

REGISTERED CHARITY NUMBER 1001579

REGISTERED COMPANY NUMBER 2546486



EAST ANGLIAN RAILWAY MUSEUM

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

30 SEPTEMBER 2009

EAST ANGLIAN RAILWAY MUSEUM

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EAST ANGLIAN RAILWAY MUSEUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Martin M C Stanbury (resigned 25/04/09) I M Reed M Cornell M House (resigned 27/11/08) N Hull L B Houghton (resigned 09/06/09) R Boyce
Company Secretary	M C Stanbury
Registered Office	Chappel & Wakes Colne Station Station Road Wakes Colne Colchester Essex CO6 2DS
Registered Charity Number	1001579
Registered Company Number	2546486
Accountants	Scrutton Bland 820 The Crescent Colchester Business Park Colchester Essex CO4 9YQ
Solicitors	Thompson, Smith & Puxon 4/5 North Hill Colchester Essex CO1 1EB
Bankers	Lloyds TSB Bank plc 47 High Street Brentwood Essex CM14 4RN

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the financial statements of the charity for the year ended 30 September 2009.

The financial statements are prepared in accordance with the Memorandum and Articles of Association and the recommendations of the Statement of Recommended Practice – Accounting and Reporting by Charities and comply with applicable law.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005, applicable accounting standards and the Companies Act 2006.

Legal and administrative information

The information on page 1 forms part of this report

The company was incorporated on 8 October 1990 under the Companies Act 1985.

The museum is constituted as a company limited by guarantee and is therefore governed by a Memorandum and Articles of Association.

The museum has no relationships with other groups other than its subsidiary companies:

East Anglian Railway Museum (Trading) Limited
Eastern Counties Railway Company Limited

The trustees set out below have held office during the whole of the year to the date of this report, unless otherwise stated:

P Martin
M C Stanbury (Resigned 25 April 2009)
I M Reed
M Cornell
M House (Resigned 27 November 2008)
N Hull
L B Houghton (Resigned 9 June 2009)
R Boyce

The trustees are nominated from the general membership. Any member can nominate a trustee.

The trustees are elected at the Annual General Meeting and retire by rotation. There is no limit to the length of time a trustee must serve.

J P Kilpatrick was co-opted as a trustee on 8 December 2009 and will stand for election at the Annual General Meeting.

Trustee indemnity insurance has been purchased at a cost of £840 (2008 : £656)

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

Objectives and organisational structure

The principal objects of the company are defined in its Memorandum of Association that states:

The Museum is established to advance the education of the public with regard to railways in particular by collecting, preserving, interpreting, documenting material evidence and associated information for the public benefit by (but without prejudice to the generality of the foregoing) the maintenance of a museum for items of historical railway interest, and by the restoration, maintenance and operation of a railway on or alongside the museum, or on other sites, and the display and demonstration of museum items and railway for the benefit of the public as items of technical and general interest and educational value, and in furtherance of the foregoing objective the Museum will be vested with the powers of operation of the Chappel & Wakes Colne Light Railway.

To fulfil these aims the Museum administers the East Anglian Railway Museum at Chappel & Wakes Colne Station, Colchester, Essex. The Museum owns the freehold of the station buildings and goods yard, with approximately 6 acres of adjoining land, and holds a long term lease on peppercorn rent on land forming half of the station platform and railway track alongside the operational line of Network Rail.

A programme of steam days and other special events is undertaken, alongside the 363 day a year opening of the Museum site, in order to raise interest in the historical assets held and to raise funds for their maintenance and the general development of the museum.

The board of trustees meets monthly as a full board to discuss all matters relating to the performance, finance and future development of the Museum. Attendance at board meetings, of which there were 12 in the year, is as shown below.

P Martin	11 meetings
M C Stanbury	11 meetings (5 as Trustee 6 as Secretary)
I M Reed	11 meetings
M Cornell	10 meetings
N Hull	9 meetings
L B Houghton	5 meetings (stood down after 6)
R Boyce	8 meetings

There are no items of intangible income.

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

Review of financial position

The Statement of Financial Activities shows net incoming resources for the year of a revenue nature of £21,119 (2008 : £53,068). The total revenue reserves at the year-end stands at £353,560 (2008 : £332,441).

During this year we completed the new Restoration Shed toilet facilities, at a cost of some £40,000, as part of our medium term plan for site improvements. Despite the impact of the recession we were still able to generate a surplus over expenditure and improve our reserves enabling us to face the coming year.

The event income increased slightly and general Museum admissions grew reinforcing the belief that the creation of a better Museum is key to our long term sustainability. Investment is therefore essential, recession or not, and we are committed to ensuring development work continues and further significant capital expenditure.

The Beer Festival in September 2009 proved yet again to be the most successful financially since its inception 25 years ago. With the Easter Days Out With Thomas (DOWT) event occurring without snow and ice these two types of event were key in enabling there to be a net incoming resource, thanks to the hard work put in by many members during the year and particularly during these events.

As reported last year, the restoration of the N7 on the North Norfolk Railway 'NNR' at one point racked up a debt approaching £150,000. The negotiation and introduction of new terms and conditions the previous year meant that by the end of this financial year we have brought the debt down to £52,000. Booked hires in the forthcoming year as well as guaranteed minimum steamings at the NNR should see the debt cleared within 2010 allowing at least three years service debt free before the next major overhaul is due. Our options open up once the debt is clear, more to follow.

The board of trustees is satisfied that the museum's assets are available and adequate to fulfil its obligations, not only as a going concern in business terms but as a viable regional museum meeting its key aims.

Review of activities and achievements

The orchard development continued during the year with a new set down area established enabling us to finally clear the north head shunt of equipment – much of which had been there since the early 1970's. A parking area for members was constructed alongside the first stage of material storage bays using the former embankment retaining wall units and the banks regraded and cleared of scrub and rubbish.

The three year long negotiation over redundant buildings at Colchester Garrison finally came good with the donation of a 12 bay demountable building in very good order for use as a Heritage Centre. A revised proposal was made for Building Regulations which was approved just in time for the building to be dismantled and relocated to the Museum just after the financial year end. At the same time a four unit marketing suite was donated to us which we intend to convert into a new Refreshment Unit and allow the Lecture Room to be cleared of the temporary catering facilities and assume its proper function.

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

Review of activities and achievements - continued

The availability of both Museum locomotives, '54', in its new guise as 'Thomas', and Jubilee continues to make a very positive contribution to the financial position, indeed we are increasingly being approached for the hire of 54 and its has already repaid the conversion costs from outside hires.

The agreement with Diesel Unit Preservation Association (DUPA) was terminated during the year with the aim of reducing the number of units on site to a single working 2 car unit representative of the area. Whilst outside the term of this report we did subsequently reach an amicable agreement which will see our aim realised by mid 2010.

Special mention of the work of Mike Stanbury in dealing with Museum Accreditation is needed with a successful application allowing us to be one of the first in the sector to achieve this important transition from being Registered to being fully Accredited. It is also important to thank Mike for his often lone efforts with Curatorial matters and especially pleasing that he was able to pass across the Curatorial responsibilities to Jaki Collinson who brings new energy and enthusiasm for improving access to our collection.

The next year looks to be a milestone, not just because it will mark 40 years since moving into Chappel, as we open two new heritage buildings and the Gresley coach exhibition vehicle and MOD wagon display. The revision and update of the Long Term Plan with corresponding rolling stock restoration programme is next and will herald 2011 with the 40th anniversary celebrations of the first steam day at Chappel. With your continuing support we can make a fitting conclusion to our first four decades and look forward with confidence to the next.

Membership and Museum visitor attendance

Our membership base continues to stay largely static again due to the influx of new members through the Railway Experience courses offsetting the loss of older members. We must increase our membership base if we are to improve the active participation on site at Chappel. We will be looking for help in this task and at the AGM hopefully a small team can be formed to take this important task forward.

The 'DOWT' were the largest revenue attracting events of the year but we saw related income fall as the recession bit home. The ongoing viability of DOWT was resolved during the year and we look to continue these financially successful events.

Public Benefit

As noted in the objectives and organisational structure section of the report, the charitable purpose of the museum is two fold; firstly the advancement of education in relation to railways and secondly the advancement of heritage regarding items of historical railway interest.

The achievements of these objectives by the company are detailed in the review of activities and achievements and review of financial position sections of the report.

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charities Commission.

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

Investment and reserves policy

The trustees have resolved to establish reserves to provide for future activities and they have wide powers of investment, through its share holding in the Trading Company and bank deposits. Also at the year end some of the funds in short term bank deposits were earmarked for fixed rate and term investment to provide improved returns, a move vindicated as interest rates collapsed soon after. The renegotiation of the N7 agreement has proved worthwhile and a way to clear the debt and build up a modest reserve ahead of overhaul is now possible.

Risk management

This continues to be a major concern of the trustees and all non-charitable activities are run through the Trading Company whose Directors are appointed with approval from the Trustees via the AGM. The trustees identify the major risks to which the Museum is exposed each financial year when updating the strategic plan, in particular those related to the operation of the Museum and its finances.

Plans for the future

The new Heritage Centre will be open by Easter 2010 along with Gresley C&W display vehicle and the ex MOD wagon display on the railways in wartime. The old Platform 2 building conversion into the Peter E Thompson exhibition room later in the year will be followed by reopening of the station masters office and ladies waiting room with the Railway Clearing House building. Further work on vintage coaches, wagon restoration and workshop facilities will further enhance our credibility as a centre of excellence for railway preservation.

Legal status

The Museum is an incorporated charity governed by Memorandum and Articles, there are no restrictions in the governing documents on the operation of the charity or on its investment powers, other than those imposed by general charity law. A plan to update the Constitution has not been progressed and a volunteer to take on this work is sought.

EAST ANGLIAN RAILWAY MUSEUM

TRUSTEES' REPORT

Trustees' responsibilities for the financial statements

The charity's trustees are responsible for preparing financial statements for each financial year that give a true and fair view of the charitable company's incoming resources and application of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements, the trustees are required to:

- * Select suitable accounting policies and then apply them consistently;
- * Observe the methods and principles in the Charities SORP;
- * Make judgments and estimates that are reasonable and prudent;
- * State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and Statement of Recommended Practice: Accounting and Reporting by Charities. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on
and signed on their behalf by

I Reed
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EAST ANGLIAN RAILWAY MUSEUM

I report on the financial statements of the company for the year ended 30 September 2009 as set out on pages 10 to 25.

This report is made solely to the charity's trustees, as a body, in accordance with the section 43, Charities Act 1993 (as amended). Our work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in this 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 charity and the charity's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for the year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act); and
- to state where particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EAST ANGLIAN RAILWAY MUSEUM

Independent examiner's statement

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

a) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Mr Timothy O'Connor ACA FCCA

820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

EAST ANGLIAN RAILWAY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 30 SEPTEMBER 2009

	Notes	Unrestricted Funds 2009 £	2008 £
Incoming resources			
Incoming resources from generating funds:			
Voluntary income	3	3,880	36,288
Income for generating funds	4	106,138	101,873
Investment income	5	2,239	3,712
Incoming resources from charitable activities	6	176,020	157,938
Total incoming resources		288,277	299,811
Resources expended			
Costs of generating funds	7	96,080	90,653
Charitable activities	8	166,437	151,307
Governance costs	9	4,641	4,783
Total resources expended		267,158	246,743
Net incoming resources before transfers		21,119	53,068
Net movement in funds for the year		21,119	53,068
Balances brought forward at 1 October 2008		332,441	279,373
Balances carried forward at 30 September 2009		£ 353,560	£ 332,441

Continuing operations

All incoming resources and resources expended derive from continuing activities

EAST ANGLIAN RAILWAY MUSEUM

INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 30 SEPTEMBER 2009

	2009 £	2008 £
Turnover	286,038	296,099
Direct costs of turnover	<u>(262,517)</u>	<u>(241,960)</u>
Gross income	23,521	54,139
Governance of the charity	<u>(4,641)</u>	<u>(4,783)</u>
Operating surplus	18,880	49,356
Interest receivable	<u>2,239</u>	<u>3,712</u>
Surplus for the year	<u><u>£ 21,119</u></u>	<u><u>£ 53,068</u></u>

A detailed analysis of income and expenditure is provided in the Statement of Financial Activities.

The income and expenditure account is derived from the Statement of Financial Activities on page 10, which, together with the notes to the financial statements on pages 14 to 25, provides full information on the movements during the year on all funds of the charity.

EAST ANGLIAN RAILWAY MUSEUM

BALANCE SHEET AS AT 30 SEPTEMBER 2009

	Notes	2009 £	2008 £
Fixed assets			
Tangible assets	11	443,635	482,020
Inalienable and historic assets	12	53,752	53,752
Investments	13	183,898	183,898
		<u>681,285</u>	<u>719,670</u>
Current assets			
Debtors	14	105,428	59,885
Cash at bank and in hand		163,190	167,724
		<u>268,618</u>	<u>227,609</u>
Creditors: amounts falling due within one year	15	<u>(101,067)</u>	<u>(59,752)</u>
Net current assets		<u>167,551</u>	<u>167,857</u>
Total assets less current liabilities		848,836	887,527
Creditors: amounts falling due after more than one year	16	<u>(9,488)</u>	<u>(69,298)</u>
Net assets		<u>£ 839,348</u>	<u>£ 818,229</u>
Funds			
Unrestricted funds	17		
Designated funds:			
Revenue reserves		353,560	332,441
Revaluation reserve		303,019	303,019
Development reserve		182,769	182,769
		<u>£ 839,348</u>	<u>£ 818,229</u>

EAST ANGLIAN RAILWAY MUSEUM

BALANCE SHEET AS AT 30 SEPTEMBER 2009

For the year ending 30 September 2009 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' Responsibilities:

- * The trustees have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- * The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board of Trustees on

and signed on its behalf by

I Reed
Trustee

Company Number: 2546486

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005, applicable accounting standards and the Companies Act 2006.

Cash flow

The financial statements do not include a cashflow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Restricted and designated funds

Funds restricted by the donor are treated as restricted funds. All other receipts are unrestricted funds however the charity has designated part of these funds for specific purposes. The aim and use of each designed fund is detailed in the notes to the financial statements.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost.

No amounts are included in the financial statements for services donated by volunteers.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

1 ACCOUNTING POLICIES (continued)

Incoming resources (continued)

Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example, government block grants.

Resources expended

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

The costs of activities in furtherance of the charity's objectives represent the cost of goods and services and ancillary trading costs that have been incurred in the charitable activities. These also include costs directly incurred in support of the objects of the museum

Costs of generating funds include running fundraising and museum events.

Governance costs are those incurred in connection with the compliance of the charity with constitutional and statutory requirements.

Inalienable assets

The Museum acquires and maintains artefacts in furtherance of its aims of preserving items of historical interest connected with the railways. The artefacts are capitalised at cost. The useful life of the assets is considered to be so long that any depreciation charge would be immaterial, therefore no depreciation is charged on these assets.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 are capitalised, including any incidental expenses of acquisition.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	-	2% straight line
Plant and machinery	-	10% straight line
Fixtures and fittings	-	15% straight line
Locomotive restoration	-	7 years straight line

No depreciation is provided in respect of inalienable and historic assets.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

1 ACCOUNTING POLICIES (continued)

Investments

The Museum holds controlling interests in subsidiary companies, which undertake other activities at the same location.

Taxation

The trust is a charity within the meaning of Section 506(1) of the Taxes Act 1988. Accordingly the trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Consolidation

In the opinion of the directors, the charitable company and its subsidiary undertakings comprise a small group. The charitable company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

2 WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

3 VOLUNTARY INCOME

	2009 £	2008 £
Donations from branches	1,187	1,650
Other donations	2,693	34,638
	<u>£ 3,880</u>	<u>£ 36,288</u>

4 INCOME FOR GENERATING FUNDS

	2009	2008
Museum events	<u>£ 106,138</u>	<u>£ 101,873</u>

5 INVESTMENT INCOME

	2009	2008
Bank interest receivable	<u>£ 2,239</u>	<u>£ 3,712</u>

6 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2009 £	2008 £
Museum members' expenses	5,489	5,488
Museum admissions	130,841	123,280
Steaming fees	39,690	29,170
	<u>£ 176,020</u>	<u>£ 157,938</u>

7 COSTS OF GENERATING FUNDS

	2009	2008
Museum events expenditure	<u>£ 96,080</u>	<u>£ 90,653</u>

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

8 CHARITABLE ACTIVITIES

	Activities undertaken directly 2009 £	2008 £
Museum members' expenses	1,599	329
Museum admissions	164,838	150,978
	<u>£ 166,437</u>	<u>£ 151,307</u>

Charitable activity expenditure can be further analysed as follows:

	2009 £	2008 £
Cost of goods or services as a charitable activity	91,458	77,930
Wages and national insurance	21,738	21,473
Magazine publishing	2,395	1,730
Publicity	4,042	3,400
Travelling	113	388
Repairs, renewals and premises	-	939
IT and internet charges	295	632
Bank charges	540	446
Sundry expenses	1,084	755
Professional fees	180	180
Insurance	4,608	4,691
Membership expenses	1,599	329
Depreciation	38,385	38,414
	<u>£ 166,437</u>	<u>£ 151,307</u>

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

9 GOVERNANCE COSTS

	2009 £	2008 £
Accountancy fees	3,801	4,127
Trustee indemnity insurance	840	656
	<u>£ 4,641</u>	<u>£ 4,783</u>

10 STAFF COSTS

	2009 £	2008 £
Gross salaries	20,924	20,590
Social security costs	814	883
Total staff costs	<u>£ 21,738</u>	<u>£ 21,473</u>

	2009 No.	2008 No.
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The actual number of employees during the year was made up as follows:

Charitable activities	<u>4</u>	<u>4</u>
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The average monthly number of employees, calculated on a full time equivalent basis, during the year was made up as follows:

Charitable activities	<u>1</u>	<u>1</u>
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No employee received emoluments of more than £60,000.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

11 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Other tangible assets £	Total £
Cost or valuation			
At 1 October 2008	420,110	255,708	675,818
At 30 September 2009	<u>420,110</u>	<u>255,708</u>	<u>675,818</u>
Depreciation			
At 1 October 2008	64,357	129,441	193,798
Charge for the year	<u>8,402</u>	<u>29,983</u>	<u>38,385</u>
At 30 September 2009	<u>72,759</u>	<u>159,424</u>	<u>232,183</u>
Net book values			
At 30 September 2009	<u>£ 347,351</u>	<u>£ 96,284</u>	<u>£ 443,635</u>
At 30 September 2008	<u>£ 355,753</u>	<u>£ 126,267</u>	<u>£ 482,020</u>

The museum signed an agreement with North Norfolk Railway PLC, in which a debt of £146,480 was agreed against the restoration of the locomotive to running order by the NNR. The restoration work has been capitalised within other assets and is being depreciated over a period of 7 years.

The loan is being repaid from monies accruing from daily hire charges for use of the locomotive by the North Norfolk Railway PLC and by payment of other hire fees earned from other railway companies to the NNR, the loan will be fully repaid over a period of 5 years ending 1 January 2011.

During 2007, costs of £34,272 of costs were incurred in relation to the restoration of the Jubilee locomotive. The restoration work has been capitalised within other assets and is being depreciated over a period 7 years, as this is the period of service the restoration work will provide.

As land and buildings are not separately identifiable, land has been depreciated at a rate of 2% straight line.

The freehold property was valued for insurance purposes in May 1999 by John V Story & Co. a firm of independent Chartered surveyors. The Trustees consider the basis inappropriate though any adjustment to bring the value to market value is seen as immaterial.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

11 TANGIBLE FIXED ASSETS – (continued)

Comparable historical cost basis for the freehold land and buildings included at valuation :

	£
Cost	
At 1 October 2008 and 30 September 2009	<u>117,091</u>
Depreciation	
At 1 October 2008	20,536
Charge for the year	<u>2,342</u>
	<u>22,878</u>
Net Book Value at 30 September 2009	<u>£ 94,213</u>
Net Book Value at 30 September 2008	<u>£ 96,555</u>

12 INALIENABLE AND HISTORIC ASSETS

	2009	2008
Rolling stock	<u>£ 53,752</u>	<u>£ 53,752</u>

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

13 FIXED ASSET INVESTMENTS

	2009	2008
Unlisted investments		
Cost at 1 October 2007 and 30 September 2008	£ 183,898	£ 183,898
Unlisted investments comprise:		
	Cost	2008
	£	£
East Anglian Railway Museum (Trading) Limited	179,899	179,899
Eastern Counties Railway Company Limited	3,999	3,999
	£ 183,898	£ 183,898

The charity's investments at the balance sheet date in the share capital of companies include the following:

East Anglian Railway Museum (Trading) Limited

County of incorporation: England and Wales

Nature of business: Operating the trading aspects of the East Anglian Railway Museum

Class of shares:	% holding	2009	2008
Ordinary	92	£	£
Aggregate capital and reserves		496,434	496,974
(Loss)/profit for the year		(440)	(11,939)
Turnover		113,785	102,930

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

13 FIXED ASSET INVESTMENTS – (continued)

Eastern Counties Railway Company Limited

County of incorporation: England and Wales

Nature of business: Development of land at Railway Station

Class of shares:	% holding	2009	2008
Ordinary	98	£	£
Aggregate capital and reserves		3,204	3,204
(Loss) for the year		-	-

14 DEBTORS

	2009	2008
	£	£
Amounts due from associated or subsidiary undertakings	104,978	57,475
Other debtors	450	2,410
	£ 105,428	£ 59,885

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009	2008
	£	£
Locomotive restoration loan	42,840	26,870
Other creditors	1,308	-
PAYE and national insurance	718	372
Accruals and deferred income	52,997	25,791
Trade creditors	-	3,515
Amounts due to subsidiary undertakings	3,204	3,204
	£ 101,067	£ 59,752

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

16 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2009	2008
Locomotive restoration loan	<u>£ 9,488</u>	<u>£ 69,298</u>

The locomotive restoration loan is being repaid from monies accruing from daily hire charges for the use of the locomotive by North Norfolk Railway PLC and by payment of other hire fees earned from other railway companies to the NNR, the loan will be fully repaid over a period of five years ending 1 January 2011.

17 UNRESTRICTED FUNDS

	Balance at 1.10.08 £	Movement in funds		Balance at 30.9.09 £
		Incoming resources £	Expenditure, (gains)/losses £	
			Transfers £	
Designated funds:				
Revenue reserves	332,441	288,277	(267,158)	-
Revaluation reserve	303,019	-	-	-
Development reserve	182,769	-	-	-
	<u>£ 818,229</u>	<u>£ 288,277</u>	<u>£ (267,158)</u>	<u>£ -</u>
	<u>£ 818,229</u>	<u>£ 288,277</u>	<u>£ (267,158)</u>	<u>£ 839,348</u>

The revaluation reserve reflects the 1999 valuation of the freehold land and buildings at insurance value.

The development fund relates to the accumulated funds of the now defunct Stour Valley Railway Preservation Society, transferred to the charity with the intention of the fund being used to invest in the museum and its assets.

The charity maintains the revenue reserve as a general unrestricted fund, which represents funds expendable at the discretion of the charity. Such funds may be held in order to finance both working capital and capital investment.

EAST ANGLIAN RAILWAY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 SEPTEMBER 2009

18 LEGAL STATUS

The charity is a company limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

19 RELATED PARTIES

At 30 September 2009 the Museum held the following inter company balances with its subsidiaries. Debtor balances of £104,978 (2008 : £57,475) with East Anglian Railway Museum (Trading) Limited and a creditor balance of £3,204 (2008 : £3,204) with Eastern Counties Railway Company Limited.

During the year the museum paid rent of £60,000 to East Anglian Railway Museum (Trading) Limited, (2008 : £45,000).

No remuneration has been paid to trustees during the year. Expenses of £376 (2008 : £499) have been paid to Trustees during the year.

20 CONSOLIDATED ACCOUNTS

Consolidated accounts have not been prepared as they are not considered necessary in order to show a true and fair view for the group as a whole, due to the small size of the subsidiaries.