



THE ALN VALLEY RAILWAY TRUST
(A company limited by guarantee and not having a share capital)

CHARITY NUMBER 1063332

COMPANY NUMBER 03319861

TRUSTEES REPORT AND
UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 December 2022



THE ALN VALLEY RAILWAY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

NAME OF CHARITY: The Aln Valley Railway Trust

INCORPORATION: The company was originally incorporated on 12th February 1997 and registered as a charity on 8th July 1997.

OFFICERS:
(Directors and Trustees)

M Proctor (Chair)
R Maughan (Deputy Chair)
C Freeman
Mark Hayton
G Head
A Hogg
K Holden
G Maughan
R Sewell
A Stone
P Stonell

The following Director/Trustee was appointed during the year:
M Clark (appointed 23rd July 2022)

The following Director/Trustee served during the year:
Maureen Hayton (resigned 23rd July 2022)

COMPANY SECRETARY: Peter Stonell

REGISTERED OFFICE: Lionheart Railway Station
Lionheart Enterprise Park
Alnwick
Northumberland
NE66 2EZ

INDEPENDENT EXAMINER: Richard Alsept Chartered Accountant
16 Burlington Terrace
Cardiff
CF5 1GG

BANKERS: Lloyds Bank

THE ALN VALLEY RAILWAY TRUST

CONTENTS	Page
Trustees Report	1 - 7
Independent Examiners Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 - 18

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The trustees present their report and the financial statements for the year ended 31 December 2022.

The trustees have prepared the annual report and financial statements in accordance with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The Aln Valley Railway Trust a registered charity and a company limited by guarantee. It was incorporated as a company on 12th February 1997 and registered as a charity on 8th July 1997, and its principal activity is the re-opening of the Alnmouth to Alnwick railway line and associated cycleway and footpath, and operating it as a Heritage Railway.

Trustees

The Trustees are charity trustees for the purpose of charity law and are Directors of the company. Trustees are appointed by the members at the Annual General Meeting (AGM) of the charity. The charity consists of individual members and corporate members. Any individual who supports the objects of the charity may be eligible for admission as a member, provided that he or she has attained 18 years of age. A body corporate supporting the objects of the charity shall be entitled to appoint one representative.

Trustee Induction and Training

A Trustee Information Pack is available to potential and new Trustees. Potential Trustees are invited to attend a Trustee meeting to find out more about the workings of the Board and the governance of the charity, after which they may feel better informed to make the decision to become a Trustee.

New Trustees are introduced to the charity, their legal obligations under charity law, the content of the governing document, the Trustees and the decision-making process, the business plan and financial performance of the charity during an induction period soon after appointment. Trustees are also encouraged to attend appropriate training events that will support effective conduct in their role.

Risk Management

Appropriate policies, procedures and systems have been put in place to mitigate the risks the charity might face. Significant external risks to funding, and the nature of funding across the Community and Voluntary Sector, have led to the development of a long term strategic plan including the identification of priority activities in relation to income generation.

Policies and procedures exist to ensure compliance with health and safety of all staff, volunteers and beneficiaries of the charity. This includes the provision of adequate insurance cover. These policies and procedures are reviewed annually or more frequently, on change of circumstances, to ensure that they continue to meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

The Charity is established for the purpose of restoring, preserving and operating railway locomotives, carriages, wagons, vehicles and other artifacts of historical interest and buildings connected therewith and in particular but without prejudice to the generality of the foregoing to restore the rail link between Alnwick and Alnmouth so as to bring the historic town of Alnwick into contact with the rest of the country for the benefit and education of the public and the preserving of books, drawings, records, documents, sound and visual recordings, cinematography films and photographs relating to such artifacts and vehicles, their history and their development.

REVIEW OF 2022

Achievements and Performance

Like all visitor attractions, 2022 was our first full operating season post Covid restrictions and achieving a return to 2019 levels of visitors has proven challenging for many Heritage Railways. For the Aln Valley Railway, the season started quite slowly, but numbers recovered during the course of the year, despite the ongoing threat of Covid and the far greater challenge of the cost of living crisis. In many ways, we have bucked the trend of increasing prices and falling visitor numbers that have been suffered by other Heritage Railways.

Thanks to judicious stockpiling of coal supplies during the period that the railway was closed due to Covid, we were able to maintain prices at 2021 levels and saw not only more visitors, but greater spend per visitor. A major contributor to the additional expenditure was the expanded café menu, offering a range of hot food for the first time. We were also able, thanks to a collaboration with Alnwick Brewery, to offer alcohol for sale in both the café and the shop. The brewery has one beer, *Huffin' and Puffin*, on sale that brings a small donation to the railway for each purchase and a second, *Seven Arches Ale*, that should be on sale in 2023.

While the café menu was limited by space, the availability of volunteers and the lack of mains electricity, this has been a huge growth area for the railway. Mains power in 2023 will mean more improvements including, for the first time, ice cream. Shop sales have also shown an increase on 2021 levels, with an expanded range of products on offer that are proving attractive to visitors.

Firsts

2022 saw the newly surfaced Greenrigg Halt being fully open to visitors for the first time, so people can leave the train there to walk down to the viaduct or stepping stones or simply to watch the engine run around. We have also seen a small, but growing, number of visitors joining the train at Greenrigg rather than Lionheart.

Following a successful trial at the end of the 2021 season, we were glad to welcome the privately operated Go Loco Miniature Railway (GLMR) to Lionheart. For 2021, this 7¹/₄" railway operated a short run from the café to the main gate. Following some revisions to the operating model, a significant extension is planned for 2023, which will see the track run from the main gate around to platform 2. The miniature railway has proven very popular with families and is one reason why visitors have stayed at Lionheart for longer. 2022 also saw our first diesel hauled passenger trains, using our Class 11, Shirley. Sadly, an engine failure mid-season meant that some later operating days needed to be replaced

THE ALN VALLEY RAILWAY TRUST

with Pacers. For 2023, we have two heritage diesels available to be rostered and plan to expand the service alongside steam and Pacer services.

Hudswell Clark 0-6-0T steam loco, Jennifer, saw a full repaint and re-lining and hauled its first passenger services at the AVR, including a successful Hudswell Clark gala, with Jennifer and Richboro double heading trains. Work continues with the owners to identify the cause of a poor ride quality, although minor changes to operating practice have resulted in some improvements.

The introduction of information display panels around the Lionheart site, accompanied by a family quiz, have improved the interpretation of some of the railway's hidden treasures and encourage visitors to explore more of the site.

Finally, a fourth steam loco arrived on site at the end of November. 0-4-0ST Merlin was built by Peckett and Sons in 1939 and worked for Bristol Gas Works before being saved for preservation. Privately owned and currently undergoing a 10 year boiler inspection, if the loco proves suitable for our line, we hope to see it on long term loan and entering service in 2023.

Other improvements

Work started in 2022 on the construction of a new museum – a modern building designed to look like a traditional North Eastern Railway building. This is on platform 2 and matches the design of the existing platform shelter. The new museum will be around four times the size of the old one, allowing more of our historic railway artefacts to go on display. This is expected to open in 2023.

Although not often seen by the public, operating a Heritage Railway requires a lot of plant and equipment, diggers, rollers, dumpers etc. 2022 saw the construction of a plant shed, allowing this vital equipment to be stored and maintained under cover for the first time.

We also saw the introduction of a new volunteer mess cabin, providing somewhere dry and warm for volunteers to take breaks. Previous provision was in a former static caravan, which was both inadequate in space and in very poor condition.

Undoubtedly, our greatest achievement in 2022 has been the completion of works to repair the Cawledge Viaduct. The viaduct had been neglected since the branch line closed in 1968 and blocked drainage chambers had led to water percolating through the brick arches. When this subsequently froze, significant damage was done to the brickwork. In 2021, work was started when the track was lifted, and a waterproof membrane and drain were installed to prevent any further water damage. In 2022, phase two of the work was done with extensive repairs to the damaged brickwork on the four worst affected arches. In some instances, four of the estimated five layers of bricks had been lost. The work was undertaken by rope access contractors and supervised by ecologists, who ensured that no harm came to the colony of soprano pipistrelle bats that had taken up residence in the cavities in the brickwork.

The work on the viaduct was funded primarily by donations, with the assistance of a loan from the National Lottery Heritage Fund that has acted like a bridging loan. The viaduct has now been passed for train services for the next five years and should give many more years of trouble-free service. The restoration of the viaduct has been shortlisted for the

THE ALN VALLEY RAILWAY TRUST

Heritage Railway Association's first Infrastructure Award in their annual awards to the sector.

Planning for the future

With work completed on the Cawledge Viaduct, the attention of the Civil Engineering team turned to detailed planning for the extension from Greenrigg to Alnmouth. Two potential routes have been drawn out, the first follows closely the original alignment of the branch line, which would run within the existing Network Rail boundary for part of the way. The second runs parallel to, but outside the Network Rail boundary on land owned by Northumberland Estates and leased by a tenant farmer. Work also started on clearing the track bed and addressing drainage and fencing issues.

Planning will continue in 2023, with detailed discussions with both Northumberland Estates and Network Rail to determine a preferred route. In parallel with this, there are plans to develop a business case for the work, which will be essential to secure the necessary funding.

In addition, to planning the extension, work is underway to plan out the development of the Lionheart Station site, making gradual improvements towards the end goal of having a traditional NER station as well as much needed maintenance and storage facilities.

Departures and Appointments

The Annual General Meeting was held one again in the engine shed on 23rd July, followed by a barbecue for members and volunteers.

Maureen Hayton stepped down as a Trustee and Mel Clark was elected to fill her place on the Board of Trustees. As a large proportion of the current Board were elected in 2020 and so would end their term in 2023, Michael Proctor and Peter Stonell opted to step down early and both were re-elected as Trustees.

In March, Norman Brason resigned as a volunteer. His position as General Manager was taken by Mark Hayton and Peter Stonell took over Mark's position as Company Secretary. Michael Proctor took over Norman's role as Carriage and Wagon Manager.

A debt of thanks is due to Maureen and to Norman, who helped steer the railway through a difficult patch in our history as well as to Mel, Peter and Mark for picking up new responsibilities so ably.

Volunteers

The Aln Valley Railway is entirely run by volunteers who, between them, provide many thousands of hours of unpaid and, often highly skilled, work to make the railway a success. As ever, the success of the railway is their success, first and foremost. As we grow, we constantly need to expand the number of volunteers to allow us to meet demand. At the end of the main running season in 2022, we held a recruitment day for new volunteers, which generated a lot of interest and a number of new volunteers. This will be repeated before the start of the 2023 season.

Conclusion

Against all the odds, 2022 has been a highly successful operating season for the Aln Valley Railway, both in terms of visitor numbers and income as well as in achievements and plans for the future. Maintaining that slow but steady growth, while building on past

THE ALN VALLEY RAILWAY TRUST

success and maintaining a clear focus on operating safely puts us in a good position to look forward to 2023 and the longer term future.

FINANCIAL REVIEW

Due to Covid, this was the first full-year of activity since 2019 and we have emerged, at the end of the year, in very good health. Visitor numbers were at the 2019 level and income has grown significantly.

Financially, we had a very successful year with income from visitors increasing by nearly 50% to £87,571 and donations, bequests, and grants at £294,178 were 45% higher than in 2021.

How was this achieved?

Income - this was due to

- the recovery in visitor numbers, partially due to this being the first year we could run stopping trains to Greenrigg Halt
- Café improvements leading to a greater level of sales
- a generous bequest of £80,000 from James William Morton
- volunteer donations towards railway costs of £15,921
- fundraising efforts which produced a phenomenal £92,800 towards the costs of the Cawledge Viaduct structural repairs.

Everyone who supports us by their fees and donations can make their payment via gift aid; which enables the railway to reclaim the tax previously paid on these contributions - in 2022 we were able to reclaim £18,273 from HM Revenue and Customs.

Expenditure – there was a slight increase of £10,296 in the cost of our charitable activities which was primarily due to depreciation charges and actual expenditure, due to our continuing careful management of spending, did not increase.

Loans – during the year we repaid the Covid government bounce back loan. The £100,000 interest-free loan from the National Lottery Heritage Fund was utilised in funding work on phase 2 of the Cawledge Viaduct. Repayment of the loan commences in 2023.

2022 outturn

As the accounts show we made revenue surplus of £201,239 on our 2022 activities; and we used this to invest in capital works in respect of the viaduct repairs, building a Plant shed and in commencing work on the new museum.

Investment Policy

The charity currently holds no investments. The Memorandum and Articles of the charity permit wide powers of investment.

Reserves Policy

The Trustees aim to have a reserve of sufficient unrestricted funds to cover three months' operating costs, plus exit charges. This figure has been identified following consideration of the main financial risks to the charity.

At 31 December 2022, the Charity's unrestricted working capital (net current assets) amounted to £27,103, including designated funds. This represented approximately 3 months' operating costs, and so the current reserve policy is just met.

The Trustees regularly review the level of unrestricted reserves at board meetings with the aim of ensuring that any temporary shortfall in funding does not have an immediate impact on services for members.

In conclusion

The Trustees' strategy is to continue to develop income streams, control costs and seek additional funding to meet the essential expenses which underpin the provision of the service to our visitors and members.

Statement of Trustees' Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

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

Responsibilities of the Trustees

Trustees, who are directors for the purpose of company law, and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out under Legal and Administrative Information. In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant information of which the company's accountants are unaware; and

THE ALN VALLEY RAILWAY TRUST

- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounts information and to establish that the charity's accountants are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in October 2019) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 16th March 2023 and signed on their behalf by:

M Proctor, Director (Chair of Trustees)

INDEPENDENT EXAMINER'S REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE TRUSTEES OF THE ALN VALLEY RAILWAY TRUST.

I report to the Charity Trustees on my examination of the accounts of The Trust for the year ended 31 December 2022, which are set out on pages 9 to 18.

Respective and basis of report

The trustees, who are also the directors of The Aln Valley Railway Trust ('the Company') for the purposes of company law, are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in Section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- (1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than the requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an Independent Examination; and
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102)).

I have no concerns and have come across no matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Richard Alsept A.C.A
Chartered Accountant
16 Burlington Terrace
Cardiff
CF5 1GG

16th March 2023

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2022

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2022	Total y/e 31 December 2021
	Note	£	£	£	£
INCOME					
Donations and grants	3	187,910	106,268	294,178	202,933
Charitable activities	3	87,571	-	87,571	58,452
<i>Investment income:</i>					
Interest received		47	-	47	8
Total Income		275,528	106,268	381,796	261,393
EXPENDITURE					
Charitable activities	4	152,065	28,492	180,557	167,524
Total Expenditure		152,065	28,492	180,557	167,524
Net Income/(expenditure)		123,463	77,776	201,239	93,869
Transfer between funds		-	-	-	-
Net Movement in Funds		123,463	77,776	201,239	93,869
Reconciliation in funds: Fund balances brought forward		270,327	414,212	684,539	590,670
Fund balances carried forward		393,790	491,988	885,778	684,539

The statement of financial activities includes all gains and losses in the year / period.
All incoming resources and resources expended derive from continuing charitable activities.

THE ALN VALLEY RAILWAY TRUST

BALANCE SHEET AS AT 31 December 2022

	Notes	December 2022 £	£	December 2021 £	£
FIXED ASSETS	2		892,565		747,483
CURRENT ASSETS					
Stocks		14,440		10,209	
Debtors	5	4,498		15,997	
Cash at bank and in hand		<u>80,046</u>		<u>119,957</u>	
		98,984		146,163	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(30,771)		(61,885)	
Net Current Assets / Liabilities (working capital)			68,213		84,278
Creditors due after one year	7		(75,000)		(147,222)
NET ASSETS			<u>885,778</u>		<u>684,539</u>
Restricted Funds	11		491,988		414,212
Designated Funds	11		18,000		-
Unrestricted Funds			375,790		270,327
TOTAL CHARITY FUNDS			<u>885,778</u>		<u>684,539</u>

For the financial year ended 31 December 2022, the company was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under the Companies Act 2006 and with the provisions of Financial Reporting Standard 102, Section 1a for Small Entities (effective January 2015).

Approved by the Board on 16th March 2023 and signed on its behalf by:

.....

M Proctor, Director

.....

P Stonell, Director

1 ACCOUNTING POLICIES

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a. Basis of accounting

The company is a charitable company, limited by guarantee, incorporated in England. The charity constitutes a public benefit entity as defined by FRS 102.

The address of the registered office is:

Lionheart Railway Station

Lionheart Enterprise Park

Alnwick, Northumberland NE66 2EZ

These financial statements were authorised for issue by the Board on 16th March 2023.

The financial statements are prepared under the historical cost convention and in accordance with the provisions of Financial Reporting Standard 102, Section 1a Small Entities, and the Charity Statement of Recommended Practice, (Charities SORP (FRS 102) 2019), as well as the Charities Act 2011.

b. Fund accounting

Unrestricted funds are incoming resources received or generated for charitable purposes. They are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds can only be applied for a particular purpose as defined within their objects.

c. Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Income which is received by way of grants, donations and gifts to the charity is included in full in the Statement of Financial Activities upon receipt. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Bank interest and other investment income is included when receivable.
- Income from charitable activities is derived from member subscriptions and from trading activities, and is accounted for as the charity earns the right to consideration by its performance.

d. Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes unrecoverable VAT.

- Costs of generating funds comprise the costs associated with attracting voluntary income.

- Operation and development of the charity includes all costs incurred by the charity in the delivery of its activities and services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees.

e. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. All items with a useful life of more than one year are capitalised. Depreciation is provided at rates calculated to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings, track and lease	-	2% - 2.75% straight line
Cawledge Viaduct	-	4% straight line
Rolling stock	-	5% reducing balance
Tools and equipment	-	25% straight line

f. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

g. Trade debtors

Trade debtors are amounts due from funders for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

h. Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

i. Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

j. Stock – stocks are stated at the lower of cost and estimated selling price.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2022

2. Tangible Fixed Assets

	Structures and Track £	Rolling Stock £	Tools & Equipment £	Total £
Cost				
As at 1 January 2021	644,492	212,391	23,225	880,108
Additions	161,164	750	23,920	185,834
As at 31 December 2022	<u>805,656</u>	<u>213,141</u>	<u>47,145</u>	<u>1,065,942</u>
Depreciation				
As at 1 January 2021	72,386	46,668	13,571	132,625
Charge for year	23,108	8,323	9,321	40,752
As at 31 December 2022	<u>95,494</u>	<u>54,991</u>	<u>22,892</u>	<u>173,377</u>
Net book value At 31 December 2022	<u>710,162</u>	<u>158,150</u>	<u>24,253</u>	<u>892,565</u>
At 31 December 2021	<u>572,106</u>	<u>165,723</u>	<u>9,654</u>	<u>747,483</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2022

3. Income

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2022	Total y/e 31 December 2021
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations / bequests	152,250	99,392	251,642	156,519
Fundraising activities / events	25,873	-	25,873	6,464
Donations, friends of AVR	7,120	-	7,120	3,000
<i>Grants</i>				
Northumberland Community Chest	-	-	-	2,971
Alnwick Town Council	-	-	-	2,000
National Lottery Heritage Fund	-	-	-	8,000
Northumberland CC (Covid related)	2,667	-	2,667	4,364
Northumberland CC Other	-	1,500	1,500	14,239
Northumberland CC Rates	-	5,376	5,376	5,376
<i>Other Charitable activities</i>				
Membership subscriptions	13,878	-	13,878	14,758
Trading income	73,693	-	73,693	43,694
	<u>275,481</u>	<u>106,268</u>	<u>381,749</u>	<u>261,385</u>
<i>Interest receivable</i>				
Bank interest receivable	47	-	47	8
	<u>47</u>	<u>-</u>	<u>47</u>	<u>8</u>
Total	<u>275,528</u>	<u>106,268</u>	<u>381,796</u>	<u>261,393</u>

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2022	Total y/e 31 December 2021
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	4,174	-	4,174	3,308
Fundraising and events	20,430	-	20,430	3,896
Café and other trading	17,722	-	17,722	11,690
General running costs	23,303	6,876	30,179	28,646
Building and site maintenance	9,396	-	9,396	8,843
Mechanical Engineering	33,351	1,290	34,641	31,313
Plant	4,728	-	4,728	17,166
Civil Engineering	5,951	-	5,951	22,766
Depreciation	20,426	20,326	40,752	30,049
	139,481	28,492	167,973	157,677
<i>Support & Governance</i>				
Professional fees	8,521	-	8,521	6,389
Independent Examination Fee	650	-	650	650
Bank charges and interest	3,413	-	3,413	2,808
	12,584	-	12,584	9,847
Total	152,065	28,492	180,557	167,524

5. Debtors

	31 December 2022 £	31 December 2021 £
VAT repayable	602	15,946
Other debtors	3,896	51
Total	4,498	15,997

6. Creditors: amounts falling due within one year

	31 December 2022 £	31 December 2021 £
Accruals & Creditors	5,771	11,885
Other loan NHLF (note 7)	25,000	-
Deferred grant income	-	50,000
Total	<u>30,771</u>	<u>61,885</u>

Deferred income in 2021 related to donations held, pending further work on the Cawledge Viaduct.

7. Creditors: amounts falling due after one year

	31 December 2022 £	31 December 2021 £
Other loans - NHLF	75,000	100,000
Bounce Back loan	-	47,222
Total	<u>75,000</u>	<u>147,222</u>

The Bounce Back bank loan was repaid in full during the year.

The National Heritage Lottery Fund (NHLF) Loan is interest free and is repayable over a total period of 5 years from December 2021 with no repayments in the first year. The loan is secured by a legal charge in favour of the Trustees of the National Heritage Memorial Fund over the Charity's Richboro' locomotive.

8. Staff costs and numbers

During the financial period, the company had a maximum of 12 Directors. There were no staff costs, and no remuneration was paid to Directors during the year.

The Charity relies heavily on the support and input of volunteers. During the year, the Charity estimates that 29,864 hours were donated by volunteers to the activities of the Charity. At National Minimum Wage rates this equates to approximately £280,000 of volunteer support.

9. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	441,687	-	450,878	892,565
Net Current Assets	9,103	18,000	41,110	68,213
Long term Creditors	(75,000)	-	-	75,000
Total	375,790	18,000	491,988	885,778

The designated fund represents funds transferred from the unrestricted fund, to be held as a reserve for the maintenance of the charity's 'Jennifer' engine.

10. Transactions with Trustees

Other transactions with Trustees – aggregate donations of £72,380 were received during the year from Trustees.

11. Restricted Funds

	Balance 1 January 2022 £	Incoming Resources £	Resources Expended and depreciation £	Balance 31 December 2022 £
Richboro Fund / Coal	53,335	1,290	6,496	48,129
Cawledge Viaduct	79,720	92,800	8,385	164,135
Track and permanent way, including canopy and shed	175,916	6,876	12,611	170,181
Mains Electricity	-	5,302	-	5,302
Other track and permanent way	105,241	-	1,000	104,241
	414,212	106,268	28,492	491,988

Of the restricted funds total of £491,988, the amount of £450,878 (2021: £378,404) is represented by capital assets (the Richboro Steam Locomotive, the Cawledge Viaduct Project, and other track/permanent way).

11. Lease Commitments

The Charity operates from a site at Lionheart Enterprise Park, Alnwick. The site is leased from Northumberland Estates at a rental of £1,000 per annum. The lease is for a period of 25 years, due to expire in 2037.