

Registered number: 01007871
Charity number: 262481

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 October 2020

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Financial Headlines
31 October 2020

- The Company's consolidated income for the year ended 31st October 2020 was £1,750,167 compared with £2,273,677 in 2019.
- The Company recorded a net consolidated surplus of £13,457 in 2020 compared with a surplus of £12,162 in 2019 (page 44).
- Colonel Stephens Railway Enterprises Ltd, the wholly owned trading subsidiary, which includes all the commercial activities, achieved sales of £173,843 compared with £877,288 in the previous year and a deficit of £75,366 compared with £152,064 in 2019 (page 48).
- The total net cash in the balance sheet at the year-end was £76,082 compared with £270,823 in 2019 (see below).
- Total visitor numbers during the year fell by 64.4% (see below), due to the national lockdown imposed as a result of COVID-19.

6-Year Net Cash and Debt Profile (year end)

	2020	2019	2018	2017	2016	2015
CAF Bank Loan	(339,936)	(357,008)	(390,890)	(424,141)	(456,788)	(487,718)
Other Loans	(79,000)	(34,000)	-	-	-	-
Total Capital	(418,936)	(391,008)	(390,890)	(424,141)	(456,788)	(487,718)
Cash at Bank and In Hand	495,018	661,831	597,968	793,063	490,833	460,006
Total Net Cash/ (Debt)	76,082	270,823	207,078	368,922	34,045	(27,712)

The figures for cash include Advance Bookings.

Visitor Numbers

	2020	2019	2018	2017	2016	2015
Service Trains / Admissions	30,362	83,907	77,491	85,270	76,670	76,291
Pullman Dining Trains	647	3,085	3,404	3,091	3,617	3,198
	31,009	86,992	80,895	88,361	80,287	79,489

Platform Tickets = Nil 2020

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The Kent and East Sussex Railway Company Limited
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**Reference and administrative details of the Charity, its Trustees and Advisers
for the year ended 31 October 2020**

Constitution

The Kent and East Sussex Railway Company Limited is a company limited by guarantee and a registered charity. Charity Number: 262481. Company Number 01007871.

Directors and Trustees

The Directors of the Charitable Company ('the Charity') are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and at the date of this report were as follows:

S A Marsh ¹	Chairman
G A Crouch ¹	Finance Director
I C Legg ¹	
M J Hyner	
D J Nibloe	(appointed 16 November 2019)
P D Shaw ¹	
N D Sime	
P E Vidler	(appointed 16 November 2019)
R M White	
B R Atkins	(resigned 16 November 2019)

¹ also directors of Colonel Stephens Railway Enterprises Limited at the date of this report

Registered office

Tenterden Town Station, Station Road, Tenterden, Kent, TN30 6HE

Company Secretary and Assistant Company Secretary

C H Mavor and R Styles

Senior management team

S Dewey (General Manager), A Freeman (Commercial Manager), H Douglas (Marketing Manager), P Salmon (Operations Manager), P Wilson (Carriage & Wagon Delivery Manager), D Brenchley (Locomotive Delivery Manager)

Independent auditor

Kreston Reeves LLP, Chartered Accountant, Statutory Auditor, Montague Place, Quayside, Chatham Maritime, Chatham, Kent, ME4 4QU

Bankers

CAF Bank Limited, PO Box 289, West Malling, Kent, ME19 4TA
National Westminster Bank plc, 58 High Street, Tenterden, Kent, TN30 6AX

Solicitors

Rix & Kay LLP, The Courtyard, River Way, Uckfield, East Sussex, TN22 1SL

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Trustees' report

For the year ended 31 October 2020

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 October 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statements of the Charitable Company.

Legal and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Our purposes and activities

The purposes of the Charity are to preserve, restore and operate the whole or parts of the railway from Tenterden in Kent to Robertsbridge in Sussex (known as The Kent & East Sussex Railway) as a permanent public exhibition and museum, which includes the preservation, display and operation of steam and other locomotives, rolling stock, equipment, and other relics. The Charity thereby aims to contribute to technical, historical, and general education concerning the operation of a rural light railway.

The Trustees consider that the Charity's objectives are for the public benefit and that its activities, achievements, and performance are consistent with its objectives having had regard to Charity Commission guidance, including the guidance "Public Benefit: running a charity (PB2)".

To achieve its objects the Charity:-

- operates a heritage railway service with authentic locomotives and rolling stock.
- acquires, preserves, and restores steam and other locomotives, rolling stock and relics of historical, operational, educational, and general interest.
- maintains, improves, and develops the railway and the land, works and buildings relating thereto.
- encourages and promotes the interest, support, and participation of young people in the railway by establishing and maintaining contacts with schools, universities etc.; and
- maintains a public museum and library of objects of interest to the history of the railway, its founder, Colonel Stephens, and his other railways.

The major area of activity of the Charity continues to be the operation of a heritage railway service as a means of demonstrating and exhibiting steam and other railway locomotives, rolling stock etc., which provides funding for the restoration of engines, carriages and wagons and the railway itself.

The Charity offers people the opportunity to experience the delights of the steam age, and to understand this historic means of travel which changed the face of Britain. For others it offers the opportunity to volunteer their time, helping us maintain and renovate the locomotives, carriages, and other infrastructure.

The Kent and East Sussex Railway Company Limited
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Trustees' report
For the year ended 31 October 2020

Our purposes and activities (continued)

For many years, the Charity has also run special events, principally "Santa Specials" at Christmas and "Days out with Thomas" at various other times of the year. While providing a valuable source of income to assist with various preservation and other similar projects, such events are important in encouraging and promoting the interest of young people in the railway. In furtherance of this aim the Charity has close links with the education departments of local authorities, as illustrated by our "Evacuation Experience" and now regarded by many schools in Kent and East Sussex as an essential ingredient in their teaching of this aspect of modern history. These activities had to be suspended due to the Covid 19 lockdown.

Members and volunteers

The Trustees greatly value the support given by the members. At 31 October 2020, the membership stood at 2,467, including approximately 600 active volunteers. The Charity and its wholly owned trading subsidiary is grateful for the continued efforts of their volunteers whose contributions are integral to the growth, development, and operation of activities.

Colonel Stephens Museum

The museum offers free admission to all visitors when the railway is operational.

Financial review

The Company achieved a modest surplus of £13,449 (on unrestricted funds before transfers between funds) for the year compared with an unrestricted surplus of £12,162 the previous year. Total income, before legacies and share of associated company profits, was £1,224,049 (2019: £2,155,849). In 2019, our highly regarded Santa Specials achieved an income of £398,135. Our net cash in hand at the end of the year was £495,018 (2019: £661,831), and total cash net of debt was £76,082 (2019: £270,823). Our low point for cash is usually April, when we have incurred the cost of the winter overheads, but the season has yet to get under way. The total number of passengers carried in 2020 was 31,009 compared with 86,992 in 2019.

Our total unrestricted costs were £1,593,525 compared with £2,178,695 in 2019.

Outlook for 2021

The Covid-19 lockdown resulted in the total suspension of the Charity's activities in the first 6 months of the current financial year ending October 2021. This included the cancellation of the Santa Specials. We are due to resume service on Saturday 22nd May in accordance with Government guidelines. We have been successful in our application for a number of Government grants. The immediate future remains uncertain, although our predicted cash resources should be adequate to meet budgeted obligations. Our catering activities will, in future, be focused more "on train, and station catering will be simplified to minimise costs and food wastage. Our highly acclaimed Pullman dining services will be resumed as soon as possible.

Investment powers and policy

Under the memorandum and articles of association, the Charity has the power to make any investment which the Trustees see fit.

Reserves policy

The Trustees have reviewed the reserves of the Charity. The review considered the nature of the income and expenditure streams and the need to match variable income with fixed commitments and the nature of the reserves.

The Kent and East Sussex Railway Company Limited
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Trustees' report
For the year ended 31 October 2020

Reserves policy (continued)

The unrestricted reserves of the Group increased in the year by £147,597 to £1,314,613 (see Note 22). The unrestricted reserves are maintained to meet the Charity's ongoing unrestricted charitable expenditure as well as the longer-term financing of the Charity.

Restricted reserves have decreased by £92,580 to £1,605,787 and the purpose of these funds is detailed in Note 21 in the financial statements.

The Group normally meets its day to day working capital requirements through internally generated revenues. The nature of the Group's activities is such that there can be considerable variation in the timing of cash inflows. The Trustees have prepared projected cash flow information for the year ending October 2021 incorporating additional loan and overdraft support from our bankers as well as Government schemes introduced to mitigate the effect of the Covid-19 lockdown.

At 31 October 2020, the Charity had net current assets of £151,007, which include cash at bank and in hand of £495,018. These funds include amounts held to enable the Charity to operate during the winter months when income levels are much reduced; sums received in advance for future bookings; and balances in respect of restricted funds. Further details in respect of the latter are provided in note 21.

Structure, governance, and management

Governing document

The Kent and East Sussex Railway Company Limited is a company limited by guarantee governed by its memorandum and articles of association. It is registered as a charity with the Charity Commission. Anyone can apply to become a member of the Company. At the year-end there were 2,467 members (2019: 2,565) each of whom undertakes to contribute an amount not exceeding £1 in the event of the winding up or dissolution of the Charity.

Recruitment and appointment of Trustees

As set out in the articles of association the Chairman of the Trustees is elected by them. Every Trustee who has served for a term of three years must retire from office. A retiring Trustee is eligible for re-election by the Members. The Trustees have the power at any time to appoint any member to be a Trustee, either to fill a casual vacancy or as an addition to the existing Trustees.

Trustee induction and training

New Trustees are briefed informally on their legal obligations under charity and company law, the content of the memorandum and articles of association, the committee, and decision-making processes, and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

A Board of Trustees of up to ten members, who meet or communicate monthly, administers the Charity. There are subcommittees covering individual areas of activity and individual Trustees have taken responsibility for monitoring the activities in specific operational areas. They report points for action at Trustee meetings. A General Manager is appointed by the Trustees to manage the day to day operations of the Charity.

The non-charitable trading activities are conducted through the wholly owned trading subsidiary, Colonel Stephens Railway Enterprises Limited.

A wholly owned subsidiary, Robertsbridge 20/20 Limited, has been incorporated to investigate the long-term objective of operating the railway to Robertsbridge. This Company is dormant.

The Kent and East Sussex Railway Company Limited
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Trustees' report

For the year ended 31 October 2020

Organisation (continued)

The Company has 4 subsidiary companies which are listed in note 15, together with the relevant shareholdings.

Key management personnel

The Board of Trustees is responsible for setting Policies and Instructions including those relating to Safety. The Board monitors the performance of the Management team against these Policies and Instructions and directs the General Manager accordingly. Key Management consists of the General Manager who oversees day to day operations, as well as Departmental Managers, some of whom are remunerated. The remuneration of the General Manager and the Employed Departmental Managers is set by the Board.

Related parties

Details of related parties are provided in Note 26 to the accounts.

Principal risks and uncertainties

The Trustees actively review the strategic business and operational risks to which the Charity is exposed and systems have been established to enable regular reports to be submitted to them. Arising from these regular reporting procedures the Trustees can take all necessary steps to lessen any risk to the Charity. The principal risks and uncertainties facing the Charity are as follows:

- The lockdown of the company's activities as a result of the Covid-19 pandemic has resulted in the Charity receiving no operating income for an extended period. The Railway plans to re-open in May 2021.
- Competing tourist attractions - the market in which the Charity operates is relatively competitive, and therefore the attractions of competing tourist destinations could result in losing income to them. The Charity manages this risk by providing quality and innovative attractions to engender public interest in the Charity's heritage locomotives and other assets.
- Health and safety - attention is focused on non-financial risks relating to safety issues arising from the operation of the railway. This is monitored by a Safety Committee chaired by the General Manager.
- Financial risk - a key element in the management of financial risk is the regular review of the Charity's internal management accounts and cash flow generally against budget. Cash resources are reviewed on a weekly basis.
- Loss of key personnel or fewer people willing to volunteer their time - these would present significant operational difficulties for the Charity. The Trustees seek to ensure that key paid personnel are appropriately remunerated, and efforts are made to encourage volunteering.

The Charity also regularly issues policy documents dealing with risk management.

Trustees

The Trustees in office during the year and at the date of this report are set out on page 1. No Trustee is remunerated by the Charity or its trading subsidiary.

Post balance sheet events

The Trustees are aware of the potential economic and social effects of the Covid-19 virus outbreak and have taken appropriate measures to mitigate the effect on the Charity's finances.

The Kent and East Sussex Railway Company Limited
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Trustees' report
For the year ended 31 October 2020

Trustees' responsibilities in relation to the financial statements

The Trustees as Directors are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial period. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the Charity and of the results 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.
- 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with Companies Act 2006 and the Charities Act 2011. 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.

In accordance with company law, as the Company's Directors, we confirm that:

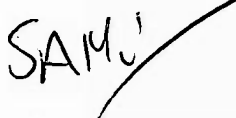
- so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware.
- and
- as the Directors of the Company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

All Directors have signed declarations to the effect that they are fit and proper persons to act for the Charity in accordance with the requirements of the Finance Act 2010.

Auditor

The auditor, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

By order of the Trustees:



S A Marsh
Chairman

Date: 26 June 2021

The Kent and East Sussex Railway Company Limited
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Independent auditor's report to the Members of The Kent and East Sussex Railway Company Limited
for the year ended 31 October 2020

Opinion

We have audited the financial statements of The Kent and East Sussex Railway Company Limited (the 'Parent Charitable Company') and its subsidiaries (the 'Group') for the year ended 31 October 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Parent Charitable Company's affairs as at 31 October 2020 and of the group's income and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Charitable Company's in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Kent and East Sussex Railway Company Limited
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Independent auditor's report to the Members of The Kent and East Sussex Railway Company Limited
for the year ended 31 October 2020
(continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report (incorporating the Strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Independent auditor's report to the Members of The Kent and East Sussex Railway Company Limited
for the year ended 31 October 2020
(continued)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.


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Independent auditor's report to the Members of The Kent and East Sussex Railway Company Limited
for the year ended 31 October 2020
(continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



S Robinson BA FCA FCIE DChA MCMI (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor
Chatham Maritime

Date: 5 July 2021

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 October 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	6	469,670	143,119	612,789	232,472
Charitable activities	6	644,662	-	644,662	1,156,211
Government grants	6	317,235	-	317,235	-
Other trading activities	6	173,909	-	173,909	877,288
Share of associate net income		1,572	-	1,572	7,706
Total income		1,607,048	143,119	1,750,167	2,273,677
Expenditure on:					
Raising funds		259,486	-	259,486	462,988
Charitable activities	7 - 10	1,334,113	101,551	1,435,664	1,824,073
Total expenditure		1,593,599	101,551	1,695,150	2,287,061
Net income/(expenditure)		13,449	41,568	55,017	(13,384)
Transfers between funds		134,148	(134,148)	-	-
Net movement in funds		147,597	(92,580)	55,017	(13,384)
Reconciliation of funds:					
Total funds brought forward	22	1,289,599	1,698,367	2,987,966	2,878,767
Net movement in funds attributable to the parent		147,589	(92,580)	55,009	109,199
Total funds		1,437,188	1,605,787	3,042,975	2,987,966
Non-controlling interest brought forward	20	(122,583)	-	(122,583)	-
Non-controlling interest movement in the year	20	8	-	8	(122,583)
		1,314,613	1,605,787	2,920,400	2,865,383

The notes on pages 15 to 43 form part of these financial statements.


The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)
Registered number: 01007871


Consolidated balance sheet
as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	13	4,985	6,646
Tangible assets	14	3,202,057	3,197,609
Heritage assets	14	16,511	16,511
Investments	15	11,361	9,789
		<u>3,234,914</u>	<u>3,230,555</u>
Current assets			
Stocks	16	20,779	33,159
Debtors	17	257,985	107,043
Cash at bank and in hand	28	495,018	661,951
		<u>773,782</u>	<u>802,153</u>
Creditors: amounts falling due within one year	18	<u>(622,775)</u>	<u>(722,002)</u>
Net current assets		<u>151,007</u>	<u>80,151</u>
Total assets less current liabilities		<u>3,385,921</u>	<u>3,310,706</u>
Creditors: amounts falling due after more than one year	19	<u>(342,946)</u>	<u>(322,740)</u>
Net assets		<u><u>3,042,975</u></u>	<u><u>2,987,966</u></u>
Charity funds			
Restricted funds	21	1,605,787	1,698,367
Unrestricted funds	22	1,314,613	1,167,016
Total funds		<u>2,920,400</u>	<u>2,865,383</u>
Non-controlling interests	20	122,575	122,583
		<u><u>3,042,975</u></u>	<u><u>2,987,966</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 26 June 2021 and signed on their behalf by:


S A Marsh
Chairman


G A Crouch
Trustee

The notes on pages 15 to 43 form part of these financial statements.

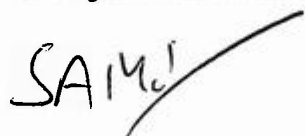
The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)
Registered number: 01007871

Company balance sheet
as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	3,004,235	3,001,576
Heritage assets	14	16,511	16,511
Investments	15	147,212	145,640
		<u>3,167,958</u>	<u>3,163,727</u>
Current assets			
Debtors	17	315,709	103,375
Cash at bank and in hand		441,808	601,683
		<u>757,517</u>	<u>705,058</u>
Creditors: amounts falling due within one year	18	<u>(531,259)</u>	<u>(625,034)</u>
Net current assets		<u>226,258</u>	<u>80,024</u>
Total assets less current liabilities		<u>3,394,216</u>	<u>3,243,751</u>
Creditors: amounts falling due after more than one year	19	(342,946)	(322,740)
Net assets		<u><u>3,051,270</u></u>	<u><u>2,921,011</u></u>
Charity funds			
Restricted funds	21	1,605,787	1,698,367
Unrestricted funds	22	1,445,483	1,222,644
Total funds		<u><u>3,051,270</u></u>	<u><u>2,921,011</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 26 June 2021 and signed on their behalf by:



SA Marsh
Chairman



G A Crouch
Trustee

The notes on pages 15 to 43 form part of these financial statements.

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Consolidated statement of cashflows
for the year ended 31 October 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities (note 27)	<u>(53,265)</u>	<u>175,178</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(143,249)	(87,840)
Purchase of investments, net of cash acquired	-	(15,767)
Share of associates profit / (loss)	1,572	(7,706)
Net cash used in investing activities	<u>(141,677)</u>	<u>(111,313)</u>
Cash flows from financing activities		
Cash inflows from new borrowing	50,000	34,000
Repayments in borrowing	(21,991)	(33,882)
Net cash provided by / (used in) financing activities	<u>28,009</u>	<u>118</u>
Changes in cash and cash equivalents in the year	(166,933)	63,983
Cash and cash equivalents at the beginning of the year	661,951	597,968
Cash and cash equivalents at the end of the year	<u>495,018</u>	<u>661,951</u>

The notes on pages 15 to 43 form part of these financial statements.

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 October 2020

1 General information

The Kent and East Sussex Railway Company Limited is a company limited by guarantee in the United Kingdom. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charitable Company. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charitable Company's operations and principal activities are set out on page 2.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Kent and East Sussex Railway Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertakings Colonel Stephens Railway Enterprises Limited, Robertsbridge 20/20 Limited, Tenterden Railway Company Limited and the Company's controlling interest in 6619 Limited. The results of the subsidiaries are consolidated on a line by line basis.

2.2 Group financial statements

The financial statements consolidate the results of the Charity and its wholly-owned subsidiary companies, Colonel Stephens Railway Enterprises Limited, Robertsbridge 20/20 Limited and Tenterden Railway Company Limited, as well as the 51% owned 6619 Limited, on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of exemptions afforded by section 480 of the Companies Act 2006.

2.3 Going concern

After reviewing the Charity's forecasts and projections, the Trustees are taking the necessary steps to ensure as far as is possible in the current economic climate that the Charity has adequate resources to continue to function in "lockdown mode", and then resume operating services when safe to do so. The Charity therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The Kent and East Sussex Railway Company Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 October 2020

2 Accounting policies (continued)

2.4 Income

Charitable activities

Income from fares and charter trains is included in income in the period in which the journey is taken.

Donations, Subscriptions, Grants, Legacies and Similar Income

Income from donations, subscriptions (including life), grants, legacies and similar income is included when receivable, except as follows:

- when donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.
- when donors impose conditions, which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included until the pre-conditions for use have been met.
- when donors specify that donations and grants, including capital grants, are for particular purposes, which do not amount to pre-conditions regarding entitlement, the income is included in restricted funds when receivable.

Income from commercial trading operations

The trading subsidiary's income is recognised as earned when goods and services are provided, net of value added tax.

2.5 Volunteers and donated services and assets

The value of voluntary services provided by members and others is not incorporated into these financial statements on the basis that no financial cost is borne by a third party.

Where assets are provided to the Charity as a donation that would normally be purchased from a third party, the donated asset is included in the financial statements at an estimated valuation.

2.6 Expenditure

Expenditure is recognised when a liability is incurred on an accruals basis. Costs are classified as follows:-

- Charitable activities include expenditure in relation to the operation and maintenance of the railway, rolling stock and stations and include both the direct costs and support costs relating to these activities.
- Costs of raising funds are those costs attributable to attracting voluntary and similar income and those incurred in relation to commercial trading activities that raise funds.
- Support costs include central functions that have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by reference to an estimate of the overall time spent and other costs by their estimated usage. They include those costs incurred in the governance of the Charity and its assets, which are primarily associated with constitutional and statutory requirements.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

2 Accounting policies (continued)

2.7 Intangible assets and amortisation

Intangible assets costing £Nil or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Goodwill	5 years straight line
----------	-----------------------

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of reconstruction, at annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:-

Permanent way, bridges and buildings	2% / 10% straight line
Car park	10% straight line
Railway locomotive and rolling stock	2% / 10% straight line
Plant	10% straight line
Furniture and equipment	10% / 25% / 33% straight line

The railway loco stock includes costs associated with work arising from ten year boiler inspections of locomotives on long term loan to the railway from third parties.

At each reporting date, the Charity reviews the carrying amounts of its tangible fixed 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.

Recoverable amount is the higher of fair value less costs to sell and value in use.

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 the Statement of Financial Activities.

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 in the Statement of Financial Activities.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

2 Accounting policies (continued)

2.9 Heritage assets

Since April 2001 the Charity has held many thousands of papers and artefacts comprising the Colonel Stephens Railway Museum collection. The collection in existence at the date of transfer to the Charity is not recognised in the balance sheet as cost information is not readily available and the Trustees believe that the benefits of obtaining valuations for these items would not justify the cost. The vast majority of items in the collection were acquired by individuals on behalf of, and subsequently donated to, Colonel Stephens Railway Museum over a period of 30 years.

The Charity's management policy in respect of its heritage assets is summarised in Note 14. Individual heritage assets acquired after April 2011 and costing up to £1,000 (up to 31 December 2014 £500) or more have been capitalised. The capitalised cost is not subject to depreciation in view of the nature of the collection.

2.10 Investments

Investments in subsidiary and associate undertakings are recognised at cost less any provisions for impairment.

(i) Subsidiary undertakings

Investments in subsidiaries are valued at cost less provision for impairment.

(ii) Associated undertakings

Investments in associates are stated at the amount of the Company's share of net assets. The Statement of financial activities includes the Company's share of the associated companies' profits after taxation using the equity accounting basis.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises direct costs of purchase that have been incurred in bringing the stock to its present location and condition.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

2 Accounting policies (continued)

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.15 Leasing and hire purchase

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance lease are recognised as assets at the lower of each asset's fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the Balance Sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the Statement of Financial Activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into prior to the date of transition of the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

2 Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs 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.

2.17 Taxation

The Kent and East Sussex Railway Company Limited is a registered charity and accordingly no provision is considered necessary for taxation.

2.18 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The pension scheme cost charged in the period represents contributions payable by the Charity or its trading subsidiary into individual stakeholder pension schemes.

Notes to the financial statements
for the year ended 31 October 2020

3 Critical accounting estimates and areas of judgement

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 their 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, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

The critical judgements that the trustees have made in the process of applying the Company's policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the trustees have considered both external and internal sources of information such as market conditions, counter-party credit ratings and experience of recoverability. There have been no material indicators of impairments identified during the current financial period.

Provisioning for dilapidations

No provision has been made for dilapidations on hired assets. This is on the basis that at the end of the year trustees had not been notified by any of the owners of the hired assets that they wished to terminate their agreements and, where applicable, therefore require the Charity to undertake repairs to put the hired asset back into its state of repair at the time it was first made available to the Charity.

While it is recognised that during the course of the operation of hired assets, wear and tear will occur, no provision is made because:

- the amount of any obligation cannot be estimated reliably; and
- it is more likely than not that the Charity will not be required to make payment to the hirers of the dilapidations.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating value in use

Where an indication of impairment exists the trustees will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the trustees to estimate the future cash flows expected to arise from the asset and a suitable discount rate in order to calculate the present

The Kent & East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

3 Critical accounting estimates and areas of judgement (continued)

Determining residual values and useful economic lives of tangible assets (property, plant and equipment)

The Charity depreciates tangible fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation and maintenance programmes.

Judgement is applied by management when determining the residual values for tangible fixed assets. When determining the residual value management aim to assess the amount that the Charity would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to

4 Financial activities of the Charity

	Year Ended 31.10.2020	Year Ended 31.10.2019
	£	£
Gross income	1,565,923	1,807,624
Total expenditure on charitable activities	(1,305,925)	(1,662,617)
Cost of raising funds	(117,722)	(147,490)
Interest payable and similar charges (net of interest received)	(12,017)	(14,094)
Net income/(expenditure)	130,259	(16,577)
Total funds brought forward	2,921,011	2,937,588
Total funds carried forward	3,051,270	2,921,011
Represented by:		
Restricted income funds	1,605,787	1,698,367
Unrestricted income funds	1,445,483	1,222,644
	3,051,270	2,921,011

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

5 Raising funds - commercial trading operations

The wholly-owned trading subsidiary, Colonel Stephens Railway Enterprises Limited, pays all of its profits to the Charity under a deed of covenant. A summary of its trading results is shown below:

	Year Ended 31.10.2020	Year Ended 31.10.2019
	£	£
Summary of profit and loss account		
Turnover	173,843	877,288
Government grants	67,789	-
Cost of sales and administration expenses (including group recharges)	(316,998)	(725,224)
Net (loss)/profit	(75,366)	152,064
Payments to charity - deed of covenant	-	(152,064)
Retained in subsidiary	(75,366)	-

Colonel Stephens Railway Enterprises Limited paid the Charity £57,590 in respect of train charter charges during the year (2019- £259,171).

The assets and liabilities of the subsidiary were:

	Year Ended 31.10.2020	Year Ended 31.10.2019
	£	£
Current assets	79,164	131,552
Creditors: amounts falling due within one year	(154,523)	(131,545)
Aggregate of share capital and reserves	(75,359)	7

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

6 Income

	Year Ended 31.10.2020 £	Year Ended 31.10.2019 £
Unrestricted funds		
Income from charitable activities	644,662	1,156,211
Donations	39,789	47,359
Legacies	381,361	27,302
Gift aid	15,145	32,342
Membership subscriptions	33,375	39,584
Government grants	317,235	-
Other trading activities	173,909	877,288
	1,605,476	2,180,086
Restricted funds		
Donations	143,119	85,885
	1,748,595	2,265,971

Government grants includes £174,398 of furlough grants in relation to staff that were furloughed as a result of COVID-19. A further £142,837 relates to funding specifically for heritage organisations that have been significantly affected by COVID-19.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

7 Analysis of expenditure on charitable activities

	Year Ended 31.10.2020	Year Ended 31.10.2020	Year Ended 31.10.2020
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Locomotive and rolling stock operating expenses	257,127	52,707	309,834
Permanent way and building upkeep	41,385	-	41,385
Insurance costs	47,134	-	47,134
Rent and rates	3,129	-	3,129
Salaries and wages	493,625	-	493,625
Event expenses	119,212	-	119,212
Depreciation	85,414	48,844	134,258
Museum expenses	13,274	-	13,274
Support costs (note 8)	123,133	-	123,133
Governance costs (note 9)	20,941	-	20,941
	1,204,374	101,551	1,305,925

	Year Ended 31.10.2019	Year Ended 31.10.2019	Year Ended 31.10.2019
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Locomotive and rolling stock operating expenses	446,147	62,875	509,022
Permanent way and building upkeep	33,941	-	33,941
Insurance costs	51,833	-	51,833
Rent and rates	10,009	-	10,009
Salaries and wages	460,974	-	460,974
Event expenses	270,612	-	270,612
Depreciation	89,007	48,556	137,563
Museum expenses	9,712	-	9,712
Support costs (note 8)	150,084	-	150,084
Governance costs (note 9)	27,078	-	27,078
	1,549,397	111,431	1,660,828

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

8 Allocation of support costs

	Year Ended 31.10.2020 Operation of railway £	Year Ended 31.10.2020 Costs of raising funds £	Year Ended 31.10.2020 Total funds £
Administrative salaries etc.	75,293	72,649	147,942
Advertising and publicity	10,789	10,789	21,578
Telephone, postage and stationery	7,661	7,661	15,322
Membership, magazine printing and distribution	-	5,740	5,740
Office and other expenses	12,704	12,705	25,409
Training	12,655	-	12,655
Depreciation	4,031	512	4,543
	123,133	110,056	233,189

	Year Ended 31.10.2019 Operation of railway £	Year Ended 31.10.2019 Costs of raising funds £	Year Ended 31.10.2019 Total funds £
Administrative salaries etc.	85,633	82,627	168,260
Advertising and publicity	22,942	22,942	45,884
Telephone, postage and stationery	8,780	8,780	17,560
Membership, magazine printing and distribution	-	9,067	9,067
Office and other expenses	14,590	14,588	29,178
Training	14,001	-	14,001
Depreciation	4,138	526	4,664
	150,084	138,530	288,614

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

9 Governance costs

	Year Ended 31.10.2020 Operation of railway £	Year Ended 31.10.2020 Costs of raising funds £	Year Ended 31.10.2020 Total funds £
Audit fees	4,325	4,325	8,650
Legal and professional fees	1,945	1,945	3,890
Bank and credit card charges	14,671	1,396	16,067
	20,941	7,666	28,607

	Year Ended 31.10.2019 Operation of railway £	Year Ended 31.10.2019 Costs of raising funds £	Year Ended 31.10.2019 Total funds £
Audit fees	4,000	4,000	8,000
Legal and professional fees	3,046	3,046	6,092
Bank and credit card charges	20,032	1,786	21,818
	27,078	8,832	35,910

10 Interest payable and similar charges

	Year Ended 31.10.2020 £	Year Ended 31.10.2019 £
Interest on bank loan repayable after more than five years	12,017	14,094

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

11 Staff costs

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	729,227	742,074	579,121	571,648
Social security costs	56,070	54,403	49,949	46,180
Other pension costs	14,207	13,322	12,497	11,406
	799,504	809,799	641,567	629,234

The average number of full-time equivalents employed by the Group and Company during the year, excluding the Trustees, was:

	2020	2019
	No.	No.
Office, management and commercial	15	20
Maintenance, restoration and operation	11	13
	26	33

The corresponding average monthly headcount expressed was:

2020	2019
No.	No.
51	49

No employee received remuneration equal to or in excess of the statutory maximum for disclosure of £60,000 in either year.

The Trustees received no remuneration or benefits in kind for the year ended 31 October 2020 (2019 - £Nil) and were reimbursed for expenses of £694 (2019 - £25) incurred on behalf of the Charity in the year.

The key management personnel of the Charity comprise the Trustees, the General Manager and other Managers. The total employee remuneration of the key management personnel of the Charity, including employer's national insurance contributions, for the year ended 31 October 2020 was £148,526 (2019 - £159,199).

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

12 Retirement benefit schemes

Defined contribution schemes

The Charity pays into individual pension schemes for the benefit of employees. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension cost and charge represents contributions payable by the Charity to the funds and amounts to £14,207 (2019 -13,322). At 31 October 2020 there were outstanding pension contributions of £2,570 (2019- £2,293).

13 Intangible assets

Group

	Goodwill
	£
Cost	
At 1 November 2019	8,307
At 31 October 2020	8,307
Amortisation	
At 1 November 2019	1,661
Charge for the year	1,661
At 31 October 2020	3,322
Net book value	
At 31 October 2020	4,985
At 31 October 2019	6,646

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Notes to the financial statements
for the year ended 31 October 2020

14 Tangible fixed assets

Group

	Freehold land, permanent way, bridges & buildings £	Railway locomotive and rolling stock (including) expenditure on hired items) £	Plant £	Furniture & equipment £	Total £
Cost or valuation					
At 1 November 2019	3,550,884	1,787,957	272,974	179,017	5,790,832
Additions	-	143,249	-	-	143,249
At 31 October 2020	<u>3,550,884</u>	<u>1,931,206</u>	<u>272,974</u>	<u>179,017</u>	<u>5,934,081</u>
Depreciation					
At 1 November 2019	1,301,855	930,255	196,779	164,334	2,593,223
Charge for the year	79,227	43,704	11,327	4,543	138,801
At 31 October 2020	<u>1,381,082</u>	<u>973,959</u>	<u>208,106</u>	<u>168,877</u>	<u>2,732,024</u>
Net book value					
At 31 October 2020	<u>2,169,802</u>	<u>957,247</u>	<u>64,868</u>	<u>10,140</u>	<u>3,202,057</u>
At 31 October 2019	<u>2,249,029</u>	<u>857,702</u>	<u>76,195</u>	<u>14,683</u>	<u>3,197,609</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

14 Tangible fixed assets (continued)

Company

	Freehold land, permanent way, bridges & buildings £	Railway locomotive and rolling stock (including) expenditure on hired items) £	Plant £	Furniture & equipment £	Total £
Cost or valuation					
At 1 November 2019	3,640,333	1,537,957	272,974	179,017	5,630,281
Additions	-	143,249	-	-	143,249
At 31 October 2020	<u>3,640,333</u>	<u>1,681,206</u>	<u>272,974</u>	<u>179,017</u>	<u>5,773,530</u>
Depreciation					
At 1 November 2019	1,337,337	930,255	196,779	164,334	2,628,705
Charge for the year	81,016	43,704	11,327	4,543	140,590
At 31 October 2020	<u>1,418,353</u>	<u>973,959</u>	<u>208,106</u>	<u>168,877</u>	<u>2,769,295</u>
Net book value					
At 31 October 2020	<u>2,221,980</u>	<u>707,247</u>	<u>64,868</u>	<u>10,140</u>	<u>3,004,235</u>
At 31 October 2019	<u>2,302,996</u>	<u>607,702</u>	<u>76,195</u>	<u>14,683</u>	<u>3,001,576</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

14 Tangible fixed assets (continued)

Heritage assets

The Charity has, since April 2011, been entrusted with the papers and artefacts comprising the Colonel Stephens Railway Museum collection. No value is, however, recognised in the balance sheet in respect of the collection in existence at the date of transfer to the Charity, as explained in note 2.9. A member of the Board who is appointed by the Board on an annual basis administers this collection. The museum had 3024 visitors during the year.

Funding for further acquisitions will come from donations. The Museum will continue to dispose of donated goods, which have no relevance to the collection (principally books) to help fund its operations. The Museum committee has delegated powers to use these funds to acquire significant items that will enhance the collection

Cost of the museum collection:

	£
At 1 November 2019 and 31 October 2020	<u><u>16,511</u></u>

Summary analysis of heritage asset transactions in excess of £1,000 (£500 prior to 1 January 2015):

	31.10.2020	31.10.2019	31.10.2018	31.10.2017	31.10.2016	31.10.2015
	£	£	£	£	£	£
Purchases at cost	-	-	2,300	2,300	1,250	-

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Notes to the financial statements
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15 Fixed asset investments

Group	Investments in associates £
Market value	
At 1 November 2019	9,789
Share of associates profit /(loss)	1,572
At 31 October 2020	<u>11,361</u>
 Historical cost	 <u>10,000</u>

The investment costing £11,361 (2019 - £9,789) represents the fair value of the Company's investment in Kent and East Sussex Railway Adventures Company Limited comprising 40 (2019-40) ordinary shares. The Company is currently dormant.

Subsidiaries

i). The wholly-owned trading subsidiary, Colonel Stephens Railway Enterprises Limited, which is incorporated in England, pays all its profits to the Charity by deed of covenant. Colonel Stephens Railway Enterprises Limited operates the Wealden Pullman and other dining trains, the buffet and other catering facilities, the book and gift shop, and all commercial trading operations carried on by the group.

ii). Robertsbridge 20/20 Limited, which is incorporated in England, continues to be dormant. The investment cost is shown as £1.

iii). Tenterden Railway Company Limited, the Company formerly known as The Kent and East Sussex Railway Company Limited, a company limited by guarantee and incorporated in England, also continues to be dormant. The investment cost is shown as £7.

iv). The investment costing £135,843 (2019 - £135,843) represents the Company's investment in 6619 Limited comprising 2,058 (2019- 2,058) ordinary shares, which represents a 51% (2019-51%) interest. This company owns a former GWR locomotive with the same number. G A Crouch is a director of, and has an interest in, the shares of 6619 Limited.

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Notes to the financial statements
for the year ended 31 October 2020

15 Fixed asset investments (continued)

Company	Shares in group undertakings £	Investments in participating interests £	Total £
Market value			
At 1 November 2019	135,851	9,789	145,640
Share of associates profit /(loss)	-	1,572	1,572
At 31 October 2020	<u>135,851</u>	<u>11,361</u>	<u>147,212</u>
Historical cost	<u>135,851</u>	<u>10,000</u>	<u>145,851</u>

16 Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Goods for resale	<u>20,779</u>	<u>33,159</u>	<u>-</u>	<u>-</u>

17 Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	1,611	5,010	59	1,965
Amounts owed by group undertakings	-	-	63,007	-
VAT and gift aid	12,269	29,844	12,269	29,844
Other debtors	2,401	2,401	2,401	2,401
Prepayments and accrued income	241,704	69,788	237,973	69,165
	<u>257,985</u>	<u>107,043</u>	<u>315,709</u>	<u>103,375</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

18 Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans and overdrafts	46,990	34,268	46,990	34,268
Other loans	29,000	34,000	29,000	34,000
Trade creditors	113,804	144,663	103,548	124,202
Amounts owed to group undertakings	-	-	-	34,577
Other taxation and social security	10,773	46,093	-	13,306
Other creditors	2,570	2,293	2,570	2,293
Accruals and deferred income	419,638	460,685	349,151	382,388
	622,775	722,002	531,259	625,034

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Deferred income				
Deferred income at 1 November 2019	394,440	405,708	324,513	324,330
Resources deferred during the year	369,160	394,440	307,714	324,513
Amounts released from previous periods	(394,440)	(405,708)	(324,513)	(324,330)
Deferred income at 31 October 2020	369,160	394,440	307,714	324,513

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Notes to the financial statements
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19 Creditors: amounts falling due after more than one year

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Bank loans	342,946	322,740	342,946	322,740

Included within the above are amounts falling due as follows:

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Due in two to five years				
Bank loans	212,203	152,020	212,203	152,020
Over five years				
Bank loans	130,743	170,720	130,743	170,720

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Repayable by instalments	130,743	170,720	130,743	170,720

The current portion of the secured loan amounts to £37,483 (2019 - £34,268) and this is included under creditors falling due within one year. The CAF Bank loan is repayable in monthly instalments of £3,901, which commenced in August 2013, and interest is charged at a rate of 3.0% per annum over bank base rate.

All property of the Charity is subject to either a fixed or floating charge in favour of CAF Bank Limited as security for the bank loan.

The Statement of Recommended Practice requires disclosure of the amount of the secured loans as a proportion of the value of the assets charged. However, in the opinion of the Trustees, obtaining an up-to-date version of these assets would not provide benefits commensurate with the costs involved.

20 Non-controlling interests

	2020
	£
At 1 November 2019	122,583
Non-controlling interests recognised in the year	(8)
At 31 October 2020	122,575

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

21 Restricted funds - group and company - 2020

The income funds of the group include restricted funds arising from grants, donations etc. received for specific purposes. The movements during the year were as follows:

	Balance at 01.11.2019 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31.10.2020 £
Bodiam extension	791,978	-	(26,181)	-	765,797
Rolvenden carriage shed	449,737	-	(10,438)	-	439,299
6619 Limited	13,617	-	-	-	13,617
Aries Pullman Car	77,963	1,118	(655)	-	78,426
Terrier 150	36,914	16,490	-	(20,331)	33,073
Other projects	328,158	125,511	(64,277)	(113,817)	275,575
	1,698,367	143,119	(101,551)	(134,148)	1,605,787

The funds for other projects relate to grants and donations in respect of work for individual projects of restoration and improvement of rolling stock and infrastructure.

Included in other projects is a fund for the Blue RU No. 1987. This fund was overdrawn at year end by £9,081. £29,000 (2019 - £34,000) of loans have been provided by individuals in relation to this fund and can be seen in Note 18 under other loans. These loans do not form part of the income of the fund however expenditure has been offset against the fund and so a deficit can be seen. The Charity is aiming to generate enough funds to repay the loans.

The balance at 31 October 2020 amounting to £308,648 (2019 - £365,072) includes unspent cash balances of £146,998 (2019 - £170,737). The movements in the restricted fund cash balances, which form part of the 'other projects' fund, are analysed as follows:

	Cash balance at 01.11.2019 £	Cash received £	Cash spent capital expenditure £	Cash spent other expenses £	Cash balance at 31.10.2020 £
Aries Pullman Car	24,419	1,118	-	(655)	24,882
Balcony Saloon	1,690	-	-	-	1,690
Bodiam Loco 3	500	-	-	-	500
Cávell Van	9,132	-	-	-	9,132
District Coach 100	350	-	-	-	350
Funded Expenditure - Signal Frame	1,250	-	-	-	1,250
GWR Railcar Appeal	6,388	6,766	-	(1,889)	11,265
Kit Kat Van	2,226	-	-	(64)	2,162
Marcia	3,660	37,605	-	(41,265)	-
Museum - Miller Legacy	35,615	-	-	-	35,615
Pullman Donations	62,588	2,808	-	(29,154)	36,242
Ready for Robertsbridge	22,564	991	-	-	23,555
Staff Accommodation	355	-	-	-	355
	170,737	49,288	-	(73,027)	146,998

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Notes to the financial statements
for the year ended 31 October 2020

Restricted funds - group and company - 2019

The income funds of the group include restricted funds arising from grants, donations etc. received for specific purposes. The movements during the year were as follows:

	Balance at 01.11.2018	Income	Expenditure	Balance at 31.10.2019
	£	£	£	£
Bodiam extension	818,159	-	(26,181)	791,978
Rolvenden carriage shed	459,075	-	(9,338)	449,737
6619 Limited	13,617	-	-	13,617
Aries Pullman Car	76,626	2,243	(906)	77,963
Other projects	356,436	83,642	(75,006)	365,072
	1,723,913	85,885	(111,431)	1,698,367

The funds for other projects relate to grants and donations in respect of work for individual projects of restoration and improvement of rolling stock and infrastructure. The balance at 31 October 2019, amounting to £365,072 includes unspent cash balances of £170,737.

22 Unrestricted funds - 2020

	Group 2020 £	Company 2020 £
<i>General funds</i>		
At 1 November 2019	1,131,114	1,186,743
Surplus for the year	9,398	84,640
Transfers in	134,148	134,148
At 31 October 2020	1,274,660	1,405,531
<i>Designated funds</i>		
At 1 November 2019	35,902	35,901
Surplus for the year	4,051	4,051
At 31 October 2020	39,953	39,952
Total	1,314,613	1,445,483

There are also funds held by non-controlling minority interests, in respect of the investment in 6619 Limited, amounting to £122,575 at the balance sheet date.

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

Unrestricted funds - 2019

	Group 2019 £	Company 2019 £
<i>General funds</i>		
At 1 November 2018	1,131,956	1,190,778
Deficit for the year	(842)	(4,035)
At 31 October 2019	<u>1,131,114</u>	<u>1,186,743</u>
<i>Designated funds</i>		
At 1 November 2018	22,898	22,897
Surplus for the year	13,004	13,004
At 31 October 2019	<u>35,902</u>	<u>35,901</u>
Total	<u><u>1,167,016</u></u>	<u><u>1,222,644</u></u>

The movements in the unrestricted designated fund cash balances are analysed as follows:

	Cash balance at 01.11.2019 £	Cash received £	Cash spent other expenses £	Cash balance at 31.10.2020 £
Museum	30,564	4,678	(627)	34,616
C&W extension	5,338	-	-	5,338
	<u>35,902</u>	<u>4,678</u>	<u>(627)</u>	<u>39,954</u>

The movements in the 2019 unrestricted designated fund cash balances are analysed as follows:

	Cash balance at 01.11.2018 £	Cash received £	Cash spent other expenses £	Cash balance at 31.10.2019 £
Museum	17,560	14,236	(1,232)	30,564
C&W extension	5,338	-	-	5,338
	<u>22,898</u>	<u>14,236</u>	<u>(1,232)</u>	<u>35,902</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

23 Analysis of net assets between funds

Analysis of net assets between funds - current year:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Intangible fixed assets	4,985	-	4,985
Tangible fixed assets	1,758,891	1,443,166	3,202,057
Heritage assets	-	16,511	16,511
Fixed asset investments	-	11,361	11,361
Current assets	639,033	134,749	773,782
Creditors due within one year	(622,775)	-	(622,775)
Creditors due in more than one year	(342,946)	-	(342,946)
	<u>1,437,188</u>	<u>1,605,787</u>	<u>3,042,975</u>

Analysis of net assets between funds - prior year:

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Intangible fixed assets	6,646	-	6,646
Tangible fixed assets	1,726,851	1,470,758	3,197,609
Heritage assets	-	16,511	16,511
Fixed asset investments	-	9,789	9,789
Current assets	600,844	201,309	802,153
Creditors due within one year	(722,002)	-	(722,002)
Creditors due in more than one year	(322,740)	-	(322,740)
	<u>1,289,599</u>	<u>1,698,367</u>	<u>2,987,966</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

24 Related party transactions

- i). The Charity as a mutual body receives annual subscriptions from its members.
- ii). G A Crouch and the former Director B R Atkins, have personal interests in certain items of locomotive and rolling stock, which are made available to the Charity and, in consideration, are maintained by the Charity.
- iii). G A Crouch, I C Legg, S A Marsh, P D Shaw, N D Sime, C H Mavor, the company secretary, and the former Director B R Atkins are members or shareholders of organisations which own certain items of locomotive, rolling stock and other equipment, which are made available to the Charity, and in consideration, are maintained by the Charity.
- iv). The Charity is a member of The Terrier Trust and has a 25% interest in the Terrier locomotive 'Bodiam' owned jointly by the Trust which has been included in fixed assets. D J Nibloe, P E Vidler, R M White and M J Hyner are also members of the Terrier Trust.
- v). G A Crouch and M J Hyner are Directors of 6619 Limited, a company that the Charity has a 51% controlling interest of, which owns a locomotive which is made available to the Charity. C H Mavor, the company secretary, is secretary of 6619 Limited.
- iii). I C Legg, S A Marsh, P D Shaw, N D Sime, P E Vidler and M J Hyner are all members of the Kent and East Sussex Locomotive Trust. At the Balance sheet date The Kent and East Sussex Railway Company Limited owe a balance of £20,000 (2019: £20,000) to this organisation in respect of a loan received to assist the Charity with the completion of the Kitchen Car.
- vii). Other than expenses reimbursed to Trustees, as per note 11, which were deemed to be undertaken within the ordinary course of business, there were no additional related party transactions.

25 Contingent liabilities

- i). Articles 8 to 10 of the British Railways Board (Kent and East Sussex) Light Railway (Transfer and Amendment) Order 1973 have imposed upon the Charity certain obligations for the protection of County Councils and landowners through whose jurisdiction and land the Railway passes.

26 Operating lease commitments

As at 31 October 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	9,869	8,006
Later than 1 year and not later than 5 years	18,650	16,040
	<u>28,519</u>	<u>24,046</u>

The Kent and East Sussex Railway Company Limited
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Notes to the financial statements
for the year ended 31 October 2020

27 Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income/(expenditure) for the year (as per Statement of financial activitie:	55,017	(13,384)
Adjustments for:		
Depreciation charges	138,801	142,355
Amortisation charges	-	1,661
Share of associate (profit) / loss	(1,572)	-
Decrease in stocks	12,380	4,019
Decrease / (increase) in debtors	(150,942)	52,165
Increase/ (decrease) in creditors	(106,949)	(11,638)
Net cash provided by operating activities	<u>(53,265)</u>	<u>175,178</u>

28 Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	<u>495,018</u>	<u>661,951</u>

The Kent and East Sussex Railway Company Limited

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Notes to the financial statements for the year ended 31 October 2020

29. Principal subsidiaries and associates

The principal subsidiaries of the Company were:

Names	Company number	Registered office or principal place of business	Principal activity	Class of Holding shares		Included in consolidation
Colonel Stephens Railway Enterprises Limited	02668156	Tenterden Town Station, Tenterden, Kent, TN30 6HE	The provision of catering services and a small gift shop, on behalf of its parent company.	Ordinary	100%	Yes
Robertsbridge 20/20 Limited	03838535	Tenterden Town Station, Station Road, Tenterden, Kent, TN30 6HE	Dormant	Ordinary	100%	Yes
Tenterden Railway Company Limited	04319270	Tenterden Town Station, Station Road, Tenterden, Kent, TN30 6HE	Dormant	Ordinary	100%	Yes
6619 Limited	08012491	Tenterden Town Station, Station Road, Tenterden, Kent, TN30 6HE	The restoration of the 6619 Locomotive	Ordinary	51%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Colonel Stephens Railway Enterprises Limited	241,632	(316,998)	(75,366)	(75,366)
Robertsbridge 20/20 Limited	-	-	-	1
Tenterden Railway Company Limited	-	-	-	-
6619 Limited	66	(78)	(12)	250,107

The following was an associate of the Company:

Name	Fair value of investment at 31 October 2020 £	Registered office or principal place of business	Class of shares	Holding
Kent and East Sussex Railway Adventures Company Limited	56,806	Rolvenden Layne, TN17 4NL	Ordinary	20%

The Kent & East Sussex Railway Company Limited
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Consolidated detailed Income and Expenditure Account
for the year ended 31 October 2020

	Parent Company	Designated Funds	Colonel Stephens	Intra-Group Transactions	Total 2020	Total 2019
Income before legacies:						
Fares and donations to travel	222,726	-	-	(57,590)	165,136	588,852
Santa Special receipts	398,135	-	-	-	398,135	381,933
Day out with Thomas	-	-	-	-	-	148,405
Lego event	(58)	-	-	-	58	610
Membership subscriptions	33,375	-	-	-	33,375	39,584
Donations	35,111	4,678	-	-	39,789	47,359
Gift aid	15,145	-	-	-	15,145	32,342
Wealden Pullman	-	-	79,783	-	79,783	274,242
Gift shop takings	-	-	26,880	-	26,880	95,838
Buffet and catering	-	-	62,672	-	62,672	464,976
Railway Experience Days	-	-	2,979	-	2,979	32,482
Footplate Tasters	-	-	1,529	-	1,529	9,750
Hire of locomotive	-	-	-	-	-	17,875
Sundry income	81,449	-	-	-	81,449	18,536
Government support	249,446	-	67,789	-	317,235	-
	1,035,329	4,678	241,632	-	1,224,049	2,152,784
Covenant from subsidiary	-	-	-	-	-	3,065
	1,035,329	4,678	241,632	(57,590)	1,224,049	2,155,849
Direct operating expenses						
	1,142,780	627	241,420	-	1,384,827	1,935,566
Train charter costs						
	-	-	57,590	(57,590)	-	-
Administration expenses						
	90,397	-	17,988	-	108,385	133,575
Finance charges (net of interest received)						
	12,017	-	-	-	12,017	14,094
Depreciation						
	90,085	-	-	128	89,957	95,460
	1,335,279	627	316,998	-	1,595,186	2,178,695
Deficit before legacy income						
	(299,950)	4,051	75,366	128	(371,137)	(22,846)
Add: legacy income	381,361	-	-	-	381,361	27,302
Share of associates profit/(loss)	1,572	-	-	-	1,572	7,706
Total surplus for the year						
	82,983	4,051	(75,366)	128	11,796	12,162

The Kent & East Sussex Railway Company Limited
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Detailed Income and Expenditure Account
for the year ended 31 October 2020

	Schedules	Total 2020	Total 2019
Income before legacies:			
Fares and donations to travel		222,726	848,023
Santa Special receipts		398,135	381,933
Day out with Thomas		-	148,405
Lego event		(58)	610
Membership subscriptions (including life)		33,375	39,584
Donations		35,111	33,123
Gift aid		15,145	32,342
Museum income (donations)		179	4,179
Filming income		9,900	7,500
Sundry income		71,370	6,857
Government support		249,446	-
Hire of locomotives		-	17,875
Enterprises Limited - covenanted profits		-	152,064
		1,035,329	1,672,495
Direct operating expenses	1	1,142,780	1,496,140
Administration expenses	2	90,397	105,716
Finance charges	3	12,017	14,094
Depreciation and amortisation	4	90,085	97,249
		1,335,279	1,713,199
Deficit before legacy income		(299,950)	(40,704)
Add: legacy income		381,361	27,302
Total surplus/(deficit) for the year		81,411	(13,402)

The Kent & East Sussex Railway Company Limited
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Schedules to the detailed Income and Expenditure Account
for the year ended 31 October 2020

	Total 2020	Total 2019
1. Direct operating expenses		
Cost, fuel, oil and water	42,101	122,158
Hire of locomotives	13,788	38,587
Operating department expenses	13,735	26,193
Signals and telegraph expenses	5,880	8,970
Permanent way and civil engineering expenditure	34,305	22,705
Forestry and conservation	3,767	3,634
Loco department costs	52,946	92,242
Carriage and wagon departments costs	36,604	53,690
Rent	3,129	10,009
Repair and maintenance of buildings	31,906	16,913
JCB Lease Hire	5,156	11,059
Electricity and power	40,623	62,071
Cleaning	17,082	20,634
Insurance	47,134	51,833
Wages, national insurance and pension	641,567	629,234
Advertising and publicity	20,571	45,387
Event expenses:		
Santa and Day Out with Thomas	109,394	190,976
Other	9,818	80,133
	119,212	271,109
Museum overheads	13,274	9,712
	1,142,780	1,496,140
2. Administration expenses		
Audit	8,650	8,000
Telephone, postage and stationery	15,322	17,559
Membership, magazine printing and distribution expenses	5,740	9,067
Legal and professional fees	3,890	6,092
Training and personnel costs	12,655	14,002
Office and other expenses	8,536	7,822
Computer expenses	19,537	21,357
Bank charges	2,792	3,571
Credit card charges	13,275	18,246
	90,397	105,716
3. Finance charges		
Bank loan interest	12,017	14,094
4. Depreciation and amortisation		
Charge for the period (gross of eliminating adjustment)	140,590	145,805
Goodwill amortisation	(1,661)	-
Less: amortisation of capital grants and donations received in	(48,844)	(48,556)
	90,085	97,249

The Kent & East Sussex Railway Company Limited
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Colonel Stephens Railway Enterprises Limited
Balance sheet
As at 31 October 2020

	Year ended 31/10/2020	Year ended 31/10/2019
Current assets		
Stock	20,779	33,159
Trade debtors	1,552	3,045
Other debtors	3,731	624
Amounts owed by parent undertakings	-	34,577
Cash at bank and in hand	53,102	60,147
	<u>79,164</u>	<u>131,552</u>
Creditors: amounts falling due within one year		
Trade creditors	10,256	20,461
Amounts owed to group undertakings	63,007	-
Other taxation and social security	10,773	32,787
Accruals and deferred income	70,487	78,297
	<u>(154,523)</u>	<u>(131,545)</u>
Net (liabilities)/assets	<u>(75,359)</u>	<u>7</u>
Capital and reserves		
Called up share capital	7	7
Profit and loss account	(75,366)	-
Shareholders funds	<u>(75,359)</u>	<u>7</u>

The Kent & East Sussex Railway Company Limited
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Colonel Stephens Railway Enterprises Limited
Trading and profit and loss account
For the year ended 31 October 2020

		Year ended 31/10/2020	Year ended 31/10/2019
Sales	1	173,843	877,288
Less: cost of sales	2	298,975	697,929
Gross trading (loss)/profit		<u>(125,132)</u>	<u>179,359</u>
Less: Overhead expenses			
Audit		8,650	8,000
Repairs and maintenance		1,962	9,275
Light and heat		694	2,188
Printing, postage and stationery		37	250
Credit card charges		6,287	5,579
Bank charges		393	2,003
		<u>18,023</u>	<u>27,295</u>
Plus: Government grants		67,789	
Net (loss)/profit before charitable donation		(75,366)	152,064
Less: charitable donation		-	(152,064)
Net loss		<u>(75,366)</u>	<u>-</u>

Schedules to the trading and profit and loss account
For the year ended 31 October 2020

	Year ended 31/10/2020	Year ended 31/10/2019
1. Sales		
Wealden Pullman and Sunday lunches	79,783	274,232
Gift shop takings	26,880	95,838
Buffet and catering	62,672	464,976
Railway Experience Days	2,979	32,482
Footplate Tasters	1,529	9,750
	<u>173,843</u>	<u>877,278</u>
2. Costs of sales		
Wealden Pullman purchases and expenses	23,460	68,162
Gift shop purchases and expenses	13,607	44,382
Buffet purchases and expenses	46,381	141,084
Train charter costs and fares	57,590	259,171
Railway Experience Days expenses	-	4,565
Wages and national insurance	156,227	178,649
Staff pension scheme costs	1,710	1,916
	<u>298,975</u>	<u>697,929</u>