

Bahamas Locomotive Society

AGM 24 October 2020

Finance Report

Good afternoon ladies and gentlemen. As Finance Director I would like to highlight a few of the major points regarding the accounts for the calendar year 2019. I know that accounts are not everyone's favourite subject, so I will keep my comments fairly brief and avoid bombarding you with lots of figures. I will cover the Society first and then comment on Bahamas Loco Trading, the trading subsidiary owned by the Society.

A summary of the accounts was included in a previous Journal and the full set of accounts has been made available on our website.

The headline result for the Society is that a profit of £13,000 in 2018 has turned into a loss of £20,000 in 2019. There are a number of reasons for this reversal.

1. Our income in the year reduced by £68,000. This was mainly due to the reduction in grants due from NLHF as the Bahamas project came to an end. In addition, in 2018 we received legacies and single donations totalling £17,000 which, by their nature, are one-off and non-recurring.
2. The profit from Bahamas Loco Trading showed a substantial increase of £9,000 in the year. I will say more about this later.
3. Although our income reduced substantially in the year, our expenditure reduced as well and was £36,000 lower than last year.
4. Our Duty Officers are employed by Bahamas Loco Trading. Their costs were previously covered by the NLHF up to 31 March 2019 and so were shown as part of outreach activities in the Society's accounts. From 31 March the duty officer costs were not grant-aided and therefore appear in the accounts of Bahamas Loco Trading, their employer. Overall there is a saving in payroll costs of £19,000 in the Society's accounts compared to 2018.
5. Expenditure on "Bahamas" reduced by £26,000 compared to 2018 as the project reached its conclusion in 2019.

You will appreciate that there are a multitude of demands on our finances at the current time. All of our locos except Bahamas are now static and awaiting overhaul. Although the finances of the Society remain in a healthy state there is a continuing need to raise funds to finance our future activities and to ensure that Bahamas remains on the main line.

I would now like to say a few words about Bahamas Loco Trading. As mentioned earlier, profits increased by £9,000 in the year. The main reason was a substantial increase in

income. 2019 saw the first contribution from Bahamas, with hire income from running on main and preserved lines amounting to over £42,000. In conjunction with this our outsales - mainly sales on main line trips - increased by almost £6,000 in the year. Offsetting this increase in income were higher payroll costs as already explained. Such costs in 2019 amounted to £35,000 compared to £5,000 in 2018.

Finally it would be remiss of me not to mention the current pandemic and the effect on our finances. I am pleased to report that, as a result of donations by members, an emergency grant from NLHF and support from local councils, we have all our expenses covered until the end of 2020. Given that even attempting to forecast the next few weeks and months is fraught with problems, it is difficult to look ahead to 2021. There are indications that there will be work forthcoming for Bahamas on the main line in 2021, but obviously such income must be regarded as uncertain at present. The Trustees continue to explore possibilities for third party funding with a view to bridging the gap until our income returns to a more normal level.

Thank you for listening. If you have any questions please ask them now.

DJG
22 September 2020