

Registered Charity No. **1183029**

**The Heritage Electric Trains Trust
(A Charitable Incorporated Organisation)**

REPORT OF THE TRUSTEES

**FOR THE PERIOD
01st April 2020 To 01st April 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number:	1183029
Trustees:	Graeme Gleaves (Chairman) Ian Brown Neil Bennett Mark Walling
Registered office:	LAVINIA LODGE 36 STRAYFIELD ROAD ENFIELD EN2 9JF
Bankers:	Santander UK plc LONDON NW1 3AN

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is a Charitable Incorporated Organisation and its governing document is a constitution dated April 08th 2019.

Recruitment and appointment of Trustees

The Trustees are the first named Trustees named on the governing document, there have been no changes to the Trustees during the period of this report.

OBJECTIVES AND ACTIVITIES

The Charity has objects for 'The advancement of education of the public in the subject of sustainable rail transport through the means of preservation, restoration and public display of historic rolling stock and other items of railway interest relating to the story of the development of electrically propelled railways.' This can be by the publication of material for educational purposes, arranging of displays and securing artefacts for public display; either alone or working with other organisations with similar aims.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS, PERFORMANCE AND FINANCIAL REVIEW

The Charity owns two complete electric suburban trains, one built in 1938 and another in 1951, both the last examples of their type and once common in their areas of operation on electric commuter railways. These comprise of seven vehicles with an eighth vehicle included in the arrangement as a source of spare parts in support of the preservation effort. The Charity has negotiated and funded the storage of these items at an undercover and secure site that is to be developed as a public railway museum; previously both items were stored in the open for the previous 24 years where their condition and historic importance was under threat of being lost.

During the period of this report the Charity reached an agreement with the owners of the site where the trains are stored that the 1951 built four car unit would become a permanent exhibit for the proposed museum being developed at this site, the unit will be restored as an ongoing 'before and after' story and will have a future within the collection whilst remaining under the control of the Charity. The other 1938 built train will be removed from the site in due course for storage as it is considered a longer term project. The Charity has arranged an alternative site to store the four vehicles to be removed from Margate at Hope Farm, Sellindge, Kent. Work needs to be undertaken to create a siding to hold these vehicles.

During the period of this report the Coronavirus pandemic was restricting most aspects of daily life and as a result the abilities of the Charity to engage with the public and discuss and demonstrate the work it has and plans to undertake were practically non-existent. Like many other similar organisations the Charity has used online resources to promote its work such as social media where a dedicated support and information page for each train has been established and the Charity has also been active on Twitter. In addition the Charity has kept its website up to date and sent out printed newsletters to supporters.

The Charity has sought to publicise the story of the two trains by engaging with media providers, both online and printed, resulting in the work of the Charity having been the subject of two separate magazine articles in the UK railway press.

PLANS FOR THE FUTURE

The Charity is running a fundraising campaign to both fund the restoration and renovation of the unit that is to remain on display to the public at Margate and also to fund the removal and safe storage of the second train whilst it remains a secondary project. The Charity will be seeking tenders for the renovation work on the first vehicle once the removal of the four vehicles from Margate to Sellindge is complete.

FUNDRAISING ACTIVITIES BY THE CHARITY

During the period of this report the Charity has initially begun to seek donations from the wider public, both individual persons and businesses in support of its work. All funds raised are held in the Charities own bank account and no funds are held elsewhere.

CONTRIBUTION MADE BY VOLUNTEERS

The Charity has used the services of volunteers during the period of this report in addition to the services of the Trustees. The Charity has appointed a volunteer Book Keeper to assist in the management of financial records and volunteers have been involved with the early preparation work for the relocation of the 'Class 503' unit from Margate to Hope Farm, Sellindge which has required ground works to be undertaken to create a siding to hold the vehicles. This latter task was severely impacted by the Coronavirus pandemic and was only able to be advanced on a very limited number of days during the period of the report; as a result of this the works remain incomplete.

FINANCIAL POSITION

This report covers the second year of the Charity's existence. Fund raising has taken a very long term and sustainable approach based on regular contributions from supporters in addition to one off donations from other persons. The Charity has been able to meet most of its direct requirements during the period and has no outstanding liabilities. The Trustees have no concerns that the Charity will not be able to meet its planned financial responsibilities in the year ahead.

RESERVES POLICY

The trustees have adopted the following reserves policy. They will aim to ensure that, at all times, the level of reserves is appropriate to the level of the activities the charity is undertaking. This policy is being enacted and reserves are being built up to meet expected costs of planned work.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity 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 2015 (FRS 102);
- 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;
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the legal requirements the Charity is bound by. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE TRUSTEES:

GRAEME STEPHEN GLEAVES – CHAIRMAN OF THE TRUSTEES

Dated

Signed master copy held at the registered office.

THE HERITAGE ELECTRIC TRAINS TRUST
(A CHARITABLE INCORPORATED ORGANISATION)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the period 01st April 2020 To 01st April 2021

	<u>Notes</u>	<u>Unrestricted</u> £	<u>Restricted</u> £	<u>Total</u> <u>2021</u> £	<u>Total</u> <u>2020</u> £
INCOME FROM:					
Voluntary income:					
Grants		1,660	-	1,660	-
Donations		7,163	-	7,163	3,309
Trading Activities		-	-	-	-
Other income		918	-	918	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		9,741	-	9,741	3,309
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
EXPENDITURE ON:					
Charitable activities:					
Activities and services	2	5,760	-	5,760	2,880
-					
Governance costs	3	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		5,760	-	5,760	2,880
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
(Net expenditure)/net income for the period before transfers		3,981	-	3,981	429
Transfer between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds			-		429
Reconciliation of funds					
Total funds brought forward		4,410	-	4,410	429
		<hr/>	<hr/>	<hr/>	<hr/>

Total funds carried forward	4,410	-	4,410	429
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 8 to 11 form part of these financial statements

THE HERITAGE ELECTRIC TRAINS TRUST
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Charity No. 1183029

BALANCE SHEET
for the period 01st April 2020 To 01st April 2021

	Notes	2021 £	2020 £
CURRENT ASSETS			
Cash at bank and in hand		4,410	429
		<hr/>	<hr/>
LIABILITIES			
Creditors falling due within one year	5	-	1,420
NET CURRENT ASSETS		4,410	429
		<hr/>	<hr/>
NET ASSETS		4,410	429
		=====	=====
FUNDS OF THE CHARITY			
Unrestricted income fund		4,410	429
Restricted funds		-	-
		<hr/>	<hr/>
TOTAL CHARITY FUNDS		4,410	429
		=====	=====

The financial statements were approved and authorised for issue by the Trustees on June 01st 2021

ON BEHALF OF THE BOARD:

GRAEME STEPHEN GLEAVES – CHAIRMAN OF THE TRUSTEES

Signed master copy held at the registered office.

The notes on pages 8 to 11 form part of these financial statements

THE HERITAGE ELECTRIC TRAINS TRUST
(A CHARITABLE INCORPORATED ORGANISATION)
Charity No. 1183029

NOTES TO THE FINANCIAL STATEMENTS
for the period 01st April 2020 To 01st April 2021

1. ACCOUNTING POLICIES

General information and basis of preparation

The Heritage Electric Trains Trust is a charitable incorporated organisation in England. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the advancement of education of the public in the subject of sustainable rail transport through the means of preservation, restoration and public display of historic rolling stock and other items of railway interest relating to the story of the development of electrically propelled railways.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to the next £1.

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

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and grants to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Members subscriptions are accounted for on a receivable basis

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

1. ACCOUNTING POLICIES (cont'd)

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes the costs incurred by the charity in 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 indirect nature necessary to support them.
- Governance costs include costs associated with meeting the constitutional and statutory requirements of the Charity and include fees and costs linked to the strategic management of the Charity.
- Other expenditure represents those items not falling into the category above.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. The charities policy is that heritage rolling stock and buildings are not depreciated.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern

2. ACTIVITIES AND SERVICES	<u>2021</u>	<u>2020</u>
	£	£
Site maintenance & improvement	-	-
Preservation & restoration	-	-
Reallocation of assets	-	-
Projects	-	-
Grants to exhibit owners	-	-
Operating expenses:	5,760	2,880
Insurance	-	-
Advertising, PR, printing & postage	-	-
Room hire	-	-
Rates	-	-
Telephone & internet	-	-
Site light, heat, power & fuel	-	-
Other fees & expenses	-	-
Loss on disposal of assets	-	-
Accountancy fees	-	-
	<hr/>	<hr/>
	5,760	2,880
	<hr/>	<hr/>

3. GOVERNANCE COSTS	<u>2021</u>	<u>2020</u>
	£	£
Accountancy and Examination fees	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

4. DIRECTORS / TRUSTEES REMUNERATION

No Trustee received any remuneration or reimbursed expenses during the period 01st April 2020 to 01st April 2021.

5. CREDITORS FALLING DUE WITHIN ONE YEAR	<u>2021</u>	<u>2020</u>
	£	£
Accruals and deferred income	0	1,420
	<hr/>	<hr/>
	0	1,420
	<hr/>	<hr/>

The loan declared in the previous annual report was repaid in full by a third party supporter. The funds for this repayment were never presented to, or held by, the charity and the payment was made directly to the creditor in February 2021.

6. TRUSTEES REMUNERATION

No trustee received any remuneration during the year.

7. ULTIMATE CONTROLLING PARTY

The charity is under the control of its Trustees.

8. RELATED PARTY TRANSACTIONS

There were no related party transactions for the period of this report.