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Charity registration number 298142 (England and Wales)

Company registration number 02193894

THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Docusign Envelope ID: D86258E0-8B2D-86D7-8372-FC7F0614AF84

THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	T D Courtney-Clark M N Howard N McCannon I W Robins A W Royal P J Tucker L E Trott	 (Appointed 13 September 2025)
Secretary	I W Robins	
Charity number	298142	
Company number	02193894	
Registered office and operational address	The Old Goods Shed Wiiliton Station Williton Somerset United Kingdom TA4 4RQ	
Independent examiner	Matthew Webb FCA Azets Audit Services Woodlands Court Truro Business Park Threemilestone Truro United Kingdom TR4 9NH	
Bankers	Unity Trust Bank UK plc 9 Brindley Place Birmingham United Kingdom B1 2HB Santander UK plc Bridle Road Bootle Merseyside L30 4GB	

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

The Diesel & Electric Preservation Group Limited ("the Company or Charity"), also known as the D&EPG, is a Private Company Limited by Guarantee registered in England & Wales at Companies House (registration number 02193894) and incorporated on 16th November 1987. The Company is also a registered charity (registered with The Charity Commission for England & Wales, registration number 298142), whose principal activity is to advance the education of the public in the history and development of diesel traction on the railways of the West of England by the preservation and operation of diesel traction, particularly as it relates to the West of England.

The Charity's principal office and registered address is The Old Goods Shed, Williton Station, Williton, SOMERSET, TA4 4RQ.

Objectives and activities

The Company and Charity meets its principal activity by maintaining and operating a Diesel Traction Depot at Williton on the West Somerset Railway, which is home to the Charity's own fleet of seven former British Rail (BR) mainline diesel locomotives dating from the early 1960s. The D&EPG also manages under contract an additional two ex-BR locomotives based at Williton that are in the private ownership of a group member and one former industrial shunting locomotive that is owned by the West Somerset Railway (WSR). The fleet regularly operates both public service and infrastructure trains on The WSR.

The late 1950s / early 1960s represent a very distinct and important period of change on Britain's railways as a result of the post-war Modernisation Plan and the wholesale replacement of steam traction with early diesel locomotives, especially on the former British Railways Western Region where a unique approach was adopted. The D&EPG believes that it is both educationally and historically important that our locomotives from this period are able to be demonstrated to the public in a living, working heritage setting.

The D&EPG fulfils a crucial supporting role to the WSR plc, making locomotives available to them on an as required basis and in support of their operations 365 days a year. Operating our depot and locomotives also enables both current and former railway staff to retain, develop and share their skills with colleagues and the general public and provides an exceptional environment of camaraderie including occasional social events and networking with other heritage railways and operating groups.

The diesel depot is staffed on Tuesdays, Saturdays and occasional other days by a core of some 20 active volunteers, several of whom are currently professional or former professional railway staff and who are drawn from a nationwide membership of over 400 supporting members. The Charity's depot is frequently open to the public for viewing as operational considerations and safety permit.

The Charity's income has traditionally been derived primarily from mileage payments for locomotives miles operated (£96,268 during 2025, 2024: £41,575) and from membership dues and donations received including gift aid (£62,555 in 2025, 2024: £89,871).

The Trustees have paid due regard to guidance issued by the Charity Commission in relation to public benefit in deciding what activities the charity should undertake.

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Achievements and performance

Financial review

The year in review saw the D&EPG acquire a Class 08 shunter D3516 (08 401) as a backup to Class 09 shunter D4107 (09 019) that was bought the previous year. Both locomotives will be made available for hire to the WSR or to other railways and will provide a useful income stream for the Charity.

The bodywork overhaul of D7017 that had been contracted out to the WSR in October 2024 progressed slowly due to the amount of work required and consumed all of the restricted funds raised specifically for the purpose, with an additional £8,227 being drawn from general reserves. D7017 returned to service at the 'HYMEK 50 YEARS' event in August 2025.

D7018 returned to traffic in May, just in time to haul a special for one of our earliest members for his 50th Wedding Anniversary. After running throughout the season, D7018 left the WSR in September to travel to the Great Central Railway for a period of 8 months hire, when it would not have been of use to the WSR thus earning the group valuable funds at our quietest period for income. D6566 also had a holiday, albeit just a weekend away, due to the need for it to support the WSR, this was attending a gala on the Spa Valley Railway. Diesel locomotives running on the WSR continued to see a summer diesel gala and the regular weekend diesel-hauled services, with the addition of the 'HYMEK 50 YEARS' event at the end of August. This plus unplanned running of Class 14 D9526 during the peak summer season resulted in hire receipts of £68,768 (2024: £33,085). Our Class 47 D1661 47077 'NORTH STAR' also had a good year, earning income of £27,500 (2024: £8,490) to repay for repairs carried out in the previous year. Taken all together, locomotive running income was £96,268 (2024: £41,575) or 54% (2024: 29%) of total income.

Donations declined to £54,035 (2024: £81,832) due to reduced contributions to two of the targeted fund-raising campaigns that were continued from the previous three years with £4,691 raised (2024: £42,359) for the restoration of Class 52 D1010 'WESTERN CAMPAIGNER, £1,969 raised (2024: £13,232) for Class 14 'Teddy Bear' D9518 and £9,629 raised (2024: £7,173) for Class 35 'Hymek' D7017. A new campaign was started to raise funds for the conversion of Class 08 D3516 (08401) from air-braking to dual-braking and had raised £2,265 by year end. Donations to these funds are classified as Restricted Funds and can only be applied to the project for which they were donated.

After deducting expenditure on parts and materials for each project (D1010: £24,684 : D9518: £5,305 : D7017: £24,385 : D3516: £173), the shortfall of £35,992 has been deducted from the funds carried forward from 2024, resulting in four separately identifiable restricted funds (D1010: £27,477 : D9518: £5,109 : D7017: £0 : D3516: £2092).

The net income from sales of books, clothing and collectible items via the D&EPG online store and through direct sales at events rose to £14,688 (2024: £8,574), assisted by revenues from a D&EPG-published booklet on D7017 and from a new range of embroidered and printed D&EPG-branded clothing items.

The number of members increased during the year, from 372 in January 2024 to 414 by the end of the year, and this continuing trend is attributed to the raised profile of the Charity resulting from regular e-mailings and website updates combined with wider social media coverage. The membership revenue increased slightly to £8,520 (2024: £8,039).

With the continuing improvement in earning potential of the Charity, the level of investment in plant and equipment at Williton continues to increase, with a new cleaning machine purchased (£3,283), a fork-lift truck acquired and brought up to operational standard (£3,450) and a used mobile elevating work platform acquired and undergoing restoration (£1,645).

Our locomotive fleet dates back to the early 1960s and spare parts are becoming more difficult to obtain as each year passes. The Charity is actively seeking to acquire spare parts from other heritage railway groups and from sources abroad. Spare parts to the value of £6,865 were acquired during 2025 (2024: £911) and a further acquisition of refurbished Sulzer cylinder heads to the value of £26,909 was planned but not completed until June of 2026 and will be reflected in the accounts of that year. The Charity intends to continue to commit funds to the expansion of the spare parts stock and associated storage facilities - but on an opportunistic basis.

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The Old Goods Shed at Williton remains out of use due to deterioration of the roof structure, repairs of which are likely to cost in excess of £150,000. Plans for the restoration and change of use of this 1862 Grade II listed structure are in progress with the aim of attracting support from other organisations, but the future plans and costs have not yet been established so this liability remains an estimate. A provision of £250,000 has been allocated to this project to cover the rising costs associated with the work required.

Considering all sources of income and after deducting expenditure, the result was a healthy operating surplus of £49,039 (2024: £57,338) during a year of heavy expenditure. This takes account of a decrease in restricted funds of £35,992 (2024: increase of £45,352) which was offset against the appropriate reserves for planned projects and major locomotive overhauls.

It is the policy of the D&EPG that unrestricted funds which have not been designated for a specific use should be maintained at a level approximating to six months of unrestricted expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant and unexpected drop in income, they will be able to continue the D&EPG's current activities while consideration is given to ways in which additional funds may be raised or expenditure reduced. At 31 December 2025 unrestricted funds (excluding the revaluation reserve) were £25,093 which is below the working target level of £30,000. With the improvement in earning potential noted above, the trustees expect that the target level will be reached within the next 12 months.

The Trustees have re-assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

At the end of 2025 the Trustees and Officers of the D&EPG identified no doubts that the charity would be able to continue as a going concern. The diversification of income sources, the targeted fund-raising campaigns and the expanding membership have ensured that the D&EPG remains an ongoing concern, with substantial assets and identifiable liabilities.

The D&EPG has no subsidiary companies or charities, nor does it hold funds on behalf of any such separate organisation.

Structure, governance and management

The Charity is governed by a full Memorandum & Articles of Association and as a Private Company Limited by Guarantee without share capital, it has no shareholders or persons with significant control.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

T D Courtney-Clark	
M N Howard	
N McCannon	
I W Robins	
A W Royal	
P J Tucker	
J D Oswald	(Resigned 25 May 2025)
L E Trott	(Appointed 13 September 2025)

The D&EPG is managed on a day-to-day basis in accordance with the Company's Memorandum & Articles of Association, by a Board of Directors comprising the Company's officers and trustees and other members drawn from the active volunteer membership. The Board, which holds regular minuted meetings, is acutely aware of the nature of the D&EPG's Charitable Purposes to not only maintain our heritage assets in a safe and operational condition (including the undertaking of minor and major overhauls as required); and to operate our depot in a safe, inclusive, welcoming and educational manner regardless or the race, ethnicity, language, sexual orientation or disability of the visitor / member. D&EPG actively encourages the recruitment and training of younger people wherever practical and appropriate to do so.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £5 in the event of a winding up.

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The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees, who are also the directors of The Diesel and Electric Preservation Group Ltd for the purpose 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).

The Trustees report was approved by the Board of Trustees.

Signed by:



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M N Howard

Dated: 15 September 2026

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

I report to the Trustees on my examination of the financial statements of The Diesel and Electric Preservation Group Ltd (the Charity) for the year ended 31 December 2025.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the Charity as required by section 386 of the Companies Act 2006.

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed by:
Matthew Webb
722FECA482B341D...

Matthew Webb FCA
Azets Audit Services
Woodlands Court
Truro Business Park
Threemilestone
Truro
United Kingdom
TR4 9NH

Dated: 15 September 2026

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	**3**	44,001	18,554	62,555	27,107	62,764	89,871
Charitable activities	**4**	96,268	-	96,268	41,575	-	41,575
Other trading activities		17,044	-	17,044	11,651	-	11,651
Investments		2,484	-	2,484	1,904	-	1,904
Total income		159,797	18,554	178,351	82,237	62,764	145,001
Expenditure on:							
Charitable activities	**5**	74,766	54,546	129,312	70,251	17,412	87,663
Total expenditure		74,766	54,546	129,312	70,251	17,412	87,663
Net income/(expenditure)		85,031	(35,992)	49,039	11,986	45,352	57,338
Transfers between funds		(8,227)	8,227	-	-	-	-
Net movement in funds	**6**	76,804	(27,765)	49,039	11,986	45,352	57,338
Reconciliation of funds:							
Fund balances at 1 January 2025		135,718	62,443	198,161	123,732	17,091	140,823
Fund balances at 31 December 2025		212,522	34,678	247,200	135,718	62,443	198,161

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement on financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**11**		31,025		26,073
Heritage assets	**12**		325,175		277,900
Investments	**13**		1		1
			356,201		303,974
Current assets					
Stocks	**14**	25,508		16,899	
Debtors	**15**	59,714		41,239	
Cash at bank and in hand		64,280		94,363	
		149,502		152,501	
Creditors: amounts falling due within one year	**16**	(8,503)		(8,314)	
Net current assets			140,999		144,187
Total assets less current liabilities			497,200		448,161
Provisions for liabilities	**17**		(250,000)		(250,000)
Net assets			247,200		198,161
Income funds					
Restricted funds			34,678		62,443
Unrestricted funds					
General unrestricted funds		25,093		(51,711)	
Revaluation reserve		187,429		187,429	
			212,522		135,718
			247,200		198,161

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2025

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 15 September 2026

Signed by:

9824EA39AC7347E...

M N Howard

Trustee

Company registration number 02193894

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THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Charity information

The Diesel and Electric Preservation Group Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Goods Shed, Williton Station, Williton, SOMERSET, TA4 4RQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of heritage assets. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. There are no material uncertainties which may create significant doubt over the chairty's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

The revaluation reserve represents the net (unrealised) gain arising on the revaluation of the heritage assets.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Membership subscriptions are credited to the Statement of Financial Activities in the year to which they relate. Life membership subscriptions are credited to the Statement of Financial Activites in the year they are received, as no refunds are given for unused portions of membership.

Income received in advance of provision of a sevice is deferred until criteria for income recognition are met.

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1 Accounting policies **(Continued)**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged at cost against the activity for which the expenditure was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10 years (straight line)
Oil Store and ISO containers	10 years (straight line)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Items of equipment are capitalised where the purchase price exceeds £1,000.

1.7 Heritage assets

The charity owns various locomotives and freight vehicles which are held and maintained for their historical and cultural value. Such assets are classified as heritage assets within the financial statements. A full description of the heritage assets is set out in Note 12.

Heritage assets are valued at their most recent valuation, which is currently 2020. Additions between valuations are stated at cost. Heritage assets are not depreciated as the trustees consider that they are artefacts of intrinsic value. Heritage assets are periodically reviewed for impairment, with any necessary impairment losses being taken to the Statement of Financial Activities.

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1 Accounting policies **(Continued)**

1.8 Fixed asset investments

The charitable company holds shares in an unquoted company, West Somerset Railway plc. The shares confer voting rights only and are held primarily to further the Charity's charitable objectives, rather than for financial return. As such, they are classified as programme-related investments on the balance sheet and measured at cost less impairment.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stock includes spare parts and scrap which have been donated to the charity or acquired over a number of years to provide spare parts for the charity's locomotives and restoration work. Much of the stock is unique and as such there is no readily available market value. Donated stock is valued at an estimate of its fair value.

Stocks purchased by the Charity are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The Charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.13 Provisions

Provisions are recognised when the Charity has a legal or constructive present obligation as a result of a past event, it is probable that the Charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities include the inputs and estimates used in determining the valuation of heritage assets and the estimates used in determining the repair provision for the Old Goods Shed.

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3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds	Restricted funds	Total
	2025	**2025**	**2025**	2024	2024	2024
	£	**£**	**£**	£	£	£
Donations and gifts	35,481	18,554	54,035	19,068	62,764	81,832
Membership fees	8,520	-	8,520	8,039	-	8,039
	44,001	18,554	62,555	27,107	62,764	89,871

4 Charitable activities

	2025	**2024**
	£	**£**
Locomotive hire	96,268	41,575

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5 Charitable activities

	Direct costs 2025	Support costs 2025	Governance costs 2025	Total 2025	Direct costs 2024	Support costs 2024	Governance costs 2024	Total 2024
	£	£	£	£	£	£	£	£
Depreciation and impairment	-	3,426	-	3,426	-	2,306	-	2,306
Maintenance and restoration costs	80,080	-	-	80,080	38,277	-	-	38,277
Rent	9,441	-	-	9,441	9,409	-	-	9,409
Utilities	4,808	-	-	4,808	4,988	-	-	4,988
Property and site maintenance	4,004	-	-	4,004	8,305	-	-	8,305
Purchases	9,565	-	-	9,565	8,455	-	-	8,455
Postage and stationery	-	1,107	-	1,107	-	581	-	581
Newsletter and publicity	-	1,777	-	1,777	-	1,052	-	1,052
Telephone	-	639	-	639	-	552	-	552
Insurance	-	6,896	-	6,896	-	6,875	-	6,875
Miscellaneous costs	150	2,955	-	3,105	102	2,502	-	2,604
Legal and professional	-	-	4,464	4,464	-	-	4,259	4,259
	108,048	16,800	4,464	129,312	69,536	13,868	4,259	87,663
	108,048	16,800	4,464	129,312	69,536	13,868	4,259	87,663
Analysis by fund								
Unrestricted funds	53,502	16,800	4,464	74,766	52,124	13,868	4,259	70,251
Restricted funds	54,546	-	-	54,546	17,412	-	-	17,412
	108,048	16,800	4,464	129,312	69,536	13,868	4,259	87,663

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6 Net movement in funds

	2025	2024
	£	£
Net movement in funds is stated after charging/(crediting)		
Accounts preparation fees	1,985	1,890
Independent examination fees	1,985	1,890
Depreciation of owned tangible fixed assets	3,426	2,306

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. No trustees were reimbursed expenses during the year (2024- A trustee was reimbursed expenses for vehicle hire of £233).

8 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Staff and key management personnel

The charitable company does not have any employees (2024: none). Trustees do not receive any remuneration as a result of their office. Total benefits paid to key management personnel were £nil (2024 - £nil).

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

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11 Tangible fixed assets

	Plant and equipment	Oil Store and ISO containers	Total
	£	£	£
Cost			
At 1 January 2025	45,188	7,582	52,770
Additions	8,378	-	8,378
At 31 December 2025	53,566	7,582	61,148
Depreciation and impairment			
At 1 January 2025	25,686	1,011	26,697
Depreciation charged in the year	2,668	758	3,426
At 31 December 2025	28,354	1,769	30,123
Carrying amount			
At 31 December 2025	25,212	5,813	31,025
At 31 December 2024	19,502	6,571	26,073

Tangible fixed assets consist of ISO containers used for the storage of spare parts, other fixed storage facilities (oil store), maintenance access staging and equipment used in the overhaul and restoration of railway vehicles.

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12 Heritage assets

	£
At 1 January 2025	277,900
Additions	47,275
At 31 December 2025	325,175

The valuation of the locomotives was reassessed by the trustees as at 31 December 2025 with regard to recent market sales of similar locomotives and their current condition and are satisfied there is no material change from the prior year.

The historical cost of the heritage assets is £137,746 (2024: £90,471). Heritage assets are not depreciated.

Heritage assets owned by the Charity comprise the following:

Locomotives:
Class 14 0-6-0 D.H. Nos. D9518 & D9526
Class 35 "Hymek" D.H. Nos. D7017 & D7018
Class 47/8 "Brush" D.E. No. D1661 "North Star"
Class 52 "Western" D.H. No. D1010 "Western Campaigner"
Class 09 Shunter D4107 (09019)
Class 08 08401 (D3516)

Freight vehicles:
Brake van No. B952527
Ferry van No. B787158
Lowmac No. B904146
Open wagon No. GW118904
Vanwide No. B784676

The charitable company also enters into agreements with the owners of diesel locomotives wherein the charitable company becomes the custodian of those locomotives for a specified period. Under the agreements the charitable company is responsible for the administration of the locomotives, their maintenance and operation whilst on West Somerset Railway. The charitable company does not recognise these locomotives as assets on its balance sheet. The agreements in force at 31 December 2025 were:

Clive Burrows: Class 33 x 2 Nos. D6566 & D6575 both for the fifteen years expiring 29th August 2029.
West Somerset Railway: Andrew Barclay 0-4-0DH 578 for ten years expiring on 01st May 2031.

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13 Investments

184,000 ordinary shares in West Somerset Railway plc:

	£
Historic costs	14,400
Less: impairment	(14,399)
At 1 January 2025 and at 31 December 2025	1

The shares were purchased in 1995. Since 2002, West Somerset Railway plc has had a nil dividend policy, which has meant that the shares have no readily ascertainable market value. Accordingly the trustees have written the value of the shares down to £1.

14 Stocks

	2025	2024
	£	£
Components	1,009	1,009
Spare parts	18,065	11,200
Finished goods and goods for resale	6,434	4,690
	25,508	16,899

15 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	12,689	1,867
Other debtors	10,021	4,852
Prepayments and accrued income	37,004	34,520
	59,714	41,239

16 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	1,197	3,780
Accruals and deferred income	7,306	4,534
	8,503	8,314

17 Provisions for liabilities

	2025	2024
	£	£
Old Goods Shed repairs	250,000	250,000

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(Continued)

17	**Provisions for liabilities**	**2025**	**2024**

The Old Goods Shed at Williton Station was built in 1862 to a Brunel broad gauge design by the Bristol & Exeter Railway. The stone-built slate-roofed building has been the home of the DEPG since 1980 and became a Grade II listed building in 1984 (listing number 1345661). The DEPG entered into a 35-year lease agreement with the West Somerset Railway for the Williton Goods Yard site in 1994 and the Old Goods Shed is included within the boundary of the Goods Yard. The building has since fallen into disrepair but the lease includes obligations for the DEPG to maintain the building, so remedial work will need to take place before the end of the lease term (29th August 2029).

The building was vacated at the end of 2020 due to concerns about the structural safety. The estimated cost of the remedial work depends on the planned future use of the building. The previous use of the building as a locomotive repair bay cannot justify the repair cost, so work is taking place to establish a plan for a community use facility that would be funded by multiple parties. The repair cost for the roof structure is estimated at approximately £150,000 with a further £100,000 needed for additional woodwork.

THE DIESEL AND ELECTRIC PRESERVATION GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

18 Analysis of net assets between funds

	Unrestricted general funds 2025	**Revaluation reserve 2025**	**Restricted funds 2025**	**Total 2025**	Unrestricted general funds 2024	Revaluation reserve 2024	Restricted funds 2024	Total 2024
	£	**£**	**£**	**£**	£	£	£	£
Fund balances at 31 December 2025 are represented by:								
Tangible assets	31,025	-	-	31,025	26,073	-	-	26,073
Heritage assets	137,746	187,429	-	325,175	90,471	187,429	-	277,900
Investments	1	-	-	1	1	-	-	1
Current assets/(liabilities)	106,321	-	34,678	140,999	81,744	-	62,443	144,187
Provisions	(250,000)	-	-	(250,000)	(250,000)	-	-	(250,000)
	25,093	187,429	34,678	247,200	(51,711)	187,429	62,443	198,161

Restricted funds relate to funds raised specifically for the restoration of the D1010, D9518, D7017 & D3516 locomotives.

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19 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	4,418	3,356
Between two and five years	6	8
	4,424	3,364

20 Related party transactions

There were no disclosable related party transactions during either the current or the prior year.