

Registered Company Number: 04115126
Registered Charity Number: 1087318

The Swanage Railway Trust
(A Company Limited by Guarantee)
Consolidated Financial statements
For the year ended 31 January 2020

The Swanage Railway Trust
For the Year Ended 31 January 2020

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**The Swanage Railway Trust
Company Information**

COMPANY REGISTRATION NO: 4115126

CHARITY NO: 1087318

COMPANY SECRETARY: M R Woolley

REGISTERED OFFICE: Station House
Swanage
Dorset, BH19 1HB

**DIRECTORS AND TRUSTEES
(Collectively known as the
Council of Management)**

G C Johns (Chairman)
E M Sellen (Deputy Chairman)
T J Parsons
M R Woolley (Secretary)
P T Clements (resigned Oct 19)
A L Moore (Treasurer)
N S C Coram
S I Magnus
P N Sills
W S Trite
M A Whitwam
B R Ezzard (resigned Oct 19)
J A Hagger (resigned Oct 19)
D Bennett
G W Carter
R Coldham
S J Williams (appointed Oct 19)
M McManus (resigned Oct 19)

PROFESSIONAL ADVISERS

BANKERS

Barclays Bank Plc
Barclays House
Wimborne Road
Poole
Dorset BH15 2BB

AUDITORS

Ward Goodman Limited
4 Cedar Park, Cobham Road
Ferndown Industrial Estate
Wimborne
BH21 7SF

The Swanage Railway Trust
Chairman's Strategic Report
For the Year Ended 31 January 2020

At the start of my last annual review I noted that 2018-19 was a year of mixed fortunes, little knowing at the time of writing what lay ahead for the Railway.

The year represented by the joint accounts - 2019-20 - was successful, buoyed by the impact of the visit by Flying Scotsman early in the year, but as the accounting year closed in January 2020 the first impacts of the pandemic were being felt, growing rapidly to fundamentally change the way we traded during 2020-21.

In 2019-20 our turnover and patronage was slightly less in comparison with the previous year after stripping out the impact of the Flying Scotsman visit. Adding in the impact of the visit enabled us to declare a trading profit of £239,985. This was a good outcome reflecting well on the hard work put in by our volunteers and staff.

Underlying concerns remain: the mismatch between our income flow, peaking heavily in the summer months and our level of costs which remain broadly flat across the year. The Flying Scotsman bonus gave us some respite but the basic fact remains that we operate at too high a cost for the income we make. At the year end this, was for Directors of the SRC, the most pressing issue to address.

We continue to invest in our locomotives, rolling stock and infrastructure. A major relay of 26 track panels - funded by the SRC - was undertaken during the wet Winter by our in-house P Way team and volunteers. Other groups continue to function and contribute to the Railway.

We made a start in a major capital project - funded by the SRT - to construct vital under cover shed facilities at Herston. We knew our plans were ambitious - a tight site, compromised access, the line severed by a major relay and trains scheduled for February half term - but we managed to get the fittings completed before poor weather caused the contractors to stop.

We continue, in collaboration with the Purbeck Community Rail Partnership, to press Perenco and Dorset Council for the lease of Furzebrook sidings. This has been slow progress whilst the other parties focus on other priorities. The site though is for us a major opportunity to develop more siding capacity and release space elsewhere.

We made considerable progress with our Governance Review, concluding after informal consultation that simplification and up-skilling senior management resource held benefits for the Railway. We had planned to consult further and seek agreement on proceeding at the AGM until the pandemic caused this work to be paused. The engagement and support on this important matter was notable and very welcome.

In summary another challenging year but one containing many positive experiences that took the Railway forward.

**The Swanage Railway Trust
Chairman's Strategic Report
For the Year Ended 31 January 2020**

Our strategic direction remains the same as earlier years: to continue the development of the Railway's services within the heart of Purbeck. The SRT seeks:

- 1) delivery of commitments given to operate the trial service to/from Wareham;
- 2) wishes to see improved stakeholder engagement to set out the case for Stakeholder's continued support especially in achieving much needed new engineering facilities;
- 3) The Company to become more proactive in moving to a sustainable business model, to reduce dependence on the Trust, so that more Trust funds can go into improvements and to reduce fluctuation with cash flow management.

However, the economic and social context in which we now have to plan is fundamentally different due to the impact of the pandemic, and will constrain heavily the choices that we have.

The year 2020-21 and the future

Our train services were completely suspended on the introduction of lockdown in March 2020 in consequence of the coronavirus pandemic. At a stroke our opportunity to earn income was removed. Other plans such as the introduction of the Wareham service, scheduled for summer 2020, were put on hold.

The Board immediately put in place a plan with three stages:

Consolidate: aiming to reduce as much as possible our outgoings by negotiating suspension of charges or defer payments: by furloughing staff except where essential for care and maintenance and security of our assets required then;

Re-start: plan to recommence services as restrictions were lifted after lockdown; and to implement a **Future operating model (FOM)** that supports a sustainable railway in the future.

The first two stages were successfully implemented allowing detailed consideration of the FOM, and in particular providing information from trading in restricted circumstances that will form the corner stone of our plans for next year.

In parallel the SRT launched the SaveOurService appeal raising over £270,000 emergency funding for the SRC at the time of writing. Using social media, custom made videos and other traditional formats has brought the Railway's plight to many and we have in turn benefited.

Our staff and volunteers have played the most significant role in delivering these supportive actions both in planning and risk assessing and in delivery.

We decided to take an incremental approach to each change so that the risks could be managed, bedded in and be seen to work before introducing the next step. This approach worked well with staff and customers pleased at the detailed way that we had approached managing the risks. An example of this is when we started operating trains in July: we introduced an out-and-back diesel service from Swanage, then re-introduced steam and reopened Norden station, we later re-opened Corfe Castle Station and subsequently increased carriage capacity by making some internal alterations.

The Swanage Railway Trust
Chairman's Strategic Report
For the Year Ended 31 January 2020

The Summer service was successful in the operating conditions prevailing, but with income being roughly half that of 2019 it is clear that some difficult choices will have to be made. Prudently, in order to ensure survival, the Board assumes that conditions will not materially change in the year ahead. There is no firm indication at present that the restrictions will ease; the marked reluctance to travel by train will continue until inoculations are widely administered, track and trace is functioning and the need for social distancing is removed. The prospect of a recession has been raised that would reduce discretionary spend, traditionally impacting on activities like ours.

The Board has concluded in the light of this prospect to thoroughly review our entire cost base and make changes to ensure that income covers costs next year.

These actions required will be challenging but are essential to ensure survival in an unpredictable trading environment. They will have a benefit of bringing the Railway onto a better sustainable footing and base for future developments.

Our volunteers do so much to enable the Railway to function. The amount of hours freely given to support the line is phenomenal. Without that contribution the Railway would be a radically different place. Much of what we have achieved in the year under review and in responding to the pandemic has been achieved by the tireless commitment of many volunteers.

The Trustees and Board believe that although the potential impact of coronavirus could be grave, with your continued support and the implementation of our plans the prospect of survival and setting a new sustainable base is worthwhile, as it will ensure that the Swanage Railway continues to thrive in the future.

I must thank Andrew Moore and the Finance team together with our Auditors, for all their hard work in preparing for audit and preparation of these accounts. The accounts are essential to be able to show a snapshot of our business, and the detail and work required to get them right is significant.

Finally, the Chairman of the Company Liz Sellen stepped down from the role in June. I would like to thank her for her work and commitment in this role that is critical to the governance of the Railway.



G C Johns
Chairman
Swanage Railway Trust

Date: 26/09/2020

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020**

The directors are pleased to present their report together with the consolidated financial statements of the charity and its subsidiary company for the year ended 31 January 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Swanage Railway Trust is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Its Charity Number is 1087318 and its Company Number is 4115126.

The legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP FRS 102).

MANAGEMENT

The Swanage Railway Trust has a single management body, the Board of Directors (also known as the Council of Management), elected by the members for a two year period. Fifty percent of the directors are required to retire by rotation each year at the Trust's Annual General Meetings.

The Council of Management delegate day to day responsibilities of managing the Railway to The Swanage Railway Company's Senior Management Team, overseen by the Board. The Directors consider the following people to be part of Key Management.

Directors;

Trevor Parsons (Director) -resigned 29 April 2019
Andrew Moore (Director)
Kevin Potts (Director)
Elizabeth Sellen (Director)
Mark Woolley (Director)
Gavin Johns (Director)
Keith Usher (Director)
Michael Gould (Director) - appointed Aug18 resigned Apr19

Senior Managers;

Barry Light (Permanent Way Manager)	Christopher Morgan (Museums Manager)
David Rawsthorn (Head of Sales and Marketing)	Tony North (Signal & Telegraph Manager)
Lorna Lock (Finance and Payroll Manager)	Martin Trott (Passenger Services Manager)
Barry Osgood (Health and Safety Manager)	
James Cox (Locomotive Carriage & Wagon Manager)	
Graham Froud (Steam Locomotive Superintendent)	
Ashley Haines (Operations Manager from April 2020)	
Peter Harris (Operations Manager until April 2020)	
Jon Bridgland (Business Development Manager)	

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020**

Key Management Personnel are employed by the Swanage Railway Company and are remunerated in accordance with the pay structures established by its Directors who act with the authority delegated by the Council of Management.

DIRECTORS MEETINGS

The Council of Management meets 11 times a year.

DIRECTOR INDUCTION AND TRAINING

The directors of the charitable company are the trustees for the purpose of charity law and throughout this report are referred to as the directors.

The Directors of the Trust are elected by the membership of the Trust or, in the case of the Secretary and Treasurer, can be appointed ex-officio in order to ensure that the Board has suitably experienced persons in these positions. All Directors of the Trust are members of the Trust and as such are familiar with the overall goals of the Trust. A formal review of the Trust policies is held annually at the meeting following elections to ensure that these remain appropriate and that the new Directors are familiar with them.

The Swanage Railway Trust provides a briefing pack to members considering standing for election to the Council of Management. This pack includes, inter-alia, a copy of the Trust's Articles of Association, a copy of the Trust's formal policies and a copy of CC3 – The Charity Commission's guide for new Trust Directors. Successful candidates are asked to confirm receipt of these in writing and that they understand the information contained therein. Any changes to the guidance issued by the Charity Commission will be considered by the appropriate director, and where necessary, discussed at a meeting of the Council of Management.

OBJECTIVES AND ACTIVITIES

The objectives of the Swanage Railway Trust, as set down in its Memorandum of Association, is to study, compile records on and acquire, restore, preserve and maintain railway lines, locomotives, rolling stock and other items of railway interest, and to provide training and instruction in such activities and in particular but without prejudice to the generality of the foregoing those associated with the Isle of Purbeck, the former London and South Western Railway, other Railways which were in existence in Southern England during and before the year of nineteen hundred and twenty-three, the Southern Railway, and the Southern Region of British Railways, and to enter in such agreements and to take all such steps as may be necessary for these purposes, and to organise, sponsor and support displays and such other shows and events for the provision and stimulation of information, education and interest in such vehicles and other items of railway interest.

The Board use annual passenger numbers on the railway to measure the performance of the Group.

A review of business describing how objectives and activities have been achieved in the current year has been included in the Chairman's Strategic Report which starts on page 2.

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020**

PUBLIC BENEFIT

The directors have given due regards to the requirement of the Charity Commission with respect to public benefit.

RISK MANAGEMENT

The directors have considered the major risks that the Swanage Railway Trust and its trading subsidiary face when developing strategies and strategic plans for the future. The major risks are lack of funding to prevent the Trust from achieving its objectives and operational issues for the trading subsidiary which will be enhanced in the future with operations to and from the main line. These risks may cause a delay in the Trust achieving its objectives or curtail the operations of the trading subsidiary. Where appropriate, directors obtain the assistance of experts in the various areas that are a risk to the Trust or its trading subsidiary.

The most significant risk currently faced by The Swanage Railway Trust is the Coronavirus pandemic. This has been discussed further on page 4 and 9.

RELATED PARTIES

The charity acknowledges a relationship with:-

The Swanage Railway Company Limited
Southern Locomotives Ltd
Southern Locomotives Hire Ltd
Southern Locomotives Engineering Limited
71A Locomotive Ltd
Class 33/1 Preservation Co. Ltd
JMB Locomotive Services

The Swanage Railway Trust holds a controlling interest in the Swanage Railway Company Limited, which assists the Trust in meeting its objectives by operating the Swanage Railway and undertaking the associated trading activities. Whilst the company has a paid staff it is still heavily dependent on the supply of volunteers by the Trust for the operation of its train services and the maintenance and development of the railway.

A number of the directors of the Swanage Railway Trust are also directors of the Swanage Railway Company Limited. It is current Trust policy that the majority of voting Directors of the Swanage Railway Company are also Directors of the Swanage Railway Trust.

VOLUNTEERS

The charity is heavily dependent on the volunteers who perform many different tasks to assist with the management, administration, maintenance and operation of the railway.

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020**

FUNDRAISING STANDARDS INFORMATION

The charity does not use professional fundraisers or direct mail. Members receive regular communication through the magazine and appeal information is on the charity's website. The trustees are satisfied that there is no undue pressure on members of the public to donate to The Swanage Railway Trust.

FINANCIAL REVIEW

The level of consolidated income has decreased largely because of the reduction of capital grants from outside organisations which were made to the trading subsidiary as those projects near completion although this is matched by a decrease in capital and revenue expenditure. Legacy income in the Trust was also substantially greater this year. The Trust has continued to make grants to the Swanage Railway Company Limited for the restoration and construction of railway buildings, track maintenance, locomotives and rolling stock which are part of the objectives of the Trust.

Consolidated funds total £7,214,438 at 31 January 2020 (2019 - £6,924,238). There is a requirement for a high level of reserves given the substantial investment by the Trust and its subsidiary in fixed assets.

RESERVES POLICY

The Group has a requirement for a high level of reserves due to its large investment in fixed assets and its trading subsidiary and for setting aside resources for future projects.

Where funds have been raised for specific projects, the Group maintains separate funds either as designated or restricted funds – see note 14.

The available reserves of the Group are as follows:

Total consolidated funds at 31 January 2020	7,214,438
Less:-	
- Tangible Fixed assets	6,412,517
- Fixed asset investments	6,419
- Restricted funds held in bank balances	81,685
- Designated funds	406,021
	<hr/> 307,796

Funds in relation to fixed assets would only be released on the sale of those assets.

The Group will continue to invest in fixed assets and locomotive overhaul in 2020 although at much lower levels than in previous years due to the completion of Project Wareham.

The Directors review the finances of the Trust and its Subsidiary each month at the Council of Management meetings.

The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020

FUTURE PLANS

The Group intends to use its strategic objectives to utilise its resources and to develop its museum facilities and collections and to restore further items of equipment appropriate to its need for use on the Swanage Railway. As a result of the Coronavirus pandemic future planning has been rendered uncertain. In March 2020 the railway was obliged by HM Government to cease all operations and all of the subsidiaries income streams ceased. In the initial period of the pandemic when the UK was effectively in lockdown we sought to maintain the railway on a care and maintenance basis. Through the success of the Save our Service Appeal the Trust has been able to financially support its subsidiary in the short to medium term.

At the time of writing restrictions imposed by government have been relaxed and the railway was able to reopen on 11th July. Since then passenger numbers have grown to approximately 55% of 2019 levels.

The directors will continue to monitor economic trends and will take necessary steps to ensure the future of the railway.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including income and expenditure of the charitable company and the group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

In so far as the directors are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Ward Goodman, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by Order of the Directors



**M R Woolley
Company Secretary**

Date: 26/09/2020

Report of the Independent Auditors of The Swanage Railway Trust

Opinion

We have audited the consolidated financial statements of The Swanage Railway Trust (the parent company and its trading subsidiary, together 'the group') for the period ended 31 January 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets and the consolidated statement of cashflows and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 the parent charitable company's affairs as at 31 January 2020 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the period 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 and the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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.

Key audit matters

The impact of Covid-19 on the UK has been significant and inline with all UK businesses, this group has taken steps to address the issues arising from the Pandemic.

As the Pandemic spread across the UK The Swanage Railway Trust responded by identifying those areas of the organisation that are key front line services and other income generating projects that would be closed under government advice. In order to ensure that the working capital is maintained through uncertain trading period , the group is ensuring that there is sufficient scope with in the banking facilities, and have gained significant donations through appeals and grant applications where applicable. Where activities have had to be suspended to adhere to government health and safety guidelines, certain staff have been furloughed leaving only the key individuals for delivery of charitable activities.

As the government eased the lock down, the Railway have been able to commence a restricted service over their busiest period of the year. From this, cashflow forecasts indicate that this will provide adequate funding even in the event of severe restrictions on the group's ability to continue to generate income over the next 12 months.

We were able to conduct the year end stock take and fixed asset verification prior to the government imposed lockdown. However the remainder of our audit field work was completed remotely, free from any limitations of scope. We can conclude that there are no other key matters associated with this audit.

Report of the Independent Auditors of The Swanage Railway Trust

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you

- the director's' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees and 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Matters on which we are required to report by exception

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

- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Director's Responsibilities set out on page nine, the Directors 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 and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors of The Swanage Railway Trust

Our 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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the group and charitable company. Our audit work has been undertaken so that we might state to the group and charitable company 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 group and charitable company as a body, for our audit work, for this report, or for the opinions we have formed.



Ian M Rodd BSc FCA FCCA (Senior Statutory Auditor)

For and on behalf of Ward Goodman

Statutory Auditor

4 Cedar Park

Cobham Road

Ferndown Industrial Estate

Wimborne

Dorset

BH21 7SF

Date: 26/09/2020

Registered Company Number: 04115126

Registered Charity Number: 1087318

The Swanage Railway Trust
Consolidated Statement of Financial Activities
For the Year Ended 31 January 2020
(Incorporating the Consolidated Income and Expenditure Account)

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Incoming Resources					
Voluntary Income:					
Appeals, donations, legacies and covenants		243,693	44,141	287,834	473,740
Grant income		(954)	954	-	-
Activities for generating funds:					
Membership subscriptions		39,945	-	39,945	40,791
Fund raising and other income		36,828	-	36,828	23,791
Trading income		3,450,735	-	3,450,735	2,884,582
Investment income		3,121	160	3,281	2,467
Total Incoming Resources	2	3,773,368	45,255	3,818,623	3,425,371
Resources Expended					
Cost of generating funds					
Trading expenses		3,264,741	-	3,264,741	3,227,083
Fundraising costs		9,403	-	9,403	5,194
		-	-	-	-
Charitable activities		221,122	33,157	254,279	241,007
Total Resources Expended	5	3,495,266	33,157	3,528,423	3,473,284
Net Incoming Resources		278,102	12,098	290,200	(47,913)
Revaluation adjustment		-	-	-	-
Transfers between funds		18,375	(18,375)	-	-
Net movement in funds		296,477	(6,277)	290,200	(47,913)
Funds at 1 February 2019		6,540,165	384,073	6,924,238	6,972,151
Funds at 31 January 2020	14	6,836,642	377,796	7,214,438	6,924,238

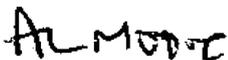
Registered Company Number: 04115126

Registered Charity Number: 1087318

The Swanage Railway Trust
Consolidated Balance Sheet
As at 31 January 2020

		2020	2019
		£	£
Fixed Assets	Notes		
Tangible Fixed Assets	7	6,412,517	6,048,394
Fixed asset investments - listed	9	6,419	6,419
Total fixed assets		<u>6,418,936</u>	<u>6,054,813</u>
Current Assets			
Stocks	10	84,910	93,381
Debtors and prepayments	11	130,626	149,104
Cash at bank and in hand		1,025,125	1,247,355
		<u>1,240,661</u>	<u>1,489,840</u>
Creditors: Amounts falling due within one year			
Creditors and accruals	12	<u>(383,769)</u>	<u>(560,667)</u>
Net Current Assets		856,892	929,173
Total assets less current liabilities		<u>7,275,828</u>	<u>6,983,986</u>
Creditors: Amounts falling due after more than one year	12	(61,390)	(59,748)
Net Assets		<u>7,214,438</u>	<u>6,924,238</u>
Unrestricted Funds;			
General funds		6,059,419	5,853,277
Designated funds		406,021	315,686
Revaluation funds		371,202	371,202
	14	<u>6,836,642</u>	<u>6,540,165</u>
Restricted funds	14	377,796	384,073
Total funds	14, 15	<u>7,214,438</u>	<u>6,924,238</u>

These financial statements were approved by the directors and authorised for issue on 26th September 2020, and are signed on their behalf by:



A L Moore - Director



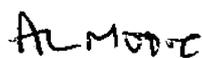
G C Johns - Director

Registered Company Number: 04115126
Registered Charity Number: 1087318

The Swanage Railway Trust
Balance Sheet
As at 31 January 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible Fixed Assets	7	954,520	767,182
Fixed asset investments - listed	9	6,419	6,419
Investment in subsidiaries	8	470,605	470,595
Total fixed assets		1,431,544	1,244,196
Current Assets			
Stocks	10	-	-
Debtors and prepayments	11	155,224	99,777
Cash at bank and in hand		973,600	1,123,796
		1,128,824	1,223,573
Creditors: Amounts falling due within one year			
Creditors and accruals	12	(54,251)	(62,352)
		1,074,573	1,161,221
Net Current Assets			
		2,506,117	2,405,417
Total assets less current liabilities			
		(61,390)	(45,696)
Creditors: Amounts falling due after more than one year			
		2,444,727	2,359,721
Net Assets			
Unrestricted Funds;			
General funds		1,660,911	1,659,962
Designated funds		406,021	315,686
Revaluation funds		-	-
	14	2,066,932	1,975,648
Restricted funds	14	377,795	384,073
Total funds	15	2,444,727	2,359,721

These financial statements were approved by the directors and authorised for issue on 26th September 2020, and are signed on their behalf by:



A L Moore - Director



G C Johns - Director

**The Swanage Railway Trust
Consolidated Cashflow Statement
For the Year Ended 31 January 2020**

	<u>Note</u>	<u>2020</u> £	<u>2019</u> £
Net cash flows from operating activities	1	314,346	784,095
Cash flows from investing activities			
Purchase of equipment		(622,182)	(338,969)
Interest received		3,281	2,467
Proceeds from sale of fixed assets		59,091	34,000
Net cash flows from investing activities		<u>(559,810)</u>	<u>(302,502)</u>
Cash flows from financing activities			
Capital repayment of Hire Purchase leases		(14,804)	(19,741)
New loans in the year		40,000	-
Interest paid		(1,962)	(11,242)
Loans repaid			(10,000)
Net cash flows from financing activities		<u>23,234</u>	<u>(40,983)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(222,230)</u>	<u>440,610</u>
Cash and cash equivalents at the beginning of the year		1,247,355	806,745
Cash and cash equivalents at the end of the year		<u>1,025,125</u>	<u>1,247,355</u>
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		1,025,125	1,247,355
Bank overdrafts		-	-
Cash and cash equivalents		<u>1,025,125</u>	<u>1,247,355</u>

The Swanage Railway Trust
Notes to the Consolidated Cashflow Statmenet
For the Year Ended 31 January 2020

1 Cash flows from operating activities

	<u>2020</u>	<u>2019</u>
	<u>£</u>	<u>£</u>
Net Surplus/(Deficit)	290,200	(47,913)
Adjustment for;		
Depreciation charges	211,279	231,289
(Gains)/Losses on revaluation of investments	-	-
Investment income	(3,281)	(2,467)
Interest paid	1,962	11,242
(Gain)/loss on disposal of fixed assets	(12,311)	147,533
	487,849	339,684
(Increase) / Decrease in stock	8,471	5,212
(Increase) /Decrease in debtors	18,478	233,414
Increase / (Decrease) in creditors	(200,452)	205,785
	314,346	784,095
Cash generated by operations		

**The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020**

1. ACCOUNTING POLICIES

1.0 Legal form

The Swanage Railway Trust Limited, a public benefit company under FRS 102, is incorporated as a Company limited by guarantee, registered in England and Wales (company number 4115126). The registered office address is on page 1 of these accounts. The company is also a registered charity in England (charity number 1087318).

The Swanage Railway Company Limited is incorporated as a Company limited by shares, registered in England and Wales (company number 01412568). The registered office address is on page 1 of these accounts.

1.1 Basis of preparation

The Financial statements have been prepared under the historical cost convention as modified by the revaluation of the locomotives and rolling stock and are in accordance with Financial Reporting Standard 102, the Companies Act 2006 and the Charities Accounting Statement of Recommended Practice (SORP FRS 102).

1.2 Basis of Consolidation

The consolidated accounts present the financial statements of The Swanage Railway Trust and its subsidiary the Swanage Railway Company Limited as if they formed a single entity. Intercompany transactions and balances have therefore been eliminated in full.

1.3 Incoming Resources

Membership income:

Annual subscriptions from members are included in full in the year they are received. Life membership subscriptions are credited to the life membership account and from there to income in equal annual instalments over ten years.

Voluntary income and donations:

All voluntary income and donations are accounted for gross when received. Due to the nature of donations and fund raising income the directors have no control over this until received and entered into the records.

Trading income: Income from the subsidiary trading company is included in the period in which it is generated.

Legacy income: Legacy income is recognised at the earlier of the charity being notified or the legacy being received.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

1. ACCOUNTING POLICIES - continued

1.4 Resources Expended

All resources expended are classified under activity headings that aggregate all costs related to the category.

- Cost of generating funds comprises the costs of fundraising and trading activities.
- Charitable activities include the costs incurred directly in the fulfillment of the Charity's objectives.
- Governance costs represent those costs of the strategic management of the charity and of complying with constitutional and statutory requirements.

Liabilities are recognised as resources expended once there is a legal or constructive obligation to make a payment to a third party.

All expenditure is included in the Statement of Financial Activities on an accruals basis net of recoverable VAT.

1.5 Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.6 Tangible Fixed Assets

Fixed assets are included at cost or valuation. Expenditure on repairs and renewals and minor items of equipment is written off in the year in which it is incurred.

Freehold land is not depreciated.

1.7 Heritage Assets

Part of the Objectives of the Trust is to acquire, restore, preserve and manage heritage locomotives and rolling stock. These assets are included in the accounts of the Trust at valuation and are not subject to an annual depreciation charge, as in the opinion of the directors the nature of the assets concerned and the level of maintenance is such that there is no significant annual depreciation. Any permanent diminution in the value of such assets is charged to the Consolidated Statement of Financial Activities when recognised in accordance with FRS 102.

Detailed information on the locomotives and rolling stock of the Trust and its subsidiary company can be found at www.swanagerailway.co.uk.

1.8 Infrastructure, plant and equipment

Infrastructure, plant and equipment is stated in the balance sheet at cost less accumulated depreciation.

Depreciation is calculated to write off the cost of the assets concerned on either a straight line basis or a reducing balance basis over their estimated useful lives at the following rates:-

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

1. ACCOUNTING POLICIES - continued

1.8 Infrastructure, plant and equipment (continued)

Plant and machinery;

Fixtures and fittings, plant and equipment – 20% Reducing balance

Computer equipment – 25% Straight line

Motor vehicles – 10% Straight line

Rolling stock – 10% Straight line

Furniture – 20% Straight line

Shop fittings and equipment;

Fixtures and catering equipment – 20% Straight line

Permanent way – 2% Straight line

Buildings and railway structures - 20% Straight line

1.9 Stocks

Stocks are valued at the lower of cost or net realisable value.

1.10 Investments

All investments in locomotive preservation groups are stated at cost.

Investment in the Trust's subsidiary company the Swanage Railway Company Limited is stated at cost.

Investments in listed entities are measured at market value at the year end. The listed investments were gifted to the Trust as part of a legacy in previous years and are held to earn investment income. The Trust has no plans or policies in place for further investment in listed entities.

1.12 Fund accounting

Unrestricted funds are available to use to further any of the purposes of the charity, at the discretion of the trustees.

Designated funds are unrestricted funds of the charity which have been set aside by the trustees to fund particular activities of the charity.

Restricted funds are donated for particular areas of the charity work or specific projects undertaken. Restrictions arise when specified by the donor, by the trust deed or when funds are raised for particular restricted purposes.

1.13 Financial instruments

Financial instruments are recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument.

Basic financial assets;

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

1. ACCOUNTING POLICIES - continued

1.13 Financial instruments - continued

Basic financial liabilities;

Basic financial liabilities, including trade and other payables, bank loans, and loans from group companies are initially recognised at transaction price. Financial liabilities due in more than one year are initially measured at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities constituting financing transactions are initially measured at the present value of the future payments discounted at a market rate of interest.

Derecognition of financial assets and liabilities;

Financial assets and liabilities are derecognised when the Group's contractual rights or obligations expire or are discharged, transferred or cancelled.

1.14 Significant judgement and estimates

In the application of the group's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are areas that are considered to be key sources of estimation uncertainty, there are no significant judgements to note.

Useful life and residual values of tangible fixed assets;

The economic useful life of tangible fixed assets and the expected residual value on future disposal is estimated by the Directors based on their knowledge and experience. The total carrying value of fixed assets at 31 January 2020 was £6,412,517.

1.15 Finance Leases

Finance leases are measured at the present value of future lease payments and interest is accrued using the sum of digits method.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

2. Incoming resources	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £	Total 2019 £
Voluntary income (Trust)				
Appeals, donations, legacies and covenants	243,693	44,141	287,834	473,740
Grant income	(954)	954	-	-
Membership subscriptions	39,945	-	39,945	40,791
Fundraising and other income	36,828	-	36,828	34,476
Investment income	3,121	160	3,281	630
Total voluntary income from Trust	322,633	45,255	367,888	549,637
Activities for generating funds (Subsidiary Company)				
Heritage passenger fare income	2,718,382	-	2,718,382	2,262,609
Wareham fare income	-	-	-	-
Shop income	181,798	-	181,798	171,544
Catering income	294,275	-	294,275	258,174
Driver experience days	23,680	-	23,680	31,620
Other income	149,792	-	149,792	158,746
Insurance claims	-	-	-	-
Revenue grants	82,808	-	82,808	1,889
Total income from activities in subsidiary company	3,450,735	-	3,450,735	2,884,582
Total consolidated incoming resources	3,773,368	45,255	3,818,623	3,434,219

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

3. Subsidiary results

The Trust discharges its charitable objectives through its subsidiary the Swanage Railway Company Limited, a company incorporated in the UK. A summary of the trading results including intergroup trading is set out below. Audited accounts are filed with Companies House.

	2020	2019
	£	£
Turnover	3,437,352	3,013,813
Cost of sales	<u>(1,253,782)</u>	<u>(1,141,445)</u>
Gross	2,183,570	1,872,368
Administrative expenses	<u>(1,966,769)</u>	<u>(1,847,870)</u>
Operating profit	216,801	24,498
Interest payable	(1,962)	(11,242)
Interest receivable	12,745	-
Loss on sale of fixed asset	<u>12,311</u>	<u>(147,533)</u>
Less: Profit on ordinary activities	<u>239,895</u>	<u>(134,277)</u>
Retained profit/(loss) for the year	<u>239,895</u>	<u>(134,277)</u>
Net assets	<u>1,630,117</u>	<u>1,390,222</u>

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

4. Comparative Consolidated Statement of Financial Activities

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	13 month period to 31.01.18 £
Incoming Resources					
Voluntary Income:					
Appeals, donations, legacies and covenants		409,111	64,629	473,740	199,848
Grant income		-	-	-	677
Activities for generating funds:					
Membership subscriptions		40,791	-	40,791	37,121
Fund raising and other income		23,791	-	23,791	34,476
Trading income		2,884,582	-	2,884,582	3,047,997
Investment income		2,347	120	2,467	646
Total Incoming Resources	2	3,360,622	64,749	3,425,371	3,320,765
Resources Expended					
Cost of generating funds					
Trading expenses		3,227,083	-	3,227,083	3,208,350
Fundraising costs		5,194	-	5,194	9,532
Charitable activities		222,746	18,261	241,007	308,737
Total Resources Expended	5	3,455,023	18,261	3,473,284	3,526,619
Net Incoming Resources		(94,401)	46,488	(47,913)	(205,854)
Revaluation adjustment		-	-	-	(3,198)
Transfers between funds		-	-	-	-
Net movement in funds		(94,401)	46,488	(47,913)	(209,052)
Funds at 1 January 2018		6,634,566	337,585	6,972,151	7,181,203
Funds at 31 January 2018	14,15	6,540,165	384,073	6,924,238	6,972,151

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

5. Total Resources Expended

	Premises & railway running costs £	Admin, salaries and other £	Dep'n £	Total 2020 £	Total 2019 £
Charitable Activities:					
Rent	128,347	-	-	128,347	124,948
Rates & utilities	19,181	-	-	19,181	18,113
Printing & stationery	-	31,443	-	31,443	29,869
Repairs & other	17,173	31,572	7,825	56,570	38,657
Auditors remuneration (audit)	-	3,760	-	3,760	3,650
Auditors remuneration (non audit)	-	4,529	-	4,529	3,900
Other legal and professional	-	10,449	-	10,449	21,870
Total charitable activities	164,701	81,753	7,825	254,279	241,007
Costs of generating funds:					
Fundraising costs	-	9,403	-	9,403	5,194
Trading costs (subsidiary only)	1,729,539	1,331,465	203,737	3,264,741	3,227,083
Total cost of generating funds	1,729,539	1,340,868	203,737	3,274,144	3,232,277
Total resources expended	1,894,240	1,422,621	211,562	3,528,423	3,473,284

Included under trading costs, above, are £4,991 of fees paid for the audit of the subsidiary's financial statements.

6. Staff costs

	Trust and Subsidiary	
	2020 £	2019 £
Staff costs		
Wages and salaries	1,043,328	1,041,453
Social security costs	80,001	78,543
Pension costs	16,976	10,478
	<u>1,140,305</u>	<u>1,130,474</u>

The Swanage Railway Company Limited had 43 (2019 – 43) employees at the year end, excluding directors. All staff members are employed by Swanage Railway Company Limited.

None of the directors of The Swanage Railway Trust or Company received any remuneration for their services. One director of The Swanage Railway Company Limited received remuneration in 2019 of £41,275 plus compensation for loss of office of £15,534. Expenses were reimbursed to the directors during the year for out of pocket expenses incurred in accordance with their duties as directors.

Key Management Personnel salaries for the year to 31 January 2020 was £253,806 (2019: £302,926).

The Swanage Railway Trust and the Swanage Railway Company Limited are both heavily reliant on volunteer staff in all areas of their activities.

There were no employees with emoluments above £60,000 in the Swanage Railway Company or Swanage Railway Trust.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

7. Tangible fixed assets

	Subsidiary						Trust					Total Trust	Total
	Land and Buildings	Heritage Assets	Plant Machinery and Equipment	Shop Fittings and Equipment	Permanent Way and Other Assets	Assets Under Construction	Freehold Land	Land and Buildings	Heritage Assets	Plant Machinery and Equipment	Assets Under Construction		
Cost	£	£	£	£	£	£	£	£	£	£	£	£	£
At 1 February 2019	845,256	803,447	1,048,923	3,387	1,763,730	1,852,482	30,000	144,483	603,009	29,898	3,885	811,275	7,128,500
Additions	-	17,187	37,573	-	46,130	326,412	-	-	194,880	-	-	194,880	622,182
Disposal	-	(32,500)	(15,859)	-	-	(9,404)	-	-	-	-	-	-	(57,763)
Transfer of completed assets	66,131	-	25,696	-	-	(91,827)	-	-	-	-	-	-	-
As 31 January 2020	911,387	788,134	1,096,333	3,387	1,809,860	2,077,663	30,000	144,483	797,889	29,898	3,885	1,006,155	7,692,919
Depreciation													
At 1 February 2019	272,919	-	433,019	2,464	327,611	-	-	16,500	-	27,593	-	44,093	1,080,106
Charge for the year	33,825	-	134,059	621	35,232	-	-	6,858	-	684	-	7,542	211,279
Eliminated on disposal	-	-	(10,983)	-	-	-	-	-	-	-	-	-	-
At 31 January 2020	306,744	-	556,095	3,085	362,843	-	-	23,358	-	28,277	-	51,635	1,280,402
Net Book Value													
At 31 January 2020	604,643	788,134	540,238	302	1,447,017	2,077,663	30,000	121,125	797,889	1,621	3,885	954,520	6,412,517
At 31 January 2019	572,337	803,447	615,904	923	1,436,119	1,852,482	30,000	127,983	603,009	2,305	3,885	767,182	6,048,394

Included in the above carrying amount of fixed assets is £48,777 (2019; £55,687) in respect of assets held under hire purchase agreements.

Heritage Assets are all included at historical cost, the revaluation resulted in the reversal of accumulated depreciation.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

8. INVESTMENT IN THE SWANAGE RAILWAY COMPANY LIMITED (company number 01412568)

The Trust discharges part of its charitable objectives through its subsidiary, the Swanage Railway Company Limited, which operates the Swanage Railway and undertakes the associated trading activities.

The share structure of the Swanage Railway Company Limited is such that The Swanage Railway Trust is the only shareholder who can hold voting shares in the Company. The effect of this structure is that The Swanage Railway Trust controls the Swanage Railway Company Limited. The trust owns 96% of the issued share capital of The Swanage Railway Company Limited.

An extract of the subsidiary's income statement is in note 2 to these accounts.

An extract from the Balance Sheet of the Swanage Railway Company Limited at 31 January 2020 is as follows:-

	2020	2019
	£	£
Fixed assets	5,457,998	5,281,213
Current assets	206,836	271,267
Current liabilities	(564,351)	(614,398)
Total assets less current liabilities	5,100,483	4,938,082
Creditors due in more than one year	(3,470,366)	(3,552,860)
	1,630,117	1,385,222
Called up share capital - owned by trust see page 15	470,605	470,595
Called up share capital - owned by members	16,358	16,368
Revaluation reserve	371,202	371,202
Profit and loss account	771,952	527,057
	1,630,117	1,385,222

9. INVESTMENTS IN LISTED ENTITIES

	£
Market value at 1 February 2019	6,419
Additions	-
Disposals	-
Net investment (losses)/gains	-
Market value at 31 January 2020	6,419

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

10. STOCKS

	Trust and Subsidiary		Trust	
	2020	2019	2020	2019
	£	£	£	£
Shop stocks for resale	27,916	22,867	-	-
Catering stock	7,359	5,978	-	-
Consumable stocks	43,711	62,687	-	-
Special events stock	5,893	1,105	-	-
Driver experience	31	744	-	-
	-	-	-	-
	<u>84,910</u>	<u>93,381</u>	<u>-</u>	<u>-</u>

11. DEBTORS AND PREPAYMENTS

	Trust and Subsidiary		Trust	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	13,964	11,169	1,551	86
Loan to the Swanage Railway Company Limited	-	-	95,000	5,000
Other debtors	65,088	100,720	27,035	79,262
Prepayments and accrued income	51,574	37,215	31,638	15,429
	<u>130,626</u>	<u>149,104</u>	<u>155,224</u>	<u>99,777</u>

The total amount outstanding on the Winter Loan from Swanage Railway Trust Limited to Swanage Railway Company Limited at 31 January 2019 was £nil (2019: £nil).

Interest is charged at 1.5% above the banks base lending rate and the amount of interest charged in the year was £290 (2019 - £3,841).

At 31 January 2020, there was an other debtor of £95,000 (2019: £5,000) due from Swanage Railway Company Limited to Swanage Railway Trust.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

12. CREDITORS AND ACCRUALS

	Trust and Subsidiary		Trust	
	2020	2019	2020	2019
Due within one year	£	£	£	£
Trade creditors	177,562	138,243	31,673	42,630
Taxation and social security	21,774	20,202	-	-
Life membership equalisation account	9,870	7,070	9,870	7,070
Hire purchase creditors	14,415	15,167	-	-
Other creditors, accruals, deferred income	160,148	379,985	12,708	12,652
	<u>383,769</u>	<u>560,667</u>	<u>54,251</u>	<u>62,352</u>

Deferred income relates to ticket sales in advance for events taking place after the year end.

	Trust and Subsidiary		Trust	
	2020	2019	2020	2019
Due more than one year	£	£	£	£
Members Loans	8,000	8,000	8,000	8,000
Hire purchase creditors (1-3 years)	-	14,052	-	-
Life membership equalisation account	50,158	34,828	50,158	34,828
Other creditors and accruals	3,232	2,868	3,232	2,868
	<u>61,390</u>	<u>59,748</u>	<u>61,390</u>	<u>45,696</u>

Hire purchase creditors are in respect of two hire purchase contracts for motor vehicles, both expiring in three years and repayable in monthly installments. The creditor is measured at the present value of future lease payments.

13. LIFE MEMBERSHIP

LifeTime membership subscriptions are credited to the accounts and released over ten years.

The movements during the year were:-

	2020	2019
	£	£
Ordinary Life, Lifetime Travel and Premier Life Memberships brought forward	41,898	48,233
New memberships in the year	28,000	3,000
Premier life memberships released over 10 years	(3,540)	(3,540)
Life member subscriptions released over 10 years	(6,330)	(5,795)
Balance of life memberships at close of year	<u>60,028</u>	<u>41,898</u>
Shown in:-		
Creditors under 1 year	9,870	7,070
Creditors over 1 year	<u>50,158</u>	<u>34,828</u>
	<u>60,028</u>	<u>41,898</u>

Both Premier Life Membership and Ordinary Life membership have now closed to new applicants. The Life Time Travel Membership continues.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

14. FUNDS

The balance of the unrestricted fund may be reconciled as follows:-

	Opening balance at 1 February 2019 £	Incoming Resources £	Expenditure £	Transfers £	Gains/ (losses) on revaluation £	Closing balance at 31 January 2020 £
General funds - Charity	1,659,962	277,302	(186,499)	(89,852)		1,660,913
Designated funds for;						
Restoration	184,698	138,844	(122,258)	(76,948)	-	124,336
Other capital expenditure	52,956	19,663	(700)	115,852	-	187,771
Other Designated	56,532	-	(24,500)		-	32,032
Education and musuem	21,500	-	(28,941)	60,000	-	52,559
4TC Designated				9,323	-	9,323
Total designated	315,686	158,507	(176,399)	108,227	-	406,021
Resricted funds;						
Project Wareham Appeal	130,806	4,516	(4,516)	(130,806)	-	-
Mining Museum Group	169,084	30,474	(27,333)	-	-	172,225
Swanage 4TC Group	84,183	10,265	(1,308)	112,431	-	205,571
Total restricted	384,073	45,255	(33,157)	(18,375)	-	377,796
Total Charity Funds	2,359,721	481,064	(396,055)	-	-	2,444,730
General funds - Company	4,193,315	3,337,559	(3,132,368)	-	-	4,398,506
Revaluation reserve	371,202	-	-	-	-	371,202
Total - Consolidated	6,924,238	3,818,623	(3,528,423)	-	-	7,214,438

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2020

14. FUNDS - comparative note

The balance of the unrestricted fund may be reconciled as follows:-

	Opening balance at 1 February 2018	Incoming Resources	Expenditure	Transfers	Gains/ (losses) on revaluation	Closing balance at 31 January 2019
	£	£	£	£	£	£
General funds - Charity	1,416,076	521,170	(327,979)	50,695	-	1,659,962
Designated funds for;						
Restoration	198,113	65,356	(78,821)	50	-	184,698
Other capital expenditure	40,192	-	(2,000)	14,764	-	52,956
Other Designated	49,311	-	(27,811)	-	-	21,500
Education and museum	124,772	5,500	(8,231)	(65,509)	-	56,532
Total designated	412,388	70,856	(116,863)	(50,695)	-	315,686
Restricted funds;						
Project Wareham Appeal	119,657	11,149	-	-	-	130,806
Mining Museum Group	154,930	30,072	(15,918)	-	-	169,084
Swanage 4TC Group	62,998	23,528	(2,343)	-	-	84,183
Total restricted	337,585	64,749	(18,261)	-	-	384,073
Total Charity Funds	2,166,049	656,775	(463,103)	-	-	2,359,721
General funds - Company	4,434,900	2,768,596	(3,010,181)	-	-	4,193,315
Revaluation reserve	371,202	-	-	-	-	371,202
Total - Consolidated	6,972,151	3,425,371	(3,473,284)	-	-	6,924,238

The designated funds for purposes as described above are designated and reviewed annually by the Council of The Swanage Railway Trust. The revaluation reserve is in respect of Heritage Assets and Listed Fixed Asset Investments. Included within general funds is £16,378 of share capital representing non voting shares in Swanage Railway

Transfers have been made from restricted funds to general funds to account for grants that have been fully expended on fixed assets in line with the restriction. The original restriction is therefore released on these funds.

The purpose of each of the restricted funds is as follows:-

- Mining Museum Group – donations towards the upkeep and development of the Museums at Norden and Corfe
- The Swanage 4TC Group – fundraising for and restoration of a 4TC unit to be based at Swanage to provide a push-pull set working with a Class 33/1 diesel electric locomotive
- Project Wareham Appeal – to raise funds to launch mainline services

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15. RECONCILIATION OF TOTAL FUNDS TO NET ASSETS

	Fixed Assets	Bank	Current Assets	Creditors <1year	Creditors >1year	Total
	£	£	£	£	£	£
General funds	5,774,766	537,419	187,228	(383,604)	(56,390)	5,853,277
Designated funds	-	406,021	-	-	-	406,021
Restricted funds	272,968	81,685	28,308	(165)	(5,000)	377,796
Revaluation	371,202	-	-	-	-	371,202
	<u>6,418,936</u>	<u>1,025,125</u>	<u>215,536</u>	<u>(383,769)</u>	<u>(61,390)</u>	<u>7,214,438</u>

15. RECONCILIATION OF TOTAL FUNDS TO NET ASSETS - comparative

	Fixed Assets	Bank	Assets	Liabilities	Total
	£	£	£	£	£
General funds	5,410,643	843,707	214,177	(615,250)	5,853,277
Designated funds	-	315,686	-	-	315,686
Restricted funds	272,968	87,962	28,308	(4,835)	384,403
Revaluation	371,202	-	-	-	371,202
	<u>6,054,813</u>	<u>1,247,355</u>	<u>242,485</u>	<u>(620,085)</u>	<u>6,924,568</u>

16. FINANCIAL COMMITMENTS

The group is committed to paying the following remaining lease payments on non-cancellable operating leases;

	Trust and Subsidiary		Trust	
	2020	2019	2020	2019
	£	£	£	£
Lease expiring				
-in under 1 year	420,953	314,205	117,392	10,414
-after 1 year but within 5 years	1,270,642	1,256,818	98,638	41,654
-after 5 years	6,122,089	6,927,969	0	508,509
	<u>7,813,684</u>	<u>8,498,992</u>	<u>216,030</u>	<u>560,577</u>

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16. FINANCIAL COMMITMENTS - continued

Locomotive hire agreements

a) The Swanage Railway Trust's trading subsidiary, Swanage Railway Company Limited, utilises the motive power and engineering support provided by Southern Locomotives Engineering Limited for which there is an agreement under which Swanage Railway Company Limited pays a fixed amount each year. As detailed in Note 18, a number of the directors of The Swanage Railway Trust and the directors of the trading subsidiary are also shareholders in Southern Locomotives Limited, the holding company of Southern Locomotives Engineering Limited.

The amount billed in respect of the year to the trading subsidiary by Southern Locomotives Hire Limited was £180,472 (2019 - £157,122). At the year end, an amount of £12,000 (2019: £nil) was owed to Southern Locomotives Hire Limited.

b) The Swanage Railway Trust's trading subsidiary, Swanage Railway Company Limited, utilised the locomotive power provided by JMB Locomotive Services. The amount invoiced by JMB Locomotive Services to the trading subsidiary for the supply of motive power in respect of the year was £112,320 (2019; £112,320). £9,360 was outstanding at the year end (2019: £9,360).

17. RELATED PARTY TRANSACTIONS

Swanage Railway Company Limited is a 96% owned subsidiary of Swanage Railway Trust.

The total amount outstanding on loans made to the company by Swanage Railway Trust at 31 January 2020 was

Interest is charged on the above loans at 1.5% above the Bank of England base rate. Interest charged in the year

A Moore, a director and Trustee of Swanage Railway Trust, is a shareholder in Southern Locomotives Limited.