

Registered number: 04341280
Charity number: 1092723

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(FORMERLY SVR ROLLING STOCK TRUST COMPANY LIMITED)
(A company limited by guarantee)

UNAUDITED
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012



SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

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SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2012**

Trustees/directors

H J McQuade - Chairman
A Barker - resigned 22nd November 2011
J M S Clark
A Coulls - resigned 4th May 2012
P C Fathers - resigned 4th May 2012
P A Hobson - resigned 4th May 2012
R Scanlon
C G Smyth - resigned 4th May 2012
C G Thomas - resigned 4th May 2012
D C Williams
N Wright - resigned 4th May 2012
N Paul - appointed 5th December 2011
J Leftwich - appointed 4th May 2012

Company registered number

04341280

Charity registered number

1092723

Registered office

The Railway Station
Bewdley
Worcestershire
DY12 1BG

Company secretary

J M S Clark

Accountants

Crowe Clark Whitehill LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

HSBC Bank plc
31 Church Street
Kidderminster
Worcestershire

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by guarantee)

TRUSTEES'/DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Severn Valley Railway Charitable Trust Limited (formerly SVR Rolling Stock Trust Company), the charity, for the year ended 30 June 2012. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

Severn Valley Railway Charitable Trust Limited, which changed its name from SVR Rolling Stock Trust Company on 29 June 2012, was incorporated and registered as a company limited by guarantee, company registration number 04341280, on 17 December 2001, and was registered with the Charity Commission on 1 July 2002, registration number 1092723. It is governed by its Memorandum and Articles of Association, which were last amended on 16 May 2012.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are elected for a 3 year period at the AGM by the members of the trust.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The charity's objectives and policies are to advance education for the benefit of the public by

(a) The acquisition, restoration, preservation, operation, maintenance and display of heritage railway locomotives, coaches, wagons and artefacts,

(b) The provision of facilities for the education, training and certification of trainees in the practicalities, techniques and methods used in the restoration, repairs and operation of historic railways.

In setting the Charity's policy and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Financial review

a. RESERVES POLICY

The Trustees intend to retain sufficient reserves to enable the Trust to meet its future liabilities.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by guarantee)

TRUSTEES'/DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

CHAIRMAN'S REPORT

This should be my last report for the SVR Rolling Stock trust Co. The next one should be for the renamed company and charity as the Severn Valley Railway Charitable Trust. This simple statement hides a lot of work and meetings, thought, discussion and planning that has been going on over the last six months or so. The Rolling Stock Trust, now in its tenth year of being has matured and progressed into something quite useful. It had become my belief that for it to continue and to achieve greater things, it needed professional fund raising help and Trustees more focused on fund raising than had previously been possible. Most of the sitting Trustees came from within the SVR family and had a wealth of experience in railway operations and maintenance, but little in the field of extracting money from people. This is now about to change.

At the recent Extraordinary General Meeting of the SVR Rolling Stock Trust, the case for change was put to its members, and I am happy to report a unanimous approval was given to both changing our name and broadening the remit via changes to the Articles.

This development process has meant working closely with the Chairman, General Manager and Deputy Chairman of the Severn Valley Railway (Holdings) plc, and indeed the fees have been paid for by them, as ultimately the future of the railway depends on closer ties and cooperation to bring in some fairly major projects. At the time of writing this report, the wishes of the E G M are being processed by solicitors and the Trust Secretary through Companies House.

I wish to thank retiring Trustees, Paul Fathers, Paul Hobson, Chris Smyth, Chris Thomas and Nick Wright for their years of service to the charity. Both the National Railway Museum and Heritage Railway Association remain available for consultation should we need them, having been part of the Trust from the outset. Four vacant seats for new Trustees are to be filled as and when suitable persons with a commitment to fund raising are identified. In this matter we have the help of both Comptons as specialist fund raisers and John Leftwich, whose previous experience in the Princes Trust is already creating exciting possibilities. Of the remaining "R S T" trustees, I continue as Chairman, with Stewart Clark continuing as Company Secretary, now with the help of Sarah Tookey who also works as a volunteer in Kidderminster Station Shop. The ex-officio appointees also continue, namely Nick Paul from Severn Valley Railway (Holdings) plc, David Williams from S V R Guarantee Company and Roger Scanlon from the S V R Association. We five remain the "railway" part of the board. The new trustees will be guided by us in their efforts to source funding streams. Paul Thursfield continues as an officer in the post of Treasurer.

Normal business has continued on the various Trust projects using our comparatively small scale fund raising methods. These include,-

L N E R Restaurant Composite 7960, continued development of the pantry which now has cupboards, sink, drainer, boiler, gas supply and drainage. 7960 was chosen to receive a Royal visit from H R H The Duke of Gloucester in May, having made its passenger carrying debut over the Spring Gala as part of an eight coach L N E R train behind various visiting L N E R engines. 7960 was also visited by the manager of the V S O E train who gave us interesting advice to help us design the new kitchen.

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
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TRUSTEES'/DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

Our team at Bewdley working on the pigeon van conversion successfully transferred the body of 70759 onto the chassis of 70442 and have since been remodelling parts of the body-side to wider passenger profile

Reproduction L N E R moquette has been purchased for use later on and an order has been placed for teak to clad the exterior 52255 purchased in 2011 has benefitted from further expenditure to complete the interior fittings, mirrors, coat hooks and luggage racks have all been bought or made and installed Another L N E R pattern moquette for this and sister coach 43600 has been bought in expectation of re-upholstery next year We wish to thank the S V R Association, and Jack Bond in particular for raising in excess of £10,000 towards 52255 via their raffle

Improvements to 43600 are yet to be seen, however the fund raising scheme initiated by Richard Hill has borne fruit and we have many of the missing items now in store awaiting installation over the next few months

One of our L M S R coaches benefited from repairs at Bewdley Works, which included re-upholstery in 1947 L M S moquette provided by the Trust We thank Bewdley C&W staff for their work in renewing the lino and carrying out repairs to the roof and gutters

2886, our own L M S coach project continues to make good progress at Bridgnorth, with one side now rebuilt totally and the opposite side nearing completion this summer Inside it is receiving a new ballasted floor and over half of the walls are now expertly panelled in The chassis has seen improvement with over half of it cleaned, rust treated and painted, the dynamo overhauled and one new battery box so far installed

Our locomotive, 7819 "Hinton Manor" continues to accumulate funds gradually, some of which has been translated into components

Finally as a sign of what can be possible with outside help, our turntable at Kidderminster has benefited from the labour of 33 staff from Worcester Bosch Group who have been priming and painting this working artefact Additionally, diamond blue brick coping stones have been set between the rails at long last by two of their team These have been missing for 20 years and finally we can call it finished

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by guarantee)

TRUSTEES'/DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

PROVISION OF INFORMATION TO INDEPENDENT EXAMINER

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that

- so far as that Trustee is aware, there is no relevant accounts information of which the charitable company's independent examiner's are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's independent examiner's in connection with preparing their report and to establish that the charitable company's independent examiner's are aware of that information

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Severn Valley Railway Charitable Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

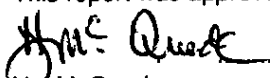
Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 12/10/12 and signed on their behalf, by


H. McQuade
Chairman

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SEVERN VALLEY RAILWAY
CHARITABLE TRUST LIMITED**

I report on the financial statements of the company for the year ended 30 June 2012 which are set out on pages 7 to 12

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to

- examine the financial statements under section 43 of the Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act, and
- state whether particular matters have come to my attention

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

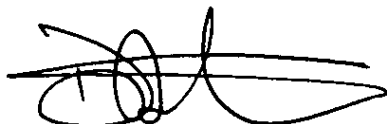
INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached

Signed

R D DARLASTON FCA



CROWE CLARK WHITEHILL LLP

Black Country House
Rounds Green Road
Oldbury, West Midlands
B69 2DG

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating income and expenditure account)
FOR THE YEAR ENDED 30 JUNE 2012

	Note	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012	Total funds 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	39,073	19,694	58,767	60,649
Investment income	3	-	-	-	348
TOTAL INCOMING RESOURCES		39,073	19,694	58,767	60,997
RESOURCES EXPENDED					
Charitable activities - rolling stock restoration	5/6	12,636	20,489	33,125	11,951
Governance costs	4	-	1,440	1,440	-
TOTAL RESOURCES EXPENDED		12,636	21,929	34,565	11,951
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE YEAR		26,437	(2,235)	24,202	49,046
Total funds at 1 July 2011		9,769	88,863	98,632	49,586
TOTAL FUNDS AT 30 JUNE 2012		36,206	86,628	122,834	98,632

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

The notes on pages 9 to 12 form part of these financial statements

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

BALANCE SHEET
AS AT 30 JUNE 2012

		2012		2011
		£	£	£
FIXED ASSETS				
Tangible fixed assets	8		<u>30,357</u>	<u>33,889</u>
CURRENT ASSETS				
Debtors	9	15,098		6,645
Cash at bank and in hand		<u>78,099</u>		<u>58,098</u>
		93,197		64,743
CREDITORS amounts falling due within one year	10	<u>720</u>		<u>-</u>
NET CURRENT ASSETS			92,477	64,743
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>122,834</u></u>	<u><u>98,632</u></u>
CHARITY FUNDS				
Restricted funds	12	36,206		-
Unrestricted funds	12	<u>86,628</u>		<u>98,632</u>
TOTAL FUNDS			<u><u>122,834</u></u>	<u><u>98,632</u></u>

For the year ending 30 June 2012, the trustees/Directors considered that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to smaller companies

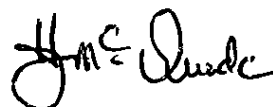
Trustees/Directors responsibilities

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The Trustees/Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees/Directors on 12/10/12 and signed on their behalf, by

H J McQuade
Director



N Paul
Director



The notes on pages 9 to 12 form part of these financial statements

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", applicable accounting standards and the Companies Act 2006.

1.2 Company status

The charity is a company limited by guarantee, the members of the company are the trustees named on Page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

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

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

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies entitlement is considered established once the Charity has been notified of an impending distribution.

No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant are recognised at the time of donation.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and liabilities are recognised where there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable activities include costs of services, support costs and depreciation on related assets. Support costs are those costs incurred directly in expenditure on the objects of the company. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets and depreciation

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

Artefacts - 10% straight line
Rolling stock - 10% straight line

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1.7 Going Concern

The company has cash resources and consequently the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

2 VOLUNTARY INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Donations and other income	35,835	16,698	52,533	39,870
Income tax reclaimed & reclaimable	3,238	216	3,454	8,667
Annual subscriptions	-	2,780	2,780	2,860
Grant received from Pnsn MLA	-	-	-	9,252
	39,073	19,694	58,767	60,649

3 INVESTMENT INCOME

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Interest received	-	-	-	348

4 GOVERNANCE COSTS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Independent examination fees	-	1,440	1,440	-

5 DIRECT COSTS

	Rolling stock restoration £	Total 2012 £	Total 2011 £
Rolling stock restoration	28,912	28,912	10,138
Depreciation charge	3,532	3,532	403
	32,444	32,444	10,541

6 SUPPORT COSTS

	Rolling stock restoration £	Total 2012 £	Total 2011 £
Bank charges	163	163	172
Travel & subsistence	-	-	250
Insurance	(57)	(57)	57
Appeal costs	543	543	823
Training course	-	-	59
Subscriptions	32	32	-
Repairs	-	-	49
	681	681	1,410

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

7 NET INCOME

This is stated after charging	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the charity	3,532	403

During the year and prior year no Trustee received any remuneration, expenses or benefits in kind

8 TANGIBLE FIXED ASSETS

	Artefacts £	Rolling Stock £	Total £
Cost or valuation			
At 1 July 2011 and 30 June 2012	2,567	32,750	35,317
Depreciation			
At 1 July 2011 and 30 June 2012	128	1,300	1,428
Charge for the year	257	3,275	3,532
At 30 June 2012	385	4,575	4,960
Net book value			
At 30 June 2012	2,182	28,175	30,357
At 1 July 2011 and 30 June 2012	2,439	31,450	33,889

9 DEBTORS

	2012 £	2011 £
Other debtors	15,098	6,645

10 CREDITORS

	2012 £	2011 £
Accruals	720	-

11 TAXATION

In the opinion of the trustees, all income of the charity is outside the scope of income tax and corporation tax

SEVERN VALLEY RAILWAY CHARITABLE TRUST LIMITED
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

12 STATEMENT OF FUNDS

	Brought forward £	Transfers £	Incoming resources £	Resources expended £	Carried forward £
General funds					
Unrestricted funds	<u>98,632</u>	<u>(9,769)</u>	<u>19,694</u>	<u>21,929</u>	<u>86,628</u>
Restricted funds					
Wheelchair Saloon 4690	-	4,087	-	-	4,087
Hinton Manor 7819	-	(2,212)	6,938	-	4,726
LNER Restaurant Composite 7960	-	69	537	606	-
Mark 1 TSO 4509	-	7,692	-	-	7,692
LMS & BR Coach Department	-	4,293	4,436	5,351	3,378
LNER Coach 52255	-	(7,277)	12,018	387	4,354
LNER Coach Department	-	3,117	15,144	6,292	11,969
	<u>-</u>	<u>9,769</u>	<u>39,073</u>	<u>12,636</u>	<u>36,206</u>
Total funds	<u>98,632</u>	<u>-</u>	<u>58,767</u>	<u>34,565</u>	<u>122,834</u>

At 1 July 2011 the restricted funds were split out from the general funds and the transfer made to identify each restricted fund

Wheelchair Saloon 4690	This is a restricted fund for the purpose of improvements to wheelchair accommodation
Hinton Manor 7819	This is a restricted fund for the purpose of returning the locomotive to service
LNER Restaurant Composite 7960	This is a restricted fund for the purpose of restoring the vehicle to service
Mark 1 TSO 4509	This is a restricted fund for the purpose of completion of restoration
LMS & BR Coach Department	This is a restricted fund for the purpose of restoring LMS & BR built vehicles to original condition
LNER Coach 52255	This is a restricted fund for the purpose of improving LNER coach 52255
LNER Coach Department	This is a restricted fund for the purpose of restoring LNER built vehicles to original condition

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2012 £	Unrestricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Tangible fixed assets	-	30,357	30,357	33,889
Current assets	36,206	56,991	93,197	64,743
Creditors due within one year	-	(720)	(720)	-
	<u>36,206</u>	<u>86,628</u>	<u>122,834</u>	<u>98,632</u>