

THE TRAMWAY MUSEUM SOCIETY

England & Wales · Charity number 313615

Details

Other names	CRICH TRAMWAY VILLAGE, THE NATIONAL TRAMWAY MUSEUM
Status	Registered
Legal form	Charitable company
Company number	00744229
Registered	1963-04-02
Register	View on the Charity Commission register

Contact

Address	National Tramway Museum Matlock Road Crich Matlock DE4 5DP
Phone	01773 854 321
Email	enquiry@tramway.co.uk
Website	www.tramway.co.uk

Activities

Objects: 4 The Society's objects ('Objects') are specifically restricted to the following: For the public benefit to advance education and to promote the preservation of tramways, light railways, and other historical vehicles, buildings and equipment, and items of general transport interest of scientific importance or educational value, in particular but not exclusively by: (a) Maintaining an operating tramway museum; (b) Arranging exhibitions to demonstrate the working of tramway and light railway carriages and other historical vehicles; and (c) Promoting study and research into the historical, scientific, and social aspects of tramways, light railways and other historical vehicles by maintaining a library and archive of books, photographs, films, videos and electronic data.

Activities: The charity owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich Derbyshire, which is devoted to tramways and allied interests.

Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,370,105	£2,727,373	£5,583,448	46
2024-03-31	£2,297,380	£2,240,579	£5,966,716	45
2023-03-31	£1,876,454	£2,112,793	£5,917,915	44
2022-03-31	£1,879,514	£2,028,985	£5,963,254	39
2021-03-31	£1,485,697	£1,643,372	£5,938,725	39

Trustees

Name	Role	Appointed
Andrew Mark Pendleton	Chair	2016-07-30
Adrian David Roberts		2025-11-08
Anthony John Cooper Brown		2025-02-19
David Frodsham		2016-07-30
David Webb		2019-07-20
Ian David Pleace		2020-12-19
Nicholas James Sturgess		2023-11-11
PHILIP MARTIN BENHAM		2021-09-11
Peter John Whiteley		2025-02-06
Peter Milton		2021-09-11
Peter William Maddocks		2026-01-30

THE TRAMWAY MUSEUM SOCIETY

England & Wales - Charity number 313615

Accounts

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THE TRAMWAY MUSEUM SOCIETY
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THE TRAMWAY MUSEUM SOCIETY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025**

Patron	HRH The Duke of Gloucester, KG, GCVO
President	J Hardy (appointed 12 August 2024)
Vice-Presidents	M C Crabtree IEng, MIET C Heaton K R Rigg ACIB (appointed 9 November 2024) G B Claydon CB (deceased 30 June 2025)
Directors	A M Pendleton, Chairman (appointed 9 November 2024) I D Pleace, FCA, MSc, BSc(Econ), Vice Chairman P M Benham, FCILT ¹ J A Blythe, BA, MSc, MCIHT (resigned 9 November 2024) D A Frodsham P Milton ¹ K R Rigg ACIB, Chairman (resigned 9 November 2024) D P Webb N J Sturgess G P Wigglesworth A J C Brown (appointed 19 February 2025) ¹ P J Whiteley (appointed 6 February 2025)

¹ Non-member director

Company registered number	00744229
Charity registered number	313615
Museum premises and registered office	The National Tramway Museum Crich Matlock Derbyshire DE4 5DP
Arts Council England Registered Museum no.	508

Secretary	N J Sturgess (appointed 5 April 2025) A M Pendleton (resigned 9 November 2024)
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Auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
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Bankers	Barclays Bank PLC Leicester
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THE TRAMWAY MUSEUM SOCIETY
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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025**

The 2024-2025 financial year has been one of considerable activity and strategic progress. We have navigated challenges, celebrated landmark achievements, and laid important groundwork for the future. The dedication of our staff and volunteers has been exceptional, allowing us to deliver a rich programme of events, advance critical engineering projects, and enhance the visitor experience across the site.

This review provides a summary of the activities undertaken by our various departments, whose hard work and commitment are vital to the Museum's survival and success.

Conservation Workshop

The tramcars are made available through the work carried out by the Museum's conservation workshop. Here is a summary of their challenges and activities during the year under review:

A standout moment was the official launch of **London County Council Tramways No. 1, 'Bluebird'**, on 13th September 2024. This event was the culmination of a decade-long, £500,000 restoration, largely funded by the London County Council Tramways Trust. The project, one of the most ambitious undertaken by the Society, was rightfully recognised with the Heritage Railway Association's top award for Diesel and Electric Locomotion restoration.

Significant progress has been made on returning a number of the fleet to traffic. The popular open-top tram **Newcastle 102** returned to service after a heavy overhaul, which being fitted with new safety mesh on the upper deck to meet modern safety requirements, a project funded by the Tramcar Sponsorship Organisation. Other trams returned to service include **Blackpool 40** and **Blackpool 166**, which received new brake slack adjusters, and **LPTB 1622**, which was fitted with a new trolley pole following an earlier incident. Restoration of **Blackpool 298** has progressed well, with work on the cab ends and roof frame advancing.

The discovery of asbestos in the circuit breakers and controllers of several trams has presented a challenge, which the engineering team is carefully managing at some cost. This has resulted in a slight reduction in the operating fleet while the remedial work is carried out.

Tramway Infrastructure

This year has seen significant investment in our aging overhead line infrastructure. Following inspections and discussions with the Office of Rail and Road, a major project was undertaken over the winter to replace old traction poles. In total, 17 new poles supplied by WEC Darwen were installed by our team and Reynolds Synnove. A new traction power supply was also installed at Wakebridge.

Thanks to funding support from members of the Subscriber Plus Fund, repairs and repainting were completed on the Bowes Lyon bridge, depot gates, and the bandstand, all of which now look fresh and well-presented.

Special Events

One area that consistently provides additional interest and variety for our visitors is Special Events. The events team delivered a full programme of events designed to attract different audiences to the site and encourage secondary spend.

The season began with a new event, **Easter Eggstra**, which despite bad weather and initial uncertainty around tram running, went well with good numbers.

Dinosaur Day was once again the best-attended event, with Big Foot productions providing the dinosaurs. Old favourites such as **Magical May**, the **Classic Motorcycle Day**, the **Teddy Bears Picnic**, and **Sounds of the 50s and 60s** all performed well.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

The multi-period event, Past Times, was trialled and is seen as an event that can grow over time. However, following a review of attendance, the **'Barking Mad'** dog show will not be continued next year.

A number of challenges for events need to be addressed moving forward. There is a shortage of volunteers, particularly for event days and car parking. Lack of adequate storage space is becoming an acute problem, and the infrequent grass cutting in the overspill car park means the field is often not fit for purpose during our busy season.

Marketing and Public Relations

A crucial aspect of the Museum business is Marketing and Public Relations. The following is a summary of our activities in this area from Marketing & Business Development Manager, Amanda Blair:

In addition to our events which were regularly promoted, press releases were sent to local media for key stories such as the launch of LCC1, which appeared in the Derbyshire Times and on BBC Look North.

Our digital platforms continue to be a vital source of information and promotion. The Crich Tramway Village website saw a 23% increase in active users compared to the previous year, with 250,000 users between April 2024 and March 2025. Our Facebook page reached 4.2 million people over the same period.

We continue to work with other local attractions and accommodation providers. Revenue from accommodation vouchers brought in £14,033. In 2024, we welcomed 108 groups and 8 car clubs to the museum.

Catering

2024 was a challenging year for catering at the museum. With the decision to build a brand new café on the site of the old tea rooms, our main catering operation had to be shifted to the Poulson Room above the Red Lion for the season. It was a great team effort and we managed to keep our valued visitors fed and watered throughout the season. As we look to the 2025 season, we are excited about the new Tram Stop Café and the extra delights we will be able to offer.

Curatorial Team

The work of our Curatorial Team contributes extensively to the Museum's credentials as an educational charity. During the year, staff and volunteers have been busy with collections care, documentation, enhancing displays, and assisting with research enquiries.

Notable new donations to the collection have been acquired, including the collection of the late John Markham and the Don Thompson London tramway photograph collection. Work has progressed on installing new interpretation alongside Leeds 602 in the Exhibition Hall, with a new touchscreen now in place. The next phase is to install a ramp to enable visitors to explore the inside of this tram.

Volunteering

Adapting our approach to the challenging nature of volunteer recruitment is vital. In November 2024, Victoria Dickerson was appointed as our Volunteer Co-ordinator and Mentor. Victoria has been working to review and refresh our volunteering offer, including updating role descriptions and the induction process.

These efforts are already showing success; between January and April 2025, we welcomed twenty-four new volunteers into a variety of roles. Following a volunteer survey in January which highlighted a lack of communication as an area of frustration, changes have been made to improve this, including refreshing noticeboards in volunteer spaces. Moving forward, Victoria will be working on a comprehensive volunteering strategy to deliver a stable base of volunteers for the future.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

People

A significant development for the Society's leadership was the appointment of our new Chief Executive Officer, Graham Bennett, in December 2024.

Graham joins us as a highly experienced business leader with an extensive background in commercial operations. Crucially, he combines this with a deep and active involvement in charities centred around heritage and communities. His experience includes volunteering at the Papplewick Pumping Station, and serving as a trustee for major community and educational projects. We are confident that his people-centric leadership style and his proven ability to apply commercial skills to the charity sector will be a tremendous asset to the Museum as we move forward.

In February 2025, the Board was further strengthened by the co-option of Peter Whiteley as a Member Director and Tony Brown as a Non-Member Director.

Peter is a very well-known and well-respected member of the Society, heavily active in both the Workshop and Traffic departments. As the organisation's SMS Manager, he brings much expertise to the Board. Tony brings a wealth of experience as a professional rolling stock engineer. His extensive career includes serving as the Head of Engineering for Virgin Trains East Coast and his current role as a Principal Consultant at Ricardo Rail Ltd. His deep knowledge of operating, maintaining, and upgrading train fleets will be invaluable to the Society.

At President's evening on Saturday 10th August, Sue Whiteley handed over the Society Presidency to Jason Hardy.

I would like to thank the team of staff and volunteers who have helped with the production of this Review.

A M Pendleton
Chairman

Date: 4 October 2025

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Directors of the Board present their report and financial statements of the Society for the year ended 31 March 2025 and confirm the latter comply with the requirements of the Companies Act 2006 and the Charities SORP.

Reference and administrative information

The Society, which is registered as a charity, owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich, Derbyshire, (the Museum), which is devoted to tramways and allied interests. It is not liable to corporation tax or income tax.

The Directors of the Board (who act as directors under Company law and trustees under Charity law) are set out on page 1.

At the Annual General Meeting on 9 November 2024 KR Rigg and JA Blythe retired.

Structure, governance and management

Governing document

The Society is governed by the Memorandum and Articles of Association, as last amended by Special Resolution of the Society on 12 November 2022. The Society is a company limited by guarantee and does not have any share capital.

Recruitment and training of Board Members

Voting members of the Society may stand for appointment as Member Directors to the Board. Any two voting members may propose another voting member. The individual must be 18 or over and any such proposal must be in writing and be received by the Society no later than 42 days prior to the Annual General Meeting. If the number of candidates is fewer than or equal to the number of relevant posts available, all such candidates are deemed automatically elected. In the event of there being more candidates than posts available, a vote is held with each member having the right to vote entitled to cast his or her vote in favour of as many candidates as there are vacant posts. Casual vacancies may be filled by the Board but the individual appointed must retire and seek election at the next Annual General Meeting.

The Board also has the power to appoint up to three Non-Member Directors who are neither members of the Society nor employees.

Following election, newly elected directors receive an induction by the person appointed as Secretary and another director. The induction includes a detailed introduction and explanation of Board proceedings and content. Key areas are explained in detail, such as Finance, Personnel, Collection, Operations and Health & Safety.

All directors serve for an initial period of three years and thereafter for no more than two further consecutive periods of three years, Directors may not be eligible for re-election or re-appointment until a period of at least two years has elapsed.

Organisational structure

Ultimate responsibility for all decisions made by the Society rests with the Board. These decisions are made on the recommendations of individual Society officers, in particular the C.E.O, or the relevant standing committees which are currently Finance, Collections Management, Development, Health & Safety, Membership and Tramcar Conservation. All such officers, and committees, are accountable to the Board and report on a regular basis.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

A subsidiary company, Tramway Museum Services (R&C) Limited, traded throughout the year from premises under licence from the Society. The subsidiary is wholly owned by the Society and hence the subsidiary's board is directly accountable to the Board of the Society.

Arrangements for setting pay and remuneration of key management personnel

A Board sub-committee chaired by the C.E.O. sets the pay and remuneration of key management personnel via an annual review in consultation with the recognised Trade Union.

Principal Risks and Uncertainties

The Board has identified the following four key areas of Business Risk;

- Personnel - including Board Members, employees and volunteers,
- Financial - including Visitor numbers, misappropriation and reserve policy,
- Operational - including the Tramcar fleet, accidents and regulation,
- Infrastructure - including buildings and visitor facilities, the tramway and the site.

Systems have been put in place to oversee all of these areas and these are reviewed on a regular basis. Full details are available in the "Business Risk Register" freely available to all members on request and held in electronic form on the Society's server accessible to all system users.

Objectives and activities

Objectives

The principal objectives of the Society are:

- To maintain for the benefit of the nation an operating tramway museum.
- To promote the permanent preservation of tramway vehicles and equipment, and items of general transport interest (either historic, scientific or educational) and to work as necessary with other institutions, societies and bodies, having similar aims, in any part of the world.
- To promote and further the study of and research into tramways and other forms of transport.

The objectives of the Society are interpreted through the Mission Statement which, as noted last year, are still under review as part of the Society's strategy development and against which steady progress has been made. Key objectives for the coming year include the continuing improvement to facilities at Crich, the recruitment, training and retention of more volunteers, obtaining grant funding and increasing customer numbers.

The objectives of the Society have been reviewed as part of the National Lottery Heritage Fund (NLHF) funded Transformation project, which following the adoption of the new Articles of Association is now complete.

Strategies

The Society receives no core funding and must therefore operate within its earned income, subscriptions, donations and grants. The Board has sought to continue to maximise earned income, take advantage of fiscal benefits and control costs. To contribute to the Society's sustainability the Board also continues to seek donations and grants for its development.

Principal activities

The main activities undertaken by the Society in achieving its objectives include the operation of the Museum, education, tramcar restoration and a tramway archive and research library. In accordance with the established

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

accounting policies set out on pages 17 to 21 the financial results do not take account of the significant voluntary input at all levels of operation of the Museum. Whilst a financial evaluation of this input is difficult, it is estimated that the amount of voluntary input is equivalent to approximately 33 full time equivalent members of staff.

Public Benefit

When planning activities for the year the Board has considered the Charity Commission general guidance on public benefit. In particular it has considered how the planned activities will contribute towards the aims and activities they have set.

As explained in the Objectives and activities section, the Society exists to preserve items of national heritage for the nation and promote these items.

During the financial year, paying customer numbers were 63,985 (2024: 70,258) with an additional 44,451 (2024: 46,632) of free admissions. The Society offers reduced admission price for children as well as a family ticket to make the collection accessible to as many people as possible. Wheelchairs are freely available for less able customers and a smoothway around the Museum is available to enhance accessibility for wheelchair and pushchair users.

The preservation and demonstration of tramway vehicles are central to the Society's objectives and restoration work continued on several historic tramcars during the year.

The Society is custodian of archives relating to tramways and other forms of transport, of national and international importance, which is made freely available to members of the public wishing to carry out research.

The Society employs education staff who work closely with schools to support teachers in their delivery of several areas of the national curriculum by way of facilitating school visits and offering themed workshops.

Further information about how the Society delivers public benefit in meeting its charitable objectives is provided throughout this report.

Achievements and performance

On 13 September we launched LCC1 (Bluebird) following what was probably our longest and most complex restoration to date.

During the winter closure, new poles were installed and the Bowes Lyon bridge, depot gate and bandstand were repainted.

At the start of the season the new Tram Stop Cafe, funded by the generous legacy from Richard Clarke and the sale of Field Cottage, was officially opened by Claire Ward, Mayor of the East Midlands.

A number of tramcars had their asbestos removed from the circuit breakers to ensure their safe use in the future.

Financial review

The main source of income continues to be the paying customers of the Museum. Total customer income combining admissions, retail and catering takings was £1,741,606 (2024: £1,804,467).

In the financial year paying customers were 63,985, down 6,273 on the previous year. On a calendar basis, the Museum received 63,793 paying customers compared to 70,230 in 2024. Unrestricted donations and membership subscriptions provided a further £285,864 towards the Society's general funds. After costs of generating funds of £633,679 and charity governance costs of £20,000, the net unrestricted incoming resources

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

available for charitable activities was £1,393,791. Of this amount £912,127 was used for Museum operation including admission expenses, workshop and other tramway costs, exhibitions and education. A further £727,523 was spent on the Museum site itself including infrastructure costs, publicity and promotion, and Society membership expenses. £117,169 was used to fund collection and curatorial activities.

Following the requirements of Financial Reporting Standard 102 (FRS 102) Retirement Benefits, the Society's share of the defined benefit staff pension scheme operated by Derbyshire County Council has improved from a £234,000 surplus to a £342,000 surplus. The corresponding pension asset on the balance sheet has been restricted to nil as disclosed at note 24.

Restricted income from donating bodies totalled £325,025 in the year. Restricted expenditure in the year of £336,875 included tramcar restoration £166,000, site costs £76,000 and exhibitions £14,000.

The Museum continues to operate successfully its admission scheme incorporating 12-month season tickets. This has allowed the Museum to reclaim £95,000 of Gift Aid in the year (2024: £95,000).

The memberships of the Society at 31 March 2025 was 1,362.

Reserves policies

At 31 March 2025 the level of free reserves after the pension deficit was £423,000 (see note 20) including the designated fund. The Business Interruption Contingency Fund created to meet potential costs arising due to a significant downturn in customer numbers has remained at £400,000, and the Replacement Cafe fund has been spent. The MEWP fund is now at £39,471. We have set up a trams repair fund from legacies received £58,732 and a similar fund for building repairs of £53,661.

The level of free reserves should cover four months revenue expenditure. Taking account of the need to fund the Museum over the winter months and given the significant impact that an unforeseen event could have upon the future of the Museum, these free reserves are sufficient at present to provide this cover.

Plans for the future

Further traction pole replacement work will be carried out during the closed season.

Work will shortly commence on our new access tram which we hope to be operational next season.

Work will continue on Blackpool 298.

The Poulson Room will be upgraded to make it a more flexible space.

Directors' responsibilities

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the Society and its subsidiary company (the Group) and of the income and expenditure of the Group for that period. In preparing those financial statements, the Board is required to:

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board is, individually, aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

It is the view of the Board of Directors that it is appropriate to adopt the Going Concern basis in producing these financial statements. The Directors have reached this conclusion having reviewed financial forecasts which pay due regard to the financial risks posed by the necessity to carry out work to the overhead line, as well as the broader economic context of cost of living pressures.

Freehold land and buildings

The freehold land and buildings are carried in the Balance Sheet at cost and exclude the value of substantial amounts of unpaid labour, part volunteer, part Government Employment Support Schemes, not funded by the Society. The reinstatement value for insurance purposes of the buildings is about £6,000,000 in excess of the book value. Due to the historical nature of some of the buildings, and the specialised nature of the Museum complex and its unusual location, the Board does not feel able to place a market value on the property.

Auditor

Bates Weston Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Directors and signed on their behalf by:

A M Pendleton
Chairman

Date: 4 October 2025

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY

Opinion

We have audited the financial statements of The Tramway Museum Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the Strategic report.

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

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

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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

Wayne Thomas FCA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

14 October 2025

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted funds 2025 £	Restricted funds - Revenue 2025 £	Restricted funds - Capital 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations and legacies	4	249,303	325,025	-	574,328	451,957
Charitable activities	5	1,190,202	-	-	1,190,202	1,205,139
Other trading activities	6	551,404	-	-	551,404	599,328
Investments		36,561	17,610	-	54,171	40,956
Total income		2,027,470	342,635	-	2,370,105	2,297,380
Expenditure on:						
Raising funds	7	633,679	-	-	633,679	609,205
Charitable activities	8	1,756,819	260,786	76,089	2,093,694	1,631,374
Total expenditure		2,390,498	260,786	76,089	2,727,373	2,240,579
Net movement in funds before other recognised gains/(losses)						
		(363,028)	81,849	(76,089)	(357,268)	56,801
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	153,000	-	-	153,000	334,000
Pension surplus not recognised	24	(179,000)	-	-	(179,000)	(342,000)
Net movement in funds		(389,028)	81,849	(76,089)	(383,268)	48,801
Reconciliation of funds:						
Total funds brought forward		3,059,049	1,042,131	1,865,536	5,966,716	5,917,915
Net movement in funds		(389,028)	81,849	(76,089)	(383,268)	48,801
Total funds carried forward		2,670,021	1,123,980	1,789,447	5,583,448	5,966,716

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 45 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 00744229

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	4,036,361	3,347,486
		4,036,361	3,347,486
Current assets			
Stocks	15	86,149	87,637
Debtors	16	365,743	229,465
Cash at bank and in hand		1,481,479	2,565,007
		1,933,371	2,882,109
Creditors: amounts falling due within one year	17	(386,284)	(262,879)
Net current assets		1,547,087	2,619,230
Total assets less current liabilities		5,583,448	5,966,716
Total net assets		5,583,448	5,966,716

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 00744229

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,123,980	1,042,131
Restricted funds - Capital	18	1,789,447	1,865,536
Total restricted funds	18	2,913,427	2,907,667
Unrestricted funds	18	2,670,021	3,059,049
Total funds		5,583,448	5,966,716

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

A M Pendleton

Chairman

Date: 4 October 2025

The notes on pages 19 to 45 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 00744229

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	4,036,361	3,347,486
Investments	14	2	2
		<u>4,036,363</u>	<u>3,347,488</u>
Current assets			
Stocks	15	56,665	56,665
Debtors	16	786,791	753,656
Cash at bank and in hand		986,233	1,960,005
		<u>1,829,689</u>	<u>2,770,326</u>
Creditors: amounts falling due within one year	17	(357,864)	(243,237)
Net current assets		<u>1,471,825</u>	<u>2,527,089</u>
Total assets less current liabilities		<u>5,508,188</u>	<u>5,874,577</u>
Total net assets		<u><u>5,508,188</u></u>	<u><u>5,874,577</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 00744229

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,123,980	<i>1,042,131</i>
Restricted funds - Capital	18	1,789,447	<i>1,865,536</i>
Total restricted funds	18	2,913,427	<i>2,907,667</i>
Unrestricted funds			
Unrestricted funds excluding pension reserve	18	2,594,761	<i>2,966,910</i>
Total unrestricted funds	18	2,594,761	<i>2,966,910</i>
Total funds		5,508,188	<i>5,874,577</i>

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

A M Pendleton
Chairman

Date: 4 October 2025

The notes on pages 19 to 45 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	(138,621)	519,744
Cash flows from investing activities		
Purchase of tangible fixed assets	(944,907)	(531,068)
Net cash used in investing activities	(944,907)	(531,068)
Cash flows from financing activities		
Change in cash and cash equivalents in the year	(1,083,528)	(11,324)
Cash and cash equivalents at the beginning of the year	2,565,007	2,576,331
Cash and cash equivalents at the end of the year	<u>1,481,479</u>	<u>2,565,007</u>

The notes on pages 19 to 45 form part of these financial statements

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

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

The Tramway Museum Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Society is able to continue to cater for significant customer levels and to support the exhibits only as a result of the activities disclosed in the accounts, combined with a major and unrecorded input of voluntary labour from its members.

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies

2.1 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably, that being when the charity has been notified of the amounts and the settlement date in writing.

Donations and grants are credited to the Statement of Financial Activities (SOFA) as they become due.

Annual subscriptions are apportioned to calendar years and include the income tax reclaimable in respect of those under gift aid. Subscriptions for life membership are credited in full in the years of receipt. Although this is not in accordance with the recommendations of the SORP, the number of life members is small and the Board considers any amortisation of the life membership income would not be material to the figures.

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Turnover from shop, food and drink sales is recognised at the date of supply.

Several independent organisations exist for the purpose of generating resources to be used on behalf of the Society. The activities of these organisations are recorded in these accounts only to the extent of cash received from them by the Society.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Directors' Report.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.2 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Expenditure includes any VAT which cannot be fully recovered and is included within the costs of activities.

Charitable expenditure and the costs of the generating funds comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, including administration or support costs, they have been allocated to activities on a basis consistent with the use of the resource.

Support costs are those that assist the work of the Society but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Society. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The Museum uses many of its key exhibits as operating assets. Because the historic value of the tramcars is the prime justification for the Museum's existence, the workshop expenditure on them is at a much higher level than would be needed if purely commercial considerations applied.

All workshop costs are charged to tramway operation, except for those identified as tramcar restoration. The treatment of tramcar restoration is described in accounting policy 2.6.

2.3 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

2.4 Basis of consolidation

The financial statements consolidate the accounts of The Tramway Museum Society and its subsidiary undertaking.

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

The value of fixed assets represents cash paid by the Society, and does not take into account donations in kind, or members' voluntary labour.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	- Nil
Buildings	- 2% or 10% on cost
Permanent exhibition	- 10% on cost
Permanent way and overhead	- 10% on cost
Plant and equipment, including temporary buildings dependent on the anticipated life of the asset	- 10%, 20% or 33.3% on cost
Computer equipment	- 33.3% on cost
Motor vehicles	- 25% on cost

2.6 Heritage assets

The Society maintains 75 tramcars and associated artefacts in support of its objective to protect these historic vehicles for the benefit of future generations. The Directors consider that owing to the unique nature of the collection and the absence of an open market for these items, conventional valuation approaches lack sufficient reliability and costs of any valuations obtained would be excessive compared with the additional benefits derived by the Society and users of the accounts. As a result, no value has been reported for these assets in the Society's Balance Sheet.

Expenditure on major restoration

The costs of associated major repairs of tramcars is reported in the SOFA in the year they are incurred. Tramcar restoration is defined as work done on a major element of each tramcar (body, electrical, mechanical) to make it operable, or, if body only, exhibitable, for ten years. The cost of remedying defects coming to light within two years of the tramcar leaving the workshop is also charged to tramcar restoration. Although of a capital nature, the cost of tramcar restoration is written off each year to the SOFA.

2.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Stocks

Stocks represent goods for resale and rail for future use and are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost is based on the latest purchase invoice value.

Rail stock is to be used on future projects and repair work.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Taxation

The Society is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The subsidiary pays all taxable profits arising in a reporting period to the Society under the gift aid scheme.

At the reporting date there was no legal obligation in place for the subsidiary to make this gift aid payment, although prior to the reporting date the subsidiary's board had indicated its intention to pay the taxable profits to the Society in respect of the reporting period. The payment is expected to be made within 9 months of the end of the reporting date.

The accounting policy for gift aid payments results in the subsidiary recognising a taxation charge on its profits for the year. However, the application of the exception under paragraph 29.14A of FRS 102 provides relief in respect of the accounting for the tax charge. This results in an overall £nil charge for tax in the SOFA. This exception is only applicable as it is probable that the gift aid payment will be made by the subsidiary to the Society within 9 months of the reporting date.

2.10 Pensions

The Society participates in the Derbyshire County Council local government pension scheme which is a defined benefit plan. Under defined benefit plans, the employer's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the employer. The Society recognises a liability for its obligations under the defined benefit plan net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Society also operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to these financial statements, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Legacy income is only recognised where entitlement has been established, there is probability of receipt and the amount recoverable can be estimated with sufficient accuracy. The position on each legacy is reviewed following receipt of correspondence from the executors, which substantially determines whether the income recognition criteria has been satisfied.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds - Revenue 2025 £	Total funds 2025 £	Total funds 2024 £
Government grants				
Arts Council	-	-	-	3,411
NLHF - Foundation First	-	43,357	43,357	-
	-	43,357	43,357	3,411
Donations and legacies	189,622	281,668	471,290	373,958
Members' subscriptions	41,198	-	41,198	38,795
Sundry receipts	18,483	-	18,483	35,793
	249,303	281,668	530,971	448,546
	249,303	325,025	574,328	451,957
<i>Total 2024</i>	<i>374,720</i>	<i>77,237</i>	<i>451,957</i>	

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Admission	1,186,205	1,186,205	1,195,467
Education	3,000	3,000	2,066
Library income	997	997	7,606
	1,190,202	1,190,202	1,205,139
<i>Total 2024</i>	<i>1,205,139</i>	<i>1,205,139</i>	

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Retail	236,897	236,897	233,481
Catering	314,507	314,507	365,847
	551,404	551,404	599,328
<i>Total 2024</i>	599,328	599,328	

7. Expenditure on raising funds

	2025 £	<i>2024 £</i>
Retail costs	196,515	192,742
Catering costs	343,235	349,448
Fundraising costs	45,267	20,275
Administration	48,662	46,740
	633,679	609,205

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Admission and customer costs	912,127	22,727	934,854	784,992
Collections and research	117,169	215,753	332,922	201,559
Museum costs	727,523	98,395	825,918	644,823
	<u>1,756,819</u>	<u>336,875</u>	<u>2,093,694</u>	<u>1,631,374</u>
<i>Total 2024</i>	<u><u>1,482,985</u></u>	<u><u>148,389</u></u>	<u><u>1,631,374</u></u>	

Summary by expenditure type

	Staff costs 2025 £	Depreciation 2025 £	Other costs 2025 £	Total 2025 £	Total 2024 £
Admission and customer costs	460,548	90,334	383,972	934,854	784,992
Collections and research	67,712	25,915	239,295	332,922	201,559
Museum costs	224,832	101,482	499,604	825,918	644,823
	<u>753,092</u>	<u>217,731</u>	<u>1,122,871</u>	<u>2,093,694</u>	<u>1,631,374</u>
<i>Total 2024</i>	<u><u>642,466</u></u>	<u><u>209,769</u></u>	<u><u>779,139</u></u>	<u><u>1,631,374</u></u>	

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Admission and customer costs	885,856	48,998	934,854	784,992
Collections and research	306,261	26,661	332,922	201,559
Museum costs	684,315	141,603	825,918	644,823
	<u>1,876,432</u>	<u>217,262</u>	<u>2,093,694</u>	<u>1,631,374</u>
<i>Total 2024</i>	<u>1,431,728</u>	<u>199,646</u>	<u>1,631,374</u>	

10. Auditors remuneration

The auditor's remuneration amounts to an auditor fee of £6,750 (2024 - £6,500), and accountancy and taxation work of £3,375 (2024 - £3,250).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totalling £NIL were reimbursed or paid directly to Directors (2024 - £50).

In addition the Directors have personally incurred expenses which they have not reclaimed from the Society.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

12. Staff costs

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Wages and salaries	963,774	<i>855,878</i>	963,774	<i>855,878</i>
Social security costs	81,973	<i>69,537</i>	81,973	<i>69,537</i>
Pension costs	31,940	<i>30,272</i>	31,940	<i>30,272</i>
	1,077,687	<i>955,687</i>	1,077,687	<i>955,687</i>

The average number of persons employed by the Society during the year was as follows:

	Group 2025 No.	<i>Group 2024 No.</i>	Charity 2025 No.	<i>Charity 2024 No.</i>
Finance and administration	5	<i>5</i>	5	<i>5</i>
Sales outlets	15	<i>14</i>	15	<i>14</i>
Others	26	<i>26</i>	26	<i>26</i>
	46	<i>45</i>	46	<i>45</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	<i>Group 2024 No.</i>
In the band £60,001 - £70,000	-	<i>1</i>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Tangible fixed assets

Group and Charity

Included in cost of land and buildings is freehold land of £64,897 (2024: £64,897) which is not depreciated. For insurance purposes, tramcars are assessed at sums determined by the Board. Tramcars awaiting restoration are insured at a nominal £1,000 each plus inflation and other tramcars at higher figures based on the amounts spent on restoration, these figures being adjusted for inflation from time to time.

	Freehold property £	Permanent exhibition £	Permanent way and overhead £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost							
At 1 April 2024	4,861,505	1,482,712	1,179,966	901,920	7,496	187,147	8,620,746
Additions	558,806	-	156,279	221,158	8,664	-	944,907
At 31 March 2025	5,420,311	1,482,712	1,336,245	1,123,078	16,160	187,147	9,565,653
Depreciation							
At 1 April 2024	1,976,367	1,418,274	919,486	764,491	7,496	187,146	5,273,260
Charge for the year	109,063	14,268	63,169	67,365	2,166	1	256,032
At 31 March 2025	2,085,430	1,432,542	982,655	831,856	9,662	187,147	5,529,292
Net book value							
At 31 March 2025	3,334,881	50,170	353,590	291,222	6,498	-	4,036,361
At 31 March 2024	2,885,138	64,438	260,480	137,429	-	1	3,347,486

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Tangible fixed assets (continued)

Group and Charity (continued)

Heritage assets not recognised in the balance sheet

The Society maintains over 80 tramcars and associated artefacts which were acquired over a period of time. Other tramway-related artefacts are also held by the Society. Restoration work is carried out in order to bring the tramcars into a display condition and once they have reached this condition they are maintained in a state of good repair.

Acquisition, disposal, preservation and management

The acquisition, disposal, preservation and management of the Society's collection are governed in accordance with the Museum's Acquisition, Disposal and Conservation policies. Collection records are maintained in accordance with the Museum standards laid out in the Museum Documentation Association's "SPECTRUM" guidelines.

Access to the Society's collections is available during advertised Museum opening times and by pre-arranged appointment. The Society's policies and procedures were overseen and approved by the Museums, Libraries and Archives Council accreditation scheme. The Society has achieved full Accredited status.

14. Fixed asset investments

	Investments in subsidiary companies £
Society	
Cost or valuation	
At 1 April 2024	2
At 31 March 2025	2

Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Tramway Museum Services (R&C) Limited	06058747	Crich Tramway Village, Crich, Matlock, Derbyshire, DE4 5DP	Ordinary	100%

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Tramway Museum Services (R&C) Limited	551,404	(476,144)	75,260	75,262

15. Stocks

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Goods for resale	29,484	30,972	-	-
Permanent way	56,665	56,665	56,665	56,665
	86,149	87,637	56,665	56,665

16. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Amounts owed by group undertakings	-	-	423,276	524,239
Other debtors	316,730	169,114	315,427	169,066
Prepayments and accrued income	18,503	7,144	18,503	7,144
Tax recoverable	30,510	53,207	29,585	53,207
	365,743	229,465	786,791	753,656

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. Creditors: Amounts falling due within one year

	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Trade creditors	283,801	<i>190,618</i>	258,765	<i>171,324</i>
Accruals and deferred income	102,483	<i>72,261</i>	99,099	<i>71,913</i>
	386,284	<i>262,879</i>	357,864	<i>243,237</i>
	Group 2025 £	<i>Group 2024 £</i>	Charity 2025 £	<i>Charity 2024 £</i>
Deferred income brought forward	35,480	<i>33,234</i>	35,480	<i>33,234</i>
Resources deferred during the year	31,350	<i>35,480</i>	31,350	<i>35,480</i>
Amounts released from previous periods	(35,480)	<i>(33,234)</i>	(35,480)	<i>(33,234)</i>
	31,350	<i>35,480</i>	31,350	<i>35,480</i>

Deferred income relates to advance subscriptions and prepaid tickets.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	400,000	-	-	-	-	400,000
New Cafe Fund (xiv)	497,632	-	-	(497,632)	-	-
Mobile Elevating Work Platform (MEWP) Fund (xv)	39,471	-	-	-	-	39,471
Tramcar Repairs (xvi)	66,782	-	-	(8,050)	-	58,732
Site Maintenance (xvii)	106,852	-	-	(53,191)	-	53,661
	<u>1,110,737</u>	<u>-</u>	<u>-</u>	<u>(558,873)</u>	<u>-</u>	<u>551,864</u>
General funds						
General funds	1,948,312	2,010,470	(2,399,498)	558,873	-	2,118,157
Pension reserve	-	17,000	9,000	-	(26,000)	-
	<u>1,948,312</u>	<u>2,027,470</u>	<u>(2,390,498)</u>	<u>558,873</u>	<u>(26,000)</u>	<u>2,118,157</u>
Total Unrestricted funds	<u>3,059,049</u>	<u>2,027,470</u>	<u>(2,390,498)</u>	<u>-</u>	<u>(26,000)</u>	<u>2,670,021</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Restricted funds - Revenue						
Legacy re TSO	-	46,288	-	-	-	46,288
Cabmen's Shelter	1,777	-	(17)	-	-	1,760
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	36,304	3,420	(29,347)	-	-	10,377
Disabled Access	15,599	-	-	(15,599)	-	-
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	216,936	4,340	-	-	-	221,276
Sheffield Trams (viii)	355,526	7,110	-	-	-	362,636
P.C.C. fund (ix)	20,191	-	-	-	-	20,191
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/Exhibitio n (xii)	198,794	3,980	-	-	-	202,774
Cardisch - Tram car acquisition and restoration	91,800	1,840	-	-	-	93,640
Blackpool 298 (xiii)	-	146,434	(146,434)	-	-	-
Granville King Legacy	-	44,891	(44,891)	-	-	-
Tramcar	-	23,937	(1,780)	-	-	22,157
Grant	-	43,357	(35,892)	-	-	7,465
Access Tram 2	-	14,898	-	15,599	-	30,497
Other restricted funds under £5k	26,244	2,140	(2,425)	-	-	25,959
	1,042,131	342,635	(260,786)	-	-	1,123,980

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Restricted funds - Capital						
Barnsley Bus No. 5	32,500	-	(6,500)	-	-	26,000
Clay Cross Extension (i)	27,723	-	(1,004)	-	-	26,719
Workshop Extension (ii)	169,335	-	(5,898)	-	-	163,437
Library Extension (iii)	613,599	-	(20,952)	-	-	592,647
Stone Workshop (iv)	712,034	-	(19,140)	-	-	692,894
Depot Improvements (xii)	169,974	-	(3,952)	-	-	166,022
Victoria Park (v)	67,994	-	(1,837)	-	-	66,157
Woodland Walk/ Wakebridge	36,000	-	(8,152)	-	-	27,848
Holroyd Smith Exhibition	31,325	-	(7,645)	-	-	23,680
Bandstand Trackwork	5,052	-	(1,009)	-	-	4,043
	1,865,536	-	(76,089)	-	-	1,789,447
Total Restricted funds	2,907,667	342,635	(336,875)	-	-	2,913,427
Total of funds	5,966,716	2,370,105	(2,727,373)	-	(26,000)	5,583,448

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	400,000	-	-	-	-	400,000
New Cafe Fund (xiv)	838,529	-	-	(340,897)	-	497,632
Mobile Elevating Work Platform (MEWP) Fund (xv)	100,000	-	-	(60,529)	-	39,471
Tramcar Repairs (xvi)	-	-	-	66,782	-	66,782
Site Maintenance (xvii)	-	-	-	106,852	-	106,852
	<u>1,338,529</u>	<u>-</u>	<u>-</u>	<u>(227,792)</u>	<u>-</u>	<u>1,110,737</u>
General funds						
General funds	1,617,530	2,202,180	(2,099,190)	227,792	-	1,948,312
Pension reserve	-	1,000	7,000	-	(8,000)	-
	<u>1,617,530</u>	<u>2,203,180</u>	<u>(2,092,190)</u>	<u>227,792</u>	<u>(8,000)</u>	<u>1,948,312</u>
Total Unrestricted funds	<u>2,956,059</u>	<u>2,203,180</u>	<u>(2,092,190)</u>	<u>-</u>	<u>(8,000)</u>	<u>3,059,049</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds (continued)

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
Restricted funds - Revenue						
Cabmen's Shelter	2,293	3,411	(3,927)	-	-	1,777
Subscriber Plus Fund (vi)	11,948	-	-	-	-	11,948
Disabled Access	33,228	3,076	-	-	-	36,304
Audience Development	15,599	-	-	-	-	15,599
Edinburgh 35	5,600	-	-	-	-	5,600
Blackpool 236	20,546	-	-	-	-	20,546
Manchester replica (vii)	7,065	-	-	-	-	7,065
Sheffield Trams (viii)	212,686	4,250	-	-	-	216,936
P.C.C. fund (ix)	348,626	6,900	-	-	-	355,526
Car no: 5 appeal	19,861	330	-	-	-	20,191
Heavy Restoration (xi)	6,409	-	-	-	-	6,409
Depots/Exhibition (xii)	27,392	-	-	-	-	27,392
Cardisch - Tram car acquisition and restoration	194,894	3,900	-	-	-	198,794
Granville King Legacy	-	18,164	(18,164)	-	-	-
Tramcar	90,000	1,800	-	-	-	91,800
Grant	-	49,796	(49,796)	-	-	-
Access Tram 2	-	413	(413)	-	-	-
Other restricted funds under £5k	24,084	2,160	-	-	-	26,244
	<u>1,020,231</u>	<u>94,200</u>	<u>(72,300)</u>	<u>-</u>	<u>-</u>	<u>1,042,131</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

18. Statement of funds (continued)

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2024 £</i>
Restricted funds - Capital						
Barnsley Bus No. 5	39,000	-	(6,500)	-	-	32,500
Clay Cross Extension (i)	28,727	-	(1,004)	-	-	27,723
Workshop Extension (ii)	175,233	-	(5,898)	-	-	169,335
Library Extension (iii)	634,551	-	(20,952)	-	-	613,599
Stone Workshop (iv)	731,174	-	(19,140)	-	-	712,034
Depot Improvements (xii)	173,926	-	(3,952)	-	-	169,974
Victoria Park (v)	69,831	-	(1,837)	-	-	67,994
Woodland Walk/ Wakebridge	44,152	-	(8,152)	-	-	36,000
Holroyd Smith Exhibition	38,970	-	(7,645)	-	-	31,325
Bandstand Trackwork	6,061	-	(1,009)	-	-	5,052
	<u>1,941,625</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>1,865,536</u>
Total Restricted funds	<u>2,961,856</u>	<u>94,200</u>	<u>(148,389)</u>	<u>-</u>	<u>-</u>	<u>2,907,667</u>
Total of funds	<u><u>5,917,915</u></u>	<u><u>2,297,380</u></u>	<u><u>(2,240,579)</u></u>	<u><u>-</u></u>	<u><u>(8,000)</u></u>	<u><u>5,966,716</u></u>

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. Statement of funds (continued)

Each restricted fund has sufficient resources to enable the fund to be applied in accordance with the restrictions imposed. A summary of the nature and purpose of each of the more significant funds is set out below.

Restricted Funds

- (i) Grant received from the Heritage Lottery Fund for the extension of the existing store at Clay Cross.
- (ii) Grants received from the Heritage Lottery Fund and Museums, Libraries and Archives Council (MLA) for the construction of an extension to the tramcar workshop facility, incorporating a new public viewing gallery and exhibition.
- (iii) Grants received from the Heritage Lottery Fund and MLA for the extension of the library.
- (iv) Grants received from the Heritage Lottery Fund for the restoration of the Stone Workshop.
- (v) The development of the Victoria Park area funded by individual donations and a transfer from the Subscriber Plus Fund.
- (vi) Donations received from members towards a variety of small revenue tramway related projects.
- (vii) Legacy received towards the re-creation of a Manchester bogie car.
- (viii) Legacy received towards the restoration of Sheffield tramcars in the collection.
- (ix) Donation received for the restoration and conservation of PCC cars.
- (x) Donations received for the restoration and conservation of LCC 1.
- (xi) Legacy received for restoration or heavy repairs of electric tramcars.
- (xii) Legacy received for extensions and improvements to tramcar accommodation and exhibitions.
- (xiii) Donations received for the restoration of the Blackpool 298 tramcar.

Designated Funds

- (xiii) Fund designated to meet potential costs arising due to a downturn in visitor numbers.
- (xiv) Fund designated to build new catering facilities.
- (xv) Fund designated for a mobile self-powered platform to be used to carry out repairs and maintenance to the overhead line.
- (xvi) Fund designated to meet the costs of maintaining the operational tramcar fleet
- (xvii) Fund designated to meet costs of building repairs

Transfers

The transfers reflect the increase in the Business Interruption Fund the creation of the tramcar and building repair funds and the costs to date of the new catering facilities.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Designated funds	1,110,737	-	-	(558,873)	-	551,864
General funds	1,948,312	2,027,470	(2,390,498)	558,873	(26,000)	2,118,157
Restricted funds - Revenue	1,042,131	342,635	(260,786)	-	-	1,123,980
Restricted funds - Capital	1,865,536	-	(76,089)	-	-	1,789,447
	<u>5,966,716</u>	<u>2,370,105</u>	<u>(2,727,373)</u>	<u>-</u>	<u>(26,000)</u>	<u>5,583,448</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	1,338,529	-	-	(227,792)	-	1,110,737
General funds	1,617,530	2,203,180	(2,092,190)	227,792	(8,000)	1,948,312
Restricted funds - Revenue	1,020,231	94,200	(72,300)	-	-	1,042,131
Restricted funds - Capital	1,941,625	-	(76,089)	-	-	1,865,536
	<u>5,917,915</u>	<u>2,297,380</u>	<u>(2,240,579)</u>	<u>-</u>	<u>(8,000)</u>	<u>5,966,716</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds - Revenue 2025 £	Restricted funds - Capital 2025 £	Total funds 2025 £
Tangible fixed assets	2,246,914	-	1,789,447	4,036,361
Current assets	809,391	1,123,980	-	1,933,371
Creditors due within one year	(386,284)	-	-	(386,284)
Total	2,670,021	1,123,980	1,789,447	5,583,448

Free reserves is equal to unrestricted current assets less unrestricted creditors totalling £423,107.

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds - Revenue 2024 £</i>	<i>Restricted funds - Capital 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	1,481,950	-	1,865,536	3,347,486
Current assets	1,839,978	1,042,131	-	2,882,109
Creditors due within one year	(262,879)	-	-	(262,879)
Total	3,059,049	1,042,131	1,865,536	5,966,716

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

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

	Group 2025 £	<i>Group 2024 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(357,268)	56,801
Adjustments for:		
Depreciation charges	256,032	217,342
Decrease in stocks	1,488	965
Decrease/(increase) in debtors	(136,278)	206,606
Increase in creditors	123,405	46,030
Defined benefit pension movement	(26,000)	(8,000)
Net cash provided by/(used in) operating activities	(138,621)	519,744

22. Analysis of cash and cash equivalents

	Group 2025 £	<i>Group 2024 £</i>
Cash in hand	1,481,479	2,565,007
Total cash and cash equivalents	1,481,479	2,565,007

23. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	2,565,007	(1,083,528)	1,481,479
	2,565,007	(1,083,528)	1,481,479

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

24. Pension commitments

The Society participates in the Derbyshire County Council Pension Scheme, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended).

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The employer's contribution rate was 8.8% of pensionable pay with an employee's contribution rate of 5.9% or 6.5% of pensionable pay.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2025 %	<i>At 31 March 2024 %</i>
Discount rate	5.8	4.8
Future salary increases	3.8	3.8
Future pension increases	2.8	2.8

	At 31 March 2025 Years	<i>At 31 March 2024 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	20.8	20.8
- at 65 for a male aged 45 now	21.5	21.6
- for a female aged 65 now	23.8	23.8
- at 65 for a female aged 45 now	25.3	25.3

Sensitivity analysis

	At 31 March 2025 £	<i>At 31 March 2024 £</i>
Discount rate -0.1%	15,000	18,000

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

24. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2025 £	<i>At 31 March 2024 £</i>
Equities	879,160	933,640
Corporate bonds	382,860	302,060
Property	99,260	96,110
Cash and other liquid assets	56,720	41,190
Total fair value of assets	1,418,000	<i>1,373,000</i>

The actual return on scheme assets was 3.8% (2024 - 9.3%).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2025 £	<i>2024 £</i>
Current service cost	(15,000)	(14,000)
Interest income	(66,000)	49,000
Interest cost	49,000	(48,000)
Total amount recognised in the Consolidated statement of financial activities	(32,000)	<i>(13,000)</i>

Movements in the present value of the defined benefit obligation were as follows:

	2025 £	<i>2024 £</i>
Opening defined benefit obligation	1,031,000	1,025,000
Interest cost	49,000	48,000
Contributions by scheme participants	4,000	4,000
Actuarial gains	(167,000)	(27,000)
Benefits paid	(35,000)	(33,000)
Current service cost	15,000	14,000
Closing defined benefit obligation	897,000	<i>1,031,000</i>

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2025 £	2024 £
Opening fair value of scheme assets	1,031,000	1,025,000
Expected return on assets	66,000	49,000
Actuarial (losses)/gains	(14,000)	307,000
Contributions by employer	24,000	21,000
Contributions by scheme participants	4,000	4,000
Benefits paid	(35,000)	(33,000)
Pension surplus not recognised	(179,000)	(342,000)
Closing fair value of scheme assets	897,000	1,031,000

The current actuarial assumptions and movements have been disclosed above. The corresponding FRS 102 actuarial report recognises a net asset of £521,000. However, the asset has been restricted to £nil on the balance sheet at 31 March 2025 as there is no entitlement or expectation of receipt.

The group expects to contribute £24,000 to its defined benefit pension scheme to the year ended 31 March 2026.

25. Share Capital

The Society is a charitable company limited by guarantee and has no share capital. Each member undertakes to contribute a maximum of £1 to the assets of the Society, in the event of a winding up.

26. Related party transactions

K Rigg is on the board of trustees of High Peak Community and Voluntary Support. During the year ended 31 March 2025 the Society paid £4,113 to a High Peak CVS staff member (2024: £861) for freelance work.

27. Controlling party

The Society has no single controlling party.

Accounts

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE TRAMWAY MUSEUM SOCIETY
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THE TRAMWAY MUSEUM SOCIETY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Patron	HRH The Duke of Gloucester, KG, GCVO
President	RT Pennyfather, President (resigned 12 August 2023) S Whiteley (appointed 12 August 2023)
Vice-Presidents	DJH Senior, OBE, MA (deceased 11 December 2023) MC Crabtree IEng, MIET C Heaton
Directors	KR Rigg, ACIB, Chairman ID Pleace, FCA, MSc, BSc(Econ), Vice Chairman PM Benham, FCILT ¹ JA Blythe, BA, MSc, MCIHT DA Frodsham DJ Heeley, M.Eng (hons), C.Eng, MIET, MIRSE (resigned 11 November 2023) P Milton ¹ AM Pendleton J Roberts (resigned 25 July 2023) ¹ DP Webb AJ Willis (resigned 11 November 2023) NJ Sturgess (appointed 11 November 2023) GP Wigglesworth (appointed 1 January 2024)
	¹ Non-member director
Company registered number	744229
Charity registered number	313615
Museum premises and registered office	Crich Matlock Derbyshire DE4 5DP
Arts Council England Registered Museum no.	508
Auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Barclays Bank PLC Leicester

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Directors of the Board present their report and financial statements of the Society for the year ended 31 March 2024 and confirm the latter comply with the requirements of the Companies Act 2006 and the Charities SORP.

Reference and administrative information

The Society, which is registered as a charity, owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich, Derbyshire, (the Museum), which is devoted to tramways and allied interests. It is not liable to corporation tax or income tax.

The Directors of the Board (who act as directors under Company law and trustees under Charity law) are set out on page 1.

At the Annual General Meeting on 11 November 2023 AJ Willis and MC Wright retired & Messrs DA Frodsham and DP Webb were re-elected.

Structure, governance and management

Governing document

The Society is governed by the Memorandum and Articles of Association, as last amended by Special Resolution of the Society on 12 November 2022. The Society is a company limited by guarantee and does not have any share capital.

Recruitment and training of Board Members

Voting members of the Society may stand for appointment as Member Directors to the Board. Any two voting members may propose another voting member. The individual must be 18 or over and any such proposal must be in writing and be received by the Society no later than 42 days prior to the Annual General Meeting. If the number of candidates is fewer than or equal to the number of relevant posts available, all such candidates are deemed automatically elected. In the event of there being more candidates than posts available, a vote is held with each member having the right to vote entitled to cast his or her vote in favour of as many candidates as there are vacant posts. Casual vacancies may be filled by the Board but the individual appointed must retire and seek election at the next Annual General Meeting.

The Board also has the power to appoint up to three Non-Member Directors who are neither members of the Society nor employees.

Following election, newly elected directors receive an induction by the person appointed as Secretary and another director. The induction includes a detailed introduction and explanation of Board proceedings and content. Key areas are explained in detail, such as Finance, Personnel, Collection, Operations and Health & Safety.

All directors serve for an initial period of three years and thereafter for no more than two further consecutive periods of three years, Directors may not be eligible for re-election or re-appointment until a period of at least two years has elapsed.

Organisational structure

Ultimate responsibility for all decisions made by the Society rests with the Board. These decisions are made on the recommendations of individual Society officers, in particular the General Manager, or the relevant standing committees which are currently Finance, Collections Management, Development, Health & Safety, Membership and Tramcar Conservation. All such officers, and committees, are accountable to the Board and report on a regular basis.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

A subsidiary company, Tramway Museum Services (R&C) Limited, traded throughout the year from premises under licence from the Society. The subsidiary is wholly owned by the Society and hence the subsidiary's board is directly accountable to the Board of the Society.

Arrangements for setting pay and remuneration of key management personnel

A Board sub-committee chaired by the General Manager sets the pay and remuneration of key management personnel via an annual review in consultation with the recognised Trade Union.

Principal Risks and Uncertainties

The Board has identified the following four key areas of Business Risk;

- Personnel - including Board Members, employees and volunteers,
- Financial - including Visitor numbers, misappropriation and reserve policy,
- Operational - including the Tramcar fleet, accidents and regulation,
- Infrastructure - including buildings and visitor facilities, the tramway and the site.

Systems have been put in place to oversee all of these areas and these are reviewed on a regular basis. Full details are available in the "Business Risk Register" freely available to all members on request and held in electronic form on the Society's server accessible to all system users.

Objectives and activities

Objectives

The principal objectives of the Society are:

- To maintain for the benefit of the nation an operating tramway museum.
- To promote the permanent preservation of tramway vehicles and equipment, and items of general transport interest (either historic, scientific or educational) and to work as necessary with other institutions, societies and bodies, having similar aims, in any part of the world.
- To promote and further the study of and research into tramways and other forms of transport.

The objectives of the Society are interpreted through the Mission Statement which, as noted last year, are still under review as part of the Society's strategy development and against which steady progress has been made.

Key objectives for the coming year include the continuing improvement to facilities at Crich, the recruitment, training and retention of more volunteers, obtaining grant funding and increasing customer numbers.

The objectives of the Society have been reviewed as part of the National Lottery Heritage Fund (NLHF) funded Transformation project, which following the adoption of the new Articles of Association is now complete.

Strategies

The Society receives no core funding and must therefore operate within its earned income, subscriptions, donations and grants. The Board has sought to continue to maximise earned income, take advantage of fiscal benefits and control costs. To contribute to the Society's sustainability the Board also continues to seek donations and grants for its development.

Principal activities

The main activities undertaken by the Society in achieving its objectives include the operation of the Museum,

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

education, tramcar restoration and a tramway archive and research library. In accordance with the established accounting policies set out on pages 17 to 21 the financial results do not take account of the significant voluntary input at all levels of operation of the Museum. Whilst a financial evaluation of this input is difficult, it is estimated that the amount of voluntary input is equivalent to approximately 33 full time equivalent members of staff.

Public Benefit

When planning activities for the year the Board has considered the Charity Commission general guidance on public benefit. In particular it has considered how the planned activities will contribute towards the aims and activities they have set.

As explained in the Objectives and activities section, the Society exists to preserve items of national heritage for the nation and promote these items.

During the financial year, paying customer numbers were 70,258 (2023: 60,708) with an additional 46,632 (2023: 35,785) of free admissions. The Society offers reduced admission price for senior citizens and children as well as a family ticket to make the collection accessible to as many people as possible. Wheelchairs are freely available for less able customers and a smoothway around the Museum is available to enhance accessibility for wheelchair and pushchair users.

The preservation and demonstration of tramway vehicles are central to the Society's objectives and restoration work continued on several historic tramcars during the year.

The Society is custodian of archives relating to tramways and other forms of transport, of national and international importance, which is made freely available to members of the public wishing to carry out research.

The Society employs education staff who work closely with schools to support teachers in their delivery of several areas of the national curriculum by way of facilitating school visits and offering themed workshops.

Further information about how the Society delivers public benefit in meeting its charitable objectives is provided throughout this report.

Achievements and performance

A key feature of the 2023 visitor season was the 'cost of living crisis' being experienced by a proportion of our key target market, young families. There was evidence that some of our visitors were seeing the purchase of an annual ticket as an investment, coming for frequent repeat visits, but not indulging in treats and secondary spend.

During the season we achieved paying visitor numbers that approximated to 80% of those achieved in 2019, the last year before the Covid pandemic. This figure is less than sustainable, and a key priority will be achieving pre-Covid visitor numbers and then growth going forward.

Planning work for the new visitor catering facilities was completed during 2023, finally achieving full planning permission. The project was put out to Tender with three companies expressing an interest. Stevensons were selected and work began on the development at the end of the visitor season in November 2023. The new facility will provide full accessibility to both the Red Lion public house and the cafeteria. Work is planned for completion and opening to the public in September 2024.

During the year work has continued on several tramcar engineering projects. Blackpool 298 is starting to take shape in the workshop. Newcastle 102 is having the final touches put to safety adjustments, and will be ready for public service during 2024. The ten-year project to completely restore LCC1 'Bluebird' is nearing completion, and the tramcar is undergoing test runs. LCC1 will have its official launch in 2024.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Infrastructure work has continued during the year. A mobile elevated working platform was acquired to enable trained operatives to undertake work on site independently from contactors. A source has been found to supply bespoke engineered traction poles, to further this crucial area of development during the winter of 2024/25.

The autumn storms in 2023 caused severe flooding at the Clay Cross store, it has been concluded that this is no longer an appropriate environment for our purposes and plans are being put in place to erect suitable accommodation on site at Crich, to relocate the rationalised collections.

The reopening to visitors in March 2024 took place slightly later than planned. This was due to a number of factors. Major work was carried out by Severn Trent water directly across the entrance to the Museum. Rodents had made ingress into our communications cables which needed to be replaced. The setting up of the replacement catering facilities in the Poulson room was delayed by the demolition work. Finally, replacement of Traction poles 1 and 2 at Town End, with new ones supplied by West Midlands Metro, proved to be a more complicated process than originally planned.

Financial review

The main source of income continues to be the paying customers of the Museum. Total customer income combining admissions, retail and catering takings was £1,795,000 (2023: £1,378,000).

In the financial year paying customers were 70,258, up 9,550 on the previous year. On a calendar basis, the Museum received 70,230 paying customers compared to 62,023 in 2022. Unrestricted donations and membership subscriptions provided a further £407,000 towards the Society's general funds. After costs of generating funds of £605,000 and charity governance costs of £20,000, the net unrestricted incoming resources available for charitable activities was £1,577,000. Of this amount £595,000 was used for Museum operation including admission expenses, workshop and other tramway costs, exhibitions and education. A further £770,000 was spent on the Museum site itself including infrastructure costs, publicity and promotion, and Society membership expenses. £109,000 was used to fund collection and curatorial activities.

Following the requirements of Financial Reporting Standard 102 (FRS 102) Retirement Benefits, the Society's share of the defined benefit staff pension scheme operated by Derbyshire County Council has improved from a £234,000 surplus to a £342,000 surplus. The corresponding pension asset on the balance sheet has been restricted to nil as disclosed at note 24.

Restricted income from donating bodies totalled £77,237 in the year. Restricted expenditure in the year of £148,000 included tramcar restoration £68,000, site costs £49,000 and exhibitions £18,000.

The Museum continues to operate successfully its admission scheme incorporating 12-month season tickets. This has allowed the Museum to reclaim £95,000 of Gift Aid in the year (2023 : £72,000).

The membership of the Society at 31 March 2024 was 1,271, including non-voting members and family members; this reflects an decrease of 404 during the year.

Reserves policies

At 31 March 2024 the level of free reserves after the pension deficit was £1,577,000 (see note 20) including the designated fund. The Business Interruption Contingency Fund created to meet potential costs arising due to a significant downturn in customer numbers has increased to £400,000, and the Replacement Cafe fund has reduced to £498,000. The MEWP fund is now at £40,000. We have set up a trams repair fund from legacies received £67,000 and a similar fund for building repairs of £107,000.

The level of free reserves should cover four months revenue expenditure. Taking account of the need to fund the Museum over the winter months and given the significant impact that an unforeseen event could have upon

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

the future of the Museum, these free reserves are sufficient at present to provide this cover.

Plans for the future

Plans are now advanced to paint the Bowes-Lyon Bridge and repair the metal structures (the pointing and stonework has already been repaired) over the winter 2024/5.

Access Tram 2 is starting to take shape using Tramcar Blackpool 645, external funding is now being sought to enable the project to progress.

During 2024 a new 3-phase 415v power supply will be installed at Wakebridge to replace life expired 11kv equipment.

Directors' responsibilities

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the Society and its subsidiary company (the Group) and of the income and expenditure of the Group for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board is, individually, aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

It is the view of the Board of Directors that it is appropriate to adopt the Going Concern basis in producing these financial statements. The Directors have reached this conclusion having reviewed financial forecasts which pay due regard to the financial risks posed by the short term closure of the Museum in June 2022, necessary to carry out work to the overhead line, as well as the broader economic context of cost of living pressures.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Freehold land and buildings

The freehold land and buildings are carried in the Balance Sheet at cost and exclude the value of substantial amounts of unpaid labour, part volunteer, part Government Employment Support Schemes, not funded by the Society. The reinstatement value for insurance purposes of the buildings is about £6,000,000 in excess of the book value. Due to the historical nature of some of the buildings, and the specialised nature of the Museum complex and its unusual location, the Board does not feel able to place a market value on the property.

Auditor

Bates Weston Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Directors and signed on their behalf by:

KR Rigg
Chairman
Date: 27 July 2024

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY

Opinion

We have audited the financial statements of The Tramway Museum Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the Strategic report.

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

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

Responsibilities of Directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

Wayne Thomas FCA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

22 August 2024

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds - Revenue 2024 £	Restricted funds - Capital 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and legacies	4	374,720	77,237	-	451,957	490,171
Charitable activities	5	1,205,139	-	-	1,205,139	917,584
Other trading activities	6	599,328	-	-	599,328	464,576
Investments		23,993	16,963	-	40,956	4,123
Total income		2,203,180	94,200	-	2,297,380	1,876,454
Expenditure on:						
Raising funds		609,205	-	-	609,205	489,742
Charitable activities	8	1,482,985	72,300	76,089	1,631,374	1,623,051
Total expenditure		2,092,190	72,300	76,089	2,240,579	2,112,793
Net income/(expenditure)		110,990	21,900	(76,089)	56,801	(236,339)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	334,000	-	-	334,000	191,000
Pension surplus not recognised	24	(342,000)	-	-	(342,000)	-
Net movement in funds		102,990	21,900	(76,089)	48,801	(45,339)

THE TRAMWAY MUSEUM SOCIETY
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted funds - class ii 2024 £	Total funds 2024 £	Total funds 2023 £
Note					
Reconciliation of funds:					
Total funds brought forward	2,956,059	1,020,231	1,941,625	5,917,915	5,963,254
Net movement in funds	102,990	21,900	(76,089)	48,801	(45,339)
Total funds carried forward	3,059,049	1,042,131	1,865,536	5,966,716	5,917,915

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 44 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	3,347,486	3,033,760
		3,347,486	3,033,760
Current assets			
Stocks	15	87,637	88,602
Debtors	16	229,465	436,071
Cash at bank and in hand		2,565,007	2,576,331
		2,882,109	3,101,004
Creditors: amounts falling due within one year	17	(262,879)	(216,849)
Net current assets		2,619,230	2,884,155
Total assets less current liabilities		5,966,716	5,917,915
Net assets excluding pension liability		5,966,716	5,917,915
Total net assets		5,966,716	5,917,915

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,042,131	1,020,231
Restricted funds - Capital	18	1,865,536	1,941,625
Total restricted funds	18	2,907,667	2,961,856
Unrestricted funds	18	3,059,049	2,956,059
Total funds		5,966,716	5,917,915

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 27 July 2024

The notes on pages 18 to 44 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	3,347,486	3,033,760
Investments	14	2	2
		<u>3,347,488</u>	<u>3,033,762</u>
Current assets			
Stocks	15	56,665	56,665
Debtors	16	753,656	1,137,025
Cash at bank and in hand		1,960,005	1,835,121
		<u>2,770,326</u>	<u>3,028,811</u>
Creditors: amounts falling due within one year	17	(243,237)	(198,667)
Net current assets		<u>2,527,089</u>	<u>2,830,144</u>
Total assets less current liabilities		<u>5,874,577</u>	<u>5,863,906</u>
Net assets excluding pension liability		<u>5,874,577</u>	<u>5,863,906</u>
Total net assets		<u><u>5,874,577</u></u>	<u><u>5,863,906</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,042,131	1,020,231
Restricted funds - Capital	18	1,865,536	1,941,625
Total restricted funds	18	2,907,667	2,961,856
Unrestricted funds			
Designated funds	18	1,110,737	1,038,529
General funds	18	1,856,173	1,863,521
Unrestricted funds excluding pension reserve	18	2,966,910	2,902,050
Total unrestricted funds	18	2,966,910	2,902,050
Total funds		5,874,577	5,863,906

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 27 July 2024

The notes on pages 18 to 44 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash provided by operating activities	519,744	(289,465)
Cash flows from investing activities		
Purchase of tangible fixed assets	(531,068)	(44,853)
Net cash used in investing activities	(531,068)	(44,853)
Change in cash and cash equivalents in the year	(11,324)	(334,318)
Cash and cash equivalents at the beginning of the year	2,576,331	2,910,649
Cash and cash equivalents at the end of the year	<u>2,565,007</u>	<u>2,576,331</u>

The notes on pages 18 to 44 form part of these financial statements

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

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

The Tramway Museum Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Society is able to continue to cater for significant customer levels and to support the exhibits only as a result of the activities disclosed in the accounts, combined with a major and unrecorded input of voluntary labour from its members.

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies

2.1 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably, that being when the charity has been notified of the amounts and the settlement date in writing.

Donations and grants are credited to the Statement of Financial Activities (SOFA) as they become due.

Annual subscriptions are apportioned to calendar years and include the income tax reclaimable in respect of those under gift aid. Subscriptions for life membership are credited in full in the years of receipt. Although this is not in accordance with the recommendations of the SORP, the number of life members is small and the Board considers any amortisation of the life membership income would not be material to the figures.

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Turnover from shop, food and drink sales is recognised at the date of supply.

Several independent organisations exist for the purpose of generating resources to be used on behalf of the Society. The activities of these organisations are recorded in these accounts only to the extent of cash received from them by the Society.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Directors' Report.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.2 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Expenditure includes any VAT which cannot be fully recovered and is included within the costs of activities.

Charitable expenditure and the costs of the generating funds comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, including administration or support costs, they have been allocated to activities on a basis consistent with the use of the resource.

Support costs are those that assist the work of the Society but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Society. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The Museum uses many of its key exhibits as operating assets. Because the historic value of the tramcars is the prime justification for the Museum's existence, the workshop expenditure on them is at a much higher level than would be needed if purely commercial considerations applied.

All workshop costs are charged to tramway operation, except for those identified as tramcar restoration. The treatment of tramcar restoration is described in accounting policy 2.6.

2.3 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

2.4 Basis of consolidation

The financial statements consolidate the accounts of The Tramway Museum Society and its subsidiary undertaking.

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.5 Tangible fixed assets and depreciation

The value of fixed assets represents cash paid by the Society, and does not take into account donations in kind, or members' voluntary labour.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	- Nil
Assets in course of construction	- Nil
Buildings	- 2% or 10% on cost
Woodland Walk and Sculpture Trail	- 10% on cost
Permanent exhibition	- 10% on cost
Permanent way and overhead	- 10% on cost
Plant and equipment, including temporary buildings dependent on the anticipated life of the asset	- 10%, 20% or 33.3% on cost
IT equipment	- 33.3% on cost
Motor vehicles	- 25% on cost

2.6 Heritage assets

The Society maintains 75 tramcars and associated artefacts in support of its objective to protect these historic vehicles for the benefit of future generations. The Directors consider that owing to the unique nature of the collection and the absence of an open market for these items, conventional valuation approaches lack sufficient reliability and costs of any valuations obtained would be excessive compared with the additional benefits derived by the Society and users of the accounts. As a result, no value has been reported for these assets in the Society's Balance Sheet.

Expenditure on major restoration

The costs of associated major repairs of tramcars is reported in the SOFA in the year they are incurred. Tramcar restoration is defined as work done on a major element of each tramcar (body, electrical, mechanical) to make it operable, or, if body only, exhibitable, for ten years. The cost of remedying defects coming to light within two years of the tramcar leaving the workshop is also charged to tramcar restoration. Although of a capital nature, the cost of tramcar restoration is written off each year to the SOFA.

2.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Stocks

Stocks represent goods for resale and rail for future use and are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost is based on the latest purchase invoice value.

Rail stock is to be used on future projects and repair work.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.9 Taxation

The Society is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The subsidiary pays all taxable profits arising in a reporting period to the Society under the gift aid scheme.

At the reporting date there was no legal obligation in place for the subsidiary to make this gift aid payment, although prior to the reporting date the subsidiary's board had indicated its intention to pay the taxable profits to the Society in respect of the reporting period. The payment is expected to be made within 9 months of the end of the reporting date.

The accounting policy for gift aid payments results in the subsidiary recognising a taxation charge on its profits for the year. However, the application of the exception under paragraph 29.14A of FRS 102 provides relief in respect of the accounting for the tax charge. This results in an overall £nil charge for tax in the SOFA. This exception is only applicable as it is probable that the gift aid payment will be made by the subsidiary to the Society within 9 months of the reporting date.

2.10 Pensions

The Society participates in the Derbyshire County Council local government pension scheme which is a defined benefit plan. Under defined benefit plans, the employer's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the employer. The Society recognises a liability for its obligations under the defined benefit plan net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Society also operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.11 Fund accounting (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to these financial statements, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 March 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Legacy income is only recognised where entitlement has been established, there is probability of receipt and the amount recoverable can be estimated with sufficient accuracy. The position on each legacy is reviewed following receipt of correspondence from the executors, which substantially determines whether the income recognition criteria has been satisfied.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds - Revenue 2024 £	Total funds 2024 £	Total funds 2023 £
Government grants				
Arts Council	-	3,411	3,411	-
	-	3,411	3,411	-

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

4. Income from donations and legacies (continued)

	Unrestricted funds 2024 £	Restricted funds - Revenue 2024 £	Total funds 2024 £	Total funds 2023 £
Donations and legacies	300,132	73,826	373,958	432,566
Members' subscriptions	38,795	-	38,795	39,665
Sundry receipts	35,793	-	35,793	17,940
	<u>374,720</u>	<u>73,826</u>	<u>448,546</u>	<u>490,171</u>
	<u>374,720</u>	<u>77,237</u>	<u>451,957</u>	<u>490,171</u>
<i>Total 2023</i>	<u><u>439,126</u></u>	<u><u>51,045</u></u>	<u><u>490,171</u></u>	

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Admission	1,195,467	1,195,467	913,803
Education	2,066	2,066	2,579
Library income	7,606	7,606	1,202
	<u>1,205,139</u>	<u>1,205,139</u>	<u>917,584</u>
<i>Total 2023</i>	<u><u>917,584</u></u>	<u><u>917,584</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Retail	233,481	233,481	187,433
Catering	365,847	365,847	277,143
	599,328	599,328	464,576
<i>Total 2023</i>	464,576	464,576	

7. Expenditure on raising funds

	2024 £	<i>2023 £</i>
Retail costs	192,742	163,308
Catering costs	349,448	282,927
Fundraising costs	20,275	2,137
Administration	46,740	41,370
	609,205	489,742

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Admission and customer costs	766,920	18,072	784,992	791,885
Collections and research	111,230	90,329	201,559	198,466
Museum costs	604,835	39,988	644,823	632,700
	<u>1,482,985</u>	<u>148,389</u>	<u>1,631,374</u>	<u>1,623,051</u>
<i>Total 2023</i>	<u><u>1,494,695</u></u>	<u><u>128,356</u></u>	<u><u>1,623,051</u></u>	

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £	Total 2023 £
Admission and customer costs	367,471	98,509	319,012	784,992	791,885
Collections and research	63,732	25,935	111,892	201,559	198,466
Museum costs	211,263	85,325	348,235	644,823	632,700
	<u>642,466</u>	<u>209,769</u>	<u>779,139</u>	<u>1,631,374</u>	<u>1,623,051</u>
<i>Total 2023</i>	<u><u>687,322</u></u>	<u><u>203,513</u></u>	<u><u>732,216</u></u>	<u><u>1,623,051</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Admission and customer costs	739,713	45,279	784,992	791,885
Collections and research	175,858	25,701	201,559	198,466
Museum costs	516,157	128,666	644,823	632,700
	<u>1,431,728</u>	<u>199,646</u>	<u>1,631,374</u>	<u>1,623,051</u>
<i>Total 2023</i>	<u><u>1,483,120</u></u>	<u><u>139,931</u></u>	<u><u>1,623,051</u></u>	

10. Auditors remuneration

The auditors' remuneration amounts to an auditor fee of £6,500 (2023 - £5,600), and accountancy and taxation work of £3,250 (2023 - £3,000).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £50 were reimbursed or paid directly to 1 Director (2023 - £NIL).

In addition the Directors have personally incurred expenses which they have not reclaimed from the Society.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Staff costs

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Wages and salaries	855,878	789,719	855,878	789,719
Social security costs	69,537	64,967	69,537	64,967
Pension costs	30,272	39,415	30,272	39,415
	955,687	894,101	955,687	894,101

The average number of persons employed by the Society during the year was as follows:

	Group 2024 No.	<i>Group 2023 No.</i>	Charity 2024 No.	<i>Charity 2023 No.</i>
Finance and administration	5	4	5	4
Sales outlets	14	16	14	16
Others	26	24	26	24
	45	44	45	44

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	1	-

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Tangible fixed assets

Group and Charity

Included in cost of land and buildings is freehold land of £64,897 (2023: £64,897) which is not depreciated. For insurance purposes, tramcars are assessed at sums determined by the Board. Tramcars awaiting restoration are insured at a nominal £1,000 each plus inflation and other tramcars at higher figures based on the amounts spent on restoration, these figures being adjusted for inflation from time to time.

	Freehold property £	Permanent exhibition £	Permanent way and overhead £	Plant and machinery £	Computer equipment £	Total £
Cost						
At 1 April 2023	4,520,608	1,482,712	1,087,871	803,844	187,147	8,082,182
Additions	340,897	-	92,095	98,076	-	531,068
At 31 March 2024	4,861,505	1,482,712	1,179,966	901,920	187,147	8,613,250
Depreciation						
At 1 April 2023	1,883,856	1,404,006	853,945	723,493	183,122	5,048,422
Charge for the year	92,511	14,268	65,541	40,998	4,024	217,342
At 31 March 2024	1,976,367	1,418,274	919,486	764,491	187,146	5,265,764
Net book value						
At 31 March 2024	2,885,138	64,438	260,480	137,429	1	3,347,486
At 31 March 2023	2,636,752	78,706	233,926	80,351	4,025	3,033,760

Heritage assets not recognised in the balance sheet

The Society maintains 75 tramcars and associated artefacts which were acquired over a period of time. Other tramway-related artefacts are also held by the Society. Restoration work is carried out in order to bring the tramcars into a display condition and once they have reached this condition they are maintained in a state of good repair.

Acquisition, disposal, preservation and management

The acquisition, disposal, preservation and management of the Society's collection are governed in accordance with the Museum's Acquisition, Disposal and Conservation policies. Collection records are maintained in accordance with the Museum standards laid out in the Museum Documentation Association's "SPECTRUM" guidelines.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Tangible fixed assets (continued)

Access to the Society's collections is available during advertised Museum opening times and by pre-arranged appointment. The Society's policies and procedures were overseen and approved by the Museums, Libraries and Archives Council accreditation scheme. The Society has achieved full Accredited status.

14. Fixed asset investments

	Investments in subsidiary companies £
Society	
Cost	
At 1 April 2023	2
At 31 March 2024	<u>2</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company number	Registered office or principal place of business	Class of shares
Tramway Museum Services (R&C) Limited	06058747	Crich Tramway Village, Crich, Matlock, Derbyshire, DE4 5DP	Ordinary

Holding

100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £
Tramway Museum Services (R&C) Limited	599,328	(507,189)	92,139

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Fixed asset investments (continued)

Net assets
£

92,141

15. Stocks

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Goods for resale	30,972	31,937	-	-
Permanent way	56,665	56,665	56,665	56,665
	87,637	88,602	56,665	56,665

16. Debtors

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Amounts owed by group undertakings	-	-	524,239	700,954
Other debtors	169,114	304,645	169,066	304,645
Prepayments and accrued income	7,144	122,785	7,144	122,785
Tax recoverable	53,207	8,641	53,207	8,641
	229,465	436,071	753,656	1,137,025

17. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Trade creditors	190,618	153,345	171,324	135,163
Accruals and deferred income	72,261	63,504	71,913	63,504
	262,879	216,849	243,237	198,667
	Group	<i>Group</i>	Charity	<i>Charity</i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Creditors: Amounts falling due within one year (continued)

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
	2024 £	<i>2023 £</i>	2024 £	<i>2023 £</i>
Deferred income brought forward	(1,859)	-	33,234	35,093
Resources deferred during the year	-	33,234	-	33,234
Amounts released from previous periods	-	(35,093)	-	(35,093)
	(1,859)	<i>(1,859)</i>	33,234	<i>33,234</i>

Deferred income relates to advance subscriptions and prepaid tickets.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	400,000	-	-	-	-	400,000
New Cafe Fund (xiv)	838,529	-	-	(340,897)	-	497,632
Mobile Elevating Work Platform (MEWP) Fund (xv)	100,000	-	-	(60,529)	-	39,471
Tramcar Repairs (xvi)	-	-	-	66,782	-	66,782
Site Maintenance (xvii)	-	-	-	106,852	-	106,852
	<u>1,338,529</u>	<u>-</u>	<u>-</u>	<u>(227,792)</u>	<u>-</u>	<u>1,110,737</u>
General funds						
General funds	1,617,530	2,202,180	(2,099,190)	227,792	-	1,948,312
Pension reserve	-	1,000	7,000	-	(8,000)	-
	<u>1,617,530</u>	<u>2,203,180</u>	<u>(2,092,190)</u>	<u>227,792</u>	<u>(8,000)</u>	<u>1,948,312</u>
Total Unrestricted funds	<u>2,956,059</u>	<u>2,203,180</u>	<u>(2,092,190)</u>	<u>-</u>	<u>(8,000)</u>	<u>3,059,049</u>
Restricted funds - Revenue						

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Cabmen's Shelter	2,293	3,411	(3,927)	-	-	1,777
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	33,228	3,076	-	-	-	36,304
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	212,686	4,250	-	-	-	216,936
Sheffield Trams (viii)	348,626	6,900	-	-	-	355,526
P.C.C. fund (ix)	19,861	330	-	-	-	20,191
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/ Exhibition (xii)	194,894	3,900	-	-	-	198,794
Tramcar restoration - LCC 1 (x)	-	18,164	(18,164)	-	-	-
Cadisch - Tramcar acquisition and restoration	90,000	1,800	-	-	-	91,800
Blackpool 298	-	49,796	(49,796)	-	-	-
Newcastle 102	-	413	(413)	-	-	-
Other restricted funds under £5k	24,084	2,160	-	-	-	26,244
	1,020,231	94,200	(72,300)	-	-	1,042,131

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

**Restricted
funds - Capital**

Barnsley Bus No. 5	39,000	-	(6,500)	-	-	32,500
Clay Cross Extension (i)	28,727	-	(1,004)	-	-	27,723
Workshop Extension (ii)	175,233	-	(5,898)	-	-	169,335
Library Extension (iii)	634,551	-	(20,952)	-	-	613,599
Stone Workshop (iv)	731,174	-	(19,140)	-	-	712,034
Depot Improvements (xii)	173,926	-	(3,952)	-	-	169,974
Victoria Park (v)	69,831	-	(1,837)	-	-	67,994
Woodland Walk/ Wakebridge	44,152	-	(8,152)	-	-	36,000
Holroyd Smith Exhibition	38,970	-	(7,645)	-	-	31,325
Bandstand Trackwork	6,061	-	(1,009)	-	-	5,052
	<u>1,941,625</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>1,865,536</u>
Total Restricted funds	<u>2,961,856</u>	<u>94,200</u>	<u>(148,389)</u>	<u>-</u>	<u>-</u>	<u>2,907,667</u>
Total of funds	<u>5,917,915</u>	<u>2,297,380</u>	<u>(2,240,579)</u>	<u>-</u>	<u>(8,000)</u>	<u>5,966,716</u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2023 £</i>
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	520,000	-	-	(120,000)	-	400,000
New Cafe Fund (xiv)	828,694	-	-	9,835	-	838,529
Mobile Elevating Work Platform (MEWP) Fund (xv)	-	-	-	100,000	-	100,000
	<u>1,348,694</u>	<u>-</u>	<u>-</u>	<u>(10,165)</u>	<u>-</u>	<u>1,338,529</u>
General funds						
General funds	1,753,433	1,825,369	(1,971,437)	10,165	-	1,617,530
Pension reserve	(178,000)	-	(13,000)	-	191,000	-
	<u>1,575,433</u>	<u>1,825,369</u>	<u>(1,984,437)</u>	<u>10,165</u>	<u>191,000</u>	<u>1,617,530</u>
Total Unrestricted funds	<u>2,924,127</u>	<u>1,825,369</u>	<u>(1,984,437)</u>	<u>-</u>	<u>191,000</u>	<u>2,956,059</u>
Restricted funds - Revenue						
Cabmen's Shelter	9,620	-	(7,327)	-	-	2,293
Track Fund	11,948	-	-	-	-	11,948

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2023 £</i>
Subscriber Plus Fund (vi)	29,875	3,353	-	-	-	33,228
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	213,236	-	(550)	-	-	212,686
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,861	-	-	-	-	19,861
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/ Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	25,728	(25,728)	-	-	-
Cadisch - Tramcar acquisition and restoration	90,000	-	-	-	-	90,000
Blackpool 298	-	2,491	(2,491)	-	-	-
Newcastle 102	-	16,171	(16,171)	-	-	-
Other restricted funds under £5k	20,742	3,342	-	-	-	24,084
	<u>1,021,413</u>	<u>51,085</u>	<u>(52,267)</u>	<u>-</u>	<u>-</u>	<u>1,020,231</u>

**Restricted
funds - Capital**

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2023 £</i>
Barnsley Bus No. 5	45,500	-	(6,500)	-	-	39,000
Clay Cross Extension (i)	29,731	-	(1,004)	-	-	28,727
Workshop Extension (ii)	181,131	-	(5,898)	-	-	175,233
Library Extension (iii)	655,503	-	(20,952)	-	-	634,551
Stone Workshop (iv)	750,314	-	(19,140)	-	-	731,174
Depot Improvements (xii)	177,878	-	(3,952)	-	-	173,926
Victoria Park (v)	71,668	-	(1,837)	-	-	69,831
Woodland Walk/ Wakebridge	52,304	-	(8,152)	-	-	44,152
Holroyd Smith Exhibition	46,615	-	(7,645)	-	-	38,970
Bandstand Trackwork	7,070	-	(1,009)	-	-	6,061
	<u>2,017,714</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>1,941,625</u>
Total Restricted funds	<u>3,039,127</u>	<u>51,085</u>	<u>(128,356)</u>	<u>-</u>	<u>-</u>	<u>2,961,856</u>
Total of funds	<u><u>5,963,254</u></u>	<u><u>1,876,454</u></u>	<u><u>(2,112,793)</u></u>	<u><u>-</u></u>	<u><u>191,000</u></u>	<u><u>5,917,915</u></u>

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18. Statement of funds (continued)

Each restricted fund has sufficient resources to enable the fund to be applied in accordance with the restrictions imposed. A summary of the nature and purpose of each of the more significant funds is set out below.

Restricted Funds

- (i) Grant received from the Heritage Lottery Fund for the extension of the existing store at Clay Cross.
- (ii) Grants received from the Heritage Lottery Fund and Museums, Libraries and Archives Council (MLA) for the construction of an extension to the tramcar workshop facility, incorporating a new public viewing gallery and exhibition.
- (iii) Grants received from the Heritage Lottery Fund and MLA for the extension of the library.
- (iv) Grants received from the Heritage Lottery Fund for the restoration of the Stone Workshop.
- (v) The development of the Victoria Park area funded by individual donations and a transfer from the Subscriber Plus Fund.
- (vi) Donations received from members towards a variety of small revenue tramway related projects.
- (vii) Legacy received towards the re-creation of a Manchester bogie car.
- (viii) Legacy received towards the restoration of Sheffield tramcars in the collection.
- (ix) Donation received for the restoration and conservation of PCC cars.
- (x) Donations received for the restoration and conservation of LCC 1.
- (xi) Legacy received for restoration or heavy repairs of electric tramcars.
- (xii) Legacy received for extensions and improvements to tramcar accommodation and exhibitions.

Designated Funds

- (xiii) Fund designated to meet potential costs arising due to a downturn in visitor numbers.
- (xiv) Fund designated to build new catering facilities.
- (xv) Fund designated for a mobile self-powered platform to be used to carry out repairs and maintenance to the overhead line.
- (xvi) Fund designated to meet costs and tramcar repairs
- (xvii) Fund designated to meet costs of building repairs

Transfers

The transfers reflect the increase in the Business Interruption Fund the creation of the tramcar and building repair funds and the costs to date of the new catering facilities.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	1,338,529	-	-	(227,792)	-	1,110,737
General funds	1,617,530	2,203,180	(2,092,190)	227,792	(8,000)	1,948,312
Restricted funds	1,020,231	94,200	(72,300)	-	-	1,042,131
Restricted funds - Class II	1,941,625	-	(76,089)	-	-	1,865,536
	<u>5,917,915</u>	<u>2,297,380</u>	<u>(2,240,579)</u>	<u>-</u>	<u>(8,000)</u>	<u>5,966,716</u>

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	1,348,694	-	-	(10,165)	-	1,338,529
General funds	1,575,433	1,825,369	(1,984,437)	10,165	191,000	1,617,530
Restricted funds	1,021,413	51,085	(52,267)	-	-	1,020,231
Restricted funds - Class II	2,017,714	-	(76,089)	-	-	1,941,625
	<u>5,963,254</u>	<u>1,876,454</u>	<u>(2,112,793)</u>	<u>-</u>	<u>191,000</u>	<u>5,917,915</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds - Revenue 2024 £	Restricted funds - Capital 2024 £	Total funds 2024 £
Tangible fixed assets	1,481,950	-	1,865,536	3,347,486
Current assets	1,839,978	1,042,131	-	2,882,109
Creditors due within one year	(262,879)	-	-	(262,879)
Total	3,059,049	1,042,131	1,865,536	5,966,716

Free reserves equal £1,577,099.

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds - Revenue 2023 £</i>	<i>Restricted funds - Capital 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	1,092,135	-	1,941,625	3,033,760
Current assets	2,080,773	1,020,231	-	3,101,004
Creditors due within one year	(216,849)	-	-	(216,849)
Total	2,956,059	1,020,231	1,941,625	5,917,915

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

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

	Group 2024 £	<i>Group 2023 £</i>
Net income/expenditure for the period (as per Statement of Financial Activities)	56,801	<i>(236,339)</i>
Adjustments for:		
Depreciation charges	217,342	<i>212,709</i>
Decrease in stocks	965	<i>1,972</i>
Decrease/(increase) in debtors	206,606	<i>(277,753)</i>
Increase/(decrease) in creditors	46,030	<i>(3,054)</i>
Defined benefit pension movement	(8,000)	<i>13,000</i>
Net cash provided by/(used in) operating activities	519,744	<i>(289,465)</i>

22. Analysis of cash and cash equivalents

	Group 2024 £	<i>Group 2023 £</i>
Cash in hand	2,565,007	<i>2,576,331</i>
Total cash and cash equivalents	2,565,007	<i>2,576,331</i>

23. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	2,576,331	(11,324)	2,565,007
	2,576,331	(11,324)	2,565,007

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. Pension commitments

The Society participates in the Derbyshire County Council Pension Scheme, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended).

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The employer's contribution rate was 8.8% of pensionable pay with an employee's contribution rate of 5.9% or 6.5% of pensionable pay.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2024 %	<i>At 31 March 2023 %</i>
Discount rate	3.80	4.75
Future salary increases	2.80	4.00
Future pension increases	4.80	3.00

	At 31 March 2024 Years	<i>At 31 March 2023 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	20.8	21.0
- at 65 for a male aged 45 now	21.6	21.8
- for a female aged 65 now	23.8	24.0
- at 65 for a female aged 45 now	25.3	25.5

Sensitivity analysis

	At 31 March 2024 £	<i>At 31 March 2023 £</i>
Discount rate -0.1%	18,000	18,000

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2024 £	<i>At 31 March 2023 £</i>
Equities	933,640	834,240
Corporate bonds	302,060	278,080
Property	96,110	101,120
Cash and other liquid assets	41,190	50,560
Total fair value of assets	<u>1,373,000</u>	<u>1,264,000</u>

The actual return on scheme assets was 9.3% (2023 - -3.2%).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2024 £	<i>2023 £</i>
Current service cost	(14,000)	(25,000)
Interest income	49,000	34,000
Interest cost	(48,000)	(48,000)
Total amount recognised in the Consolidated statement of financial activities	<u>(13,000)</u>	<u>(39,000)</u>

Movements in the present value of the defined benefit obligation were as follows:

	2024 £	<i>2023 £</i>
Opening defined benefit obligation	1,025,000	1,474,000
Interest cost	48,000	39,000
Contributions by scheme participants	4,000	3,000
Actuarial gains	(27,000)	(458,000)
Benefits paid	(33,000)	(58,000)
Current service cost	14,000	25,000
Closing defined benefit obligation	<u>1,031,000</u>	<u>1,025,000</u>

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

24. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2024 £	2023 £
Opening fair value of scheme assets	1,025,000	1,296,000
Expected return on assets	49,000	34,000
Actuarial gains/(losses)	307,000	(267,000)
Contributions by employer	21,000	17,000
Contributions by scheme participants	4,000	3,000
Benefits paid	(33,000)	(58,000)
Pension surplus not recognised	(342,000)	-
Closing fair value of scheme assets	1,031,000	1,025,000

The current actuarial assumptions and movements have been disclosed above. The corresponding FRS 102 actuarial report recognises a net asset of £342,000. However, the asset has been restricted to £nil on the balance sheet at 31 March 2024 as there is no entitlement or expectation of receipt.

The group expects to contribute £21,000 to its defined benefit pension scheme to the year ended 31 March 2025.

25. Share Capital

The Society is a charitable company limited by guarantee and has no share capital. Each member undertakes to contribute a maximum of £1 to the assets of the Society, in the event of a winding up.

26. Related party transactions

K Rigg is on the board of trustees of High Peak Community and Voluntary Support. During the year ended 31 March 2024 the Society paid £861 to a High Peak CVS staff member (2023: £nil) for freelance work.

27. Controlling party

The Society has no single controlling party.

THE TRAMWAY MUSEUM SOCIETY

England & Wales - Charity number 313615

Accounts

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

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THE TRAMWAY MUSEUM SOCIETY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Patron	HRH The Duke of Gloucester, KG, GCVO
President	RT Pennyfather (appointed 22 July 2022)
	I Ross, BSc, CEng, FIET, FIMechE (retired 22 July 2022)
Vice-Presidents	GB Claydon, CB, LLB, M Inst. TA, CMILT
	DJH Senior, OBE, MA
	MC Crabtree IEng, MIET
	C Heaton
Directors	KR Rigg, ACIB, Chairman
	ID Pleace, FCA, MSc, BSc(Econ), Vice Chairman
	PM Benham, FCILT ¹
	JA Blythe, BA, MSc, MCIHT
	DA Frodsham
	DJ Heeley, M.Eng (hons), C.Eng, MIET, MIRSE
	P Milton ¹
	AM Pendleton
	J Roberts (resigned 25 July 2023) ¹
	DP Webb
	AJ Willis
	MC Wright, BSc, C Eng, MI Chem E, CMILT (resigned 12 November 2022)
	¹ Non-member director
Company registered number	744229
Charity registered number	313615
Museum premises and registered office	Crich Matlock Derbyshire DE4 5DP
Arts Council England Registered Museum no.	508
Auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Barclays Bank PLC Leicester

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors of the Board present their report and financial statements of the Society for the year ended 31 March 2023 and confirm the latter comply with the requirements of the Companies Act 2006 and the Charities SORP.

Reference and administrative information

The Society, which is registered as a charity, owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich, Derbyshire, (the Museum), which is devoted to tramways and allied interests. It is not liable to corporation tax or income tax.

The Directors of the Board (who act as directors under Company law and trustees under Charity law) are set out on page 1.

At the Annual General Meeting on 12 November 2022 MC Wright retired & Messrs DA Frodsham and DP Webb were re-elected.

Structure, governance and management

Governing document

The Society is governed by the Memorandum and Articles of Association, as last amended by Special Resolution of the Society on 12 November 2022. The Society is a company limited by guarantee and does not have any share capital.

Recruitment and training of Board Members

Voting members of the Society may stand for appointment as Member Directors to the Board. Any two voting members may propose another voting member. The individual must be 18 or over and any such proposal must be in writing and be received by the Society no later than 42 days prior to the Annual General Meeting. If the number of candidates is fewer than or equal to the number of relevant posts available, all such candidates are deemed automatically elected. In the event of there being more candidates than posts available, a vote is held with each member having the right to vote entitled to cast his or her vote in favour of as many candidates as there are vacant posts. Casual vacancies may be filled by the Board but the individual appointed must retire and seek election at the next Annual General Meeting.

The Board also has the power to appoint up to three Non-Member Directors who are neither members of the Society nor employees.

Following election, newly elected directors receive an induction by the person appointed as Secretary and another director. The induction includes a detailed introduction and explanation of Board proceedings and content. Key areas are explained in detail, such as Finance, Personnel, Collection, Operations and Health & Safety.

All directors serve for an initial period of three years and thereafter for no more than two further consecutive periods of three years, Directors may not be eligible for re-election or re-appointment until a period of at least two years has elapsed.

Organisational structure

Ultimate responsibility for all decisions made by the Society rests with the Board. These decisions are made on the recommendations of individual Society officers, in particular the General Manager, or the relevant standing committees which are currently Finance, Collections Management, Development, Health & Safety, Membership and Tramcar Conservation. All such officers, and committees, are accountable to the Board and report on a regular basis.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

A subsidiary company, Tramway Museum Services (R&C) Limited, traded throughout the year from premises under licence from the Society. The subsidiary is wholly owned by the Society and hence the subsidiary's board is directly accountable to the Board of the Society.

Arrangements for setting pay and remuneration of key management personnel

A Board sub-committee chaired by the General Manager sets the pay and remuneration of key management personnel via an annual review in consultation with the recognised Trade Union.

Principal Risks and Uncertainties

The Board has identified the following four key areas of Business Risk;

- Personnel - including Board Members, employees and volunteers,
- Financial - including Visitor numbers, misappropriation and reserve policy,
- Operational - including the Tramcar fleet, accidents and regulation,
- Infrastructure - including buildings and visitor facilities, the tramway and the site.

Systems have been put in place to oversee all of these areas and these are reviewed on a regular basis. Full details are available in the "Business Risk Register" freely available to all members on request and held in electronic form on the Society's server accessible to all system users.

Objectives and activities

Objectives

The principal objectives of the Society are:

- To maintain for the benefit of the nation an operating tramway museum.
- To promote the permanent preservation of tramway vehicles and equipment, and items of general transport interest (either historic, scientific or educational) and to work as necessary with other institutions, societies and bodies, having similar aims, in any part of the world.
- To promote and further the study of and research into tramways and other forms of transport.

The objectives of the Society are interpreted through the Mission Statement which, as noted last year, are still under review as part of the Society's strategy development and against which steady progress has been made. Key objectives for the coming year include the continuing improvement to facilities at Crich, the recruitment, training and retention of more volunteers, obtaining grant funding and increasing customer numbers.

The objectives of the Society have been reviewed as part of the National Lottery Heritage Fund (NLHF) funded Transformation project, which following the adoption of the new Articles of Association is now complete.

Strategies

The Society receives no core funding and must therefore operate within its earned income, subscriptions, donations and grants. The Board has sought to continue to maximise earned income, take advantage of fiscal benefits and control costs. To contribute to the Society's sustainability the Board also continues to seek donations and grants for its development.

Principal activities

The main activities undertaken by the Society in achieving its objectives include the operation of the Museum, education, tramcar restoration and a tramway archive and research library.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

In accordance with the established accounting policies set out on pages 17 to 21 the financial results do not take account of the significant voluntary input at all levels of operation of the Museum. Whilst a financial evaluation of this input is difficult, it is estimated that the amount of voluntary input is equivalent to approximately 33 full time equivalent members of staff.

Public Benefit

When planning activities for the year the Board has considered the Charity Commission general guidance on public benefit. In particular it has considered how the planned activities will contribute towards the aims and activities they have set.

As explained in the Objectives and activities section, the Society exists to preserve items of national heritage for the nation and promote these items.

During the financial year, paying customer numbers were 60,708 (2022: 67,849) with an additional 35,755 (2022: 31,271) of free admissions. The Society offers reduced admission price for senior citizens and children as well as a family ticket to make the collection accessible to as many people as possible. Wheelchairs are freely available for less able customers and a smoothway around the Museum is available to enhance accessibility for wheelchair and pushchair users.

The preservation and demonstration of tramway vehicles are central to the Society's objectives and restoration work continued on several historic tramcars during the year.

The Society is custodian of archives relating to tramways and other forms of transport, of national and international importance, which is made freely available to members of the public wishing to carry out research.

The Society employs education staff who work closely with schools to support teachers in their delivery of several areas of the national curriculum by way of facilitating school visits and offering themed workshops.

Further information about how the Society delivers public benefit in meeting its charitable objectives is provided throughout this report.

Achievement and performance

The visitor season started uneventfully on Saturday the 12th March 2022, just prior to the start of the accounting year, and we were looking forward to the first season since 2019 without pandemic restrictions.

However, in early May we received notice of a visit by the Office of Rail and Road (The ORR) our regulator, which took place on the 17th May 2022. We understand that this followed a notification by a 'whistle-blower'. The same afternoon ORR served the Society with two prohibition notices for areas of our overhead line infrastructure. Whilst one notice was resolved very quickly, a notice relating to the depot fan area prevented us from taking the tramcars in and out of the depots until the situation was fully resolved.

This was particularly frustrating as the Society had carried out as much maintenance as permitted during the Pandemic years and we were working in partnership with professional organisation 'Pod-Trak' to expedite the work further, with a full plan in place for both immediate work and further work for the winter of 2022/23.

At this point, as we were already contractually committed to the planned Seaside event, we opened to the public without operational tramcars. It quickly became evident that this was not financially viable over an extended period. The decision was taken to close the Museum to the public immediately following the end of the event. Whilst saving some expenditure on seasonal employees this inevitably still had a serious and fundamental impact on income as many of our other expenses remained.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

To mitigate some of the maintenance expenses the Museum instigated a 'sponsor a traction pole' appeal which allowed sponsors to 'adopt' a traction pole and to have their name stencilled on it if they wished. Around £35,000 has been raised including gift aid. We were also extremely grateful to NET Nottingham for the donation of the Traction poles that enabled the immediate work to be completed.

Following the completion of the essential work on the depot fan area the Museum re-opened to the public with operational tramcars on 2nd July 2022. There had been an amount of publicity relating to the situation in the local press and we were surprised by the level of good will shown by the public when they returned.

There were a number of additional areas that the ORR highlighted in their report which have been or will be imminently addressed. Overall the Museum is now a safer place for everyone.

There were a number of further positives during the year:

The Museum maintained its consistently high score in the Visit England Quality Assurance Award.

Work continued on both LCC1 and Newcastle 102 and both are now expected to be launched fully in the foreseeable future.

Financial review

The main source of income continues to be the paying customers of the Museum. Total customer income combining admissions, retail and catering takings was £1,378,000 (2022: £1,428,000).

In the calendar year paying customers were 60,708, down 7,141 on the previous year. On a calendar basis, the Museum received 62,023 paying customers compared to 63,813 in 2021. Unrestricted donations and membership subscriptions provided a further £447,000 towards the Society's general funds. After costs of generating funds of £490,000 and charity governance costs of £17,000, the net unrestricted incoming resources available for charitable activities was £1,318,000. Of this amount £757,000 was used for Museum operation including admission expenses, workshop and other tramway costs, exhibitions and education. A further £588,000 was spent on the Museum site itself including infrastructure costs, publicity and promotion, and Society membership expenses. £132,000 was used to fund collection and curatorial activities.

Following the requirements of Financial Reporting Standard 102 (FRS 102) Retirement Benefits, the Society's share of the defined benefit staff pension scheme operated by Derbyshire County Council has improved from a £178,000 deficit to a £234,000 surplus. The corresponding pension asset on the balance sheet has been restricted to nil as disclosed at note 24.

Restricted income from donating bodies totalled £51,000 in the year. Restricted expenditure in the year of £128,000 included tramcar restoration £45,000, site costs £49,000 and exhibitions £21,000.

The Museum continues to operate successfully its admission scheme incorporating 12-month season tickets. This has allowed the Museum to reclaim £72,000 of Gift Aid in the year (2022 : £74,000).

The membership of the Society at 31 March 2022 was 1,675, including non-voting members and family members; this reflects an decrease of 199 during the year.

Reserves policies

At 31 March 2023 the level of free reserves after the pension deficit was £1,864,000 (see note 20) including the designated fund. The Business Interruption Contingency Fund created to meet potential costs arising due to a significant downturn in customer numbers has reduced to £200,000, and the Replacement Cafe fund has been set up with the proceeds of the sale of Field Cottage of £274,638 and the Richard Clarke legacy of £563,891. Remaining free reserves after these designated funds were £825,000.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The level of free reserves should cover four months revenue expenditure. Taking account of the need to fund the Museum over the winter months and given the significant impact that an unforeseen event could have upon the future of the Museum, these free reserves are sufficient at present to provide this cover.

Plans for the future

Work will be continued on improving our overhead line infrastructure and in this regard it is planned to acquire a mobile working at height elevated platform or MEWP during 2023/2024 to assist with our maintenance programmes and make the work more cost effective. Alongside this we wish to become more self-sufficient going forward, with staff and volunteers undertaking competence training and assessment to carry out the required work in-house.

Improvement work will be undertaken on the historical Bowes Lyon Bridge as soon as possible, repairing the metal structures and paintwork.

An area of vulnerability for the Museum is disability access. It is intended to develop a second accessible Tram for public use in the near future. This will facilitate a more reliable authentic Tramcar experience for our less able visitors.

A Changing Places facility will be installed as soon as a suitable location is identified.

Replacement of the café building and associated development of an access building connecting both the Red Lion public house and the café is a key priority. This will enable the removal of the temporary ramp structures and give improved accessibility for our visitors. Tendering is in process and commencement of demolition is expected for November 2023, with the new construction planned to be complete by May 2024.

Longer term it is planned to develop the Great Exhibition Hall into a more environmentally sustainable space and provide improved storage for our Tramcars in depots 5 and 6.

Directors' responsibilities

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the Society and its subsidiary company (the Group) and of the income and expenditure of the Group for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

In so far as the Board is, individually, aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

It is the view of the Board of Directors that it is appropriate to adopt the Going Concern basis in producing these financial statements. The Directors have reached this conclusion having reviewed financial forecasts which pay due regard to the financial risks posed by the short term closure of the Museum in June 2022, necessary to carry out work to the overhead line, as well as the broader economic context of cost of living pressures.

Freehold land and buildings

The freehold land and buildings are carried in the Balance Sheet at cost and exclude the value of substantial amounts of unpaid labour, part volunteer, part Government Employment Support Schemes, not funded by the Society. The reinstatement value for insurance purposes of the buildings is about £6,000,000 in excess of the book value. Due to the historical nature of some of the buildings, and the specialised nature of the Museum complex and its unusual location, the Board does not feel able to place a market value on the property.

Auditor

Bates Weston Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Directors and signed on their behalf by:

KR Rigg
Chairman
Date: 2 September 2023

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY

Opinion

We have audited the financial statements of The Tramway Museum Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the Strategic report.

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

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

Responsibilities of Directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

8 September 2023

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds - Revenue 2023 £	Restricted funds - Capital 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and legacies	4	439,126	51,045	-	490,171	446,300
Charitable activities	5	917,584	-	-	917,584	964,016
Other trading activities	6	464,576	-	-	464,576	469,356
Investments		4,083	40	-	4,123	(158)
Total income		1,825,369	51,085	-	1,876,454	1,879,514
Expenditure on:						
Raising funds	7	489,742	-	-	489,742	445,787
Charitable activities	8,9	1,494,695	52,267	76,089	1,623,051	1,583,198
Total expenditure		1,984,437	52,267	76,089	2,112,793	2,028,985
		(159,068)	(1,182)	(76,089)	(236,339)	(149,471)
Net expenditure						
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	24	191,000	-	-	191,000	174,000
Net movement in funds		31,932	(1,182)	(76,089)	(45,339)	24,529
Reconciliation of funds:						
Total funds brought forward		2,924,127	1,021,413	2,017,714	5,963,254	5,938,725
Net movement in funds		31,932	(1,182)	(76,089)	(45,339)	24,529
Total funds carried forward		2,956,059	1,020,231	1,941,625	5,917,915	5,963,254

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 42 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	3,033,760	3,201,616
		<u>3,033,760</u>	<u>3,201,616</u>
Current assets			
Stocks	15	88,602	90,574
Debtors	16	436,071	158,318
Cash at bank and in hand		2,576,331	2,910,649
		<u>3,101,004</u>	<u>3,159,541</u>
Creditors: amounts falling due within one year	17	(216,849)	(219,903)
Net current assets		<u>2,884,155</u>	<u>2,939,638</u>
Total assets less current liabilities		<u>5,917,915</u>	<u>6,141,254</u>
Net assets excluding pension liability		<u>5,917,915</u>	<u>6,141,254</u>
Defined benefit pension scheme liability	24	-	(178,000)
Total net assets		<u><u>5,917,915</u></u>	<u><u>5,963,254</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,020,231	1,021,413
Restricted funds - Capital	18	1,941,625	2,017,714
Total restricted funds	18	<u>2,961,856</u>	<u>3,039,127</u>
Unrestricted funds			
Unrestricted funds excluding pension reserve	18	2,956,059	3,102,127
Pension reserve	18	-	(178,000)
Total unrestricted funds	18	<u>2,956,059</u>	<u>2,924,127</u>
Total funds		<u><u>5,917,915</u></u>	<u><u>5,963,254</u></u>

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 2 September 2023

The notes on pages 17 to 42 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	3,033,760	3,201,616
Investments	14	2	2
		<u>3,033,762</u>	<u>3,201,618</u>
Current assets			
Stocks	15	56,665	56,665
Debtors	16	1,137,025	600,846
Cash at bank and in hand		1,835,121	2,391,514
		<u>3,028,811</u>	<u>3,049,025</u>
Creditors: amounts falling due within one year	17	(198,667)	(194,927)
Net current assets		<u>2,830,144</u>	<u>2,854,098</u>
Total assets less current liabilities		<u>5,863,906</u>	<u>6,055,716</u>
Net assets excluding pension liability		<u>5,863,906</u>	<u>6,055,716</u>
Defined benefit pension scheme liability	24	-	(178,000)
Total net assets		<u><u>5,863,906</u></u>	<u><u>5,877,716</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,020,231	1,021,413
Restricted funds - Capital	18	1,941,625	2,017,714
Total restricted funds	18	2,961,856	3,039,127
Unrestricted funds			
Unrestricted funds excluding pension reserve	18	2,902,050	3,016,589
Pension reserve	18	-	(178,000)
Total unrestricted funds	18	2,902,050	2,838,589
Total funds		5,863,906	5,877,716

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 2 September 2023

The notes on pages 17 to 42 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash provided by operating activities	(289,465)	337,048
Cash flows from investing activities		
Purchase of tangible fixed assets	(44,853)	(35,760)
Net cash used in investing activities	(44,853)	(35,760)
Change in cash and cash equivalents in the year	(334,318)	301,288
Cash and cash equivalents at the beginning of the year	2,910,649	2,609,361
Cash and cash equivalents at the end of the year	2,576,331	2,910,649

The notes on pages 17 to 42 form part of these financial statements

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

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

The Tramway Museum Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Society is able to continue to cater for significant customer levels and to support the exhibits only as a result of the activities disclosed in the accounts, combined with a major and unrecorded input of voluntary labour from its members.

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies

2.1 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably, that being when the charity has been notified of the amounts and the settlement date in writing.

Donations and grants are credited to the Statement of Financial Activities (SOFA) as they become due.

Annual subscriptions are apportioned to calendar years and include the income tax reclaimable in respect of those under gift aid. Subscriptions for life membership are credited in full in the years of receipt. Although this is not in accordance with the recommendations of the SORP, the number of life members is small and the Board considers any amortisation of the life membership income would not be material to the figures.

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Turnover from shop, food and drink sales is recognised at the date of supply.

Several independent organisations exist for the purpose of generating resources to be used on behalf of the Society. The activities of these organisations are recorded in these accounts only to the extent of cash received from them by the Society.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Directors' Report.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.2 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Expenditure includes any VAT which cannot be fully recovered and is included within the costs of activities.

Charitable expenditure and the costs of the generating funds comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, including administration or support costs, they have been allocated to activities on a basis consistent with the use of the resource.

Support costs are those that assist the work of the Society but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Society. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The Museum uses many of its key exhibits as operating assets. Because the historic value of the tramcars is the prime justification for the Museum's existence, the workshop expenditure on them is at a much higher level than would be needed if purely commercial considerations applied.

All workshop costs are charged to tramway operation, except for those identified as tramcar restoration. The treatment of tramcar restoration is described in accounting policy 2.6.

2.3 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

2.4 Basis of consolidation

The financial statements consolidate the accounts of The Tramway Museum Society and its subsidiary undertaking.

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.5 Tangible fixed assets and depreciation

The value of fixed assets represents cash paid by the Society, and does not take into account donations in kind, or members' voluntary labour.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	- Nil
Assets in course of construction	- Nil
Buildings	- 2% or 10% on cost
Woodland Walk and Sculpture Trail	- 10% on cost
Permanent exhibition	- 10% on cost
Permanent way and overhead	- 10% on cost
Plant and equipment, including temporary buildings dependent on the anticipated life of the asset	- 10%, 20% or 33.3% on cost
IT equipment	- 33.3% on cost
Motor vehicles	- 25% on cost

2.6 Heritage assets

The Society maintains 75 tramcars and associated artefacts in support of its objective to protect these historic vehicles for the benefit of future generations. The Directors consider that owing to the unique nature of the collection and the absence of an open market for these items, conventional valuation approaches lack sufficient reliability and costs of any valuations obtained would be excessive compared with the additional benefits derived by the Society and users of the accounts. As a result, no value has been reported for these assets in the Society's Balance Sheet.

Expenditure on major restoration

The costs of associated major repairs of tramcars is reported in the SOFA in the year they are incurred. Tramcar restoration is defined as work done on a major element of each tramcar (body, electrical, mechanical) to make it operable, or, if body only, exhibitable, for ten years. The cost of remedying defects coming to light within two years of the tramcar leaving the workshop is also charged to tramcar restoration. Although of a capital nature, the cost of tramcar restoration is written off each year to the SOFA.

2.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Stocks

Stocks represent goods for resale and rail for future use and are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost is based on the latest purchase invoice value.

Rail stock is to be used on future projects and repair work.

THE TRAMWAY MUSEUM SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Taxation

The Society is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The subsidiary pays all taxable profits arising in a reporting period to the Society under the gift aid scheme.

At the reporting date there was no legal obligation in place for the subsidiary to make this gift aid payment, although prior to the reporting date the subsidiary's board had indicated its intention to pay the taxable profits to the Society in respect of the reporting period. The payment is expected to be made within 9 months of the end of the reporting date.

The accounting policy for gift aid payments results in the subsidiary recognising a taxation charge on its profits for the year. However, the application of the exception under paragraph 29.14A of FRS 102 provides relief in respect of the accounting for the tax charge. This results in an overall £nil charge for tax in the SOFA. This exception is only applicable as it is probable that the gift aid payment will be made by the subsidiary to the Society within 9 months of the reporting date.

2.10 Pensions

The Society participates in the Derbyshire County Council local government pension scheme which is a defined benefit plan. Under defined benefit plans, the employer's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the employer. The Society recognises a liability for its obligations under the defined benefit plan net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Society also operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to these financial statements, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Legacy income is only recognised where entitlement has been established, there is probability of receipt and the amount recoverable can be estimated with sufficient accuracy. The position on each legacy is reviewed following receipt of correspondence from the executors, which substantially determines whether the income recognition criteria has been satisfied.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds - Revenue 2023 £	Total funds 2023 £	Total funds 2022 £
Government grants				
Coronavirus Job Retention Scheme	-	-	-	-
Amber Valley Borough Council	-	-	-	24,000
ACE grant	-	-	-	204,746
	-	-	-	228,746
Donations and legacies	381,521	51,045	432,566	155,793
Members' subscriptions	39,665	-	39,665	47,704
Grants	-	-	-	10,000
Sundry receipts	17,940	-	17,940	4,057
	439,126	51,045	490,171	217,554
	439,126	51,045	490,171	446,300
<i>Total 2022</i>	<i>303,801</i>	<i>142,499</i>	<i>446,300</i>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Admission	913,803	913,803	958,671
Education	2,579	2,579	2,271
Library income	1,202	1,202	3,074
	917,584	917,584	964,016
<i>Total 2022</i>	<i>964,016</i>	<i>964,016</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Retail	187,433	187,433	194,811
Catering	277,143	277,143	274,545
	464,576	464,576	469,356
<i>Total 2022</i>	469,356	469,356	

7. Expenditure on raising funds

	2023 £	<i>2022 £</i>
Retail costs	163,308	149,804
Catering costs	282,927	246,793
Fundraising costs	2,137	9,204
Administration	41,370	39,986
	489,742	445,787

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Admission and customer costs	770,413	21,472	791,885	783,763
Collections and research	131,570	66,896	198,466	263,853
Museum costs	592,712	39,988	632,700	535,582
	<u>1,494,695</u>	<u>128,356</u>	<u>1,623,051</u>	<u>1,583,198</u>
<i>Total 2022</i>	<u><u>1,367,548</u></u>	<u><u>215,650</u></u>	<u><u>1,583,198</u></u>	

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Admission and customer costs	383,002	94,068	314,815	791,885	783,763
Collections and research	59,021	29,325	110,120	198,466	263,853
Museum costs	245,299	80,120	307,281	632,700	535,582
	<u>687,322</u>	<u>203,513</u>	<u>732,216</u>	<u>1,623,051</u>	<u>1,583,198</u>
<i>Total 2022</i>	<u><u>683,815</u></u>	<u><u>249,238</u></u>	<u><u>650,145</u></u>	<u><u>1,583,198</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Admission and customer costs	728,059	63,826	791,885	783,763
Collections and research	174,747	23,719	198,466	263,853
Museum costs	580,314	52,386	632,700	535,582
	<u>1,483,120</u>	<u>139,931</u>	<u>1,623,051</u>	<u>1,583,198</u>
<i>Total 2022</i>	<u><u>1,455,470</u></u>	<u><u>127,728</u></u>	<u><u>1,583,198</u></u>	

10. Auditors remuneration

The auditors' remuneration amounts to an auditor fee of £5,600 (2022 - £5,200), and accountancy and taxation work of £3,000 (2022 - £3,600).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £NIL were reimbursed or paid directly to Directors (2022 - £NIL to Director).

In addition the Directors have personally incurred expenses which they have not reclaimed from the Society.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	789,719	778,092	789,719	778,092
Social security costs	64,967	55,323	64,967	55,323
Pension costs	39,415	42,232	39,415	42,232
	894,101	875,647	894,101	875,647

The average number of persons employed by the Society during the year was as follows:

	Group 2023 No.	<i>Group 2022 No.</i>	Charity 2023 No.	<i>Charity 2022 No.</i>
Finance and administration	4	5	4	5
Sales outlets	16	12	16	12
Others	24	22	24	22
	44	39	44	39

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration received by key management personnel is £58,241 (2022: £56,918). The Society considers its key management personnel comprise those who are making day-to-day delegated executive decisions.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

Group and Charity

Included in cost of land and buildings is freehold land of £64,897 (2022: £64,897) which is not depreciated. For insurance purposes, tramcars are assessed at sums determined by the Board. Tramcars awaiting restoration are insured at a nominal £1,000 each plus inflation and other tramcars at higher figures based on the amounts spent on restoration, these figures being adjusted for inflation from time to time.

	Freehold property £	Permanent exhibition £	Permanent way and overhead £	Plant and machinery £	Computer equipment £	Total £
Cost						
At 1 April 2022	4,520,608	1,482,712	1,066,171	780,691	187,147	8,037,329
Additions	-	-	21,700	23,153	-	44,853
At 31 March 2023	4,520,608	1,482,712	1,087,871	803,844	187,147	8,082,182
Depreciation						
At 1 April 2022	1,782,044	1,384,072	797,614	692,768	179,215	4,835,713
Charge for the year	101,812	19,934	56,331	30,725	3,907	212,709
At 31 March 2023	1,883,856	1,404,006	853,945	723,493	183,122	5,048,422
Net book value						
At 31 March 2023	2,636,752	78,706	233,926	80,351	4,025	3,033,760
At 31 March 2022	2,738,564	98,640	268,557	87,923	7,932	3,201,616

Heritage assets not recognised in the balance sheet

The Society maintains 75 tramcars and associated artefacts which were acquired over a period of time. Other tramway-related artefacts are also held by the Society. Restoration work is carried out in order to bring the tramcars into a display condition and once they have reached this condition they are maintained in a state of good repair.

Acquisition, disposal, preservation and management

The acquisition, disposal, preservation and management of the Society's collection are governed in accordance with the Museum's Acquisition, Disposal and Conservation policies. Collection records are maintained in accordance with the Museum standards laid out in the Museum Documentation Association's "SPECTRUM" guidelines.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets (continued)

Access to the Society's collections is available during advertised Museum opening times and by pre-arranged appointment. The Society's policies and procedures were overseen and approved by the Museums, Libraries and Archives Council accreditation scheme. The Society has achieved full Accredited status.

14. Fixed asset investments

	Investments in subsidiary companies £
Society	
Cost	
At 1 April 2022	2
At 31 March 2023	<u>2</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Tramway Museum Services (R&C) Limited	06058747	Crich Tramway Village, Crich, Matlock, Derbyshire, DE4 5DP	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Tramway Museum Services (R&C) Limited	464,576	(410,567)	54,009	54,011

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Stocks

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Goods for resale	31,937	33,909	-	-
Permanent way	56,665	56,665	56,665	56,665
	88,602	90,574	56,665	56,665

16. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Amounts owed by group undertakings	-	-	700,954	442,528
Other debtors	304,645	70,011	304,645	70,011
Prepayments and accrued income	122,785	81,824	122,785	81,824
Tax recoverable	8,641	6,483	8,641	6,483
	436,071	158,318	1,137,025	600,846

17. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	153,345	158,440	135,163	133,464
Accruals and deferred income	63,504	61,463	63,504	61,463
	216,849	219,903	198,667	194,927
	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred income brought forward	35,093	31,768	35,093	31,768
Resources deferred during the year	33,234	35,093	33,234	35,093
Amounts released from previous periods	(35,093)	(31,768)	(35,093)	(31,768)
	33,234	35,093	33,234	35,093

Deferred income relates to advance subscriptions and prepaid tickets.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	520,000	-	-	(120,000)	-	400,000
New Cafe Fund (xiv)	828,694	-	-	9,835	-	838,529
Mobile Elevating Work Platform (MEWP) Fund (xv)	-	-	-	100,000	-	100,000
	<u>1,348,694</u>	<u>-</u>	<u>-</u>	<u>(10,165)</u>	<u>-</u>	<u>1,338,529</u>
General funds						
General funds	1,753,433	1,825,369	(1,971,437)	10,165	-	1,617,530
Pension reserve	(178,000)	-	(13,000)	-	191,000	-
	<u>1,575,433</u>	<u>1,825,369</u>	<u>(1,984,437)</u>	<u>10,165</u>	<u>191,000</u>	<u>1,617,530</u>
Total Unrestricted funds	<u>2,924,127</u>	<u>1,825,369</u>	<u>(1,984,437)</u>	<u>-</u>	<u>191,000</u>	<u>2,956,059</u>
Restricted funds - Revenue						
Cabmen's Shelter	9,620	-	(7,327)	-	-	2,293
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	29,875	3,353	-	-	-	33,228
Disabled Access	15,599	-	-	-	-	15,599

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	213,236	-	(550)	-	-	212,686
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,861	-	-	-	-	19,861
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	25,728	(25,728)	-	-	-
Cadisch - Tramcar acquisition and restoration	90,000	-	-	-	-	90,000
Blackpool 298	-	2,491	(2,491)	-	-	-
Newcastle 102	-	16,171	(16,171)	-	-	-
Other restricted funds under £5k	20,742	3,342	-	-	-	24,084
	1,021,413	51,085	(52,267)	-	-	1,020,231
Restricted funds - Capital						
Barnsley Bus No. 5	45,500	-	(6,500)	-	-	39,000
Clay Cross Extension (i)	29,731	-	(1,004)	-	-	28,727
Workshop Extension (ii)	181,131	-	(5,898)	-	-	175,233

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Library Extension (iii)	655,503	-	(20,952)	-	-	634,551
Stone Workshop (iv)	750,314	-	(19,140)	-	-	731,174
Depot Improvements (xii)	177,878	-	(3,952)	-	-	173,926
Victoria Park (v)	71,668	-	(1,837)	-	-	69,831
Woodland Walk/ Wakebridge	52,304	-	(8,152)	-	-	44,152
Holroyd Smith Exhibition	46,615	-	(7,645)	-	-	38,970
Bandstand Trackwork	7,070	-	(1,009)	-	-	6,061
	<u>2,017,714</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>1,941,625</u>
Total Restricted funds	<u>3,039,127</u>	<u>51,085</u>	<u>(128,356)</u>	<u>-</u>	<u>-</u>	<u>2,961,856</u>
Total of funds	<u><u>5,963,254</u></u>	<u><u>1,876,454</u></u>	<u><u>(2,112,793)</u></u>	<u><u>-</u></u>	<u><u>191,000</u></u>	<u><u>5,917,915</u></u>

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	545,000	-	-	(25,000)	-	520,000

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
New Cafe Fund (xiv)	818,694	10,000	-	-	-	828,694
Mobile Elevating Work Platform (MEWP) Fund (xv)	-	-	-	-	-	-
	<u>1,363,694</u>	<u>10,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>1,348,694</u>
General funds						
General funds	1,796,753	1,727,015	(1,795,335)	25,000	-	1,753,433
Pension reserve	(334,000)	-	(18,000)	-	174,000	(178,000)
	<u>1,462,753</u>	<u>1,727,015</u>	<u>(1,813,335)</u>	<u>25,000</u>	<u>174,000</u>	<u>1,575,433</u>
Total Unrestricted funds	<u>2,826,447</u>	<u>1,737,015</u>	<u>(1,813,335)</u>	<u>-</u>	<u>174,000</u>	<u>2,924,127</u>
Restricted funds - Revenue						
Cabmen's Shelter	13,562	-	(3,942)	-	-	9,620
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	25,885	3,990	-	-	-	29,875
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	213,236	-	-	-	-	213,236

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,211	-	-	-	-	19,211
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/ Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	15,498	(15,498)	-	-	-
Cadisch - Tramcar acquisition and restoration	90,000	-	-	-	-	90,000
Blackpool 298	-	106,084	(106,084)	-	-	-
Newcastle 102	-	14,037	(14,037)	-	-	-
Other restricted funds under £5k	18,502	2,890	-	-	-	21,392
	<u>1,018,475</u>	<u>142,499</u>	<u>(139,561)</u>	<u>-</u>	<u>-</u>	<u>1,021,413</u>

Restricted funds - Capital

Barnsley Bus No. 5	52,000	-	(6,500)	-	-	45,500
Clay Cross Extension (i)	30,735	-	(1,004)	-	-	29,731
Workshop Extension (ii)	187,029	-	(5,898)	-	-	181,131
Library Extension (iii)	676,455	-	(20,952)	-	-	655,503
Stone Workshop (iv)	769,454	-	(19,140)	-	-	750,314
Depot Improvements (xii)	181,830	-	(3,952)	-	-	177,878

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Victoria Park (v)	73,505	-	(1,837)	-	-	71,668
Woodland Walk/ Wakebridge	60,456	-	(8,152)	-	-	52,304
Holroyd Smith Exhibition	54,260	-	(7,645)	-	-	46,615
Bandstand Trackwork	8,079	-	(1,009)	-	-	7,070
	<u>2,093,803</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>2,017,714</u>
Total Restricted funds	<u>3,112,278</u>	<u>142,499</u>	<u>(215,650)</u>	<u>-</u>	<u>-</u>	<u>3,039,127</u>
Total of funds	<u><u>5,938,725</u></u>	<u><u>1,879,514</u></u>	<u><u>(2,028,985)</u></u>	<u><u>-</u></u>	<u><u>174,000</u></u>	<u><u>5,963,254</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Statement of funds (continued)

Each restricted fund has sufficient resources to enable the fund to be applied in accordance with the restrictions imposed. A summary of the nature and purpose of each of the more significant funds is set out below.

Restricted Funds

- (i) Grant received from the Heritage Lottery Fund for the extension of the existing store at Clay Cross.
- (ii) Grants received from the Heritage Lottery Fund and Museums, Libraries and Archives Council (MLA) for the construction of an extension to the tramcar workshop facility, incorporating a new public viewing gallery and exhibition.
- (iii) Grants received from the Heritage Lottery Fund and MLA for the extension of the library.
- (iv) Grants received from the Heritage Lottery Fund for the restoration of the Stone Workshop.
- (v) The development of the Victoria Park area funded by individual donations and a transfer from the Subscriber Plus Fund.
- (vi) Donations received from members towards a variety of small revenue tramway related projects.
- (vii) Legacy received towards the re-creation of a Manchester bogie car.
- (viii) Legacy received towards the restoration of Sheffield tramcars in the collection.
- (ix) Donation received for the restoration and conservation of PCC cars.
- (x) Donations received for the restoration and conservation of LCC 1.
- (xi) Legacy received for restoration or heavy repairs of electric tramcars.
- (xii) Legacy received for extensions and improvements to tramcar accommodation and exhibitions.

Designated Funds

- (xiii) Fund designated to meet potential costs arising due to a downturn in visitor numbers.
- (xiv) Fund designated to build new catering facilities.
- (xv) Fund designated for a mobile self-powered platform to be used to carry out repairs and maintenance to the overhead line.

Transfers

The transfers reflect the reduction in the Business Interruption Fund and the creation of the MEWP Fund.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	1,348,694	-	-	(10,165)	-	1,338,529
General funds	1,575,433	1,825,369	(1,984,437)	10,165	191,000	1,617,530
Restricted funds - Revenue	1,021,413	51,085	(52,267)	-	-	1,020,231
Restricted funds - Capital	2,017,714	-	(76,089)	-	-	1,941,625
	<u>5,963,254</u>	<u>1,876,454</u>	<u>(2,112,793)</u>	<u>-</u>	<u>191,000</u>	<u>5,917,915</u>

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	1,363,694	10,000	-	(25,000)	-	1,348,694
General funds	1,462,753	1,727,015	(1,813,335)	25,000	174,000	1,575,433
Restricted funds - Revenue	1,018,475	142,499	(139,561)	-	-	1,021,413
Restricted funds - Capital	2,093,803	-	(76,089)	-	-	2,017,714
	<u>5,938,725</u>	<u>1,879,514</u>	<u>(2,028,985)</u>	<u>-</u>	<u>174,000</u>	<u>5,963,254</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds - Revenue 2023 £	Restricted funds - Capital 2023 £	Total funds 2023 £
Tangible fixed assets	1,092,135	-	1,941,625	3,033,760
Current assets	2,080,773	1,020,231	-	3,101,004
Creditors due within one year	(216,849)	-	-	(216,849)
Total	2,956,059	1,020,231	1,941,625	5,917,915

Free reserves equal £2,956,059 minus £1,092,135 = £1,863,924

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds - Revenue 2022 £	Restricted funds - Capital 2022 £	Total funds 2022 £
Tangible fixed assets	1,183,902	-	2,017,714	3,201,616
Current assets	2,138,128	1,021,413	-	3,159,541
Creditors due within one year	(219,903)	-	-	(219,903)
Provisions for liabilities and charges	(178,000)	-	-	(178,000)
Total	2,924,127	1,021,413	2,017,714	5,963,254

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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

	Group 2023 £	<i>Group 2022 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(236,339)	<i>(149,471)</i>
Adjustments for:		
Depreciation charges	212,709	<i>257,477</i>
Decrease/(increase) in stocks	1,972	<i>(16,161)</i>
Decrease/(increase) in debtors	(277,753)	<i>115,297</i>
Increase/(decrease) in creditors	(3,054)	<i>111,906</i>
Defined benefit pension movement	13,000	<i>18,000</i>
Net cash provided by/(used in) operating activities	(289,465)	<i>337,048</i>

22. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	2,576,331	<i>2,910,649</i>
Total cash and cash equivalents	2,576,331	<i>2,910,649</i>

23. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	2,910,649	(334,318)	2,576,331
	2,910,649	(334,318)	2,576,331

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. Pension commitments

The Society participates in the Derbyshire County Council Pension Scheme, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended).

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The employer's contribution rate was 8.8% of pensionable pay with an employee's contribution rate of 5.9% or 6.5% of pensionable pay.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2023 %	<i>At 31 March 2022 %</i>
Discount rate	4.75	2.70
Future salary increases	4.00	3.90
Future pension increases	3.00	3.20

	At 31 March 2023 Years	<i>At 31 March 2022 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	21.0	21.1
- at 65 for a male aged 45 now	21.8	22.2
- for a female aged 65 now	24.0	23.8
- at 65 for a female aged 45 now	25.5	25.6

Sensitivity analysis

	At 31 March 2023 £	<i>At 31 March 2022 £</i>
Discount rate -0.1%	18,000	29,000

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. Pension commitments (continued)

The Group's share of the assets in the scheme was:

	At 31 March 2023 £	<i>At 31 March 2022 £</i>
Equities	834,240	<i>855,000</i>
Corporate bonds	278,080	<i>272,000</i>
Property	101,120	<i>104,000</i>
Cash and other liquid assets	50,560	<i>65,000</i>
Total fair value of assets	<u>1,264,000</u>	<i><u>1,296,000</u></i>

The actual return on scheme assets was -3.2% (2021 - 7.1%).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2023 £	<i>2022 £</i>
Current service cost	(25,000)	<i>(27,000)</i>
Interest income	34,000	<i>24,000</i>
Interest cost	(39,000)	<i>(31,000)</i>
Total amount recognised in the Consolidated statement of financial activities	<u>(30,000)</u>	<i><u>(34,000)</u></i>

Movements in the present value of the defined benefit obligation were as follows:

	2023 £	<i>2022 £</i>
Opening defined benefit obligation	1,474,000	<i>1,557,000</i>
Interest cost	39,000	<i>31,000</i>
Contributions by scheme participants	3,000	<i>3,000</i>
Actuarial gains	(458,000)	<i>(112,000)</i>
Benefits paid	(58,000)	<i>(32,000)</i>
Current service cost	25,000	<i>27,000</i>
Closing defined benefit obligation	<u>1,025,000</u>	<i><u>1,474,000</u></i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Pension commitments (continued)

Movements in the fair value of the Group's share of scheme assets were as follows:

	2023 £	2022 £
Opening fair value of scheme assets	1,296,000	1,223,000
Expected return on assets	34,000	24,000
Actuarial (losses)/gains	(267,000)	62,000
Contributions by employer	17,000	16,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(58,000)	(32,000)
Closing fair value of scheme assets	1,025,000	1,296,000

The current actuarial assumptions and movements have been disclosed above. The corresponding FRS 102 actuarial report recognises a net asset of £239,000. However, the asset has been restricted to £nil on the balance sheet at 31 March 2023 as there is no entitlement or expectation of receipt.

The group expects to contribute £17,000 to its defined benefit pension scheme in 2023.

25. Share Capital

The Society is a charitable company limited by guarantee and has no share capital. Each member undertakes to contribute a maximum of £1 to the assets of the Society, in the event of a winding up.

26. Related party transactions

M C Wright is on the board of trustees of the Tramcar Sponsorship Organisation. During the year ended 31 March 2023 the Society received a grant of £Nil (2022: £3,938) from the organisation for the restoration of Newcastle 102.

27. Controlling party

The Society has no single controlling party.

Accounts

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE TRAMWAY MUSEUM SOCIETY
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THE TRAMWAY MUSEUM SOCIETY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Patron	HRH The Duke of Gloucester, KG, GCVO
President	I Ross, BSc, CEng, FIET, FIMechE
Vice-Presidents	GB Claydon, CB, LLB, M Inst. TA, CMILT DJH Senior, OBE, MA MC Crabtree IEng, MIET C Heaton
Directors	KR Rigg, ACIB, Chairman DP Webb, Vice Chairman PM Benham, FCILT (appointed 11 September 2021) ² JA Blythe, BA, MSc, MCIHT (appointed 27 November 2021) DA Frodsham DJ Heeley, M.Eng (hons), C.Eng, MIET, MIRSE P Milton (appointed 11 September 2021) ² AM Pendleton ID Pleace, FCA, MSc, BSc(Econ) J Roberts (appointed 11 September 2021) ² AJ Willis LM Wright, RN, OHNC (resigned 27 November 2021) MC Wright, BSc, C Eng, MI Chem E, CMILT
	² Non-member director
Company registered number	744229
Charity registered number	313615
Museum premises and registered office	Crich Matlock Derbyshire DE4 5DP
Arts Council England Registered Museum no.	508
Auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ
Bankers	Barclays Bank PLC Leicester

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Directors of the Board present their report and financial statements of the Society for the year ended 31 March 2022 and confirm the latter comply with the requirements of the Companies Act 2006 and the Charities SORP.

Reference and administrative information

The Society, which is registered as a charity, owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich, Derbyshire, (the Museum), which is devoted to tramways and allied interests. It is not liable to corporation tax or income tax.

The Directors of the Board (who act as directors under Company law and trustees under Charity law) are set out on page 1.

At the Annual General Meeting on 27 November 2021 Messrs JA Blythe and MC Wright, and Mrs KR Rigg were appointed to the Board as Member Directors.

Structure, governance and management

Governing document

The Society is governed by the Memorandum and Articles of Association, as last amended by Special Resolution of the Society on 26 September 2020. The Society is a company limited by guarantee and does not have any share capital.

Recruitment and training of Board Members

Voting members of the Society may stand for appointment as Member Directors to the Board. Any two voting members may propose another voting member. The individual must be 18 or over and any such proposal must be in writing and be received by the Society no later than 42 days prior to the Annual General Meeting. If the number of candidates is fewer than or equal to the number of relevant posts available, all such candidates are deemed automatically elected. In the event of there being more candidates than posts available, a vote is held with each member having the right to vote entitled to cast his or her vote in favour of as many candidates as there are vacant posts. Casual vacancies may be filled by the Board but the individual appointed must retire and seek election at the next Annual General Meeting.

The Board also has the power to appoint up to three Non-Member Directors who are neither members of the Society nor employees. PM Benham, P Milton and J Roberts were appointed on 11 September 2021.

Following election, newly elected directors receive an induction by the person appointed as Secretary and another director. The induction includes a detailed introduction and explanation of Board proceedings and content. Key areas are explained in detail, such as Finance, Personnel, Collection, Operations and Health & Safety.

All directors serve for an initial period of three years and thereafter for no more than two further consecutive periods of three years, Directors may not be eligible for re-election or re-appointment until a period of at least two years has elapsed.

Organisational structure

Ultimate responsibility for all decisions made by the Society rests with the Board. These decisions are made on the recommendations of individual Society officers, in particular the General Manager, or the relevant standing committees which are currently Finance, Collections Management, Development, Health & Safety, Membership and Tramcar Conservation. All such officers, and committees, are accountable to the Board and report on a regular basis.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

A subsidiary company, Tramway Museum Services (R&C) Limited, traded throughout the year from premises under licence from the Society. The subsidiary is wholly owned by the Society and hence the subsidiary's board is directly accountable to the Board of the Society.

Arrangements for setting pay and remuneration of key management personnel

A Board sub-committee chaired by the General Manager sets the pay and remuneration of key management personnel via an annual review in consultation with the recognised Trade Union.

Principal Risks and Uncertainties

The Board has identified the following four key areas of Business Risk;

- Personnel - including Board Members, employees and volunteers,
- Financial - including Visitor numbers, misappropriation and reserve policy,
- Operational - including the Tramcar fleet, accidents and regulation,
- Infrastructure - including buildings and visitor facilities, the tramway and the site.

Systems have been put in place to oversee all of these areas and these are reviewed on a regular basis. Full details are available in the "Business Risk Register" freely available to all members on request and held in electronic form on the Society's server accessible to all system users.

Objectives and activities

Objectives

The principal objectives of the Society are:

- To maintain for the benefit of the nation an operating tramway museum.
- To promote the permanent preservation of tramway vehicles and equipment, and items of general transport interest (either historic, scientific or educational) and to work as necessary with other institutions, societies and bodies, having similar aims, in any part of the world.
- To promote and further the study of and research into tramways and other forms of transport.

The objectives of the Society are interpreted through the Mission Statement which, as noted last year, are still under review as part of the Society's strategy development and against which steady progress has been made. Key objectives for the coming year include the continuing improvement to facilities at Crich, the recruitment, training and retention of more volunteers, obtaining grant funding and increasing customer numbers.

The objectives of the Society have been reviewed as part of the National Lottery Heritage Fund (NLHF) funded Transformation project, which following the adoption of the new Articles of Association is now complete.

Strategies

The Society receives no core funding and must therefore operate within its earned income, subscriptions, donations and grants. The Board has sought to continue to maximise earned income, take advantage of fiscal benefits and control costs. To contribute to the Society's sustainability the Board also continues to seek donations and grants for its development.

Principal activities

The main activities undertaken by the Society in achieving its objectives include the operation of the Museum, education, tramcar restoration and a tramway archive and research library.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

In accordance with the established accounting policies set out on pages 17 to 21 the financial results do not take account of the significant voluntary input at all levels of operation of the Museum. Whilst a financial evaluation of this input is difficult, it is estimated that the amount of voluntary input is equivalent to approximately 33 full time equivalent members of staff.

Public Benefit

When planning activities for the year the Board has considered the Charity Commission general guidance on public benefit. In particular it has considered how the planned activities will contribute towards the aims and activities they have set.

As explained in the Objectives and activities section, the Society exists to preserve items of national heritage for the nation and promote these items.

During the financial year, paying customer numbers were 67,849 (2021: 24,673) with an additional 31,271 (2021: 10,432) of free admissions. The Society offers reduced admission price for senior citizens and children as well as a family ticket to make the collection accessible to as many people as possible. Wheelchairs are freely available for less able customers and a smoothway around the Museum is available to enhance accessibility for wheelchair and pushchair users.

The preservation and demonstration of tramway vehicles are central to the Society's objectives and restoration work continued on several historic tramcars during the year.

The Society is custodian of archives relating to tramways and other forms of transport, of national and international importance, which is made freely available to members of the public wishing to carry out research.

The Society has full time education staff who work closely with schools to support teachers in their delivery of several areas of the national curriculum by way of facilitating school visits and offering themed workshops.

Further information about how the Society delivers public benefit in meeting its charitable objectives is provided throughout this report.

Achievement and performance

Covid19 continued to present huge challenges to the viability and sustainability of our organisation in 2021.

At the point of when we would have normally opened (13th March 2021), we were still closed due to the (technically) third National Lockdown. We prepared an operating budget for the 2021/2022 season, again paring down costs to the minimum, but making the assumption that we may well be open again by the summer. It was clear early on that it was unlikely that the Museum would be able to open before Easter and we would not be able to plan for two of our key special events, "1940s Homefront" and "Seaside" events, usually held in April and May.

We were able to open at "step 2" (outside spaces only plus trams) on the 12th April 2021. Customer numbers were low at this point but it enable us to get staff back and gain some confidence. We were then able to open inside spaces (exhibitions spaces) as well at "step 3" on the 17th May 2021 and "step 4" (the end of all restrictions such as social distancing) on the 19th July 2021, which coincided with the beginning of the summer holidays for most schools.

Despite "step 4" we retained many passive Covid19 safe measures including: screens at Admissions, R&C outlets and other areas; hand sanitizer stations; signs and banners with covid19 instructions; recommendation (but not legally enforceable) face masks on trams. In other areas we relaxed the previous measures and returned to unlimited tram rides (but not the pennies and tickets).

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

The Museum utilised the government Furlough programme to the greatest extent possible. However, by June 2021, all staff had been returned from furlough to full-time work due to the ACE, Cultural Recovery Grant (round 2) of £204,000 awarded earlier.

The ACE grant has enabled us to not only to retain our permanent employed staff team but to make special purchases (such as a new marquee and new recycling bins for the public).

Throughout 2021 we were able to maintain Charity Commission recommended levels of free reserves. We also hold reserves that have been given to us through donations and legacies for specific projects, most often tramcar restorations or large capital projects. We maintain a pension reserve as mandated by the Charity Commission.

Many project and development items that were destined to be complete in 2020 or 2021 have been suspended and have been forwarded into future years.

We ended the 2021/2022 season with having welcomed just under 100,000 customers which considering the circumstances was pretty good, even when judged again our last 'normal' year of 2019/2020 when we achieved around 144,000 visitors.

Work commenced on Blackpool 298, funded by the Tramcar Sponsorship Organisation. The new underframe was delivered from the Ffestiniog and Welsh Highland Railway and placed on the accommodation bogies from Beamish. The vehicle itself was returned from off-site storage at Clay Cross. The motors and compressor were overhauled at Dorlec and are now waiting for the wheel-sets to be extracted from the bogies so that new gears may be fitted (2 of 4 wheel sets), and possibly new main bearings depending on their condition. New motor suspension units have been cast and are awaiting work on the axles. New rubber suspension units are on order. The condition of the main wooden body frame was found to be far worse than we had been led to believe and the decision was made to rebuild from scratch rather than transfer to the new underframe. New body side timbers have been delivered although it has been possible to re-use most of the roof structure following heavy repair.

Restoration of LCC1 continued, funded by the London County Council Tramways Trust. The traction circuit and manual brake system are complete, and the car is ready for testing under power. Windows, folding door steps and a plough system, all removed at Leeds, have been recreated by the conservation workshop team, with help from members and suppliers. The upper saloon is complete, the upper deck exterior is ready for the signwriter to add adverts, and attention is turning to the remaining electrical work, the lower saloon and completing lower deck exterior paintwork.

Work continued on Newcastle 102 funded by the Tramcar Sponsorship Organisation. The restoration is nearing completion and the tramcar is currently undergoing dynamic testing and investigation into the axle boxes.

Financial review

The main source of income continues to be the paying customers of the Museum. Total customer income combining admissions, retail and catering takings was £1,428,000 (2021: £486,000).

In the financial year paying customers were 67,849, up 43,176 on the previous year. On a calendar basis, the Museum received 63,813 paying customers compared to 25,396 in 2021. Unrestricted donations and membership subscriptions provided a further £309,000 towards the Society's general funds. After costs of generating funds of £443,000 and charity governance costs of £18,000, the net unrestricted incoming resources available for charitable activities was £1,276,000. Of this amount £763,000 was used for Museum operation including admission expenses, workshop and other tramway costs, exhibitions and education. A further £486,000 was spent on the Museum site itself including infrastructure costs, publicity and promotion, and Society membership expenses. £104,000 was used to fund collection and curatorial activities.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Following the requirements of Financial Reporting Standard 102 (FRS 102) Retirement Benefits, the Society's share of the deficit on the defined benefit staff pension scheme operated by Derbyshire County Council has decreased from £334,000 to £178,000.

Restricted income from donating bodies totalled £142,000 in the year. Restricted expenditure in the year of £216,000 included tramcar restoration £136,000, site costs £40,000 and exhibitions £18,000.

The Museum continues to operate successfully its admission scheme incorporating 12-month season tickets. This has allowed the Museum to reclaim £74,000 of Gift Aid in the year (2021 : £13,000).

The membership of the Society at 31 March 2022 was 1,675, including non-voting members and family members; this reflects an decrease of 199 during the year.

Reserves policies

At 31 March 2022 the level of free reserves after the pension deficit was £1,740,000 (see note 20) including the designated fund. The Business Interruption Contingency Fund created to meet potential costs arising due to a significant downturn in customer numbers has reduced to £520,000, and the Replacement Cafe fund has been set up with the proceeds of the sale of Field Cottage of £274,638 and the Richard Clarke legacy of £544,056. Remaining free reserves after these designated funds were £401,000.

The level of free reserves should cover four months revenue expenditure. Taking account of the need to fund the Museum over the winter months and given the significant impact that an unforeseen event could have upon the future of the Museum, these free reserves are sufficient at present to provide this cover.

Plans for the future

The main project for 2022 and beyond is the replacement of the café facilities and associated access ramps which are life expired. We have started a project group with an outline 'budget' of £800,000 to look at solutions to replace the café facilities with a modern equivalent with an accompanying Access block containing a disabled access left. We are approaching the tendering phase of this project. The aspiration, which may well be challenging, is completion early 2023.

Other major intended items were major work on the Overhead Line (OHL) which, while some was destined to be completed winter 2022/2023, due to our Regulator's (The Office of Rail and Road) intervention, a major part of this was completed in late June 2022 (at a rough cost of £30k). Further traction pole replacement work is envisioned for winter 2022/2023 (roughly estimated at £65k).

The renewal of the paint work and metal structures of the Bowes-Lyon bridge is envisioned to be undertaken in winter 2022/2023, following repairs to the stone and masonry work in June 2022.

The Board of Management continues to look at the long-term sustainability of the museum and 'village' site and regularly consider strategies to do that, secure funding, and develop new audiences.

Directors' responsibilities

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Board must not approve the financial statements unless they are satisfied that they give

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

a true and fair view of the affairs of the Society and its subsidiary company (the Group) and of the income and expenditure of the Group for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board is, individually, aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

It is the view of the Board of Directors that it is appropriate to adopt the Going Concern basis in producing these financial statements. The Directors have reached this conclusion having reviewed financial forecasts which pay due regard to the financial risks posed by the short term closure of the Museum in June 2022, necessary to carry out work to the overhead line, as well as the broader economic context of cost of living pressures.

Freehold land and buildings

The freehold land and buildings are carried in the Balance Sheet at cost and exclude the value of substantial amounts of unpaid labour, part volunteer, part Government Employment Support Schemes, not funded by the Society. The reinstatement value for insurance purposes of the buildings is about £6,000,000 in excess of the book value. Due to the historical nature of some of the buildings, and the specialised nature of the Museum complex and its unusual location, the Board does not feel able to place a market value on the property.

Auditor

Bates Weston Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Approved by order of the members of the board of Directors and signed on their behalf by:

KR Rigg
Chairman
Date: 9 August 2022

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY

Opinion

We have audited the financial statements of The Tramway Museum Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the Strategic report.

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

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

Responsibilities of Directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

31 August 2022

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds - Revenue 2022 £	Restricted funds - Capital 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and legacies	4	303,801	142,499	-	446,300	945,617
Charitable activities	5	964,016	-	-	964,016	368,731
Other trading activities	6	469,356	-	-	469,356	169,105
Investments		(158)	-	-	(158)	2,244
Total income		1,737,015	142,499	-	1,879,514	1,485,697
Expenditure on:						
Raising funds	7	445,787	-	-	445,787	359,455
Charitable activities	8,9	1,367,548	139,561	76,089	1,583,198	1,283,917
Total expenditure		1,813,335	139,561	76,089	2,028,985	1,643,372
Net (expenditure)/income		(76,320)	2,938	(76,089)	(149,471)	(157,675)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	174,000	-	-	174,000	(138,000)
Net movement in funds		97,680	2,938	(76,089)	24,529	(295,675)
Reconciliation of funds:						
Total funds brought forward		2,826,447	1,018,475	2,093,803	5,938,725	6,234,400
Net movement in funds		97,680	2,938	(76,089)	24,529	(295,675)
Total funds carried forward		2,924,127	1,021,413	2,017,714	5,963,254	5,938,725

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 40 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,201,616	3,423,333
		3,201,616	3,423,333
Current assets			
Stocks	15	90,574	74,413
Debtors	16	158,318	273,615
Cash at bank and in hand		2,910,649	2,609,361
		3,159,541	2,957,389
Creditors: amounts falling due within one year	17	(219,903)	(107,997)
Net current assets		2,939,638	2,849,392
Total assets less current liabilities		6,141,254	6,272,725
Net assets excluding pension liability		6,141,254	6,272,725
Defined benefit pension scheme liability	24	(178,000)	(334,000)
Total net assets		5,963,254	5,938,725

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,021,413	1,018,475
Restricted funds - Capital	18	2,017,714	2,093,803
Total restricted funds	18	<u>3,039,127</u>	<u>3,112,278</u>
Unrestricted funds			
Unrestricted funds excluding pension reserve	18	3,102,127	3,160,447
Pension reserve	18	(178,000)	(334,000)
Total unrestricted funds	18	<u>2,924,127</u>	<u>2,826,447</u>
Total funds		<u><u>5,963,254</u></u>	<u><u>5,938,725</u></u>

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 9 August 2022

The notes on pages 17 to 40 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,201,616	3,423,333
Investments	14	2	2
		3,201,618	3,423,335
Current assets			
Stocks	15	56,665	56,665
Debtors	16	600,846	511,732
Cash at bank and in hand		2,391,514	2,394,427
		3,049,025	2,962,824
Creditors: amounts falling due within one year	17	(194,927)	(103,797)
Net current assets		2,854,098	2,859,027
Total assets less current liabilities		6,055,716	6,282,362
Net assets excluding pension liability		6,055,716	6,282,362
Defined benefit pension scheme liability	24	(178,000)	(334,000)
Total net assets		5,877,716	5,948,362

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	18	1,021,413	1,018,475
Restricted funds - Capital	18	2,017,714	2,093,803
Total restricted funds	18	3,039,127	3,112,278
Unrestricted funds			
Unrestricted funds excluding pension reserve	18	3,016,589	3,170,084
Pension reserve	18	(178,000)	(334,000)
Total unrestricted funds	18	2,838,589	2,836,084
Total funds		5,877,716	5,948,362

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 9 August 2022

The notes on pages 17 to 40 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	<i>2021</i> £
Cash flows from operating activities		
Net cash provided by operating activities	337,048	<i>465,531</i>
Cash flows from investing activities		
Purchase of tangible fixed assets	(35,760)	<i>-</i>
Net cash (used in)/provided by investing activities	(35,760)	<i>-</i>
Change in cash and cash equivalents in the year	301,288	<i>465,531</i>
Cash and cash equivalents at the beginning of the year	2,609,361	<i>2,143,830</i>
Cash and cash equivalents at the end of the year	2,910,649	<i>2,609,361</i>

The notes on pages 17 to 40 form part of these financial statements

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

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

The Tramway Museum Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Society is able to continue to cater for significant customer levels and to support the exhibits only as a result of the activities disclosed in the accounts, combined with a major and unrecorded input of voluntary labour from its members.

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies

2.1 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably, that being when the charity has been notified of the amounts and the settlement date in writing.

Donations and grants are credited to the Statement of Financial Activities (SOFA) as they become due.

Annual subscriptions are apportioned to calendar years and include the income tax reclaimable in respect of those under gift aid. Subscriptions for life membership are credited in full in the years of receipt. Although this is not in accordance with the recommendations of the SORP, the number of life members is small and the Board considers any amortisation of the life membership income would not be material to the figures.

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Turnover from shop, food and drink sales is recognised at the date of supply.

Several independent organisations exist for the purpose of generating resources to be used on behalf of the Society. The activities of these organisations are recorded in these accounts only to the extent of cash received from them by the Society.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Directors' Report.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.2 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Expenditure includes any VAT which cannot be fully recovered and is included within the costs of activities.

Charitable expenditure and the costs of the generating funds comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, including administration or support costs, they have been allocated to activities on a basis consistent with the use of the resource.

Support costs are those that assist the work of the Society but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Society. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The Museum uses many of its key exhibits as operating assets. Because the historic value of the tramcars is the prime justification for the Museum's existence, the workshop expenditure on them is at a much higher level than would be needed if purely commercial considerations applied.

All workshop costs are charged to tramway operation, except for those identified as tramcar restoration. The treatment of tramcar restoration is described in accounting policy 2.6.

2.3 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

2.4 Basis of consolidation

The financial statements consolidate the accounts of The Tramway Museum Society and its subsidiary undertaking.

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.5 Tangible fixed assets and depreciation

The value of fixed assets represents cash paid by the Society, and does not take into account donations in kind, or members' voluntary labour.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	- Nil
Assets in course of construction	- Nil
Buildings	- 2% or 10% on cost
Woodland Walk and Sculpture Trail	- 10% on cost
Permanent exhibition	- 10% on cost
Permanent way and overhead	- 10% on cost
Plant and equipment, including temporary buildings dependent on the anticipated life of the asset	- 10%, 20% or 33.3% on cost
IT equipment	- 33.3% on cost
Motor vehicles	- 25% on cost

2.6 Heritage assets

The Society maintains 75 tramcars and associated artefacts in support of its objective to protect these historic vehicles for the benefit of future generations. The Directors consider that owing to the unique nature of the collection and the absence of an open market for these items, conventional valuation approaches lack sufficient reliability and costs of any valuations obtained would be excessive compared with the additional benefits derived by the Society and users of the accounts. As a result, no value has been reported for these assets in the Society's Balance Sheet.

Expenditure on major restoration

The costs of associated major repairs of tramcars is reported in the SOFA in the year they are incurred. Tramcar restoration is defined as work done on a major element of each tramcar (body, electrical, mechanical) to make it operable, or, if body only, exhibitable, for ten years. The cost of remedying defects coming to light within two years of the tramcar leaving the workshop is also charged to tramcar restoration. Although of a capital nature, the cost of tramcar restoration is written off each year to the SOFA.

2.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Stocks

Stocks represent goods for resale and rail for future use and are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost is based on the latest purchase invoice value.

Rail stock is to be used on future projects and repair work.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Taxation

The Society is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2.10 Pensions

The Society participates in the Derbyshire County Council local government pension scheme which is a defined benefit plan. Under defined benefit plans, the employer's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the employer. The Society recognises a liability for its obligations under the defined benefit plan net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Society also operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Critical accounting estimates and areas of judgment (continued)

Accounting estimates and assumptions within the accounts:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to these financial statements, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Legacy income is only recognised where entitlement has been established, there is probability of receipt and the amount recoverable can be estimated with sufficient accuracy. The position on each legacy is reviewed following receipt of correspondence from the executors, which substantially determines whether the income recognition criteria has been satisfied.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds - Revenue 2022 £	Total funds 2022 £	Total funds 2021 £
Government grants				
Coronavirus Job Retention Scheme	-	-	-	314,281
Amber Valley Borough Council	24,000	-	24,000	43,750
ACE grant	204,746	-	204,746	-
	<u>228,746</u>	<u>-</u>	<u>228,746</u>	<u>358,031</u>
Donations and legacies	13,294	142,499	155,793	281,979
Members' subscriptions	47,704	-	47,704	45,130
Grants	10,000	-	10,000	-
Government grants	-	-	-	250,000
Sundry receipts	4,057	-	4,057	10,477
	<u>75,055</u>	<u>142,499</u>	<u>217,554</u>	<u>587,586</u>
	<u>303,801</u>	<u>142,499</u>	<u>446,300</u>	<u>945,617</u>
<i>Total 2021</i>	<u><u>805,104</u></u>	<u><u>140,513</u></u>	<u><u>945,617</u></u>	

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from donations and legacies (continued)

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Admission	958,671	-	958,671	316,471
Education	2,271	-	2,271	-
Grants	-	-	-	52,000
Library income	3,074	-	3,074	260
	<u>964,016</u>	<u>-</u>	<u>964,016</u>	<u>368,731</u>
<i>Total 2021</i>	<u>316,731</u>	<u>52,000</u>	<u>368,731</u>	
			2022 £	2021 £

Grants received during the period comprised:

Arts Council	-	22,000
Pilgrim's Trust	-	10,000
The Association for Industrial Archeology	-	20,000
	<u>-</u>	<u>52,000</u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Retail	194,811	194,811	80,238
Catering	274,545	274,545	88,867
	<u>469,356</u>	<u>469,356</u>	<u>169,105</u>
<i>Total 2021</i>	<u>169,105</u>	<u>169,105</u>	

7. Expenditure on raising funds

	2022 £	<i>2021 £</i>
Retail costs	149,804	109,833
Catering costs	246,793	189,313
Fundraising costs	9,204	22,395
Administration	39,986	37,914
	<u>445,787</u>	<u>359,455</u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Admission and customer costs	765,676	18,087	783,763	638,364
Collections and research	106,278	157,575	263,853	175,695
Museum costs	495,594	39,988	535,582	469,858
	<u>1,367,548</u>	<u>215,650</u>	<u>1,583,198</u>	<u>1,283,917</u>
<i>Total 2021</i>	<u><u>1,108,120</u></u>	<u><u>175,797</u></u>	<u><u>1,283,917</u></u>	

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Admission and customer costs	371,475	153,312	258,976	783,763	638,364
Collections and research	63,561	27,907	172,385	263,853	175,695
Museum costs	248,779	68,019	218,784	535,582	469,858
	<u>683,815</u>	<u>249,238</u>	<u>650,145</u>	<u>1,583,198</u>	<u>1,283,917</u>
<i>Total 2021</i>	<u><u>571,380</u></u>	<u><u>255,157</u></u>	<u><u>457,380</u></u>	<u><u>1,283,917</u></u>	

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FOR THE YEAR ENDED 31 MARCH 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Admission and customer costs	721,860	61,903	783,763	638,364
Collections and research	250,162	13,691	263,853	175,695
Museum costs	483,448	52,134	535,582	469,858
	<u>1,455,470</u>	<u>127,728</u>	<u>1,583,198</u>	<u>1,283,917</u>
<i>Total 2021</i>	<u>1,121,624</u>	<u>162,293</u>	<u>1,283,917</u>	

10. Auditors remuneration

The auditors' remuneration amounts to an auditor fee of £5,200 (2021 - £5,000), and accountancy and taxation work of £3,600 (2021 - £2,800).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £NIL were reimbursed or paid directly to Directors (2021 - £NIL to Director).

In addition the Directors have personally incurred expenses which they have not reclaimed from the Museum.

12. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	778,092	723,822	778,092	723,822
Social security costs	55,323	55,060	55,323	55,060
Pension costs	42,232	32,338	42,232	32,338
	<u>875,647</u>	<u>811,220</u>	<u>875,647</u>	<u>811,220</u>

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12. Staff costs (continued)

The average number of persons employed by the Society during the year was as follows:

	Group 2022 No.	<i>Group 2021 No.</i>	Charity 2022 No.	<i>Charity 2021 No.</i>
Finance and administration	5	5	5	5
Sales outlets	12	12	12	12
Others	22	22	22	22
	39	39	39	39

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration received by key management personnel is £56,918 (2021: £55,887). The Society considers its key management personnel comprise those who are making day-to-day delegated executive decisions.

13. Tangible fixed assets

Group and Charity

Included in cost of land and buildings is freehold land of £64,897 (2021: £64,897) which is not depreciated.

For insurance purposes, tramcars are assessed at sums determined by the Board. Tramcars awaiting restoration are insured at a nominal £1,000 each plus inflation and other tramcars at higher figures based on the amounts spent on restoration, these figures being adjusted for inflation from time to time.

	Freehold property £	Permanent exhibition £	Permanent way & overhead £	Plant and machinery £	Computer equipment £	Total £
Cost						
At 1 April 2021	4,520,608	1,482,712	1,066,171	756,770	175,308	8,001,569
Additions	-	-	-	23,921	11,839	35,760
At 31 March 2022	4,520,608	1,482,712	1,066,171	780,691	187,147	8,037,329

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13. Tangible fixed assets (continued)

Group and Charity (continued)

	Freehold property £	Permanent exhibition £	Permanent way & overhead £	Plant and machinery £	Computer equipment £	Total £
Depreciation						
At 1 April 2021	1,698,796	1,298,134	743,453	666,682	171,171	4,578,236
Charge for the year	83,248	85,938	54,161	26,086	8,044	257,477
At 31 March 2022	<u>1,782,044</u>	<u>1,384,072</u>	<u>797,614</u>	<u>692,768</u>	<u>179,215</u>	<u>4,835,713</u>
Net book value						
At 31 March 2022	<u>2,738,564</u>	<u>98,640</u>	<u>268,557</u>	<u>87,923</u>	<u>7,932</u>	<u>3,201,616</u>
At 31 March 2021	<u>2,821,812</u>	<u>184,578</u>	<u>322,718</u>	<u>90,088</u>	<u>4,137</u>	<u>3,423,333</u>

Heritage assets not recognised in the balance sheet

The Society maintains 75 tramcars and associated artefacts which were acquired over a period of time. Other tramway-related artefacts are also held by the Society. Restoration work is carried out in order to bring the tramcars into a display condition and once they have reached this condition they are maintained in a state of good repair.

Acquisition, disposal, prevention and management

The acquisition, disposal, preservation and management of the Society's collection are governed in accordance with the Museum's Acquisition, Disposal and Conservation policies. Collection records are maintained in accordance with the Museum standards laid out in the Museum Documentation Association's "SPECTRUM" guidelines. Access to the Society's collections is available during advertised Museum opening times and by pre-arranged appointment. The Society's policies and procedures were overseen and approved by the Museums, Libraries and Archives Council accreditation scheme. The Society has achieved full Accredited status.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Fixed asset investments

Society	Investments in subsidiary companies £
Cost	
At 1 April 2021	2
At 31 March 2022	<u>2</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Tramway Museum Services (R&C) Limited	06058747	Crich Tramway Village, Crich, Matlock, Derbyshire, DE4 5DP	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Tramway Museum Services (R&C) Limited	469,356	(374,181)	95,175	85,540

15. Stocks

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Goods for resale	33,909	17,748	-	-
Permanent way	56,665	56,665	56,665	56,665
	<u>90,574</u>	<u>74,413</u>	<u>56,665</u>	<u>56,665</u>

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16. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts owed by group undertakings	-	-	442,528	239,043
Other debtors	70,011	256,491	70,011	255,565
Prepayments and accrued income	81,824	4,524	81,824	4,524
Tax recoverable	6,483	12,600	6,483	12,600
	158,318	273,615	600,846	511,732

17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	158,440	48,100	133,464	43,900
Accruals and deferred income	61,463	59,897	61,463	59,897
	219,903	107,997	194,927	103,797

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income brought forward	31,768	33,272	31,768	33,272
Resources deferred during the year	35,093	31,768	35,093	31,768
Amounts released from previous periods	(31,768)	(33,272)	(31,768)	(33,272)
	35,093	31,768	35,093	31,768

Deferred income relates to advance subscriptions and prepaid tickets.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	545,000	-	-	(25,000)	-	520,000
New Cafe Fund (xiv)	818,694	10,000	-	-	-	828,694
	<u>1,363,694</u>	<u>10,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>1,348,694</u>
General funds						
General funds	1,796,753	1,727,015	(1,795,335)	25,000	-	1,753,433
Pension reserve	(334,000)	-	(18,000)	-	174,000	(178,000)
	<u>1,462,753</u>	<u>1,727,015</u>	<u>(1,813,335)</u>	<u>25,000</u>	<u>174,000</u>	<u>1,575,433</u>
Total Unrestricted funds	<u>2,826,447</u>	<u>1,737,015</u>	<u>(1,813,335)</u>	<u>-</u>	<u>174,000</u>	<u>2,924,127</u>
Restricted funds - Revenue						
Cabmen's Shelter	13,562	-	(3,942)	-	-	9,620
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	25,885	3,990	-	-	-	29,875
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Manchester replica (vii)	213,236	-	-	-	-	213,236
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,211	-	-	-	-	19,211
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/ Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	15,498	(15,498)	-	-	-
Cadisch - Tramcar acquisition and restoration	90,000	-	-	-	-	90,000
Blackpool 298	-	106,084	(106,084)	-	-	-
Newcastle 102	-	14,037	(14,037)	-	-	-
Other restricted funds under £5k	18,502	2,890	-	-	-	21,392
	1,018,475	142,499	(139,561)	-	-	1,021,413
Restricted funds - Capital						
Barnsley Bus No. 5	52,000	-	(6,500)	-	-	45,500
Clay Cross Extension (i)	30,735	-	(1,004)	-	-	29,731
Workshop Extension (ii)	187,029	-	(5,898)	-	-	181,131
Library Extension (iii)	676,455	-	(20,952)	-	-	655,503
Stone Workshop (iv)	769,454	-	(19,140)	-	-	750,314

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Depot Improvements (xii)	181,830	-	(3,952)	-	-	177,878
Victoria Park (v)	73,505	-	(1,837)	-	-	71,668
Woodland Walk/ Wakebridge	60,456	-	(8,152)	-	-	52,304
Holroyd Smith Exhibition	54,260	-	(7,645)	-	-	46,615
Bandstand Trackwork	8,079	-	(1,009)	-	-	7,070
	<u>2,093,803</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>2,017,714</u>
Total Restricted funds	3,112,278	142,499	(215,650)	-	-	3,039,127
	<u>3,112,278</u>	<u>142,499</u>	<u>(215,650)</u>	<u>-</u>	<u>-</u>	<u>3,039,127</u>
Total of funds	5,938,725	1,879,514	(2,028,985)	-	174,000	5,963,254
	<u>5,938,725</u>	<u>1,879,514</u>	<u>(2,028,985)</u>	<u>-</u>	<u>174,000</u>	<u>5,963,254</u>

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	545,000	-	-	-	-	545,000
New Cafe Fund (xiv)	274,638	-	-	544,056	-	818,694
	<u>819,638</u>	<u>-</u>	<u>-</u>	<u>544,056</u>	<u>-</u>	<u>1,363,694</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

General funds

General funds	2,507,200	1,293,184	(1,459,575)	(544,056)	-	1,796,753
Pension reserve	(188,000)	-	(8,000)	-	(138,000)	(334,000)
	<u>2,319,200</u>	<u>1,293,184</u>	<u>(1,467,575)</u>	<u>(544,056)</u>	<u>(138,000)</u>	<u>1,462,753</u>
Total Unrestricted funds	<u>3,138,838</u>	<u>1,293,184</u>	<u>(1,467,575)</u>	<u>-</u>	<u>(138,000)</u>	<u>2,826,447</u>

Restricted funds - Revenue

Cabmen's Shelter	25,000	52,002	(63,440)	-	-	13,562
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	21,942	3,943	-	-	-	25,885
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	213,236	-	-	-	-	213,236
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,211	-	-	-	-	19,211
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/ Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	15,008	(15,008)	-	-	-
Cadisch - Tramcar acquisition and restoration	-	90,000	-	-	-	90,000
Blackpool 298	-	15,003	(15,003)	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
Newcastle 102	(8,000)	14,257	(6,257)	-	-	-
Other restricted funds under £5k	16,202	2,300	-	-	-	18,502
	<u>925,670</u>	<u>192,513</u>	<u>(99,708)</u>	<u>-</u>	<u>-</u>	<u>1,018,475</u>
Restricted funds - Capital						
Barnsley Bus No. 5	58,500	-	(6,500)	-	-	52,000
Clay Cross Extension (i)	31,739	-	(1,004)	-	-	30,735
Workshop Extension (ii)	192,927	-	(5,898)	-	-	187,029
Library Extension (iii)	697,407	-	(20,952)	-	-	676,455
Stone Workshop (iv)	788,594	-	(19,140)	-	-	769,454
Depot Improvements (xii)	185,782	-	(3,952)	-	-	181,830
Victoria Park (v)	75,342	-	(1,837)	-	-	73,505
Woodland Walk/ Wakebridge	68,608	-	(8,152)	-	-	60,456
Holroyd Smith Exhibition	61,905	-	(7,645)	-	-	54,260
Bandstand Trackwork	9,088	-	(1,009)	-	-	8,079
	<u>2,169,892</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>2,093,803</u>
Total Restricted funds	<u>3,095,562</u>	<u>192,513</u>	<u>(175,797)</u>	<u>-</u>	<u>-</u>	<u>3,112,278</u>
Total of funds	<u><u>6,234,400</u></u>	<u><u>1,485,697</u></u>	<u><u>(1,643,372)</u></u>	<u><u>-</u></u>	<u><u>(138,000)</u></u>	<u><u>5,938,725</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Each restricted fund has sufficient resources to enable the fund to be applied in accordance with the restrictions imposed. A summary of the nature and purpose of each of the more significant funds is set out below.

Restricted Funds

- (i) Grant received from the Heritage Lottery Fund for the extension of the existing store at Clay Cross.
- (ii) Grants received from the Heritage Lottery Fund and Museums, Libraries and Archives Council (MLA) for the construction of an extension to the tramcar workshop facility, incorporating a new public viewing gallery and exhibition.
- (iii) Grants received from the Heritage Lottery Fund and MLA for the extension of the library.
- (iv) Grants received from the Heritage Lottery Fund for the restoration of the Stone Workshop.
- (v) The development of the Victoria Park area funded by individual donations and a transfer from the Subscriber Plus Fund.
- (vi) Donations received from members towards a variety of small revenue tramway related projects.
- (vii) Legacy received towards the re-creation of a Manchester bogie car.
- (viii) Legacy received towards the restoration of Sheffield tramcars in the collection.
- (ix) Donation received for the restoration and conservation of PCC cars.
- (x) Donations received for the restoration and conservation of LCC 1.
- (xi) Legacy received for restoration or heavy repairs of electric tramcars.
- (xii) Legacy received for extensions and improvements to tramcar accommodation and exhibitions.

Designated Funds

- (xiii) Fund designated to meet potential costs arising due to a downturn in visitor numbers.
- (xiv) Fund designated to build new catering facilities.

Transfers

The transfer reflects the reduction in the Business Interruption Fund.

19. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	1,363,694	10,000	-	(25,000)	-	1,348,694
General funds	1,462,753	1,727,015	(1,813,335)	25,000	174,000	1,575,433
Restricted funds						
- Revenue	1,018,475	142,499	(139,561)	-	-	1,021,413
Restricted funds						
- Capital	2,093,803	-	(76,089)	-	-	2,017,714

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Summary of funds (continued)

	5,938,725	1,879,514	(2,028,985)	-	174,000	5,963,254
Summary of funds - prior year						
	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
Designated funds	819,638	-	-	544,056	-	1,363,694
General funds	2,319,200	1,293,184	(1,467,575)	(544,056)	(138,000)	1,462,753
Restricted funds						
- Revenue	925,670	192,513	(99,708)	-	-	1,018,475
Restricted funds						
- Capital	2,169,892	-	(76,089)	-	-	2,093,803
	6,234,400	1,485,697	(1,643,372)	-	(138,000)	5,938,725

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds - Revenue 2022 £	Restricted funds - Capital 2022 £	Total funds 2022 £
Tangible fixed assets	1,183,902	-	2,017,714	3,201,616
Current assets	2,138,128	1,021,413	-	3,159,541
Creditors due within one year	(219,903)	-	-	(219,903)
Provisions for liabilities and charges	(178,000)	-	-	(178,000)
Total	2,924,127	1,021,413	2,017,714	5,963,254

Free reserves equal £2,924,127 minus £1,183,902 = £1,740,225.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds - Revenue 2021 £</i>	<i>Restricted funds - Capital 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	1,329,530	-	2,093,803	3,423,333
Current assets	1,938,914	1,018,475	-	2,957,389
Creditors due within one year	(107,997)	-	-	(107,997)
Provisions for liabilities and charges	(334,000)	-	-	(334,000)
Total	<u>2,826,447</u>	<u>1,018,475</u>	<u>2,093,803</u>	<u>5,938,725</u>

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

	Group 2022 £	<i>Group 2021 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(149,471)	(157,675)
Adjustments for:		
Depreciation charges	257,477	263,095
Decrease/(increase) in stocks	(16,161)	19,586
Decrease in debtors	115,297	476,215
Increase/(decrease) in creditors	111,906	(143,690)
Defined benefit pension movement	18,000	8,000
Net cash provided by operating activities	<u>337,048</u>	<u>465,531</u>

22. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	2,910,649	2,609,361
Total cash and cash equivalents	<u>2,910,649</u>	<u>2,609,361</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	2,609,361	301,288	2,910,649
	<u>2,609,361</u>	<u>301,288</u>	<u>2,910,649</u>

24. Pension commitments

The Society participates in the Derbyshire County Council Pension Scheme, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended).

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The employer's contribution rate was 8.8% of pensionable pay with an employee's contribution rate of 5.9% or 6.5% of pensionable pay.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2022 %	At 31 March 2021 %
Discount rate	2.70	2.0
Future salary increases	3.90	3.55
Future pension increases	<u>3.20</u>	<u>2.85</u>
	<u>At 31 March 2022 Years</u>	<u>At 31 March 2021 Years</u>
Mortality rates (in years)		
- for a male aged 65 now	21.1	21.3
- at 65 for a male aged 45 now	22.2	22.5
- for a female aged 65 now	23.8	23.9
- at 65 for a female aged 45 now	<u>25.6</u>	<u>25.8</u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Pension commitments (continued)

Sensitivity analysis

	At 31 March 2022 £	<i>At 31 March 2021 £</i>
Discount rate -0.1%	29,000	<i>24,000</i>

The Group's share of the assets in the scheme was:

	At 31 March 2022 £	<i>At 31 March 2021 £</i>
Equities	855,000	<i>819,000</i>
Corporate bonds	272,000	<i>245,000</i>
Property	104,000	<i>98,000</i>
Cash and other liquid assets	65,000	<i>61,000</i>
Total fair value of assets	1,296,000	<i>1,223,000</i>

The actual return on scheme assets was 7.1% (2021 - 20.6%).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2022 £	<i>2021 £</i>
Current service cost	(27,000)	<i>(19,000)</i>
Interest income	24,000	<i>23,000</i>
Interest cost	(31,000)	<i>(28,000)</i>
Total amount recognised in the Consolidated statement of financial activities	(34,000)	<i>(24,000)</i>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2022 £	2021 £
Opening defined benefit obligation	1,557,000	1,215,000
Interest cost	31,000	28,000
Contributions by scheme participants	3,000	3,000
Actuarial (gains)/losses	(112,000)	324,000
Benefits paid	(32,000)	(32,000)
Current service cost	27,000	19,000
Closing defined benefit obligation	1,474,000	1,557,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	1,223,000	1,027,000
Expected return on assets	24,000	23,000
Actuarial gains	62,000	186,000
Contributions by employer	16,000	16,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(32,000)	(32,000)
Closing fair value of scheme assets	1,296,000	1,223,000

The group expects to contribute £16,000 to its defined benefit pension scheme in 2022.

25. Share Capital

The Society is a charitable company limited by guarantee and has no share capital. Each member undertakes to contribute a maximum of £1 to the assets of the Society, in the event of a winding up.

26. Related party transactions

M C Wright is on the board of trustees of the Tramcar Sponsorship Organisation. During the year ended 31 March 2022 the Society received a grant of £3,938 (2021: £14,257) from the organisation for the restoration of Newcastle 102.

27. Controlling party

The Society has no single controlling party.

Accounts

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE TRAMWAY MUSEUM SOCIETY
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THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Patron	HRH The Duke of Gloucester, KG, GCVO
President	I Ross, BSc, CEng, FIET, FIMechE
Vice-Presidents	GB Claydon, CB, LLB, M Inst. TA, CMILT DJH Senior, OBE, MA MC Crabtree IENG, MIET C Heaton
Directors	KR Rigg, ACIB, Chairman DP Webb, Vice Chairman MV Ballinger, FCA (retired 19 December 2020) DA Frodsham DJ Heeley, M.Eng (hons), C.Eng, MIET, MIRSE (appointed 19 December 2020) WJ Lane (retired 19 December 2020) AM Pendleton ID Pleace, FCA, MSc, BSc(Econ) (appointed 19 December 2020) AJ Willis LM Wright, RN, OHNC MC Wright, BSc, C Eng, MI Chem E, CMILT
Company registered number	744229
Charity registered number	313615
Museum premises and registered office	Crich Matlock Derbyshire DE4 5DP
Arts Council England Registered Museum no.	508
Hon. Secretary	AM Pendleton (post abolished 26 September 2020)
Hon. Treasurer	MV Ballinger, FCA (post abolished 26 September 2020)
Auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ

THE TRAMWAY MUSEUM SOCIETY
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Bankers

Barclays Bank PLC
Alfreton
Derbyshire

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Directors of the Board present their report and financial statements of the Society for the year ended 31 March 2021 and confirm the latter comply with the requirements of the Companies Act 2006 and the Charities SORP.

Reference and administrative information

The Society, which is registered as a charity, owns and maintains the Crich Tramway Village, home of the National Tramway Museum at Crich, Derbyshire, (the Museum), which is devoted to tramways and allied interests. It is not liable to corporation tax or income tax.

The Directors of the Board (who act as directors under Company law and trustees under Charity law) are set out on page 1.

At the Annual General Meeting on 19 December 2020 Messrs D J Heeley and I D Pleace were appointed to the Board as Member Directors and Mr I Ross assumed office as President.

Structure, governance and management

Governing document

The Society is governed by the Memorandum and Articles of Association, as last amended by Special Resolution of the Society on 26 September 2020. The Society is a company limited by guarantee and does not have any share capital.

Recruitment and training of Board Members

Voting members of the Society may stand for appointment as Member Directors to the Board. Any two voting members may propose another voting member. The individual must be 18 or over and any such proposal must be in writing and be received by the Society no later than 42 days prior to the Annual General Meeting. If the number of candidates is fewer than or equal to the number of relevant posts available, all such candidates are deemed automatically elected. In the event of there being more candidates than posts available, a vote is held with each member having the right to vote entitled to cast his or her vote in favour of as many candidates as there are vacant posts. Casual vacancies may be filled by the Board but the individual appointed must retire and seek election at the next Annual General Meeting.

The Board also has the power to appoint up to three Non-Member Directors who are neither members of the Society nor employees.

Following election, newly elected directors receive an induction by the person appointed as Secretary and another director. The induction includes a detailed introduction and explanation of Board proceedings and content. Key areas are explained in detail, such as Finance, Personnel, Collection, Operations and Health & Safety.

All directors serve for an initial period of three years and thereafter for no more than two further consecutive periods of three years, Directors may not be eligible for re-election or re-appointment until a period of at least two years has elapsed.

Hon. Treasurer and Hon. Secretary

The persons holding the posts of Hon. Treasurer and Hon. Secretary became ordinary Member Directors at the adoption of the new Articles of Association at the Extraordinary General Meeting on 26 September 2020. The work of the Hon. Treasurer is now carried out by the newly formed Finance Committee and the role of the Hon. Secretary is assumed by one of the ordinary Member Directors.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Organisational structure

Ultimate responsibility for all decisions made by the Society rests with the Board. These decisions are made on the recommendations of individual Society officers, in particular the General Manager, or the relevant standing committees which are currently Finance, Collections Management, Development, Health & Safety, Membership and Tramcar Conservation. All such officers, and committees, are accountable to the Board and report on a regular basis.

A subsidiary company, Tramway Museum Services (R&C) Limited, traded throughout the year from premises under licence from the Society. The subsidiary is wholly owned by the Society and hence the subsidiary's board is directly accountable to the Board of the Society.

Arrangements for setting pay and remuneration of key management personnel

A Board sub-committee chaired by the General Manager sets the pay and remuneration of key management personnel via an annual review in consultation with the recognised Trade Union.

Principal Risks and Uncertainties

The Board has identified the following four key areas of Business Risk;

- Personnel - including Board Members, employees and volunteers,
- Financial - including Visitor numbers, misappropriation and reserve policy,
- Operational - including the Tramcar fleet, accidents and regulation,
- Infrastructure - including buildings and visitor facilities, the tramway and the site.

Systems have been put in place to oversee all of these areas and these are reviewed on a regular basis. Full details are available in the "Business Risk Register" freely available to all members on request and held in electronic form on the Society's server accessible to all system users.

Transformation: Making a Resilient and Sustainable Tramway Museum

Despite Covid19, Transformation continued with an Extraordinary General Meeting held on 26 September 2020 to approve the new Articles of Association, enhance and amended charity purposes approved by the Charity Commission, and from June 2021, the start of the recruitment process for external Non-Member Directors.

Objectives and activities

Objectives

The principal objectives of the Society are:

- To maintain for the benefit of the nation an operating tramway museum.
- To promote the permanent preservation of tramway vehicles and equipment, and items of general transport interest (either historic, scientific or educational) and to work as necessary with other institutions, societies and bodies, having similar aims, in any part of the world.
- To promote and further the study of and research into tramways and other forms of transport.

The objectives of the Society are interpreted through the Mission Statement which, as noted last year, are still under review as part of the Society's strategy development and against which steady progress has been made. Key objectives for the coming year include the continuing improvement to facilities at Crich, the recruitment, training and retention of more volunteers, obtaining grant funding and increasing customer numbers.

The objectives of the Society have been reviewed as part of the National Lottery Heritage Fund (NLHF) funded

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Transformation project, which following the adoption of the new Articles of Association is now complete.

Strategies

The Society receives no core funding and must therefore operate within its earned income, subscriptions, donations and grants. The Board has sought to continue to maximise earned income, take advantage of fiscal benefits and control costs. To contribute to the Society's sustainability the Board also continues to seek donations and grants for its development.

As part of Transformation, the Board worked with an external consultant who looked at the strategy of the Society and developed a new 5 year business plan, with a new 10 year forward plan to take us to 2025 and beyond to 2030, being developed.

Principal activities

The main activities undertaken by the Society in achieving its objectives include the operation of the Museum, education, tramcar restoration and a tramway archive and research library.

In accordance with the established accounting policies set out on pages 18 to 21 the financial results do not take account of the significant voluntary input at all levels of operation of the Museum. Whilst a financial evaluation of this input is difficult, it is estimated that the amount of voluntary input is equivalent to approximately 33 full time equivalent members of staff.

Public Benefit

When planning activities for the year the Board has considered the Charity Commission general guidance on public benefit. In particular it has considered how the planned activities will contribute towards the aims and activities they have set.

As explained in the Objectives and activities section, the Society exists to preserve items of national heritage for the nation and promote these items.

During the financial year, paying visitor numbers were 24,673 (2020: 87,498) with an additional 10,432 (2020: 57,269) of free admissions. The Society offers reduced admission price for senior citizens and children as well as a family ticket to make the collection accessible to as many people as possible. Wheelchairs are freely available for less able visitors and a smoothway around the Museum is available to enhance accessibility for wheelchair and pushchair users.

The preservation and demonstration of tramway vehicles are central to the Society's objectives and restoration work continued on several historic tramcars during the year.

The Society is custodian of archives relating to tramways and other forms of transport, of national and international importance, which is made freely available to members of the public wishing to carry out research.

The Society has full time education staff who work closely with schools to support teachers in their delivery of several areas of the national curriculum by way of facilitating school visits and offering themed workshops.

Further information about how the Society delivers public benefit in meeting its charitable objectives is provided throughout this report.

Achievement and performance

Covid19 presented huge challenges to the viability and sustainability of our organisation in many ways during the year to 31 March 2021.

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

During the 2020 season we were unable to open consistently to the public until July 11 2020. This cut our operating season by half. When we were able to open, we achieved approximately 60% of our normal visitors and therefore income. We were not able to run any of our lucrative special events. We were only able to offer a limited tram ride experience due to workforce safety constraints and national guidance relating to public transport social distancing, which cut our visitor offer considerably. The cafeteria and Red Lion pub were only permitted to open on a take-away basis. The majority of our school visits take place during the school summer term and we were unable to host them.

The Museum utilised the government Furlough programme to the greatest extent possible. It enabled us to retain our permanent employed staff team. A few key staff members were unable to be furloughed because their work was essential to the organisation were supported by a grant from the NLHF emergency fund (£250,000). We raised £50,000 from the public and our members towards core costs and £25,000 from the local authority and recently (Feb 2021) a further £14,000.

Many project and development items that were destined to be complete in 2020 were suspended and therefore many items originally indicated for the 2020/21 financial year in the Action Plan, have been forwarded into the 2021/22 financial year, and some of those may need to be adjusted to further years depending on when we are open for the 2021 season and the availability of staff and our resources.

Major restoration work on LCC1 continues, with funding provided by the London County Council Tramways Trust. Input from outside contractors, our workshop technicians and other Society members has produced components to original designs to replace those removed or altered by Leeds City Tramways. In some cases the parts have been re-engineered entirely from photographs. The seat cushions have been fully refurbished with new upholstery moquette and leathercloth trim. The first stages of electrical testing has been completed.

Some work, funded by the Tramcar Sponsorship Organisation, continued on Newcastle 102 with the re-assembled trucks being re-united with the body.

The Cabmen's Shelter has now been fully restored and will be officially opened as and when lockdown restrictions are lifted, hopefully later this year.

Financial review

The main source of income continues to be the paying customers of the Museum. Total customer income combining admissions, retail and catering takings was £486,000 (2020: £1,789,000).

In the financial year paying customers were 24,673, down 62,325 on the previous year. On a calendar basis, the Museum received 25,396 paying customers compared to 90,107 in 2019. Unrestricted donations and membership subscriptions provided a further £808,000 towards the Society's general funds. After costs of generating funds of £360,000 and charity governance costs of £19,000, the net unrestricted incoming resources available for charitable activities was £915,000. Of this amount £605,000 was used for Museum operation including admission expenses, workshop and other tramway costs, exhibitions and education. A further £430,000 was spent on the Museum site itself including infrastructure costs, publicity and promotion, and Society membership expenses. £54,000 was used to fund collection and curatorial activities.

Following the requirements of Financial Reporting Standard 102 (FRS 102) Retirement Benefits, the Society's share of the deficit on the defined benefit staff pension scheme operated by Derbyshire County Council has increased from £188,000 to £334,000.

Restricted income from donating bodies totalled £193,000 in the year. Restricted expenditure in the year of £176,000 included tramcar restoration £100,000, site costs £40,000 and exhibitions £14,000.

The Museum continues to operate successfully its admission scheme incorporating 12-month season tickets. This has allowed the Museum to reclaim £13,000 of Gift Aid in the year (2020 : £97,000).

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The membership of the Society at 31 March 2021 was 1,977, including non-voting members and family members; this reflects an increase of 55 during the year.

Reserves policies

At 31 March 2021 the level of free reserves after the pension deficit was £1,643,000 including the designated fund. The Business Interruption Contingency Fund created to meet potential costs arising due to a significant downturn in customer numbers has been maintained at £545,000, and the Replacement Cafe fund has been set up with the proceeds of the sale of Field Cottage of £274,638 and the Richard Clarke legacy of £544,056. Remaining free reserves after these designated funds were £279,000.

The level of free reserves should cover four months revenue expenditure. Taking account of the need to fund the Museum over the winter months and given the significant impact that an unforeseen event could have upon the future of the Museum, these free reserves are sufficient at present to provide this cover.

Plans for the future

Shortly before the beginning of the year, the Covid 19 pandemic caused the country to go into lockdown, resulting in the Museum being forced to close completely on 24 March 2020 and it remained closed until a partial reopening from 11 July 2020. The loss of revenue over this three and a half month period had a huge impact on the finances of the Society and raised concerns over future viability. However, the Society was able to take advantage of the government's furlough scheme to partly fund staff costs and was also successful in receiving a £250,000 grant from the National Lottery Heritage Fund, £25,000 from the local council and £50,000 from its own appeal. The Directors are very grateful for the support given by these bodies, the Society members and general public. The Society also had a Business Interruption Fund of £545,000 to draw on. Tight controls have been put in place re expenditure for the remainder of the year with no major projects planned for the foreseeable future. The combination of all the above, means that, although reserves will decline during current year, the future viability of the Society is now secure.

Strategy development is ongoing, a working group continues to develop it in order to ensure that it is comprehensive and meets the requirements of the Museum.

The Society will continue to seek to attract customers to the Museum whilst continuing to safeguard its core, and other collections.

Directors' responsibilities

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the Society and its subsidiary company (the Group) and of the income and expenditure of the Group for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the

THE TRAMWAY MUSEUM SOCIETY
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board is, individually, aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Freehold land and buildings

The freehold land and buildings are carried in the Balance Sheet at cost and exclude the value of substantial amounts of unpaid labour, part volunteer, part Government Employment Support Schemes, not funded by the Society. The reinstatement value for insurance purposes of the buildings is about £6,000,000 in excess of the book value. Due to the historical nature of some of the buildings, and the specialised nature of the Museum complex and its unusual location, the Board does not feel able to place a market value on the property.

Auditor

Bates Weston Audit Limited have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

This report, incorporating the Group strategic report, was approved by the Directors, in their capacity as company directors, and signed on their behalf by:

KR Rigg
Chairman
Date: 22 July 2021

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY

Opinion

We have audited the financial statements of The Tramway Museum Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the

THE TRAMWAY MUSEUM SOCIETY
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INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE TRAMWAY MUSEUM SOCIETY
(CONTINUED)

Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

23 July 2021

THE TRAMWAY MUSEUM SOCIETY
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds - Revenue 2021 £	Restricted funds - Capital 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and legacies	3	805,104	140,513	-	945,617	1,255,311
Charitable activities	4	316,731	52,000	-	368,731	1,234,160
Other trading activities	5	169,105	-	-	169,105	596,451
Investments		2,244	-	-	2,244	8,994
Total income		1,293,184	192,513	-	1,485,697	3,094,916
Expenditure on:						
Raising funds	6	359,455	-	-	359,455	576,994
Charitable activities	7,8	1,108,120	99,708	76,089	1,283,917	1,966,126
Total expenditure		1,467,575	99,708	76,089	1,643,372	2,543,120
Net (expenditure)/ income before other recognised gains/(losses)		(174,391)	92,805	(76,089)	(157,675)	551,796
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	23	(138,000)	-	-	(138,000)	125,000
Net movement in funds		(312,391)	92,805	(76,089)	(295,675)	676,796
Reconciliation of funds:						
Total funds brought forward		3,138,838	925,670	2,169,892	6,234,400	5,557,604
Net movement in funds		(312,391)	92,805	(76,089)	(295,675)	676,796
Total funds carried forward		2,826,447	1,018,475	2,093,803	5,938,725	6,234,400

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 41 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	3,423,333	3,686,428
		<u>3,423,333</u>	<u>3,686,428</u>
Current assets			
Stocks	14	74,413	93,999
Debtors	15	273,615	749,830
Cash at bank and in hand		2,609,361	2,143,830
		<u>2,957,389</u>	<u>2,987,659</u>
Creditors: amounts falling due within one year	16	(107,997)	(251,687)
Net current assets		<u>2,849,392</u>	<u>2,735,972</u>
Total assets less current liabilities		<u>6,272,725</u>	<u>6,422,400</u>
Net assets excluding pension liability		<u>6,272,725</u>	<u>6,422,400</u>
Defined benefit pension scheme liability	23	(334,000)	(188,000)
Total net assets		<u><u>5,938,725</u></u>	<u><u>6,234,400</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	17	1,018,475	925,670
Restricted funds - Capital	17	2,093,803	2,169,892
Total restricted funds	17	3,112,278	3,095,562
Unrestricted funds			
Unrestricted funds excluding pension asset	17	3,160,447	3,326,838
Pension reserve	17	(334,000)	(188,000)
Total unrestricted funds	17	2,826,447	3,138,838
Total funds		5,938,725	6,234,400

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 22 July 2021

The notes on pages 18 to 41 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	3,423,333	3,686,428
Investments	13	2	2
		<u>3,423,335</u>	<u>3,686,430</u>
Current assets			
Stocks	14	56,665	56,665
Debtors	15	511,732	1,686,765
Cash at bank and in hand		2,394,427	1,114,458
		<u>2,962,824</u>	<u>2,857,888</u>
Creditors: amounts falling due within one year	16	(103,797)	(238,058)
Net current assets		<u>2,859,027</u>	<u>2,619,830</u>
Total assets less current liabilities		<u>6,282,362</u>	<u>6,306,260</u>
Net assets excluding pension liability		<u>6,282,362</u>	<u>6,306,260</u>
Defined benefit pension scheme liability	23	(334,000)	(188,000)
Total net assets		<u><u>5,948,362</u></u>	<u><u>6,118,260</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)
REGISTERED NUMBER: 744229

SOCIETY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Charity funds			
Restricted funds:			
Restricted funds - Revenue	17	1,018,475	925,670
Restricted funds - Capital	17	2,093,803	2,169,892
Total restricted funds	17	3,112,278	3,095,562
Unrestricted funds			
Unrestricted funds excluding pension liability	17	3,170,084	3,210,698
Pension reserve	17	(334,000)	(188,000)
Total unrestricted funds	17	2,836,084	3,022,698
Total funds		5,948,362	6,118,260

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

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:

KR Rigg

Date: 22 July 2021

The notes on pages 18 to 41 form part of these financial statements.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash provided by operating activities	465,531	613,927
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(317,466)
Net cash provided by/(used in) investing activities	-	(317,466)
Change in cash and cash equivalents in the year	465,531	296,461
Cash and cash equivalents at the beginning of the year	2,143,830	1,847,369
Cash and cash equivalents at the end of the year	<u>2,609,361</u>	<u>2,143,830</u>

The notes on pages 18 to 41 form part of these financial statements

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

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

The Tramway Museum Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Society is able to continue to cater for significant visitor levels and to support the exhibits only as a result of the activities disclosed in the accounts, combined with a major and unrecorded input of voluntary labour from its members.

The financial statements have been prepared on a going concern basis as the Directors believe that no material uncertainties exist. The Directors have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting policies

2.1 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably, that being when the charity has been notified of the amounts and the settlement date in writing.

Donations and grants are credited to the Statement of Financial Activities (SOFA) as they become due.

Annual subscriptions are apportioned to calendar years and include the income tax reclaimable in respect of those under gift aid. Subscriptions for life membership are credited in full in the years of receipt. Although this is not in accordance with the recommendations of the SORP, the number of life members is small and the Board considers any amortisation of the life membership income would not be material to the figures.

Turnover comprises revenue recognised by the charity in respect of goods and services supplied during the year, exclusive of Value Added Tax.

Turnover from shop, food and drink sales is recognised at the date of supply.

Several independent organisations exist for the purpose of generating resources to be used on behalf of the Society. The activities of these organisations are recorded in these accounts only to the extent of cash received from them by the Society.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Directors' Report.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.2 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Expenditure includes any VAT which cannot be fully recovered and is included within the costs of activities.

Charitable expenditure and the costs of the generating funds comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, including administration or support costs, they have been allocated to activities on a basis consistent with the use of the resource.

Support costs are those that assist the work of the Society but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Society. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The Museum uses many of its key exhibits as operating assets. Because the historic value of the tramcars is the prime justification for the Museum's existence, the workshop expenditure on them is at a much higher level than would be needed if purely commercial considerations applied.

All workshop costs are charged to tramway operation, except for those identified as tramcar restoration. The treatment of tramcar restoration is described in accounting policy 2.5..

2.3 Government grants

Government grants are recognised in income when the grant proceeds are received or receivable unless future performance-related conditions are specified that have not been met. Grants received before the income recognition criteria are satisfied are recognised as a liability.

2.4 Basis of consolidation

The financial statements consolidate the accounts of The Tramway Museum Society and its subsidiary undertaking.

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

2.5 Tangible fixed assets and depreciation

The value of fixed assets represents cash paid by the Society, and does not take into account donations in kind, or members' voluntary labour.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	- Nil
Assets in course of construction	- Nil
Buildings	- 2% or 10% on cost
Woodland Walk and Sculpture Trail	- 10% on cost
Permanent exhibition	- 10% on cost
Permanent way and overhead	- 10% on cost
Plant and equipment, including temporary buildings dependent on the anticipated life of the asset	- 10%, 20% or 33.3% on cost
IT equipment	- 33.3% on cost
Motor vehicles	- 25% on cost

2.6 Heritage assets

The Society maintains 75 tramcars and associated artefacts in support of its objective to protect these historic vehicles for the benefit of future generations. The Directors consider that owing to the unique nature of the collection and the absence of an open market for these items, conventional valuation approaches lack sufficient reliability and costs of any valuations obtained would be excessive compared with the additional benefits derived by the Society and users of the accounts. As a result, no value has been reported for these assets in the Society's Balance Sheet.

Expenditure on major restoration

The costs of associated major repairs of tramcars is reported in the SOFA in the year they are incurred. Tramcar restoration is defined as work done on a major element of each tramcar (body, electrical, mechanical) to make it operable, or, if body only, exhibitable, for ten years. The cost of remedying defects coming to light within two years of the tramcar leaving the workshop is also charged to tramcar restoration. Although of a capital nature, the cost of tramcar restoration is written off each year to the SOFA.

2.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Stocks

Stocks represent goods for resale and rail for future use and are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Cost is based on the latest purchase invoice value.

Rail stock is to be used on future projects and repair work.

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Taxation

The Society is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2.10 Pensions

The Society participates in the Derbyshire County Council local government pension scheme which is a defined benefit plan. Under defined benefit plans, the employer's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the employer. The Society recognises a liability for its obligations under the defined benefit plan net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The Society also operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds - Revenue 2021 £	Restricted funds - Capital 2021 £	Total funds 2021 £	Total funds 2020 £
Government grants					
Coronavirus Job Retention Scheme	314,281	-	-	314,281	-
Amber Valley Borough Council	43,750	-	-	43,750	-
	358,031	-	-	358,031	-
Donations and legacies	141,471	140,508	-	281,979	928,536
Members' subscriptions	45,130	-	-	45,130	27,472
Grants	250,000	-	-	250,000	-
Sundry receipts	10,472	5	-	10,477	299,303
	447,073	140,513	-	587,586	1,255,311
	805,104	140,513	-	945,617	1,255,311
Total 2020	1,018,723	226,491	10,097	1,255,311	

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Admission	316,471	-	316,471	1,155,191
Education	-	-	-	5,294
Grants	-	52,000	52,000	73,052
Library income	260	-	260	623
	316,731	52,000	368,731	1,234,160
Total 2020	1,161,108	73,052	1,234,160	

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from charitable activities (continued)

	2021 £	2020 £
Grants received during the period comprised:		
Arts Council	22,000	25,000
Heritage Lottery Fund	-	40,602
AIM Biffa	-	7,450
Pilgrim's Trust	10,000	-
The Association for Industrial Archeology	20,000	-
	<u>52,000</u>	<u>73,052</u>

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Retail	80,238	80,238	238,240
Catering	88,867	88,867	358,211
	<u>169,105</u>	<u>169,105</u>	<u>596,451</u>
<i>Total 2020</i>	<u>596,451</u>	<u>596,451</u>	

6. Expenditure on raising funds

	2021 £	2020 £
Retail costs	109,833	166,110
Catering costs	189,313	338,828
Fundraising costs	22,395	31,367
Administration	37,914	40,689
	<u>359,455</u>	<u>576,994</u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Admission and customer costs	624,219	14,145	638,364	819,990
Collections and research	54,031	121,664	175,695	415,609
Museum costs	429,870	39,988	469,858	730,527
	<u>1,108,120</u>	<u>175,797</u>	<u>1,283,917</u>	<u>1,966,126</u>
<i>Total 2020</i>	<u><u>1,512,219</u></u>	<u><u>453,907</u></u>	<u><u>1,966,126</u></u>	

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Admission and customer costs	333,143	148,973	156,248	638,364	819,990
Collections and research	28,375	28,525	118,795	175,695	415,609
Museum costs	209,862	77,659	182,337	469,858	730,527
	<u>571,380</u>	<u>255,157</u>	<u>457,380</u>	<u>1,283,917</u>	<u>1,966,126</u>
<i>Total 2020</i>	<u><u>532,261</u></u>	<u><u>314,071</u></u>	<u><u>1,119,794</u></u>	<u><u>1,966,126</u></u>	

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Admission and customer costs	601,818	36,546	638,364	819,990
Collections and research	154,557	21,138	175,695	415,609
Museum costs	365,249	104,609	469,858	730,527
	<u>1,121,624</u>	<u>162,293</u>	<u>1,283,917</u>	<u>1,966,126</u>
<i>Total 2020</i>	<u><u>1,790,000</u></u>	<u><u>176,126</u></u>	<u><u>1,966,126</u></u>	

9. Auditors remuneration

The auditors' remuneration amounts to an auditor fee of £5,000 (2020 - £5,000), and accountancy and taxation work of £2,800 (2020 - £2,700).

10. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Directors (2020 - £557 to 2 Directors).

In addition the Directors have personally incurred expenses which they have not reclaimed from the Museum.

11. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	723,822	797,281	723,822	797,281
Social security costs	55,060	60,241	55,060	60,241
Contribution to defined contribution pension schemes	32,338	37,911	32,338	37,911
	<u><u>811,220</u></u>	<u><u>895,433</u></u>	<u><u>811,220</u></u>	<u><u>895,433</u></u>

THE TRAMWAY MUSEUM SOCIETY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Staff costs (continued)

The average number of persons employed by the Society during the year was as follows:

	Group 2021 No.	<i>Group 2020 No.</i>	Charity 2021 No.	<i>Charity 2020 No.</i>
Finance and administration	5	<i>4</i>	5	<i>4</i>
Sales outlets	12	<i>21</i>	-	<i>-</i>
Others	22	<i>29</i>	22	<i>29</i>
	39	<i>54</i>	27	<i>33</i>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration received by key management personnel is £55,887 (2020: £55,911). The Society considers its key management personnel comprise those who are making day-to-day delegated executive decisions.

12. Tangible fixed assets

Group and Charity

Included in cost of land and buildings is freehold land of £64,897 (2020: £64,897) which is not depreciated.

For insurance purposes, tramcars are assessed at sums determined by the Board. Tramcars awaiting restoration are insured at a nominal £1,000 each plus inflation and other tramcars at higher figures based on the amounts spent on restoration, these figures being adjusted for inflation from time to time.

	Freehold property £	Permanent exhibition £	Permanent way & overhead £	Plant and machinery £	Computer equipment £	Total £
Cost						
At 1 April 2020	4,520,608	1,482,712	1,066,171	756,770	175,308	8,001,569
At 31 March 2021	4,520,608	1,482,712	1,066,171	756,770	175,308	8,001,569
Depreciation						
At 1 April 2020	1,606,266	1,212,200	689,292	644,537	162,846	4,315,141
Charge for the year	92,530	85,934	54,161	22,145	8,325	263,095
At 31 March 2021	1,698,796	1,298,134	743,453	666,682	171,171	4,578,236

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Tangible fixed assets (continued)

Group and Charity (continued)

	Freehold property £	Permanent exhibition £	Permanent way & overhead £	Plant and machinery £	Computer equipment £	Total £
Net book value						
At 31 March 2021	<u>2,821,812</u>	<u>184,578</u>	<u>322,718</u>	<u>90,088</u>	<u>4,137</u>	<u>3,423,333</u>
At 31 March 2020	<u>2,914,342</u>	<u>270,512</u>	<u>376,879</u>	<u>112,233</u>	<u>12,462</u>	<u>3,686,428</u>

Heritage assets not recognised in the balance sheet

The Society maintains 75 tramcars and associated artefacts which were acquired over a period of time. Other tramway-related artefacts are also held by the Society. Restoration work is carried out in order to bring the tramcars into a display condition and once they have reached this condition they are maintained in a state of good repair.

Acquisition, disposal, prevention and management

The acquisition, disposal, preservation and management of the Society's collection are governed in accordance with the Museum's Acquisition, Disposal and Conservation policies. Collection records are maintained in accordance with the Museum standards laid out in the Museum Documentation Association's "SPECTRUM" guidelines. Access to the Society's collections is available during advertised Museum opening times and by pre-arranged appointment. The Society's policies and procedures were overseen and approved by the Museums, Libraries and Archives Council accreditation scheme. The Society has achieved full Accredited status.

13. Fixed asset investments

	Investments in subsidiary companies £
Society	
Cost	
At 1 April 2020	2
At 31 March 2021	<u>2</u>

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Tramway Museum Services (R&C) Limited	06058747	Crich Tramway Village, Crich, Matlock, Derbyshire, DE4 5DP	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Loss for the year £	Net liabilities £
Tramway Museum Services (R&C) Limited	270,098	(279,735)	9,637	9,637

14. Stocks

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Goods for resale	17,748	37,334	-	-
Permanent way	56,665	56,665	56,665	56,665
	74,413	93,999	56,665	56,665

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Amounts owed by group undertakings	-	-	239,043	936,974
Other debtors	256,491	716,670	255,565	716,631
Prepayments and accrued income	4,524	5,456	4,524	5,456
Tax recoverable	12,600	27,704	12,600	27,704
	273,615	749,830	511,732	1,686,765

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	48,100	176,926	43,900	164,298
Accruals and deferred income	59,897	74,761	59,897	73,760
	107,997	251,687	103,797	238,058

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred income brought forward	33,272	48,172	33,272	48,172
Resources deferred during the year	31,768	33,272	31,768	33,272
Amounts released from previous periods	(33,272)	(48,172)	(33,272)	(48,172)
	31,768	33,272	31,768	33,272

Deferred income relates to advance subscriptions and prepaid tickets.

THE TRAMWAY MUSEUM SOCIETY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	545,000	-	-	-	-	545,000
New Cafe Fund (xiv)	274,638	-	-	544,056	-	818,694
	<u>819,638</u>	<u>-</u>	<u>-</u>	<u>544,056</u>	<u>-</u>	<u>1,363,694</u>
General funds						
General funds	2,507,200	1,293,184	(1,459,575)	(544,056)	-	1,796,753
Pension reserve	(188,000)	-	(8,000)	-	(138,000)	(334,000)
	<u>2,319,200</u>	<u>1,293,184</u>	<u>(1,467,575)</u>	<u>(544,056)</u>	<u>(138,000)</u>	<u>1,462,753</u>
Total Unrestricted funds	<u>3,138,838</u>	<u>1,293,184</u>	<u>(1,467,575)</u>	<u>-</u>	<u>(138,000)</u>	<u>2,826,447</u>
Restricted funds - Revenue						
Cabmen's Shelter	25,000	52,002	(63,440)	-	-	13,562
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	21,942	3,943	-	-	-	25,885
Disabled Access	15,599	-	-	-	-	15,599
Audience Development	5,600	-	-	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Manchester replica (vii)	213,236	-	-	-	-	213,236
Sheffield Trams (viii)	348,626	-	-	-	-	348,626
P.C.C. fund (ix)	19,211	-	-	-	-	19,211
Car no: 5 appeal	6,409	-	-	-	-	6,409
Heavy Restoration (xi)	27,392	-	-	-	-	27,392
Depots/Exhibition (xii)	194,894	-	-	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	15,008	(15,008)	-	-	-
Cadisch - Tramcar acquisition and restoration	-	90,000	-	-	-	90,000
Blackpool 298	-	15,003	(15,003)	-	-	-
Newcastle 102	(8,000)	14,257	(6,257)	-	-	-
Other restricted funds under £5k	16,202	2,300	-	-	-	18,502
	925,670	192,513	(99,708)	-	-	1,018,475
Restricted funds - Capital						
Barnsley Bus No. 5	58,500	-	(6,500)	-	-	52,000
Clay Cross Extension (i)	31,739	-	(1,004)	-	-	30,735
Workshop Extension (ii)	192,927	-	(5,898)	-	-	187,029
Library Extension (iii)	697,407	-	(20,952)	-	-	676,455
Stone Workshop (iv)	788,594	-	(19,140)	-	-	769,454

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17. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Depot Improvements (xii)	185,782	-	(3,952)	-	-	181,830
Victoria Park (v)	75,342	-	(1,837)	-	-	73,505
Woodland Walk/ Wakebridge	68,608	-	(8,152)	-	-	60,456
Holroyd Smith Exhibition	61,905	-	(7,645)	-	-	54,260
Bandstand Trackwork	9,088	-	(1,009)	-	-	8,079
	<u>2,169,892</u>	<u>-</u>	<u>(76,089)</u>	<u>-</u>	<u>-</u>	<u>2,093,803</u>
Total Restricted funds	<u>3,095,562</u>	<u>192,513</u>	<u>(175,797)</u>	<u>-</u>	<u>-</u>	<u>3,112,278</u>
Total of funds	<u>6,234,400</u>	<u>1,485,697</u>	<u>(1,643,372)</u>	<u>-</u>	<u>(138,000)</u>	<u>5,938,725</u>

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
Designated funds						
Business Interruption Contingency Fund (xiii)	545,000	-	-	-	-	545,000
New Cafe Fund (xiv)	-	-	-	274,638	-	274,638
	<u>545,000</u>	<u>-</u>	<u>-</u>	<u>274,638</u>	<u>-</u>	<u>819,638</u>

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17. Statement of funds (continued)

General funds

General Funds - all funds	2,083,293	2,783,758	(2,085,213)	(274,638)	-	2,507,200
General funds	(309,000)	-	(4,000)	-	125,000	(188,000)
	<u>1,774,293</u>	<u>2,783,758</u>	<u>(2,089,213)</u>	<u>(274,638)</u>	<u>125,000</u>	<u>2,319,200</u>
Total Unrestricted funds	<u>2,319,293</u>	<u>2,783,758</u>	<u>(2,089,213)</u>	<u>-</u>	<u>125,000</u>	<u>3,138,838</u>

Restricted funds - Revenue

Cabmen's Shelter	-	25,000	-	-	-	25,000
Jubilee Fund	13,213	-	(13,213)	-	-	-
Track Fund	11,948	-	-	-	-	11,948
Subscriber Plus Fund (vi)	18,887	5,193	(2,138)	-	-	21,942
Disabled Access	17,249	-	(1,650)	-	-	15,599
Audience Development	7,000	-	(1,400)	-	-	5,600
Edinburgh 35	20,546	-	-	-	-	20,546
Blackpool 236	7,065	-	-	-	-	7,065
Manchester replica (vii)	212,836	400	-	-	-	213,236
Sheffield Trams (viii)	348,026	600	-	-	-	348,626
P.C.C. fund (ix)	19,211	-	-	-	-	19,211
Car no: 5 appeal	71,434	170	(195)	(65,000)	-	6,409
Heavy Restoration (xi)	100,000	200	(72,808)	-	-	27,392
Depots/Exhibition (xii)	186,500	9,894	(1,500)	-	-	194,894
Tramcar restoration - LCC 1 (x)	-	63,622	(63,622)	-	-	-
Newcastle 102	-	145,080	(153,080)	-	-	(8,000)
Other restricted funds under £5k	11,625	9,532	(4,955)	-	-	16,202

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
	<u>1,045,540</u>	<u>259,691</u>	<u>(314,561)</u>	<u>(65,000)</u>	<u>-</u>	<u>925,670</u>
Restricted funds - Capital						
Barnsley Bus No. 5	-	-	(6,500)	65,000	-	58,500
Clay Cross Extension (i)	32,743	-	(1,004)	-	-	31,739
Workshop Extension (ii)	198,825	-	(5,898)	-	-	192,927
Library Extension (iii)	718,359	-	(20,952)	-	-	697,407
Stone Workshop (iv)	807,734	-	(19,140)	-	-	788,594
Exhibition Hall (v)	63,257	-	(63,257)	-	-	-
Depot Improvements (xii)	189,734	-	(3,952)	-	-	185,782
Victoria Park (v)	77,179	-	(1,837)	-	-	75,342
Woodland Walk/ Wakebridge	42,840	33,920	(8,152)	-	-	68,608
Holroyd Smith Exhibition	62,100	7,450	(7,645)	-	-	61,905
Bandstand Trackwork	-	10,097	(1,009)	-	-	9,088
	<u>2,192,771</u>	<u>51,467</u>	<u>(139,346)</u>	<u>65,000</u>	<u>-</u>	<u>2,169,892</u>
Total Restricted funds	<u>3,238,311</u>	<u>311,158</u>	<u>(453,907)</u>	<u>-</u>	<u>-</u>	<u>3,095,562</u>
Total of funds	<u>5,557,604</u>	<u>3,094,916</u>	<u>(2,543,120)</u>	<u>-</u>	<u>125,000</u>	<u>6,234,400</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Statement of funds (continued)

Each restricted fund has sufficient resources to enable the fund to be applied in accordance with the restrictions imposed. A summary of the nature and purpose of each of the more significant funds is set out below.

Restricted Funds

- (i) Grant received from the Heritage Lottery Fund for the extension of the existing store at Clay Cross.
- (ii) Grants received from the Heritage Lottery Fund and Museums, Libraries and Archives Council (MLA) for the construction of an extension to the tramcar workshop facility, incorporating a new public viewing gallery and exhibition.
- (iii) Grants received from the Heritage Lottery Fund and MLA for the extension of the library.
- (iv) Grants received from the Heritage Lottery Fund for the restoration of the Stone Workshop.
- (v) The development of the Victoria Park area funded by individual donations and a transfer from the Subscriber Plus Fund.
- (vi) Donations received from members towards a variety of small revenue tramway related projects.
- (vii) Legacy received towards the re-creation of a Manchester bogie car.
- (viii) Legacy received towards the restoration of Sheffield tramcars in the collection.
- (ix) Donation received for the restoration and conservation of PCC cars.
- (x) Donations received for the restoration and conservation of LCC 1.
- (xi) Legacy received for restoration or heavy repairs of electric tramcars.
- (xii) Legacy received for extensions and improvements to tramcar accommodation and exhibitions.

Designated Funds

- (xiii) Fund designated to meet potential costs arising due to a downturn in visitor numbers.
- (xiv) Fund designated to build new catering facilities.

Transfers

The transfer reflects the designation of the R Clarke legacy.

18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	819,638	-	-	544,056	-	1,363,694
General funds	2,319,200	1,293,184	(1,467,575)	(544,056)	(138,000)	1,462,753
Restricted funds						
- Revenue	925,670	192,513	(99,708)	-	-	1,018,475
Restricted funds						
- Capital	2,169,892	-	(76,089)	-	-	2,093,803

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Summary of funds (continued)

6,234,400	1,485,697	(1,643,372)	-	(138,000)	5,938,725
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Summary of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
Designated funds	545,000	-	-	274,638	-	819,638
General funds	1,774,293	2,783,758	(2,089,213)	(274,638)	125,000	2,319,200
Restricted funds						
- Revenue	1,045,540	259,691	(314,561)	(65,000)	-	925,670
Restricted funds						
- Capital	2,192,771	51,467	(139,346)	65,000	-	2,169,892
	5,557,604	3,094,916	(2,543,120)	-	125,000	6,234,400

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds - Revenue 2021 £	Restricted funds - Capital 2021 £	Total funds 2021 £
Tangible fixed assets	1,329,530	-	2,093,803	3,423,333
Current assets	1,938,914	1,018,475	-	2,957,389
Creditors due within one year	(107,997)	-	-	(107,997)
Provisions for liabilities and charges	(334,000)	-	-	(334,000)
Total	2,826,447	1,018,475	2,093,803	5,938,725

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds - Revenue 2020 £</i>	<i>Restricted funds - Capital 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	1,516,536	-	2,169,892	3,686,428
Current assets	2,061,989	925,670	-	2,987,659
Creditors due within one year	(251,687)	-	-	(251,687)
Provisions for liabilities and charges	(188,000)	-	-	(188,000)
Total	<u>3,138,838</u>	<u>925,670</u>	<u>2,169,892</u>	<u>6,234,400</u>

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

	Group 2021 £	<i>Group 2020 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(157,675)</u>	<u>551,796</u>
Adjustments for:		
Depreciation charges	263,095	330,124
Decrease in stocks	19,586	11,661
Decrease/(increase) in debtors	477,368	(295,608)
Increase/(decrease) in creditors	(144,843)	11,954
Defined benefit pension movement	8,000	4,000
Net cash provided by operating activities	<u>465,531</u>	<u>613,927</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	2,609,361	2,143,830
Total cash and cash equivalents	2,609,361	2,143,830

22. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	2,143,830	465,531	2,609,361
	2,143,830	465,531	2,609,361

23. Pension commitments

The Society participates in the Derbyshire County Council Pension Scheme, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997 (as amended).

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The employer's contribution rate was 8.8% of pensionable pay with an employee's contribution rate of 5.9% or 6.5% of pensionable pay.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 March 2021 %	<i>At 31 March 2020 %</i>
Discount rate	2.0	2.3
Future salary increases	3.55	2.6
Future pension increases	2.85	1.9

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. Pension commitments (continued)

	At 31 March 2021 Years	<i>At 31 March 2020 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	21.3	21.6
- at 65 for a male aged 45 now	22.5	22.6
- for a female aged 65 now	23.9	23.7
- at 65 for a female aged 45 now	25.8	25.1

Sensitivity analysis

	At 31 March 2021 £	<i>At 31 March 2020 £</i>
Discount rate -0.1%	24,000	23,000

The Group's share of the assets in the scheme was:

	At 31 March 2021 £	<i>At 31 March 2020 £</i>
Equities	819,000	616,000
Corporate bonds	245,000	257,000
Property	98,000	92,000
Cash and other liquid assets	61,000	62,000
Total fair value of assets	1,223,000	1,027,000

The actual return on scheme assets was 20.6% (2020 - 4.7% decrease).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2021 £	<i>2020 £</i>
Current service cost	(19,000)	(24,000)
Interest income	23,000	26,000
Interest cost	(28,000)	(34,000)
Total amount recognised in the Consolidated statement of financial activities	(24,000)	(32,000)

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23. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2021 £	2020 £
Opening defined benefit obligation	1,215,000	1,401,000
Interest cost	28,000	34,000
Contributions by scheme participants	3,000	3,000
Actuarial losses/(gains)	324,000	(214,000)
Benefits paid	(32,000)	(33,000)
Current service cost	19,000	24,000
Closing defined benefit obligation	1,557,000	1,215,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2021 £	2020 £
Opening fair value of scheme assets	1,027,000	1,092,000
Expected return on assets	23,000	26,000
Actuarial gains/(losses)	186,000	(89,000)
Contributions by employer	16,000	28,000
Contributions by scheme participants	3,000	3,000
Benefits paid	(32,000)	(33,000)
Closing fair value of scheme assets	1,223,000	1,027,000

The group expects to contribute £16,000 to its defined benefit pension scheme in 2022.

24. Share Capital

The Society is a charitable company limited by guarantee and has no share capital. Each member undertakes to contribute a maximum of £1 to the assets of the Society, in the event of a winding up.

25. Related party transactions

M C Wright is on the board of trustees of the Tramcar Sponsorship Organisation. During the year ended 31 March 2021 the Society received a grant of £14,257 (2020: £153,084) from the organisation for the restoration of Newcastle 102.

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26. Controlling party

The Society has no single controlling party.