

Registered Charity No. **1183029**

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

REPORT OF THE TRUSTEES

**FOR THE PERIOD
01st April 2021 To 01st April 2022**

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. These vehicles have been in storage within a secure building for the last two years prior to the period covered by this report and four of them will remain at this facility long term whilst the restoration is progressed with long term display now agreed with the site's owners.

During the period of this report the Charity continued to financially support the secure undercover storage of the artefacts withing its care. Alternative storage for four vehicles needs to be arranged and a start has been made on providing a facility that will be able to accommodate the vehicles. The specialist nature of the type of storage required has limited choices of location but a site was identified that needed development to hold the four vehicles. This would be in an outdoor setting but away from sites of heavy industry and population and such the vehicles will be able to be covered over and protected from weather and other environmental factors. Work has been undertaken to prepare this site with the laying of railway track and providing workshop facilities and protective materials for the vehicles.

During part of the period of this report the Coronavirus pandemic has restricting some aspects of daily life and as a result the abilities of the Charity to engage with the public and discus and demonstrate the work it has and plans to undertake were limited. 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 also worked with the Railway Heritage Register Partnership and published a register of preserved electric multiple units and railcars in the UK. This document has been thoroughly researched and is available for public free download at the RHRP website (www.rhrp.org.uk/surveystatus.htm). As the country has opened up the Charity has engaged with organisations involved in similar work to ensure best practice is maintained and information shared.

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. In addition the work of the Charity and the history of the trains themselves is the subject of a new public presentation that will be delivered to meetings and gatherings organised by other heritage groups over the next 24 months.

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 Charity's 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. The work to construct this facility had reached an advanced stage by the end of the period of this report and was considered to be running on time and to budget.

FINANCIAL POSITION

This report covers the third 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 its direct requirements during the period and has no outstanding liabilities. The relocation of four vehicles from Margate to Sellindge is a large scale one off project and monies required for this have been set aside in a separate savings account. 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 **05/02/2023**

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 2021 To 01st April 2022

	<u>Notes</u>	<u>Unrestricted</u> £	<u>Restricted</u> £	<u>Total</u> <u>2022</u> £	<u>Total</u> <u>2021</u> £
INCOME FROM:					
Voluntary income:					
Grants		-	-	-	1,660
Donations		9,791	-	9,791	7,163
Trading Activities		-	-	-	-
Other income		1,444	-	1,444	918
		_____	_____	_____	_____
Total income		11,235	-	11,235	9,741
		=====	=====	=====	=====
EXPENDITURE ON:					
Charitable activities:					
Activities and services	2	8,640	-	8,640	5,760
-					
Governance costs	3	-	-	-	-
		_____	_____	_____	_____
Total expenditure		8,640	-	8,640	5,760
		=====	=====	=====	=====
(Net expenditure)/net income for the period before transfers		2,595	-	2,595	3,981
Transfer between funds		-	-	-	-
		_____	_____	_____	_____
Net movement in funds			-		-
Reconciliation of funds					
Total funds brought forward		7,357	-	7,357	4,410
		_____	_____	_____	_____

Total funds carried forward	7,357	-	7,357	4,410
	<u><u> </u></u>	<u><u> </u></u>	<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
(A CHARITABLE INCORPORATED ORGANISATION)
Charity No. 1183029

BALANCE SHEET
for the period 01st April 2021 To 01st April 2022

	Notes	2022 £	2021 £
CURRENT ASSETS			
Cash at bank and in hand		7,357	4,410
		<hr/>	<hr/>
LIABILITIES			
Creditors falling due within one year	5	-	-
NET CURRENT ASSETS		7,357	4,410
		<hr/>	<hr/>
NET ASSETS		7,357	4,410
		=====	=====
FUNDS OF THE CHARITY			
Unrestricted income fund		7,357	4,410
Restricted funds		-	-
		<hr/>	<hr/>
TOTAL CHARITY FUNDS		7,357	4,410
		=====	=====

The financial statements were approved and authorised for issue by the Trustees on August 01st 2022

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 2021 To 01st April 2022

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>2022</u>	<u>2021</u>
	£	£
Site maintenance & improvement	-	-
Preservation & restoration	-	-
Reallocation of assets	-	-
Projects	-	-
Grants to exhibit owners	-	-
Operating expenses:	8,640	5,760
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/>
	8,640	5,760
	<hr/>	<hr/>

3. GOVERNANCE COSTS	<u>2022</u>	<u>2021</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 2021 to 01st April 2022.

5. CREDITORS FALLING DUE WITHIN ONE YEAR	<u>2022</u>	<u>2021</u>
	£	£
Accruals and deferred income	0	0
	<hr/>	<hr/>
	0	0
	<hr/>	<hr/>

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.