

Class Forty Preservation Society

Annual Report and Financial Statements

Year ended 29 February 2024

Charity number : 326323

Feltons
Chartered Accountants

Birmingham
B1 3JR

Class Forty Preservation Society

Report and financial statements Year ended 29 February 2024

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Class Forty Preservation Society

Reference and Administrative Details

Officers

Honorary President: Richard Bowker CBE

Vice President: Peter Watts

Trustees

C Elverstone
T Rogers
G Taylor
D Peacock (resigned 30 June 2023)
J Wilson
S Leighton
P Cameron

Management Committee

Chairman: C Elverstone
Treasurer: S Leighton
Secretary: T Rogers
Other Committee Members: G Taylor
D Peacock (resigned 30 June 2023)
A Williams
J Wilson
P Cameron

Bankers

Yorkshire Bank plc	Barclays Bank plc
Fargate	Bury
Sheffield	Lancashire
S1 2HE	BL9 0JN

Independent Examiners

Feltons	Feltons
	8 Sovereign Court
	8 Graham Street
	Birmingham
	B1 3JR

Charity Commission Registered Number: 326323

Class Forty Preservation Society

Report of the trustees Year ended 29 February 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees submit their report and financial statements for the year ended 29 February 2024.

Organisational Structure

Honorary president: Richard Bowker CBE

Vice-president: Peter Watts

Management committee

Chairman: Clive Elverstone

Treasurer: Steve Leighton

Secretary: Tim Rogers

Safety Officer & Designated Safeguarding Lead: Graham Taylor

Head of Operations: John Wilson

Head of Commercial and Compliance: Phil Cameron

Appointment of Trustees

Trustees are appointed by the members at the Annual General Meeting.

OBJECTIVES AND ACTIVITIES

Mission Statement

To preserve and restore to full working order class 40 diesel locomotives and promote their heritage to the general public in whatever manner is available and practical.

Class Forty Preservation Society

Report of the trustees (continued) Year ended 29 February 2024

Achievements and performance

As reported by the Trustees in the last accounts, the Trustees have stabilised the CFPS management, governance, finances and reputation. That stable position has been maintained during the reporting period 2023/24 and the accounts presented in this report reflect that.

The stated aim of the Committee is to have all three locomotives in operational use, during the year two out of the three have been operational and steps to get the third operational have been made.

40106/D306 remains on long term hire to the Severn Valley Railway, offering members numerous opportunities to ride behind their locomotive and earning a steady revenue stream.

40135/D335 is still under repair in Bury, however several significant steps have been made. Donations and funds created by the operation of the other two locomotives allowed the engineering team to extract the crank from the donated 56 power unit. During the reporting period the team continued to ready the locomotive for its own power unit to be lifted out.

40145/D345 in addition to performing on three tours for Pathfinder in the reporting period, began the year with an appearance at the Swanage Railway Diesel Gala, quickly followed in June by being rostered to the prestigious Northern Belle. 40145 also ran on at the diesel gala and CFPS members' day on the East Lancashire Railway.

The activity described above is reliant on two key behaviours by the society and its members. Namely a stable and well organised society and strong relationships with our operating partners. In the year the strength of that relationship was demonstrated by the appearance of 40145/D345 on the Pathfinder Golden Anniversary rail tour and a leg of the prestigious Northern Belle dining train.

The accounts presented for the year 2023/24 demonstrate that the Society remains on a sound financial footing.

Looking ahead, the Committee plans to continue to act out the current approach of seeking to preserve three operational locomotives funded via the finances generated by that activity as well as member subscriptions and donations.

Class Forty Preservation Society

Report of the trustees (continued) Year ended 29 February 2024

PUBLIC BENEFIT

We have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

FINANCIAL REVIEW

Total income for the year was £78,533 (2023: £97,324) and total expenditure was £48,382 (2023: £62,731) giving a net surplus in the year of £30,151 (2023: £34,593).

During the year, the heritage assets were revalued by the trustees. The subsequent loss on the revaluation of £205,691 is shown in the Statement of Financial Activities.

RESERVES POLICY

At the year-end the Society had total reserves of £634,210 (2023: £809,750) of which £Nil (2023: £Nil) were restricted and £634,210 (2023: £809,750) were unrestricted. Included within unrestricted funds is a revaluation reserve totalling £276,492 (2023 : £482,183) which arose on the restatement in value of the heritage assets disclosed in note 11.

The Society aims to maintain and increase reserves commensurate with the Mission Statement and Objectives of the Society.

Class Forty Preservation Society

Report of the trustees (continued) Year ended 29 February 2024

STATEMENT OF TRUSTEES' RESPONSIBILITY

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and the provision of the trust deed. They are also responsible for safeguarding the assets of the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board on 14 November 2024 and signed on its behalf by:



C Elverstone
Trustee

Independent Examiner's Report to the Trustees of Class Forty Preservation Society

I report to the charity trustees on my examination of the accounts of the charity for the year ended 29 February 2024 which are set out on pages 7 to 16.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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 accounts to be reached.



David W Farnsworth FCA
For and on behalf of Feltons
Feltons Chartered Accountants
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

18 November 2024

Class Forty Preservation Society

Statement of financial activities (including income and expenditure account) for the year ended 29 February 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:					
Donations	2	34,949	-	34,949	56,577
Charitable activities	3	43,124	-	43,124	40,747
Investment income		460	-	460	-
Total incoming resources		78,533	-	78,533	97,324
Expenditure on:					
Raising funds	4	6,028	-	6,028	19,400
Charitable activities	5	40,511	-	40,511	31,061
Other	6	1,843	-	1,843	12,270
Total resources expended		48,382	-	48,382	62,731
Net income before transfers		30,151	-	30,151	34,593
Gross transfers between funds	16	-	-	-	-
Other recognised gains/(losses)					
Losses from revaluation of heritage assets	16	(205,691)	-	(205,691)	-
Net movement in funds		(175,540)	-	(175,540)	34,593
Fund balances brought forward					
At 28 February 2023		809,750	-	809,750	775,157
Fund balances carried forward					
At 29 February 2024		634,210	-	634,210	809,750

The statement of financial activities includes all gains and losses recognised in the year.

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

Class Forty Preservation Society

Charity number : 326323

Balance sheet as at 29 February 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	10		952		626
Heritage assets	11		475,000		680,691
Investments	12		-		164
			<u>475,952</u>		<u>681,481</u>
Current assets					
Stocks at cost	13	54,833		54,245	
Debtors and Prepayments	14	40,767		39,354	
Cash at bank		<u>67,250</u>		<u>50,016</u>	
		162,850		143,615	
Creditors: amounts falling due within one year	15	<u>4,592</u>		<u>15,346</u>	
Net current assets			158,258		128,269
			<u>634,210</u>		<u>809,750</u>
Funds of the charity :					
Funds					
- Unrestricted	16	357,718		327,567	
- Restricted	16	-		-	
- Revaluation reserve	16	<u>276,492</u>		<u>482,183</u>	
			634,210		809,750
Total funds			<u>634,210</u>		<u>809,750</u>

The financial statements were approved by the Management Committee on 14 November 2024 and were signed on behalf of the Management Committee by:



S Leighton
Trustee

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024

1. Accounting policies

1.1 Basis of preparation

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 issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Class Forty Presentation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially measured at historical costs or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

1.2 Subscriptions

This represents actual monies received during the financial year.

1.3 Fund accounting

General unrestricted funds comprise accumulated surpluses and deficits on the general funds. They are available for use at the discretion of the Management Committee in furtherance of Class Forty Preservation Society's general charitable objectives.

Restricted funds are created when donations are made for a particular area or purpose, the use of which is restricted to that area or purpose. Expenditure is charged to the Statement of Financial Activities when incurred.

1.4 Taxation

As a charity, Class Forty Preservation Society is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its available objects.

No tax charges have arisen in the charity.

1.5 Income resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is an entitlement, it is probable that the income will be received, and the amount can be measured with sufficient reliability.

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

1. Accounting policies (continued)

1.6 Resources expended

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

Fundraising costs are those incurred in seeking voluntary contributions. Support costs are those costs directly in support of expenditure on the objects of the charity that cannot be allocated to specific activities. These include staff costs, general premises and office expenses, depreciation and costs of governing the charity.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 are capitalised and included at cost or valuation including any incidental expenses of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Plant and equipment	20% straight line
Vans	10% straight line

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.9 Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated impairment losses.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geographical or environmental qualities to such a high level as to contribute to knowledge and culture. Heritage assets are to be held for the foreseeable future.

No depreciation is charged on the heritage assets.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

1. Accounting policies (continued)

1.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.12 Going concern

The trustees have considered the level of funds held and expected level of income and expenditure for 12 months from authorising these financial statements. These figures show the charity has sufficient cash and reserves to continue operations for the foreseeable future. The financial statement have therefore been prepared on a going concern basis.

2. Donations

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Donations	27,640	-	27,640	47,437
Subscriptions	7,309	-	7,309	9,140
	<u>34,949</u>	<u>-</u>	<u>34,949</u>	<u>56,577</u>

In 2023, of the total income from donations, £56,577 was to unrestricted funds and £Nil was to restricted funds.

3. Charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Product sales	11,537	-	11,537	8,437
Loco hire	31,587	-	31,587	32,310
	<u>43,124</u>	<u>-</u>	<u>43,124</u>	<u>40,747</u>

In 2023, of the total income from charitable activities, £40,747 was to unrestricted funds and £Nil was to restricted funds.

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

4. Raising funds

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Cost of goods for resale	1,245	-	1,245	14,572
Train hire	1,100	-	1,100	1,640
Magazine printing	3,683	-	3,683	3,188
	<u>6,028</u>	<u>-</u>	<u>6,028</u>	<u>19,400</u>

In 2023, of the total expenditure for raising funds, £19,400 was to unrestricted funds and £Nil was to restricted funds.

5. Charitable activities

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Loco maintenance	20,295	-	20,295	11,025
Insurance	13,569	-	13,569	12,063
Postage, telephone and stationery	951	-	951	4,302
Volunteer training and welfare	-	-	-	1,354
Maintenance and repairs	457	-	457	-
Room hire	733	-	733	-
Bank charges and interest	150	-	150	249
Motor expenses	154	-	154	1,002
Subscriptions	320	-	320	-
Sundry	765	-	765	588
Travelling	2,300	-	2,300	1,240
Depreciation	277	-	277	874
Loss/(Profit) on disposals of assets	540	-	540	(1,636)
	<u>40,511</u>	<u>-</u>	<u>40,511</u>	<u>31,061</u>

In 2023, of the total expenditure for charitable activities, £31,061 was to unrestricted funds and £Nil was to restricted funds.

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

6. Other

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Accountancy and bookkeeping	1,350	-	1,350	10,740
Other professional charges	-	-	-	500
Computer expenses	493	-	493	1,030
	<u>1,843</u>	<u>-</u>	<u>1,843</u>	<u>12,270</u>

In 2023, of the total other expenditure, £12,270 was to unrestricted funds and £Nil was to restricted funds.

7. Surplus for the year

The surplus for the year is shown after charging:

	Total 2024 £	Total 2023 £
Independent examination fee	1,350	1,300
Depreciation	<u>277</u>	<u>874</u>

8. Locomotive maintenance

	Total 2024 £	Total 2023 £
Opening stock of spares	53,995	49,733
Expenditure - General	<u>20,295</u>	<u>11,025</u>
	74,290	60,758
Less: Closing stock of spares	<u>(54,583)</u>	<u>(53,995)</u>
	<u>19,707</u>	<u>6,763</u>

9. Trustees remuneration

During the year no trustees received any remuneration (2023 : £Nil)

There were no travelling expense reimbursements during the year (2023 : £157 reimbursed to two trustees).

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

10. Tangible fixed assets

	Plant & Equipment £	Van £	Total £
Cost			
At 1 March 2023	8,979	2,703	11,682
Additions	604	-	604
At 29 February 2024	<u>9,583</u>	<u>2,703</u>	<u>12,286</u>
Depreciation			
At 1 March 2023	8,354	2,703	11,057
Charge for the year	277	-	277
At 29 February 2024	<u>8,631</u>	<u>2,703</u>	<u>11,334</u>
Net book values			
At 29 February 2024	<u>952</u>	<u>-</u>	<u>952</u>
At 28 February 2023	<u>625</u>	<u>-</u>	<u>625</u>

11. Heritage assets

	Assets held at cost 2024	Assets held at valuation 2024	Total 2024
Carrying amount			
At 1 March 2023	5,691	675,000	680,691
Impairment	(5,691)	(200,000)	(205,691)
Depreciation	-	-	-
	<u>-</u>	<u>475,000</u>	<u>475,000</u>

At 29 February 2024 the trustees believed it was appropriate to revalue the heritage assets, so their carrying amount is more accurately reflected in the financial statements.

12. Investments

Investments represent the cost of acquisition of the whole of the issued share capital of CFPS Mainline Limited, a company registered in England and Wales, and also the formation costs of the company. The company had no transactions in the year. During the year, the investment of £164 was written off.

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

13. Stocks

Stock has been valued at the lower of cost and net realisable value and comprises:	2024	2023
	£	£
Goods held for resale	250	250
Spares	54,583	53,995
	<u>54,833</u>	<u>54,245</u>

14. Debtors

	Total	Total
	2024	2023
	£	£
Trade debtors	1,584	6,438
Inter-company balance	-	376
Gift aid	24,877	32,540
Prepayments	14,306	-
	<u>40,767</u>	<u>39,354</u>

15. Creditors - amounts falling due within one year

	2024	2023
	£	£
Creditors from operations	1,282	2,049
Accruals	1,902	11,929
VAT	1,408	1,368
	<u>4,592</u>	<u>15,346</u>

16. Analysis of funds

	Balance at 1 March 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 28 February 2024 £
Unrestricted funds					
General funds	327,567	78,533	(48,382)	-	357,718
Revaluation reserve	482,183	-	-	(205,691)	276,492
Total Unrestricted funds	<u>809,750</u>	<u>78,533</u>	<u>(48,382)</u>	<u>(205,691)</u>	<u>634,210</u>
Restricted funds					
General funds	-	-	-	-	-
Total funds	<u>809,750</u>	<u>78,533</u>	<u>(48,382)</u>	<u>(205,691)</u>	<u>634,210</u>

Class Forty Preservation Society

Notes to the financial statements for the year ended 29 February 2024 (continued)

17. Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Tangible assets	952	-	952	626
Heritage assets	475,000	-	475,000	680,691
Investments	-	-	-	164
Current assets	162,850	-	162,850	143,615
Current liabilities	(4,592)	-	(4,592)	(15,346)
Total net assets	634,210	-	634,210	809,750

18. Related party transactions

As described in note 12, CFPS Mainline Limited was the Society's wholly owned subsidiary company. During the year, the investment of £164 was written off.

Balances due from CFPS Mainline Limited	2024 £	2023 £
Loan account	-	376

Donations totalling £960 were received from three trustees during the year (2023 : £680 from three trustees).

At the year end £Nil (2023: £10,629) was due to John Stephens, a former trustee (resigned 3 March 2022).