

REGISTERED COMPANY NUMBER: 3752270 (England and Wales)
REGISTERED CHARITY NUMBER: 1084731

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2013
for
Cambrian Railways Trust**



Turner Peachey
Chartered Accountants
Salop House
Salop Road
Oswestry
Shropshire
SY11 2NR

Cambrian Railways Trust

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for the Year Ended 31 March 2013

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Cambrian Railways Trust

Report of the Trustees for the Year Ended 31 March 2013

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
3752270 (England and Wales)

Registered Charity number
1084731

Registered office
Llynclys South Station
Llynclys
Oswestry
Shropshire
SY10 8BX

Trustees
Mr W Jones
Mr R Mainwaring
Mr J B Rowe
Mr R Date
Mr A Tullo
Mr D M Rowe
Mr R M O Jones
M Davidson
- resigned 5 7 12

Independent examiner
Turner Peachey
Chartered Accountants
Salop House
Salop Road
Oswestry
Shropshire
SY11 2NR

Solicitors
Longueville Gittins
Church Street
Oswestry
Shropshire
SY11 2SZ

Bankers
HSBC Oswestry
The Cross
Oswestry
Shropshire
SY11 2SR

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association incorporated 14 April 1999 as amended by special resolution dated 24 November 2000, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Cambrian Railways Trust

Report of the Trustees for the Year Ended 31 March 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Potential trustees are selected from the membership of the charity by the existing board of trustees and asked to stand as trustee

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

None of the trustees has any beneficial interest in the company All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up

Under the Memorandum and Articles of Association, the charity has the power to make any investment which trustees see fit

OBJECTIVES AND ACTIVITIES

Objectives and aims

1) To acquire, restore and preserve for the benefit of the public whatever of the historical, architectural and constructional heritage that may remain of the former Greater Western Railways branch line between Gobowen Station, Shropshire and Oswestry Station, Shropshire, and the Cambrian Railways main line between Oswestry Station, Shropshire, and Llanymynech, Shropshire, and beyond together with its branch line from Llynclys Junction to Blodwell, together with associated rolling stock and equipment

1) To advance public education and training in all matters relating to the aforesaid railways and associated transport

Main activities

In planning our activities for the year the trustees have kept in mind the Charity Commission's guidance on public benefit

We have undertaken a wide variety of special events aimed at making the railway more accessible to the general public More detail of this is contained in the 'Charitable Activities' section

Where possible fees charged to the public are kept to a minimum with discounted rates for children , and under fives travelling free The trustees feel that this allows all sections of the local community to benefit from the charity's activities

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Railway has continued to operate class 101 diesel trains between Llynclys South and Pen y Garreg Lane as well as commencing the first services for many years from the recently restored Oswestry Station platform, providing a short journey south to Middleton Road and return

Events such as Santa Specials, Easter Bunnies, Halloween and Teddy Bears Picnic proved popular this year with overall visitor numbers up year on year

Restoration of carriages and wagons continues

The platform at Pen y Garreg Halt and the path to the canal are now usable but require some cosmetic work to complete The Halt will give our passengers access to some excellent walks and cycle routes in the locality and link with nearby visitor attractions, the emerging Shropshire Way etc The Halt also provides the railway with a destination

The lease agreement with Shropshire Council has still not reached completion, due to Land Registry delays Preparatory work continues on the Transport & Works Act Order and related issues

Volunteers have done a huge amount of work on the clearance of vegetation from the line which is now wholly open for inspection and assessment

Cambrian Railways Trust

**Report of the Trustees
for the Year Ended 31 March 2013**

FINANCIAL REVIEW

Reserves policy

It is the trustees' policy to secure funds prior to making any financial commitments. Funds are in the main obtained by way of grants from local councils and other funding bodies. Reserves are, therefore, by necessity kept to a minimum in order to further the objectives of the charity.

ON BEHALF OF THE BOARD



Mr R Date - Trustee

16 November 2013

**Independent Examiner's Report to the Trustees of
Cambrian Railways Trust**

I report on the accounts for the year ended 31 March 2013 set out on pages five to eleven

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

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

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention

Basis of the 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 charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statements 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 and 387 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 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 accounts to be reached

Mr J M Ollier
Turner Peachey
Chartered Accountants
Salop House
Salop Road
Oswestry
Shropshire
SY11 2NR

22 November 2013

Cambrian Railways Trust

**Statement of Financial Activities
for the Year Ended 31 March 2013**

				Year Ended 31 3 13	Period 1 5 11 to 31 3 12
	Notes	Unrestricted fund £	Restricted funds £	Total funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		6,296	-	6,296	16,567
Activities for generating funds	2	242	-	242	14,391
Investment income	3	4	-	4	1,371
Other incoming resources		-	-	-	18,642
Total incoming resources		6,542	-	6,542	50,971
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs		652	-	652	6,505
Charitable activities					
Grants received		3,136	-	3,136	23,028
Restoration of Cambrian Railways Line		30,549	7,989	38,538	14,304
Governance costs		750	-	750	2,650
Total resources expended		35,087	7,989	43,076	46,487
NET INCOMING/(OUTGOING) RESOURCES		(28,545)	(7,989)	(36,534)	4,484
RECONCILIATION OF FUNDS					
Total funds brought forward		53,168	230,834	284,002	279,518
TOTAL FUNDS CARRIED FORWARD		24,623	222,845	247,468	284,002

The notes form part of these financial statements

Cambrian Railways Trust

**Balance Sheet
At 31 March 2013**

	Notes	Unrestricted fund £	Restricted funds £	31 3 13 Total funds £	31 3 12 Total funds £
FIXED ASSETS					
Tangible assets	6	1,013	246,443	247,456	256,637
CURRENT ASSETS					
Stocks		-	-	-	1,100
Debtors	7	-	-	-	7,249
Cash at bank		27,110	(23,598)	3,512	22,787
		<u>27,110</u>	<u>(23,598)</u>	<u>3,512</u>	<u>31,136</u>
CREDITORS					
Amounts falling due within one year	8	(3,500)	-	(3,500)	(3,771)
NET CURRENT ASSETS/(LIABILITIES)		<u>23,610</u>	<u>(23,598)</u>	<u>12</u>	<u>27,365</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,623</u>	<u>222,845</u>	<u>247,468</u>	<u>284,002</u>
NET ASSETS		<u>24,623</u>	<u>222,845</u>	<u>247,468</u>	<u>284,002</u>
FUNDS	9				
Unrestricted funds				24,623	53,168
Restricted funds				222,845	230,834
TOTAL FUNDS				<u>247,468</u>	<u>284,002</u>

The notes form part of these financial statements

Cambrian Railways Trust

**Balance Sheet - continued
At 31 March 2013**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2013

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2013 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 16 November 2013 and were signed on its behalf by



Mr R Date -Trustee

The notes form part of these financial statements

Cambrian Railways Trust

Notes to the Financial Statements for the Year Ended 31 March 2013

1. ACCOUNTING POLICIES

Accounting convention

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 Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost.

Volunteers' labour has been estimated by the trust to amount to £140,000 for the year and has not been recognised in the accounts.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those incurred directly in support of the expenditure on the objects of the charity and include project managements carried out at headquarters.

Trading costs are those incurred directly from the sales of refreshments and souvenirs. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 15% on reducing balance
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Heritage assets are rolling stock and are included at the cost to the charity and depreciated at 4% per year. Track is also depreciated at 4% per year.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

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

Cambrian Railways Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2013**

2. ACTIVITIES FOR GENERATING FUNDS

	Year Ended 31 3 13 £	Period 1 5 11 to 31 3 12 £
Fundraising events	242	5,317
Shop income	-	8,017
Subscriptions	-	1,057
	<u>242</u>	<u>14,391</u>

3. INVESTMENT INCOME

	Year Ended 31 3 13 £	Period 1 5 11 to 31 3 12 £
Rents received	-	1,365
Deposit account interest	4	6
	<u>4</u>	<u>1,371</u>

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	Year Ended 31 3 13 £	Period 1 5 11 to 31 3 12 £
Depreciation - owned assets	9,181	8,590
Other operating leases	-	2,380
Surplus on disposal of fixed asset	-	(18,642)
	<u>-</u>	<u>(18,642)</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2013 nor for the period ended 31 March 2012

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2013 nor for the period ended 31 March 2012

Cambrian Railways Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2013**

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2012 and 31 March 2013	<u>122,331</u>	<u>231,689</u>	<u>354,020</u>
DEPRECIATION			
At 1 April 2012	-	97,383	97,383
Charge for year	<u>-</u>	<u>9,181</u>	<u>9,181</u>
At 31 March 2013	<u>-</u>	<u>106,564</u>	<u>106,564</u>
NET BOOK VALUE			
At 31 March 2013	<u>122,331</u>	<u>125,125</u>	<u>247,456</u>
At 31 March 2012	<u>122,331</u>	<u>134,306</u>	<u>256,637</u>

7. DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13 £	31 3 12 £
Other debtors	<u>-</u>	<u>7,249</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 13 £	31 3 12 £
Trade creditors	-	121
Other creditors	<u>3,500</u>	<u>3,650</u>
	<u>3,500</u>	<u>3,771</u>

9. MOVEMENT IN FUNDS

	At 1 4 12 £	Net movement in funds £	At 31 3 13 £
Unrestricted funds			
General fund	53,168	(28,545)	24,623
Restricted funds			
Building/Property and Track fund	195,281	(6,262)	189,019
Rolling stock/Buffer car restoration	31,895	(1,727)	30,168
Environmental fund	1,812	-	1,812
Steam working group	<u>1,846</u>	<u>-</u>	<u>1,846</u>
	230,834	(7,989)	222,845
TOTAL FUNDS	<u>284,002</u>	<u>(36,534)</u>	<u>247,468</u>

Cambrian Railways Trust

Notes to the Financial Statements - continued for the Year Ended 31 March 2013

9. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,542	(35,087)	(28,545)
Restricted funds			
Rolling stock/Buffer car restoration	-	(1,727)	(1,727)
Building/Property and Track fund	-	(6,262)	(6,262)
	-	(7,989)	(7,989)
TOTAL FUNDS	<u>6,542</u>	<u>(43,076)</u>	<u>(36,534)</u>

Building/Property and Track fund

Various funds have been set up from previous grants and donations that have been made and will be used to purchase track and property and to fund associated construction projects

Rolling stock/Buffer car restoration fund

Funding is through grants received, donations made by members, donations made by the public and refunds of VAT on purchases made for the fund

The objectives of this fund are to help finance the restoration of the Buffet car and other Rolling Stock. The fund balances represent the purchase and restoration of assets in prior years

Steam working group fund

Funded by donations of £30 per month from members and sundry donations. This fund was set up to finance the cost of running 0-6-0 ST "Isabel" for steam operation for the year ended 30th April 2010

Environmental Fund

Funded by donations from a single member. This fund is used to carry out environmental surveys and track clearance work. It is also used to fund the new paths around Pen Y Garreg

10. RELATED PARTY DISCLOSURES

During the year grants were made to Cambrian Heritage Railways Limited of £29,049