

**Registered No. 01927652**

**CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY**

**Trustees Report and Financial Statements**

**for the year ended 31 December 2020**

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Company Information

### Board of Directors

Dr Tony Stead (Chairman)  
Mr John Cook  
Ms Tracey Evans  
Mr Tim Fediw  
Mr Matthew Gleave  
Mr Peter Mitchell  
Mr Michael Palfrey  
Mr Tony Peters  
Mr Mark Savery  
Mr George Thomas

### Secretary

Mrs Beverley Mannering

### Registered Office

5 Hithercroft Road  
Wallingford  
Oxfordshire  
OX10 9GQ

**Registered Company No.:** 01927652

**Registered Charity No.:** 295279

### Bankers:

Barclays Bank plc

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# **Report of the Trustees for the year ended 31 December 2020**

## **Objectives, activities and purpose**

The Trustees have referred to the Charity Commission's general guidance on Public Benefit when reviewing their aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The charity's principal objective is to maintain and preserve the 4km stretch of standard gauge heritage railway line between Cholsey and Wallingford in Oxfordshire, being most of the former Wallingford branch of the Great Western Railway (GWR).

The Cholsey and Wallingford Railway Preservation Society (CWRPS) was formed to both conserve the line and provide a tourist service to generate the necessary funding. The Society ran its first public train on a small track section in 1985 with the first train travelling the full length of the line in 1997.

In addition to conservation and tourist activities, the CWRPS works towards:

1. Keeping history alive by safeguarding its collection of historic artefacts through which its members and the public can actively view an aspect of social, technical and cultural history
2. Ensuring the financial stability of the organisation by endeavouring to establish continuity of income thereby ensuring the sustainability of the Society
3. Bringing together, in a not-for-profit environment, volunteers using a range of skills in the furtherance of the Society's objectives.

## **Structure, Governance and Management**

### Governing document

The Cholsey & Wallingford Railway Preservation Society is a company limited by guarantee, incorporated on 1 July 1985 and registered as a charity. It is governed by its Memorandum of Association and Articles of Association. In the event of the company being wound up, each member is required to contribute £1 as limited by the guarantee.

### Recruitment and appointment of Trustee Board

The directors of the company are also charity trustees for the purposes of charity law and, under the company's Articles of Association, are members of the Trustee Board. The Articles of Association require a proportion of the members of the Trustee Board to stand down each year.

All members are advised of the retiring trustees prior to the AGM and are invited to make nominations accordingly.

The Board has a range of financial, operational, engineering and management backgrounds.

## **Report of the Trustees for the year ended 31 December 2020 (continued)**

### Trustee induction and training

No formal selection or induction procedures exist; appointments to the Board arise from recommendations of existing board members or the Society membership at large. Such recommendations are invariably based on a proven record of service to the Society.

### Organisational structure

Under the Articles of Association, the maximum and minimum numbers of Board members is to be determined by the Society. The current maximum of 12 was adopted at the Extraordinary General Meeting in November 2020, and the minimum number is six. The Board is responsible for the strategic direction and policy decisions of the charity as well as all aspects of health and safety. It generally meets every month.

In addition to the Board, there are various sub-committees covering commercial operations and the Permanent Way.

### Co-operation with other organisations

The charity is a member of the Heritage Railway Association (HRA). The HRA promotes the interest of its members in the heritage and tourist railway and tramway sector and encourages good practice in all fields. It represents its members interests to government and other bodies and maintains high standards in the sector by requiring members to conform to the Association's Code of Conduct. The HRA provides professional advice and other such help and assistance as appropriate.

The charity is affiliated to local and regional tourist organisations and is exploring the possibility of developing the informal links it already has established with the local train operator on the National Rail network.

### Risk Management

The Trustees have a risk management strategy which includes:

- a continuous review of its policies, systems and procedures to ensure consistency with best practice and to identify any potential risks and uncertainties
- the establishment of robust policies, systems and procedures to mitigate any risks and uncertainties identified
- the implementation of procedures designed to minimise or manage any potential impact on the Society should those risks materialise

Both trustees and volunteers alike are suitably trained, supported and supervised as they carry out their activities for the charity. Appropriate and adequate insurance is in place to provide cover for those carrying out work for and on behalf of the charity.

## **Report of the Trustees for the year ended 31 December 2020 (continued)**

Financial sustainability continues to be the major financial risk for the Society. The Board actively manages its financial risk by regular reviews of available funds and ensures that internal control risk is minimised by employing procedures that require all transactions to be properly authorised and recorded in the Society's accounts.

Furthermore, it strives to increase its resources, not only from its main activities - passenger, shop and café operations - but also from subscriptions and donations.

### Achievements and performance

For many 2020 will be a year to forget but for CWR there were also notable achievements. We started moving the fence across, having obtained extra land from Lidl, with help from Nick and Oxford Construction Ltd. Progress was rapid and we took the opportunity to get Nick to dig out the trench that would be needed to construct an extension to the platform.

During the lockdown, for several weeks access was limited to just a few volunteers who checked site security and performed monthly checks on the locos. As we came to grips with Coronavirus we invited a few more volunteers on site to perform essential maintenance but only allowed work in pairs and outside.

Prior to, and throughout, lockdown we were discussing with Green Oak how the Maidenhead Canopy might be erected - at first we hoped to run trains throughout the construction period. Finally, we realised Covid was going to prevent running for longer, and longer, thus Green Oak were able to do the construction work without fear of trains running.

As the canopy was being constructed, volunteers, with considerable help from Grundon, worked on extending the platform, a project named 'Wallingford Station Revival' and thanks to many generous donations we were able to purchase period lampposts, GWR benches, posters, totem signs etc all designed to create a better ambience for visitors.

During the year we were invited to Southall Railway Centre who, sadly, were forced to close, here we were invited to take several artifacts, mostly of GWR-origin. We are grateful to Southall for allowing us to have these items for a small donation.

By Christmas the canopy was complete but the Covid situation had deteriorated so when we ran our only 'public service train' of the year it was with Santa in the Toad waving to those that came out to the footpath alongside our line and amazingly over 200 people, suitably socially-separated, gathered along the footpath and Church lane bridge. It was a very moving experience to think we still had that support from the local community - thank you!

Lastly to the members & supporters who helped tremendously with donations large and small - without these we would not have been able to continue to undertake maintenance as the paints and oils etc all had to be paid for as did the track bed rent, insurance and utility bills!

## **Report of the Trustees for the year ended 31 December 2020 (continued)**

### **Financial Review**

The financial performance of the society was impacted by COVID-19 and as a result we were unable to run any revenue earning trains during the year.

#### Income

Income during the year totalled £396,801 (2019: £98,402), the vast majority related to the Maidenhead canopy grant from the Railway Heritage Trust. We are grateful to our members and general public for the significant donations received during the year.

Other income £6,227 (2019: £368) related to the set up on a “pop-up” coffee shop on site and use by commercial operators for testing equipment. This income has been a welcome help during the period we were unable to run passenger trains.

#### Expenditure

During the year, we continued to prudently invest in improving the site at Wallingford and our track and other structures where necessary. A significant amount of the expenditure related to the Maidenhead canopy (fully funded by grant income), but we have also improved the station site.

There was a small deficit for the year of £2,087 (2019 Surplus: £16,900), thanks to the generosity of our supporters to ensure that we were able to invest in the railway despite not running trains during the year.

#### Financial position

The Charity had cash reserves of £72,749 at 31 December 2019 (2019: £73,821).

#### Investment policy

Under the Memorandum and Articles of Association, the Charity has the power to make any investments that the Trustees see fit.

#### Reserves policy

In 2020 the Board of Directors opted to change the reserves policy to ensure that the Society would have around 12 months' worth of expenditure held in reserves, plus any required for the seasonality of income streams. This was reviewed again in 2021 and confirmed as appropriate.

The trustees believe that this will provide sufficient funds to cover a significant fall in revenue, or unplanned capital expenditure that may be required.

## **Report of the Trustees for the year ended 31 December 2020 (continued)**

### **Significant events since the year end**

Following not running in 2020, the 2021 operating season has been very successful to date, with most trains sold out, albeit at limited Covid safe capacity.

The directors entered into an agreement regarding running the “Polar Express” at the Cholsey and Wallingford Railway, which if successful will bring significant funds that will enable the Board to accelerate the investment plans to improve the railway.

### **Trustees responsibilities in relation to the financial statements**

The charity trustees, who are also the directors of the Cholsey and Wallingford Railway Preservation Society for the purposes of company law, are responsible for preparing financial statements for each year which provide a true and fair view of the state of affairs of the Company and of the incoming resources and the application of those resources, including the income and expenditure. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume the charity will continue in operation

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 to prevent and detect fraud and other irregularities.

## **Report of the Trustees for the year ended 31 December 2020 (continued)**

### **Trustees**

The Directors set out have held office during the year were as follows:

Mr John Cook  
Ms Tracey Evans  
Mr Tim Fediw  
Mr Peter Mitchell  
Mr Michael Palfrey  
Mr Tony Peters  
Dr Anthony Stead  
Mr George Thomas

The following directors were appointed after the end of the financial year end, but prior to the accounts being approved:

Mr Matthew Gleave (appointed 12<sup>th</sup> February 2021)  
Mr Mark Savery (appointed 12<sup>th</sup> February 2021)

Approved by the Trustees and signed on their behalf by:



Dr Tony Stead  
Chairman  
Cholsey & Wallingford Railway Preservation Society

Date: 27<sup>th</sup> September 2021



# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Statement of Financial Activities and Income & Expenditure account for the year ended 31 December 2020

	Notes	Restricted 2020 £	Unrestricted 2020 £	Total Funds 2020 £	2019 £
<b>Income:</b>					
a) Generated funds:					
i) voluntary income:					
- donations & membership subscriptions			16,838	16,838	2,977
ii) activities for generating funds:					
- other income	3		0	0	1,350
b) Charitable activities:	4		0	0	54,091
c) Investment:	5		28	28	19
d) Grants:	6	362,374	11,334	373,708	39,597
e) Other:	7		6,227	6,227	368
f) Grants reclassified as capital		(362,374)			
<b>Total income:</b>		<b>0</b>	<b>34,427</b>	<b>396,801</b>	<b>98,402</b>
<b>Expenditure:</b>					
a) Costs of raising funds:					
- voluntary income / activities for generating funds	8		0	0	250
b) Charitable activities:	9		35,515	35,515	40,715
c) Grants:	10	362,374	0	362,374	39,597
d) Governance:	11		1,179	1,179	940
e) Grants reclassified as capital		(362,374)			
<b>Total expenditure:</b>		<b>0</b>	<b>36,694</b>	<b>399,068</b>	<b>81,502</b>
<b>Net income and net movement in funds for the year</b>		<b>0</b>	<b>(2,267)</b>	<b>(2,267)</b>	<b>16,900</b>
Total funds brought forward:		0	101,927	101,927	85,027
<b>Total funds carried forward:</b>		<b>0</b>	<b>99,660</b>	<b>99,660</b>	<b>101,927</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 10 to 15 form part of these financial statements

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Statement of Financial Position at 31 December 2020

**Registered Company No.: 1927652**

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		<u>£</u>	<u>£</u>
<b>Fixed Assets</b>			
Tangible Fixed Assets	13	387,822	20,883
Investments	14	0	180
		<u>387,822</u>	<u>21,063</u>
<b>Current Assets</b>			
Stock		0	873
Debtors	15	1,463	6,720
Cash at bank and in hand		72,749	73,821
		<u>74,212</u>	<u>81,414</u>
<b>Current Liabilities:</b>			
Creditors: Amounts falling due within one year	16	0	550
<b>Net Current Assets / (Liabilities)</b>		<u>74,212</u>	<u>80,864</u>
<b>Total Assets less Current Liabilities</b>		462,034	101,927
Creditors: Amounts falling due after more than one year	17	362,374	0
		<u><b>99,660</b></u>	<u><b>101,927</b></u>
<b>Funds</b>			
Unrestricted Fund		99,660	101,927
		<u><b>99,660</b></u>	<u><b>101,927</b></u>

For the year ending 31 December 2018 the Company was entitled to exemption from audit under Section 477 of the 2006 Companies Act relating to small companies

The Members have not required the Company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions of the regime applicable to micro-entities

These financial statements were approved and authorised for issue by the Board.



Dr Tony Stead

Date: 27th September 2021

The notes on pages 10 to 15 form part of these financial statements

## CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

### Notes to the Financial Statements for the year ended 31 December 2020

#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the regime applicable to micro-entities and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### b) Preparation of the accounts on a going concern basis

The future of the Charity is dependant upon the continued financial support of its members and the success of the operating days and events planned for 2021 & 2022. The Trustees are of the opinion that the Charity can continue to operate for at least a period of one year from the date of approval of these financial statements and have therefore prepared them on a going concern basis.

##### c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of any of the purposes of the charity. Restricted funds are where grants and donations are for a specific, generally legally binding use only. The Trustees can designate funds to a certain project.

##### d) Income recognition policies

Items of income are recognised when all of the following criteria are met:

1. The Charity has entitlement to the funds
2. Any performance conditions attached to the item(s) of income have been met or are fully within the control of the Charity
3. There is sufficient certainty that receipt of the income is considered probable, and
4. The amount can be measured reliably

##### e) Grants

Grant income is recognised when there is: 1) entitlement to the grant, 2) virtual certainty that it will be received and 3) sufficient measurability of the amount. For Grants that relate specifically to the creation of a capital asset, are recognised as a creditor and amortised inline with the related capital asset.

##### f) Expenditure

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

Cost of generating funds comprises those costs associated with attracting future income:

1. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them
2. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and any costs linked to the strategic management of the Charity
3. Overheads, including office expenses, have been allocated to the main Charitable Activities

## CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

### Notes to the Financial Statements for the year ended 31 December 2020

g) Tangible fixed assets

Tangible fixed assets are capitalised at cost and depreciated at rates calculated to write off cost on a straight-line basis less estimated residual value of each asset over its estimated economic life. The annual rates are as follows:

Track & ballast	2%
Land & buildings	5%
Plant & Machinery	15%
Catering & Other	20%

h) Stock

Stock is included at the lower of cost and net realisable value.

i) Recognition of liabilities

Liabilities are recognised at the settlement amount where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

j) Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

k) Operating lease

Rentals applicable to operating leases: where substantially all of the benefits and risk of ownership remain with the lessor, these are charged to the income and expenditure account on a straight line basis over the lease term.

## 2. **Legal status of the Charity**

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability of each member in respect of the guarantee is limited to £1.

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Notes to the Financial Statements for the year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
<b>Note 3 Activities for generating funds</b>		
Raffle	0	1,350
	<b>0</b>	<b>1,350</b>

<b>Note 4 Charitable Activities</b>		
Passenger receipts	0	51,755
Café receipts, On-Board sales & Shop Receipts	0	2,336
	<b>0</b>	<b>54,091</b>

<b>Note 5 Investment Income</b>		
Interest received	28	19

<b>Note 6 Grant Income</b>	<b>373,708</b>	<b>39,597</b>
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The income has come from two sources:

The Railway Heritage Trust relating to the 'Maidenhead Canopy' Project - all restricted funds

South Oxfordshire District Council in relation to Covid support - unrestricted funds, with no conditions on expenditure

### **Note 7 Other Income**

Use of facilities	6,227	368
	<b>6,227</b>	<b>368</b>

### **Note 8 Cost of Generating Voluntary Income**

Raffle costs	0	250
	<b>0</b>	<b>250</b>

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Notes to the Financial Statements for the year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
<b>Note 9 Charitable Activities</b>		
Operating Expenses	<b>35,515</b>	<b>40,715</b>

<b>Note 10 Grant Expenditure</b>	<b>362,374</b>	<b>39,597</b>
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Grant expenditure relates to the development of the Maidenhead Canopy project

<b>Note 11 Governance cost</b>		
Trustee Indemnity insurance	1,179	830
Other	0	110
	<u><b>1,179</b></u>	<u><b>940</b></u>

### **Note 12 Net incoming resources for the year**

This is stated after charging:

Depreciation	<b>2,898</b>	<b>2,761</b>
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No Trustee received remuneration.

Expenses received by Trustees relate to the cost of purchase of materials and re-imbursed at cost

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Notes to the Financial Statements for the year ended 31 December 2020

### Note 13 Tangible Fixed Assets

	<u>Asset under</u> <u>Contrustion</u>	<u>Track &amp;</u> <u>Ballast</u>	<u>Rolling</u> <u>Stock</u>	<u>Land &amp;</u> <u>Buildings</u>	<u>Signal &amp;</u> <u>Telegraph</u>	<u>Plant &amp;</u> <u>Machinery</u>	<u>Catering &amp;</u> <u>Other</u>	<u>Office</u> <u>Equipment</u>	<u>Total</u>
	£	£	£	£	£	£	£	£	£
<u>Cost</u>									
At 1/1/2020	0	30,575	9,105	13,032	879	5,684	4,368	1,417	65,060
Additions	362,374	0	0	5,924	0	0	1,540	0	369,838
<b>At 31/12/2020</b>	<b>362,374</b>	<b>30,575</b>	<b>9,105</b>	<b>18,956</b>	<b>879</b>	<b>5,684</b>	<b>5,908</b>	<b>1,417</b>	<b>434,898</b>
<u>Accumulated Depreciation</u>									
At 1/1/2020	0	15,620	4,841	11,939	308	5,684	4,368	1,417	44,177
Charge for the year	0	610	1,367	790	132	0	0	0	2,899
<b>At 31/12/2020</b>	<b>0</b>	<b>16,230</b>	<b>6,208</b>	<b>12,729</b>	<b>440</b>	<b>5,684</b>	<b>4,368</b>	<b>1,417</b>	<b>47,076</b>
<u>Net Book Values</u>									
At 31/12/2020	362,374	14,345	2,897	6,227	439	0	1,540	0	387,822
At 31/12/2019	0	14,955	4,264	1,093	571	0	0	0	20,883

Asset under the course of construction relates to the Maidenhead Canopy. As at 31st December 2020 the Directors assessed that the completion of the Maidenhead Canopy at Wallingford Station was virtual certain, as construction was near complete.

Costs incurred and matched grant funding in prior years (through to 31st December 2019) was expensed as there was no certainty that the asset would be constructed at Wallingford and at that point in time, no construction undertaken at Wallingford.

### Note 14 Investment

<u>Cost</u>	£
At 1 January 2020	180
Written off during the year	(180)
<b>At 31 December 2020</b>	<b>0</b>

The Charity's investment consists of ordinary shares in 4247 Ltd. The Charity owns one share (less than 1%) of the Ordinary Share Capital. The cost of this investment was £180, during the year ended 31 December 2020 the Directors re-assessed the likely return on investment and assessed the value as £nil.

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Notes to the Financial Statements for the year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
<b>Note 15 Debtors</b>		
VAT receivable	1,463	6,720
	<u>1,463</u>	<u>6,720</u>

<b>Note 16 Creditors - Amounts falling due within one year</b>		
Accrued expenditure	0	550
	<u>0</u>	<u>550</u>

<b>Note 17 Creditors: Amounts falling due after more than one year</b>		
	<u>362,374</u>	<u>0</u>

In line with the accounting policy, the Hertiage Railway Trust grant relation to the "Maidenhead Canopy" will be amortised in line with the asset.

### **Note 18 Obligations Under Leases**

At 31 December 2020 the charity made the following payments under non-cancellable operating leases:

Land and buildings:		
Operating Leases which expire over 5 years	<u>2,438</u>	<u>2,438</u>