| | £ | £ |
| Bank interest receivable | 1,861 | 33 |
| | <hr/> | <hr/> |
| | 1,861 | 33 |
| | <hr/> | <hr/> |

4. Trustees' Remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022

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:

| 2023 | 2022 |
|--------|--------|
| Number | Number |
| 6 | 10 |
| <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.

| | 2023 | 2022 |
|----------------|-------|-------|
| | £ | £ |
| Pension charge | 957 | 1,370 |
| | <hr/> | <hr/> |

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2023

| 7. Tangible Fixed Assets | Plant and | Cables | Rolling | Total |
|--------------------------|-----------|--------|-------------|-------------|
| | machinery | | stock | |
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 April 2022 | 30,721 | 35,389 | 88,083 | 154,193 |
| Additions | 250 | - | - | 250 |
| | | | | |
| At 31 March 2023 | 30,971 | 35,389 | 88,083 | 154,443 |
| | | | | |
| Depreciation | | | | |
| At 1 April 2022 | 21,589 | 33,392 | 23,334 | 78,315 |
| Charge for the year | 3,184 | 499 | 3,237 | 6,920 |
| | | | | |
| At 31 March 2023 | 24,773 | 33,891 | 26,571 | 85,235 |
| | | | | |
| Net book values | | | | |
| At 31 March 2023 | 6,198 | 1,498 | 61,512 | 69,208 |
| | | | | |
| At 31 March 2022 | 9,132 | 1,997 | 64,749 | 75,878 |
| | | | | |
| 8. Stocks | | | 2023 | 2022 |
| | | | £ | £ |
| Stocks | | | 2,500 | 2,500 |
| | | | | |
| 9. Debtors | | | 2023 | 2022 |
| | | | £ | £ |
| VAT | | | 8,845 | 6,311 |
| | | | | |

Babbacombe Cliff Railway CIO

Notes to the financial statements for the year ended 31 March 2023

10. Creditors: amounts falling due

| within one year | 2023 | 2022 |
|---------------------------------|--------|-------|
| | £ | £ |
| Trade creditors | 20,433 | 5,733 |
| Other taxes and social security | 481 | 1,450 |
| Other creditors | 106 | 2,281 |
| | <hr/> | <hr/> |
| | 21,020 | 9,464 |
| | <hr/> | <hr/> |

11. Analysis of net assets between funds

| | Unrestricted funds | Total funds |
|---|-----------------------|----------------|
| | £ | £ |
| Fund balances at 31 March 2023 as represented by: | | |
| Tangible fixed assets | 75,878 | 75,878 |
| Current assets | 318,913 | 318,913 |
| Current liabilities | (9,464) | (9,464) |
| | <hr/> | <hr/> |
| | 385,327 | 385,327 |
| | <hr/> | <hr/> |

12. Unrestricted funds

| | At 1 April 2022 | Incoming resources | Outgoing resources | At 31 March 2023 |
|---------------|-----------------------|-----------------------|-----------------------|------------------------|
| | £ | £ | £ | £ |
| General Funds | 385,327 | 308,358 | (221,360) | 472,325 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

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 2023

| | 2023 | 2022 |
|---------------------------------|---------|---------|
| | £ | £ |
| Incoming resources | | |
| <i>Donations and legacies</i> | | |
| Donations | - | 366 |
| <i>Charitable Activities</i> | | |
| Ticket sales | 283,117 | 334,761 |
| General sales | 7,028 | 8,719 |
| | <hr/> | <hr/> |
| | 290,145 | 343,480 |
| | <hr/> | <hr/> |
| <i>Investment income</i> | | |
| Bank interest receivable | 1,861 | 33 |
| <i>Other income</i> | | |
| Insurance refund | 16,352 | 2,773 |
| <i>Grants</i> | | |
| Council grants | - | 16,000 |
| JRS grants | - | 6,112 |
| | <hr/> | <hr/> |
| Total incoming resources | 308,358 | 368,764 |
| | <hr/> | <hr/> |

Babbacome Cliff Railway CIO

Detailed statement of financial activities For the year ended 31 March 2023

| | 2023 | | 2022 | |
|-------------------------------------|---------|---------|---------|---------|
| | £ | £ | £ | £ |
| RESOURCES EXPENDED | | | | |
| <i>Other trading activities</i> | | | | |
| Opening stock | 2,500 | | 2,500 | |
| Purchases | 1,946 | | 3,551 | |
| Closing stock | (2,500) | | (2,500) | |
| | | 1,946 | | 3,551 |
| <i>Charitable activities</i> | | | | |
| Wages and salaries | 92,459 | | 110,806 | |
| Employers NI | - | | 1,751 | |
| Pension costs | 957 | | 1,370 | |
| Recruitment costs | - | | 20 | |
| Rates and water | 1,060 | | 1,058 | |
| Insurance | 13,288 | | 11,319 | |
| Light and heat | 14,681 | | 9,446 | |
| Telephone and internet | 743 | | 705 | |
| Postage and stationery | 137 | | 152 | |
| Advertising | 1,474 | | 2,511 | |
| Travel costs | 12 | | 808 | |
| Accommodation | - | | 1,867 | |
| Entertaining | - | | 195 | |
| Lift inspections & maintenance | 36,821 | | 35,461 | |
| Repairs & renewals | 2,662 | | 14,364 | |
| Equipment hire | 216 | | 216 | |
| Uniforms and cleaning | 270 | | 528 | |
| Sundry expenses | 164 | | 987 | |
| Computer costs | 20 | | 200 | |
| Subscriptions & membership fees | 117 | | 2,125 | |
| Staff refreshments | 50 | | 73 | |
| Depreciation of plant and machinery | 3,184 | | 3,881 | |
| Depreciation of cables | 499 | | 666 | |
| Depreciation of rolling stock | 3,237 | | 3,408 | |
| | | 172,051 | | 203,917 |

Babbacome Cliff Railway CIO

Detailed statement of financial activities For the year ended 31 March 2023

Support Costs

| | | | |
|---|--------|---------|---------|
| <i>Finance</i> | | | |
| Bank charges | | 4,583 | 4,610 |
| <i>Governance costs</i> | | | |
| Accountancy & bookkeeping | 3,573 | | 4,454 |
| Legal fees | 17,811 | | - |
| Consultancy | 13,874 | | 5,250 |
| Professional fees | 7,522 | | 7,350 |
| | | <hr/> | <hr/> |
| | | 42,780 | 17,054 |
| Total resources expended | | <hr/> | <hr/> |
| | | 221,360 | 229,132 |
| Net (outgoing)/incoming resources for the year | | <hr/> | <hr/> |
| | | 86,998 | 139,632 |