

**Report of the Directors & Trustees**  
**including Unaudited Accounts for the Financial Year 1<sup>st</sup> April 2021 to  
31<sup>st</sup> March 2022**  
**for Staffordshire Narrow Gauge Railway Ltd trading as  
Amerton Railway**

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## **Report of the Directors & Trustees for 2021/2022 Financial Year**

<b>Company Data</b>	
<b>Registered Office &amp; Operating Base</b>	Amerton Railway : Stowe-by-Chartley : Staffs : ST18 0LA
<b>Contact Details</b>	<a href="http://www.amertonrailway.co.uk">www.amertonrailway.co.uk</a> : <a href="mailto:enquiries@amertonrailway.co.uk">enquiries@amertonrailway.co.uk</a> 01889 271337
<b>Company Registration</b>	Registered at Cardiff No. 2147443
<b>Charity Registration</b>	Registered in England & Wales No. 1015635
<b>VAT Registration</b>	695 8007 96

<b>Directors &amp; Trustees 2021/22</b>
PM Gully : Chairman & Director Operations
SP Bell : Director Engineering
PJ Calvert : Director Finance & Safety
KJ Douglas : Director IT
LE Hodgkinson : Company Secretary & Membership
G Martin : Roster Manager
J Strike : Gazette Editor
<b>Independent Examiner</b>
K Hays : The Accountsmith : 10a The Fillybrooks : Stone ST15 0DJ

## **Governance & Management**

### **Structure**

The Company is limited by guarantee without share capital and is a Registered Charity with operation governed by Memorandum and Articles of Association. The Company is managed by a Board of Directors elected by the Membership in accordance with the Articles of Association.

Stafford Borough Council is entitled under the 'Isabel Agreement' to appoint 1 Member of the Board (but has not done so). The company Organisational Structure is described in the Safety Management System (SMS) and the Operational Staff Group (all unpaid volunteers) work under the direction of the Board Members with specific responsibilities for areas of service.

### **Risk Management & Financial Control**

The Board agrees an Annual Base Budget for each Financial Year that estimates Income & Expenditure, identifies Project Costs and Reserve Balances. The Board meets monthly to review performance against the Budget, analyse variances and limit future spending if income is significantly under planned or costs significantly over.

### **Charitable Objective**

"To promote and further the education of the public in the history of the Narrow Gauge Railway and General Transport Heritage of the UK with special emphasis on the Staffordshire Area".

In planning and managing railway activities the Trustees have regard to how the activities meet the charitable objective.

### **Principal Activities**

- The development and operation of Amerton Railway to provide the public with experience of travelling on a traditional narrow gauge railway and educate visitors about Staffordshire's narrow gauge railway heritage.
- The preservation and restoration of narrow gauge locomotives and rolling stock with particular regard to those with Staffordshire connections particularly WG Bagnall locomotive Isabel, the Railway's 'flagship' locomotive
- Co-operation with other narrow gauge railway operators and the Heritage Railway Association in general promotion of narrow gauge railways to the public

### **Principal Assets**

- The Company operating base is the Amerton Railway, a 17 acre site comprising land and buildings owned by the charity at Stowe-by-Chartley near Stafford. The Railway Main Line is 0.8 mile long with the Railway Works, Running & Carriage Sheds and locomotive yard at Amerton Station. The Company owns :
- Steam Locomotive : W G Bagnall "Isabel" jointly owned with Stafford Borough Council.
- Steam Locomotive : W G Bagnall "No. 1" in un-restored condition
- Diesel Locomotives Baguley-Drewry "A10" Baguley "Golspie" and Hunslet "Gordon"
- A range of passenger & freight stock and engineering plant  
The Company has custody of
- Kerr Stuart Wren "Lorna Doone" on long term loan from Birmingham Science Museum

Various privately owned locomotives and stock are based at the Railway and Operating Agreements provide that the Company paying maintenance costs in return for free use.

## **Review of the 2021/2022 Year**

### **2020/21 Annual Report & AGM**

The Board felt it was safe and practicable to hold a 'live' AGM which had not been possible in the Covid 19 situation in 2020. The Articles of Association were amended by Special Resolution approved by more than 75% of Company Members in December 2020 to permit this.

### **Queens Award for Voluntary Service (QAVS)**

The Railway was advised in May 2021 that it had been one of 7 Staffordshire organisations chosen for the Queens Award in 2021 having been nominated by a local family who are regular users and been assessed in late 2020. The QAVS Certificate and Crystal were presented to Peter Mason and Peter Bell from the Company by Ian Dudson Lord Lieutenant of Staffordshire at a ceremony in November 2021 attended by many of the company's volunteer staff.

### **Operations/Finances**

The Railway was able to operate from April to the end of October with reduced capacity to ensure Social Distancing for Covid 19 safety. This was increased from June by partitioning the coaches with Perspex screens. £500 was spend on Covid Safety measures during the year.

- Steam and Everything Goes Galas (EGG) were successful run
- A one day Classic Car Show accompanied the EGG Sunday operation.
- Santa Specials were run successfully selling compartments to 'Family Groups' and generated increased revenue from 2020.
- 2 Steam Train Operation ran on the last Sunday of most months
- Increased training focus led to staff qualifying a Firemen and Passed Cleaners

Further Stafford Borough Council Covid related funding was received :

- Covid 19 Restart Grant : £8000 : April 2021
- Business Development Grant/Nature Walk : £5000 : January 2022
- Omicron Recovery Grant : £3200 : March 2022

### **Conservation : Restoration : Maintenance**

- 4 railway based steam locomotives had steam tests and routine maintenance was carried out on locomotives and rolling stock.
- Isabel had a front leading wheel tyre replaced to address wear and all tyres were reprofiled by Alan Keef Ltd.
- Rectification works on Coach 3 were carried out to address issues raised by an Independent Competent Person (ICP) Inspection

### **Infrastructure**

- Ticket Office external refurbishment was completed
- Signal Interlocking Project largely completed based on a grant of £2000 received from Hampshire Narrow Gauge Railway Trust in December 2019
- New guttering installed between Running Shed and Works Roofs to cure leaks
- Nature Walk Project was commenced with fencing alterations
- New Driveway & Works Gable 'Amerton' signage was installed
- Full comprehensive Tree Survey with mapping was carried out
- 5 Yearly Building Electrical System Certification was carried out with consequent Improvement Works identified
- Museum Enhancement Project was developed for delivery mainly in 2022/23
- Intruder Alarm Upgrade was carried out with increased coverage

### **Communication**

The Railway information and discussion group [sngr@groups.io](mailto:sngr@groups.io) was used for Board Communications and to keep in touch with the volunteer Staff Group.

### **Chairman's Planning for the Future Projects 2021 to 2028**

These are a continuation of the 2019 Objectives delayed due to Covid 19 :

#### **2021**

***Signal Box Commissioning*** : Works largely completed during year with HNGRT £2000 Grant being spent with top up spend by the Railway.

#### **2022**

***Heritage Walk*** : Develop a walk from the Picnic area back to Amerton Station  
*Commenced 2021* backed by £5000 Stafford Borough Council Business Development Grant funding

- Construct Picnic Area Mower Shed to ease maintenance
- Direction Signage Interpretation boards to explain items/exhibits along the walk
- Seating along Walk route
- Aim to open Summer 2022

### ***Chartley Building Museum : New Project 2021***

- Improve building internal environment
- Revise & improve interpretation material to make it more family and child accessible
- Develop model railway, Brio and other interactive child friendly activities

**Golspie Restoration:** Full restoration of well known ex Trentham Gardens locomotive

Deferred to 2022-24

- Assessment & applications for funding if required
- Full restoration to running order to enable use on passenger trains
- £10 000 allocated in 2022/23 : Commence with fitting new tyres

**Industrial Railway Development :** New line Amerton Station to Stump Junction

Deferred to 2023-25

- Install turnout into Amerton Station Loop 2022-23
- Groundworks and lay railway during 2023-4 running season
- Apply for planning permission and funding for Stock Storage Building late 2023 and build as soon as practicable

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

I report on the accounts of the company for the year ended 31<sup>st</sup> March 2022 which are set out on pages 10 to 14.

### **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 accounts. The 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 needed.

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;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 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 statement below.

### **Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention 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 accounts which accord with the accounting records, 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 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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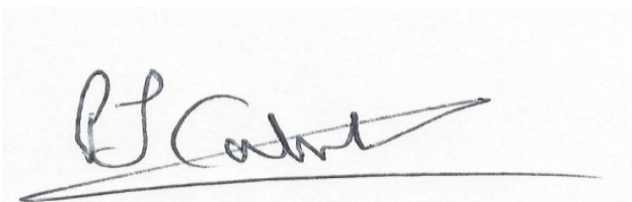


Karen Hays Independent Examiner 23/12/2022
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<b>BALANCE SHEET 31/3/2022</b>		
<b>Total Fixed Assets (7000)</b>	<b>2020/21</b>	<b>2021/22</b>
	298 427	289 327
<b>Current Assets</b>		
Cash at Bank & In Hand (6100) : <b>Unrestricted</b>	62 535	61 293
Cash at Bank & In Hand (6100) : <b>Restricted : Henschell Fund</b>	30 885	30 916
Stock (6200)	2199	4495
<b>Current Liabilities</b>		
Accounts Payable (1301)	0	113
VAT Liability	-267	-2709
HSBC Mortgage (8000) : Due in One Year	5405	5448
HSBC Mortgage (8000) : <b>Due in more than One Year</b>	32 376	26 885
<b>Total Mortgage Liability (8000)</b>	37 781	32 333
Members Loans (8100) : Due in One Year	3950	2050
Members Loans (8100) : <b>Due in more than One Year</b>	1850	0
<b>Total Members Loans Liability (8100)</b>	5800	2050
<b>Total Current Liabilities</b>	<b>43 315</b>	<b>31 787</b>
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Net Current Assets	52 304	64 917
Total Assets less Current Liabilities	350 731	354 244
<b>Total Net Assets</b>	<b>350 731</b>	<b>354 244</b>
<b>Funds</b>		
Profit	10 160	3643
<b>Total Funds</b>	<b>350 731</b>	<b>354 244</b>

For the Financial Year 2020/22 the company was entitled to exemption under S477 of the Companies Act 2006 relating to small companies and no member has required the company to obtain an audit of its' accounts in accordance with Section 476 of the Companies Act 2006. The Directors & Trustees consider than an audit is not required for this year under Section 144(2) of the Charities Act 2011 and that an Independent Examination is sufficient.

This Directors acknowledge their responsibility for complying with the Companies Act 2006 with respect to Accounting Records and Preparation of Accounts and the Accounts have been prepared in accordance with provisions applicable to companies subject to the small companies regime. It was approved by the Board of Directors and signed on its behalf by:



Peter Calvert Finance Director & Trustee 23/12/2022
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**Notes to Balance Sheet**

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**Tangible Fixed Assets & Depreciation :** The purchase or gift of Fixed Assets are capitalised and included in the balance sheet. Annual Depreciation rates write off assets over their estimated useful life.

- **Freehold Land :** Not Depreciated
- **Buildings & Workshop :** 10% Straight line
- **Plant and Machinery etc :** 6.75% Straight line
- **Bagnall Isabel & Rolling Stock :** 5% Straight line
- **Civil Works & Permanent Way :** 5% Straight line

<b>PROFIT &amp; LOSS ACCOUNT 31/03/2022</b>		
<b>Income : Passenger Sales (1000)</b>	<b>2020/21</b>	<b>2021/22</b>
General Ticket Sales (1100)	6947	20 921
Santa Specials	13 523	23 876
Goods Sales (1200)	120	2274
Subscriptions (1300)	1429	1713
Interest (1510)	96	40
Land Income (1600)	696	271
Donations Grants etc (1800) : Donations	2894	2502
Council Covid 19 Grants	19 669	16 200
Land Covenants (Restricted) (1831)	60	60
Interest Henschell Fund (Restricted) (1920)	85	31
Misc Income	232	357
<b>Total Income</b>	<b>45 751</b>	<b>68 245</b>
Cost of Goods Sold : Stock (6300)	(-143)	(-2296)
<b>Gross Profit</b>	<b>45 894</b>	<b>70 541</b>
<b>Expenses</b>		
Operations & Maintenance (2000)	8233	23 065
Infrastructure & Engineering (3000)	1707	13 670
Finance & Management (4000)	14 160	19 030
Mortgage Interest Payments (4800)	2097	1884
<b>Total</b>	<b>26 197</b>	<b>57 649</b>
Depreciation (5500)	9722	9100
Reconciliation Discrepancies (6690)	(-185)	149
Restricted Funds : Henschell Fund (5000)	0	0
<b>Total Expenses</b>	<b>35 734</b>	<b>66 898</b>
<b>Profit</b>	<b>10 160</b>	<b>3643</b>

### **Notes to Profit & Loss Account**

#### **Income Notes : General**

- Income is shown net of VAT.
- Sale of Goods is shown under Income and costs shown in Cost of Goods Sold.
- Grant income is not recognised until any conditions for receipt have been complied with. Grants received for specific purposes set out by the grant provider are treated as Restricted Funds.

## **Expenses Notes**

- The Profit figure is determined by Income less Expenditure but Capital Purchases are not included in the Expenditure figure

## **Capitalisation**

No capitalisation undertaken as Capital Projects will all run over in 2022/23

## **Expenses Notes : General**

- Expenditure is accounted for on an Accruals basis and is classified under category headings.
- *Operations & Maintenance* : The costs of running the Railway and the purchase and maintenance & restoration of Rolling Stock
- *Infrastructure & Engineering* : Costs of Building, Permanent Way and Plant purchase and maintenance
- *Finance & Management* : The Costs of mortgage & loan repayments and the governance, promotion and utility costs of operating the Railway

***Mortgage Interest*** : Land Covenants of £60 are insufficient to cover Mortgage Interest payments of £1884 so £1824 of General Funds have been applied to Mortgage Interest.

***Taxation*** : No corporation tax liability arises in respect of the year since the Company has been accepted as a charity within section 467 Corporation and Income Taxes Act 2010. The exemptions afforded by section 466(2) are available as all income and gains are applied to charitable purposes.

***Fund Accounting*** : Unrestricted Funds can be used in accordance with the charitable objectives at the discretion of the Directors/Trustees to further the objects of the charity. Restricted Funds can only be used for particular restricted purposes within the objects of the charity where restrictions are specified by the donor or when funds are raised for restricted purposes.

***Stocks:*** Stock : Goods for Resale and fuel has been valued the lower of cost and net realisable value.

## **General Notes**

***Accounting convention*** : The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Accounting and Reporting by Charities; Statement of Recommended Practice (SORP), issued in 2005.

***Going concern*** : The Trustees believe that there are no material uncertainties that may cast significant doubt on the ability of the company to continue as a going concern and therefore the going concern basis remains appropriate in the preparation of the Financial Statements.

**Donated Assets & Services :** The company has the use of Rolling Stock owned by third parties which are not capitalised in the Balance Sheet and the benefit to the company has not been included in the Profit & Loss Account. Donated services are included in the Profit & Loss Account Intangible Income and an equivalent amount of expenditure.

### **Trustee Benefits**

**Payments for Services :** £180 was paid to KJ Douglas as a Website Hosting Fee to cover the costs of providing that service to the Railway at less than a commercial rate.

### **Restricted Fund**

The Henschel Fund holds funds donated under the Charities Aid scheme to restore a Feldbahn locomotive owned by Trustees J Strike & SP Bell and 2 Members. The Railway will have a number of years use of the locomotive free of charge once restored. During the year Expenditure was £0 and Income was £85.00 (Account Interest)

### **Trustees Rolling Stock Provided to the Railway Free of Charge**

<b>Trustee</b>	<b>Locomotive</b>
PM Gully	Hunslet 'Wren' Jennie is owned by a connected person and managed at the Railway by PM Gully
L E Hodgkinson	<i>Baguley Diesel Locomotives : Dreadnought &amp; Hesperus</i> Ruston LBT Littleton Diesel Locomotive <i>Fauld Wagon</i>
J Strike	Motorail Diesel Locomotive : Ruston 48DM Diesel Locomotive <i>Henschel "Feldbahn" Locomotive : Jung Diesel Locomotive : Eastriggs Riding Van</i>
K J Douglas	<i>Hibberd Diesel Locomotive</i>
S P Bell	Deutz Diesel Locomotive <i>Henschel "Feldbahn" Locomotive : Jung Diesel Locomotive</i>

The stock owned by J Strike, K J Douglas and S P Bell are jointly owned with other Members of the Company. *Stock shown in Italics is not currently operational*

### **Members Loans**

In 2012 the Company received Members Loans to contribute towards the purchase of the freehold land upon which the railway operates. These loans are interest free and repayable over 10 years with repayments commencing in January 2013. 7 Loans were paid off in December 2021 leaving 6 to be paid off in 2022/23.

The balances outstanding at 31<sup>st</sup> March 2022 in respect of the Trustees are as follows:

<b>Trustee &amp; Connected Person Loans</b>	<b>2021 £</b>	<b>2022 £</b>
L E & J Hodgkinson	1400	0
J Strike	500	0

<b>Total</b>	<b>1900</b>	<b>0</b>
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### **SHARE CAPITAL**

The company is Limited by Guarantee and does not have a share capital. The liability of the members is limited to £1 each. .

### **CONTROLLING PARTY**

In the opinion of the Trustees as each Member has one vote there is no Controlling Party and the Company is managed by the Board of Directors as a collective body.