

# Bluebell Railway Preservation Society



Reconvened 58<sup>th</sup> Annual  
General Meeting



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# **BLUEBELL RAILWAY PRESERVATION SOCIETY**

## **RECONVENED 58<sup>TH</sup> ANNUAL GENERAL MEETING**

To be held on Saturday 18th May 2019 at

**The Burgess Hill Academy, Burgess Hill**

**Commencing at 8pm**

Dear Member,

This is the agenda for the reconvened 58<sup>th</sup> Annual General Meeting of the Society to be held at The Burgess Hill Academy, Station Road, Burgess Hill, West Sussex on **Saturday 18<sup>th</sup> May 2019** commencing at 8pm.

### **AGENDA**

1. Apologies for absence (other than those given for the EGM).
2. Minutes of the Annual General Meeting held on 20<sup>th</sup> May 2017.\*
3. Matters arising.
4. Receive and adopt the Society Accounts for 2017\*

\* These were duly circulated last year for the AGM. Please bring those copies with you – a limited number of copies will be available at the meeting and copies will also be on the BRPS pages on the website.

It was not possible for the 2018 meeting to vote on the re-appointed of Knill James as auditors. Subsequently, at the Committee meeting held on 20<sup>th</sup> July the Trustees, in exercise of their duty to ensure good management of the Society and allow the end of year audit to take place, appointed Knill James as auditors for 2018.

## BLUEBELL RAILWAY PRESERVATION SOCIETY

### **Minutes of the 57<sup>th</sup> Annual General Meeting held on Saturday 20<sup>th</sup> May 2017 at The Burgess Hill Academy, Burgess Hill, West Sussex commencing at 7.02pm**

**Present:** Gordon Pettitt OBE (President), Bill Brophy (Vice President), Charles Hudson MBE (Vice President & Trustee); Roy Watts MBE (Vice-President), Graham Aitken (Chairman), Stephen Bigg (Vice Chairman), Gavin Bennett (General Secretary), Don Brewer (Membership Secretary), Nigel Longdon (Treasurer); Roger Garman, Neil Glaskin, Robert Hayward, Chris Hunford, Roger Kelly, Chris Saunders, Tim Parkin and Martin Widdowson (Trustees); Dick Fearn (Bluebell Railway PLC); and 234 members.

The Chairman opened the meeting by welcoming those present, especially our President Gordon Pettitt and then introduced those on the top tables. He asked for agreement to Mrs Snuggs, a non-member, attending the meeting to see her husband receive his 50 year award and this was agreed. He asked all to stand for a minute's silence in memory of the 75 Members who had passed away since the last Annual Meeting, noting that Daniel Meades was incorrectly listed as deceased in the AGM Booklet.

- 1. Apologies for Absence** were received from Tom Waghorn (Trustee), Trustee-elect Ben Coughlan (covering a footplate duty) and 27 Members.
- 2. Minutes of the Extraordinary General Meeting held on Saturday 21<sup>st</sup> May 2016**

There being no corrections, the minutes were signed as a true and correct record of the meeting. There were no matters arising.

- 3. Minutes of the 55<sup>th</sup> Annual General Meeting held on Saturday 21<sup>st</sup> May 2016**

The minutes were amended to correct the date and were then signed as true and correct record of the meeting. There were no matters arising.

- 4. Adoption of the Society Accounts for 2016**

Mr Longdon presented the Society accounts, noting that overall surplus had fallen by around £25k due to lower subscription and donation income. During the year, we had purchased a pop-up membership stand which had some success in recruiting new members at the Flying Scotsman event. Land Purchase fund donations continued to help towards the loan repayments for the purchase of Courtland Wood. The large increase in expenditure was mainly due to legal and professional fees arising from the Governance Review. He thanked the assistant membership secretaries for all their hard work during the year and proposed adoption of the accounts. This was seconded by Mr James and agreed *nem con*.

- 5. Re-appointment of Knill James as Auditors**

The re-appointment of Knill James as auditors was proposed by the Mr Bass and seconded by Mr Hatfield. The proposal was carried *nem con*.

## 6. Presentation of Awards

Long Service Awards were presented as follows:

- 50 Years service:** Tony Funnell and Keith Snuggs
- 40 Years service:** Julian Heinemann, Chris Sutters and Michael Toplis
- 25 Years service:** Clive Cutbill, Geoff Harris, Keith Marriott, Margaret Marriott and James Young

Trustee Charles Hudson was standing down after serving as a Trustee for 56 years during which he had also served as a Director. Paying tribute to Mr Hudson, the Chairman read an extract from the first issue Bluebell News of September 1959 in which “Charles Hudson, signalman” had explained how Sheffield Park had been signalled prior to the original closure in 1955, and how when BR grudgingly reopened it only the Down platform line was used. The redundant signals had been put into safe storage and were later put to good use by the signalling department. The Chairman reported with pleasure that despite standing down as a Trustee, Mr Hudson would continue to volunteer at S&T Manager. He was also a Vice-President of the Society. Vice-President Roy Watts praised Mr Hudson as a voice of common sense in the Society’s deliberations and his reminders that the Railway had faced a similar challenge in the past had been invaluable during his own time as Chairman. Mr Watts presented Charles and Jill Hudson with tickets for a theatre weekend away and a bouquet of flowers. In a brief speech of thanks, Mr Hudson said his achievements at the Bluebell over the years would not have been possible without the help and support of all the members he had worked with, and of their wives and girlfriends.

Finally, Mr Watts presented Sam Bee with a set of Rover P4 badges to thank him for his service as a Trustee and Vice-Chairman.

## 7. Presentations

**9F Club:** Members of the 9F Club gave two presentations. The first showed how they had restored the dilapidated Gamekeeper’s P/Way Hut - with the Vaux End hut to follow - and the other was a photo montage of the various types of work the 9F Club had done around the Railway, much of it filthy. It spanned everything from emptying ash pits to tracklaying, plus an off-site barbecue. They received rapturous applause.

**ASH:** Mr Kelly then gave an update on the ASH project which was intended not just to make children want to visit the Bluebell but also to come back. The exhibition would not only be exciting but would have its own team of volunteer “explainers” and two new members of staff, Wendy Turner and Ruth Rowatt, had been taken on to make a success of it. The project would also see the long overdue re-roofing and lighting of the running shed. The exhibition should open in June 2018, with the remainder of the project – the new Loco maintenance facility - due for completion in May 2020. It was noted that about a third of the

total costs were for the maintenance facility. The Heritage Lottery Fund's contribution of £1.1 million was £250,000 more than they had originally envisaged.

## **8. Presentation of the accounts for Bluebell Railway plc**

Mr Widdowson presented the company accounts for 2016, reporting that on an increased turnover of £3.6m, there was an overall loss for the year of £232k. Despite this, the railway had finished almost on budget and whilst revenue from premium products like the Golden Arrow and filming were up, the day to day ticket revenue was falling and this needed to be addressed. Fixed Assets had increased by £553k, mainly due to rolling stock and the construction of OP4. The detailed trading accounts showed a slight decrease in the gross profit to 2.1m but after administrative expenses and distribution costs were included, offset by donations and funds from capital reserves, the operating loss was £232k. The Directors had already addressed this problem and efforts would continue throughout the year to try and improve revenue and reduce costs.

Mr Fry asked about the large increase in power light and heat distribution costs and Mr Widdowson explained that this was an estimate as we did not have separate metering. Mr Fairman asked about the increased shop profit and was told this was attributable to quicker payment of invoices, thus securing a discount.

## **9. Trust Representatives Report**

Mr Tyson drew attention to the published report on the Trust's activities in the AGM booklet. He reported that at the end of 2016 the Trust's reserves stood at £1,196,000 - down on the previous year because £325k had been paid out toward track renewals. Fundraising for ASH had brought in over £200k and a further £100k for the Atlantic. There had been a £169k legacy toward the cost of overhauling Blackmoor Vale. Mr Kelly reminded members that most legacies to the Bluebell came from complete strangers and it was important for customer-facing staff to be nice to everyone as you never know who you might influence. Mr Tyson reminded the meeting that the Trust could provide information to anyone thinking about leaving the Trust a legacy in their will.

## **10. Flying Scotsman visit**

The Chairman said he was delighted to have taken part in the planning and delivery groups, who had developed an incredible programme and proved that it could be got right first time. It had been delivered almost to the letter for the entire seven days. His personal highlight was despatching the breakfast Pullman on the first morning, with the Gatwick Caledonian Pipe Band playing Scotland the Brave. The enjoyment we created for almost 20,000 visitors who kept telling us what a marvellous event we produced. So many people who came to the Flying Scotsman event would not normally have visited any steam railway. The legacy of the visit had to be to get families back on the Bluebell.

He paid tribute to everyone involved, and especially to Chris Hunford whose idea it had been and who had negotiated with the NRM. He said that Chris Hunford's next big challenge would be the event with four Deltics promised for October.

Mr Widdowson reported that ticket sales, admissions, Golden Arrow dining, programmes and brake van rides during the Gala had brought in £495,000. The steering group's budget of £200,000 for staging the event was close to being met, so the profit should be around £290,000. This did not include general catering and retail, and there was still some FS merchandise in the shop, though most had been on sale or return. A souvenir DVD was now in hand as was a book.

In conclusion, the Chairman said that after the success of the event, it was vital to keep the buzz going. We had to follow up with an attractive programme of special events.

## **11. Chairman's Report**

In his first report as Chairman, he recalled that when he and Steve Bigg had talked to volunteers across the Railway before their election last year, they had detected a strong wish to raise the profile of the Society as its strategic influence over the Railway was felt to be decreasing. This was now being addressed by setting high-level strategic objectives for the plc to link in with its business plan, as required under the rules. Another priority was to work with both the plc and the Trust to ensure that the Bluebell was "One Railway" as the three segments had to come together and they already had an excellent working relationship with Dick Fearn, with ad hoc meetings as necessary.

Volunteers had also told them that a change of directors was needed, and they had worked closely with Dick Fearn on this. During an intensive handover process, six meetings with Roy Watts alone, they had realised that directors had to be nominated almost immediately as doing nothing wasn't an option they had as they had been elected to make changes. It was unfortunate that there were some people who did not welcome change but for the railway to make progress changes had to be made and it would be better if they were to contribute positively and influence the process. There were areas of the railway where more professional attitudes needed to be emphasised, particularly in the customer-focused roles. Having a "right time railway" really did send out the message that we were serious. We also had to make sure that staff and volunteers operated professionally and we all had some part to play in taking the railway forward. A thorough review was also needed of how we recruit, train, manage and thank volunteers. He said this was non-negotiable - without volunteers there would be no Bluebell. Meetings were already planned with the General Manager and HR Manager. The 'Find Out More Days' were a success, but much more had to be done. People were treated differently between departments and locations, and that should not be the case.

On projects, he said that too many were being undertaken at once, some of them requiring non-existent funding and resources. He recognised that the Bluebell

way was that you did things two or three times before getting it right but we needed to plan once and do it once. Too many projects were started and not completed, leaving people wondering what had happened to them. We needed to learn not to start projects until the funding streams and necessary permissions or consents were in place. Part of this process had been started by his predecessor last year who had created a capital projects review team, deciding what projects should be funded and in which priority. A considerable amount of work had gone into producing the report in November 2015 but the momentum had been lost and he was determined to finalise the procedures and processes for getting a project approved and a start would be made later this year. He paid a special tribute to the team who had converted the Elephant Van into a soft play area for children. He said a friend of the President's who was an expert on circus trains had identified the van as one used by Chipperfields, and had pronounced the red livery applied to it as just right. As for the interior, all he could say was "Wow!".

He stressed that they had started tackling the issues by evolution, not revolution. In addition to all the other changes he had outlined, a commercial review sub group had been formed, chaired by Neil Glaskin, to look at the commercial opportunities we could develop. Visitor numbers and revenue had to be increased. We had to develop Sheffield Park as a destination rather than a starting point. East Grinstead after the reopening had done brilliant business, but it then started to decline. 70% of our visitors still started their day at Sheffield Park, which was in the middle of nowhere. We had to change that. We still want the people to come to Sheffield Park, but we need to attract more from East Grinstead and north thereof. People have got to come down to East Grinstead and travel on the Bluebell. Any other heritage railway would give their eye teeth to have London just an hour away. With the appointment of a new commercial director he said he believed we will succeed and become Britain's No. 1 steam railway, in the eyes of other people as well as ourselves. We had to acquire a new profile and attract new business.

He had been involved in planning and delivering the Flying Scotsman event. He was aware that this event had caused some upset to members who had been deprived of their normal admission and travel privileges but it had been good for the bottom line and had brought hundreds of people to the railway, many for the first time. Branch Line Weekend had also broken new ground with its intricate train movements at Horsted Keynes which our visitors had enjoyed. Events like this kept volunteers and staff happy and having experienced the camaraderie of BR, he had been delighted to experience it also on the Bluebell.

He had visited Strawberry Hill depot with Dick Fearn and Gordon Pettitt to meet the group [Southern Electric Traction Group] who were restoring the 4-VEP to a very high standard. Even if not returned to main line running under power, it would hopefully be able to travel, including to the Bluebell. We have asked for the appointment of a qualified engineer to oversee the restoration of the VEP to make sure it would satisfy Network Rail.

He paid particular tribute to those involved in securing the grant for ASH, winning the award for Kingscote signal box, reconfiguring track in the Horsted Keynes area, delivering an extended Santa season, and organising Track Trek. He had taken part in this and had enjoyed taking to our supporters walking the line. Planning work was already underway for the Diamond Jubilee in 2020 with Rob Hayward leading the project team.

In conclusion, he said they would continue with the work started in year one and also do a further round of visits with volunteers to gauge their opinions and priorities.

## **12 Plc Chairman's report**

Dick Fearn first congratulated the 9F Club members for their confident and excellent presentation to a much older generation. He echoed the Chairman's emphasis on the need for One Railway and thanked the Chairman and Vice-Chairman for including the plc directors in decisions taken by the society, especially as directors were now being chosen for their specific skills. It was his responsibility to ensure that the directors had the right skills, experience and motivation to do these jobs. From time to time there would be vacancies, and the plc needed to fill them. This would be done by advertising these jobs, internally and externally. All were volunteer positions, but that did not necessarily require previous involvement with the Bluebell.

He said that both Lewis Nodes and Tim Baker had been the first to stand down and he was pleased to see Mr Nodes at the meeting. To succeed him, he had brought in Bob Pamment, who had earned his reputation with BR bringing the Class 165 DMUs into service at Reading and he was grateful to Mr Nodes for a really professional handover.

The Commercial Director post, previously filled by Tim Baker, was crucial to the expansion of the market and so he decided the best opportunity was to look outside the railway for someone with marketing skills, perhaps even in the tourism sector. From a large number of applicants they had found Sara Hancock, who had the necessary experience, lived locally and was looking for something she could engage with while bringing up her family. At the forthcoming plc AGM, Russell Pearce would be retiring as Operations Director. His replacement was Mike Ellis, currently Chief Guards Inspector and he was sure there would be a smooth handover. Chris White was also standing down as Infrastructure Director, though he would remain as Safety Director. The post had been advertised, both internally and externally and the Board were in the middle of the selection process and should have decided in time for the plc AGM. Finally, Roger Kelly was standing down in August as Funding Director after 9 years, having raised a remarkable £4 million for the Bluebell. He said that the job had been advertised and some applications had been made but he urged any member interested to come forward.

The Chairman proposed a vote of thanks to Roger Kelly for his hard work over the years. Mr Kelly thanked the membership for having given so generously not just to the Bluebell Railway Trust but to all the numerous fund-raising projects across the Railway.

In conclusion, Mr Fearn noted that with by the end of the plc AGM, half the board would have changed in 12 months. This would leave, after Chris White, Neil Glaskin as the longest serving director, despite his youth. We also now had our first female director. All the newcomers were bringing the specific skills we needed.

### **13. President's Address**

Mr Pettitt began by asking the top table to give the membership a round of applause for their tremendous support, which was duly delivered. He said he was shocked to note from Mr Widdowson's report that only 55% of our income came from ticket sales. He said we were now a big railway, and to run the train service we do and only generate 55% was just not sustainable in the longer term. He would like to see the proportion increase to 60% as soon as possible, because we were wasting resources we had already spent. He agreed with the Chairman that we had to capitalise on our market at the London end. Our load factors were not what they should be, and with coal and maintenance costing what they did we had to get more people onto our trains. The operation we had run at Horsted Keynes during Flying Scotsman, with trains crossing and the brake van going up and down, had fascinated many of our visitors. At East Grinstead the problem was that there was very little to see and that had to be one of the other things we think about. It was inevitable that people would simply see the train coming in chimney first and leaving tender first, but while the buffet was doing well, we had to do more. Being a big railway had its implications, and the biggest was that the product gets worn out. One of the major problems facing us was to increase the rate of our track renewal. He said he was delighted with the work done during the winter, and congratulated all involved. On the Flying Scotsman trip he had been mainly looking at the track, and the quality of what had been done. But we needed to see a lot more of it.

As for Flying Scotsman, the main thing about the event was the quality of the organisation. This was an example of planning once and implementing once. The other thing was the absolute joy people were experiencing on the trains, and the reception given by every volunteer to people who were strangers.

He concluded by commending One Railway, recalling a similar plea in his own first speech as President because he had seen some organisations fall apart. He hoped the current changes would cement procedures for a closer working relationship between all three organisations.

## 14. Questions from the floor

The Chairman said he hoped members approved on the new style AGM and asked for questions from the floor.

Mr Mundy asked about internal audit processes and was told by Mr Fearn that we had budgets and processes in place to ensure that funds were properly spent. For their major projects such as OP4, we had steering and delivery groups with at least one external person to validate what we were doing.

Mr Oades asked if there were any plans for signals north of Kingscote. Mr Hudson said there were no immediate plans to signal East Grinstead but passive provision had been made on Kingscote frame. In the short term, a slave token instrument would be provided at East Grinstead so as to simplify the arrangements for through workings and avoid the token travelling by road.

Mr Oades also asked what the railway was doing to get more of our locomotives undercover given the loss of space in the Running Shed for ASH. Mr Hunford said some locomotives would be inside the exhibition area and we would also gain a new maintenance shed but was only a partial solution. Other options had been explored, including a mini roundhouse in the upper car park at SP, which had its attractions but would be extremely disruptive and block access to the yard. Another idea was to have a larger exhibition area in the Up Yard at Horsted Keynes, but he doubted that this would secure planning permission.

Mr Brooks asked about the recent flurry of SPADs [Signals Passed at Danger]. Mr Fearn said there had been four very recently all close together and all had been thoroughly investigated. There were no common factors or circumstances and separate recommendations concerning the staff members involved and ways of preventing a recurrence had been made in each case. The Operations and Safety Review Group were considering whether any changes in infrastructure were required.

There being no time for further questions, the Chairman thanked Dan & Robbie from the Academy's stage crew for their efforts during the evening and the C8W team for providing refreshments during the veneing which had raised £175.

He thanked all the members for attending and taking part and the meeting closed at 10:32pm.

**THE BLUEBELL RAILWAY PRESERVATION SOCIETY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**FROM THE SOCIETY CHAIRMAN**

It gives me great pleasure to be able to present the Society accounts for 2017.

As Chairman I am grateful to the Trustees for ensuring that the Society income is managed correctly and specifically to Nigel Longdon for providing regular reports of income streams in a format that is easy to understand.

Our membership numbers remain at around the 10,400 mark which is pleasing to report. 50 new members have been signed up following the very successful Footplate Experience Days which were introduced this year and held during January and February. Part of the package included a one-year membership of the Society and we are looking at other initiatives to build on this success.

The joint review with the Plc of all aspects of volunteering is underway and is covering everything from advertising of vacancies right through to the welfare of volunteers. This is such an important aspect of our Railway, as without volunteers there would be no Bluebell Railway. What is quite evident is that members volunteer because they want to do something for our railway and as a result enjoy being able to do so. Why not find out for yourself by becoming a Volunteer?

I would also like to thank our subscribers and donors for the support they have given us and look forward to them continuing to help us maintain the exacting standards of The Bluebell Railway, not only at the highest level amongst the preservation movement but just as importantly amongst our visitors who look on us as a wonderful place to spend a day.

*Graham Aitken*  
*Chairman*

# THE BLUEBELL RAILWAY PRESERVATION SOCIETY

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2017

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The Trustees present their report to the members together with the Financial Statements for the year ended 31 December 2017.

### OBJECTIVES

The objectives of the Society are the preservation and operation of the Bluebell Line together with historic rolling stock and items of railway interest.

### REVIEW OF THE YEAR

The Trustees believe that all activities during the year were in accordance with the objectives of the Society and that the year can be considered satisfactory.

### TRUSTEES AND OFFICERS

	Shares in Bluebell Railway plc
G Aitken (Chairman)	550
S Bigg (Vice-Chairman)	-
B Coughlan (appointed 20 May 2017)	300
S Foulkes (co-opted 18 August 2017)	1000
R Garman	-
N Glaskin	300
R Hayward	70
C W Hudson MBE (resigned 20 May 2017)	5,000
C Hunford	-
R G Kelly	2,000
T Parkin	-
C Saunders	70
T Waghorn (resigned 24 July 2017)	-
M Widdowson	-
<b>OFFICERS</b>	
<b>General Secretary</b>	
G Bennett	250
<b>Membership Secretary</b>	
D Brewer	300
<b>Hon Treasurer</b>	
N C Longdon	1,000

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Trustees are required to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Society and of its financial activities for that year. In preparing these Financial Statements the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to assume the Society will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditors

- so far as the Trustees are aware, there is no relevant audit information of which the Society's auditors are unaware, and
- they have taken all the steps they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

BY ORDER OF THE TRUSTEES

  
GRAHAM AITKEN  
CHAIRMAN

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE BLUEBELL RAILWAY PRESERVATION SOCIETY

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**Opinion**

We have audited the financial statements of The Bluebell Railway Preservation Society for the year ended 31 December 2017 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with the rules of the society. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2017 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the society 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the society's trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the society's trustees has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The society's trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 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.

**Responsibilities of the committee of management**

As explained more fully in the trustees responsibilities statement set out on page 46, the Society's trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the society's trustees is responsible for assessing the society'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 society's trustees either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.



**Knill James**  
Chartered Accountants  
Registered Auditor  
One Bell Lane  
Lewes, East Sussex

Date: 29th March 2018

THE BLUEBELL RAILWAY PRESERVATION SOCIETY

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
<b>Income</b>					
Subscriptions			133,065		147,430
Donations - General			20,264		14,685
- Land Purchase Fund			5,794		6,100
			<u>159,123</u>		<u>168,215</u>
<b>Less: Expenditure</b>					
Printing, postage and stationery		13,748		13,237	
E-newsletter costs		4,180		4,410	
Meeting and AGM costs		742		2,491	
Memorial garden		752		155	
Miscellaneous costs		685		577	
Legal & Professional		534		8,640	
Bank charges		1,053		947	
Audit fees		2,880		2,280	
			<u>24,574</u>		<u>32,737</u>
<b>SURPLUS for the year</b>			<u>134,549</u>		<u>135,478</u>

BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investments	3		5,699,627		5,693,827
<b>Current Assets</b>					
Debtors	4	425,583		299,326	
Cash at bank		472		310	
		<u>426,055</u>		<u>299,636</u>	
<b>Creditors - amounts falling due within one year</b>	5	<u>(3,670)</u>		<u>(6,000)</u>	
			<u>422,385</u>		<u>293,636</u>
			<u>6,122,012</u>		<u>5,987,463</u>
<b>Represented by:</b>					
General Fund	6		<u>6,122,012</u>		<u>5,987,463</u>
			<u>6,122,012</u>		<u>5,987,463</u>

Approved by the Trustees on 23rd March 2018

 (Chairman & Trustee)

 (Trustee)

THE BLUEBELL RAILWAY PRESERVATION SOCIETY

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2017

	General funds £
Balance as 1 January 2016	5,851,985
Surplus and total comprehensive income for the year	135,478
Balance at 31 December 2016	<u>5,987,463</u>
Surplus and total comprehensive income for the year	134,549
Balance at 31 December 2017	<u>6,122,012</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

1.1 Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102").

The financial statements are prepared in sterling which is the functional currency of the society.

The financial statements are prepared under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income from Subscriptions

All membership subscriptions including life subscriptions are credited to the Income and Expenditure Account in full as they are received notwithstanding the periods to which they relate.

1.3 Income from Deferred Payment Share Scheme

The Society operates a Scheme whereby its members can subscribe for shares in Bluebell Railway plc on an instalment basis. Once the instalments are fully paid the shares are transferred from the Society holding. Sums received from members under this scheme are held in the balance sheet as deferred income until they are converted into shares upon receipt of the final instalment.

1.4 Investments

Fixed Asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in surplus.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There have been no revisions in the year.

**3. FIXED ASSET INVESTMENT  
(Unlisted)**

	2017	2016
	£	£
Shares in Bluebell Railway Plc, at historic cost At 1 January 2017	5,693,827	5,691,337
Change in the shareholding during the year		
a) Deferred Payment Scheme	(350)	(2,810)
b) Other	6,150	5,300
	<u>5,800</u>	<u>2,490</u>
At 31 December 2017	<u>5,699,627</u>	<u>5,693,827</u>

- a) This amount represents shares transferred in respect of fully paid up shares in the deferred payment share scheme.  
b) This represents shares gifted and purchased during the year less shares sold.

The Society is the controlling party of Bluebell Railway Plc. It owns 75% of the issued share capital (2016 – 75%).

<b>4. DEBTORS</b>	2017	2016
	£	£
Loan to Bluebell Railway Plc (a)	425,583	299,326
	<u>425,583</u>	<u>299,326</u>

- a) This loan consists of monies transferred to Bluebell Railway Plc. The present intention is that the loan will be converted into shares at a future date.

**5. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Accruals and Deferred Income	3,670	4,900
Other creditors	-	1,100
	<u>3,670</u>	<u>6,000</u>

**6. GENERAL FUND**

The general fund represents all current and prior period retained surpluses.

**7. TRUSTEES REMUNERATION**

None of the Trustees have received any remuneration for their services as Trustees.

**8. TRANSACTIONS WITH TRUSTEES**

The Trustees are all members of the Society and pay membership subscriptions under normal terms. The Trustees do not receive any additional benefits apart from those offered to other members.

One (2016 – One) of the Trustees was reimbursed postage, stationery and meeting expenses during the year totalling £34 (2016 - £15).

Some of the Trustees and officers own shares in Bluebell Railway Plc, a company in which The Bluebell Railway Preservation Society has a controlling interest. It is not considered that these shareholdings have any impact on the control of either The Bluebell Railway Preservation Society or Bluebell Railway Plc.

Three (2016 – Two) Trustees had transactions during the year with the Bluebell Railway Plc. T Parkin who is a director of Groundframe Ltd provided filming services amounting to £22,620 (2016 - £8,235), these transactions were undertaken on a normal commercial basis. There were no balances outstanding at the year end (2016 - £nil). G Aitken and T Waghorn received payments totalling £449 and £2,118 respectively (2016 – £617 and £nil) from the Bluebell Railway Plc for filming work in line with rates paid to other volunteers.

**9. TAXATION**

The Society is regarded as a non-profit making body and therefore is not liable to taxation.



