Company registration number: 00519844
Charity registration number: 1164157

Modern Electric Tramways Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 December 2025

Modern Electric Tramways Ltd

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Modern Electric Tramways Ltd

Reference and Administrative Details

Chief Executive Officer	Jennifer Mary Nunn
Trustees	Bruce Charles Warnes (resigned 19 November 2025) David William Keay Mark Andrew Horner Nicola Elizabeth Stone Wendy Louise Anita O'Neill Martin John Diplock (appointed 28 April 2025)
Charity Registration Number	1164157
Company Registration Number	00519844
Registered Office	Riverside Depot Harbour Road Seaton Devon EX12 2NQ
Auditor	Westcotts (SW) LLP Timberly South Street Axminster Devon EX13 5AD
Solicitors	Dunn and Baker 21-22 Southernhay East Exeter Devon EX1 1QQ
Bankers	Lloyds Bank The Square Seaton Devon EX12 2QH

Modern Electric Tramways Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, are pleased to present the annual report together with the consolidated financial statements and auditors' report of the charity and its subsidiary for the year ended 31 December 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Chairs Report 2025

I am pleased to introduce the 2025 set of accounts for Modern Electric Tramways Ltd, the tenth since the business converted to charitable status in October 2015.

I was honoured to be elected to the position of Chair by my fellow Director Trustees of MET Ltd in November 2025, and honoured to succeed my highly effective predecessor Bruce Warnes, whose 18 years as a Director and 11 years as Chair saw the business make huge strides.

Under Bruce's stewardship, and through a highly effective working relationship with our CEO Jenny Nunn, the business achieved a successful conversion to charitable status, construction of a new station at Seaton, weathered the considerable challenge brought by the Covid-19 pandemic, and acquired the former Seaton Jurassic building for conversion into our new attraction, Jurassic Discovery.

We owe Bruce a huge debt of gratitude, and I am determined to build on the successful track record that he leaves behind.

We also recruited a new Director in Martin Diplock, and we are fortunate to be benefit from his wealth of commercial experience in the local area.

When I look back at our previous business plan in 2015, I see a long list of projects and objectives that have been delivered. It is now time to compile our next business plan as we look ahead to the next ten years. A key theme will be to ensure that the business is ready and able to meet the challenges and uncertainties of the coming years, and that we make the most of our charitable status to unlock further funding and revenue streams that will help us to achieve our objectives.

There is no doubt that the Covid-19 pandemic, along with subsequent global shocks, a flat economy and rapid technological advances have all transformed the business environment, and we are not immune from this.

We have had to adapt to a gentle decline in visitor numbers, but happily this has been accompanied by increasing secondary spend, and spend per head figures have actually risen. Along with very careful control of costs and outgoings, this has made us more profitable.

When it comes to special events and experiences, there is an increasing trend towards last minute bookings, which makes ahead planning harder. This is probably driven more by technology and convenience, rather than economic hardship. However, over the past few years the management team have made our events programme as flexible as possible, making it possible to vary capacity or withdraw events at the last minute if they don't meet the break-even point, and we continue to construct our events with last minute booking in mind.

As a Board of Directors, we are also aware of the issues that an ageing infrastructure and fleet brings, and an expanding business also requires more space for storage, maintenance and enhanced facilities. All these things will be addressed in our forthcoming business plan.

In closing, I would like to thank my fellow directors of MET Ltd for bringing their experience and enthusiasm to their roles, and who continue to make vital contributions to our success. All of them give freely of their time as directors, and I thank them for their commitment and belief in the organisation.

I would also like to thank our wonderful management team, led by our CEO Jenny Nunn. Jenny now has 22 years of service behind her, but the drive and ideas that she brings to the role are as strong as ever, and I look forward to reporting on some of the great projects that she and the team are working towards for 2026 and beyond.

Finally, but most importantly, I would like to say a heartfelt thanks to all our staff and volunteers, both on the tram side and at Jurassic Discovery, who continue to give outstanding customer service. This is reflected through the great online reviews they receive, and in the most recent Visit Devon inspection report, which gave them a 100% score for the quality of service and warmth of welcome that they give to our visitors.

I feel very proud on their behalf, and that level of service and love for what they do will stand the business in good stead as we continue to meet the challenges and opportunities ahead.



Modern Electric Tramways Ltd

Trustees' Report

Chief Executive Officer's Report 2025

It's been an unprecedented and tough trading year for many in the tourism and hospitality industries: increases in employer national insurance contributions, a slowdown in visitor numbers, business rate increases, the continuing repayment of Covid loans, the cost of living crisis, the closure of Visit Cornwall and the much-loved local attraction, Pecorama after over 50+ years of trading. All of these have an impact on our budgets and future financial well-being, whether in people or investment in capital projects.

Albeit numbers visiting the Tramway were down on last year, the amount visitors spent was up. However, so are costs but if revenue continues to increase, we can cover the upward trend in costs for the foreseeable future. It takes on average ca £5k a day to run both attractions each day of the year but as long as our income is above that, then we're performing well. We might have had fewer visitors but what balances it out is to see the average spend per person at the Tramway increase year on year so I congratulate everyone for their dedication, passion and hard work in making the Tramway such a standout visitor attraction, not just the warm welcome from our meet & greets and drivers but also the first class service in the cafes and shops helping to sustain us as a leading tourist attraction.

We have witnessed a slow-down and last-minute booking trend across many of our special event bookings, whether this is down to the amount of disposable cash people have left in their pockets each month or are waiting for discounts, it makes planning ahead quite difficult. We are already looking into enhancing our digital marketing campaigns and re-deploying extra resources in this area. A new initiative arising from a visit to the Finnish Embassy in London, is the launch next August of the Moomin Summer Adventure, a new, licensed IP through Moomin Characters OY, which will include a theatre show and themed tram ride. This event will be the first of its kind anywhere in the world.

Furthermore, in a full year of trading, Jurassic Discovery has proven a real hit and is up 60% revenue-wise on last year with ca 50,000 delighted customers. Huge congratulations to the managers and the team at Jurassic Discovery for creating such a fantastic visitor experience and taking on this new challenge. The Dino Dig, so brilliantly designed and created by our in-house artist, with its new canopy has been a particular favourite of those who visit and has helped extend the dwell time at the centre, along with the Leon Garner Fossil Room. Much of the external work in the garden was done with the aid of a grant from the National Lottery and our new Project Officer has been instrumental in forging ahead with this project, introducing school groups, expert talks, wildlife sessions and dementia-friendly workshops to name a few highlights within the programme of events. However, the project is not yet finished, and we continue to enhance the experience with our focus turning to how best to conserve the fossil collection and to exhibit some of the smaller objects which have a much bigger story to tell.



Trustees' Report

Innovation is essential for the survival of all heritage railways and tramways, and we are proud of our ability and commitment to be front runners in this field. 2025 saw a breakthrough with regards to traction motors; it is becoming increasingly more difficult to procure the skills in a cost-effective manner to overhaul DC motors. We are working closely with a local manufacturer to develop a new innovative drive system for the trams. Maintenance car 02 being the guinea pig, new style motors have been installed and are in the process of being tested. Whilst there remain a few hurdles to overcome, we continue to work tirelessly with the manufacture to produce a system which will ultimately be retrofitted across the service fleet. Whilst achieving our goal of securing a reliable traction system, we have always been very aware that whatever we do must not change the heritage character of the trams, for all intents and purposes what the visitor sees today must resemble what tram passengers saw in the early days of electric trams. Similarly, how the tramcar is driven and how it performs must mimic how things used to be done, and we are edging very near to achieving this.

Aside from innovation, safety is also at the forefront of everything we do and stand for, so as part of our ongoing auditing we identified a few areas where we felt improvements could be made. These were implemented in a sympathetic way to not adversely affect the heritage style and appearance of the fleet, whilst ensuring the vehicles operate in the safest possible way.

As part of our ongoing renewal and improvement process, we have carried out a series of axle and truck frame replacements on several cars in the fleet. Cars 8 and 16 being the two trams targeted in 2025. Car 6, as part of its wider overhaul programme will also receive similar attention early in 2026; the tram has become the first to receive a full repaint in over ten years and will return to service early in 2026. Unfortunately, this tram suffered the worst out of the fleet during the rigorous COVID cleaning schedule back in 2020/21 so will return to operation looking as good as new!

The tramway will never stand still, and we have long desired to improve our wet weather offering. A major milestone was met during 2025 when, working alongside Alan Keef Ltd, three new single deck enclosed tramcars went into production; three new underframes have been completed and are currently being stored at Ross-on-wye prior to phase 2 of the project.

Our dedicated track team have also been busy during the year, and most notably the former Torquay Points at Colyton were given a much overdue retirement. A new point set, manufactured in house, replaces them.

Further infrastructure works have been undertaken, with Kerslake Bridge receiving some professional masonry renewal during the year. Like with the tramcars, this was done in a sympathetic manner to ensure this important heritage asset offers year 2025 safety standards whilst maintains the appearance of yesteryear.

Awards Received for 2025:

Tripadvisor: Travellers Choice
HRA Railway of the Year, commendation
John Muir Gold Award - Nature & Wildlife Kids' Club - Jurassic Discovery



Learning and Activity

The Tramway's Learning and Activity programme has gone from strength to strength, with a significant increase in school visits and the continued success of community activities such as Story Tram and Memory Tram. In 2025 we welcomed 232 primary-aged students for history, geography and literacy-themed workshops. We have developed an excellent relationship with local schools and are now seeing bookings from further afield including Berkshire, Dorset and Somerset.

Also, in 2025 we delivered six Memory Tram sessions, most of which were for 'Dementia Adventure', a company that organises holidays across the UK for people with dementia and their families. We have now been partnering with them for two years, offering bespoke Memory Tram events for groups holidaying in the local area.

Our Story Trams continue to be one of our most successful regular activities, with all nine sessions fully booked and attracting both regular and new participants, both from the local area and further afield.

Thanks to funding from the National Lottery Heritage Fund for an environment-themed project, we were also able to implement an exciting programme of new activities and events at Jurassic Discovery. We developed a formal learning programme for schools, with educational workshops on dinosaurs and fossils, geology, the Jurassic Coast World Heritage site, climate change and the environment, and offered free pilot sessions to local schools for evaluation purposes. We worked with local artists and makers on exciting environment-themed projects such as The River Axe Community Art Project, a beach waste assemblage project, and drawing, printing and nature journalling workshops, and we worked with the ranger team at Seaton Wetlands to jointly deliver mindfulness session for socially isolated older people. We established a successful Nature and Wildlife Club for children, enabling them to take part in the Woodland Trust and John Muir award schemes, and ran dinosaur and fossil-related activities for children at weekends and during school holidays. We also delivered a very successful programme of talks, attracting eminent speakers on subjects such as climate change and the Jurassic Coast World Heritage Site, and ran regular guided tours of the dinosaur exhibition.

As a result of the success of the project, we were delighted to be able to offer the Project Officer a permanent role as Education Officer for Jurassic Discovery. She will continue to develop the activity programme further, managing the growing team of volunteers and working alongside the Tramway's Learning and Activity team to deliver exciting joint activities and events including the annual Natural Seaton Festival.

Trustees' Report

Equality, Diversity and Inclusion

As part of our commitment to being an inclusive and accessible organisation, we were delighted to partner with a local organisation called able2achieve, which supports adults with learning and mental health disabilities. The group comes to Seaton once a week to undertake basic gardening tasks in the Jurassic Discovery Garden, providing much needed horticultural help whilst benefiting from being outdoors, socialising and keeping fit and healthy.

We also welcomed elderly residents from local care homes, socially isolated groups supported by Age Uk, Devon carers and people with mental health conditions for art and craft and wellness activities at Jurassic Discovery.

As a Disability Confident Employer, we are required to undertake continuous audits of our EDI practice, in preparation for applying to renew our accreditation in 2027. To facilitate this, we have established an EDI focus Group comprising staff/volunteer representatives from all departments, who will be meeting regularly to monitor EDI across the whole organisation.

Embracing change, of course, is at the forefront of every company and we bid farewell in November to our chair, Bruce Warnes, who had been at the helm of this company & charity for 15 years. Bruce brought an inordinate amount of wisdom, levelheadedness and business know-how to the Tramway over the years, and I can safely say that he, the board and I have always been on the same page when it comes to making difficult, sometimes controversial decisions as well as driving forward new commercial initiatives. He has steered us through rough times, Covid especially when we were having weekly online meetings and sitting avidly in front of the TV each night waiting for a glimmer of light to hit the end of the tunnel in a countdown to re-opening the Tramway. As he vacates the position of chair, he leaves behind a huge legacy: conversion of a company to a charity, a new station building at Seaton, two significant lottery applications, a robust and safe Tramway which has won a plethora of national and international awards, the construction of two new halts at Riverside and Wetlands, the roaring success of Jurassic Discovery, to name but a few. But most of all, he leaves the Tramway and Jurassic Discovery knowing that it is through his unwavering dedication, support and hard work, that the two will continue to go from strength to strength for the foreseeable future, thanks to his incontrovertible contributions. I welcome and look forward to working with the new chair, Mark Horner, who I have known and worked well with for many years both as a board director and former MD of Seaton Tramway. Mark is extremely passionate about the Tramway and brings a great amount of knowledge, wisdom and experience to the role as well as always being highly supportive of the executive team.

At the heart of every successful, long-running company are its people, and I'm proud to say that we have the best staff, and volunteers who give up their time so generously. As part of our work with the Heritage Railway Association, Fedecrail, Devon's Top Attractions and the tourism industry in general, we get to see a lot of other railways and attractions through various meetings, and the hard work, passion and dedication our staff and volunteers put in is hard to rival and reflected in the continued award of many prestigious prizes for stand-out customer service and a quality day out experience. Therefore, we thought it would be fitting to honour those staff and volunteers by way of a long service award which was distributed at our Christmas Party in November, and included, 10-, 20-, 30-and 40-year awards.

Modern Electric Tramways Ltd

Trustees' Report

Objectives and activities

Objects and aims

The objects for which the Charity is established are for the public benefit to:
• secure the preservation, restoration, improvement, enhancement and maintenance of features of historical and industrial interest including the provision of an electric tramway and narrow gauge heritage trams;
• advance the education of the general public:
- in the history, heritage and operation of tramways and narrow gauge heritage trams; and
- more generally in the native wildlife, flora and fauna of Devon and Dorset; and
• advance the arts, culture, heritage and conservation in the Area of Benefit*; and
• to further such other exclusively charitable objectives as the Directors, in their discretion, deter-mine.
*where the Area of Benefit means the South West of England.

Modern Electric Tramways Ltd was established as a company in 1953 by Claude Lane, however his development of trams pre-dates this to the post-war years. Claude brought his tramway from Eastbourne to Seaton in 1970 when the system was established on the line of the former Seaton branch railway line. From those early days, the Tramway has developed, extending to Colyton and the former railway station and establishing an Edwardian style Station in Seaton in 1995. During its 56 years in Seaton millions of people have enjoyed riding on the Tramway and it is now an established and much-loved part of the Seaton to Colyton landscape.

Prior to 1970 the track bed and station at Colyton was occupied by the branch line which connected from Seaton to the main Yeovil Junction to Exeter line at Seaton Junction. The branch line operated from 1868 and played an important role transforming Seaton into a seaside holiday town as well as providing an important local and goods service. The branch line was closed in 1966 under the Beeching closures, with Claude Lane eventually purchasing 3 miles of the line from Seaton to Colyton.



In addition to the trams themselves the Tramway passes alongside the River Axe and through the Seaton Wetlands nature reserve. Seaton Tramway provides a great opportunity to view the birds and wildlife of this area and also to provide access to it.

Seaton lies on the Jurassic Coast with the Tramway providing easy access to the coast from Colyton. Seaton Tramway are working closely with the Jurassic Coast team and local partners on numerous events including organizing the Natural Seaton Festival.

Modern Electric Tramways Ltd

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Modern Electric Tramways Ltd (MET) trades as Seaton Tramway and achieved charitable status on 28th October 2015. The principle charitable activity is operating a visitor attraction, also providing a public transport service. Seaton Tramway provides a heritage tram service between Seaton, Colyford and Colyton in Devon, along most of the route of the former Seaton-Seaton Junction branch line. The service operates from mid-February until New Year's Day, with a daily service between Easter and the end of October. In addition, Seaton Tramway provides a range of special events and activities, such as The Polar Express™M Tram Ride, Dinosaur Tram Adventure, Fairy Special. Tram Driving Lessons and Brid Watching trips, as well as regular theatrical and musical events.

Financial review

During 2025, the group received total income of £2,322,617 (2024: £2,049,126) of which £2,251,737 (2024: £2,031,026) was in the form of unrestricted funds, with £70,880 (2024: £18,100) from restricted funds. Expenditure totalled £2,451,964 (2024: £2,297,161, of which £2,444,478 (2024: £2,256,470) was unrestricted and £7,486 (2024: £40,691) was restricted. Capital expenditure this year includes investment in new plant and machinery.

The Statement of Financial Activity shows an unrestricted deficit of the year of (£118,091) (2024: surplus £34,556). This includes an unrestricted depreciation charge of £256,536 (2024: £238,335) on freehold property, leasehold property, plant, machinery, fixture and fittings. As always, additional expenditure has been vital in maintaining the heritage assets and ensuring a robust and safe infrastructure in which to operate.

Policy on reserves

The charity endeavours to maintain suitable reserves that will allow continued charitable and trading operations in excess of six weeks, in the event of seasonal fluctuations in visitor numbers or other extraordinary circumstances.



Plans for future periods

Aims and key objectives for future periods

The charity looks forward to a prosperous summer season, safely welcoming more visitors. Through these mainstay charitable activities together with innovative new ideas and projects, the charity hopes to build on its financial reserves.

Structure, governance and management

Nature of governing document

Modern Electric Tramways Limited obtained charitable status on 28 October 2015 and is governed as a charitable company by its Articles of Association as amended by special resolution dated 24 September 2015.

The charity presently has five board members and a core staff of nine plus one apprentice assisted by part-time staff and volunteers. The Tramway Management team comprises:

Chief Executive - Jenny Nunn
Commercial Manager - Steve Waite
Engineering & Operational Manager - Lee Taylor
Marketing Manager - Josh Castree
Technical Engineering Manager - Harry Sibley

The Tramway staff are assisted by a significant complement of volunteers. There are 26 volunteer drivers, who do a minimum of 14 days per annum of 6 hours per shift/day. There are also five "Meet & Greet" roles at Seaton who do 1-2 days each per week during the operating season along with two volunteer engineers at the company's Riverside Depot.

Commercial activities (catering and retail) are undertaken by Seaton Tramway (Enterprises) Ltd, which is a wholly owned subsidiary of Seaton Tramway and passes all profits to its parent, Modern Electric Tramways Ltd.

As a charity limited by shares, the shareholders have the power to appoint directors. The management team and existing directors would recommend individuals to the shareholders for appointment based on the skills and expertise they are able to provide to the charity. Once appointed directors are fully inducted by providing them with all key policies, plans, training and detailed guidance of their obligations as a director.

Statement of trustees' responsibilities

The trustees (who are also the directors of Modern Electric Tramways Ltd 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

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

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

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 30th September 2026 and signed on its behalf by:

.....
David William Keay
Trustee

.....
Mark Andrew Horner
Trustee

Independent Auditor's Report to the Members of Modern Electric Tramways Ltd

Opinion

We have audited the financial statements of Modern Electric Tramways Ltd (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 parent charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report to the Members of Modern Electric Tramways Ltd

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' Report.

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:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 10), the trustees 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Modern Electric Tramways Ltd

Auditor 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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

• Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report to the Members of Modern Electric Tramways Ltd

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.

The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other charity legislation. The charity is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including but not limited to, employment, anti-bribery and anti-money laundering.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's 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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Stuart Carrington FCA (Senior Statutory Auditor)
For and on behalf of Westcotts (SW) LLP, Statutory Auditor

Timberly
South Street
Axminster
Devon
EX13 5AD

Date: 30-9-2026

Modern Electric Tramways Ltd

Consolidated Statement of Financial Activities for the Year Ended 31 December 2025
(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and Endowments from:					
Donations and legacies	3	167,531	70,880	238,411	81,458
Charitable activities	4	1,379,174	-	1,379,174	1,251,892
Other trading activities	5	675,182	-	675,182	629,796
Investment income	6	2	-	2	760
Other income	7	29,848	-	29,848	85,220
Total income		2,251,737	70,880	2,322,617	2,049,126
Expenditure on:					
Raising funds	8	(702,139)	-	(702,139)	(629,022)
Charitable activities	9	(1,742,339)	(7,486)	(1,749,825)	(1,668,139)
Total expenditure		(2,444,478)	(7,486)	(2,451,964)	(2,297,161)
Net (expenditure)/income		(192,741)	63,394	(129,347)	(248,035)
Transfers between funds		74,650	(74,650)	-	-
Net movement in funds		(118,091)	(11,256)	(129,347)	(248,035)
Reconciliation of funds					
Total funds brought forward		5,668,041	274,013	5,942,054	6,190,089
Total funds carried forward	25	5,549,950	262,757	5,812,707	5,942,054

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 25.

Modern Electric Tramways Ltd

(Registration number: 00519844)
Consolidated Balance Sheet as at 31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	16	4,327,153	4,461,593
Heritage assets	17	2,082,709	2,000,000
		6,409,862	6,461,593
Current assets			
Stocks	19	88,350	92,188
Debtors	20	68,138	107,927
Cash at bank and in hand		26,775	37,830
		183,263	237,945
Creditors: Amounts falling due within one year	21	(589,914)	(466,303)
Net current liabilities		(406,651)	(228,358)
Total assets less current liabilities		6,003,211	6,233,235
Creditors: Amounts falling due after more than one year	22	(190,504)	(291,181)
Net assets		5,812,707	5,942,054
Funds of the group:			
Restricted income funds			
Restricted funds		262,757	274,013
Unrestricted income funds			
Called up share capital		23,781	23,781
Unrestricted funds		3,446,965	3,565,056
Revaluation reserve		2,079,204	2,079,204
Total unrestricted funds		5,549,950	5,668,041
Total funds	25	5,812,707	5,942,054

The financial statements on pages 16 to 44 were approved by the trustees, and authorised for issue on 30th September 2026 and signed on their behalf by:

.....
David William Keay
Trustee

.....
Mark Andrew Horner
Trustee

The notes on pages 21 to 44 form an integral part of these financial statements.

Modern Electric Tramways Ltd

(Registration number: 00519844)
Balance Sheet as at 31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	16	4,327,153	4,461,593
Heritage assets	17	2,082,709	2,000,000
Investments		50,000	50,000
		6,459,862	6,511,593
Current assets			
Debtors	20	124,014	123,785
Cash at bank and in hand		4,584	5,425
		128,598	129,210
Creditors: Amounts falling due within one year	21	(559,601)	(426,171)
Net current liabilities		(431,003)	(296,961)
Total assets less current liabilities		6,028,859	6,214,632
Creditors: Amounts falling due after more than one year	22	(190,504)	(291,181)
Net assets		5,838,355	5,923,451
Funds of the charity:			
Restricted income funds			
Restricted funds		262,757	274,013
Unrestricted income funds			
Called up share capital		23,781	23,781
Unrestricted funds		3,472,613	3,546,453
Revaluation reserve		2,079,204	2,079,204
Total unrestricted funds		5,575,598	5,649,438
Total funds	25	5,838,355	5,923,451

The financial statements on pages 16 to 44 were approved by the trustees, and authorised for issue on 30th September 2026 and signed on their behalf by:

.....
David William Keay
Trustee

.....
Mark Andrew Horner
Trustee

The notes on pages 21 to 44 form an integral part of these financial statements.

Modern Electric Tramways Ltd

Consolidated Statement of Cash Flows for the Year Ended 31 December 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash expenditure		(129,347)	(248,035)
Adjustments to cash flows from non-cash items			
Depreciation	8	264,022	245,926
Investment income	6	(2)	(760)
		134,673	(2,869)
Working capital adjustments			
Decrease/(increase) in stocks	19	3,838	(16,096)
Decrease/(increase) in debtors	20	39,789	(64,127)
Increase in creditors	21	138,498	80,505
Net cash flows from operating activities		316,798	(2,587)
Cash flows from investing activities			
Interest receivable and similar income	6	2	760
Purchase of tangible fixed assets	16	(129,582)	(680,860)
Purchase of heritage assets	17	(52,709)	-
Net cash flows from investing activities		(182,289)	(680,100)
Cash flows from financing activities			
Repayment of loans and borrowings	21	(132,291)	312,147
Repayment of capital element of finance leases and HP contracts	23	16,401	-
Net cash flows from financing activities		(115,890)	312,147
Net increase/(decrease) in cash and cash equivalents		18,619	(370,540)
Cash and cash equivalents at 1 January		8,156	408,370
Cash and cash equivalents at 31 December		26,775	37,830

All of the cash flows are derived from continuing operations during the above two periods.

Modern Electric Tramways Ltd

Statement of Cash Flows for the Year Ended 31 December 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash expenditure		(85,096)	(231,199)
Adjustments to cash flows from non-cash items			
Depreciation	8	264,022	245,926
Investment income	6	(1)	(598)
		178,925	14,129
Working capital adjustments			
(Increase)/decrease in debtors	20	(229)	7,468
Increase in creditors	21	148,317	76,366
Net cash flows from operating activities		327,013	97,963
Cash flows from investing activities			
Interest receivable and similar income	6	1	598
Purchase of tangible fixed assets	16	(129,582)	(680,860)
Purchase of heritage assets	17	(52,709)	-
Net cash flows from investing activities		(182,290)	(680,262)
Cash flows from financing activities			
Repayment of loans and borrowings	21	(132,291)	312,147
Repayment of capital element of finance leases and HP contracts	23	16,401	-
Net cash flows from financing activities		(115,890)	312,147
Net increase/(decrease) in cash and cash equivalents		28,833	(270,152)
Cash and cash equivalents at 1 January		(24,249)	275,577
Cash and cash equivalents at 31 December		4,584	5,425

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 December 2025

1 Charity status

The charity is limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Riverside Depot
Harbour Road
Seaton
Devon
EX12 2NQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Modern Electric Tramways Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation
These financial statements consolidate the results of the charity and its wholly owned subsidiary, Seaton Tramway (Enterprises) Limited on a line-by-line basis, in accordance with business combinations provisions of FRS102. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by Section 408 of the Companies Act 2006. The charity has taken advantage of the exemption contained in Section 33.1A of FRS102, where disclosures need not be given of transactions entered into between two or more members of a group.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Judgements and key sources of estimation and uncertainty Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Donated services and facilities

Donated services and facilities are included at the value to the charity where this can be quanitifed. The value of services provided by volunteers has not been included, as it is impractical to measure it reliably.

Other trading activities

Trading income (including that of the charity's trading subsidiary) comprises of the sale of advertising space, merchandise and catering income net of value added tax. In addition, rental income from charity property is also included as trading income on the basis that the property is held primarily for functional use by the charity but temporarily surplus to operational requirements.

Investment income

Income from investments represents interest arising in the UK on building society and bank deposits, held by the group during the period and is included in the period in which it is receivable.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's trading company.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Heritage assets

The charity holds fifteen narrow gauge trams as heritage assets. These are tangible fixed assets of historical importance that are held to advance the preservation and conservation objectives of the charity. Newly purchased or restored heritage assets are initially capitalised and included at cost including any incidental expenses of acquisition and are subsequently revalued annually using a method of depreciated replacement value.

Assets are excluded from the balance sheet if reliable cost information is not available and conventional valuation approaches lack sufficient reliability in the reconstruction or analysis of past accounting records or in valuation if there is deemed to be an insignificant benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold land	No depreciation charge
Short leasehold property	Straight line over the lease term
Freehold property	2% straight line
Buildings	2% straight line
Plant and machinery	10% and 20% straight line

Fixed asset investments

Listed investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the consolidated statement of financial activities. Investments in subsidiary undertakings are stated at cost in the charity's balance sheet and eliminated on consolidation in accordance with FRS102.

Stock
Stock is valued at the lower of cost and net realisable value.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The pension costs charged in the financial statements represent the contribution payable by the charity during the period.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Donations from individuals	2,882	-	2,882
Legacies	35,185	-	35,185
Gift aid reclaimed	129,464	-	129,464
Grants from other organisations	-	70,880	70,880
	167,531	70,880	238,411

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Donations from individuals	2,181	18,100	20,281
Legacies	-	-	-
Gift aid reclaimed	60,677	-	60,677
Grants from other organisations	500	-	500
	63,358	18,100	81,458

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Admission - Jurassic Discovery	117,486	-	117,486
Admission - Tram fares	1,060,657	-	1,060,657
Admission - Themed tram fares	185,927	-	185,927
Tours, experience days and other	15,104	-	15,104
	1,379,174	-	1,379,174

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Admission - Jurassic Discovery	65,097	-	65,097
Admission - Tram fares	954,341	-	954,341
Admission - Themed tram fares	212,229	-	212,229
Tours, experience days and other	20,225	-	20,225
	1,251,892	-	1,251,892

5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Gift shop, soft play and cafe (incl. subsidiary)	669,887	-	669,887
Advertising	5,295	-	5,295
	675,182	-	675,182

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Gift shop, soft play and cafe (incl. subsidiary)	624,023	-	624,023
Advertising	5,773	-	5,773
	629,796	-	629,796

6 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Interest receivable on bank deposits	2	-	2
	2	-	2

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Interest receivable on bank deposits	760	-	760
	760	-	760

7 Other income

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Other income	29,848	-	29,848

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Other income	85,220	-	85,220

8 Expenditure on raising funds

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Costs of goods sold	216,205	-	216,205	192,158
Direct staff costs	375,801	-	375,801	361,933
Rates and waste disposal	2,948	-	2,948	1,711
Light and heat	59,542	-	59,542	43,155
Maintenance, repairs and uniforms	6,984	-	6,984	4,412
Bank charges and merchant fees	9,147	-	9,147	8,332
Professional fees	3,830	-	3,830	3,645
Other support and governance costs	27,682	-	27,682	13,676
	702,139	-	702,139	629,022

9 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Depreciation	256,536	7,486	264,022	245,926
Fleet, track and overhead repairs	79,205	-	79,205	67,320
Audit and accountancy fees	14,310	-	14,310	11,156
Direct staff costs (incl. training)	603,938	-	603,938	587,949
Other support and governance costs	303,096	-	303,096	267,864
Themed fare costs	75,767	-	75,767	79,216
Consumables and sundries	17,986	-	17,986	20,156
Leasing costs	7,284	-	7,284	6,267
Rent, rates, cleaning and waste disposal	44,452	-	44,452	36,049
Light, heat and power	60,023	-	60,023	55,696
Insurance	67,589	-	67,589	59,898
Engineering and equipment costs	24,157	-	24,157	24,523
Van costs	2,081	-	2,081	3,588
Property maintenance and repairs	26,244	-	26,244	34,749
Printing, postage and stationery	9,756	-	9,756	8,147
Professional fees and subscriptions	6,261	-	6,261	8,686
Advertising, promotion and website	53,878	-	53,878	61,769
Legal fees	2,105	-	2,105	3,088
Bank charges and merchant fees	16,801	-	16,801	21,341
Interest charges (incl. hire purchase)	29,448	-	29,448	15,673
Subcontract cost	4,173	-	4,173	11,433
Staff welfare	3,548	-	3,548	6,721
Communication and IT	33,701	-	33,701	30,924
	1,742,339	7,486	1,749,825	1,668,139

Notes to the Financial Statements for the Year Ended 31 December 2025

10 Analysis of support costs

	Charitable activities £	Total 2025 £
Administration		
Administrative and management staff	299,885	299,885
Governance		
Directors' meetings, travel and subsistence	906	906
Directors' and officers' insurance	2,305	2,305
	303,096	303,096

	Charitable activities £	Total 2024 £
Administration		
Administrative and management staff	263,004	263,004
Governance		
Directors' meetings, travel and subsistence	1,495	1,495
Directors' and officers' insurance	3,365	3,365
	267,864	267,864

11 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025 £	2024 £
Audit fees	4,510	4,295
Other non-audit services	9,800	9,065
Depreciation of fixed assets	264,022	245,926

12 Trustees remuneration and expenses

The aggregate amount of reimbursed trustee/director expenses was £1,288 in respect of travel. accommodation, subsistence and general admin costs, for two trustees/directors who served during the year (prior period: £1,692 of expenses to three directors).

13 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	1,168,797	1,108,573
Social security costs	96,747	76,654
Pension costs	33,166	30,896
Other staff costs	8,596	10,439
	1,307,306	1,226,562

The average number of individuals employed during the year, was as follows:

	2025 No	2024 No
Parent	39	35
Subsidiary	26	24
Total employees	65	59

Two employees received emoluments (excluding employer pension costs) of more than £60,000 during the year (2024: two).

No trustee or any person connected to them received emoluments during the year in respect of their trusteeship.

14 Auditors' remuneration

	2025 £	2024 £
Audit of the financial statements	4,510	4,295
Other fees to auditors		
All other non-audit services	9,800	9,065
	14,310	13,360

15 Taxation

The group is a registered charity and is therefore exempt from taxation.

16 Tangible fixed assets

Group

	Freehold land and buildings £	Short leasehold land and buildings £	Plant, equipment and fixtures £	Total £
Cost				
At 1 January 2025	1,812,362	2,749,249	1,824,404	6,386,015
Additions	-	-	129,582	129,582
At 31 December 2025	1,812,362	2,749,249	1,953,986	6,515,597
Depreciation				
At 1 January 2025	421,380	355,621	1,147,421	1,924,422
Charge for the year	31,369	54,985	177,668	264,022
At 31 December 2025	452,749	410,606	1,325,089	2,188,444
Net book value				
At 31 December 2025	1,359,613	2,338,643	628,897	4,327,153
At 31 December 2024	1,390,982	2,393,628	676,983	4,461,593

The freehold land and buildings held by Modern Electric Tramways Limited includes freehold land valued at £105,000 and freehold buildings valued at £1,707,362, which includes investment property with a value of £139,000. The historical cost of freehold land is £95,659 and buildings are £1,455,332 of which historical cost of £56,970 is attributed to investment property. Both land and buildings have been revalued historically.

Tangible fixed assets of the charity: These are the same as the group (the subsidiary has no fixed assets).

17 Heritage assets

Group

	Artefacts £	Heritage Trams £	Heritage Trams - Under Construction £	Total £
Valuation				
At 1 January 2025	-	2,000,000	-	2,000,000
Revaluations	30,000	-	-	30,000
Additions	-	-	52,709	52,709
At 31 December 2025	30,000	2,000,000	52,709	2,082,709

The charity holds fourteen narrow gauge trams as heritage assets. These are tangible fixed assets of historical and local cultural importance that are held to advance the preservation and conservation objectives of the charity. As at the year end, there were an additional three trams in production and works are yet to be completed.

In compliance with the Charity SORP (FRS102) they are recognised as heritage assets. Newly purchased or restored heritage assets are initially capitalised and included at cost including any incidental expenses of acquisition and are subsequently revalued annually using a method of depreciated replacement value. The original deemed historical cost previously stated was £262,676 before the company was awarded charitable status. The following revaluations have taken place, 31/12/2015 revaluation at FRS102 transition £971,178, 31/12/2017 £366,146, 31/12/2018 £400,000.

During the year ended 2025, the Charity received a donated fossil collection as part of the legacy of Leon Garner. The collection was professionally valued and has been recognised in the financial statements at its fair value at the date of receipt. It will be subject to annual revaluation using a depreciated replacement cost basis.

18 Fixed asset investments

Group

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2025	2024	
Seaton Tramways (Enterprises) Limited	England and Wales	Ordinary	100%	100%	Cafe, soft play and shop

Subsidiaries

The loss for the financial period of Seaton Tramways (Enterprises) Limited was 44,251 (2024 - £16,837) and the aggregate amount of capital and reserves at the end of the period was £24,352 (2024 - £68,603).

The charity's fixed asset investments relate to its trading subsidiary, with the historical costs being the nominal share value. Because the subsidiary would not be able to trade without the charity's collaboration, the market value of the investment is deemed to be its retained reserves only. All fixed asset investments are held within the United Kingdom.

Included within the above reserves is £59,392 (2024: £18,869) owed to Modern Electric Tramways Limited. The subsidiary's financial statements were approved on behalf of the directors by Jennifer M Nunn and Mark Horner (directors).

For the year ended 31 December 2025 the subsidiary was loss making and reliant on the support of the charity to continue. The trustees are aware of the implications of this and believe that:
- The subsidiary's existence is of fundamental importance to the charity's operational activities and the support is in accordance with the charity's objectives, and
- The subsidiary's activities have recently included new activity which should become profitable in a reasonable timeframe.

Charity

	2025 £

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2025	50,000	50,000
At 31 December 2025	50,000	50,000
Net book value		
At 31 December 2025	50,000	50,000
At 31 December 2024	50,000	50,000

19 Stock

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Finished goods	88,350	92,188	-	-

20 Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	3,382	5,287	2,313	4,904
Due from group undertakings	-	-	59,392	18,869
Prepayments	28,420	18,879	28,420	18,879
Other debtors	36,336	83,761	33,889	81,133
	68,138	107,927	124,014	123,785

21 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank overdrafts	225,246	29,674	225,246	29,674
Trade creditors	59,976	89,764	45,291	65,099
Other loans	206,579	229,474	206,579	229,474
Hire purchase and finance leases	7,682	-	7,682	-
Other taxation and social security	21,473	17,220	17,769	14,546
Other creditors	250	5,049	250	5,049
Accruals	68,708	95,122	56,784	82,329
	589,914	466,303	559,601	426,171

22 Creditors: amounts falling due after one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	62,499	99,574	62,499	99,574
Other loans	119,286	191,607	119,286	191,607
Hire purchase and finance leases	8,719	-	8,719	-
	190,504	291,181	190,504	291,181

Of the above creditors falling due after more than one year are bank loans of £62,499 (2024: £76,241) secured against the Colyton freehold land and buildings.

23 Obligations under leases

The total value of future minimum lease payments was as follows:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Within one year	23,894	24,431	23,894	24,431
In two to five years	75,782	84,676	75,782	84,676
In over five years	480,000	581,249	480,000	581,249
	579,676	690,356	579,676	690,356

As at 31 December 2025, the charitable company had non-cancellable operating lease commitments totalling £24,676 (2024: £34,106). The remaining commitment relates to a 50-year lease of land which was entered into in 2017.

24 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £33,166 (2024: £30,896), of this £25,901 relating to the parent charity and £7,265 is relating to the trading subsidiary.

25 Funds

Group

	Balance at 1 January 2025 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2025 £
Unrestricted funds					
General					
Unrestricted Funds	3,565,056	2,251,737	(2,444,478)	74,650	3,446,965
Called Up Share Capital	23,781	-	-	-	23,781
Revaluation Reserve	2,079,204	-	-	-	2,079,204
	5,668,041	2,251,737	(2,444,478)	74,650	5,549,950
Restricted funds					
Culture Recovery Fund	12,000	-	(2,000)	-	10,000
Travels through Heritage and the Axe Valley	163,860	-	(3,277)	-	160,583
Wetland Halt Project	92,193	-	(1,844)	-	90,349
EDDC AONB Grant	2,190	-	(365)	-	1,825
EDDC Innovation and Resilience Grant	3,770	-	-	(3,770)	-
Discovering Seaton's Jurassic Past and Present	-	70,880	-	(70,880)	-
	274,013	70,880	(7,486)	(74,650)	262,757
Total funds	5,942,054	2,322,617	(2,451,964)	-	5,812,707

Notes to the Financial Statements for the Year Ended 31 December 2025

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted funds					
General					
Unrestricted Funds	3,530,500	2,031,026	(2,256,470)	260,000	3,565,056
Called Up Share Capital	23,781	-	-	-	23,781
Revaluation Reserve	2,079,204	-	-	-	2,079,204
	5,633,485	2,031,026	(2,256,470)	260,000	5,668,041
Restricted funds					
Culture Recovery Fund	14,000	-	(2,000)	-	12,000
Travels through Heritage and the Axe Valley	167,204	-	(3,344)	-	163,860
Wetland Halt Project	94,075	-	(1,882)	-	92,193
EDDC AONB Grant	2,555	-	(365)	-	2,190
EDDC Innovation and Resilience Grant	18,770	-	(15,000)	-	3,770
Seaton Jurassic Centre	260,000	-	-	(260,000)	-
Tram 23	-	18,100	(18,100)	-	-
	556,604	18,100	(40,691)	(260,000)	274,013
Total funds	6,190,089	2,049,126	(2,297,161)	-	5,942,054

Charity

	Balance at 1 January 2025 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2025 £
Unrestricted funds					
General					
Unrestricted Funds	3,546,453	1,593,849	(1,742,339)	74,650	3,472,613
Called Up Share Capital	23,781	-	-	-	23,781
Revaluation Reserve	2,079,204	-	-	-	2,079,204
	5,649,438	1,593,849	(1,742,339)	74,650	5,575,598
Restricted funds					
Culture Recovery Fund	12,000	-	(2,000)	-	10,000
Travels through Heritage and the Axe Valley	163,860	-	(3,277)	-	160,583
Wetland Halt Project	92,193	-	(1,844)	-	90,349
EDDC AONB Grant	2,190	-	(365)	-	1,825
EDDC Innovation and Resilience Grant	3,770	-	-	(3,770)	-
Discovering Seaton's Jurassic Past and Present	-	70,880	-	(70,880)	-
	274,013	70,880	(7,486)	(74,650)	262,757
Total funds	5,923,451	1,664,729	(1,749,825)	-	5,838,355

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted funds					
General					
Unrestricted Funds	3,495,061	1,418,841	(1,627,449)	260,000	3,546,453
Called Up Share Capital	23,781	-	-	-	23,781
Revaluation Reserve	2,079,204	-	-	-	2,079,204
	5,598,046	1,418,841	(1,627,449)	260,000	5,649,438

Notes to the Financial Statements for the Year Ended 31 December 2025

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Restricted funds					
Culture Recovery Fund	14,000	-	(2,000)	-	12,000
Travels through Heritage and the Axe Valley	167,204	-	(3,344)	-	163,860
Wetland Halt Project	94,075	-	(1,882)	-	92,193
EDDC AONB Grant	2,555	-	(365)	-	2,190
EDDC Innovation and Resilience Grant	18,770	-	(15,000)	-	3,770
Seaton Jurassic Centre	260,000	-	-	(260,000)	-
Tram 23	-	18,100	(18,100)	-	-
	556,604	18,100	(40,691)	(260,000)	274,013
Total funds	6,154,650	1,436,941	(1,668,140)	-	5,923,451

The specific purposes for which the funds are to be applied are as follows:

Culture Recovery Fund - Coronavirus support grant to assist the charity's recovery from the pandemic.
Travels through Heritage and the Axe Valley - This has been funded by the National Lottery Heritage Fund and The Garfield Weston Foundation.
Wetland Halt Project - Plan, develop and construct a new Wetland Halt. Part funded by the Fine Foundation.
Seaton Tram Station - This fund represents a proportion of capitalised costs of the Seaton Tram Station building paid for with restricted funds. The restriction is being lifted over the useful life of the asset in line with depreciation.
EDDC AONB - This grant was received to fund equipment to be used at the Riverside Halt site.
EDDC Innovation and Resilience Grant - This grant was received to fund a tram chassis build.
Seaton Jurrasic Centre - This fund represents a proportion of capitalised costs of the Seaton Jurassic Centre building paid for with restricted funds. The restriction is being lifted over the useful life of the asset in line with depreciation.
Tram 23 - Mark Horner donated £18,770 as a restricted donation in order for MET to purchase, transport and provide a mobile display case for Car 23. This was the first ever tram built by founder, Claude Lane, and it operated in public for the first time on 2nd July 1949 at the Hadley House fete in Barnet. Its success ultimately led to the establishment of Seaton Tramway.
Discovering Seaton's Jurassic Past and Present - This project will connect Seaton's rich natural and geological heritage, providing unique learning opportunities and encouraging environmental stewardship for residents and visitors alike.
Unrestricted Funds - These are available for use at the discretion of the Trustees in furtherance of the objectives of the charity. These include £27,561 and £910,016 which were the Capital redemption reserve and Share premium account respectively. Given the change in constitution and restrictions on distributions, these separate reserves no longer serve any purpose.

26 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2025 £
Tangible fixed assets	4,064,396	262,757	4,327,153
Heritage assets	2,082,709	-	2,082,709
Current assets	183,263	-	183,263
Current liabilities	(589,914)	-	(589,914)
Creditors over 1 year	(190,504)	-	(190,504)
Total net assets	5,549,950	262,757	5,812,707

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	4,187,580	274,013	4,461,593
Heritage assets	2,000,000	-	2,000,000
Current assets	237,945	-	237,945
Current liabilities	(466,303)	-	(466,303)
Creditors over 1 year	(291,181)	-	(291,181)
Total net assets	5,668,041	274,013	5,942,054

Charity

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2025 £
Tangible fixed assets	4,064,396	262,757	4,327,153
Heritage assets	2,082,709	-	2,082,709
Fixed asset investments	50,000	-	50,000
Current assets	128,598	-	128,598
Current liabilities	(559,601)	-	(559,601)
Creditors over 1 year	(190,504)	-	(190,504)
Total net assets	5,575,598	262,757	5,838,355

Notes to the Financial Statements for the Year Ended 31 December 2025

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	4,187,580	274,013	4,461,593
Heritage assets	2,000,000	-	2,000,000
Fixed asset investments	50,000	-	50,000
Current assets	129,210	-	129,210
Current liabilities	(426,171)	-	(426,171)
Creditors over 1 year	(291,181)	-	(291,181)
Total net assets	5,649,438	274,013	5,923,451

27 Analysis of net funds

Group

	At 1 January 2025 £	Financing cash flows £	At 31 December 2025 £
Cash at bank and in hand	37,830	(11,055)	26,775
Bank overdraft	(29,674)	(195,572)	(225,246)
	8,156	(206,627)	(198,471)
Debt due within one year	(229,474)	22,895	(206,579)
Debt due after more than one year	(291,181)	100,677	(190,504)
Net debt	(512,499)	(83,055)	(595,554)

	At 1 January 2024 £	Financing cash flows £	At 31 December 2024 £
Cash at bank and in hand	408,370	(370,540)	37,830
Bank overdraft	-	(29,674)	(29,674)
	408,370	(400,214)	8,156
Debt due within one year	(54,810)	(174,664)	(229,474)
Debt due after more than one year	(153,698)	(137,483)	(291,181)
Net debt	199,862	(712,361)	(512,499)

28 Related party transactions

Related parties comprise trustees (and close members of their families), subsidiaries, key management personnel (and close members of their families) and anyone carrying out business in partnership with any with any of the aforementioned parties.

Four individuals, who are either a trustee of the charitable company or a director of its trading subsidiary, hold shares in the charitable company. These carry voting rights, but no ability to share in the income or capital of the charity. In all cases the shareholding is less than 5% of the total issues shared capital.

During the year ended 31 December 2025 the charity paid £9,038 (2024: £5,586) to Kuloko, a business owned by Nicola Stone (trustee), for services rendered. This transaction was on commercial terms and the related party declared their interest and was not involved in the decision-making process to engage the services of the company.

During the year, Mark Horner (trustee) and Bruce Warnes (trustee) lent loans to the Charity. As at the year end, £287,054 (2024: £365,893) was still outstanding on these loans. Interest is charged on the loans at 3.75% from December 2024.

29 Company limited by shares

Modern Electric Tramways Limited was a private company limited by shares, originally incorporated in 1953. The company obtained charitable status on 28 October 2015 and is now governed as a charitable company by its Articles of Association as amended by special resolution dated 24 September 2015. The control of the company vests with Mrs L G Shears by virtue of her majority shareholding. However, the amended Articles of Association place significant restrictions on this control and Mrs L G Shears must act in the interests of the charity.

30 Going concern

As at 31 December 2025 the group balance sheet showed net current liabilities of £406,651 (2024: net current liabilities of £228,358). The Trustee's believe the charity to be able to meet its financial obligations as they fall due for the next 12 months, and therefore consider the going concern basis of accounting to be appropriate.