

The Darjeeling Himalayan Railway Society

Activity Report and Financial Statements

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DHRS 20th ANNIVERSARY CELEBRATION

A day at The Beeches

Heyford Road, Steeple Aston, Oxfordshire, OX25 4SN

Sunday, 1st July 2018 from 11am



- Ride behind No19 in the FR-built DHR style coaches
- Fabulous photo opportunities
- Exhibitions and Presentations
- Visiting locomotives
- Indian Hill Railway model layout
- Rides, buffet lunch and soft drinks

≈ Tickets are £25 per person. Note that the tickets are for entry to the grounds and this includes all the above.

Entry is by pre-booked ticket only so early booking is essential.

The Darjeeling
HIMALAYAN RAILWAY SOCIETY

BOOKING FORM FOR THE BEECHES LIGHT RAILWAY, 1st JULY 2018

Please send me tickets at £25 per person

I enclose a cheque for £ Payable to DHRS

Membership number if known:

Name:

Address:

.....

Please return this form to:

Janine Bird, Bryn Rhyd, Betws Garmon, Caernarfon LL54 7YR

by 1st June 2018, and do please remember to enclose a SAE for your tickets.

20 YEARS
DHRS

The Darjeeling Himalayan Railway Society

ACTIVITY REPORT FOR THE YEAR 2017

CHAIRMAN'S REVIEW

David Barrie

Once more I am pleased to present my annual report to you for the 21st AGM as a Society, and the 8th AGM as a company limited by guarantee.

As I write this we are fast approaching our 20th anniversary. I have written for the February 2018 issue of The Darjeeling Mail an overview of how we were founded and how we successfully sought to fulfil our mission statement, 'To promote awareness of, interest in, and support for the DHR'. After the 4 month Bandh (strike) that so badly affected the Darjeeling area and consequently the DHR in 2017, I wanted to put things in perspective, because we humans tend to see events in a short term way. Consequently it was important to see this wider perspective. There is no doubting Indian Railways' commitment to the DHR (and the other hill railways) and the DHRS is proud to have played its part in this. Although the Bandh was challenging and included the destruction of DHR property, the railway reopened throughout in December and I will briefly mention some other DHR oriented highlights.

First, in August 2017 a great supporter of steam heritage in India, Shri Ashwani Lohani, was appointed Chairman of Indian Railways. My Vice-Chairman, Paul Whittle, and I first met Shri Lohani a decade and a half ago when he was in the UK researching our steam heritage railways. We were both extremely impressed and it is very gratifying to see him rise to the top.

Amongst other key 'good news' stories are that Bagdogra airfield is growing, with more flights and in turn, more tourists. For those of us concerned about the future of the iconic 'B' Class locomotives, a contract was agreed for the supply of new spares.

Throughout the year Members have been kept informed through the pages of our simply peerless magazine. David Charlesworth produces something that must be one of the best magazines around. I'm sure that it is highly regarded by all those to whom we send it to in India, including high-ranking Indian Railway officers. It must make an impact. The UNESCO Comprehensive Conservation Management Plan (CCMP), delayed by the Bandh, has recommenced and should be finalised this year. Lastly, I was invited, with the invaluable help of Paul, to write an article headed 'The Darjeeling Himalayan Railway Society Story' for Indian Railways magazine. This is the in-house magazine for Indian Railways and is very widely read.

Now to the activity reports. All the Society officers are hard working, extremely dedicated, and masters of their responsibilities. I urge you to read their reports.

I must say a note of thanks to our active President, Adrian Shooter, (and his supportive wife, Barbara). Adrian's expertise is very much appreciated. Apart from representing us in India, Adrian and Barbara generously host us each year at The Beeches. Planning is well-advanced for our special 20th Anniversary Event there on 1 July and we hope to be joined by several members of our twinned body, The Indian Steam Railway Society, with whom our links go from strength to strength.

To the other UK-based initiatives, the Education Group, the Darjeeling Railway Community Support, Darjeeling Tours, and the DHR Heritage Foundation headed by Benedict Cadbury, I wish to offer my profound thanks. I am delighted we also maintain good links with the British Gurkha Welfare Society and the UK Darjeeling Society.

In India, the DHRS is well-served by Vivek Baid, President of the DHR India Support Group, by the wonderful ladies of the Darjeeling Inner Wheel Club, by our Patron, Sir Mark Tully, and for our partners such as the environmental group, FOSEP. Within Indian Railways, I would like to thank all those who are part of the will to make the DHR truly worthy of its World Heritage status, and to thank the Director DHR, Mr Narzary and of course the Executive Director Heritage, Subrato Nath, who are so committed.

Your Board met four times during the year and continues to operate both effectively and efficiently. I must also make special mention of our Membership Secretary and Events Organiser, Janine Bird, who has, as she always does, organises the smooth running of our AGM. I also thank our reporting accountant, Derek Williamson, whose advice and counsel always prove invaluable.

Finally, if we take one single factor from the recent turbulence in Darjeeling, it is that you can't keep a good railway down. Thank you Indian Railways for your dedication to the DHR and thank you Members for your continued support.

VICE CHAIRMAN/PUBLIC RELATIONS

Paul Whittle

Renewed political pressure for Gorkhaland caused the cessation of DHR services from June to December and arson attacks on DHR property. Throughout this period we remained in close contact with Indian Railways and UNESCO as to how the DHR could be safe-guarded. However, with all DHR staff unable to work, our normal liaison activity and contacts were severely curtailed.

We continued our support to our long-standing partner/Darjeeling NGO, the Federation of Societies for Environmental Protection (FOSEP). Fortunately their extensive planting programme at Pagla Jhora, Gayabari and elsewhere was completed before the troubles started.

Indian Railways has indicated it wishes to increase the devolved management responsibilities on the DHR and the other hill railways. The Society is reviewing how it might contribute to/add value to any new arrangements. Help was given to the then Director, DHR in producing the new 'Back on Track' book and it is hoped Mr and Mrs Bhutia will be our guests at the 20th Anniversary Event on 1 July.

During the year Paul Whittle gave eleven DHR-themed talks to a wide variety of groups and Chairman David Barrie gave fifteen talks.

ENGINEERING

David Mead

The major issue of the maintenance and inspection of boilers is still outstanding with no confirmation that they comply with Indian legislation. We still do not have affective communications with the ADME or CME NFR. Paul Whittle has, however, recently made contact with the CME and we are therefore hoping that communications will improve.

Following the reported use of outside contractors to supply new parts for the 'B' Class steam locomotives we have no confirmation that this happened or the quality of the parts.

One positive note is recent contact with the CME NR re boiler/flue tubes and new boilers for the WP's at Rewari. We have been able to supply details of UK suppliers and will continue to support the CME. I plan to visit the DHR and Rewari in November and will take the opportunity to obtain updates on the outstanding issues and how we might help in the future.

EDUCATION GROUP

Paul Whittle

The Society continued to sponsor the DHR Schools Awareness Programme with the steadfast support of the ladies of the Inner Wheel Club of Darjeeling.

In mid-November over 100 children from Hayden Hall, Darjeeling and the Congress School, Ghum enjoyed a variety of events including a Joy Train ride.

EDITOR

David Charlesworth

The Darjeeling Mail

Production costs of The Darjeeling Mail remained unchanged for another year, this being entirely due to extreme competition among printers. Good for us, as some of it is due to more efficient production methods, but in general however, it is a very unhealthy sign for the industry.

Interesting to note that in our 20th year, printing costs are now up by only around 15% from 20 years ago.

The series "Up the Line" continues and I will again take this opportunity to thank everyone for their compliments and valuable help. Peter Jordan, David Churchill, Peter Tiller and Richard Wallace especially.

Thanks are also due to everyone who sent articles. A number of names need particular thanks. Society Officer David Churchill and Australian Member Warren Miller, who continue to find the most unexpected pieces of historical information. Peter Tiller, our former Heritage Officer, and Richard Wallace, who are always available to help me. Finally, Peter Jordan for his extensive and, most important, catalogued image archive.

Publications and Future Publications

The long-awaited 'B' Class locomotives should be ready for launch on 1 July 2018 and the No.19 booklet was released as planned on a beautiful day at The Beeches in September.

Books on DHR rolling stock, Up the Line, with details on stations and buildings, and more picture books are being considered.

The Image Archive

Work is continuing but slowly on the Image Archive. The size of the job has increased still further with almost 16,000 negatives from the truly exceptional railway photographer, Laurie Marshall.

FINANCE

Peter Jordan

2017 has produced another satisfactory year with the bank balance rising by about £7,000 over the previous year. In particular, the subscription income plus donations received show a small increase on the previous year.

We still hold the £14,098 kindly transferred from the now-defunct Supporters Association, and this will (with their agreement) be spent on the railway. We expect 2018 to be equally good.

MEMBERSHIP

Janine Bird

The membership dropped slightly from 688 in October 2016 to 655 in October 2017.

DTL clients were offered a year of free membership

The Sales Director offered a discounted subscription, from May to November, to people who bought from the Society's Sales Stand.

Both initiatives are being repeated in 2018.

EVENTS

Janine Bird

Darjeeling Mail

The Darjeeling Mail continued to contain a regular article which gave information about forthcoming events, talks and any shows at which the Society's Sales Stand would be present.

DHRS web site

Details of events, shows and Sales Stand bookings are on the web site's DHRS Events page. This was updated regularly in conjunction with the Sales Director, Public Relations Director and Webmaster.

DHRS visit to The Beeches Light Railway

59 members and friends attended the Society's 2017 visit. The 2018 date is Sunday 1st July. This will be a celebration of the DHRS's 20th anniversary.

SALES AND EXHIBITIONS

Peter Barnes

Sales during 2017 were 12.7% down on last year's total. However, gross profit (sales less cost of products and postage) however was up 7.5% at £4,896.46 compared to £4,552.86 last year thanks to an improved mix of products sold and a smaller proportion of trade sales.. New books launched during the year have done very well, notable Darjeeling's Wonderful Railway which came from nowhere to be our best seller in 2017. This just emphasises the continued need for new items to sell. As in previous years I'm well aware that I keep meeting the same regular faces at Exhibitions and Shows.

To this end I will be looking forward to publication of an important new book about the 'B' Class locomotive. This should be launched at our 20th Anniversary event at The Beeches on 1 July and I hope it will be advertised in the May issue of the Darjeeling Mail. If so, members will have the opportunity to pre-order copies free of UK postage.

During the year the Society Stand again visited a number of exhibitions including Narrow Gauge North, the 009 Society AGM, Alexandra Palace, the 16mm Society Garden Railway Show, the East Anglian Garden Railway show, ExpoNG at Swanley and the Warley exhibition at the NEC. The stand also visited various Narrow Gauge railway events: 3 Open Days at The Beeches, and 2 Open Days at Statfold Barn. We will be at Statfold again this year and once more I emphasise that anyone fascinated with narrow gauge steam engines who hasn't been there should book a ticket for an Open Day without delay. See the events column in The Darjeeling Mail for details

Most of these events are being visited again in 2018. My personal commitments are making it increasingly difficult to attend exhibitions on Sundays and so the Society continues urgently looking for a successor. To ease matters, our Secretary, Martin Collins, now holds a separate exhibition stock and is undertaking some shows on the Society's behalf. He will have items at this year's AGM which I shall have to miss.

The Society's grateful thanks are due to those Members, who have helped at exhibitions and made them such a success. Assistance is always very welcome and both the present Sales and Exhibitions Director, Peter Barnes, and whoever takes over from him will look forward to meeting more of the Society's Members at future exhibitions.

WEBMASTER

Michael Melbourne

During the year there have been a number of updates to the website following the rebuilding of the line at Tindharia but further news was limited by the political problems along the line. I am grateful for photographs sent to us, these are all helpful in keeping the website up to date.

Peter Barnes as Sale Officer has kept me informed of changes to DHRS Shopping web pages as new items have been added and some deleted as stock is depleted.

MODELLING

David Churchill

During the year there have been a good number of modelling related enquiries on a wide variety of topics, usually via e-mail. These have included requests for information, usually drawings, detail photographs or liveries, on the 'B' Class and Pacific locomotives and coach designs and lettering.

In addition there have been questions on historical subjects including the oil-fired locomotives and operation of the 'B' Class.

There have been useful family / local history contacts regarding individuals connected with the DHR in the early days.

A first draft of the 'B' Class book is nearly completed.

TOURS

Karen Nixon

2018

So far the Indian Mountains and The Steam Railway Magazine Tour have been very successful and enjoyable with good attendance on both tours. There is also a favourable amount of people booked on both The Magic and Narrow Gauge Extravaganza Tours.

The tour in June to California is not looking promising due to lack of numbers. It may be that we need to review this tour in the hope that it will go ahead.

The Colorado Tour in September is meeting all expectations and attendance on the Australia Tour is promising and will be going ahead.

2019

It is with deep regret and disappointment that we have been informed that the Darjeeling Mail Tour will not be going ahead due to difficulties in India. We look forward to the issues being resolved soon so we can plan for 2020.

The Magic Tour will hopefully be its usual success and we are sure that Bhutan and Maine will go ahead. The India Triangle Tour is looking very hopeful too.

DRCS LIAISON

David Mead (in his capacity as Director responsible for Darjeeling Railway Community Support (DRCS) liaison)

In 2017 DRCS had an income of £5,454 and donations to India were £4,025. Donations were lower than planned due to issue with the Indian Government license allowing Vivek Baid's NGO to receive funds from UK. This money is being held in reserve until the issue is resolved.

So far DRCS will have sent £51,427 to India since the Charity was formed. In 2017 we planned to fund the setting up a computer centre at Rohini School, repairs to Sukna Forest Primary School, a Tea Garden School near Tindharia but these project are on hold until the issue with the Government License are resolved. The building of a refuge for homeless people in Darjeeling for Hayden Hall is progressing but has been delayed due to the political situation . The 2018 programme of grants has yet to be agreed.

DIRECTORS' REPORT

The Directors are pleased to present their Report together with the Financial Statements of The Darjeeling Himalayan Railway Society ("the Society") for the year ended 31 December 2017. The attached Financial Statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Name:	The Darjeeling Himalayan Railway Society The Society is also known as "DHRS"
Patron:	Sir Mark Tully, KBE
President:	Adrian Shooter, CBE
Company number:	7406570
Registered Office:	9 Wardo Avenue, London SW6 6RA
Principal Activity:	To promote awareness of, interest in, and support for, the Darjeeling Himalayan Railway ("the DHR").
Directors:	The Directors serving for the whole of 2017 were as follows: D J Barrie P J L Barnes D Charlesworth M Collins P Jordan D E Mead M P Melbourne P D Whittle Changes in Directors holding office were as follows: T J Hadfield (resigned 1 July 2017)
Company Secretary:	M Collins
Bankers:	HSBC 31 Carolgate Retford Nottinghamshire DN22 6DA.

STRUCTURE AND GOVERNANCE

Governing Document

The Society was founded on 29 November 1997 as an unincorporated society. On 13 October 2010, the Society was incorporated under the Companies Act 2006 as a company limited by guarantee, registered in England and Wales. It commenced trading on

1 January 2011, when it took over the assets and liabilities of the unincorporated Society.

The Society is governed by its Memorandum and Articles of Association.

Appointment of Directors

As set out in the Articles of Association, Directors are elected at general meetings of the Society. The Directors may by resolution appoint a person who is willing to be a director but such director must retire at the next annual general meeting. The Directors are all volunteers and do not receive any remuneration other than that permitted under the Articles. Directors are entitled to reimbursement of direct expenses.

Organisation

The Board of Directors administers the Society. It meets at regular intervals during the year.

Allied Organisations

The Society operates alongside a number of other independent organisations which are not a part of the Society, and over which the Society exercises no control and with whom the Society has no financial involvement other than as stated in the notes describing each organisation below.

Indian Railways (IR)

On 30 September 2007, a Memorandum of Understanding was signed between IR and the (then unincorporated) Society. This MOU provides for co-operation between IR and the Society for mutual technical benefit and heritage conservation/sustainability issues concerning the DHR and its buffer zones.

Darjeeling Railway Community Support (DRCS)

DRCS is a registered charity that supports communities in the area of the DHR.

Darjeeling Tours Limited (DTL)

Darjeeling Tours Ltd organises tours to Darjeeling and elsewhere. DTL pays the Society £10 per passenger for tours run to Darjeeling by DTL. It also provides a valuable source of income by advertising in The Darjeeling Mail. By providing tours to Darjeeling, DTL directly assists the Society to fulfil its object under Article 4(1)(e), namely to encourage Members of the Society and the general public to visit the DHR. Tour participants are encouraged to become Members of the Society by the grant to those, who are not already Members, of a full-year's free trial Membership.

Indian Steam Railway Society (ISRS)

On 18 February 2012, a Memorandum of Understanding was signed between ISRS and the Society. This MOU provides for both parties to promote the aims and objectives of the other party, in particular relating to the DHR and "Steam Heritage in India".

Darjeeling Himalayan Railway Heritage Foundation (DHRHF)

The DHRHF was founded in India in 1993, when the DHR was faced with closure. The Society (then unincorporated) became affiliated to the DHRHF in December 1998. The DHRHF continues to be based in India. Its primary object is "to encourage the restoration, renewal and preservation of the Darjeeling Himalayan Railway and its railway stations as a living museum". This and its other objects are compatible with those of the Society.

India Support Group (ISG)

Based in Siliguri, the ISG supports the Society in promoting the DHR.

**Approved by the Board of Directors on
16 January 2018 and signed on its behalf by:**

(Signed)

D J BARRIE

Director and Chairman

The Darjeeling Himalayan Railway Society

Accountants' report to the board of directors on the preparation of the unaudited statutory accounts of The Darjeeling Himalayan Railway Society for the year ended 31 December 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Darjeeling Himalayan Railway Society for the year ended 31 December 2017 which comprise of the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

We are subject to the Institute of Chartered Accountants in England and Wales ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Our work has been undertaken in accordance with AAF 2/10 as detailed at icaew.com/compilation.



Goddards Accountants Kingston Ltd.

Chartered Accountants

8 High Street

West Moseley

Surrey KT8 2NA

16 January 2018

The Darjeeling Himalayan Railway Society

**Income & Expenditure account
for the year ended 31 December 2017**

Income

Subscriptions
Donations received
Sales of publications, DVDs, etc.
Income from events

Costs

Magazine costs
Cost of goods sold and selling costs
Events and publicity

Gross surplus

Bank and credit card charges
Other administration expenses
Donation to Federation of Societies for Environmental Protection
Donations to Inner Wheel (Education Group)
UNESCO event prize
Indian liaison work
Research work
Engineering Projects

Operating surplus

Interest receivable

Surplus for the financial year

Reserves brought forward
Total reserves carried forward

	2017 £	2016 £
	14,014	14,630
	3,405	1,829
	9,859	11,246
	2,350	4,274
	29,628	31,979
	9,881	10,232
	7,839	7,644
	2,236	2,919
	19,956	20,795
	9,672	11,184
	691	519
	2,857	3,414
	1,682	800
	1,779	803
	500	452
	—	1,557
	500	2,043
	750	
	8,759	9,588
	913	1,596
		—
	19	20
	932	1,616
	44,872	43,256
	45,804	44,872

The Darjeeling Himalayan Railway Society

Balance sheet as at 31 December 2017

		Notes	2017 £	2016 £
Current assets				
	Stock		14,054	14,932
	Debtors	2	1,091	672
	Cash at bank		57,504	50,428
			72,649	66,032
Creditors: amounts falling due within one year				
	Creditors		2,900	—
	Subscriptions received in advance		6,602	3,817
		3	9,502	3,817
Net current assets			63,147	62,215
Net assets			63,147	62,215
Capital and reserves				
	Income and expenditure account	4	49,049	48,117
	Other reserves	5	14,098	14,098
Society's funds			63,147	62,215

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

(signed)

D J Barrie

Approved by the Board on 16 January 2018.

The Darjeeling Himalayan Railway Society

Notes to the accounts

for the year ended 31 December 2017

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Stock

Stock is valued at the lower of cost and estimated net realisable value

2 Debtors

	2017	2016
	£	£
Trade debtors	637	672
Prepayment	454	—
	<u>1,091</u>	<u>672</u>

3 Creditors: amounts falling due within one year

	2017	2016
	£	£
Subscriptions received in advance	6,602	3,817
Other creditors	2,900	—
	<u>9,502</u>	<u>3,817</u>

4 Income and expenditure account

	2017	2016
	£	£
Surplus for the year	932	1,616
Release of Siliguri Museum and New Coach funds	—	3,245
	<u>48,117</u>	<u>43,256</u>
Reserves brought forward		
At 31 December	<u>49,049</u>	<u>48,117</u>

5 Other reserves

Other reserves represent funds held for specific activities and which are not available to support the general activities of the Society

	2017	2016
	£	£
Rolling stock restoration/conservation	<u>14,098</u>	<u>14,098</u>

6 Related party disclosures

Notions by Design, a business owned by David Charlesworth, provided administrative services to DHRS of £13,369 (2016: £15,287).

7 Limited by Guarantee

The liability of the Members is limited to a guarantee of £1 each.

The Darjeeling Himalayan Railway Society

Income & Expenditure account

for the year ended 31 December 2017

	2017		2016	
	£	£	£	£
Turnover		29,628		31,979
INCOME				
Subscriptions		14,014		14,630
Sales				
Income	9,859		11,246	
Cost of goods sold	6,102		5,853	
	3,757		5,393	
Selling costs	1,737	2,020	1,791	3,602
Donations received		3,405		1,829
Interest received		19		20
Events				
Income	2,350		4,274	
Costs	2,236	114	2,919	1,355
		19,572		21,436
EXPENSES				
Magazine costs (net)		9,881		10,232
Publicity		-		-
Bank and card charges		691		519
Other administration expenses		2,857		3,414
		13,429		14,165
Surplus on ordinary activities		6,143		7,271
USE OF FUNDS				
Research work		500		2,043
Inner Wheel (Education Group)		1,779		803
Liaison with Indian societies		-		1,557
UNESCO competition prize		500		452
Donation to FoSEP		1,682		800
Rolling stock restoration		750		-
		5,211		5,655
FUNDS INCREASE		932		1,616
Society's total reserves at 1 January		62,215		46,501
Specific donation from DHRS Supporters				
Association - Australia		-		14,098
		63,147		62,215