

Charity registration number 271589 (England and Wales)

Company registration number 01261079

EAST SOMERSET RAILWAY COMPANY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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EAST SOMERSET RAILWAY COMPANY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R C Masters C R Cooke C E Hopkins D R Sharp E Lavender N J Dixon W Carr (Appointed 22 September 2025)
Secretary	A Jepson
Charity number (England and Wales)	271589
Company number	01261079
Registered office	Cranmore Railway Station Cranmore SHEPTON MALLET Somerset BA4 4QP
Independent examiner	Old Mill Accountancy Limited Bishopbrook House Cathedral Avenue WELLS Somerset BA5 1FD
Bankers	Lloyds TSB 24 - 26 High Street WELLS Somerset BA5 2SI
Solicitors	Chubb Bulleid Limited 7 Market Place WELLS Somerset BA5 2RJ

EAST SOMERSET RAILWAY COMPANY LIMITED

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EAST SOMERSET RAILWAY COMPANY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

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 "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).

Objectives and activities

The principle activities and charitable objectives of the East Somerset Railway Company (also known as ESR) are to preserve, operate and exhibit for public benefit for educational and instructional purposes and to stimulate and encourage interest in steam and other railway locomotives, rolling stock and other machinery and equipment of historical interest.

The wholly owned subsidiary company, Cranmore Railway Company Limited, operates a retail shop and a restaurant. It also runs a carriage overhaul and repair business, Cranmore Train Maintenance Services.

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

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives in planning future activities.

The directors are very grateful to the many dedicated and enthusiastic volunteers without whom the railway could not function. The ESR has over 100 volunteers of whom 50 work regularly at the Railway. This equates to approximately 13-16 full time staff. All areas of the Railway are covered by these volunteers assisting in Management, Infrastructure maintenance, Operations, Track, S & T, Workshops, Shop and Ticket Office.

Achievements and performance

The heritage railway sector has again struggled during this period, but the ESR has performed well, mainly helped by publicity in social media and press. Visitor numbers have increased with a large proportion due to increased dining services which is a valuable income stream.

Operation of the Café under concession arrangement continues to be successful and gives the ESR additional income.

Sufficient funds have been generated from operations to support a range of improvements. The largest expense has been over £64,000 on track renewals which is generally ongoing but will be reducing as improvements are made. Some projects have been identified as improvements to facilities and attractions for visitors. Some funding has been sourced for the installation of a bridge but further funding will be required for the extensive restoration. It is hoped that installation will commence during 2025.

2025 is expected to be similarly profitable, except for income from contract locomotive overhaul which will cease during the year due to the need to overhaul an ESR locomotive. Funds will therefore be reduced for maintenance and improvements, hence action is in place to further manage expenditure accordingly. We are aware that grant funding may be available and intend to consider this.

Fundraising

The main source of funding is through operations, in addition donations (some with gift aid) and small grants support the main source. All ongoing improvements are generally funded by surplus income.

At this time no major projects (other than the bridge) are subject to fundraising. As a charity we do not directly solicit donations and have never employed directly or by 3rd party fundraisers.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Adoption of the going concern basis can be found in the Accounting Policies.

EAST SOMERSET RAILWAY COMPANY LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

The reserves of the charity that are freely available for the use at the year end are as follows:

	2024	2023
	£	£
Total funds of the charity	760,337	715,250
Less:		
Designated funds	(66,000)	(66,000)
Unrestricted funds only realisable on disposal of fixed assets	(542,566)	(464,814)
	<u>151,771</u>	<u>184,436</u>

The East Somerset Railway Board understands the need for the financial stability of the charity along with the maintenance of buildings, permanent way and rolling stock. The income of the charity and it's subsidiary has increased in recent years and the backlog of infrastructure repairs has been reduced substantially. The Board continues to look for ways to establish a long term reserve fund.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

The Railway has plans to expand it's operations and to attract new visitors. There are extensive plans on improvements to infrastructure, rolling stock and signalling.

Following independent advice the Trustees have agreed to make some changes to the commercial structure of the Charity. From 1 January 2025 the trading activities of the charity will be carried out by the wholly owned subsidiary Cranmore Railway Company Limited. This enables a reduction in financial charges and simplified reporting of financial results.

Structure, governance and management

The charity is a company limited by guarantee incorporated and registered as a charity on 2 June 1976. The guarantors are the members to the extent of £1 each. The governing documents of the charity are the Memorandum and Article of Association dated 2 June 1976. As amended by resolution 13 May 2017.

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

R C Masters

C R Cooke

C E Hopkins

S J Masters

(Resigned 22 September 2025)

D R Sharp

E Lavender

N J Dixon

W Carr

(Appointed 22 September 2025)

EAST SOMERSET RAILWAY COMPANY LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees' are appointed at the annual general meeting by the members. The trustees may appoint new trustees between annual general meetings but such appointments must be ratified at the next annual general meeting.

Trustees seek to fill skill gaps as far as possible when looking for new board members. As a charity the ESR maintains a board of trustees and operates in line with recommended practice.

The ESR promotes a policy of inclusivity which is applied to our staff, volunteers and visitors. We have invested in external training in relation to vulnerable people.

As an operational railway the ESR has to provide a board structure that fulfils its obligations under the Transport & Works Act.

The day to day management of the charity is delegated to Simon Bending, business manager.

Statement of trustees' responsibilities

The trustees, who are also the directors of East Somerset Railway Company 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 trustees' report was approved by the Board of Trustees.

D R Sharp

Trustee

Dated: 21 October 2025

EAST SOMERSET RAILWAY COMPANY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EAST SOMERSET RAILWAY COMPANY LIMITED

I report to the trustees on my examination of the financial statements of East Somerset Railway Company Limited (the charity) for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Rachel Wills, FCA
Old Mill Accountancy Limited
Bishopbrook House
Cathedral Avenue
WELLS
Somerset
BA5 1FD

Dated: 22 October 2025

EAST SOMERSET RAILWAY COMPANY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds 2024 £	Total 2023 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	91,972	134,563
Charitable activities	4	347,153	393,262
Other trading activities	5	38,877	45,905
Other income	6	91,865	53,996
		<hr/>	<hr/>
Total income		569,867	627,726
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	7	24,397	21,315
		<hr/>	<hr/>
Charitable activities	8	516,951	515,825
		<hr/>	<hr/>
Total resources expended		541,348	537,140
		<hr/>	<hr/>
Net incoming resources		28,519	90,586
<u>Other recognised gains and losses</u>			
Revaluation of tangible fixed assets		16,568	-
		<hr/>	<hr/>
Net movement in funds		45,087	90,586
Fund balances at 1 January 2024		715,250	624,664
		<hr/>	<hr/>
Fund balances at 31 December 2024		760,337	715,250
		<hr/> <hr/>	<hr/> <hr/>

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

EAST SOMERSET RAILWAY COMPANY LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2024

			2024		2023
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		542,566		464,814
Investments	15		25,000		25,000
			<u>567,566</u>		<u>489,814</u>
Current assets					
Stocks	16	11,869		3,300	
Debtors	17	89,788		68,806	
Cash at bank and in hand		171,677		200,608	
		<u>273,334</u>		<u>272,714</u>	
Creditors: amounts falling due within one year	18	(64,661)		(47,278)	
		<u></u>		<u></u>	
Net current assets			208,673		225,436
			<u>208,673</u>		<u>225,436</u>
Total assets less current liabilities			776,239		715,250
			<u>776,239</u>		<u>715,250</u>
Creditors: amounts falling due after more than one year	19		(15,902)		-
			<u>(15,902)</u>		<u>-</u>
Net assets			<u>760,337</u>		<u>715,250</u>
			<u><u>760,337</u></u>		<u><u>715,250</u></u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	26	66,000		66,000	
General unrestricted funds	26	694,337		649,250	
		<u>760,337</u>		<u>715,250</u>	
			<u>760,337</u>		<u>715,250</u>
			<u><u>760,337</u></u>		<u><u>715,250</u></u>

EAST SOMERSET RAILWAY COMPANY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2024

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 2024.

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.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Trustees on 21 October 2025

D R Sharp

Trustee

Company Registration No. 01261079

EAST SOMERSET RAILWAY COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27		81,160		114,645
Investing activities					
Purchase of tangible fixed assets		(103,786)		(125,068)	
Proceeds from disposal of tangible fixed assets		2,000		-	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(101,786)		(125,068)
Financing activities					
Payment of finance leases obligations		(8,305)		-	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(8,305)		-
Net decrease in cash and cash equivalents			(28,931)		(10,423)
Cash and cash equivalents at beginning of year			200,608		211,031
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			171,677		200,608
			<u> </u>		<u> </u>

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

East Somerset Railway Company Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Cranmore Railway Station, Cranmore, SHEPTON MALLET, Somerset, BA4 4QP.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 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). The charity is a Public Benefit Entity as defined by FRS 102.

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.

The charity has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the charity as an individual entity and not about its group.

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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 the donation.

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.

Grants received to assist with specific expenditure are released to the statement of financial activities as the expenditure is incurred.

Income is only deferred when:

- Fees are received in advance of the event to which they relate;
- The donor specifies that the grant or donation must only be used in future accounting periods; and
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or repayable by the Bank.

Income 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.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% reducing balance / 10% straight line
Fixtures, fittings & equipment	15% reducing balance
Rolling stock	Not depreciated

The depreciation on rolling stock is £nil, this is due to the company's commitment to restore these assets to their original condition and to maintain and preserve them in that state. It is considered that the estimated residual value is at least equal to cost. Rolling stock is introduced at cost and revalued in line with insurance valuations of these assets as this is deemed the most accurate reflection of their value to the charity.

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 net income/(expenditure) for the year.

All assets costing more than £750 are capitalised.

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).

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

1.13 Retirement benefits

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

1.14 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets 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 net income/(expenditure) for the year 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 as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

Key sources of estimation uncertainty

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

Estimated useful lives of tangible fixed assets

In determining the estimated useful life the charity considers the expected physical wear and tear of the asset.

3 Donations and legacies

	2024	2023
	£	£
Donations and gifts	28,796	61,654
Grant received	2,500	-
Gift Aid from subsidiary	60,676	72,909
	<u>91,972</u>	<u>134,563</u>

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

4 Charitable activities

	2024	2023
	£	£
Fares and Admissions	347,153	393,262
	<u> </u>	<u> </u>

5 Other trading activities

	2024	2023
	£	£
Fundraising events	38,877	45,905
	<u> </u>	<u> </u>

6 Other income

	2024	2023
	£	£
Subscriptions	6,266	5,967
Booking fees and sundry income	37,449	29,808
Wine and Dine income	29,913	18,221
Insurance claim receivable	18,237	-
	<u> </u>	<u> </u>
	91,865	53,996
	<u> </u>	<u> </u>

7 Raising funds

	2024	2023
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	24,397	21,315
	<u> </u>	<u> </u>

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Charitable activities

	2024	2023
	£	£
Motive, Power and Operations	68,416	75,369
Civil Engineering	5,698	60,341
Workshop Consumables	4,494	4,377
Santa Specials	32,887	33,901
Freight Charter and Loco Hire	18,704	21,364
Lady of Legend	13,775	-
Punch and Judy	1,125	
Rent and Rates	24,136	24,136
Services	61,456	43,587
Insurance	36,814	26,258
Repairs and overhaul costs	19,934	18,157
Paddington	-	1,625
Property Expenses	1,183	2,430
Peter Rabbit	-	2,264
	<u>288,622</u>	<u>313,809</u>
Share of support costs (see note 9)	225,549	199,385
Share of governance costs (see note 9)	2,780	2,631
	<u>516,951</u>	<u>515,825</u>
Analysis by fund		
Unrestricted funds	516,951	515,825
	<u>516,951</u>	<u>515,825</u>

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9 Support costs

	Support costs	Governance costs	2024	2023
	£	£	£	£
Staff costs	92,641	-	92,641	75,691
Depreciation and loss on disposal	70,422	-	70,422	53,649
Advertising and Marketing	36,651	-	36,651	26,860
Postage, Stationery and Telephone	13,255	-	13,255	12,641
Bank Interest and Charges	8,201	-	8,201	5,112
Credit Card Charges	7,041	-	7,041	8,763
Sundry	4,613	-	4,613	2,437
Legal and Professional	1,475	-	1,475	1,482
Accountancy Fees	2,050	-	2,050	1,950
Bad Debt Provision	(10,800)	-	(10,800)	10,800
Independent Examiners Fees	-	1,750	1,750	1,650
Director's insurance	-	1,030	1,030	981
	<u>225,549</u>	<u>2,780</u>	<u>228,329</u>	<u>202,016</u>
Analysed between				
Charitable activities	<u>225,549</u>	<u>2,780</u>	<u>228,329</u>	<u>202,016</u>

Support costs includes payments to the independent examiner of £2,050 (2023:£1,950) for accountancy services and £nil (2023:£nil) for other services.

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	65,207	53,649
Loss on disposal of tangible fixed assets	5,215	-
	<u>70,422</u>	<u>53,649</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
	7	7
	=====	=====
Employment costs	2024	2023
	£	£
Wages and salaries	86,542	71,690
Social security costs	5,206	3,363
Other pension costs	893	638
	=====	=====
	92,641	75,691
	=====	=====

There were no employees who received employee benefits of more than £60,000.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Tangible fixed assets

	Plant and fixtures, fittings machinery & equipment		Rolling stock	Total
	£	£	£	£
Cost				
At 1 January 2024	540,366	56,865	142,195	739,426
Additions	117,541	4,828	11,237	133,606
Disposals	(18,246)	(600)	-	(18,846)
Revaluation	-	-	16,568	16,568
	<u>540,366</u>	<u>56,865</u>	<u>142,195</u>	<u>739,426</u>
At 31 December 2024	639,661	61,093	170,000	870,754
	<u>639,661</u>	<u>61,093</u>	<u>170,000</u>	<u>870,754</u>
Depreciation and impairment				
At 1 January 2024	228,674	45,938	-	274,612
Depreciation charged in the year	62,771	2,436	-	65,207
Eliminated in respect of disposals	(11,631)	-	-	(11,631)
	<u>228,674</u>	<u>45,938</u>	<u>-</u>	<u>274,612</u>
At 31 December 2024	279,814	48,374	-	328,188
	<u>279,814</u>	<u>48,374</u>	<u>-</u>	<u>328,188</u>
Carrying amount				
At 31 December 2024	359,847	12,719	170,000	542,566
	<u>359,847</u>	<u>12,719</u>	<u>170,000</u>	<u>542,566</u>
At 31 December 2023	311,692	10,927	142,195	464,814
	<u>311,692</u>	<u>10,927</u>	<u>142,195</u>	<u>464,814</u>

Rolling stock includes trains that are occasionally rented out on an operating lease basis. Such rentals are normally for short periods, and when not being leased the assets are used in the day to day activities of the charity.

Rolling stock has been revalued in line with insurance valuations of these assets as this is deemed the most accurate reflection of their value to the charity. The directors believe that these values are relevant in relation to market value at 31 December 2024. The original cost of these assets is £79,018.

FOR THE YEAR ENDED 31 DECEMBER 2024

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Obligations under finance leases	20	5,613	-
Other taxation and social security		894	746
Deferred income	21	5,492	7,359
Trade creditors		17,530	14,554
Other creditors		4,271	165
Accruals		30,861	24,454
		<u>64,661</u>	<u>47,278</u>

19 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Obligations under finance leases	20	15,902	-
		<u>15,902</u>	<u>-</u>

20 Finance lease obligations

Future minimum lease payments due under finance leases:

	2024 £	2023 £
Within one year	5,613	-
Within two and five years	15,902	-
	<u>21,515</u>	<u>-</u>

Finance lease payments represent rentals payable by the charity for plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is five years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. A commercial rate of interest is charged on each hire purchase agreement.

Assets held on hire purchase agreements are secured on the asset to which they relate.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Deferred income

	2024	2023
	£	£
Other deferred income	5,492	7,359
	<u>5,492</u>	<u>7,359</u>
	2024	2023
	£	£
Current liabilities	5,492	7,359
	<u>5,492</u>	<u>7,359</u>
	2024	2023
	£	£
Movement in the year		
At 1 January 2024	7,359	7,031
Amount released to income earned from charitable activities	(7,359)	(7,031)
Amount deferred in the year	5,492	7,359
	<u>5,492</u>	<u>7,359</u>
At 31 December 2024	5,492	7,359
	<u>5,492</u>	<u>7,359</u>

Deferred income relates to vouchers purchased in 2024 to be used in 2025.

22 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to the profit or loss in respect of defined contribution schemes was £893 (2023:£638).

At 31 December 2024, the charity had a liability for pension payment owing of £178 (2023:£165).

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	21,016	21,016
Between two and five years	77,149	79,915
In over five years	389,333	407,583
	<u>487,498</u>	<u>508,514</u>

24 Related party transactions

Transactions with related parties

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

	2024	2023
	£	£
Key management personnel	19,743	17,430

During the year there were transactions between East Somerset Railway Company and subsidiary Cranmore Railway Company. Facilities costs recharged of £25,872 (2023:£24,702) were payable by Cranmore Railway Company in the year. At year end, £42,682 (2023:£24,317) was due from subsidiary Cranmore Railway Company.

Trustee S Masters is an employee of the Dartmouth Steam Railway and Riverboat Company. During the year £1,073 (2023:£nil) was received from Dartmouth Steam Railway and Riverboat Company for services, which was invoiced under normal market conditions. No amounts were due at year end.

25 Subsidiaries

These financial statements are separate charity financial statements for East Somerset Railway.

Details of the charity's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Cranmore Railway Company Limited	Cranmore, Nr Shepton Mallet, Somerset, BA4 4QP	Carries on the trading activities of the group.	Ordinary	100.00	

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 January 2024	Incoming resources	Resources expended	Gains and losses	Balance at 31 December 2024
	£	£	£	£	£
46447 Fund	62,000	-	-	-	62,000
Lady Nan Fund	4,000	-	-	-	4,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Designated funds	66,000	-	-	-	66,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
General funds	649,250	569,867	(541,348)	16,568	694,337
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total unrestricted funds	715,250	569,867	(541,348)	16,568	760,337
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Prior year	Balance at 1 January 2023	Incoming resources	Resources expended	Gains and losses	Balance at 31 December 2023
	£	£	£	£	£
46447 Fund	62,000	-	-	-	62,000
Lady Nan Fund	4,000	-	-	-	4,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Designated funds	66,000	-	-	-	66,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
General funds	558,664	527,726	(537,140)	-	649,250
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total unrestricted funds	624,664	527,726	(537,140)	-	715,250
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The 46447 Fund has been set aside towards the next overhaul.

The Lady Nan Fund has been set aside towards the next overhaul.

EAST SOMERSET RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

27	Cash generated from operations	2024	2023		
		£	£		
	Surplus for the year	28,519	90,586		
	Adjustments for:				
	Loss on disposal of tangible fixed assets	5,215	-		
	Depreciation and impairment of tangible fixed assets	65,207	53,649		
	Movements in working capital:				
	(Increase)/decrease in stocks	(8,569)	3,824		
	(Increase) in debtors	(20,982)	(1,723)		
	Increase/(decrease) in creditors	13,637	(32,019)		
	(Decrease)/increase in deferred income	(1,867)	328		
	Cash generated from operations	81,160	114,645		
28	Analysis of changes in net funds				
	At 1 January 2024	Cash flows	New finance leases	At 31 December 2024	
	£	£	£	£	
	Cash at bank and in hand	200,608	(28,931)	-	171,677
	Obligations under finance leases	-	8,305	(29,820)	(21,515)
		200,608	(20,626)	(29,820)	150,162

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.