

Charity Registration No. 259626

Company Registration No. 00956100 (England and Wales)

**THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S C Allsop G C Bowler I Dixon F P Galvin D J Guest G Howard P W Skellon S J Peach H J Peach P W Smith K Whitmore J M Winderbank H Ashby
<b>Charity number</b>	259626
<b>Company number</b>	00956100
<b>Registered office</b>	The Shippen 8 The Old Hall Court Yard Heath Wakefield West Yorkshire WF1 5ST
<b>Independent examiner</b>	Craig Stratford FCA c/o Simpson Wood Limited Bank Chambers Market Street Huddersfield HD1 2EW
<b>Bankers</b>	The Royal Bank of Scotland Plc Chatham Customer Service Centre Waterside Court Chatham Maritime Chatham ME4 4RT
<b>Solicitors</b>	Molesworth Bright-Clegg Octagon House 25-27 Yorkshire Street Rochdale OL16 1RH

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# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

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# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### *FOR THE YEAR ENDED 31 DECEMBER 2021*

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Objectives and activities**

##### **Objective and Policy**

The objective of the Society is to encourage and promote public interest in the preservation of steam and other railway locomotives and rolling stock together with railway machinery and equipment.

The policy is:-

- a) to acquire and restore suitable railway locomotives and rolling stock, etc and display them to the public either as static or preferably working exhibits and
- b) to operate a museum and educational facility which displays and conserves the collection of smaller artefacts and explains to future generations the important part the railway industry has played in the industrial, social and economic development of this country.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

Following the very difficult year and challenges of 2020, we continued to face Covid restrictions for a substantial period in 2021. Consequently, the year started once again with our museum needing to be closed to visitors and our Duty Officers again on furlough. The main difference was that, unlike 2020, we took the decision to keep our Learning and Engagement Manager, Matt Arnold, working full time as we felt that rebuilding of our education offer justified keeping him in post. We continued to receive generous financial support from Bradford Council as well as continued support from Museum Development Yorkshire. Our friends at Hope Cement Works continued to support us very generously with both financial and practical assistance. I was also very pleased to be able to join the Cement Works management at a Careers Fair for young people organised by the Member of Parliament for High Peak and to be able to present certificates to the Hope Cement Works apprentices who joined us in 2019 to work on our Coal Tank locomotive and acquire a taste of traditional engineering skills.

We were delighted to see visitors return to our museum in the summer although visitor numbers were significantly down compared to 2019. We were also extremely fortunate to be able to run our locomotive 45596 "Bahamas" on a number of mainline steam trips during the summer and autumn with both the Railway Touring Company and Steam Dreams, bringing in valuable revenue for the Society. Everywhere our locomotive travelled we were complimented on how well the engine had been turned out by our locomotive support crew. Our excursions were mainly in the south of England taking us to places where the loco had never travelled before, ranging from Salisbury to Southampton and Plymouth as well as visits to the West Somerset Railway. We were especially pleased that the High Commissioner for the Bahamas Islands was able to join us on our first excursion from London Paddington. His Excellency was complimentary about our locomotive and proud to be able to join us on this trip. We were also pleased that our locomotive "Bahamas" was able to visit the Nene Valley Railway for a couple of weeks including the August Bank Holiday weekend. We made many new friends during our time at the Nene Valley..

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The summer also saw school visits slowly return to our Learning Coach and we were also pleased to see 45596 operate on the Keighley and Worth Valley Railway on a number of occasions including some special trips on the day of our Annual General Meeting. As reported in the 2020 report our museum accreditation has been extended until March 2022 and we are now working on updating our aims and objectives and collections policy to ensure that our museum continues to operate to the high standards required by the accreditation. We were especially pleased to welcome to the Museum the grandchildren of Captain Sir Tom Moore who so heroically raised millions of pounds for the NHS during the Covid crisis. The family were visiting Keighley to scatter his ashes at Riddlesden Cemetery and the grandchildren wanted to visit and see our museum collection.

The Society was commended by the Heritage Railway Association during their annual awards ceremony for running a Covid-safe gala in partnership with the Mid Hants Railway in the Autumn of 2020. The Association also commended Steve Allsop on his 50 years of service as our Chief Engineer.

#### Financial review

##### Reserves

The Balance Sheet shows the restricted and unrestricted funds of the Society at the year-end and the prior year. Note 16 shows the movements on restricted funds. At the year-end, unrestricted funds amounted to £251,172, but after taking account of amounts invested in fixed assets less fixed assets relating to restricted funds, the free reserves are £213,217, representing approximately 76 months' expenditure which the trustees feel is adequate.

#### Financial Risk Strategy

The Committee of Management regularly reviews the main areas of financial risk. These may be summarised as follows: -

- a) Insufficient funds to continue operations and complete projects.
- b) Unauthorised transactions.
- c) Failure to safeguard our assets.
- d) Failure to adhere to legislation or restrictions in whatever field.
- e) Liabilities are not identified and provision not made for them.

These risks are mitigated as follows:

The Committee meets regularly to oversee the Society's activities. Major expenditure has to be approved by the Committee and committee members (directors) have specific roles and duties. The Committee ensures that current projects have sufficient funds available on a regular basis from a variety of sources e.g. subscriptions, donations, Gift Aid, shop and museum income and grants. At present the company has no borrowings. Our assets are housed securely at Ingrow other than Bahamas which is securely stored at Haworth. Items stored outside are secured and protected from the weather. A modern security system is in place and various insurance policies including public liability are in force. The Committee keeps up to date with legislation and regulations by contact with specialists in the preservation sphere, membership of various associations and by taking advice from recognised experts.

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Plans for the future

Owing to Covid restrictions, planning during the year was severely limited. However, we were pleased to be able to undertake further work on 1054, the Coal Tank, which will see a return to steam in 2022. It was disappointing that the apprentices from Hope Cement Works were not able to assist us with work on the loco as they had in 2019 due to restrictions in place at the time. As the only operational LNWR locomotive we are looking forward to 1054 playing a major role in the celebrations in 2022 to mark the centenary of the merger of the London and North Western and Lancashire and Yorkshire Railways. Our flagship locomotive 45596 Bahamas is scheduled to operate a good number of mainline trips from the late spring of 2022 and will again be seen in new territory in the south of England not only to again wow the crowds who turn out to see our popular loco but to also bring in vital revenue for the Society. We are also looking forward to the summer launch of the new film "The Return of the Railway Children" starring Tom Courtney and Sheridan Smith as well as seeing Jenny Agutter reprise her role as Bobby some 52 years after she first appeared in the original Railway Children film. Our locomotive is very much the star of the show and plays a major role in the film giving us some real marketing opportunities both for Bahamas and the Society. We are also seeing a very welcome return of schools taking up our education offer in the Learning Coach. We are also working with Bradford Council and our local Keighley East Ward councillors on community opportunities for use of the coach including its use both as a councillors' advice bureau and as a polling station for the local elections in May. The Learning Coach has also proved invaluable during school half term for story telling activities.

We have continued to work closely with our partners at the Keighley and Worth Valley Railway and the Vintage Carriages Trust to deliver Rail Story at Ingrow as a first-class visitor attraction. The Rail Story partnership meetings have now resumed following the lifting of Covid restrictions.

As virtually the only Railway Preservation Society which owns and operates a mainline-certificated locomotive and opens a museum all year round with a workshop facility, we are determined to continue to maintain, develop and improve our resources and assets as well as continuing to operate sales both at Ingrow and when our locomotive is on the mainline and at outside events. Our members and volunteers continue to be our most valuable asset and we are totally committed to improving our volunteer base to ensure that the Society meets the needs of the next generation of volunteers without whom the Society would not continue to exist.

#### Structure, governance and management

The Bahamas Locomotive Society Limited is a company limited by guarantee, first registered in England as no. 956100 on 12 June 1969 and is governed by its Memorandum and Articles of Association. The company has also been registered as a Charity for Educational Purposes as no. 259626 since 10 August 1970.

The trustees, who are also the directors for the purpose of company law, and who served during the year and, with the exception of J R Hillier, up to the date of signature of the financial statements were:

S C Allsop

G C Bowler

I Dixon

F P Galvin

D J Guest

J R Hillier

(Resigned 10 January 2022)

G Howard

P W Skellon

S J Peach

H J Peach

P W Smith

K Whitmore

J M Winderbank

H Ashby

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

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A Committee of Management, currently consisting of fourteen directors and trustees, holds monthly meetings to manage the activities of the Society. Details of the directors/trustees are included in the company information given on the first page of the financial statements.

In January 2022, after reaching his 75th birthday, John Hillier retired as a director, feeling that it was time to step back a little from working day after day on society activities, especially the planning and organisation of mainline excursions. John has been involved with the Society since the very early days at Dinting and was an early editor of our members' journal as well as being a committee member in those early days. John will still play a major role as an ambassador for the Society and the BLS Board. I thank John for all his work and support over the years and wish him well for the future. We look forward to seeing him again when possible and will also continue to work with him on his passion for railway photography and in particular as a sponsor of the Young Railway Cameraman of the Year competition.

A wholly owned subsidiary, Bahamas Loco Trading Limited, was formed in 1991 with a working capital of £5,000. This company is responsible for all trading activities such as locomotive hire, employment contracts, books and souvenir sales. Profits are transferred to the Society in return for free use of the Society's locomotives and other assets.

The Society is an organisation based on voluntary involvement. Fortunately, the Society is well supported by its friends and members and relies on volunteer labour wherever possible. Thanks again are due to the dedicated team who have operated the museum and shop and cared for the Society's assets. A small number of paid staff are employed in customer-facing and museum roles. Otherwise, neither directors nor members receive any remuneration.

Liquid assets are held in current and deposit accounts with various high street banks and the Charities Official Investment Fund.

The Society's base is known as "Ingrow Loco Museum" on the Keighley and Worth Valley Railway (KWVR) in West Yorkshire where an ex-Midland Railway goods warehouse has been converted into a workshop and museum with financial assistance from the NLHF. The Ingrow site is continuing to be developed as "Rail Story" and the Society has re-branded and developed its museum there to provide the "Engine Shed" component of the attraction. We are looking at further developments to improve the visitor experience at the Ingrow site including a possible extension to the museum building.

### **Accountants**

Accountants Simpson Wood will be considered for re-appointment at the forthcoming annual general meeting.

The trustees report was approved by the Board of Trustees.

**K Whitmore**

Trustee

Dated: 23 March 2022

# **THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED**

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The trustees, who are also the directors of The Bahamas Locomotive Society Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 charity 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 Companies Act 2006. 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.



# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

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I report on the financial statements of the charity for the year ended 31 December 2021, which are set out on pages 7 to 18.

#### **Respective responsibilities of trustees and examiner**

The trustees, who are also the directors of The Bahamas Locomotive Society Limited for the purposes of company law, are responsible for the preparation of the accounts. The trustees 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. The charity's gross income exceeded £250,000 in 2017 and I am qualified to undertake the examination being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility:

- (i) to examine the accounts under section 145 of the 2011 Act;
- (ii) 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
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My 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:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Craig Stratford FCA

c/o Simpson Wood Limited  
Chartered Accountants  
Bank Chambers  
Market Street  
Huddersfield  
HD1 2EW

Dated: 23 March 2022

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>						
Voluntary activities	3	9,443	30,205	39,648	14,338	27,408
Charitable activities	4	21,276	833	22,109	45,928	46,758
Other trading activities	5	64,450	-	64,450	15,984	15,984
Investments	6	13	45	58	142	850
<b>Total income</b>		95,182	31,083	126,265	76,392	91,000
<b>Expenditure on:</b>						
Raising funds	7	842	-	842	184	184
Charitable activities	8	32,809	14,865	47,674	37,354	44,754
<b>Total resources expended</b>		33,651	14,865	48,516	37,538	44,938
Net gains/(losses) on investments	10	-	20,019	20,019	-	-
Gross transfers between funds		-	-	-	(15,594)	-
<b>Net movement in funds</b>		61,531	36,237	97,768	23,260	46,062
Fund balances at 1 January 2021		189,641	356,307	545,948	166,381	499,886
<b>Fund balances at 31 December 2021</b>		251,172	392,544	643,716	356,307	545,948

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11	110,359		121,557	
Investments	12	5,000		5,000	
			115,359		126,557
<b>Current assets</b>					
Debtors	13	26,632		50,003	
Investments	14	200,019		-	
Cash at bank and in hand		316,165		377,767	
			542,816		427,770
<b>Creditors: amounts falling due within one year</b>	15	(14,459)		(8,379)	
Net current assets			528,357		419,391
<b>Total assets less current liabilities</b>			643,716		545,948
<b>Income funds</b>					
Restricted funds	16	392,544		356,307	
Unrestricted funds		251,172		189,641	
			643,716		545,948

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 23 March 2022

K Whitmore  
Trustee

Company Registration No. 00956100

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

#### **Charity information**

The Bahamas Locomotive Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Shippen, 8 The Old Hall Court Yard, Heath, Wakefield, West Yorkshire, WF1 5ST.

#### **1.1 Accounting convention**

The accounts have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

#### **1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of receipt.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

#### **1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Building improvements	Straight line over 25 years
Plant and machinery	Straight line over 20 years
Fixtures and equipment	10% on reducing balance
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### **1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### 1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

##### 1.12 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 the 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.

##### 1.13 Grants

Capital grants received are treated as deferred income and as such are released to the profit and loss account over the same period of asset depreciation. In accordance with the Statement of Recommended Practice, all heritage grants are treated as income when receivable.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Voluntary activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and gifts	4,123	30,205	34,328	22,941
Membership fees	5,320	-	5,320	4,467
	<u>9,443</u>	<u>30,205</u>	<u>39,648</u>	<u>27,408</u>
<b>For the year ended 31 December 2020</b>	<u>14,338</u>	<u>13,070</u>		<u>27,408</u>

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Charitable activities

	Grants 2021 £	Grants 2020 £
Grants receivable for core activities	833	830
Other grants income	21,276	45,928
	<u>22,109</u>	<u>46,758</u>
Analysis by fund		
Unrestricted funds	21,276	45,928
Restricted funds	833	830
	<u>22,109</u>	<u>46,758</u>

### 5 Other trading activities

	Unrestricted funds £	Total 2020 £
Fundraising events	-	(466)
Admissions	12,176	4,670
Other income	52,274	11,780
	<u>64,450</u>	<u>15,984</u>

### 6 Investments

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Interest receivable	13	45	58	142	708	850
	<u>13</u>	<u>45</u>	<u>58</u>	<u>142</u>	<u>708</u>	<u>850</u>



# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Raising funds

	Unrestricted funds £	Total 2020 £
<u>Fundraising and publicity</u>		
General fundraising expenditure	842	184
	<u>842</u>	<u>184</u>

### 8 Charitable activities

	Charitable activities £	Governance costs £	Total 2021 £	Total 2020 £
Depreciation and impairment	11,558	-	11,558	11,562
Rent and rates	55	-	55	21
Insurance	14,350	-	14,350	13,787
Light, heat and power	635	-	635	1,835
Repairs to buildings and equipment	2,420	-	2,420	4,277
Locomotive and rolling stock maintenance	11,281	-	11,281	4,463
Postage and stationery	3,880	-	3,880	3,335
Telephone	581	-	581	901
Sundries	834	-	834	2,139
Bank charges	403	-	403	354
Legal and professional fees	540	-	540	799
Travel and subsistence	12	-	12	6
	<u>46,549</u>	<u>-</u>	<u>46,549</u>	<u>43,479</u>
Governance costs	-	1,125	1,125	1,275
	<u>46,549</u>	<u>1,125</u>	<u>47,674</u>	<u>44,754</u>

The governance costs relate to the accountancy fees for both this year and the previous year.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year and, aside from travel expenses, there were no trustees' expenses paid for the year (2020 - nil).

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Net gains/(losses) on investments

	Restricted funds	Total
	2021 £	2020 £
Revaluation of investments	20,019	-

### 11 Tangible fixed assets

	Building improvements £	Plant and machinery £	Fixtures and equipment £	Computers £	Total £
<b>Cost</b>					
At 1 January 2021	218,262	92,005	18,336	2,929	331,532
Additions	-	-	360	-	360
At 31 December 2021	218,262	92,005	18,696	2,929	331,892
<b>Depreciation and impairment</b>					
At 1 January 2021	182,233	12,201	14,714	827	209,975
Depreciation charged in the year	5,828	4,600	398	732	11,558
At 31 December 2021	188,061	16,801	15,112	1,559	221,533
<b>Carrying amount</b>					
At 31 December 2021	30,201	75,204	3,584	1,370	110,359
At 31 December 2020	36,028	79,805	3,623	2,101	121,557

### 12 Fixed asset investments

	Other investments
<b>Cost or valuation</b>	
At 1 January 2021 & 31 December 2021	5,000
<b>Carrying amount</b>	
At 31 December 2021	5,000
At 31 December 2020	5,000
Other investments comprise:	
Investments in subsidiaries	5,000

Notes	2021 £	2020 £
19	5,000	5,000

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiary undertakings	4,149	24,451
Other debtors	455	1,277
VAT recoverable	297	3,241
Prepayments and accrued income	21,731	21,034
	<u>26,632</u>	<u>50,003</u>

### 14 Current asset investments

	2021 £	2020 £
Unlisted investments	200,019	-
	<u>200,019</u>	<u>-</u>

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Deferred government grants	-	833
Other creditors	477	975
Accruals and deferred income	13,982	6,571
	<u>14,459</u>	<u>8,379</u>

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 January 2021	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£
The Bahamas Appeal	320,724	9,250	(12,065)	20,019	337,928
National Lottery Heritage Fund Grant:Museum	19,989	833	(2,800)	-	18,022
The Southwick Fund	15,594	21,000	-	-	36,594
	<u>356,307</u>	<u>31,083</u>	<u>(14,865)</u>	<u>20,019</u>	<u>392,544</u>

The Bahamas Appeal is a specific fund for the restoration of the locomotive Bahamas and movements in funds are written off as incurred.

The National Lottery Heritage Fund Grant:Museum is the balance of the proceeds from the National Lottery Heritage Fund grant. The grant was provided to assist in the building of the society's museum. The fund is being written off in line with the life expectancy of the museum.

"The Southwick Fund" represents contributions by members and others towards the restoration of Robert Stephenson & Hawthorn crane tank no. 7069 "Southwick".

#### 17 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	37,955	72,404	110,359	41,753	79,804	121,557
Investments	5,000	-	5,000	5,000	-	5,000
Current assets/ (liabilities)	208,217	320,140	528,357	142,888	276,503	419,391
	<u>251,172</u>	<u>392,544</u>	<u>643,716</u>	<u>189,641</u>	<u>356,307</u>	<u>545,948</u>

# THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 18 Related party transactions

##### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Management charges of £51,003 (2020 - £10,091) were received from the subsidiary Bahamas Loco Trading Ltd. At the balance sheet date the amount due from the company was £4,149 (2020 - £24,451).

#### 19 Subsidiaries

These financial statements are separate charity financial statements for The Bahamas Locomotive Society Limited.

Details of the charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Bahamas Loco Trading Ltd.	England & Wales	To promote the trading activities of the Society.	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Bahamas Loco Trading Ltd.		8,232