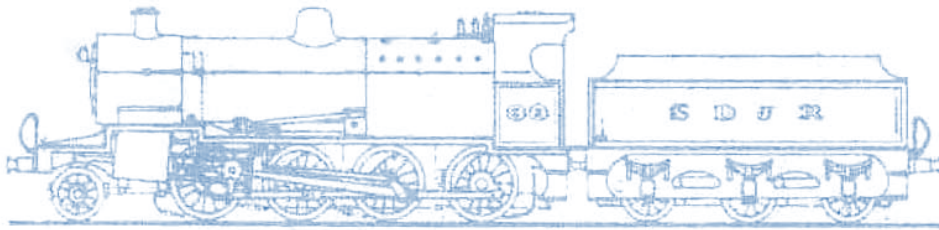


THE SOMERSET & DORSET RAILWAY TRUST



Trustees' Annual Report and Accounts 2008

Registered Charity No.265098

The Somerset & Dorset Railway Trust

TRUSTEES' ANNUAL REPORT FOR 2008

1 Legal and Administrative information

The Somerset & Dorset Railway Trust (the Trust) is a Registered Charity, no.265098. It is governed by a Constitution last amended by its members at the Annual General Meeting held on 28 April 2007, which incorporated an amendment to Clause 4(D) in connection with necessary membership attendance at General Meetings for such meetings to be quorate.

Trustees are appointed and elected in accordance with the Constitution. The Trustees for 2008 were:

Custodial Trustees

David Milton
Michael Beale
Peter Trenchard
Jonathan Edwards

Trust Committee (Management Trustees)

Officers

Godfrey Baker	- Chairman
Graham Hooper	- Secretary (retired April 2008)
Edward Goater	- Treasurer
Roger Newport	- Secretary (elected April 2008)
John Smith	- Museum Curator (resigned March 2008)
David Wright	- Museum Curator (elected April 2008)

Members

Paul Guppy	- elected April 2008
Rosemary Jacob	
George Moon	
Andrew Marsh	-elected April 2008
Andrew Naish	
Roger Newport	- elected Secretary April 2008
Brian Smith	- retired April 2008
David Wright	- elected Curator April 2008
Ian Young	

Principal Location: The Railway Station, Washford, Somerset TA23 0PP
Bankers: HSBC, Loughton, Essex; NatWest, Midsomer Norton, Somerset
Solicitors: Stephens & Scown, Exeter
Insurance Brokers: Oval Insurance Broking, Exeter

2 Organisation, Management and Decision-Making Structure

The property of the Trust is held by the Custodial Trustees in trust for the Trust in accordance with Clause 6J of the Constitution. The management of the Trust is vested in the Trust Committee, which is responsible for the administration of the Trust's affairs and for its general policy in accordance with Clause 3B of the Constitution.

During 2008, the Trust Management Committee met formally on seven occasions:

12 January, 16 March, 9 April, 25 May, 12 July, 14 September and 15 November.

Each of the Custodial Trustees attended at least one meeting during the year.

Approximately one week in advance of every meeting, all Trustees are sent the agenda and other papers for the meeting. At the meeting, any Trustee may speak; decisions are made by majority vote. Implementation of the decision is usually assigned to an individual, with a duty to report at a future meeting.

3 Objects

The Objects of the Trust are for the public benefit as defined in its Constitution:

a) To form and maintain a museum for the exhibition of items of historic interest formerly belonging to old railways and in particular, but not exclusively, the Somerset and Dorset Joint Railway, including signs, signals, posters, records and books, photographs, machinery, models, rolling stock, locomotives and buildings, such museum to be open to the public.

b) To educate the general public in old railways, railway history and in particular, but not exclusively, the Somerset and Dorset Joint Railway, and to show how these railways affected the industry of the area.

4 Membership

As at 1 August 2008 (2007 numbers in parenthesis), there were 239 (261) Ordinary, 151 (149) Family, 260 (294) Senior, 0(0) Junior and 6 (6) Corporate Members: total 656 (704).

A total of 32 (32) new members was recruited during the year but this has to be set against a total of 80 members who did not renew for 2008. The Trust's website continues to be a valuable recruitment source but the shop and mobile sales stands remain the principal sources.

The inclusion of a 'tick box' on the membership renewal form enables members to make a donation under the Gift Aid scheme via the renewals process. This resulted in a continuation of the substantial income the Trust receives via this means.

With effect from the beginning of the 2009 renewals process Terry Dart succeeded Ian Briggs as Membership Secretary. The Trust wishes to place on record its thanks to Ian for all the work undertaken over the six years he held the post.

5 Related parties

There are no relationships between the Trust and related parties that fall within the requirements for disclosure under Charity SORP 2005.

6 Review of Activities in 2008

a) MANAGEMENT CHANGES

The Trust was sorry to lose the services during 2008 of two of its Officers, the Secretary, Graham Hooper, who retired at the AGM, and the Museum Curator, John Smith, who resigned in March. Peter Cattermole, the Archivist, also retired during the year. The Trust places on record its gratitude for the efforts put in by them over many years.

b) PUBLICATIONS

Following discussion at Committee and the 2008 AGM, it was agreed to combine the Trust's journals into one quarterly publication, under the direction of John Wakeman. The Trust is grateful to both John and Neil Burgess for their expertise and effort in this area.

Pines Express - Bulletin of the Somerset and Dorset Railway Trust

Four superb and high quality editions were produced during 2008. This publication was distributed to all members and well-wishers, and was also made available to the public. The Trust is grateful to the many contributors, and, with the continued assistance of the membership, the success of the *Pines Express* will be further guaranteed.

Swift & Delightful - Newsletter

Because of the plans for amalgamation noted above only one edition was published in 2008. This publication was circulated to Members only.

Other - Calendar and Christmas Card

The Trust published a Christmas card for 2008 and a calendar for 2009, both in conjunction with The Somerset and Dorset Railway Heritage Trust and The North Dorset Railway Trust.

c) ELECTRONIC SERVICES

Website

Regular updates of news of Trust activities for the public benefit were posted on the website www.sdrt.org throughout the year. A total of 33 stories appeared. The number of daily hits on the website averaged 255 with a maximum of 329 in May. The total number of hits in that month was 10229.

Steps were set in hand to reinvigorate the website with a more modern style: it is considered important in establishing a common image for the Trust that this

change builds on the now well set redesign of the Trust's brochure introduced in 2007.

Online Membership and Sales

Online membership applications and membership renewals continued at high levels in 2008.

Members Only area

It was again disappointing that so few members chose to contribute to the Members Only area, which had few additions to the resources in 2008.

Public enquiries

A number of enquiries on a wide range of topics were received from the public via info@sdrtr.org.

Model Making

This was once again represented with pictures of models and articles provided by Trust Members.

d) EXHIBITIONS, EVENTS, MEETINGS & PUBLICITY:

- **Model Railway Display:** the thirty fourth Annual Model Railway Display was held at Edington Village Hall in early January 2008. The event provided both members and the public with another opportunity to view a wide variety of model railway layouts in several gauges, with many locations both actual and fictitious being depicted. Many members of the Trust attended, together with numerous members of the public, the result of which was that substantial funds were again generated.
- **Spring Open Day:** this day has been opened up to members of the public in order to attract more interest, and thus renamed from the former "Members' Day". Locomotive 88 was at Washford on 27 April, taking part in a public demonstration of the Whitaker tablet exchange apparatus.
- **Special Train:** the trip on the West Somerset Railway on 7 June was hauled by locomotive 88. Many Trust members and members of the public enjoyed the day and the trip, both of which provided much publicity and considerable income for the Trust.
- **West Somerset Railway Family Fun Weekend:** the Trust was pleased to participate in the first of these new events, with *Kilmersdon* shunting in the yard at Washford. The Trust is grateful to Nigel Smart, Brian Smith, Peter Trenchard, Andrew Naish and the other members who made the steaming days possible in 2008.
- **Education & Awareness Meetings:** meetings were held on a regular basis by the Area Groups of the Trust, together with similar meetings with other bodies such as railway groups, where the Trust provides the volunteer speaker. Illustrated talks still formed the basis of these meetings. The Trust is grateful to the Group Organisers and to all members who took part in such activities, and in particular to Mike Beale for his continuing series of "150th Anniversary" talks (nine in 2008).

- **Publicity:** the Publicity Sub-committee continued to place stories and articles with heritage railway journals, local newspapers and magazines. In particular major articles celebrating the 150th anniversary of the Burnham extension were published in both the heritage press and locally. More publicity is planned for 2009, themed around the 150th anniversary of the extension of the Somerset Central Railway to Wells, and the level of activity in this area will be further enhanced by the recruitment of Robin Pearson as the new External Affairs Officer.
- **Museums in Somerset (MiS):** the Trust continued to contribute to the activities of this group, which was created by the Somerset County Council Museums service to offer advice and assistance to all local museums within the county. The Trust also featured at the MiS Roadshow held at Glastonbury Abbey in March 2008.
- **Other outside events:** in addition to the Glastonbury event, the Trust also had stands at the Model Railway Exhibition at Thornbury (South Gloucestershire), the Gartell Steam Day (Somerset), Railwells, the West Somerset Railway Steam Day and the Filton Collectors' Fair (South Gloucestershire). The Trust is grateful to those members who gave their time to staff these events and to transport the equipment around the country (Paul Guppy, Ian Young, Andy Watson, Godfrey Baker, Robin Pearson, Mike Beale, Roger Newport) and in particular to George Moon for his sterling efforts in sales. These activities provide a valuable source of contact with the public, as well as gaining sales income and new members.
- **Mineral Line Project:** the Trust's Museum is sited close to the alignment of the erstwhile West Somerset Mineral Line, and members of the public often use Washford as a jumping off point (literally!) for visits to the Line. The Trust has therefore joined with the new Mineral Line Project, sponsored by Exmoor National Park, and is looking to become part of the resource for the interpretation of the Line, in particular in regard to schools outreach. The Trust looked at the wider question of schools outreach during 2008, but it was clear from discussions with other heritage bodies that the requirements for such activities are currently beyond the reach of the Trust. The involvement with the Mineral Line Project may give more guidance in this area.
- **Liaison with other Trusts:** the Committee maintained its standing liaison arrangements with the Somerset & Dorset Railway Heritage Trust and the North Dorset Railway Trust. Regular meetings were held to discuss relevant matters and there is ongoing contact to avoid conflict in dates for events. The contact also acted as a conduit for material of mutual interest for publication. In addition, as mentioned above, a joint Christmas card and calendar are now published.
- **Joint publicity:** the three Trusts investigated the case for joint publicity in 2008. Unfortunately approaches for funding to the local authorities in Dorset and Somerset fell on stony ground, and it was decided not to take the matter further, because of the lack of resources to pursue it.

e) WASHFORD MUSEUM

The Museum opened for 124 days during 2008 compared with 160 in 2007, a drop of 23%. The decline was accounted for by lack of staff (26 days) and the earlier Easter (11 days), when the WSR ran only a limited timetable because it did not coincide with the school holidays. The total admissions to the Museum amounted to 1741 people, against 2280 in the previous year, a decline reflecting almost exactly the reduced number of open days. Income was sustained as the result of the £1 concessionary rate for older people being discontinued in 2008; no comments were received about this change.

Opening of the Museum and Shop relies on volunteers, and the Trust is grateful for the efforts of the following during 2008: Viv and Mac Hares, David and Joan Wright, George Moon, Cliff Barker, Keith Barrett, John Brewster, Alan Hammond, Jim Milton, Stuart Mullins, Andrew Naish, Roger Newport, Robin Pearson, Brian Read, Melvyn Roberts, Richard Swallow and Mike West. Sadly, one long serving helper at Washford, Bert Colbourne, died during the year: he will be missed. Another long standing volunteer, Helen Whitney, felt unable to continue on medical grounds, and the Trust's thanks are extended to Helen and her husband.

Upon taking office, the new Curator produced a discussion paper on the future of the museum. In consultation with Somerset Museums Service and other bodies, the Management Committee will look at ways to accommodate the Museum's changing clientele, which is now more oriented towards families than enthusiasts, and to incorporate a modernisation scheme to give the museum a more 21st century appeal. This study will be linked to the Forward Plan work.

No further exhibits were acquired during the year. However, the Trust decided that it was time to resolve the question of beneficial ownership of the locomotive *Kilmersdon*, the last working engine in the Somerset coalfield. On closure of the coalfield the loco was donated to the Trust by the National Coal Board on the basis of what was termed a "permanent loan". The loco has been maintained by the Trust ever since. After investigation by officers it was established that the ownership of the loco was now vested in the Government Department of Energy and Climate Change. The principle of the transfer of ownership has been agreed, and discussions about the details were continuing at the end of the year.

Work began in 2008 on the installation of an updated security system at Washford. At the same time, additional cameras are being put in to improve coverage of the yard.

Archives

Following the success of the pilot project, the Trust will make annual budget provision for continuing the digitisation of its archive. Progress will, however, as with other matters, depend on the availability of volunteers.

During the year the Bath Station Plans were digitised, together with the Highbridge Wagon Diagrams.

The Stothert & Pitt crane

Following the Trust's insurance company advising that the boiler of the Stothert & Pitt steam crane was near the point at which it was too wasted to be used, the Management Trustees continued to explore ways for at least partial restoration and in this connection approached Stothert & Pitt.

Discussions with the company produced little concrete output, and the Trust therefore concluded that the crane should be offered to an organisation that could make better use of it. To this end enquiries are being made about the current property interests in the crane.

Photographic Collection

The Trust's Photographic Collection continued to be an excellent resource for modellers and historians of the Somerset & Dorset Railway. Many requests were successfully dealt with over the year. The Trust was sorry to lose during the year the services of Jason Baker as its Photo Collection Keeper, and thanks him for all the effort he has put in over many years.

Coach Restoration

In 2007-8 the wagon team installed upper and lower step boards on the North side of first class coach No. 4, using the brackets they had fitted earlier. Mike Hutnik spent two days at Washford in May 2008, and made up additional beading for the doors. Neil Pankhurst and Peter Trenchard completed fitting the remaining door frames on the South side, so that they close tidily and the panels match the irregular curves of the body side. All four of these doors are panelled, and three of them have complete beading; the beading on one door is in hand (the North side doors were completed four years ago).

A verbal understanding was reached with the WSR that they would refurbish and install the vacuum brake cylinder and linkage when they had the capacity to do this, and when the coach was ready to be moved. If the coach were taken to Minehead, it might also be turned, to facilitate work on what is currently the South side of the body and the footboards on that side. Before then the body must be made presentable and most importantly, weatherproof. This will involve glazing the South side windows, fitting droplights semi-permanently into the doors, and making the roof watertight.

No progress has been possible this year with third class coaches Nos. 98 (SR No.1419) and 114 (SR No.1423). As to the coach fragments recovered from Exeter, the limited stripping and rubbing down undertaken during the year has shown that the vehicle numbers are not displayed on the surviving fragments. The most interesting parts have been put on temporary display in the main shed at Washford. It is hoped a permanent display will be created which will consist of about 70% of one side of the passenger brake van and a first/third window section of the composite coach.

Because of the lack of volunteers in this connection the Trust may have to consider out-sourcing some elements of restoration as a means of progressing the projects, but in the meantime expresses its gratitude for the continuing efforts of the volunteers involved in this field.

Wells Brake-van No. 9

It is clear that there is little prospect of any further work on restoring this vehicle being undertaken, and the Trust is considering how best to proceed.

S & D Locomotive No. 88

The locomotive remained on hire to the West Somerset Railway (WSR) throughout the year. The hire agreement requires that the cost of repair is the responsibility of that railway. The Trust and the public therefore continued to enjoy the benefit of this arrangement.

The distance covered by this working exhibit on the WSR during 2008 was 8185 miles. In addition to working public trains on the WSR, the locomotive was displayed in use for the benefit of a wider public on the Severn Valley Railway, where she ran 521 miles. No fees were sought in regard to this visit, as a show of support for the SVR in its recovery from the extensive flood damage suffered previously. The cumulative mileage since the last overhaul is now 31072.

The locomotive was kept in good order by the WSR. The Trust received the standard annual report on 88's condition and carried out an inspection while in steam, as well as observing performance from the footplate. These examinations showed no major faults, but the engine was affected by the rail profile problem which impacted on all the large steam locomotives on the WSR. As a result, during the winter period, 88 was sent away for tyre turning.

Wagon restoration

The Trust is pleased to report that the Wagon Team now has six members, and so can work on two projects at a time. For the last seven years the stalwarts have been Pete Davis, Edward Lobjoit and Gerry Leyman. Last year Mac Hares joined as the painter and new recruits are David Smart, who has been a member for several years, and Alastair Woodford, a new member of the Trust.

In 2008 the main focus of attention was the LMS CCT, which needed new side and end doors. The side doors were quite straightforward and were finished by Easter. The end doors were much more complicated in their joinery with four sections and curved tops, but should be finished early in 2009.

At the beginning of 2008 the team completed work on the LNE wagon, and Mac Hares painted it. Alan Cottrell then applied the sign writing. With its new higher weather cover it looks very good and provides excellent dry storage.

Work has now started on the second LNE wagon but that will need far more work than anticipated. All the springs will need to be sent off for refurbishment and some end planking, floor planking and one headstock will need replacing with new timber. As this report is written at the end of October it is being dismantled and should be substantially rebuilt by next spring.

The Team worked on several other projects during the year. New doors were fabricated for the PMV, which was in use when the museum was open. A new door sill was fitted and a loose buffer re-mounted on North Eastern Railway Wagon No 145741. In addition a correct chimney cowl was fitted to the SR Road Van, together with minor repairs, before it was re-painted. Towards the end of the year the Team worked on both replacement doors and repair of doors to the CCT.

7 Plans for the Future

As a result of the questionnaire distributed to all members requesting information on their ability and willingness to assist the Trust, and seeking their views on some aspects of the future direction of the Trust, a number of additional active volunteers were recruited. Nonetheless, many areas of the Trust's work could only proceed slowly, because of the lack of volunteers for those areas.

The Management Trustees embarked during 2008 on the formation of a Forward Plan, with the intent to set a path for the Trust for the next five years. To this end the Trust has employed a specialist to identify its options and to suggest ways forward in each area of the Trust's responsibility. The final report is to be presented to the AGM in 2009, with implementation following members' consideration of its recommendations.

As reported previously, the Trust is obliged to give consideration to the requirements of the Disability Discrimination Act where it is reasonable to do so. To this end consideration has been given to improving access to the station platform at Washford and for the provision of disabled persons' toilet facilities. Differing views within the Trust on the extent of provision together with the lack of volunteers to progress again resulted in little progress being made.

8 Fund raising

a) FUND RAISING

The 200 Club continued to donate a welcome sum through its fund-raising, as did the 2008 Annual Raffle, and the Trust is grateful to Rosie Jacob and George Judd for all their work in this area.

The encouragement of donations under the Gift Aid scheme was continued and a revision of the renewal form in this respect resulted in a significant increase in donations covered by the scheme.

b) PROMOTIONAL SALES

The central sales operation based at Washford and the sales stand at events and exhibitions performed well, with close control over stock purchases and levels. A successful new event for the Trust was the Railway Collectors' Fair at Filton, Bristol, in September, and it is planned to be represented at these events in the South of England in future, subject to resources being available. The Trust is grateful for several generous donations of second hand books and videos during the year.

Postal and internet sales continued to perform well. The availability of new products required the distribution of three new sales lists with the Trust journals during the year, and regular updates of online sales lists on the website.

The Trust arranged for the production of sweatshirts and polo shirts with the SDJR coat of arms in colour, and these sold at a steady rate throughout the year.

9 Policy Statements

(a) RESERVES

The reserves of the Trust are the resources from income it has or can make available to spend at the Trustees' discretion in furtherance of the Trust's Objects once it has met its commitments and covered its planned expenditure. The Trustees direct that sums are to be held as reserves when it is their considered view that it is in the charity's best interest to do so. A review is made at least annually, normally at the time of the Budget meeting, and at other times as the Trustees consider prudent. The Trustees consider that the long-term and specialised nature of conservation and restoration work of the Museum rolling stock (especially the S&D carriages and the locomotives) justifies the level of reserves currently maintained in order to facilitate progress when suitable skills are available. The Trustees recognise that reserves will require to be maintained at the current level and enhanced by further fund-raising if future plans to improve the housing and display of archives, rolling stock and museum items are to be realised.

(b) INVESTMENTS

The Trustees have reviewed the disposition of the Trust's reserve funds, and have approved a policy of continuing to place reserve funds with deposit taking institutions. No more than the maximum covered by the Financial Services Compensation scheme is to be placed with any one deposit-taker.

(c) GRANT-MAKING AND PRIZES

Grants are only made in exceptional circumstances in furtherance of the Charity's Objects, and will not be in total in excess of 5% of annual resources expended. They will only be awarded after due consideration by the Management Trustees. No grants were made in 2008.

10 Risk Analysis

The Trustees are always mindful of the major risks to which the charity is exposed. At the meetings of the Management Trustees, time is given to review of the risks associated with the operations at Washford. Close liaison is maintained with the West Somerset Railway, the Heritage Railway Association and the Trust's Insurance Companies and Brokers. Officers of the Trust maintain procedures to control financial risks, and report to the Management Trustees.

As reported in previous years, the Management Trustees intend to take advantage of the status of Charitable Incorporated Organisation (CIO), this

being a new, simpler, form of incorporation established in law by the Charities Act 2006. The Government's original programme envisaged consulting on the regulations relating to CIOs necessary under the Act in late 2007, but this was postponed until late 2008. The Trustees will seek members' views in connection with the proposed change when the provisions of the regulations are known and have been considered.

11 Approvals

This Report and the Annual Accounts were approved by the Management Trustees at a duly convened meeting held on Sunday 8 March 2009.

The Somerset & Dorset Railway Trust

ACCOUNTS FOR 2008

I report on the accounts of the Trust for the year ended 31 December 2008, which are set out on the pages 14 to 16.

Respective Responsibilities of the Trustees and the Independent Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that the audit requirements of Section 43 (2) of the Charities Act 1993 (the Act) do not apply. It is my responsibility to examine the accounts (under section 43 (3) (a) of the Act); to follow the procedures laid down in the General Directions given by the Charity Commissioners (under the section 43 (7) (b) of the Act); and to state whether particular matters have come to my attention.

Basis of the Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:-
 - a) to keep accounting records in accordance with Section 41 of the Act;and
 - b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.

20 Albemarle Road
Bournemouth
Dorset
BH3 7LZ

Signed: M P Stroud
Designation: Chartered Certified
Accountant

8th March 2009

THE SOMERSET AND DORSET RAILWAY TRUST

Statement of Financial Activities for the year ended 31 December 2008

	Notes	2008 £	2007 £
INCOMING RESOURCES			
Subscriptions		11,191	11,911
Donations and Gift Aid		3,410	4,887
Retail sales contribution	1	7,186	4,152
Museum entrance		3,044	3,511
Raffle		4,469	3,726
Model Railway Display		1,856	1,959
Special train		732	852
S&D 200 Club		1,000	1,000
Other income		643	766
Bank deposit interest		4,746	3,976
		<u>38,277</u>	<u>36,740</u>
Legacy	2	-	36,000
Total incoming resources		<u>38,277</u>	<u>72,740</u>
RESOURCES EXPENDED			
Direct charitable expenditure	3	32,424	40,832
Management and administration of the charity	4	4,146	4,605
Total resources expended		<u>36,570</u>	<u>45,437</u>
Net incoming resources for the year		1,707	27,303
Accumulated Fund balance brought forward		136,566	109,263
Accumulated Fund balance carried forward		<u>138,273</u>	<u>136,566</u>

THE SOMERSET AND DORSET RAILWAY TRUST

Balance Sheet as at 31st December 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible Assets	5	22,016	22,297
Investments	6	1	1
CURRENT ASSETS			
Retail Stock		7,073	6,590
Debtors		253	192
Prepaid Expenses		4,404	5,138
Cash on Deposit		102,866	64,935
Cash at Bank		6,013	43,241
		<u>120,609</u>	<u>120,096</u>
LESS			
CURRENT LIABILITIES			
<i>Falling due within one year</i>			
Creditors and accruals		1,512	1,725
Prepaid subscriptions		2,841	4,103
		<u>4,353</u>	<u>5,828</u>
NET CURRENT ASSETS		116,256	114,268
NET ASSETS		<u>138,273</u>	<u>136,566</u>
REPRESENTED BY:			
ACCUMULATED FUND		<u>138,273</u>	<u>136,566</u>
Signed on behalf of the Trustees	Chairman	Godfrey Baker	
8th March 2009	Treasurer	Ted Goater	

THE SOMERSET & DORSET RAILWAY TRUST

Notes to the Accounts

Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with 'Accounting and Reporting by Charities - Statement of Recommended Practice (revised 2005)' issued by the Charity Commission. The Trustees have taken advantage of the concessions for small charities within the SORP, but continue to present accruals-based accounts.

Depreciation is provided on a straight line basis over the estimated useful life of the assets.

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

There are no restricted or designated funds held by the charity. From time to time the Trustees may budget to spend certain monies on certain projects, but these funds remain at all times part of the general accumulated fund of the Trust.

1. Retail Sales

The retail sales contribution is made up as follows:

	2008	2007
	£	£
Stock 1 January	19,779	15,124
Add: Purchases	11,708	6,713
Less: Stock 31 December	<u>(7,073)</u>	<u>(6,590)</u>
Cost of Sales	11,225	9,838
Gross Profit	8,554	5,286
Less: Sales postage and stationery	860	333
Other sales expenses (see below)	<u>508</u>	<u>801</u>
Net Profit (as shown under Incoming Resources)	<u>1,368</u>	<u>1,134</u>
	<u>7,186</u>	<u>4,152</u>

In 2007 Other sales expenses included £317 cost of listing legacy videos and DVDs.

2. Legacy

In 2007 the Trust was one of the beneficiaries of the estate of the late M Gates and £36,000 was received in December 2007. The balance of Cash at Bank at 31st December 2007 included this sum, which in January 2008 was invested in a fixed term deposit bond.

3. Direct Charitable Expenditure

The direct charitable expenditure by the Trust in meeting its charitable objects is as follows

	2008	2007
	£	£
Magazines	11,412	8,599
Insurance	4,339	5,252
Museum electricity	1,813	1,530
Museum rent, water, phone etc.	1,557	1,523
Museum safety and security	1,298	876
Museum maintenance	938	2,801
Shed and track maintenance	294	-
Museum items purchased	30	4,140
Archive and photographic costs	2,640	2,152
Publicity and electronic services	541	775
Leaflet design and printing	-	2,937
Locomotives expenses	220	435
LNE wagon springs refurbishment	1,163	-
New side and end doors for CCT wagon	999	-
Other rolling stock work	1,350	-
Rolling stock painting	118	2,622
Goods and parcels vans projects	-	2,038
Rolling stock roofing repairs	-	1,029
Coach restoration	-	1,271
Other events	266	67
Museum admin and printed guides	516	429
Depreciation	<u>2,930</u>	<u>2,356</u>
	<u>32,424</u>	<u>40,832</u>

4. Management and administration of the charity

There is no paid staff and all work is carried out for the charity by the Trustees and Members on a voluntary basis. The expenditure incurred in managing and administering the charity is as follows

	2008	2007
	£	£
Cost of generating funds - Raffle	1,943	1,457
- Model Railway Display	259	753
- Special Train	28	150
Membership admin	265	755
Committee meeting and AGM expenses	952	620
Officers' costs	489	351
Volunteer survey	-	299
Examiner's fee and expenses	210	220
Trustees' costs	-	-
	<u>4,146</u>	<u>4,605</u>

5. Tangible Assets

Fixed Assets/£ (with rates of depreciation as %)	Cost 1-Jan-08	Additions 2008	Cost 31-Dec-08	Accumulated Depreciation 1-Jan-08	Depreciation Charge 2008	Accumulated Depreciation 31-Dec-08	Net Book Value 31-Dec-08	Net Book Value 31-Dec-07
Land & Buildings 0% - 15%								
Land	3,422		3,422	-	-	-	3,422	3,422
Accommodation Block	4,710		4,710	4,710	-	4,710	-	-
Locomotive Shed	37,372		37,372	35,036	374	35,410	1,962	2,336
Workshop doors and stairs	4,210		4,210	601	301	902	3,308	3,609
Trackwork 10%								
Trackwork	5,670		5,670	-	567	567	5,103	5,670
Rolling stock 5% - 7%								
Ruston Diesel Locomotive No 24	900		900	900	-	900	-	-
SR PM Van S1633	236		236	236	-	236	-	-
CCT Van ADM396003	570		570	570	-	570	-	-
LMS Steel Bodied Van No 179162	500		500	405	25	430	70	95
Coach Chassis	5,425		5,425	3,975	271	4,246	1,179	1,450
LMS Tanker chassis	50		50	44	3	47	3	6
Model 2P locomotive 6.67%	2,554		2,554	513	171	684	1,870	2,041
Engineering Equipment 12% - 50%								
Gantry		1,993	1,993		199	199	1,794	
Lifting equipment	1,830		1,830	1,708	55	1,763	67	122
Carpenters workshop	2,308	266	2,574	277	257	534	2,040	2,031
Carpenters workshop equipment	998	390	1,388	250	347	597	791	748
Pit covers	692		692	692	-	692	-	-
Loose Tools	6,196		6,196	5,546	249	5,795	401	650
Office and Other Equipment 10% - 100%								
Sales equipment	947		947	947	-	947	-	-
Photographic computer	2,093		2,093	2,093	-	2,093	-	-
Museum fixtures	1,584		1,584	1,584	-	1,584	-	-
Alarm system	1,928		1,928	1,837	91	1,928	-	91
Office Equipment	943		943	943	-	943	-	-
White goods	192		192	167	19	186	6	25
Total Tangible Assets	85,331	2,649	87,980	63,034	2,930	65,964	22,016	22,297

6. Investments

Shares in West Somerset Railway plc. Donated in 2003: 5,000 shares; donated in 2008: 150 shares. Total shares held 5,150. These shares are considered to have no marketable value.

Fixed Assets/£	Cost 1-Jan-08	Additions 2008	Cost 31-Dec-08	Accumulated Depreciation 1-Jan-08	Depreciation Charge 2008	Accumulated Depreciation 31-Dec-08	Net Book Value 31-Dec-08	Net Book Value 31-Dec-07
Shares in WSR plc	1	-	1	-	-	-	1	1