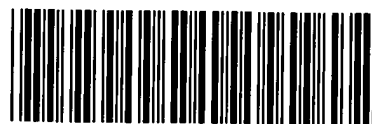


The Swanage Railway Trust
(A Company Limited by Guarantee)
Consolidated Accounts
For the year ended 31 January 2019

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COMPANIES HOUSE

The Swanage Railway Trust
For the Year Ended 31 January 2019

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**The Swanage Railway Trust
Charity 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
A L Moore (Treasurer)
D A Budd (resigned Oct18)
N S C Coram
S I Magnus
P N Sills
W S Trite
M A Whitwam
B R Ezzard
J A Hagger (resigned Sep17, reappointed Mar18)
D Bennett
G W Carter
M McManus
R Coldham (appointed Oct18)

PROFESSIONAL ADVISERS

BANKERS

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

AUDITORS

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

**The Swanage Railway Trust
Chairman's Strategic Report
For the Period Ended 31 January 2019**

The year under review has been one of mixed fortunes. Company turnover has for the first time exceeded £3M, and our customer levels have broadly held at the same level of the past few years. The increased operating costs though, resulted in a trading profit of £21K which after the correct treatment of an asset sale was reflected in the accounts, resulted in a reported loss of £134K.

The Trust's position is more positive with a surplus of £182k but we report combined accounts and the difficulties that the Company has had to contend with need proper reflection and consideration.

A significant issue is the mismatch between our income flow, peaking heavily in the summer months and our costs which remain broadly flat across the year. The resulting need to monitor cash flow has taken considerable effort, requiring some intervention with asset sales and reduction in costs. We still have though to better balance the offer we want to make to our customers, with the cost that entails whilst remaining at heart a volunteer led railway. It is quite a challenge but the Trustees and Directors recognise the need to get this right. It will be the focus of our activities in the year ahead.

Another significant issue is under capitalisation. This is not new but it slows down our plans and as we aim to deliver steam and diesel services along the whole line, progress is curtailed by lack of capital. The newly invigorated Fundraising and Membership Group will give this area greater impetus.

We were delighted to receive a visit by HRH The Duke of Gloucester who presented HM The Queen's Award for Voluntary Services to the Railway. To receive the Award was in itself rewarding but the visit, and the willingness of HRH to meet and speak with so many staff and volunteers made it very special indeed.

A challenging year but one contains many positive experiences and one that contributes to our overall plans.

Our strategic direction remains the same: to continue the development of the Railway's services within the heart of Purbeck. Specifically though the Trust wishes to see the delivery of commitments given to operate the trial service to/from Wareham. This will be an important precursor to deciding service patterns in the future. We wish to see improved stakeholder engagement not only to make clear the fantastic work we do for Purbeck but also to set out the case for Stakeholder's continued support especially in achieving much needed new engineering facilities. We also wish 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.

In addition we will be taking a hard look at potential structures that may be more appropriate to support the Railway over the next 20-25 years. Our current structures - Trust and Company - have stood the test of time but the business environment has changed radically. The Governance Review will look at the case for change to ensure that the Railway has the best governance structure fit for the future. Our members will determine the way forward on this important matter.

**The Swanage Railway Trust
Chairman's Strategic Report
For the Period Ended 31 January 2019**

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. Although the financial picture may not be as positive as could be hoped your commitment and support is much appreciated, as it ensures that the Swanage Railway continues to thrive.

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 Trevor Parsons stepped down from the role in May. He played a great influence in achieving first services to Wareham, the operation of very successful events, as well as many other activities and I would like to thank him for his personal drive and commitment to making the Swanage Railway the Railway that we can enjoy today. He has said he will continue to volunteer and it will be good to continue to see him around the Railway.



G C Johns
Chairman
Swanage Railway Trust

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2019**

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 2019.

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)
Matthew Green (Director/General Manager) - resigned Sep18
Keith Usher (Director)
Michael Gould (Director) - appointed Aug18 resigned Apr19

Senior Managers;

Matthew Green (General Manager)
David Rawsthorn (Head of Sales and Marketing)
Lorna Lock (Finance and Payroll Manager)
James Cox (Locomotive Carriage & Wagon Manager)
Ashley Haines (Operations Manager until Jan19)
Peter Harris (Operations Manager from Apr19)
Martin Trott (Passenger Services Manager)

Barry Light (Permanent Way Manager)
Tony North (Signal & Telegraph Manager until Jan19)
Barry Osgood (Health and Safety Manager)
Graham Froud (Steam Locomotive Superintendent)
Christopher Morgan (Museums Manager)
Jon Bridgland (Business Development Manager)

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2019**

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 2019**

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.

RELATED PARTIES

The charity acknowledges a relationship with:-

The Swanage Railway Company Limited
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.

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.

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2019**

FINANCIAL REVIEW

The comparative figures in these financial statements relate to the 13 month period to 31st January 2018. The level of consolidated trading 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 £6,924,238 at 31 January 2019 (2018 - £6,972,151). 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 notes 13 and 14.

The available reserves of the Group are as follows:

Total consolidated funds at 31 January 2019	6,924,238
Less:-	
- Tangible Fixed assets	6,048,394
- Fixed asset investments	6,419
- Restricted funds held in bank balances	87,962
- Designated funds	315,686
	<hr/> 465,777

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 2019 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 2019**

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.

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 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.

**The Swanage Railway Trust
Directors Report
For the Year Ended 31 January 2019**

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 *22nd JUNE 2019*

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 2019 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.

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 where:

- 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.

Report of the Independent Auditors of The Swanage Railway Trust

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.

Our responsibilities for the audit of the financial statements

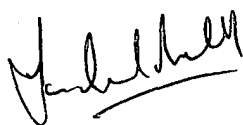
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is 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.

Report of the Independent Auditors of The Swanage Railway Trust

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 FCA FCCA (Senior Statutory Auditor)
For and on behalf of Ward Goodman
Registered Auditor
4 Cedar Park
Cobham Road
Ferndown Industrial Estate
Wimborne
Dorset
BH21 7SF

Date: 22 June 2019

The Swanage Railway Trust
Consolidated Statement of Financial Activities
For the Period Ended 31 January 2019
(Incorporating the Consolidated Income and Expenditure Account)

	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 February 2018		6,634,566	337,585	6,972,151	7,181,203
Funds at 31 January 2019	14,15	6,540,165	384,073	6,924,238	6,972,151

The Swanage Railway Trust
Consolidated Balance Sheet
As at 31 January 2019

		2019	2018
		£	£
Fixed Assets	Notes		
Tangible Fixed Assets	7	6,048,394	6,122,249
Fixed asset investments - listed	9	6,419	6,419
Total fixed assets		<u>6,054,813</u>	<u>6,128,668</u>
Current Assets			
Stocks	10	93,381	98,593
Debtors and prepayments	11	149,104	382,518
Cash at bank and in hand		1,247,355	806,744
		<u>1,489,840</u>	<u>1,287,855</u>
Creditors: Amounts falling due within one year			
Creditors and accruals	12	<u>(560,667)</u>	<u>(361,827)</u>
Net Current Assets		929,173	926,028
Total assets less current liabilities		<u>6,983,986</u>	<u>7,054,696</u>
Creditors: Amounts falling due after more than one year	12	(59,748)	(82,545)
Net Assets		<u>6,924,238</u>	<u>6,972,151</u>
Unrestricted Funds;			
General funds		5,853,277	5,853,956
Designated funds		315,686	412,388
Revaluation funds		371,202	368,222
	14	<u>6,540,165</u>	<u>6,634,566</u>
Restricted funds	15	384,073	337,585
Total funds	16	<u>6,924,238</u>	<u>6,972,151</u>

These financial statements were approved by the directors and authorised for issue on 22 June 2019, and are signed on their behalf by:

AL Moore

A L Moore - Director

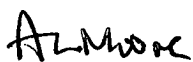
G C Johns

G C Johns - Director

The Swanage Railway Trust
Balance Sheet
As at 31 January 2019

	Notes	2019 £	2018 £
Fixed Assets			
Tangible Fixed Assets	7	767,182	640,066
Fixed asset investments - listed	9	6,419	6,419
Investment in subsidiaries	8	470,595	470,585
Total fixed assets		<u>1,244,196</u>	<u>1,117,070</u>
Current Assets			
Stocks	10	-	-
Debtors and prepayments	11	99,777	409,708
Cash at bank and in hand		1,123,796	800,947
		<u>1,223,573</u>	<u>1,210,655</u>
Creditors: Amounts falling due within one year			
Creditors and accruals	12	(62,352)	(95,222)
Net Current Assets		1,161,221	1,115,433
Total assets less current liabilities		<u>2,405,417</u>	<u>2,232,503</u>
Creditors: Amounts falling due after more than one year	12	(45,696)	(57,198)
Net Assets		<u>2,359,721</u>	<u>2,175,305</u>
Unrestricted Funds;			
General funds		1,659,962	1,347,295
Designated funds		315,686	389,853
Revaluation funds		-	-
	14	1,975,648	1,737,148
Restricted funds	15	384,073	438,157
Total funds	16	<u>2,359,721</u>	<u>2,175,305</u>

These financial statements were approved by the directors and authorised for issue on 22 June 2019, 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 2019**

	<u>Note</u>	<u>2019</u> <u>£</u>	<u>2018</u> <u>£</u>
Net cash flows from operating activities	1	784,095	58,462
Cash flows from investing activities			
Purchase of equipment		(338,969)	(537,926)
Interest received		2,467	630
Proceeds from sale of fixed assets		34,000	1,726
Net cash flows from investing activities		<u>(302,502)</u>	<u>(535,570)</u>
Cash flows from financing activities			
Capital repayment of Hire Purchase leases		(19,741)	(10,947)
New Hire Purchase leases in year		-	25,865
Interest paid		(11,242)	(6,132)
Loans repaid		(10,000)	
Net cash flows from financing activities		<u>(40,983)</u>	<u>8,786</u>
Net increase/(decrease) in cash and cash equivalents		<u>440,610</u>	<u>(468,322)</u>
Cash and cash equivalents at the beginning of the year		806,745	1,275,067
Cash and cash equivalents at the end of the year		<u>1,247,355</u>	<u>806,745</u>
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		1,247,355	806,745
Bank overdrafts		-	-
Cash and cash equivalents		<u>1,247,355</u>	<u>806,745</u>

The Swanage Railway Trust
Notes to the Consolidated Cashflow Statmenet
For the Year Ended 31 January 2019

1 Cash flows from operating activities

	<u>2019</u>	<u>2018</u>
	<u>£</u>	<u>£</u>
Net Surplus/(Deficit)	(47,913)	(209,044)
Adjustment for;		
Depreciation charges	231,289	190,597
(Gains)/Losses on revaluation of investments	-	3,198
Investment income	(2,467)	(630)
Interest paid	11,242	6,132
(Gain)/loss on disposal of fixed assets	147,533	45,382
Cash flows before movement in working capital	<u>339,684</u>	<u>35,609</u>
(Increase) / Decrease in stock	5,212	(10,875)
(Increase)/Decrease in debtors	233,414	53,941
Increase / (Decrease) in creditors	205,785	(20,213)
Cash generated by operations	<u><u>784,095</u></u>	<u><u>58,462</u></u>

**The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019**

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).

Comparative figures are for a 13 month period and are therefore not wholly comparable.

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 2019

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 2019

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 – 4% 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 2019

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 2019 was £6,054,813.

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 2019

2. Incoming resources	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	13 month period to 31.01.18 £
Voluntary income (Trust)				
Appeals, donations, legacies and covenants	409,111	64,629	473,740	199,848
Grant income	-	-	-	677
Membership subscriptions	40,791	-	40,791	37,121
Fundraising and other income	23,791	-	23,791	34,476
Investment income	2,347	120	2,467	630
Total voluntary income from Trust	476,040	64,749	540,789	272,752
Activities for generating funds (Subsidiary Company)				
Heritage passenger fare income	2,262,609	-	2,262,609	2,129,737
Wareham fare income	-	-	-	155,461
Shop income	171,544	-	171,544	189,668
Catering income	258,174	-	258,174	274,878
Driver experience days	31,620	-	31,620	44,779
Other income	158,746	-	158,746	108,726
Insurance claims	-	-	-	144,764
Revenue grants	1,889	-	1,889	-
Total income from activities in subsidiary company	2,884,582	-	2,884,582	3,048,013
Total consolidated incoming resources	3,360,622	64,749	3,425,371	3,320,765

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

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.

	2019	2018
	£	£
Turnover	3,013,813	2,903,858
Cost of sales	<u>(1,141,445)</u>	<u>(1,249,244)</u>
Gross	1,872,368	1,654,614
Administrative expenses	<u>(1,847,870)</u>	<u>(1,774,679)</u>
Operating profit	24,498	(120,065)
Interest payable	(11,242)	(7,677)
Interest receivable	-	16
Loss on sale of fixed asset	<u>(147,533)</u>	<u>(6,329)</u>
Less: Profit on ordinary activities	<u>(134,277)</u>	<u>(134,055)</u>
Retained profit/(loss) for the year	<u><u>(134,277)</u></u>	<u><u>(134,055)</u></u>
Net assets	<u><u>1,390,222</u></u>	<u><u>1,524,499</u></u>

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

4 Comparative Consolidated Statement of Financial Activities

		Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Period to 31 Jan 18 £	Total 31 Dec 16 £
Notes					
Incoming Resources					
Voluntary Income:					
		146,880	52,968	199,848	533,899
Appeals, donations, legacies and covenants					
Grant income		677	-	677	394,398
Activities for generating funds:					
		37,121	-	37,121	30,802
Membership subscriptions					
Fund raising and other income		12,506	21,970	34,476	36,454
Trading income		3,047,997	-	3,047,997	2,760,325
Investment income		637	9	646	1,903
Total Incoming Resources	2	3,245,818	74,947	3,320,765	3,757,781
Resources Expended					
Cost of generating funds					
		3,208,350	-	3,208,350	2,642,087
Trading expenses					
Fundraising costs		4,751	4,781	9,532	74,995
Charitable activities		263,166	45,571	308,737	218,873
Total Resources Expended	5	3,476,267	50,352	3,526,619	2,935,955
Net Incoming Resources		(230,449)	24,595	(205,854)	821,826
		(3,198)	-	(3,198)	(1,894)
Revaluation adjustment					
Transfers between funds		2,510,394	(2,510,394)	-	-
Net movement in funds		2,276,747	(2,485,799)	(209,052)	819,932
Funds at 1 January 2017		4,357,819	2,823,384	7,181,203	6,361,271
Funds at 31 January 2018	14,15	6,634,566	337,585	6,972,151	7,181,203

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

5. Total Resources Expended

	Premises & railway running costs £	Admin, salaries and other £	Dep'n £	Total 2019 £	13 month period to 31.01.2018 £
Charitable Activities:					
Rent	124,948	-	-	124,948	124,766
Rates & utilities	18,113	-	-	18,113	21,161
Printing & stationery	-	29,869	-	29,869	23,686
Repairs & other	6,280	25,355	7,022	38,657	98,362
Auditors remuneration (audit)	-	3,650	-	3,650	3,650
Auditors remuneration (non audit)	-	3,900	-	3,900	4,568
Other legal and professional	-	21,870	-	21,870	32,544
Total charitable activities	149,341	84,644	7,022	241,007	308,737
Costs of generating funds:					
Fundraising costs	-	5,194	-	5,194	9,532
Trading costs (subsidiary only)	1,541,427	1,461,389	224,267	3,227,083	3,208,350
Total cost of generating funds	1,541,427	1,466,583	224,267	3,232,277	3,217,882
Total resources expended	1,690,768	1,551,227	231,289	3,473,284	3,526,619

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	
	2019 £	13 month period to 31.01.2018 £
Staff costs		
Wages and salaries	1,041,453	1,077,242
Social security costs	78,543	81,479
Pension costs	10,478	5,872
	1,130,474	1,164,593

The Swanage Railway Company Limited had 43 (2018 – 41) 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 received any remuneration for their services. One director of The Swanage Railway Company Limited received remuneration of £41,275 plus compensation for loss of office of £15,534 (2018: £34,397). 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 2019 was £302,926 (2018: £314,952).

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 2019

7. Tangible fixed assets

	Subsidiary						Trust						Total
	Plant			Machinery			Freehold Land	Land and Buildings	Heritage Assets	Plant Machinery and Equipment	Assets Under Construction		
	Land and Buildings	Heritage Assets	Plant	Machinery and Equipment	Shop Fittings and Equipment	Permanent Way and Other Assets						Assets Under Construction	
Cost	£	£	£	£	£	£	£	£	£	£	£	£	£
At 1 January 2018	845,256	917,610	1,007,056	3,387	1,763,730	1,756,888	30,000	144,483	468,871	29,898	3,885	677,137	6,971,064
Additions	-	-	39,300	-	-	165,531	-	-	134,138	-	-	134,138	338,969
Disposal	-	(181,533)	-	-	-	-	-	-	-	-	-	-	(181,533)
Transfer of completed assets	-	67,370	2,567	-	-	(69,937)	-	-	-	-	-	-	-
As 31 January 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
Depreciation													
At 1 January 2018	239,315	-	277,886	1,782	292,763	-	-	10,492	-	26,579	-	37,071	848,817
Charge for the year	33,604	-	155,133	682	34,848	-	-	6,008	-	1,014	-	7,022	231,289
At 31 January 2019	272,919	-	433,019	2,464	327,611	-	-	16,500	-	27,593	-	44,093	1,080,106
Net Book Value													
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
At 31 January 2018	605,941	917,610	729,170	1,605	1,470,967	1,756,888	30,000	133,991	468,871	3,319	3,885	640,066	6,122,247

Included in the above carrying amount of fixed assets is £55,687 (2018; £62,597) 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.

During the year one of the company's Diesel Multiple Units was sold to a third party for £34,000. The carrying amount of the asset at the time of sale was £181,533.

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

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 2019 is as follows:-

	2019	2018
	£	£
Fixed assets	5,281,213	5,482,181
Current assets	271,267	277,200
Current liabilities	(614,398)	(561,104)
Total assets less current liabilities	<u>4,938,082</u>	<u>5,198,277</u>
Creditors due in more than one year	<u>(3,552,860)</u>	<u>(3,673,778)</u>
	<u><u>1,385,222</u></u>	<u><u>1,524,499</u></u>
Called up share capital - owned by trust see page 15	470,595	470,585
Called up share capital - owned by members	16,368	16,378
Revaluation reserve	371,202	371,202
Profit and loss account	<u>527,057</u>	<u>666,334</u>
	<u><u>1,385,222</u></u>	<u><u>1,524,499</u></u>

9. INVESTMENTS IN LISTED ENTITIES

	£
Market value at 1 January 2018	6,419
Additions	-
Disposals	-
Net investment (losses)/gains	<u>-</u>
Market value at 31 January 2019	6,419

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

10. STOCKS

	Trust and Subsidiary		Trust	
	2019	2018	2019	2018
	£	£	£	£
Shop stocks for resale	22,867	27,224	-	-
Catering stock	5,978	4,797	-	-
Consumable stocks	62,687	62,885	-	-
Special events stock	1,105	3,315	-	-
Driver experience	744	372	-	-
			-	-
	<u>93,381</u>	<u>98,593</u>	<u>-</u>	<u>-</u>

11. DEBTORS AND PREPAYMENTS

	Trust and Subsidiary		Trust	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	11,169	6,153	86	61
Loan to the Swanage Railway Company Limited	-	-	5,000	200,000
Other debtors	100,720	235,994	79,262	178,793
Prepayments and accrued income	37,215	140,371	15,429	30,854
	<u>149,104</u>	<u>382,518</u>	<u>99,777</u>	<u>409,708</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 (2018: £200,000).

Interest is charged at 1.5% above the banks base lending rate and the amount of interest charged in the year was £3,841 (2018 - £1,545).

At 31 January 2019, there was an other debtor of £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 2019

12. CREDITORS AND ACCRUALS

	Trust and Subsidiary		Trust	
	2019	2018	2019	2018
	£	£	£	£
Due within one year				
Trade creditors	138,243	136,403	42,630	14,461
Taxation and social security	20,202	21,677	-	-
Life membership equalisation account	7,070	9,035	7,070	9,035
Hire purchase creditors	15,167	23,613	-	-
Other creditors, accruals, deferred income	379,985	171,099	12,652	71,726
	<u>560,667</u>	<u>361,827</u>	<u>62,352</u>	<u>95,222</u>

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

	Trust and Subsidiary		Trust	
	2019	2018	2019	2018
	£	£	£	£
Due more than one year				
Members Loans	8,000	18,000	8,000	18,000
Hire purchase creditors (1-3 years)	14,052	25,347	-	-
Life membership equalisation account	34,828	39,198	34,828	39,198
Other creditors and accruals	2,868	-	2,868	-
	<u>59,748</u>	<u>82,545</u>	<u>45,696</u>	<u>57,198</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:-

	2019	2018
	£	£
Ordinary Life, Lifetime Travel and Premier Life Memberships brought forward	48,233	44,778
New memberships in the year	3,000	14,000
Premier life memberships released over 10 years	(3,540)	(5,545)
Life member subscriptions released over 10 years	(5,795)	(5,000)
Balance of life memberships at close of year	<u>41,898</u>	<u>48,233</u>
Shown in:-		
Creditors under 1 year	7,070	9,035
Creditors over 1 year	34,828	39,198
	<u>41,898</u>	<u>48,233</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 2019

14. UNRESTRICTED FUNDS

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	5,853,956	3,289,766	(3,338,160)	47,715	-	5,853,277
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	124,772	5,500	(8,231)	(65,509)	-	56,532
Education	49,311	-	(27,811)	-	-	21,500
Total designated	412,388	70,856	(116,863)	(50,695)	-	315,686
Revaluation reserve	368,222	-	-	2,980	-	371,202
Total	6,634,566	3,360,622	(3,455,023)	-	-	6,540,165

The designated funds for purposes as described above are designated and reviewed annually by the Council of Management. Incoming resources are received into the general fund and are subsequently reallocated to the designated funds at the discretion of the directors.

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 Company Limited which are owned by members of the company. The funds raised on issue of the shares were included in unrestricted income and are not due back to shareholders. Minority shareholders have no entitlement to profit.

14. UNRESTRICTED FUNDS - comparative note

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

	Opening balance at 1 Jan 2017	Income	Expenses	Transfers	Gains/(Losses) on revaluation	Closing balance at 31 Jan 2018
	£	£	£	£	£	£
General	3,602,461	3,117,646	(3,292,665)	2,426,514	-	5,853,956
Designated funds for;						
Restoring and purchasing locomotives etc.	242,724	87,158	(131,769)	-	-	198,113
Other capital expenditure	39,467	725	-	-	-	40,192
Education and museum	65,711	-	(16,900)	500	-	49,311
Other designated	36,036	40,289	(34,933)	83,380	-	124,772
Total designated	383,938	128,172	(183,602)	83,880	-	412,388
Revaluation reserve	371,420	-	-	-	(3,198)	368,222
Total	4,357,819	3,245,818	(3,476,267)	2,510,394	(3,198)	6,634,566

The Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

15. RESTRICTED FUNDS

	Balance at 1 February 2018	Movement in Funds			Balance at 31 January 2019
		Incoming Resources	Resources Expended	Transfers from general	
	£	£	£	£	£
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 funds	337,585	64,749	(18,261)	-	384,073

15. RESTRICTED FUNDS - comparative note

	Balance at 1 January 2017	Movement in Funds			Balance at 31 January 2018
		Incoming	Resources	Transfers	
	£	£	£	£	£
The 200 Club	66,305	21,970	(4,395)	(83,880)	-
The Southern Carriage Account	22,554	-	-	(22,554)	-
Project Wareham Appeal	103,421	16,236	-	-	119,657
Mining Museum Group	170,330	27,562	(42,962)	-	154,930
Swanage 4TC Group	56,814	9,179	(2,995)	-	62,998
Charity total	419,424	74,947	(50,352)	(106,434)	337,585
Dorset Council	349,998	-	-	(349,998)	-
Chalk & Cheese	39,834	-	-	(39,834)	-
National Lottery Big Fund	1,510,326	-	-	(1,510,326)	-
BP Perenco	486,162	-	-	(486,162)	-
IMERYS	5,000	-	-	(5,000)	-
Network Rail	12,500	-	-	(12,500)	-
Other for PW	140	-	-	(140)	-
Consolidated	2,823,384	74,947	(50,352)	(2,510,394)	337,585

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 Swanage Railway Trust
Notes to the Consolidated Accounts
For the Year Ended 31 January 2019

15. RESTRICTED FUNDS NARRATIVE

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

16. RECONCILIATION OF TOTAL FUNDS TO NET ASSETS

	Fixed Assets	Bank	Current Assets	Creditors <1year	Creditors >1year	Total
	£	£	£	£	£	£
General funds	5,410,643	843,707	214,177	(560,502)	(54,748)	5,853,277
Designated funds	-	315,686	-	-	-	315,686
Restricted funds	272,968	87,962	28,308	(165)	(5,000)	384,073
Revaluation	371,202	-	-	-	-	371,202
	<u>6,054,813</u>	<u>1,247,355</u>	<u>242,485</u>	<u>(560,667)</u>	<u>(59,748)</u>	<u>6,924,238</u>

16. RECONCILIATION OF TOTAL FUNDS TO NET ASSETS - comparative

	Fixed Assets	Bank	Assets	Liabilities	Total
	£	£	£	£	£
General funds	5,615,463	196,597	480,287	(438,391)	5,853,956
Designated funds	-	412,388	-	-	412,388
Restricted funds	144,983	197,759	824	(5,981)	337,585
Revaluation	368,222	-	-	-	368,222
	<u>6,128,668</u>	<u>806,744</u>	<u>481,111</u>	<u>(444,372)</u>	<u>6,972,151</u>

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17. FINANCIAL COMMITMENTS

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

	Trust and Subsidiary		Trust	
	2019	2018	2019	2018
	£	£	£	£
Lease expiring				
-in under 1 year	314,205	313,975	10,414	10,414
-after 1 year but within 5 years	1,256,818	1,249,258	41,654	41,654
-after 5 years	6,927,969	7,275,854	508,509	547,762
	<u>8,498,992</u>	<u>8,839,087</u>	<u>560,577</u>	<u>599,830</u>

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 £157,122 (2018 - £163,054). At the year end, an amount of £nil (2018: £15,192) 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 (2018; £106,080). £9,360 was outstanding at the year end (2018: £9,360).

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18. CAPITAL COMMITMENTS

At 31 January 2019, there were contractual commitments to undertake capital expenditure on Mogul locomotives and the Wareham DMUs.

19. 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 2019 was £5,000 (2018: £200,000).

Interest is charged on the above loans at 1.5% above the Bank of England base rate. Interest charged in the year to 31 January 2019 was £3,841 (2018: £1,545).

20. CONTINGENT LIABILITIES

The company has received insurance monies in relation to the damage incurred to Skew arch bridge and there is an intention to make the necessary repairs.