

**THE SCOTTISH RAILWAY  
PRESERVATION SOCIETY  
(A company limited by guarantee)**

**Consolidated Report and Financial Statements**

**Year ended 31 December 2022**

**Charity No : SC002375  
Company No : SC055533**

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# THE SCOTTISH RAILWAY PRESERVATION SOCIETY

## REPORT OF THE DIRECTORS

for the year ended 31 December 2022.

### TRUSTEES' REPORT

The Board of Trustees, being the Directors and Trustees of the Society for the purposes of company and charity law, presents its report and the audited financial statements for the year ended 31 December 2022.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Trustees' Summary

In the first full season of operation since the Covid lockdown there were a number of notable achievements:

- Official opening of the new Museum Entrance and Steam Shed
- Full programme of special events including some new experiences.
- Continued upgrade of BR Mark 1 coaches.
- Summer season hire of 37403 Class 37 Diesel locomotive to the North Yorkshire Moors Railway.

### Objectives and Activities

The Society's objectives are to create and operate a sustainable national Museum of Scottish Railways and a working heritage railway to encourage people to understand the part that railways played in changing Scotland.

This is done in a way that preserves and demonstrates a range of skills and activities, educates visitors, involves the wider community and engages and develops its membership.

In practice the Society's objectives are met through the operation of:

- The Museum of Scottish Railways, an accredited museum with a collection recognised by Museums Galleries Scotland to be of national significance;
- The Bo'ness & Kinneil Railway, a five-mile-long heritage railway with stations and halts at Bo'ness, Kinneil, Birkhill and Manuel; and
- SRPS Railtours, a subsidiary undertaking which runs mainline rail excursions throughout the UK and manages the retail operations.

### Achievements and Performance

#### **Museum of Scottish Railways and Steaming Ahead**

The month of March saw the official opening of the new Museum Entrance and the new engineering facility prior to the start of the normal operating season. This was the completion of the major capital part of the SRPS project Steaming Ahead. This project was multi-agency funded by a five-year grant of £975,800 from the National Lottery Heritage Fund, grants from Museums Galleries Scotland, a £500,000 contribution from the Society's Capital Building Reserve, the Robertson Trust, the Mrs Kilpatrick Foundation Trust, and public donations.

The new museum entrance provides a welcoming reception area with refreshment facilities, while the Steam Shed provides state of the art engineering facilities along with a public viewing gallery. In addition, further interpretation will be provided in the viewing gallery for visitors.

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The official opening was conducted by Vice President, John Cameron in front of a number of invited guests and members. Three further apprentices were recruited under the scheme to meet the target of six by the completion of the project at the end of 2024.

With regard to Steaming Ahead, the new Engineering Workshop & Museum Entrance were in full use this year. The workshop, as well as providing 21<sup>st</sup> century facilities for the staff and volunteers, has allowed us to complete a number of projects including contract work which we would have found difficult to undertake before this building. The developments of the viewing gallery are still underway and the research and design was completed this year for installation in 2023. Three further apprentices were recruited as part of the Steaming Ahead project, whose academic training will be funded by Falkirk Council. They will learn the necessary skills to overhaul and maintain steam locomotives and other historic vehicles; and provide the opportunity for skills development for new and existing volunteers.

Similarly, the new entrance to the museum has improved the visitor experience providing an easier and more attractive entrance to the museum. A small area for seating has been provided and we now have facilities to provide refreshments which has been popular with visitors especially on days the Bo'ness & Kinneil Railway is closed. The West End Crossing has been constructed but there are further works to be undertaken to get the crossing operational, which includes the movement of signals.

The Activities Coordinator, has successfully created a programme of activities which have attracted new audiences for the museum as well as engaging with the local community. One of these activities is the monthly Storytelling Sessions which have become extremely popular with over 25 children attending each session. The sessions are a popular addition to the local nursery offer and we have created new relationships with these organisations. As part of the Steaming Ahead Project, a Volunteer Coordinator has been recruited and is working on attracting new volunteers as well as supporting the existing volunteers. We have seen the reintroduction of the SRPS Youth Group as part of this recruitment process and now have 20 young people as part of the group.

### **Museum of Scottish Railways**

The Museum of Scottish Railways is the largest railway museum in Scotland. The collections are recognised through the Scottish Government Recognition Scheme as being of national importance. The Museum opened in March 2022 after nearly two years of closure, operating 7 day a week opening from April till October. The Museum continued to be successful in receiving grants from Museums Galleries Scotland which have allowed us to continue to develop the museum offer for visitors. We received funding for an Assistant Curator and this post was filled in March 2022 with a focus on the small objects collection and working to clear the backlog of accessioning caused by Covid. Further developments included signage along the Visitor Trail, tarmacking of a new path to join the old and new museum entrance, and grant funding to help us develop events. The Museum saw 19,378 visitors in 2022, seeing an 11% increase in visitor numbers compared to 2019. Maintaining visitor numbers into 2023 will be a struggle with a cost of living crisis, however, we have a number of developments planned for 2023 to engage our visitors.

### **Collections Management**

The Scottish Railway Preservation Society has a Collections Development Policy that was last updated in September 2016 and is valid for 5 years unless updated before then. This policy outlines clearly the remit of the Society for developing the collection, in particular in relation to acquisitions and disposals. The Museum of Scottish Railways is an Accredited Museum, and the policy is a requirement of the museum accreditation process. Work has been started to produce an updated Collections Development Policy and a first draft has been compiled. Reaccreditation was due in 2020 but Museum Galleries Scotland in light of Covid extended our accreditation and this will take place in 2023. Museum Galleries Scotland will provide us with six months to prepare before our reaccreditation assessment.

All aspects of railways with relevance to Scotland are represented. Items date from the inception of wagonways to the present day. The Collection was recognised by the Scottish Government in 2007 as being of national significance to Scotland. The collection holds 156 locomotives, carriages, wagons,

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cranes, over 7,000 research books and 70,000 small objects, photographs and archives. The Museum has continued to be the preferred home for Scottish railway heritage being awarded Class 91 91131 by the Railway Heritage Designation Advisory Board, along with other small objects.

The collection is documented in accordance with the requirements of Accreditation in line with the Spectrum standards. The collections database is stored in proprietary software called Adlib that is increasingly becoming the standard software for Scottish museums. Each object has a unique accession number and storage location information as well as detailed description fields.

Accessibility to the collection is still an issue with less than 10% of the collection on display in the museum. The Adlib database can be accessed in the store and visitors to the museum can also access the database with the assistance of the Museum Assistant. The collection website [www.srpsmuseum.org.uk](http://www.srpsmuseum.org.uk) allows the public to explore our vehicle core collection and operational vehicles but not the small objects or archives. We have identified that an online collections database and modern Museum website are crucial for the continued development of the Museum. This would allow for the collection to be searchable by the public, increasing access and knowledge of the recognised collection held by the museum.

### **Bo'ness & Kinneil Railway**

In February 2022, a report was received from Stephen Turner, Principal Inspector of Railways from the Office of Rail and Road (ORR), following his inspection of the Bo'ness and Kinneil Railway carried out towards the end of the previous year. The findings were generally favourable although a number of areas were highlighted which required attention.

Special events and running days saw a significant increase from the previous year, commencing with half term trains in February. Further events were staged later in the year, such as on Mothers' Day, and later Murder Mystery Experiences and an event with Gin Botanicals. Two "Day Out with Thomas" events in June and July were run, the first since 2019. Similarly, a number of steam and diesel footplate experience trains were run for the first time in 3 years. There were 8 days of Santa services in December, with a number of additional services added due to demand. A Diesel Gala on 29 December and Black Bun Trains were operated on the last two days of December and again in the New Year on 2 and 3 January

Throughout 2021 and 2022 the Scottish Railway Preservation Society played host to the Scottish Zero Emissions Project, a multiagency project led by Arcola Energy, now Ballard Motive Solutions, and involving the University of St Andrews, Transport Scotland, Scottish Enterprise, and others. The aim of the project was to develop a hydrogen powered train suitable for use on Scottish branch lines which are too long for battery powered trains and not economic to convert to conventional electrification.

A former class 314 ScotRail three-car electric multiple unit was converted to a class 614 hydrogen fuel cell powered unit. Water is the only exhaust emission. The hydrogen fuel was generated on-site by a hydrolyser powered by electricity from renewable sources which splits water into its components: hydrogen and oxygen.

A number of high-profile visits to Bo'ness were organised by Arcola in conjunction with the COP26 Climate change conference in Glasgow in November 2021 and subsequently the train was seen running test trials on the Bo'ness and Kinneil Railway.

### **SRPS Raitours Ltd.**

In the early part of the Season two excursions were run, both hauled by the Society's own diesel locomotive 37403 Isle of Mull. The first on the 19th March ran from Linlithgow to Aviemore to join the Diesel Gala Event at the Strathspey Railway. An alternative visit to Dalwhinnie Distillery was on offer. The second ran from Edinburgh Waverley to Plockton and Kyle of Lochalsh. Both were very successful. A three-day charter to the Branchline Society also took place on 27 April. The plan for the later season was to provide coaches for several Aberdonian Excursions organised by the A1 Trust from

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Edinburgh to Aberdeen hauled by steam locomotive Tornado. Unfortunately, the locomotive overhaul was delayed and not available.

A plan to run three further tours in September and October had to be cancelled due to rail strikes. Meanwhile diesel locomotive 37403 Isle of Mull spent the summer period on hire to the North Yorkshire Moors Railway.

The Office of Rail and Road implemented additional technical requirements for BR Mark 1 coaches operating on the mainline from 31 March 2023. A programme of upgrading the coaches in the Railtours fleet was started in July 2020 at significant cost but unfortunately the deadline was missed. Therefore, as of 1 April 2023 no mainline operations can be considered in the meantime. The future of mainline operations is under consideration. This does not affect the operation by SRPS Railtours Ltd of diesel locomotive 37403 or the retail operation.

The retail arm is very dependent on visitor numbers to the Bo'ness and Kinneil Railway and Museum of Scottish Railways. With the return of visitors, sales showed a significant increase to £66,838 (2021: £18,856). In addition, a further £4,257 (2021: £1,228) of donated items were sold on behalf of the charity. The proceeds of these sales are placed in a fund for the repair and maintenance of the Society's listed buildings.

Overall, SRPS Railtours Ltd made a profit of £59,662 (2021: £63,042) on a turnover of £233,284 (2021: £230,593).

### Plans for Future Periods

The SRPS remains committed to its goals of:

- accreditation to national museum standards;
- remaining a key player in the advancement of Scottish heritage; and
- developing and promoting the operation of the Heritage Railway to secure 5-star rating in the VisitScotland Quality Assurance Scheme.
- Activities to achieve these ends include
- the continued development of the historic collection (through acquisitions and disposals);
- developments in quality collection care, conservation and presentation;
- increasing knowledge and documentation of the collection with improved interpretation;
- the creation of further effective public access to the collections, archives and library;
- improving the facilities to allow the establishment of a centre for heritage railway engineering;
- enhancing the total visitor experience with improved facilities involving wider communities; and
- engaging and developing our membership.

These developments will be achieved where possible by volunteer staff, or by remunerated staff when justified. The SRPS will work with partners such as Falkirk Council and local developers in relation to current local development opportunities, and with the Scottish Government and Museums Galleries Scotland to ensure that the national significance of the collection is recognised and supported.

As we reported last year progress towards these goals is dependent on the level of funding that can be realised, both in terms of expansion of existing trading activities and in the successful acquisition of grants and donations.

The Society will also work to increase public access, using the collection as a source of creativity, learning and enjoyment, and to increase the social and economic benefits that it creates by its efforts.

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An increased contribution to the Scottish museums sector through collaboration and partnership working is also anticipated.

Operating a heritage railway and museum poses challenges in terms of skills retention and development. The increasingly rigorous operational standards require facilities that meet modern standards. This will only be met through the injection of capital and training initiatives and through collaboration with the wider heritage railway community and engaging and developing our membership.

### **Financial Review**

In its 61-year history, the Society has been buffeted by many exceptional events, but none has had such a dramatic impact as Covid 19. Like others in the Museum, Heritage Railway and tourism sectors the need for prolonged closure suddenly removed the majority of the Society's traditional income sources.

It is therefore encouraging to see a good recovery with the free reserves rising by over £100k in 2022, although they are still short of the policy of £350k for the charity. That said, the planned expenditure in 2023 is expected to exceed income as the Society engages in reducing the backlog of infrastructure maintenance, visitor facilities and collection care that were a consequence of being unable to make progress in 2020 and 2021. External factors such as energy costs, inflation, and the effects of a potential recession are all threats to continued recovery.

The Society's finances were strongly influenced by three exceptional factors in 2022. First of all, the continued receipt of grants from several agencies, the support of our visitors, especially towards the year end, the hard work of our staff and volunteers in introducing new immersive services such as the Murder Mystery and Gin Botanical events and the addition to catering options on the Black Bun Services all helped to boost the group income to £1,468k (2021: £2,225k) and the charity income to £1,303k (2021: £2,032k). Note that the 2021 surplus arose from the major grant from the National Lottery Heritage Fund of £660k for the Steaming Ahead project and legacies of £620k.

The key performance indicators are shown in the Statement of Financial Activities (SOFA), Statement of Cash Flows and the Balance Sheet on pages 17 to 21. The group surplus for the year was £110,820 (2021: £1,075,083) and for the charity £81,750 (2021: £1,012,041).

Total group funds increased to £3,974,468 (2021: £3,863,648), with charity funds £3,907,544 (£2021: £3,825,794). Unrestricted funds, including fixed assets increased to £3,673,291 (2021: £3,578,380) charity £3,606,367 (2021: £3,540,526). Restricted funds increased to £301,177 (2021: £285,268). Group free reserves rose to £292,957 (2021: £145,281) and charity free reserves to £226,033 (2021: £107,427).

### ***Capital Investments***

During 2022 capital investments were made of £66,507 (2021: £1,146,939).

### ***Donations and Legacies***

In 2022 the Society legacies totalled £44,386 (2021: £619,259). In addition, donations, memberships, and Gift Aid totalled £171,328 (2021: £140,717). This increase included an exceptionally successful appeal to purchase and restore a BR Mk1 First Open coach No 3112.

### ***Income from Charitable Activities***

Group unrestricted grants as expected saw a significant fall in Covid Recovery funding although the Society is very grateful for the support of several organisations throughout 2022. There are healthy signs of recovery from the financial impact of Covid with Facilities hire showing income of £147,053 (2021: £91,634). Group rolling stock hire also increased to £110,448 (2021: 86,729).

Because of the construction works in and around the museum, it was not possible to open the Museum of Scottish Railways in 2021. The museum opened in 2022 with admissions of £34,783 (2021: Nil)



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### *Other Trading Activities*

Once again there are signs of recovery with train operations income of £616,375 (2021: £272,701). However, this is up on the 2019 income from train operations of £471,973 principally due to price increases and the addition of high value events.

### *SRPS Railtours*

As reported above, SRPS Railtours Ltd made a profit of £59,662 (2021: £63,042) on a turnover of £233,284 (2021: £230,593).

### *Expenditure*

Sustainability has always been an important consideration for the Society and, despite the return of the traditional sources of funding, sustainability took on a new urgency when the need for significant investment in rolling stock was identified. Overall group expenditure was £1,357,850 (2021: £1,150,595) and charity expenditure £1,221,247 (2021: £1,019,717).

Direct costs are incurred in raising funds and charitable activities but in addition there are significant support costs such as insurance, energy, finance and IT. Furthermore, many of the projects and activities are supported by funds raised for a particular purpose, and these cannot be used for support or other purposes.

Attention therefore focussed on the free reserves also known as the General Fund and its uses. Despite this focus, Group General Fund expenditure increased in 2022 to £1,015,621 (2021: £768,721) and charity £879,018 (2021: £637,843). This was primarily due to the significant investment in the BR Mark 1 coaches. The cost of operating the train service on the Bo'ness & Kinneil Railway increased to £86,522 (2021: £41,442) reflecting the significant increase in operations and the cost of coal which has increased by 300% during 2022. Other costs of providing the special events were also funded from the General Fund but with train fares of £616,375 (2021: £272,701) it was a worthwhile expenditure.

Group Support costs excluding depreciation increased to £233,829 (2021: £179,987) and Charity Support costs to £215,941 (2021: £165,499).

Overall, the Group General Fund income exceeded the Group General Fund expenditure by £144,200 (2021: General Fund expenditure exceeded General Fund income by £68,886). Charity General Fund income exceeded General Fund expenditure by £115,130 (2021: General Fund expenditure exceeded General Fund income by £130,928).

### *Appreciation*

The Board of Trustees is grateful to the volunteers who gave their time and effort in support of the Society in extraordinary circumstances over the past two years. Thousands of hours of work were undertaken by volunteers working in their own homes and on site. Substantial work was required to keep up to date with regulations and guidance and translate these into new methods of safe working. Substantial work was required to examine our finances and plan for the future. Application processes for grants required significant time and effort to complete the application and produce the evidence in support. Many hours were required to promote the fundraising appeals and to manage and account for the funds. This was alongside the dedication of our volunteers in carrying on the "business as usual" work that allows the Society to function, and in undertaking vital work on the Bo'ness site, including the restarting of train services and SRPS Railtours operations.

It is not possible to put a financial valuation on all of the volunteers' work, and so it has not been included in the financial statements. Suffice to say that without their tremendous efforts the Society would not be able to function and further its charitable purpose.

The Board of Trustees wishes to gratefully acknowledge the support of Falkirk Council, the Scottish Government, Museums Galleries Scotland, Heritage Environment Scotland, National Museums Scotland, the National Lottery Heritage Fund, the National Railway Museum, the Railway Heritage

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Trust, Network Rail, Transport Scotland and many other private and public organisations that have provided invaluable support throughout the period and in the past.

### **Reserves policy and going concern**

The total reserves of the group amount to £3,974,468 (2021: £3,863,648 and the charity amount to £3,907,544 (2021: £3,825,794) as shown on the Balance Sheet and at note 21. The group free reserves being unrestricted funds not tied up in fixed assets or designated for particular purposes amounted to £292,957 (2021: £145,281). The charity free reserves were £226,033 (2021: £107,427). These reserves represent unrestricted funds arising from past operating results. It is the policy of the charity to designate £5,000 of unrestricted funds per annum to meet potential future costs of renewing the mainline connection. It was anticipated that the purpose of the Legacy Fund may have had to be expanded to cover non-capital works and even cover the day to day running costs. In the event this was not required.

The directors had previously decided to maintain a designated Fixed Asset Fund, which represents the net book value of fixed assets held by the charity and is not freely available to use as working capital. The capital works of the Steam Workshop, new Museum Entrance and Assets under Construction have been added to this fund which now stands at £2,020,527 (2021: £2,096,222).

The reserves policy is based on the guidance CC26 Charities and Risk Management, issued by the Charities Commission for England and Wales and the equivalent document issued by the Office of the Scottish Charities Regulator (OSCR). On examining the financial impact of the major hazards in the Society's Risk Register, the Board concluded that the target for the General Fund should be a minimum of £350,000 at the end of the financial year. A major consideration was the Society's dependence on the railway line for income from both the operation of the Bo'ness & Kinneil Railway and SRPS Railtours. These income streams were severely affected by an extended loss of the use of the railway track as proved true in 2020 and 2021 but there was a good recovery in 2022. However, the outlook for 2023 is still uncertain with rising inflation and potential recession.

This policy also takes into account the seasonal nature of income such that in the first six months of each new financial year the Society will most likely incur a significant deficit.

### **Responsibilities of the Directors**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Directors should follow best practice and

- select suitable accounting policies and then apply them consistently;
- observe the methods and policies of the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Structure, Governance and Management**

As a consequence of the pandemic a number of changes to the Governance were made in 2020, including the use of on-line meetings, greater use of email for decision making and the suspension of a number of subcommittees, with the work being managed by the Board itself. With the need to address the "new

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normal”, a review has been conducted of these governance arrangements, and this review feeds into an overall strategic review of the organisation. It was based on governance arrangements in the Safety Management System for Heritage Railways RM3 issued by the Office of Rail and Road. The theme within RM3 is continuous improvement and from the review a number of opportunities have been identified and improvements made including how meetings are run, and how progress is tracked. In addition, Committees which hadn't met have been re-constituted.

In terms of identifying skills of the existing Trustees, a Skills and Knowledge audit has been carried out, and where there are skills gaps, we will seek to plug those gaps with additional Trustees. There will be a recruitment process both internally and externally. Having a broader understanding of what skills and knowledge we require from our Board allows us to provide good governance. These skills and knowledge include engineering, museum, finance and audit, information technology, project management, marketing expertise and commercial experience. We are indeed fortunate that we have staff and volunteers with a wealth of knowledge who do not sit as Trustees, but upon whose expertise we can draw.

As part of the change in governance we have yet to recruit a Financial Controller who will report directly into the Board of Trustees. This provides an additional layer of governance. At this juncture, it should be noted that we are indebted for all the work which has been done by the former Finance Director, maintaining the fund balances and accounting records on a completely voluntary basis.

The recruitment and retention of Directors on the SRPS Board of Trustees continues to be of concern with a number of resignations and unfilled vacancies occurring during the year. This was mainly based on volunteers' business pressures, and balancing time with the SRPS Board and other volunteering at the Society. This is an area that will merit further attention and consideration during 2023.

### *Going forward*

As mentioned above we have experienced some changes in the Board of Trustees. Whilst the Board is small in numbers, it comprises individuals with business, charity and engineering experience. However, the Board is actively seeking new members with finance and museum expertise to join the Board.

### **Other staffing changes**

Given the advice from our colleagues in Engineering we engaged the services of an Engineering Manager who has been tasked with bringing together staff and volunteers in the Engineering Departments, to ensure that all engineering works are executed and documented to the highest standards demanded by the Office of Rail and Road, whilst ensuring that our record of health and safety is maintained.

The names of the Trustees who served during the year are noted on page 9. The Business Development Manager (who is a paid employee) is also a Trustee. Two of the trustees were appointed as non-executive directors. All other trustees are elected. The Board of Trustees aims to meet approximately every two months.

The Board retains responsibility for decisions relating to strategy, policy, financial and safety management systems. Decisions relating to procedures, methodology and delivery are taken by volunteer and paid staff working in teams as appropriate, to the extent dictated by the knowledge, skills and experience of the individuals. The Trustees are all working volunteers or paid staff, and as such have a direct understanding of the impact and effectiveness of Board decisions.

All activities are reviewed through reports to the Board of Trustees, and policy is considered and amended accordingly. Certain major decisions are reserved for the Board of Trustees or, in a few cases, the Annual General Meeting.

The committee structure of the Society is such that the Society has no paid key management personnel in terms of the definition in the SORP.

The Board of Trustees met 8 times during the year and continued to comply with all statutory and regulatory obligations.

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The Society works closely with the following organisations:

- The Scottish Railway Museum Collections Trust, a separately constituted charitable trust (Scottish charity SC020611) which holds title to the Museum Collection, the day-to-day management of which is undertaken by the Society in terms of the Management Agreement entered into between the two bodies. For the purposes of the Charities Accounts (Scotland) Regulations 2006 (as amended), the SRMCT may be regarded as a subsidiary undertaking by virtue of the fact that the Society has the right to nominate a majority of the Trustees, but in terms of the Trust Deed the Society has no power to give directions to otherwise control the actions of the Trustees, who act independently of the Society.
- SRPS Railtours Ltd, a subsidiary of the Society, which operates day excursions and charter trains on the National Network, to demonstrate rail travel of earlier times, and which raises revenue for the Society. SRPS Railtours Ltd is also responsible for retail operations.
- The Bo'ness & Kinneil Railway Company Ltd, which holds title to part of the land over which the Society operates its railway.

### **Reference and Administrative Details**

#### **Status**

The Society is incorporated as a company limited by guarantee, and was granted recognition by the Inland Revenue as a charity on 22 May 1974. The Society is recognised as a charity by the Office of the Scottish Charity Regulator (OSCR), charity number SC002375.

The objects and powers of the Society are set out in its Memorandum of Association, in terms of which its principal purpose is the establishment of a museum of railways in Scotland. The rules and procedures of the Society are contained in its Articles of Association, in terms of which the management of its affairs is vested in a Board of Trustees, being the Board of Directors of the Society for the purposes of company law and trustees for the purpose of charity law. The individual members of the Board of Trustees are elected at the annual general meeting to serve for an initial period of three years.

Directors and Trustees (Members of the Board of Trustees) holding office on 1 January 2022 or subsequently appointed:

David Roderick	Honorary Secretary
Iain Anderson	Resigned 25 August 2022
Christopher Farrell	Resigned 7 February 2022
Andrew Fowler	Resigned 27 November 2022
Andrew Harper	Appointed 14 September 2022
	Resigned 8 February 2023
Simon Hindshaw	Appointed 20 January 2022
Amanda Kilburn	
Andrew Klimaytys	Appointed 5 August 2022
Yvonne MacDermid	Appointed 14 September 2022
Martin McInnes	
James Robertson	Resigned 5 August 2022
Calum Sellar	Resigned 4 January 2023
Stuart Sellar	Resigned 7 November 2022

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**

**REPORT OF THE DIRECTORS**

**for the year ended 31 December 2022.**

**Company Secretary**

David Roderick

**Registered Company Number**

SC055533

**Registered Office**

17-19 North Street

Bo'ness,

West Lothian

EH51 0AQ.

**Operational Address**

Bo'ness Station,

Union Street,

Bo'ness.

West Lothian

EH51 9AQ.

**Senior Statutory Auditor**

Kevin Cattanach

**Auditors**

Whitelaw Wells

Statutory Auditor

9 Ainslie Place

Edinburgh

EH3 6AT.

**Bankers**

The Royal Bank of Scotland plc

23 Sauchiehall Street

Glasgow

G2 3AD.

**Solicitors**

Thorntons

Citypoint,

3rd Floor

65 Haymarket Terrace

Edinburgh

EH12 5HD

# THE SCOTTISH RAILWAY PRESERVATION SOCIETY

## REPORT OF THE DIRECTORS

for the year ended 31 December 2022.

### Statement as to Disclosure of Information to Auditors

As far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each director has taken all the steps he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### Members of the Society

Membership of the Society is open to individuals and families. Grades of membership open to new members are Ordinary, Family, Junior and Associate. Life, Family Life, Premier Life and Premier Family Life grades are closed to new members. Retired membership was closed to new members from 1 January 2020 and to existing members reaching age 60 on or after that date. Membership of the Society is open to individuals and families. As at 31 December 2022 the breakdown of membership grades was as shown in the table below.

Grade	Number of Memberships	Number of Voting Members
Ordinary	412	412
Retired	428	428
Associate	66	66
Family	60	108
Group	0	0
Life	148	148
Family Life	16	25
Premier Life	57	57
Premier Family Life	14	25
Honorary	26	26
<b>TOTAL Full Members</b>	<b>1227</b>	<b>1295</b>
Junior	14	0
<b>Grand Total</b>	<b>1241</b>	<b>1295</b>

Movement Category	Number of Memberships	Number of Members eligible to vote
New + Lapsed (rejoined)	+66	+63
Resigned	-20	-21
Revoked	-1	-1
Lapsed (net)	-51	-49
Deceased	-23	-23
Gone away (net)	-11	-11
Net effect of changes between Family / Ordinary Grades/Juniors/ Honorary	0	2
<b>NET INCREASE/ DECREASE</b>	<b>-40</b>	<b>-40</b>

Notes:

1. The Membership Roll contains a number of Life Members who have over a large number of years been categorised as 'Gone Away' e.g. mail been returned etc.

# THE SCOTTISH RAILWAY PRESERVATION SOCIETY

## REPORT OF THE DIRECTORS

for the year ended 31 December 2022.

- Overall, it is estimated that in excess of 390 members or 30% of the voting membership are volunteers.

Current rates and benefits of membership are given in a membership leaflet. All members are invited to be active in the running of the Society, and, as reported earlier, the volunteers fulfil most of the functions in the Society's operations. These include management, administration, professional, curatorial, technical and craft skills, research, visitor services and all general activities for both the Society and its trading subsidiary SRPS Railtours Limited. Specialist training is provided where the volunteer does not bring the necessary skills from his employment, and in safety critical applications such as train crew, regular medical examinations and biennial rules exams are required. Overall, it is estimated that in excess of 390 members or 29% of the voting membership are volunteers.

### **Risk Management**

The Directors are satisfied that the systems in place mitigate exposure to the major risks contained in its risk register. It has not been possible during the year, given other priorities, to update the risk register. New risks, such as the change in regulations for operating coaches on the mainline after 31 March 2023, were addressed by the Board itself. Work on revising and updating the Safety Management System continued throughout the year. Operational risks are minimised by the application of working methods, training, competency assessment of volunteers and equipment inspections based on those applied in similar workplaces with remunerated employees. Technical advice is obtained from the Society's Safety Advisor (who is a professional railwayman), Insurers, the Safety Committee of the Railway Heritage Association and from the knowledge and skills of members acquired in their professional life. All safety critical posts are subjected to regular medical examination for fitness for duty. As part of the strategic review the Directors will review all the existing risks contained in the updated risk register during 2023.

The Directors assess the principal risks and uncertainties in the long term to be as described below.

### ***An ageing workforce***

The average age of our volunteer base, on which the Society depends, is increasing, with many long-standing volunteers unable to carry on with the volume of work that they did previously. Younger volunteers often have full-time jobs and with the pressures of the modern working environment they are less able to give as much time as previous generations. The employment of a volunteer coordinator is in part aimed to assist in ensuring we can continue to recruit new volunteers. The provision of in-house training staff as part of the Steaming Ahead project provides a means to equip new volunteers with the engineering skills we need.

### ***A challenging financial environment***

We know the next few years will be difficult. For the present, public funding by way of various grant schemes is helping to offset to some extent loss of income from trading activities. The Society is extremely grateful for the significant support it has received from a variety of external funders, in particular NLHF and HES. However, we recognise that this source of income is likely to be available only in the short term, particularly as implications on public expenditure of the pandemic become clear. The Society will actively pursue other sources of income and will ensure the money received is spent sensibly and efficiently. Demonstration of this will show other potential donors that their donation will be used appropriately. The Society will also, through the strategic review, look to produce a business model that will secure its future in the long term.

### ***A growing collection***

The growing collection brings challenges for conservation and, where appropriate, restoration. Long-term conservation of the collection requires covered accommodation and the skills and time to conserve and maintain the vehicles. Some rationalisation of the collection may be necessary to facilitate future growth. The Society also needs to balance the desire to take on new items with the ability and resources to care for them.

# THE SCOTTISH RAILWAY PRESERVATION SOCIETY

## REPORT OF THE DIRECTORS

for the year ended 31 December 2022.

### *Increasing public expectations*

Public expectations of a visitor attraction are evolving and the Society needs to adjust its products and services to meet these expectations. Facilities, access, catering, customer service and special events need to be maintained or improved to give visitors the best possible experience and to grow visitor numbers.

### *Increased regulation*

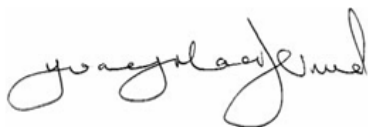
Health and safety, financial and other regulatory frameworks are changing and becoming increasingly demanding. This has been particularly true since March 2020. The Directors recognise the increasing amount of time and effort required to meet these evolving regulations. Changing railway legislation puts the operation of both the branch line and mainline Railtours at risk. The Society has good contacts within the railway industry and is well aware of future proposals.

### **Auditors**

A resolution to re-appoint Whitelaw Wells as auditors was passed at the Annual General Meeting in August 2022 in accordance with sections 423 and 424 of the Companies Act 2006.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees on 20 June 2023 and signed on its behalf



Yvonne MacDermid OBE

Director and SRPS Chair



**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF**  
**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

We have audited the financial statements of The Scottish Railway Preservation Society (the 'group' and the 'parent charitable company') for the year ended 31 December 2022, which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Statement of Financial Position, the Charity Statement of Financial Position, the Consolidated Statement of Cash Flows, the Charity Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2022 and of its income or expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' (who are also directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF**  
**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included with the report of the trustees, has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included in the report of the trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare financial statements in accordance with the small companies' regime and take advantage of the small companies exemptions in preparing the director's report and from the requirements to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 7, the directors (who are also the trustees of the charitable company for the purposes of charitable law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF**  
**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income and expenditure testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the group's and the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the group's and the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the parent charitable company and the group's and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



20 June 2023

**Kevin Cattanaach (Senior Statutory Auditor)**

**For and on behalf of Whitelaw Wells**

**Statutory Auditors**

**9 Ainslie Place**

**Edinburgh EH3 6AT**

**Whitelaw Wells are eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.**

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**Company No. SC05533**  
**for the year ended 31 December 2022**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 2	Total Funds 2022 £	Total Funds 2021 £
<b>Income and endowments from:</b>					
Donations and legacies	2	106,697	109,017	215,714	759,976
Charitable activities	3	299,084	89,439	388,523	1,025,249
Other trading activities	4	820,192	-	820,192	436,728
Investments		2,846	-	2,846	1,881
Other		7,692	33,703	41,395	1,844
<b>Total</b>		<u>1,236,511</u>	<u>232,159</u>	<u>1,468,670</u>	<u>2,225,678</u>
<b>Expenditure on:</b>					
Raising funds	5,6	544,158	1,144	545,302	335,902
Charitable activities	7,8	645,969	166,579	812,548	814,693
<b>Total</b>		<u>1,190,127</u>	<u>167,723</u>	<u>1,357,850</u>	<u>1,150,595</u>
Net income / (expenditure) before transfers		46,384	64,436	110,820	1,075,083
Transfers between funds	21	48,527	( 48,527)	-	-
Net movement in funds		<u>94,911</u>	<u>15,909</u>	<u>110,820</u>	<u>1,075,083</u>
Total funds brought forward		<u>3,578,380</u>	<u>285,268</u>	<u>3,863,648</u>	<u>2,788,565</u>
Total funds carried forward		<u><u>3,673,291</u></u>	<u><u>301,177</u></u>	<u><u>3,974,468</u></u>	<u><u>3,863,648</u></u>

The notes on pages 22 to 46 form part of the financial statements.

Movements in funds are disclosed in Note 21 to the financial statements.

The company has no recognised gains or losses other than the results for the year as set out above.

All the activities of the company are classed as continuing.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**

**Company No. SC05533**

**CHARITY STATEMENT OF FINANCIAL ACTIVITIES**

**for the year ended 31 December 2022**

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>Income and endowments from:</b>					
Donations and legacies	2	106,697	109,017	215,714	759,976
Charitable activities	3	250,440	89,439	339,879	975,699
Other trading activities	4	672,856	-	672,856	292,865
Gift aid distribution from subsidiary		30,592	-	30,592	-
Investments		2,561	-	2,561	1,374
Other		7,692	33,703	41,395	1,844
<b>Total</b>		<b>1,070,838</b>	<b>232,159</b>	<b>1,302,997</b>	<b>2,031,758</b>
<b>Expenditure on:</b>					
Raising funds	5,6	439,990	1,144	441,134	234,934
Charitable activities	7,8	613,534	166,579	780,113	784,783
<b>Total</b>		<b>1,053,524</b>	<b>167,723</b>	<b>1,221,247</b>	<b>1,019,717</b>
Net Income / (expenditure) before transfers		17,314	64,436	81,750	1,012,041
Transfers between funds	21	48,527	( 48,527)	-	-
Net movement in funds		65,841	15,909	81,750	1,012,041
Total funds brought forward		3,540,526	285,268	3,825,794	2,813,753
Total funds carried forward		3,606,367	301,177	3,907,544	3,825,794

The notes on pages 22 to 46 form part of the financial statements.

Movements in funds are disclosed in Note 21 to the financial statements.

The company has no recognised gains or losses other than the results for the year as set out above.

All the activities of the company are classed as continuing.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**

**Company No. SC055533**

**CONSOLIDATED BALANCE SHEET**

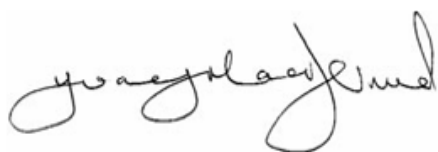
**As at 31 December 2022.**

	Notes	£	Total Funds 2022 £	£	Total Funds 2021 £
Fixed assets					
Tangible assets	13		1,679,781		1,796,447
Heritage assets	13		<u>340,746</u>		<u>299,775</u>
			<u>2,020,527</u>		<u>2,096,222</u>
Current assets					
Stock		31,690		23,555	
Debtors	16	188,776		455,286	
Cash at bank and in hand	15	1,806,794		1,388,756	
		<u>2,027,260</u>		<u>1,867,597</u>	
Creditors: Amount falling due within one year	17	<u>( 72,319)</u>		<u>( 99,171)</u>	
Net current assets			<u>1,954,941</u>		<u>1,768,426</u>
Total assets less current liabilities			3,975,468		3,864,648
Creditors: Amount falling due after more than one year	18		( 1,000)		( 1,000)
			<u>3,974,468</u>		<u>3,863,648</u>
Unrestricted funds					
Designated funds	21		3,380,334		3,433,099
General fund	21		292,957		145,281
Restricted funds	21		301,177		285,268
Total funds			<u>3,974,468</u>		<u>3,863,648</u>

These accounts are prepared in accordance with the special provisions in part 15 of the Companies Act 2006 and with the Financial Reporting Standard for applicable in the UK and Republic of Ireland (FRS 102).

The notes on pages 22 to 46 form part of the financial statements.

Approved by the Board of Trustees on 20 June 2023 and signed on its behalf by:



Yvonne MacDermid OBE  
Director and SRPS Chair

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**

**Company No. SC055533**

**CHARITY BALANCE SHEET**

**As at 31 December 2022.**

	Note	Dec 2022 £	Dec 2022 £	Dec 2021 £	Dec 2021 £
Fixed assets					
Tangible assets	13		1,679,781		1,796,447
Heritage assets	13		340,746		299,775
Investments	14		100		100
			<u>2,020,627</u>		<u>2,096,322</u>
Current assets					
Stock		20,492		8,960	
Debtors	16	219,034		511,050	
Cash at bank and in hand	15	1,712,770		1,286,318	
		<u>1,952,296</u>		<u>1,806,328</u>	
Creditors: Amount falling due within one year	17	<u>( 64,379)</u>		<u>( 75,856)</u>	
Net current assets			<u>1,887,917</u>		<u>1,730,472</u>
Total assets less current liabilities			3,908,544		3,826,794
Creditors: Amount falling due after more than one year	18		( 1,000)		( 1,000)
			<u>3,907,544</u>		<u>3,825,794</u>
Unrestricted funds					
Designated funds	21		3,380,334		3,433,099
General fund	21		226,033		107,427
Restricted funds	21		301,177		285,268
Total funds			<u>3,907,544</u>		<u>3,825,794</u>

These accounts are prepared in accordance with the special provisions in part 15 of the Companies Act 2006 and with the Financial Reporting Standard for applicable in the UK and Republic of Ireland (FRS 102).

The notes on pages 22 to 46 form part of the financial statements.

Approved by the Board of Trustees on 20 June 2023 and signed on its behalf by:



Yvonne MacDermid OBE  
Director and SRPS Chair

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**

**Company No. SC055533**

**CONSOLIDATED STATEMENT OF CASH FLOWS for the year ending 31 December 2022**

	Note	2022 £	2021 £
<b>Cash provided by / (used in) operating activities</b>	24	<b>481,699</b>	<b>940,040</b>
<b>Cash flows from investment activities</b>			
Interest income		2,846	1,881
Purchase of tangible fixed assets		( 66,507)	( 1,146,939)
Disposal of assets		-	1,125
Loss on disposal of assets		-	( 1,125)
<b>Cash (used in) / provided by investing activities</b>		<b>( 63,661)</b>	<b>( 1,145,058)</b>
<b>(Decrease) in cash and cash equivalents in the year</b>		<b>418,038</b>	<b>( 205,018)</b>
Cash and cash equivalents at the beginning of the year		1,388,756	1,593,774
<b>Total cash and cash equivalents at the end of the year</b>	15	<b>1,806,794</b>	<b>1,388,756</b>

**Charity STATEMENT OF CASH FLOWS for the year ending 31 December 2022**

	Note	2022 £	2021 £
<b>Cash (used in) / provided by operating activities</b>	24	<b>459,805</b>	<b>857,023</b>
<b>Cash flows from investment activities</b>			
Interest income		2,562	1,374
Gift Aid distribution from Subsidiary		30,592	-
Purchase of tangible fixed assets		( 66,507)	( 1,146,939)
Disposal of assets		-	1,125
Loss on disposal of assets		-	( 1,125)
<b>Cash provided by investing activities</b>		<b>( 33,353)</b>	<b>( 1,145,565)</b>
<b>(Decrease)/increase in cash and cash equivalents in the year</b>		<b>426,452</b>	<b>( 288,542)</b>
Cash and cash equivalents at the beginning of the year		1,286,318	1,574,860
<b>Total cash and cash equivalents at the end of the year</b>	15	<b>1,712,770</b>	<b>1,286,318</b>



**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**for the year ended 31 December 2022.**

**1. Accounting policies**

- a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and follow the recommendations in Accounting and Reporting by Charities Statement of Recommended Practice (FRS 102) effective 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS 102.

These consolidated group accounts have been prepared in accordance with Scottish Statutory Instrument 2007 No.218 The Charities Accounts (Scotland) Regulations 2006 (as amended) and incorporate the results of The Scottish Railway Preservation Society and its subsidiary undertaking SRPS Railtours Limited, on a line-by-line basis.

A copy of these accounts can be obtained from the Society's Registered Office given on page 10.

The Directors consider that there are no material uncertainties about the ability of the charity to continue as a going concern for the foreseeable future. The Directors have prepared projections for a period covering 2023 to 2025 and are satisfied that liabilities will be met as they fall due. This assessment of going concern includes the expected impact of Covid-19 to the charity for a period of at least 12 months from the date of signing of these accounts. Accordingly, the accounts have been prepared on a going concern basis.

- b) Donations, legacies and gifts and membership subscriptions are included in full in the Statement of Financial Activities when receivable.
- c) Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.
- d) Income from trading is recognised when the service is provided, net of VAT.
- e) Income from investments is included when receivable.
- f) Expenditure is recognised on an accruals basis as a liability is incurred and is reported as part of the expenditure to which it relates. It is allocated to the particular activity where the cost relates directly to that activity. Support costs, comprising governance costs, the salary and overhead costs of the central function, are charged out to each activity in accordance with the estimated cost of providing the support to the direct activities. Support costs are attributed on reasonable estimates of usage.
- g) Likewise, depreciation is charged out to the activity being undertaken by the relevant fixed assets, except in the case of listed buildings, the care of which is considered a charitable activity in its own right.
- h) Governance costs include legal, audit and accountancy fees associated with the preparation of statutory accounts. Governance costs also include, where material, costs of strategic planning activities, meetings of the Board of Trustees, annual and extraordinary general meetings of the membership.
- i) Locomotives, Carriages, Wagons and Small Artefacts are considered to be heritage assets and as such are not depreciated. Assets under construction are not depreciated. All other non-heritage assets are stated at cost, less aggregate depreciation. Depreciation is calculated on a straight-line basis at rates estimated to write off these assets evenly over their expected useful lives as follows:

Tenant's Improvements	25 years
Permanent Way	25 years
Scottish Railway Exhibition	10 years
Plant & Machinery	5 years
Office Equipment	5 years

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2022.**

Motor Vehicles                                      5 years

- j) All purchased fixed assets are initially recorded at cost. Donated assets are recorded at nil value due to the prohibitive cost of obtaining a valuation. Non-heritage items are only capitalised where they cost in excess of £5,000. Acquisitions and disposals are made in line with Society policy, a copy of which can be obtained from the registered office.
- k) Stocks are stated at the lower of cost and net realisable value.
- l) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- m) Designated funds are funds set up by the Board of Trustees to earmark assets from the General Fund for a specific purpose.
- n) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets the criteria is charged to the fund. In general, a share of support costs is not charged to restricted funds, except when there is a specific reason to do so.
- o) Where donated items are received along with a reliable measure of their value, they are recognised in the Statement of Financial Activities at that value. Where a valuation is not provided, donated items are recorded at nil value due to the prohibitive cost of obtaining a valuation.
- p) The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- q) The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**for the year ended 31 December 2022.**

**2. Donations and legacies**

Group and Charity	Unrestricted 2022 Funds £	Restricted 2022 Funds £	Total 2022 Funds £	Unrestricted 2021 Funds £	Restricted 2021 Funds £	Total 2021 Funds £
General Donations	33,110	92,872	125,982	18,907	78,764	97,671
Legacies	44,386	-	44,386	619,259	-	619,259
Gift Aid	8,872	16,145	25,017	7,245	13,493	20,738
Railtour raffles	1,116	-	1,116	2,862	-	2,862
Membership subs	19,213	-	19,213	19,446	-	19,446
<b>Total donations and legacies</b>	<b>106,697</b>	<b>109,017</b>	<b>215,714</b>	<b>667,719</b>	<b>92,257</b>	<b>759,976</b>

**3. Charitable Activities.**

Group	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Museum admissions	34,783	-	34,783	-	-	-
Grants and Joint Working Agreements received	6,800	89,439	96,239	68,569	778,317	846,886
Rolling stock hire	110,448	-	110,448	86,729	-	86,729
Facilities hire	147,053	-	147,053	91,634	-	91,634
<b>Total charitable activities</b>	<b>299,084</b>	<b>89,439</b>	<b>388,523</b>	<b>246,932</b>	<b>778,317</b>	<b>1,025,249</b>

Charity	Unrestricted 2022 Funds £	Restricted 2022 Funds £	Total 2022 Funds £	Unrestricted 2021 Funds £	Restricted 2021 Funds £	Total 2021 Funds £
Museum admissions	34,783	-	34,783	-	-	-
Revenue grants and Joint Working Agreements received	39,104	89,439	128,543	100,748	778,317	879,065
Rolling stock hire	29,500	-	29,500	5,000	-	5,000
Facilities hire	147,053	-	147,053	91,634	-	91,634
<b>Total charitable activities</b>	<b>250,440</b>	<b>89,439</b>	<b>339,879</b>	<b>197,382</b>	<b>778,317</b>	<b>975,699</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**for the year ended 31 December 2022.**

**4. Other Trading Activities**

Group	Unrestricted	Restricted	Total Funds 2022	Unrestricted	Restricted	Total Funds 2021
	Funds	Funds		Funds	Funds	
	2022	2022		2021	2021	
	£	£	£	£	£	£
Train operations	616,375	-	616,375	272,701	-	272,701
Retail	66,838	-	66,838	18,856	1,228	20,084
Catering	57,575	-	57,575	31,045	-	31,045
SRPS Railtours Ltd. Train Fares	64,990	-	64,990	101,192	-	101,192
Other Fundraising Activities	14,414	-	14,414	11,706	-	11,706
<b>Total other trading activities</b>	<b>820,192</b>	<b>-</b>	<b>820,192</b>	<b>435,500</b>	<b>1,228</b>	<b>436,728</b>

Charity	Unrestricted	Restricted	Total 2022 Funds	Unrestricted	Restricted	Total 2021 Funds
	2022 Funds	2022 Funds		2021 Funds	2021 Funds	
	£	£		£	£	
Train operations	616,375	-	616,375	272,701	-	272,701
Retail	-	-	-	-	1,228	1,228
Catering	42,067	-	42,067	7,230	-	7,230
Other Fundraising Activities	14,414	-	14,414	11,706	-	11,706
<b>Total other trading activities</b>	<b>672,856</b>	<b>-</b>	<b>672,856</b>	<b>291,637</b>	<b>1,228</b>	<b>292,865</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**5. Fundraising Costs**

<b>Group Fundraising expenditure</b>	Membership Costs	Fundraising Trading	Fundraising Publicity	Railtour Fundraising	Total Fundraising Expenditure 2022	Total Fundraising Expenditure 2021
Direct Costs						
Staff Costs (Note 10)	-	14,488	58,377	29,054	101,919	89,789
Catering Supplies	-	40,160	39	8,803	49,002	24,359
Retail Stock	-	-	-	36,298	36,298	10,593
Promotion	-	569	2,905	2,089	5,563	3,075
Special Events	-	100,221	-	-	100,221	12,376
Train Operating Costs	-	73,861	-	41,572	115,433	89,491
Consumables and Tools	-	6,323	114	-	6,437	3,468
Communications	9,718	200	48	-	9,966	9,595
Contractors	-	3,065	11,842	-	14,907	6,329
Materials and Parts	-	1,044	-	-	1,044	176
Health and Safety	-	6,331	-	-	6,331	7,976
Carriage	-	67	-	-	67	-
Other	-	2,152	1,454	1,169	4,775	3,413
<b>Total direct expenses</b>	<b>9,718</b>	<b>248,481</b>	<b>74,779</b>	<b>118,985</b>	<b>451,963</b>	<b>260,640</b>
<b>Total support expenses (Note 6)</b>	<b>697</b>	<b>53,644</b>	<b>21,512</b>	<b>17,486</b>	<b>93,339</b>	<b>75,262</b>
<b>Total</b>	<b>10,415</b>	<b>302,125</b>	<b>96,291</b>	<b>136,471</b>	<b>545,302</b>	<b>335,902</b>
<b>Included in the above is restricted expenditure of:-</b>	<b>1,078</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>1,144</b>	<b>2,103</b>
<b>Restricted Expenditure in 2021</b>	<b>1,078</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,078</b>	<b>1,078</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**5. Fundraising Costs (cont.)**

<b>Fundraising expenditure Charity</b>	Membership Costs	Fundraising Trading	Fundraising Publicity	Railtour Fundraising	Total Fundraising Expenditure 2022	Total Fundraising Expenditure 2021
<b>Direct Costs</b>						
Staff Costs (Note 10)	-	14,488	58,377	32,304	105,169	92,489
Catering Supplies	-	40,160	39	-	40,199	7,220
Promotion	-	569	2,905	-	3,474	60
Special Events	-	100,221	-	-	100,221	12,376
Train Operating Costs	-	73,861	-	-	73,861	31,094
Consumables and Tools	-	6,323	114	-	6,437	3,468
Communications	9,718	200	48	-	9,966	9,595
Contractors	-	3,065	11,842	-	14,907	6,329
Materials and Parts	-	1,044	-	-	1,044	176
Health and Safety	-	6,331	-	-	6,331	7,976
Carriage	-	67	-	-	67	-
Other	-	2,152	1,454	-	3,606	2,157
<b>Total direct expenses</b>	<b>9,718</b>	<b>248,481</b>	<b>74,779</b>	<b>32,304</b>	<b>365,282</b>	<b>172,940</b>
<b>Total support expenses (Note 6)</b>	<b>697</b>	<b>53,644</b>	<b>21,512</b>	<b>-</b>	<b>75,853</b>	<b>61,994</b>
<b>Total governance expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>10,415</b>	<b>302,125</b>	<b>96,291</b>	<b>32,304</b>	<b>441,135</b>	<b>234,934</b>
<b>Included in the above is restricted expenditure of:-</b>	<b>1,078</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>1,144</b>	<b>2,103</b>
<b>Restricted Expenditure in 2021</b>	<b>1,078</b>	<b>1,025</b>	<b>-</b>	<b>-</b>	<b>2,103</b>	<b>1,078</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**6. Fundraising Support Costs**

<b>Group Fundraising Support costs</b>	Membership Costs	Fundraising Trading	Fundraising Publicity	Railtour Fundraising	Fundraising Support Expenditure 2022	Fundraising Support Expenditure 2021
Support costs allocated to activities						
Payroll -Support (Note 10)	-	8,935	4,467	-	13,402	5,866
Utilities	-	7,834	7,834	-	15,668	10,820
Rent, Insurance	-	3,868	3,223	3,996	11,087	8,492
Communications	285	570	570	6,893	8,318	5,441
Bank Charges	-	3,214	4,285	5,346	12,845	12,126
Depreciation	-	26,311	-	-	26,311	26,650
Mainline Connection Maintenance	-	1,882	-	-	1,882	1,854
Other Support Costs	412	1,030	1,133	1,251	3,826	4,013
<b>Total Support Costs</b>	<b>697</b>	<b>53,644</b>	<b>21,512</b>	<b>17,486</b>	<b>93,339</b>	<b>75,262</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**6. Fundraising Support Costs (cont.)**

<b>Fundraising support costs Charity</b>	Membership Costs	Fundraising Trading	Fundraising Publicity	Railtour Fundraising	Fundraising Support Expenditure 2022	Fundraising Support Expenditure 2021
Support costs allocated to activities						
Payroll -Support (Note 10)	-	8,935	4,467	-	13,402	5,866
Utilities	-	7,834	7,834	-	15,668	10,820
Rent, Insurance	-	3,868	3,223	-	7,091	6,532
Communications	285	570	570	-	1,425	1,085
Bank Charges	-	3,214	4,285	-	7,499	5,964
Depreciation	-	26,311	-	-	26,311	26,650
Mainline Connection Maintenance	-	1,882	-	-	1,882	1,854
Other Support Costs	412	1,030	1,133	-	2,575	3,223
<b>Total Support Costs</b>	<b>697</b>	<b>53,644</b>	<b>21,512</b>	<b>-</b>	<b>75,853</b>	<b>61,994</b>



**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**7. Charitable Expenditure**

Group Charitable activities expenditure	Curatorial & education	Buildings and Structures	Permanent Way	Carriages and Wagons	Steam Locomotives	Steaming Ahead	Diesel and Electric Haulage	Total Charitable Expenditure 2022	Total Charitable Expenditure 2021
Direct Costs									
Staff Costs (Note 10)	65,085	766	951	49,090	37,072	43,653	1,310	197,927	152,579
Catering Supplies	294	-	-	-	-	-	-	294	-
Retail Stock	-	-	-	-	-	-	-	-	-
Promotion	-	-	-	-	-	85	-	85	567
Special Events	-	-	-	-	-	-	-	-	164
Train Operating Costs	-	-	-	374	-	-	2,143	2,517	-
Consumables and Tools	4,734	2,433	1,230	9,187	10,788	4,507	9,296	42,175	38,447
Communications	69	-	-	-	10	45	15	139	150
Contractors	2,682	998	34,840	65,813	4,460	6,050	2,895	117,738	305,895
Plant & Machinery Repairs	-	-	-	15,960	34	-	1,508	17,502	-
Materials and Parts	5,689	578	14,732	85,563	15,652	630	2,558	125,402	80,500
Carriage	-	-	-	6,165	1,368	-	1,401	8,934	10,881
Other	1,723	-	417	281	1,067	1,054	201	4,743	14,292
<b>Total direct expenses</b>	<b>80,276</b>	<b>4,775</b>	<b>52,170</b>	<b>232,433</b>	<b>70,451</b>	<b>56,024</b>	<b>21,327</b>	<b>517,456</b>	<b>603,475</b>
<b>Total support expenses (Note 8)</b>	<b>73,730</b>	<b>23,396</b>	<b>47,885</b>	<b>28,239</b>	<b>76,619</b>	<b>-</b>	<b>32,823</b>	<b>282,692</b>	<b>199,908</b>
<b>Total governance expenses (note 8)</b>	<b>1,734</b>	<b>1,733</b>	<b>1,733</b>	<b>3,734</b>	<b>1,733</b>	<b>-</b>	<b>1,733</b>	<b>12,400</b>	<b>11,310</b>
<b>Total</b>	<b>155,740</b>	<b>29,904</b>	<b>101,788</b>	<b>264,406</b>	<b>148,803</b>	<b>56,024</b>	<b>55,883</b>	<b>812,548</b>	<b>814,693</b>
<b>Included in the above is restricted expenditure of:-</b>	<b>26,282</b>	<b>2,303</b>	<b>32,183</b>	40,627	<b>8,280</b>	<b>50,821</b>	<b>6,083</b>	<b>166,579</b>	<b>252,409</b>
<b>Restricted Expenditure in 2021</b>	<b>38,750</b>	<b>97,781</b>	<b>2,168</b>	<b>50,955</b>	<b>55,552</b>	<b>6,403</b>	<b>800</b>	<b>252,409</b>	<b>136,457</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**7. Charitable Expenditure (cont.)**

<b>Charitable activities expenditure Charity</b>	Curatorial & education	Buildings and Structures	Permanent Way	Carriages and Wagons	Steam Locomotives	Steaming Ahead	Diesel and Electric Haulage	Total Charitable Expenditure 2022	Total Charitable Expenditure 2021
<b>Direct Costs</b>									
Staff Costs (Note 10)	65,085	766	951	45,840	37,072	43,653	1,310	194,677	149,879
Catering Supplies	294	-	-	-	-	-	-	294	-
Promotion	-	-	-	-	-	85	-	85	567
Special Events	-	-	-	-	-	-	-	-	-
Train Operating Costs	-	-	-	374	-	-	2,143	2,517	-
Consumables and Tools	4,734	2,433	1,230	4,490	10,788	4,507	9,296	37,478	30,402
Communications	69	-	-	-	10	45	15	139	150
Contractors	2,682	998	34,840	50,753	4,460	6,050	2,895	102,678	301,862
Plant & Machinery Repairs	-	-	-	15,960	34	-	1,508	17,502	-
Materials and Parts	5,689	578	14,732	78,537	15,652	630	2,558	118,376	68,552
Carriage	-	-	-	6,165	1,368	-	1,401	8,934	10,881
Other	1,723	-	417	281	1,067	1,054	201	4,743	14,292
<b>Total direct expenses</b>	<b>80,276</b>	<b>4,775</b>	<b>52,170</b>	<b>202,400</b>	<b>70,451</b>	<b>56,024</b>	<b>21,327</b>	<b>487,423</b>	<b>576,585</b>
<b>Total support expenses (Note 8)</b>	<b>73,730</b>	<b>23,396</b>	<b>47,885</b>	<b>27,837</b>	<b>76,619</b>	<b>-</b>	<b>32,823</b>	<b>282,290</b>	<b>198,688</b>
<b>Total governance expenses (note 8)</b>	<b>1,734</b>	<b>1,733</b>	<b>1,733</b>	<b>1,734</b>	<b>1,733</b>	<b>-</b>	<b>1,733</b>	<b>10,400</b>	<b>9,510</b>
<b>Total</b>	<b>155,740</b>	<b>29,904</b>	<b>101,788</b>	<b>231,971</b>	<b>148,803</b>	<b>56,024</b>	<b>55,883</b>	<b>780,113</b>	<b>784,783</b>
<b>Included in the above is restricted expenditure of:-</b>	<b>26,282</b>	<b>2,303</b>	<b>32,183</b>	<b>40,627</b>	<b>8,280</b>	<b>50,821</b>	<b>6,083</b>	<b>166,579</b>	<b>252,409</b>
<b>Restricted Expenditure in 2021</b>	<b>38,750</b>	<b>97,781</b>	<b>2,168</b>	<b>50,955</b>	<b>55,552</b>	<b>6,403</b>	<b>800</b>	<b>252,409</b>	<b>136,457</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**8. Charitable Support Costs**

<b>Group Charitable activities Support costs</b>	Curatorial & education	Buildings and Structures	Permanent Way	Carriages and Wagons	Steam Locomotives	Steaming Ahead	Diesel and Electric Haulage	Total Charitable Support and Governance Expenditure 2022	Total Charitable Support and Governance Expenditure 2021
Support costs allocated to activities									
Payroll -Support (Note 10)	6,701	4,467	6,701	4,467	4,467	-	4,467	31,270	14,586
Utilities	7,834	7,834	7,834	7,834	7,834	-	7,834	47,004	32,460
Rent, Insurance	2,579	3,223	3,223	3,223	3,223	-	3,223	18,694	21,720
Communications	2,136	2,136	2,136	2,136	2,136	-	2,136	12,816	9,756
Bank Charges	536	536	536	536	536	-	536	3,216	2,556
Depreciation	48,986	2,946	12,106	159	46,549	-	5,145	115,891	68,533
Mainline Connection Maintenance	-	-	1,882	-	-	-	-	1,882	1,854
Other Support Costs	4,958	2,254	2,704	3,106	2,704	-	2,704	18,430	22,874
<b>Total Support Costs</b>	<b>73,730</b>	<b>23,396</b>	<b>47,885</b>	<b>28,239</b>	<b>76,619</b>	<b>-</b>	<b>32,823</b>	<b>282,692</b>	<b>199,908</b>
<b>Governance costs</b>									
Audit Fees	1,484	1,483	1,483	3,484	1,483	-	1,483	10,900	9,600
Other governance costs	250	250	250	250	250	-	250	1,500	1,710
<b>Total governance costs</b>	<b>1,734</b>	<b>1,733</b>	<b>1,733</b>	<b>3,734</b>	<b>1,733</b>	<b>-</b>	<b>1,733</b>	<b>12,400</b>	<b>11,310</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2022.

**8. Charitable Support Costs (cont.)**

<b>Charitable activities support costs</b>	Curatorial & education	Buildings and Structures	Permanent Way	Carriages and Wagons	Steam Locomotives	Steaming Ahead	Diesel and Electric Haulage	Total Charitable Support and Governance Expenditure 2022	Total Charitable Support and Governance Expenditure 2021
Support costs allocated to activities									
Payroll -Support (Note 10)	6,701	4,467	6,701	4,467	4,467	-	4,467	31,270	13,686
Utilities	7,834	7,834	7,834	7,834	7,834	-	7,834	47,004	32,460
Rent, Insurance	2,579	3,223	3,223	3,223	3,223	-	3,223	18,694	21,720
Communications	2,136	2,136	2,136	2,136	2,136	-	2,136	12,816	9,756
Contractors & Consultants	-	-	6,778	6,778	6,778	-	6,778	27,112	24,444
Bank Charges	536	536	536	536	536	-	536	3,216	2,556
Depreciation	48,986	2,946	12,106	159	46,549	-	5,145	115,891	68,533
Mainline Connection Maintenance	-	-	1,882	-	-	-	-	1,882	1,854
Bad debt written off	-	-	3,985	-	2,392	-	-	6,377	1,125
Other Support Costs	4,958	2,254	2,704	2,704	2,704	-	2,704	18,028	22,554
<b>Total Support Costs</b>	<b>73,730</b>	<b>23,396</b>	<b>47,885</b>	<b>27,837</b>	<b>76,619</b>	<b>-</b>	<b>32,823</b>	<b>282,290</b>	<b>198,688</b>
<b>Governance costs</b>									
Audit Fees	1,484	1,483	1,483	1,484	1,483	-	1,483	8,900	7,800
Other governance costs	250	250	250	250	250	-	250	1,500	1,710
<b>Total governance costs (note 8)</b>	<b>1,734</b>	<b>1,733</b>	<b>1,733</b>	<b>1,734</b>	<b>1,733</b>	<b>-</b>	<b>1,733</b>	<b>10,400</b>	<b>9,510</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2022.**

**9. Net Income / (Expenditure) for the Year Consolidated and Charity**

This is stated after charging/(crediting):

	2022	2021	2022	2021
This is stated after charging:-	Group	Group	Charity only	Charity only
	£	£	£	£
Depreciation	142,202	95,183	142,202	95,183
Loss on disposal of fixed assets	-	1,125	-	1,125
Gain on the disposal of fixed assets	-	-	-	-
Management committee's remuneration	35,424	37,025	35,424	37,025
Auditor's remuneration:-				
Audit services	10,900	9,600	8,900	7,800

One member (2021: one) of the Board of Trustees as permitted by the Society's Memorandum and Articles of Association received remuneration. The Business Development Director, Amanda Kilburn received payment under a contract of employment as Business Development Director of £35,424 (2021: £37,025) including employer pension contributions. Eight members of the Board of Trustees received reimbursements of expenses during the year of £11,194 (2021: £9,270). These expenses were reimbursements for the purchase of equipment and consumables for the Society's use. The Directors are covered by Directors' Liability Insurance at a cost of £1,341 (2021: £1,341). The committee structure is such that the Society has no paid key management personnel.

**10. Staff Costs and Numbers Consolidated and Charity only**

	2022	2021
	Total	Total
	£	£
Salaries and wages	313,501	237,900
Social Security Costs	18,729	11,878
Pensions	9,665	8,257
Other staff costs	2,623	3,885
	344,518	261,920

No employee received emoluments of more than £60,000 in either the current or previous years.

The weekly average number of employees during the year, rounded to the nearest whole number was as follows:

	2022	2021
	Headcount	Headcount
Charitable activities	12	6
Trading activities	3	4
Administration staff	2	2
Total	17	12

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2022.**

**11. Government Grants**

Government grants totalling £95,310 were received from National Heritage Lottery Fund, Visit Scotland and Museums Galleries Scotland.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2022**

**12. Taxation**

The charitable company is exempt from corporation tax on its charitable activities.

**13. Tangible Fixed Assets**

	Land	Assets Under Construction	Tenants Improvements	Scottish Railway Exhibition	Permanent Way	Locomotives	Carriages and Wagons	Plant and Machinery	Office Equipment	<b>Total</b>
<b>Cost</b>										
At 1 Jan 2021	100	47,983	3,408,082	192,282	462,037	145,711	154,064	108,832	59,062	4,578,153
Additions in year	-	25,536	-	-	-	-	40,971	-	-	66,507
Transfers in year	-	-	-	-	-	-	-	-	-	-
Disposals in year	-	-	-	-	-	-	-	-	-	-
At 31 Dec 2022	<u>100</u>	<u>73,519</u>	<u>3,408,082</u>	<u>192,282</u>	<u>462,037</u>	<u>145,711</u>	<u>195,035</u>	<u>108,832</u>	<u>59,062</u>	<u>4,644,660</u>
<b>Depreciation</b>										
At 1 Jan 2021	-	-	1,809,378	192,275	351,937	-	-	69,290	59,051	2,481,931
Charge for year	-	-	122,192	-	12,106	-	-	7,904	-	142,202
Depreciation on Disposals	-	-	-	-	-	-	-	-	-	-
At 31 Dec 2022	<u>-</u>	<u>-</u>	<u>1,931,570</u>	<u>192,275</u>	<u>364,043</u>	<u>-</u>	<u>-</u>	<u>77,194</u>	<u>59,051</u>	<u>2,624,133</u>
<b>Net book value At 31 Dec 2022</b>	<u>100</u>	<u>73,519</u>	<u>1,476,512</u>	<u>7</u>	<u>97,994</u>	<u>145,711</u>	<u>195,035</u>	<u>31,638</u>	<u>11</u>	<u>2,020,527</u>
<b>Net book value At 31 Dec 2021</b>	<u>100</u>	<u>47,983</u>	<u>1,598,704</u>	<u>7</u>	<u>110,100</u>	<u>145,711</u>	<u>154,064</u>	<u>39,542</u>	<u>11</u>	<u>2,096,222</u>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2022.**

**13. Tangible Fixed Assets (cont)**

Heritage Assets

Included within tangible fixed assets are heritage assets. Three vehicles were transferred to the SRMCT at no cost in 2021. It is not practical to have the assets valued since as heritage assets the cost of valuations would be more than the value of the assets.

Locomotives, Carriages and Wagons and Small Artefacts are considered to be heritage assets as they are preserved as part of the heritage of the nation. The assets are held as part of a museum display to show the growth and development of the Scottish rail transport system from the inception of wagonways to the present day.

The table below summarises transactions relating to heritage assets for the current period and the previous four reporting periods.

Period	Transaction	Transaction Value £	Balance £	Proceeds £
As at 1 Jan 2018			305,657	
Jan2018 - Dec 2018	No transactions		305,657	
As at 1 January 2019			305,657	
Jan 2018 - Dec 2019	No transactions	-	305,657	-
Jan 2019 - Dec 2019	Disposals	( 4,882)	300,775	20,667
	Acquisitions	125	300,900	-
Jan 2020 - Dec 2020	No transactions	-	300,900	-
Jan 2021 - Dec 2021	Disposals	( 1,125)	299,775	-
Jan 2022 - Dec 2022	Acquisitions	40,971	340,746	-

The policy for acquisition, preservation, management and disposal of heritage assets is set out in the Collection Management section of the Report of the Directors on page 2.

**14. Investments**

The sole trading subsidiary is SRPS Railtours Limited, a company registered in Scotland, whose principal activity is the operation of rail tours on the national network. The Society owns 100 £1 Ordinary shares, which represents the entire issued ordinary share capital of SRPS Railtours Limited. The aggregate capital and reserves of SRPS Railtours at 31 December 2022 is £67,024 (2021: £37,954). The surplus for the year 1 January 2022 to 31 December 2022 is £59,662 (2021: £63,042). Income for the year was £233,569 (2021: £231,099). Expenditure for the year was £173,907 (2021: £168,057).

The Scottish Railway Museum Trust (SRMT) was regarded as a subsidiary undertaking by virtue of the Society's control of the trustees. SRMT had no assets and no income or expenditure when it was wound up in January 2021. The Scottish Railway Museum Collections Trust (SRMCT) is regarded as a subsidiary undertaking by virtue of the fact that the Society has the right to nominate a majority of the trustees. Further information regarding the SRMCT can be found in the Report of the Directors. The SRMCT has no income or expenditure. It holds only heritage assets valued at £0.



**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2022.**

**15. Cash and Cash Equivalents**

	At 31 Dec 2022 Consolidated £	At 31 Dec 2021 Consolidated £	At 31 Dec 2022 Charity only	At 31 Dec 2021 Charity only
Cash in Hand	4,284	1,370	510	200
Fixed Rate Bonds	159,165	89,165	159,165	89,165
Instant Access Bank Deposits	1,643,345	1,298,221	1,553,095	1,196,953
	<u>1,806,794</u>	<u>1,388,756</u>	<u>1,712,770</u>	<u>1,286,318</u>

**16. Debtors**

	Group Total at 31 Dec 2022 £	Group Total at 31 Dec 2021 £	Charity only at 31 Dec 2022 £	Charity only at 31 Dec 2021 £
Grants receivable	39,289	270,740	39,289	270,740
Trade Debtors	76,656	71,025	34,874	52,254
Sundry debtors and prepayments	42,491	55,335	42,491	55,335
Amounts owed from group undertakings	-	-	75,000	75,000
VAT recoverable	30,340	58,186	27,380	57,721
	<u>188,776</u>	<u>455,286</u>	<u>219,034</u>	<u>511,050</u>

**17. Creditors: Amounts Falling Due Within One Year**

	Group Total at 31 Dec 2022 £	Group Total at 31 Dec 2021 £	Charity only at 31 Dec 2022 £	Charity only at 31 Dec 2021 £
Trade creditors	16,318	6,888	15,923	4,992
Other creditors and accruals	54,161	91,166	46,616	69,747
Pensions	1,840	1,117	1,840	1,117
	<u>72,319</u>	<u>99,171</u>	<u>64,379</u>	<u>75,856</u>

**18. Creditors: Amounts Falling Due After One Year Consolidated and Charity only**

	At 31 Dec 2022 £	At 31 Dec 2021 £
Bo'ness & Kinneil Railway Company Ltd.	1,000	1,000

The Society continues to enjoy a long-term loan of £1,000 from the Bo'ness and Kinneil Railway at zero interest and no fixed terms for repayment.

**19. Contingent Assets**

As at 31 December 2022 the charity is unaware of any contingent assets.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**20. Commitments and Contingent Liability**

As at 31 December 2022 the Society is investigating whether a potential liability of up to £35,650 may have arisen in respect of a grant awarded by the National Heritage Memorial Fund in 1989. At the date that the accounts were approved the position remained uncertain so no provision has been made in the accounts.

The Society has a 5 year lease on a photocopier started in August 2022 at a rate of £1,645 per annum.

**21. Movement in Funds 2022**

Group and Charity	Opening Balance at 1 Jan 2022 £	Income £	Expenditure £	Transfers In £	Transfers Out £	Closing Balance at 31 Dec 2022 £
<b>Restricted funds</b>						
Life membership	10,403	-	( 1,078)	-	-	9,325
Special Project Fund						
Civil Engineering	-	27,934	( 27,934)	-	-	-
Landslide Fund	35,542	150	( 4,249)	-	-	31,443
Birkhill Signal Box	50,536	479	-	-	-	51,015
Steam Workshop	-	( 1,717)	1,717	-	-	-
New Museum Entrance	-	12,161	( 4,078)	-	( 8,083)	-
Bo'ness Crossing	-	3,455	-	-	-	3,455
Collection Benefit Fund	22,560	-	-	-	-	22,560
Curator Project	-	16,693	( 16,693)	-	-	-
Small Grants Scheme	5,961	( 335)	( 4,690)	-	-	936
Steaming Ahead	-	16,332	( 25,335)	9,003	-	-
Steaming Ahead Interpretation	-	8,691	-	-	-	8,691
MGS MOSR Recovery & Resilience Grant	-	24,001	( 4,846)	-	( 8,476)	10,679
Steaming Ahead Inspiring Young Futures	8,597	14,528	( 23,125)	-	-	-
LNER Third Class Corridor (TK) Coach 100	6,629	4,313	( 1,019)	-	-	9,923
G&SW Rolling Stock	13,011	435	-	-	-	13,446
Grangemouth Brake 62515	11,314	4,688	( 10,180)	-	-	5,822
Mark 1 FO3112	-	63,539	( 22,568)	-	( 40,971)	-
Fair Maid	10,932	-	-	-	-	10,932
Morayshire	-	5,183	( 1,945)	-	-	3,238
Stanier 8F	68,810	10,900	( 3,725)	-	-	75,985
25235 Diesel Locomotive	5,705	834	( 429)	-	( 31)	6,079
Class 37/4 37403	-	6,855	( 5,655)	-	-	1,200
Other projects	35,268	13,040	( 11,891)	4,227	( 4,196)	36,448
<b>Total restricted funds</b>	<b>285,268</b>	<b>232,159</b>	<b>( 167,723)</b>	<b>13,230</b>	<b>( 61,757)</b>	<b>301,177</b>
<b>Unrestricted funds - Group</b>						
<b>Designated Funds</b>						
Legacy fund	1,071,830	44,386	-	-	-	1,116,216
Steaming ahead D fund	110,047	-	-	-	( 26,456)	83,591
Mainline connection	155,000	-	-	5,000	-	160,000
Railtour Services	-	32,304	( 32,304)	-	-	-
Fixed asset fund	2,096,222	-	( 142,202)	66,507	-	2,020,527
General fund	145,281	1,159,821	( 1,015,621)	8,476	( 5,000)	292,957
<b>Total unrestricted funds</b>	<b>3,578,380</b>	<b>1,236,511</b>	<b>( 1,190,127)</b>	<b>79,983</b>	<b>( 31,456)</b>	<b>3,673,291</b>
<b>Total funds</b>	<b>3,863,648</b>	<b>1,468,670</b>	<b>( 1,357,850)</b>	<b>93,213</b>	<b>( 93,213)</b>	<b>3,974,468</b>
<b>Unrestricted funds - Charity</b>						
<b>Designated Funds</b>						
Legacy fund	1,071,830	44,386	-	-	-	1,116,216
Steaming ahead D fund	110,047	-	-	-	( 26,456)	83,591
Mainline connection	155,000	-	-	5,000	-	160,000
Railtour Services	-	32,304	( 32,304)	-	-	-
Fixed asset fund	2,096,222	-	( 142,202)	66,507	-	2,020,527
General fund	107,427	994,148	( 879,018)	8,476	( 5,000)	226,033
<b>Total unrestricted funds</b>	<b>3,540,526</b>	<b>1,070,838</b>	<b>( 1,053,524)</b>	<b>79,983</b>	<b>( 31,456)</b>	<b>3,606,367</b>
<b>Total funds</b>	<b>3,825,794</b>	<b>1,302,997</b>	<b>( 1,221,247)</b>	<b>93,213</b>	<b>( 93,213)</b>	<b>3,907,544</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**21. Movement in funds (cont.)**

**2022 Fund Transfers**

Following a review of funds, the Directors have approved the following fund transfers.

- From the General Fund to the Mainline Connection designated fund the sum of £5,000.
- From the Steaming Ahead Steaming Ahead D fund to the Fixed Asset fund a total of £25536 being the value of assets constructed or under construction in 2021 and the sum of £920 to the General Fund.
- From the MGS MoSR Covid Recovery and Resilience Fund the sum of £8,476 being expenditure for Museum activities.

**Life Membership Fund.**

The Society has several categories of life membership. Members were invited to join for life and were then entitled to receive the Society's magazine and other benefits. All categories of life membership are now closed to new members. The reserve represents the balance of the funds available for the remaining years of life membership.

**Special Project Fund 2022**

The Restricted Income funds are funds primarily for the conservation, restoration and maintenance of the Society's heritage assets. Some funds have been received as a contribution to specific departmental spending. Expenses are allocated to the fund as and when incurred on the work on the individual projects. A detailed breakdown of the fund balance can be obtained from the registered office. Funds forming part of the Special Project Fund with transactions greater than £5,000 or closing balances greater than 35,000 in 2022 or 2021 are described below. Funds with transactions of £5,000 or less are amalgamated within Other Projects.

***Civil Engineering***

This fund supports the considerable cost of maintaining the railway track and infrastructure.

***Covid Recovery Plan***

This fund based on a grant from Historic Environment Scotland was set up to provide funding for essential electrical work to a number of the Society's buildings. The fund also allowed the installation of Perspex screens on passenger coaches to meet social distancing rules as a result of the pandemic. The fund is now closed.

***Landslide Fund***

On the evening of Tuesday 11th and in the early hours of Wednesday 12th August of 2020, much of Scotland was battered by severe thunderstorms. During a subsequent inspection of the Bo'ness & Kinneil Railway, the Scottish Railway Preservation Society's Civil Engineer identified multiple landslips along approximately a mile-long stretch of the railway. The line was declared unfit for traffic and the railway closed to passenger trains. This fund was set up to provide funding for the £100,000 repair cost. The remainder of a very successful fund raising campaign is now used for preventative actions to reduce the risk of future landslides and for inspections such as checking the viaduct foundations for scoring by the River Avon.

***Birkhill Signal Box***

Birkhill Station building is an ex-Caledonian Railway Station relocated from Monifieth in Angus. At present it has a passing loop with two tracks. The plan is to build a brick and timber reconstruction of a typical Caledonian Northern Division signal box with associated signalling. This will allow two trains to pass one another and will make Birkhill a more authentic representation of a typical country station.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2022.**

**21. Movement in Funds (cont.)**

***Steam Workshop***

A major part of the Steaming Ahead project is the construction of a new workshop for the restoration of steam locomotive and other rolling stock. This new facility provides a modern and safe environment to allow the Society set up and operate an apprenticeship scheme. Construction was completed in 2021. This fund now supports ongoing running costs of the facility.

***New Museum Entrance***

The New Museum Entrance is another component in the Steaming Ahead project. It is a component part of improved accessibility to the Exhibition Galleries and includes space for limited catering. Construction was completed in 2021. This fund now supports ongoing running costs of the facility.

***Bo'ness Crossing***

The Bo'ness Crossing is another component in the steaming Ahead project. It allows pedestrian access across the railway from the car park to the Museum of Scottish Railways.

***Collection Benefit Fund***

This fund arises from proceeds from the disposal of heritage assets in accordance with the agreement between the SRMCT and the SRPS.

***Small Grants Scheme***

This fund is used for a variety of short term projects and activities which are supported by external grants.

***Steaming Ahead***

The Scottish Railway Preservation Society has been awarded a second-round pass by the National Lottery Heritage Fund for its "Steaming Ahead" project. This has seen the development of a new visitor route at the site in Bo'ness, based around a new steam engineering facility, with public access and interpretation along the route to a new entrance to the Museum of Scottish Railways. Funds received for this fund may be used in any of the other projects in the Steaming Ahead portfolio.

***MGS MOSR Recovery and Resilience Fund***

This fund was set up specifically to track the use of a recovery and resilience grant from Museums Gallery Scotland.

***Steaming Ahead Inspiring Young Futures***

This fund is one of the restricted funds set up to be specifically used in the activities as described in the NLHF application to be for the furtherance of inspiring young futures.

***Mark 1 Coaches***

This fund provides funding for the care and maintenance of all Mark 1 coaches owned by the Society and the Scottish Railway Museum Collections Trust.

***Railtours Coaches Structural Fund.***

This fund provides funding for the essential structural strengthening of Mark 1 coaches used by SRPS Railtours on the main line and on the Bo'ness and Kinneil Railway.

***LNER Third Class Corridor (TK) Coach 10021***

This coach is a comfortable, high-quality carriage designed for long distance trains. It contains eight third class compartments, but seated only six passengers in each. This is the sort of carriage in which ordinary people would have travelled in the 1920s, journeying from London to Edinburgh or between Edinburgh, Dundee and Aberdeen. This fund receives grants and donations to provide funding for its restoration and subsequent care.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**21. Movements in Funds (cont.)**

***G&SW Rolling Stock***

The Society and the SRMCT own a number of carriages and wagons from the Glasgow and South West Railway. This fund provides a contribution towards the restoration and care of these vehicles.

***Grangemouth Brake 62515***

This vehicle is a corridor carriage, with 4 Second Class compartments and a brake compartment, and was built in 1924 specifically for use on the boat trains between London (Liverpool Street) and Harwich. It was acquired in 1980 with grant support from the National Fund for Acquisition.

***BR Mark 1 FO 3112***

This fund was set up for the purchase and restoration of BR Mark1 First Open Coach no. 3112. It reflects the trend towards greater demand for first class travel.

***Fair Maid***

This loco is a 3-foot gauge steam locomotive and is part of the core collection. It was built in 1899 by Andrew Barclay, Sons & Co. and donated to the Society by the British Aluminium Company in 1964. It has the unofficial name of the “Fair Made of Foyers”.

There is a long-term plan to return it to steam for use on a suitable narrow gauge railway either in the UK or Ireland.

***LNER Locomotive No 246 Morayshire***

The Society was given on loan LNER No.246 Morayshire by National Museums Scotland for the purpose of restoration to running order and operation on the Bo’ness and Kinneil Railway and other preserved railways. The reserve represents funds being gathered for the ongoing conservation and maintenance process.

***LMS Designed Stanier 8F locomotive No. 45170***

This locomotive was purchased in February 2017 from donations. The fund balance will be used for the restoration of the locomotive.

***Class 25 Diesel Locomotive No. 25235***

In total 327 locomotives of this class were built between 1961 and 1967 and many saw service within Scotland. This locomotive has had twenty years of service at the Bo’ness and Kinneil Railway. Now in need of an overhaul, the fund was set up to return the locomotive to traffic.

**Unrestricted Designated Funds**

***Legacy Fund***

This fund was set up to hold legacies that were received with no specific instructions as to how they were to be used. The Directors have designated these funds as match funding for future capital projects, and specifically the steam shed workshop and Bo’ness Station Extension.

***Steaming Ahead D Fund***

This fund was set up to ring fence the contribution that the SRPS has identified to the cost of the Steaming Ahead Project.

***Mainline Connection Fund***

The mainline connection renewal is an obligation of the Bo’ness & Kinneil Railway Company, the owners of the land, to Network Rail to replace the connection when required. The Directors are of the view that the Society may be required to meet the obligation to ensure a connection in the future and have therefore created a designated fund.

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**21. Movement in Funds (cont.)**

***Railtours Services***

The Railtours fleet of coaches are heritage assets and the fund is used to provide services which enable the Railtours Company to conserve, restore and maintain the fleet for use on the national railway network.

***Fixed Assets Fund***

The Fixed Asset designated fund reflects the net book value of unrestricted fixed assets.

The figures for the previous year are given below.

**Comparable Movement of funds in 2021**

Group and Charity	Opening	Income	Expenditure	Transfers In	Transfers Out	Closing
	Balance at 1 Jan 2021					Balance at 31 Dec 2021
	£	£	£	£	£	£
<b>Restricted funds</b>						
Life membership	11,481	-	( 1,078)	-	-	10,403
Special Project Fund						
Covid Recovery Fund	90,673	735	( 91,408)	-	-	-
Landslide Fund	35,354	188	-	-	-	35,542
Birkhill Signal Box	50,236	300	-	-	-	50,536
Steam Workshop	1,320	570,126	-	-	( 571,446)	-
New Museum Entrance	15,000	102,369	-	-	( 117,369)	-
Bo'ness Crossing	-	32,497	-	-	( 32,497)	-
Collection Benefit Fund	20,666	1,000	( 2,550)	3,444	-	22,560
Small Grants Scheme	-	11,606	( 5,645)	-	-	5,961
Steaming Ahead	23,586	12,088	-	-	( 35,674)	-
MGS MOSR Recovery & Resi	-	30,547	( 30,547)	-	-	-
Steaming Ahead Inspiring Yo	-	15,000	( 6,403)	-	-	8,597
Mark 1 Coaches	28,318	-	( 28,078)	-	-	240
Railtour Coaches	-	12,330	( 12,330)	-	-	-
LNER Third Class Corridor (T	7,070	9,764	( 10,206)	-	-	6,628
G&SW Rolling Stock	11,755	1,387	( 129)	-	-	13,013
Grangemouth Brake 62515	-	11,313	-	-	-	11,313
Fair Maid	10,932	-	-	-	-	10,932
Morayshire	31,397	17,745	( 49,142)	-	-	-
Stanier 8F	57,980	11,866	( 1,036)	-	-	68,810
25235 Diesel Locomotive	3,133	2,572	-	-	-	5,705
Other projects	24,460	29,972	( 15,960)	-	( 3,444)	35,028
<b>Total restricted funds</b>	<b>423,361</b>	<b>873,405</b>	<b>( 254,512)</b>	<b>3,444</b>	<b>( 760,430)</b>	<b>285,268</b>
<b>Unrestricted funds Group</b>						
Designated Funds						
Legacy fund	952,571	619,259	-	-	( 500,000)	1,071,830
Steaming ahead D fund	-	-	-	500,000	( 389,953)	110,047
Mainline connection	150,000	-	-	5,000	-	155,000
Railtour Services	-	32,179	( 32,179)	-	-	-
Fixed asset fund	1,045,591	-	( 95,183)	1,146,939	( 1,125)	2,096,222
General funds	217,042	700,835	( 768,721)	1,125	( 5,000)	145,281
<b>Total unrestricted funds</b>	<b>2,365,204</b>	<b>1,352,273</b>	<b>( 896,083)</b>	<b>1,653,064</b>	<b>( 896,078)</b>	<b>3,578,380</b>
<b>Total funds</b>	<b>2,788,565</b>	<b>2,225,678</b>	<b>( 1,150,595)</b>	<b>1,656,508</b>	<b>( 1,656,508)</b>	<b>3,863,648</b>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**21. Movement in Funds (cont.)**

**Unrestricted funds Charity**

Designated Funds						
Legacy fund	952,571	619,259	-	-	( 500,000)	1,071,830
Steaming ahead D fund	-	-	-	500,000	( 389,953)	110,047
Mainline connection	150,000	-	-	5,000	-	155,000
Railtour Services	-	32,179	( 32,179)	-	-	-
Fixed asset fund	1,045,591	-	( 95,183)	1,146,939	( 1,125)	2,096,222
General funds	242,230	506,915	( 637,843)	1,125	( 5,000)	107,427
<b>Total unrestricted funds</b>	<b>2,390,392</b>	<b>1,158,353</b>	<b>( 765,205)</b>	<b>1,653,064</b>	<b>( 896,078)</b>	<b>3,540,526</b>
<b>Total funds</b>	<b>2,813,753</b>	<b>2,031,758</b>	<b>( 1,019,717)</b>	<b>1,656,508</b>	<b>( 1,656,508)</b>	<b>3,825,794</b>

**2021 Fund Transfers**

Following a review of funds, the Directors have approved the following fund transfers.

- From the General Fund to the Mainline Connection designated fund the sum of £5,000.
- From the General Fund to the Heritage Collection Fund the sum of £20,666, being the proceeds of the disposal of heritage assets in 2020.
- From the Fixed Asset fund to the General Fund the sum of £2,040 being the proceeds of non-heritage assets in 2020.

**22. Analysis of Net Assets Between Funds**

<b>Group 2022</b>	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	2,020,527	-	2,020,527
Net Current Assets	293,957	1,359,807	301,177	1,954,941
Long term loan	( 1,000)	-	-	( 1,000)
Net assets at 31 Dec 2022	<u>292,957</u>	<u>3,380,334</u>	<u>301,177</u>	<u>3,974,468</u>

<b>Charity 2022</b>	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	2,020,527	-	2,020,527
Investments	100	-	-	100
Net Current Assets	226,933	1,359,807	301,177	1,887,917
Long term loan	( 1,000)	-	-	( 1,000)
Net assets at 31 Dec 2022	<u>226,033</u>	<u>3,380,334</u>	<u>301,177</u>	<u>3,907,544</u>

The comparable figures for 2021 are as shown below.

<b>Group 2021</b>	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	2,096,222	-	2,096,222
Net Current Assets	146,281	1,336,877	285,268	1,768,426
Long term loan	( 1,000)	-	-	( 1,000)
Net assets at 31 Dec 2021	<u>145,281</u>	<u>3,433,099</u>	<u>285,268</u>	<u>3,863,648</u>

**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

**for the year ended 31 December 2022.**

**22. Analysis of Net Assets Between Funds (cont.)**

<b>Charity 2021</b>	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	2,096,222	-	2,096,222
Investments	100	-	-	100
Net Current Assets	108,327	1,336,877	285,268	1,730,472
Long term loan	( 1,000)	-	-	( 1,000)
Net assets at 31 Dec 2021	<u>107,427</u>	<u>3,433,099</u>	<u>285,268</u>	<u>3,825,794</u>

**23. Company Limited by Guarantee**

The members of the Society are obliged to contribute £2 each in the event of the company being wound up.

**24. Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities**

Consolidated	Group 2022 £	Group 2021 £
Net movement in funds	110,820	1,075,083
Add back in depreciation charge	142,202	95,183
Add back in loss on disposal of tangible fixed assets	-	1,125
Deduct interest income shown in investing activities	( 2,846)	( 1,881)
Decrease / (increase) in stock	( 8,135)	10,770
(Increase) in debtors	266,510	( 200,118)
(Decrease) / increase in creditors	( 26,852)	( 40,122)
<b>Net cash provided by / (used in) operating activities.</b>	<b><u>481,699</u></b>	<b><u>940,040</u></b>

Charity only	Charity only 2022 £	Charity only 2021 £
Net movement in funds	81,748	1,012,041
Add back in depreciation charge	142,202	95,183
Add back in loss on disposal of tangible fixed assets	-	1,125
Deduct gift aid distribution from subsidiary	( 30,592)	-
Deduct interest income shown in investing activities	( 2,562)	( 1,374)
(Increase)/decrease in stock	( 11,532)	3,178
(Increase)/decrease in debtors	292,016	( 197,466)
(Decrease)/increase in creditors	( 11,475)	( 55,664)
<b>Net cash (used in) /provided by operating activities.</b>	<b><u>459,805</u></b>	<b><u>857,023</u></b>



**THE SCOTTISH RAILWAY PRESERVATION SOCIETY**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 December 2022.**

**25. Related Party Transactions Consolidated and Charity only**

During the year, the Society recharged expenses of £74,832.36 (2021: £44,100.64) to SRPS Railtours Limited, a 100% owned subsidiary, and SRPS Railtours Limited recharged expenses of £97.06 (2021: £nil) to the Society of which £nil was outstanding at the year end. In addition, the Society made a loan of £75,000 in 2020 to SRPS Railtours Limited of which £75,000 (2021: £75,000) was outstanding at the year end.

Sales of £183.75 (2021: £90) were made to 6LDA in the year of which £nil (2021: £108) was outstanding at the year end. Stuart Sellar, director of SRPS and SRPS Railtours Limited, and Neil McDonald, director of SRPS Railtours Ltd, are shareholders of 6LDA.

Sales of £9,145 (2021: £1,820) were made to Danfoss Scotland Ltd, now Lenz Labs, in the year of which £1,404 (2021: £546) was outstanding at the year end. The son of James Robertson, a director of SRPS and SRPS Railtours Limited, works for the company.

Sales of £5,050 (2021: £nil) and purchases of £nil (2021: nil) were made to the Scottish 37 Group (STG) in the year of which £nil (2021: £nil) was outstanding at the year end.

Sales of £128,439.08 (2021: £122,566.99) were made to Arcola Energy Ltd, now Ballard, in the year, of which £26,846.40 (2021: £35,785) was outstanding at the year end. SRPS directors, Callum Sellar and Andrew Harper, worked for the company.

Purchases of £5,050 (2021: £2,310) were made from the Edinburgh Society of Model Engineers in the year of which £1,850 (2021: £ nil) was outstanding at the year end. James Robertson, director of SRPS and SRPS Railtours Limited, is a director of the Edinburgh Society of Model Engineers.

No one individual had control over the charity during either the current or previous year.

**26. Securities**

As a condition of the grant awarded by NLHF towards the cost of the Steaming Ahead project, SRPS was required to grant in favour of the Trustees of the National Heritage Memorial Fund a first ranking standard security over the two ground leases held by SRPS from Falkirk Council over the site at Bo'ness, to secure the obligations of SRPS under the terms of the grant. The standard security was granted on 10 March 2020 and has since been registered in the Land Register of Scotland.