

**Registered No. 01927652**

**CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY**

**Trustees Report and Financial Statements**

**for the year ended 31 December 2022**

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Company Information

### Board of Directors

Michael Palfrey (Chairman)  
Tim Fediw  
Matthew Gleave  
Robert Hill  
Peter Mitchell  
Mark Savery  
John Sharman  
George Thomas

### Secretary

Sian Harper

### Registered Office

5 Hithercroft Road  
Wallingford  
Oxfordshire  
OX10 9GQ

**Registered Company No.:** 01927652

**Registered Charity No.:** 295279

### Bankers:

Barclays Bank plc

Table of contents	Page
Company Information	1
Trustees Report	2-8
Statement of Financial Activities	9
Statement of Financial Position	10
Notes to the Financial Statements	11-16

## **Report of the Trustees for the year ended 31 December 2022**

### **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. During 2021 the Maidenhead Canopy project was completed as the first key stage of a strategic plan to develop the railway station site at Wallingford, and work has continued since to develop Wallingford station site.

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 2022 (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 2022 (continued)**

Despite the strong post recovery after Covid-19, the financial sustainability and increasing prices (particularly coal and fuel) 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

Since the last Trustee's report, the Railway has made further strides in the right direction and the Board would like to take this opportunity to thank all of our volunteers for their hard work and dedication to improving our facilities and enhancing the enjoyment our passengers experience when they visit us.

We were visited by an Inspector from the ORR towards the end of 2022. This could have been seen as a very daunting prospect, but the Board took the view that it had the potential to be a very constructive experience. Thanks to the effort of a number of members, including several Board members, we were able to demonstrate to the Inspector our commitment to running a safe operation and instilling the right sort of culture within the organization. The Inspector did highlight some areas for improvement but felt that we had the right attitude and were striving to make the required changes. We are due for a return visit to check on progress on the 3rd October 2023.

We ran another successful Polar Express event in November and December 2022 during which we carried around 30,000 passengers. Whilst we weren't affected by Covid-19 this time we did have to deal with the effects of some very cold weather. Polar Express has again provided a significant boost to our finances. It is with some sadness that I have to report that, due to the lack of a suitable car park in close proximity to the station, Polar Express will not be taking place in 2023. We are actively seeking a solution to this problem and, in the meantime, will be running our own Santa Specials, tickets for which are selling very well.

To improve our resilience as a commercial entity, we have purchased two Mark I coaches from the Colne Valley Railway, one TSO and one BSK. Both coaches require some restoration before they can enter traffic and work is already underway on the BSK.

Our 08 diesel locomotives have all been receiving some attention. The most obvious evidence of this is just how shiny Lion is starting to look, but much more significant work has gone on 'under the bonnet'. This is very much an ongoing process but should, hopefully, allow these nearly 70 year old locomotives to carry on providing motive power for years to come.

## **Report of the Trustees for the year ended 31 December 2022 (continued)**

We have recently been granted planning permission to erect the Stoke Canon signal box and work may soon commence on preparing the area in which it will be situated. We don't yet have a date for its arrival at Wallingford, but we continue to liaise with Network Rail and we aim to be ready to start construction once it has been delivered.

We have held a number of very successful events again this year. The 40s weekend was another resounding success, our fish and chip trains have sold out, Bunkfest trains were busier than last year, and in 2023 shortly before the AGM, we had a sold out murder mystery train in conjunction with the Agatha Christie event organized by Wallingford Town Council. We are very grateful to those volunteers who organised or participated in making those events so successful.

One of the suggestions made by the ORR Inspector was that we have our Permanent Way assessed by an independent expert. This inspection took place in September, and we are pleased to report that the Permanent Way engineer we appointed was broadly happy with what he found. He did point out a couple of issues that needed addressing and we have made significant progress with those issues. We have also made further improvements to Wallingford station. The kiosk has been constructed, the platform surface has been significantly improved at the north end, and further fencing has been installed. We would like to take the opportunity to thank Grondon for their continued support.

We are hoping to finalise a deal to bring in a steam locomotive for the Christmas event and, at the same time, secure a locomotive for next year. We have taken steps to build relationships with other heritage railways and we hope to see the fruits of these efforts in the coming years.

As a wholly volunteer run organization, we are continually looking for new volunteers. Our new website will provide an attractive 'shop window' and we are planning a social media recruitment drive. We have also scheduled some volunteer induction days to give people the opportunity to learn about the railway, see what we do and hopefully join our efforts. The railway continues to go from strength to strength and that is due to the efforts of some very talented and committed people.

### **Financial Review**

The financial performance of the society has had a very strong year, although we are cognisant of the cost of living crisis and reduction in consumer discretionary spend which may have an our performance in the future.

#### Income

Income during the year totalled £219,516 (2021: £146,815), this was primarily a result of strong sales from 'The Polar Express', as well as growth in passenger receipts of 32% across the rest of our events.

## **Report of the Trustees for the year ended 31 December 2022 (continued)**

Other income £14,385 (2021: £20,125) related to the set up of a "pop-up" coffee shop on site and use by commercial operators for testing equipment and sale of a heritage vehicle to a group more suited to restore the vehicle in question.

### **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 £121,634 (2021: £65,623), as a result of both Polar Express, and the vastly improved visitor experience in 2022.

### **Financial position**

The Charity had cash reserves of £133,419 at 31 December 2021 (2020: £109,452) with a further £105,000 of receivables due in January & February 2022 relating to the Polar Express experience.

### **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 revise 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 & 2022 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, continued maintenance of historical assets and continuous improvement to our permanent way. During 2022 the railway secured two additional vehicles a BSK (purchased during the year) and a TSO which was contractually committed to during 2022 and purchased in 2023.

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 has a 100% owned subsidiary in the year for potential trading and name protection reasons, at the date of signing of this report, the company is dormant.



## **Report of the Trustees for the year ended 31 December 2022 (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 2022 (continued)

### Trustees

The Directors set out have held office during the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022 were as follows:

Mr John Cook (Retired at the AGM – 17<sup>th</sup> September 2022)

Mr Tim Fediw

Mr Matthew Gleave

Mr Andrew Midwinter (Resigned – 1<sup>st</sup> May 2022)

Paul Mine (Appointed at the AGM – 17<sup>th</sup> September 2022)

Dr Lucy Millard

Mr Peter Mitchell

Mr Michael Palfrey

Mr Antony Peters

Mr Mark Savery

Dr Anthony Stead (Retired at the AGM – 17<sup>th</sup> September 2022)

Mr George Thomas

Approved by the Trustees and signed on their behalf by:



Michael Palfrey

Chairman

Cholsey & Wallingford Railway Preservation Society

Date: ~~28~~ September 2023

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Statement of Financial Activities and Income & Expenditure account for the year ended 31 December 2022

	Restricted	Unrestricted	Total Funds	
	2022	2022	2022	2021
	£	£	£	£
<b>Income:</b>				
a) Generated funds:				
i) voluntary income:				
- donations & membership subscriptions		22,081	22,081	15,687
ii) activities for generating funds:				
- other income			0	0
b) Charitable activities:		155,039	155,039	78,776
c) Investment:			30	4
d) Grants:	27,981	0	27,981	76,420
e) Other:		14,385	14,385	20,125
f) Grants reclassified as capital				(44,197)
<b>Total income:</b>	<b>27,981</b>	<b>191,505</b>	<b>219,516</b>	<b>146,815</b>
<b>Expenditure:</b>				
a) Costs of raising funds:				
- voluntary income / activities for generating funds				0
b) Charitable activities:		87,968	87,968	63,559
c) Grants:	7,981		7,981	52,384
d) Governance:		1,933	1,933	1,933
e) Grants reclassified as capital				(36,684)
<b>Total expenditure:</b>	<b>7,981</b>	<b>89,901</b>	<b>97,882</b>	<b>81,192</b>
 <b>Net income and net movement in funds for the year</b>	 <b>20,000</b>	 <b>101,604</b>	 <b>121,634</b>	 <b>65,623</b>
 Total funds brought forward:	 0	 165,283	 165,283	 99,660
<b>Total funds carried forward:</b>	<b>20,000</b>	<b>266,887</b>	<b>286,917</b>	<b>165,283</b>

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 2022

**Registered Company No.: 1927652**

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
<b>Fixed Assets</b>		
Tangible Fixed Assets	446,977	418,532
Investments	0	0
	<u>446,977</u>	<u>418,532</u>
<b>Current Assets</b>		
Stock	0	0
Debtors	105,111	43,870
Cash at bank and in hand	133,419	109,452
	<u>238,530</u>	<u>153,322</u>
<b>Current Liabilities:</b>		
Creditors: Amounts falling due within one year	7,982	7,321
	<u>230,548</u>	<u>146,001</u>
<b>Net Current Assets / (Liabilities)</b>		
	<u>677,525</u>	<u>564,533</u>
<b>Total Assets less Current Liabilities</b>		
Creditors: Amounts falling due after more than one year	390,608	399,250
	<u>286,917</u>	<u>165,283</u>
<b>Funds</b>		
Unrestricted Fund	266,917	165,283
Restricted Funds	20,000	0
	<u>286,917</u>	<u>165,283</u>

For the year ending 31 December 2022 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.



Michael Palfrey

Date: 28 September 2022

## CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

### Notes to the Financial Statements for the year ended 31 December 2022

#### 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 2023 & 2024. 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 2022

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 2022

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
<b>Note 3 Charitable Activities</b>		
Passenger receipts - Standard services	49,972	38,684
Polar express experience	105,067	40,092
	<b>155,039</b>	<b>78,776</b>
<b>Note 4 Investment Income</b>		
Interest received	30	4
<b>Note 5 Grant Income</b>	<b>27,981</b>	<b>76,420</b>
The income has come from two sources:		
The Railway Heritage Trust relating to the 'Maidenhead Canopy' Project - this is a non cash Accounting adjustment (£7,981)		
GWR Community Grant which was spent during 2023 on capital and non-capital station improvements (£20,000)		
<b>Note 6 Other Income</b>		
Use of facilities	11,663	20,125
Rates Rebate	2,222	
Sale of asset	500	
	<b>14,385</b>	<b>20,125</b>
During the year the society sold a surplus heritage vehicle to the Rail Trolley Trust		
The drop in use of facilities relates to reduce use by a contractor using the line for testing.		

# CHOLSEY & WALLINGFORD RAILWAY PRESERVATION SOCIETY

## Notes to the Financial Statements for the year ended 31 December 2022

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
<b>Note 7 Charitable Activities</b>		
Operating Expenses	87,968	82,471
<b>Note 8 Grant Expenditure</b>	7,981	33,000
Expenditure relates to the depreciation of the Maidenhead Canopy The GWR fund was fully spent in 2023		
<b>Note 9 Governance cost</b>		
Trustee Indemnity insurance	1,933	1,933
	<u>1,933</u>	<u>1,933</u>
<b>Note 10 Net incoming resources for the year</b>		
This is stated after charging:		
Depreciation	17,987	12,412
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 2022

### **Note 11 Tangible Fixed Assets**

	<u>"Maidenhead"</u> <u>Canopy</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 1/1/2022	399,058	34,475	9,105	21,254	879	5,924	5,908	1,417	478,020
Additions	-0	5,874	40,138	420	0	0	0	0	46,432
<b>At 31/12/2022</b>	<b>399,058</b>	<b>40,349</b>	<b>49,243</b>	<b>21,674</b>	<b>879</b>	<b>5,924</b>	<b>5,908</b>	<b>1,417</b>	<b>524,452</b>
<u>Accumulated Depreciation</u>									
At 1/1/2022	7,981	16,920	7,573	13,791	572	5,684	5,550	1,417	59,488
Charge for the year	7,981	806	7,387	1,084	131	240	358	0	17,987
<b>At 31/12/2022</b>	<b>15,962</b>	<b>17,726</b>	<b>14,960</b>	<b>14,875</b>	<b>703</b>	<b>5,924</b>	<b>5,908</b>	<b>1,417</b>	<b>77,475</b>
<u>Net Book Values</u>									
At 31/12/2023	383,096	22,623	34,283	6,799	176	0	0	0	446,977
At 31/12/2022	391,077	17,555	1,532	7,463	307	240	358	0	418,532

### **Note 12 Investment**

Cost	£
At 1 January 2022	0
Provision	0
<b>At 31 December 2022</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. At 31st December 2022 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 2022

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
<b>Note 13 Debtors</b>		
VAT receivable	44	3,778
Due from Polar Express experience	105,067	40,092
	<u>105,111</u>	<u>43,870</u>

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

<b>Note 14 Creditors - Amounts falling due within one year</b>		
Unwind of capital grant (Amortisation)	7,982	7,321
	<u>7,982</u>	<u>7,321</u>

### **Note 15 Creditors: Amounts falling due after more than one year**

<u>390,608</u>	<u>399,250</u>
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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 16 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>