

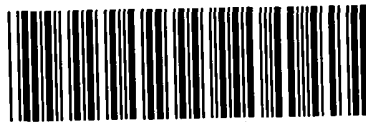
Registered No. 01927652

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Trustees Report and Financial Statements

for the year ended 31 December 2021

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CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Company Information

Board of Directors

Dr Tony Stead (Chairman)
Mr John Cook
Mr Tim Fediw
Mr Matthew Gleave
Dr Lucy Millard
Mr Peter Mitchell
Mr Michael Palfrey
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 2021

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 the 2021 the Maidenhead Canopy project was completed as the first key stage of a strategic plan to develop the railway station site at Wallingford.

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 2021 (continued)

Trustee induction and training

No formal selection or induction procedures exist aside from elections at the Annual General Meeting (AGM). Appointments to the Board arise at the via the nomination process at the AGM or by way of co-option on to the board 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, or particular skill sets to enhance 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 2019, 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.

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 2021 (continued)

Despite the strong post recovery after Covid-19, the 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

With the Covid closures of 2020 still continuing in 2021 the year started slowly with new arrangements. As with many visitor attractions online booking, allocation of seats, partitions between seats etc were all introduced. With repairs completed to the ends of our Brake coach we were able to run with one Open coach and the Brake coach and restoration of the second Open coach commenced.

During the 2020 lockdown the Cholsey 'Coffee Stop' moved to Wallingford, bringing in some much-needed income for the railway but also giving the railway a presence Tuesday-Saturday. This had demonstrated that there is a market for good quality refreshments in the area and so, given that fewer passengers would be allowed to travel on each train, we introduced a tea/coffee plus cake service where refreshments were placed on the table just prior to passengers getting on. This proved very successful with about 75% of all advanced bookings opting for refreshments, thus greatly improving the 'secondary spend' by visitors.

The highlight of the year was the opening, by Sir Peter Hendy, of the Maidenhead Canopy, but before this Michael Portillo had listed the railway (because of the Canopy) as one of his seven 'must visit railways' when lockdown finished in a Daily Telegraph article. It was particularly fitting to have Lady Judy McAlpine present at the opening too as her husband, Sir Bill, had been so supportive of the idea of relocating the canopy to Wallingford. Sir Peter and two previous Area Managers (Lord Bradshaw and Mark Hopwood) all agreed that the canopy looked superb in its new home, and probably better than it ever did in their time as Managers! Indeed, later in the year the railway was awarded the prestigious 'Chairmans Award' from the NRHA (National Railway Heritage Award) and featured in several articles in the Railway Press. For the opening we hired in GWR Pannier 6412 from Bodmin Railway which proved very popular and was even used for our first ever Photo Charter.

Later in the year we brought in 'Jessie', a Hunslet from Pontypool and Blaenavon Railway, for the 40's weekend. However, it was the 'Winston Churchill' impersonator and the lovely lady singers (Lily, Sallie, Jilly) that stole the show and their photo even made it into the Daily Telegraph. To see CWR making it to the National Dailies once in year was a surprise but twice - truly a sign that the railway has greatly improved!

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

At the beginning of the year discussions were held with PNP about a possible collaboration to bring 'Polar Express' to Wallingford in 2021 instead of our usual Santa offering. By coincidence tickets went on sale for Polar Express the same day as the Canopy opening and we heard of long 'queues' online to buy tickets.

To run the event required the hiring of rolling stock and five Mk 3 coaches, a Mk 1 generator car, an air-braked 08 diesel as well as the USA S160 loco all had to be hired. In all some 24 lorry movements were needed, in itself quite an undertaking, and it attracted the makers of the TV programme 'Train Truckers'. In all around 25,000 tickets were sold and whilst our portion of the ticket price may be small the total income has made a massive difference to our financial fortunes.

Unfortunately, the last five Polar Express running days were lost as some of the actors contracted Covid and so we ended the year as we started closed due to Covid but in a much improved financial position and a record year for visitors and income.

Maintaining and improving the railway within an entirely volunteer-based organisation requires the goodwill and participation of the volunteers and we are continually grateful for their input but are always keen to attract more. We must also thank Grondon who continue to support the railway in a myriad of different ways.

Financial Review

The financial performance of the society was impacted by COVID-19 at the start of the year and by Polar Express at the end of the year.

Income

Income during the year totalled £146,815 (2020: £34,427), this was as a result of the recovery from Covid, celebrations of the opening of the Maidenhead Canopy and successful Christmas Event. We continue to be grateful to our members and general public for the significant donations received during the year.

Other income £20,125 (2019: £6,227) related to the set up of a "pop-up" coffee shop on site and use by commercial operators for testing equipment. The income from the coffee shop has been a welcome help during the period we were unable to run passenger trains in the early part of the year and has improved footfall and awareness of the railway in the local community.

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 improving the station site.

There was a large surplus for the year of £61,751 (2019 Deficit: £2,087), as a result of the Covid-19 bounce back, improved marketing and the vastly improved visitor experience in 2020.

Financial position

The Charity had cash reserves of £109,452 at 31 December 2021 (2020: £72,749).

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 significant reserves (in excess of the policy) are being held to make improvements to the railway in the medium term including the strategic development of the Wallingford station site, additional resilience to rolling stock and continuous improvement to our permanent way.

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

Subsidiary Operation

The company established a 100% owned subsidiary in the year, at the date of signing of this report, the company is dormant.

Report of the Trustees for the year ended 31 December 2021 (continued)

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 2021 (continued)

Trustees

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

Mr John Cook

Ms Tracey Evans (resigned 10th November 2021)

Mr Tim Fediw

Mr Matthew Gleave (appointed 12th February 2021)

Mr Andrew Midwinter (appointed 10th November 2021, resigned 1st May 2022)

Dr Lucy Millard (appointed 10th November 2021)

Mr Peter Mitchell

Mr Michael Palfrey

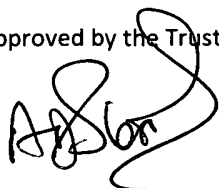
Mr Antony Peters (resigned 10th November 2021)

Mr Mark Savery (appointed 12th February 2021)

Dr Anthony Stead

Mr George Thomas

Approved by the Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'A Stead', with a large, stylized flourish extending from the end.

Dr Tony Stead

Chairman

Cholsey & Wallingford Railway Preservation Society

Date: 10 August 2022

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Statement of Financial Activities and Income & Expenditure account for the year ended 31 December 2021

	Restricted 2021 £	Unrestricted 2021 £	Total Funds 2021 £	2020 £
Income:				
a) Generated funds:				
i) voluntary income:				
- donations & membership subscriptions		15,687	15,687	16,838
ii) activities for generating funds:				
- other income		0	0	0
b) Charitable activities:		78,776	78,776	0
c) Investment:		4	4	28
d) Grants:	59,897	16,523	76,420	373,708
e) Other:		20,125	20,125	6,227
f) Grants reclassified as capital	(44,197)		(44,197)	(362,374)
Total income:	15,700	131,115	146,815	34,427
Expenditure:				
a) Costs of raising funds:				
- voluntary income / activities for generating funds		0	0	0
b) Charitable activities:		63,559	63,559	35,515
c) Grants:	52,384		52,384	362,374
d) Governance:		1,933	1,933	1,179
e) Grants reclassified as capital	(36,684)		(36,684)	(362,374)
Total expenditure:	15,700	65,492	81,192	36,694
 Net income and net movement in funds for the year	 (0)	 65,623	 65,623	 (2,267)
 Total funds brought forward:	 0	 99,660	 99,660	 101,927
Total funds carried forward:	0	165,283	165,283	99,660

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

All income and expenditure derives from continuing activities.

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Statement of Financial Position at 31 December 2021

Registered Company No.: 1927652

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Fixed Assets		
Tangible Fixed Assets	418,532	387,822
Investments	0	0
	<u>418,532</u>	<u>387,822</u>
Current Assets		
Stock	0	0
Debtors	43,870	1,463
Cash at bank and in hand	109,452	72,749
	<u>153,322</u>	<u>74,212</u>
Current Liabilities:		
Creditors: Amounts falling due within one year	7,321	0
	<u>146,001</u>	<u>74,212</u>
Net Current Assets / (Liabilities)		
	<u>564,533</u>	<u>462,034</u>
Total Assets less Current Liabilities		
Creditors: Amounts falling due after more than one year	399,250	362,374
	<u>165,283</u>	<u>99,660</u>
Funds		
Unrestricted Fund	165,283	99,660
	<u>165,283</u>	<u>99,660</u>

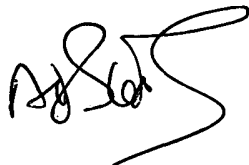
For the year ending 31 December 2021 the Company was entitled to exemption from audit under Section 477 of the 2006 Companies Act relating to small companies

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: 10th August 2022

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2021

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 2022 & 2023. 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 2021

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%
Maidenhead Canopy	2%
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 2021

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Note 3 Activities for generating funds		
Raffle	0	0
	<u>0</u>	<u>0</u>

The railway will continue to review if a raffle will restart

Note 4 Charitable Activities		
Passenger receipts - Standard services	38,684	0
Polar express experience	40,092	0
	<u>78,776</u>	<u>0</u>

Note 5 Investment Income		
Interest received	4	19

Note 6 Grant Income	76,420	39,597
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The income has come from three 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

National Lottery Grant to support Covid recovery and improvement

Note 7 Other Income

Use of facilities	20,125	6,227
	<u>20,125</u>	<u>6,227</u>

Note 8 Cost of Generating Voluntary Income

Raffle costs	0	0
	<u>0</u>	<u>0</u>

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2021

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Note 9 Charitable Activities		
Operating Expenses	82,471	35,515
Note 10 Grant Expenditure	33,000	362,374

Grant expenditure relates to the development of the Maidenhead Canopy project

Note 11 Governance cost		
Trustee Indemnity insurance	1,933	1,179
Other		0
	<u>1,933</u>	<u>1,179</u>

Note 12 Net incoming resources for the year

This is stated after charging:

Depreciation	12,412	2,898
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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 2021

Note 13 Tangible Fixed Assets

	<u>"Maidenhead"</u>	<u>Track &</u>	<u>Rolling</u>	<u>Land &</u>	<u>Signal &</u>	<u>Plant &</u>	<u>Catering &</u>	<u>Office</u>	<u>Total</u>
	<u>Canopy</u>	<u>Ballast</u>	<u>Stock</u>	<u>Buildings</u>	<u>Telegraph</u>	<u>Machinery</u>	<u>Other</u>	<u>Equipment</u>	
	£	£	£	£	£	£	£	£	£
<u>Cost</u>									
At 1/1/2021	362,374	30,575	9,105	18,956	879	5,684	5,908	1,417	434,898
Additions	36,684	3,900	0	2,298	0	240	0	0	43,122
At 31/12/2021	399,058	34,475	9,105	21,254	879	5,924	5,908	1,417	478,020
<u>Accumulated Depreciation</u>									
At 1/1/2021	0	16,230	6,208	12,729	440	5,684	4,368	1,417	47,076
Charge for the year	7,981	690	1,365	1,062	132	0	1,182	0	12,412
At 31/12/2021	7,981	16,920	7,573	13,791	572	5,684	5,550	1,417	59,488
<u>Net Book Values</u>									
At 31/12/2021	391,077	17,555	1,532	7,463	307	240	358	0	418,532
At 31/12/2020	362,374	14,345	2,897	6,227	439	0	1,540	0	387,822

Note 14 Investment

Cost	£
At 1 January 2021	0
Provision	0
At 31 December 2021	0

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. At 31st December 2021 the Directors reassessed and confirmed this value of being £nil.

CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

Notes to the Financial Statements for the year ended 31 December 2021

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Note 15 Debtors		
VAT receivable	3,778	1,463
Due from Polar Express experience	40,092	0
	<u>43,870</u>	<u>1,463</u>

The amounts due in relation to the Polar Express was invoice and received after the year end

Note 16 Creditors - Amounts falling due within one year		
Unwind of capital grant (Amortisation)	7,321	0
	<u>7,321</u>	<u>0</u>

Note 17 Creditors: Amounts falling due after more than one year

	<u>399,250</u>	<u>362,374</u>
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In line with the accounting policy, the Hertitage 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>