

Charity registration number 259626

Company registration number 00956100 (England and Wales)

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S C Allsop G C Bowler 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
Charity number	259626
Company number	00956100
Registered office	The Shippen 8 The Old Hall Court Yard Heath Wakefield West Yorkshire WF1 5ST
Independent examiner	Craig Stratford FCA c/o Simpson Wood Limited Bank Chambers Market Street Huddersfield HD1 2EW
Bankers	The Royal Bank of Scotland Plc Chatham Customer Service Centre Waterside Court Chatham Maritime Chatham ME4 4RT
Solicitors	Molesworth Bright-Clegg Octagon House 25-27 Yorkshire Street Rochdale OL16 1RH

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

CONTENTS

	Page
Trustees report	1 - 4
Statement of trustees responsibilities	5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 18

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

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 two very difficult years the last year did see something of a return to normality for our activities with Covid restrictions virtually lifted for the whole of our operational season. However, the year has not been without its challenges with visitor numbers much reduced from the pre-Covid period. In addition to our Learning and Engagement Manager, Matt Arnold, working full time throughout the year, our duty officers have returned to fully open the Museum to the public although we have taken the decision not to open the Museum on Mondays during the winter season. We have also seen a return of schools to take up our education offer in the Learning Coach and although at the beginning of the year numbers were disappointing, bookings picked up in the second half of the year to virtually return to pre-Covid figures. One issue of concern with increasing oil prices has been to see the increase in charges being made to schools for the hire of coaches which has meant that some schools have not been able to afford to proceed with a booking. We have explored alternatives with our Education and Learning Manager engaging in outreach work and visiting schools rather than them coming to our site. We continued to receive some support from both Bradford Council and Museum Development Yorkshire which was much appreciated and allowed us to take up some training opportunities for our staff and board members.

Our flagship locomotive 45596 Bahamas was again in demand on the main line in the Summer, Autumn, and Winter and we were delighted to be working with the Railway Touring Company once again. Our excursions were mainly in the South of England with our locomotive being based at Southall depot for most of this period. However, the mainline was not without its challenges with a number of trips being cancelled due to the weather being too hot and rail strikes and on one occasion a sad death on the train before it was able to leave London Victoria Station, all of which meant a reduction in much-needed income for us. However, there were a number of highlights during the season when we were able to operate, the most significant of which was that for the first time ever we agreed to rename our locomotive as sister LMS Jubilee Class Locomotive 45606 Falkland Islands to commemorate the 40th Anniversary of the conflict and to remember the fallen on both sides. In addition to seeing Bahamas out and about we were delighted to see National Trust-owned LNWR Coal Tank 1054 which has been under our care since 1973 return to steam following a further overhaul. The loco spent a prolonged visit to the East Lancashire Railway where it was launched back into traffic by the Mayor of Salford in the Spring and remained there until December where, as the only operational LNWR locomotive it was able to star in 2 galas dedicated to the celebration of the centenary of the merger of the London and North Western and the Lancashire and Yorkshire Railway Companies as well as haul Santa Trains and be in steam on other operational days.

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

We were very pleased during the year to be told the good news that our museum had once again been accredited following much work by our museum collections team. As well as an accolade of achievement this means we will continue to be able to receive support from Museum Development and the ability to obtain museum-specific grants. Another highlight of the year was the release of the Railway Children Return film which saw Bahamas not only appear in the film but also on London buses in pre-publicity for its release. 45596 has also appeared on television in an episode of All Creatures Great and Small on Channel 5 during the year and is becoming something of a celebrity locomotive!

Financial review

Reserves

The Balance Sheet shows the restricted and unrestricted funds of the Society at the year-end and the prior year. Note 15 shows the movements on restricted funds. At the year-end, unrestricted funds amounted to £277,124, but after taking account of amounts invested in fixed assets less fixed assets relating to restricted funds, the free reserves are £246,087, representing approximately 81 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 2022

Plans for the future

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. During May Ingrow will welcome thousands of visitors to see the most famous locomotive in the world, Flying Scotsman, which will be on display on a number of days to celebrate the centenary of the locomotive and will give the opportunity for many visitors to see our museum for the first time. Our Learning Coach continues to provide a community resource as well as its use for schools and will again be used as a Polling Station for the Local Elections and for the Local Councillors' Advice Surgeries. We are also looking to open the coach to visitors more often than we have been previously able to. We are improving the facilities for our volunteers by the provision of a new mess facility which for the first time will give our team a comfortable environment in which to be able to relax over lunch and when not hard at work in the workshop. The new mess room will provide a warm space during the Winter rather than volunteers having to utilise a cold bench next to the workshop. We are looking forward to a further mainline programme of excursions for 45596 on some exciting routes and for the Coal Tank to visit other railways as well.

As a small society, we continue to punch above our weight and are proud that we are unique in the railway preservation movement in owning and operating a mainline-certificated locomotive and opening a museum and workshop all year round, and continuing to work with our friends at the Hope Cement Works in Derbyshire on an exciting new project. We are determined to continue to maintain, develop and improve our resources and assets as well as to continue to operate sales both at Ingrow and when our locomotive is on the mainline and also at outside events. Our members and volunteers continue to be our most valuable asset and we are totally committed to improving our volunteer base and welcoming new helpers 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, H Ashby and I Dixon, up to the date of signature of the financial statements were:

S C Allsop

G C Bowler

I Dixon

(Resigned 15 February 2023)

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

(Resigned 20 April 2022)

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

A Committee of Management, currently consisting of eleven 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.

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: 5 April 2023

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

I report on the financial statements of the charity for the year ended 31 December 2022, 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: 5 April 2023

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Voluntary activities	2	9,409	10,356	19,765	9,443	30,205	39,648
Charitable activities	3	3,967	-	3,967	21,276	833	22,109
Other trading activities	4	48,220	-	48,220	64,450	-	64,450
Investments	5	804	1,127	1,931	13	45	58
Total income		62,400	11,483	73,883	95,182	31,083	126,265
Expenditure on:							
Raising funds	6	445	-	445	842	-	842
Charitable activities	7	36,003	13,098	49,101	32,809	14,865	47,674
Total resources expended		36,448	13,098	49,546	33,651	14,865	48,516
Net gains/(losses) on investments	9	-	(23,619)	(23,619)	-	20,019	20,019
Net movement in funds		25,952	(25,234)	718	61,531	36,237	97,768
Fund balances at 1 January 2022		251,172	392,544	643,716	189,641	356,307	545,948
Fund balances at 31 December 2022		277,124	367,310	644,434	251,172	392,544	643,716

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		98,841		110,359
Investments	11		5,000		5,000
			<u>103,841</u>		<u>115,359</u>
Current assets					
Debtors	12	69,016		26,632	
Investments	13	176,400		200,019	
Cash at bank and in hand		310,206		316,165	
		<u>555,622</u>		<u>542,816</u>	
Creditors: amounts falling due within one year	14	(15,029)		(14,459)	
Net current assets			<u>540,593</u>		<u>528,357</u>
Total assets less current liabilities			<u>644,434</u>		<u>643,716</u>
Income funds					
Restricted funds	15	367,310		392,544	
Unrestricted funds		277,124		251,172	
		<u>644,434</u>		<u>643,716</u>	

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 2022.

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 5 April 2023

K Whitmore
Trustee

Company registration number 00956100

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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. 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 2022

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	Straight line over 4 years

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 2022

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 2022

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 income and expenditure 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 Voluntary activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and gifts	4,577	10,356	14,933	34,328
Membership fees	4,832	-	4,832	5,320
	<u>9,409</u>	<u>10,356</u>	<u>19,765</u>	<u>39,648</u>
For the year ended 31 December 2021	<u>9,443</u>	<u>30,205</u>		<u>39,648</u>

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

3 Charitable activities

	Grants 2022 £	Grants 2021 £
Grants receivable for core activities	-	833
Other grants income	3,967	21,276
	<u>3,967</u>	<u>22,109</u>
Analysis by fund		
Unrestricted funds	3,967	21,276
Restricted funds	-	833
	<u>3,967</u>	<u>22,109</u>

4 Other trading activities

	Unrestricted funds £	Total 2021 £
Admissions	19,619	12,176
Other income	28,601	52,274
	<u>48,220</u>	<u>64,450</u>

5 Investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Interest receivable	<u>804</u>	<u>1,127</u>	<u>1,931</u>	<u>13</u>	<u>45</u>	<u>58</u>

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Raising funds

	Unrestricted funds £	Total 2021 £
Fundraising and publicity		
General fundraising expenditure	445	842
	<u>445</u>	<u>842</u>

7 Charitable activities

	Charitable activities £	Governance costs £	Total 2022 £	Total 2021 £
Depreciation and impairment	11,518	-	11,518	11,558
Rent and rates	108	-	108	55
Insurance	17,344	-	17,344	14,350
Light, heat and power	2,564	-	2,564	635
Repairs to buildings and equipment	2,265	-	2,265	2,420
Locomotive and rolling stock maintenance	7,607	-	7,607	11,281
Postage and stationery	4,000	-	4,000	3,880
Telephone	450	-	450	581
Sundries	1,305	-	1,305	834
Bank charges	369	-	369	403
Legal and professional fees	180	-	180	540
Travel and subsistence	266	-	266	12
	<u>47,976</u>	<u>-</u>	<u>47,976</u>	<u>46,549</u>
Governance costs	-	1,125	1,125	1,125
	<u>47,976</u>	<u>1,125</u>	<u>49,101</u>	<u>47,674</u>

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

8 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 (2021 - nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Restricted funds	Restricted funds
	2022 £	2021 £
Revaluation of investments	(23,619)	20,019

	Building improvements	Plant and machinery	Fixtures and equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2022	218,262	92,005	18,696	2,929	331,892
At 31 December 2022	218,262	92,005	18,696	2,929	331,892
Depreciation and impairment					
At 1 January 2022	188,061	16,801	15,112	1,559	221,533
Depreciation charged in the year	5,828	4,600	358	732	11,518
At 31 December 2022	193,889	21,401	15,470	2,291	233,051
Carrying amount					
At 31 December 2022	24,373	70,604	3,226	638	98,841
At 31 December 2021	30,201	75,204	3,584	1,370	110,359

			Other investments
Cost or valuation			
At 1 January 2022 & 31 December 2022			5,000
Carrying amount			
At 31 December 2022			5,000
At 31 December 2021			5,000
	Notes	2022	2021
Other investments comprise:		£	£
Investments in subsidiaries	18	5,000	5,000

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	35,790	4,149
Other debtors	1,073	455
VAT recoverable	3,567	297
Prepayments and accrued income	28,586	21,731
	<u>69,016</u>	<u>26,632</u>

13 Current asset investments

	2022 £	2021 £
Short term investments	<u>176,400</u>	<u>200,019</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	474	477
Accruals and deferred income	14,555	13,982
	<u>15,029</u>	<u>14,459</u>

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 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 2022	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£	£
The Bahamas Appeal	337,928	11,483	(9,298)	(23,619)	316,494
National Lottery Heritage Fund Grant: Museum	18,022	-	(2,800)	-	15,222
The Southwick Fund	36,594	-	(1,000)	-	35,594
	<u>392,544</u>	<u>11,483</u>	<u>(13,098)</u>	<u>(23,619)</u>	<u>367,310</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".

16 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	31,037	67,804	98,841	37,955	72,404	110,359
Investments	5,000	-	5,000	5,000	-	5,000
Current assets/(liabilities)	241,087	299,506	540,593	208,217	320,140	528,357
	<u>277,124</u>	<u>367,310</u>	<u>644,434</u>	<u>251,172</u>	<u>392,544</u>	<u>643,716</u>

THE BAHAMAS LOCOMOTIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

17 Related party transactions

Transactions with related parties

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

Management charges of £27,498 (2021 - £51,003) were received from the subsidiary Bahamas Loco Trading Ltd. At the balance sheet date the amount due from the company was £35,790 (2021 - £4,149).

18 Subsidiaries

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

Details of the charity's subsidiaries at 31 December 2022 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