

**The A1 Steam Locomotive Trust**  
**(A company limited by guarantee)**

Trustees' report  
and  
consolidated financial statements

Year ended 31 March 2025

Registered charity number 1022834  
Registered company number 2636924

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## Report of the trustees (including the Strategic Report) for the year

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the audited financial statements of the charitable company for the year ended 31 March 2025. The trustees have adopted the provisions of the Statements of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in preparing the annual report and financial statements of the charity.

## Reference and administrative details

|                                |   |
|--------------------------------|---|
| <u>Charity number:</u>         | 1022834   |
| <u>Company number:</u>         | 2636924   |
| <u>Registered Office:</u>      | Darlington Locomotive Works, 9 Bonomi Way, Darlington, DL3 0PY            |
| <u>Auditors:</u>               | S&W Group Partners Limited, 17 Queens Lane, Newcastle Upon Tyne, NE1 1RN. |
| <u>Bankers:</u>                | Yorkshire Bank plc, 46 High Street, Stockton on Tees, Cleveland, TS18 1SE |
| <u>Solicitors:</u>             | DLA Piper UK LLP, Princes Exchange, Princes Square, Leeds LS1 4BY         |
| <u>Directors and trustees:</u> |   |

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are referred to collectively as the trustees.

The trustees who served during the year and since the year end were as follows:

Col. S Davies  
R J Courteney-Harris  
G P Langer  
B M McDonald (resigned 28 November 2025)  
J C Walker  
E A R Gibson  
W A Kyte  
M B Welsh (appointed 15 January 2025)  
G Bunker-James (appointed 14 January 2026)

## Fair review of the business

### Objectives and activities

The Company's objects are: -

- (i) to study, research, preserve, restore, design, construct, develop, enhance, maintain and operate steam locomotives and all other aspects of the railway heritage of the London & North Eastern Railway for the public benefit for educational and instructional purposes, including without limitation, the Company's existing Peppercorn Class A1 locomotive, 'Tornado', a Gresley Class P2 locomotive and the Kylchap double blast pipe and chimney; and
- (ii) to preserve and improve the general, historical, engineering and scientific knowledge and expertise regarding the above railway heritage, for the public benefit for educational and instructional purposes.

## Report of the trustees for the year – continued

The policies adopted to further the objectives of the company were and continue to be:

- i) covenants and donations
- ii) sponsorship from British industry and commerce
- iii) assistance from local authorities and grant assistance bodies.
- iv) the seeking of funding from commercial lenders

It is believed that the charity's assets will be available and adequate to meet charitable company's objectives.

### Public benefit

The charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the Trust's charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission and the trustees have paid due regard to this guidance in deciding what activities the Trust should undertake.

### Achievements and performance

The Trust concluded this accounting period with *Tornado's* overhaul completed and as at the end of the period was about to commence mainline European Train Control System (ETCS) testing on the Cambrian line in early April 2025. This was a welcome step forward, having experienced delays for various reasons, as disclosed in prior years. *Tornado* successfully completed these tests and then made a welcome return to mainline operations in April 2025. At the time of writing (late 2025) *Tornado* has successfully returned to operational status. A series of mainline Railtours have been undertaken over the spring and summer of 2025, with more in the works for later 2025 and into 2026. *Tornado* remains the sole mainline certified steam locomotive to be so equipped and thus may enjoy a degree of monopoly as the network is progressively converted to ETCS operation. However, as was indicated in the previous accounts, the overhaul (and to an extent the impact of fitting ETCS) has disproportionately drawn on the resources of the Trust as unexpected engineering challenges had to be addressed. Consequently, the Trust's Council of Trustees has had to focus heavily on the tight management of resources to ensure that the myriad of projects running in parallel with the overhaul received a fair and balanced allocation of funding as affordability allowed. This has also been a challenge, but the Trustees are confident in the future financial stability of the organization, although all are clear of the need to rebuild adequate reserves across the full breadth of activity. The continued support of our many supporters and donors is humbling and very generous- this is reflected in both the income figures within these accounts but also the income raised in the period subsequently both from supporters and commercial income.

In addition to *Tornado's* return to operational status, the Trust has also made some notable achievements. The track work project to connect the Darlington Locomotive Works (DLW) to the mainline was in full operation at the balance sheet date, with a completion date to be achieved of September 2025 to coincide with the Stockton & Darlington 200<sup>th</sup> anniversary events. Thanks to the many generous donations of our supporters of around £350,000 along with a large volunteer effort, and considerable assistance from the Army, this project was met on time and under the initial budget of £450,000. The benefits of being able to bring *Tornado* 'home' by mainline connection generate a series of tangible and intangible benefits to the Trust. We thank everyone who has made this possible.

While the Trust's focus during the 2024-25 accounting period had to be on returning *Tornado* to operational status, the Trust did take advantage of opportunities on the P2 *Prince of Wales* that presented themselves. The monobloc and tender are now in place at DLW, and the boiler is due to be delivered in October 2025. These steps undertaken during the challenging environment mean the Trust can now look to progress in 2025-26 on the P2 locomotive

The Trust also continued to pay down the Coronavirus Business Interruption Loan, with the final payment due in May 2026- this has been a considerable undertaking by the Trust, which secured the Trust at an uncertain time. Upon repayment, this will allow the Trust to commence the rebuilding of reserves.

## Report of the trustees for the year – continued

The next year will see a balanced portfolio of work from operating *Tornado*, and to assess the optimum mix of commercial models considering changing market and main line heritage operating conditions. Moreover, we recently played a major part in the Darlington-based celebrations to commemorate the bicentenary of the Stockton & Darlington Railway, taking full advantage of the largely complete track layout. This meant DLW was able to welcome icons of Steam such as *Flying Scotsman*, *Sir Nigel Gresley* and the replica of *Locomotion No1* and train.

As ever, the Trustees continue to face a heavy workload, facing many challenges within the industry and wider economy, a heavy workload which belies the fact that the Trustees are all volunteers, motivated by altruism. However, supported by an energetic and highly appreciated body of dedicated staff, volunteers, we anticipate a positive and productive 2026.

## Financial Review

A number of unplanned, unforeseen and relatively costly events have caused the Trust significant financial difficulties during the year:

- **Engineering Issues.** Some on-going engineering snagging issues were discovered during the running in period post overhaul and these have also taken a considerable amount of time to resolve. The fitment of European Traffic Control System (ETCS) to *Tornado* alongside the overhaul led to additional works being required prior to the testing taking place. The cost of this is covered by Network Rail but, as *Tornado* is the prototype installation for a steam locomotive, there have inevitably been delays due to the need to design and manufacture components and, in some cases, re-design and manufacture in the light of practical experience.
- **Operations.** The effect of delays on the overhaul and ETCS installation has led to *Tornado* not being able to operate commercially during the 2024-25 period. However as mentioned elsewhere this situation has been resolved and *Tornado* has undertaken significant levels of operations since April 2025.

Other matters which have affected our situation, worthy of note here, include:

- **Fundraising.** In light of these events, it has continued to be a challenge to build up reserves and there have also been some on-going reductions in regular charitable donations as the cost-of-living increase bites. However, the loss of numbers of regular donors has been offset by others increasing their monthly donations. We have also been fortunate in having a number of generous one-off donations during the year. Now *Tornado* is operational, the costs of overhaul should be in the past, and the reserves can be replenished once the CBILS repayments (see below) are completed in May 2026.
- **The Coronavirus Business Interruption Loan Scheme.** The 5-year Coronavirus Business Interruption Loan Scheme (CBILS) referred to in last year's report was drawn down in May 2021. As planned, it was used to allow various long-lead major components for the P2 to be ordered. Loan repayments commenced in November 2021, 6 months after the loan was made available. Interest payments commenced 12 months after the loan was received. Unfortunately, the regular increases in the Bank Rate between December 2021 and August 2023 have had another considerable impact on our ability to build up reserves. However, the monthly payments of both interest and capital amounts have all been made on time and the loan has 4 months of the repayment schedule remaining at the time of writing.
- **Trackwork.** As mentioned last year in relation to the movement of premises- as part of the agreement with our Council landlords, in order to attract rent at below market rates on the new facilities, the Trust committed to a track laying programme outside the new premises. During late 2024 and throughout 2025 considerable fund raising and focus was in place on this requirement to ensure the Trust met its obligation and deadline of September 2025. This effort again diverted funds towards this specific project, which ultimately opens many future opportunities to the Trust on the short, medium and long term. It also means that *Tornado* can use its own maintenance facilities instead of having to find outside premises and expensive road transport to move her. This will generate considerable financial and management costs over future years.

## Report of the trustees for the year – continued

### Plans for future periods

Following delivery of new cylinder block for *Prince of Wales* and the new boiler work will be able to commence on the major assembly of the P2. There has been an impact on fund raising due to Covid 19 and this, combined with the substantial delay in the delivery of the boiler as mentioned above, will delay completion of the new locomotive, which is not now expected until 2028.

### Structure, governance and management

#### Governing documents

The A1 Steam Locomotive Trust is a non-profit making company, registration number 2636924 and is limited by guarantee. The charitable company's governing documents are its Memorandum and Articles of Association originally dated 12<sup>th</sup> August 1991 and Bye-laws adopted on 3<sup>rd</sup> November 2001. The company is registered as a charity with the Charity Commission. Any person may become a member of the company upon approval of an application to this effect by the council of management of the company. There are currently 7 members of the company each of whom has agreed to contribute £1 in the event of the charity being wound up.

#### Appointment of trustees

As set out in the Articles of Association, the council of management may from time to time and at any time appoint any member of the company as a member of the council, either to fill a casual vacancy or by way of addition to the council, provided that the prescribed maximum be not thereby exceeded. Any member so appointed shall retain his office only until the next annual general meeting, but he shall then be eligible for re-election. At every annual general meeting one-third of the members of the council for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. Any member so retiring may offer himself for re-election.

#### Trustee induction and training

New trustees will have already familiarised themselves with proceedings at council meetings as it is the policy of the company to invite potential trustees to attend council meetings prior to their appointment. Whilst trustees are free to attend seminars and training courses the company has no mandatory policy that they do so. Copies of the memorandum and articles of association and bye-laws are available to all trustees.

#### Related parties

The charitable company has five associated companies one of which, Tornado Steam Traction Limited, operates the completed locomotive, Tornado Merchandising Limited deals with "Tornado" merchandise, The P2 Steam Locomotive Company Limited, its purpose being to build the new P2 class steam locomotive and Tender Construction Company Limited, which successfully completed the construction of the tender for the locomotive, but since repayment of the lease to William Cook Cast Products Limited, has been renamed The V4 Steam, Locomotive Company Limited, its purpose being to build the new V4 locomotive. The A1SLT Support Services Company Limited has the purpose of ensuring that costs of running the Trust that are not specific to any of the specific charity companies are recognised and re-allocated to the various entities in an equitable manner.

#### Organisation

The affairs of the charitable company are managed by the council of management which consists of a minimum of three members and a maximum of fifteen members who act as directors of the company for the purposes of company law and trustees for the purposes of charity law. There are currently seven members of the council. The council meets every two months and a telephone meeting is held when necessary. Each member of the council is responsible for a particular area of the company's affairs and he reports to the council accordingly. A chairman is elected from the members of the council of management who assumes the overall responsibility for the day to day operations of the charitable company. No single trustee has the authority to bind the charitable company and it is policy that all material decisions require the approval of a majority of the council of management. All payments of charitable funds in excess of £500 require the approval of two trustees.

## **Report of the trustees for the year – continued**

### Risk management

The board has assessed and continues to assess the major risks to which the charity is exposed, in particular those relating to the operation of a new steam locomotive on the modern railway and finances of the charity, and is satisfied that systems are in place to mitigate exposure to the major risks facing the charity. The operating licence for the locomotive is fundamental to the objectives of the charity and thus the risks involved are the subject of constant review by the trustees and advice from individuals familiar with the necessary procedures is regularly obtained.

### Fundraising

Neither the Trust nor its subsidiaries employ or utilise any outside person or organisation to carry out fundraising on its behalf. The public are invited to donate to the charity by distribution of leaflets and advertisements in relevant railway journals or by accessing the Trusts website, but no individual or group is approached direct unless the Trust is invited to do so. No complaints have ever been received about its fundraising activities.

## Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of The A1 Steam Locomotive Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## Auditors

In accordance with the company's articles, a resolution for the reappointment of S & W Partners Audit Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**M B Welsh**

Trustee

Date 25/3/2026



## **Independent auditors report to the members and trustees of The A1 Steam Locomotive Trust**

### **Opinion**

We have audited the financial statements of The A1 Steam Locomotive Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and the Parent Charitable Company Balance Sheet, The Group and the Parent Charitable Company Cash Flow Statements, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors report to the members and trustees of The A1 Steam Locomotive Trust (Continued)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of our audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

## **Independent auditors report to the members and trustees of The A1 Steam Locomotive Trust (Continued)**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained a general understanding of the group's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the group's industry and regulation.

We understand that the group complies with the framework through:

- Outsourcing payroll, accounts preparation and tax compliance to external experts.
- The Board's close oversight through regular board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the group:

- The Companies Act 2006, Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Charities Act 2011 with respect to governance and regulatory requirements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Making enquires of directors and management as to whether they have any knowledge of non-compliance with significant laws and regulations.
- Performed a review of board minutes to identify any indicators of known or suspected non-compliance with significant laws and regulations.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- The manipulation of the financial statements through manual journal entries.
- The incorrect recognition of covenant income and donations from fraud or error.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts.
- Substantive testing of the completeness, accuracy and timing of revenue recognition for covenant and donations income.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*S Easton*

**Stephen Easton FCA (Senior Statutory Auditor)  
for and on behalf of S&W Partners Audit Limited  
Chartered Accountants and  
Statutory Auditor**

*27/3/2026*

17 Queens Lane  
Newcastle Upon Tyne  
NE1 1RN

## Consolidated statement of financial activities (including summary income and expenditure account) for the year ended 31 March 2025

|  | Note | Restricted funds<br>£ | Unrestricted funds<br>£ | Total 2025<br>£  | Total 2024<br>£ |
|--|------|-----------------------|-------------------------|------------------|-----------------|
| <b>Income:</b>                                 |      |                       |                         |                  |                 |
| <i>Income from charitable activities:</i>      |      |                       |                         |                  |                 |
| Covenants                                      | 4    | 465,162               | -                       | <b>465,162</b>   | 745,162         |
| Donations and legacies                         | 5    | 700,330               | -                       | <b>700,330</b>   | 454,785         |
| <i>Income from other trading activities:</i>   |      |                       |                         |                  |                 |
| Commercial trading operations                  | 6    | 30,477                | -                       | <b>30,477</b>    | 81,656          |
| Investment income                              |      | 1,666                 | -                       | <b>1,666</b>     | 1,069           |
| <b>Total income</b>                            |      | <b>1,197,635</b>      | <b>-</b>                | <b>1,197,635</b> | 1,282,672       |
| <b>Expenditure:</b>                            |      |                       |                         |                  |                 |
| <i>Expenditure on charitable activities:</i>   |      |                       |                         |                  |                 |
| Charitable activities                          | 9    | 572,846               | -                       | <b>572,846</b>   | 709,536         |
| <i>Costs of raising funds:</i>                 |      |                       |                         |                  |                 |
| Commercial trading operations                  | 10   | 219,274               | -                       | <b>219,274</b>   | 432,657         |
| <b>Total expenditure</b>                       |      | <b>792,120</b>        | <b>-</b>                | <b>792,120</b>   | 1,142,193       |
| <b>Net income/expenditure before transfers</b> |      | <b>405,515</b>        | <b>-</b>                | <b>405,515</b>   | 140,479         |
| Transfers                                      |      | -                     | -                       | -                | -               |
| <b>Net movement in funds</b>                   |      | <b>405,515</b>        | <b>-</b>                | <b>405,515</b>   | 140,479         |
| <b>Reconciliation of funds</b>                 |      |                       |                         |                  |                 |
| Funds brought forward at 1 April 2024          |      | 7,289,504             | -                       | <b>7,289,504</b> | 7,149,025       |
| <b>Funds carried forward at 31 March 2025</b>  | 20   | <b>7,695,019</b>      | <b>-</b>                | <b>7,695,019</b> | 7,289,504       |

The statement of financial activities includes all gains and losses recognised in the year. All funds are restricted income funds save that if funds were given with a request that they be applied to the purchase of a specific part of the locomotive or the support coach, such request has been honoured.

The incoming resources and resulting net movement in funds arise from continuing operations.

## Consolidated and Charity Balance Sheets as at 31 March 2025

|   | Note | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£<br>Restated |
|---|------|--------------------|--------------------|----------------------|----------------------------------|
| <b>Fixed assets</b>                                   |      |                    |                    |                      |                                  |
| Tangible assets                                       | 14   | 7,526,506          | 7,416,376          | 4,714,602            | 4,620,905                        |
| Investments   | 15   | -                  | -                  | 305                  | 305                              |
|   |      | <u>7,526,506</u>   | <u>7,416,376</u>   | <u>4,714,907</u>     | <u>4,621,210</u>                 |
| <b>Current assets</b>                                 |      |                    |                    |                      |                                  |
| Stock   |      | 82,205             | 82,219             | 700                  | 700                              |
| Debtors   | 16   | 209,536            | 312,560            | 3,145,899            | 3,253,079                        |
| Cash at bank and in hand                              |      | 324,220            | 299,206            | 266,587              | 140,277                          |
|   |      | <u>615,961</u>     | <u>693,985</u>     | <u>3,413,186</u>     | <u>3,394,056</u>                 |
| <b>Creditors: amounts falling due within one year</b> | 17   | <u>(390,699)</u>   | <u>(598,420)</u>   | <u>(210,056)</u>     | <u>(266,837)</u>                 |
| <b>Net current assets</b>                             |      | <u>225,261</u>     | <u>95,565</u>      | <u>3,203,130</u>     | <u>3,127,219</u>                 |
| <b>Total assets less current liabilities</b>          |      | <u>7,751,768</u>   | <u>7,511,941</u>   | <u>7,918,037</u>     | <u>7,748,429</u>                 |
| Creditors: amounts due falling after one year         | 18   | (56,749)           | (222,437)          | (56,749)             | (222,437)                        |
| <b>Net assets</b>                                     |      | <u>7,695,019</u>   | <u>7,289,504</u>   | <u>7,861,288</u>     | <u>7,525,992</u>                 |
| <b>The funds of the charity</b>                       |      |                    |                    |                      |                                  |
| Restricted funds                                      | 20   | 7,686,431          | 7,280,916          | 7,852,700            | 7,517,404                        |
| Revaluation reserve                                   | 20   | 8,588              | 8,588              | 8,588                | 8,588                            |
|   |      | <u>7,695,019</u>   | <u>7,289,504</u>   | <u>7,861,288</u>     | <u>7,525,992</u>                 |

The trustees have prepared the group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 12 to 28 form part of these accounts.

These financial statements were approved by the board of trustees on 25/3/2026 and were signed on its behalf by:



**M B Welsh**  
Trustee

## Statement of Cash Flows and Consolidated Statement of Cash Flows as at 31 March 2025

|  | Note | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|--|------|--------------------|--------------------|----------------------|----------------------|
| <b>Net cash flow from operating activities:</b>                    |      |                    |                    |                      |                      |
| <i>Net cash provided by/ (used in) operating activities</i>        | 22   | <b>553,867</b>     | 427,649            | <b>638,730</b>       | 736,652              |
| <b>Cash flow from investing activities</b>                         |      |                    |                    |                      |                      |
| Interest received  |      | <b>484</b>         | 1,069              | <b>484</b>           | (486)                |
| Purchase of fixed assets   |      | <b>(360,863)</b>   | (745,357)          | <b>(344,430)</b>     | (683,835)            |
| Proceeds from sale fixed assets                                    |      | -                  | -                  | -                    | -                    |
| <i>Net cash provided by/ (used in) investing activities</i>        |      | <b>(360,379)</b>   | (744,288)          | <b>(343,946)</b>     | (684,321)            |
| <b>Cash Flow from financing activities</b>                         |      |                    |                    |                      |                      |
| Income from new bank loans   |      | -                  | 15,000             | -                    | 15,000               |
| Repayment of new loans   |      | <b>(168,474)</b>   | (148,029)          | <b>(168,474)</b>     | (147,592)            |
|  |      | <b>(168,474)</b>   | (133,029)          | <b>(168,474)</b>     | (132,592)            |
| <b>Change in cash and cash equivalents in the reporting period</b> |      | <b>25,014</b>      | (449,668)          | <b>126,310</b>       | (80,261)             |
| Cash and cash equivalents at the beginning of the year             |      | <b>299,206</b>     | 748,874            | <b>140,277</b>       | 220,538              |
| <b>Cash and cash equivalents at the end of the year</b>            |      | <b>324,220</b>     | 299,206            | <b>266,587</b>       | 140,277              |
| <b>Cash and cash equivalents consist of:</b>                       |      |                    |                    |                      |                      |
| Cash at bank and in hand   |      | <b>324,220</b>     | 299,206            | <b>266,587</b>       | 140,277              |

## Notes to the financial statements

*(forming part of the financial statements)*

### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, Charities SORP (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The A1 Steam Locomotive Trust meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

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

#### 1.2 Going Concern

The financial statements have been prepared on a going concern basis. The trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

#### 1.3 Group Financial Statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary companies, Tornado Steam Traction Limited, Tornado Merchandising Limited, and The P2 Steam Locomotive Company Limited, The V4 Steam Locomotive Company Limited and The A1SLT Support Services Company Limited on a line by line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

#### 1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from trading activities includes income earned from the hire of the A1 Locomotive and sale of merchandise. Income received in exchange for supplying services in order to raise funds and is recognised when entitlement has occurred. Income received for the supply of goods is recognised when the risk and rewards of ownership have been transferred.

Investment income includes interest which is recognised when receivable.



## ***Notes to the financial statements (continued)***

### **1.5 Donated services and facilities**

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have met, and the receipt of economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised.

Donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent benefit on the open market; a corresponding amount is then recognised in the expenditure for the period.

### **1.6 Fund accounting**

Restricted funds are available to spend in activities that further any of the purposes of the charity. Designated funds are restricted funds for the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Trust's work or for specific projects.

### **1.7 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities includes direct and support costs incurred in the management of the charity's activities

Other trading expenditure represents costs incurred in raising funds from the sale of goods and services those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

### **1.8 Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 11.

## ***Notes to the financial statements (continued)***

### **1.9 Fixed assets and depreciation**

Tangible fixed assets are stated at cost or deemed cost and subsequently measured at cost or valuation less accumulated depreciation and accumulated impairment losses. The A1 locomotive and its support coach is depreciated over a period of twenty years in equal annual instalments to its residual value of £1.5 million.

The P2 Steam locomotive is an asset in the course of construction and therefore no depreciation has been charged.

Otherwise depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                                  |   |                       |
|----------------------------------|---|-----------------------|
| Fixtures, fittings and equipment | - | 25% per annum         |
| Computer equipment               | - | 3 years straight line |

### **1.10 Investments**

Investments are stated at market value according to the guidelines of the Statement of Recommended Practice: Accounting by Charities.

### **1.11 Stock of merchandise and locomotive spares**

Stock of the above items are valued at the lower of cost or net realisable value.

### **1.12 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### **1.13 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **1.14 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

### **1.15 Taxation**

The A1 Steam Locomotive Trust is a registered charity and is potentially exempt from tax on those categories of income covered by Section 505 of the Income and Corporation Taxes Act 1988, to the extent that this income is applied for charitable purposes.

## ***Notes to the financial statements (continued)***

### **1.16 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### **1.17 Judgements and key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of The A1 Steam Locomotive Trust's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability, expected future financial performance of the asset and depreciated replacement cost.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

## **2 Legal status**

A1 Steam Locomotive Trust is a company limited by guarantee, registered in England and Wales (Company Number 2636924). There are currently 7 trustees who are members of the company each of whom has guaranteed to contribute an amount not exceeding £1 in the event of the company being wound up during the time they are members or within one year thereafter.

## Notes to the financial statements (continued)

### 3 Financial performance of the charity

|   | 2025<br>£ | 2024<br>£<br>Restated |
|---|-----------|-----------------------|
| Incoming resources  | 1,170,860 | 1,204,397             |
| Less: Costs of generating funds                               | (11,968)  | (11,247)              |
| Net incoming resources available for charitable application   | 1,158,893 | 1,193,150             |
| Charitable expenditure  | (573,682) | (731,839)             |
| Net incoming resources before exceptional items               | 585,210   | 461,311               |
| Provision against loan to Tornado Steam Traction Limited      | (151,012) | (38,376)              |
| Provision against loan to The P2 Steam Locomotive Company Ltd | (98,901)  | (63,489)              |
| Net incoming resources after exceptional items                | 335,297   | 359,446               |
| Total funds brought forward                                   | 7,525,991 | 7,166,546             |
| Total funds carried forward                                   | 7,861,288 | 7,525,992             |
| Represented by:   |           |                       |
| Restricted funds  | 7,852,700 | 7,517,404             |
| Revaluation reserve   | 8,588     | 8,588                 |
|   | 7,861,288 | 7,525,992             |

### 4 Income from charitable activities

|           | 2025<br>£ | 2024<br>£ |
|-----------|-----------|-----------|
| Covenants | 465,162   | 745,162   |
|           | 465,162   | 745,162   |

Income from covenants is attributable to restricted funds.

### 5 Income from donations

|              | 2025<br>£ | 2024<br>£ |
|--------------|-----------|-----------|
| Donations    | 573,135   | 337,031   |
| Gift Aid     | 122,311   | 111,292   |
| Other Income | 4,884     | 6,462     |
|              | 700,330   | 454,785   |

Income from donations is attributable to restricted funds.

The trust benefits from the support of volunteers within the running of the income generating activities and the administration of the charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the financial statements.

## Notes to the financial statements (continued)

### 6 Income from trading activities

|                       | 2025          | 2024          |
|-----------------------|---------------|---------------|
|                       | £             | £             |
| Sales of tour tickets | 8,625         | 59,002        |
| Merchandise sales     | 14,229        | 10,796        |
| Other                 | 7,623         | 11,858        |
|                       | <u>30,477</u> | <u>81,656</u> |

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries Tornado Steam Traction Limited and Tornado Merchandising Limited, which operate the locomotive and sell merchandise respectively, and the P2 Steam Locomotive Company.

The summary financial performance of the subsidiaries is shown below:

|   | The P2<br>Steam<br>Locomotive<br>Company<br>Limited | Tornado<br>Steam<br>Traction<br>Limited | Tornado<br>Merchandising<br>Limited | The V4<br>Steam<br>Locomotive<br>Company<br>Limited | The A1SLT<br>Support<br>Services<br>Limited | Total<br>2025    | Total<br>2024    |
|---|---|---|-------------------------------------|---|---|------------------|------------------|
|   | £   | £                                       | £                                   | £   | £   | £                | £                |
| Turnover                                  | 1,866   | 9,648                                   | 14,388                              | -   | 118,627                                     | 144,529          | 222,096          |
| Cost of sales and<br>administration costs | (100,767)   | (122,380)                               | (11,990)                            | (594)   | (68,177)                                    | (303,908)        | (507,944)        |
| Interest receivable                       | -   | -                                       | -                                   | -   | -   | -                | -                |
| Net Profit                                | <u>(98,901)</u>                                     | <u>(112,732)</u>                        | <u>2,398</u>                        | <u>(594)</u>  | <u>50,450</u>                               | <u>(159,379)</u> | <u>(285,850)</u> |

The assets and liabilities of the subsidiaries were:

|   |                    |                    |                 |                |                  |                    |                    |
|---|--------------------|--------------------|-----------------|----------------|------------------|--------------------|--------------------|
| Fixed assets                            | 2,811,543          | 361                | -               | -              | -                | 2,811,904          | 2,821,415          |
| Current assets                          | 448,994            | 139,744            | 32,358          | 1,023          | 176,973          | 799,092            | 540,653            |
| Current liabilities                     | <u>(4,220,689)</u> | <u>(2,187,303)</u> | <u>(17,605)</u> | <u>(6,206)</u> | <u>(142,676)</u> | <u>(6,574,479)</u> | <u>(6,160,687)</u> |
|   | <u>(960,152)</u>   | <u>(2,047,198)</u> | <u>14,753</u>   | <u>(5,183)</u> | <u>34,297</u>    | <u>(2,963,483)</u> | <u>(2,798,619)</u> |
| Aggregate share capital<br>and reserves | <u>(960,152)</u>   | <u>(2,047,198)</u> | <u>14,753</u>   | <u>(5,183)</u> | <u>34,297</u>    | <u>(2,963,483)</u> | <u>(2,798,619)</u> |

## Notes to the financial statements (continued)

### 7 Income from investments

All of the charitable company's investment income arises from the interest on money held in interest bearing deposit accounts.

### 8 Analysis of income and surplus for the year

All income and the surplus for the year are derived from the charitable company's principal activity.

|   | 2025<br>£      | 2024<br>£      |
|---|----------------|----------------|
| <i>The surplus for the year is stated after charging:</i> |                |                |
| Auditors remuneration                                     | 10,000         | 3,930          |
| Accountancy and other services                            | 2,500          | -              |
| Depreciation  | <u>165,540</u> | <u>165,550</u> |

### 9 Analysis of expenditure on charitable activities

|                       | 2025<br>£      | 2024<br>£      |
|-----------------------|----------------|----------------|
| Charitable activities | 530,511        | 673,660        |
| Support costs         | <u>42,336</u>  | <u>35,876</u>  |
|                       | <u>572,846</u> | <u>709,536</u> |

### 10 Analysis of expenditure on trading activities

|                    | 2025<br>£      | 2024<br>£      |
|--------------------|----------------|----------------|
| Trading activities | <u>219,274</u> | <u>432,657</u> |
|                    | <u>219,274</u> | <u>432,657</u> |

### 11 Support costs

|  | 2025<br>£     | 2024<br>£     |
|--|---------------|---------------|
| Printing, postage, stationery and administration | 4,167         | 5,932         |
| Legal and professional                           | 25,684        | 2,215         |
| Consultancy fees                                 | 4,212         | 1,785         |
| Telephone  | -             | 2,379         |
| Interest payable and similar charges             | 1,040         | 14,609        |
| Sundry expenses                                  | 3,733         | 5,456         |
| Governance costs                                 | 3,500         | 3,500         |
|  | <u>42,336</u> | <u>35,876</u> |

## Notes to the financial statements (continued)

### 12 Governance costs

|                        | 2025<br>£            | 2024<br>£           |
|------------------------|----------------------|---------------------|
| Auditor's remuneration | 10,000               | 3,930               |
|                        | <u>10,000</u>        | <u>3,930</u>        |
|                        | <u><u>10,000</u></u> | <u><u>3,930</u></u> |

### 13 Analysis of staff costs

|                    | Group<br>2025<br>£    | Group<br>2024<br>£    | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|--------------------|-----------------------|-----------------------|----------------------|----------------------|
| Wages              | 142,415               | 138,570               | -                    | -                    |
| National Insurance | 2,001                 | 6,816                 | -                    | -                    |
| Pension            | 1,521                 | 2,482                 | -                    | -                    |
|                    | <u>145,937</u>        | <u>147,868</u>        | <u>-</u>             | <u>-</u>             |
|                    | <u><u>145,937</u></u> | <u><u>147,868</u></u> | <u><u>-</u></u>      | <u><u>-</u></u>      |

  

|                 | Group<br>2025   | Group<br>2024   | Charity<br>2025 | Charity<br>2024 |
|-----------------|-----------------|-----------------|-----------------|-----------------|
| Number of staff | 7               | 7               | -               | -               |
|                 | <u>7</u>        | <u>7</u>        | <u>-</u>        | <u>-</u>        |
|                 | <u><u>7</u></u> | <u><u>7</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

## Notes to the financial statements (continued)

### 13 Analysis of staff costs (cont.)

Direct expenses incurred by trustees are reimbursed, if claimed. The reimbursement of Trustees expenses, which mainly relate to travelling expenses in respect of performing the above special projects, was as follows:

|                          | <b>Group</b> | Group        | <b>Charity</b> | Charity      |
|--------------------------|--------------|--------------|----------------|--------------|
|                          | <b>2025</b>  | 2024         | <b>2025</b>    | 2024         |
|                          | <b>£</b>     | £            | <b>£</b>       | £            |
| Huw Parker               | 515          | 214          | 515            | 214          |
| Benjamin McDonald        | 428          | 2,268        | 428            | 2,268        |
| Richard Courteney-Harris | -            | 278          | -              | 278          |
| Col. Steve Davies        | 418          | 155          | 418            | 155          |
| Elizabeth Gibson         | -            | 556          | -              | 556          |
| Chris Walker             | 242          | -            | 242            | -            |
| Paul Bruce               | -            | 1,315        | -              | 1,315        |
| Total                    | <u>1,602</u> | <u>4,786</u> | <u>1,602</u>   | <u>4,786</u> |

In addition to the expenses shown above, Paul Bruce, was remunerated as a contractor due to his skills as a railway consultant. During the year costs of £46,338 (2024: £71,400) were charged to the charity and reimbursed in full by a third party. Ben McDonald was also remunerated as a contractor due to his skills as a railway consultant. During the year costs of £23,588 (2024: £35,937) were charged to the charity and reimbursed in full by a third party. At the year end £3,110 was due to Ben McDonald.

Due to the increasing workload, the charity now has seven employees working in Darlington Locomotive Works, being the Office Manager, an Administrator and an Assistant Mechanical Engineer. All other work is performed on a voluntary basis with the exception of sub-contracted management and labour which is capitalised.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows: none (2024 – none). The charity trustees were not paid or received any other benefits from employment in the year £nil (2024 – £nil).

The key management personnel of the charity comprise the trustees. The total employee benefits of the key management personnel of the charity are as disclosed above. Remuneration paid to related parties is disclosed in note 21.



## Notes to the financial statements (continued)

### 14 Tangible fixed assets

| Group                    | A1<br>Locomotive | P2<br>Locomotive | Mark 1<br>Coaches | Assets<br>under<br>construction | Fixtures,<br>fittings,<br>tools and<br>equipment | Total            |
|--------------------------|------------------|------------------|-------------------|---------------------------------|--|------------------|
|                          | £                | £                | £                 | £                               | £  | £                |
| <b>Cost or valuation</b> |                  |                  |                   |                                 |  |                  |
| At 1 April 2024          | 4,272,976        | 2,794,977        | 519,561           | 597,305                         | 99,708   | 8,284,526        |
| Additions                | 341,162          | 16,433           | -                 | -                               | 3,268  | 360,863          |
| Disposals                | (341,162)        | -                | -                 | -                               | -  | (341,162)        |
|                          | <hr/>            | <hr/>            | <hr/>             | <hr/>                           | <hr/>  | <hr/>            |
| At 31 March 2025         | <b>4,272,976</b> | <b>2,811,410</b> | <b>519,561</b>    | <b>597,305</b>                  | <b>102,975</b>                                   | <b>8,304,360</b> |
|                          | <hr/> <hr/>      | <hr/> <hr/>      | <hr/> <hr/>       | <hr/> <hr/>                     | <hr/> <hr/>                                      | <hr/> <hr/>      |
| <b>Depreciation</b>      |                  |                  |                   |                                 |  |                  |
| At 1 April 2024          | 573,884          | -                | 195,041           | -                               | 99,225   | 868,150          |
| Charge for year          | 138,649          | -                | 25,978            | -                               | 913  | 165,540          |
| Disposals                | (255,968)        | -                | -                 | -                               | -  | (255,968)        |
|                          | <hr/>            | <hr/>            | <hr/>             | <hr/>                           | <hr/>  | <hr/>            |
| At 31 March 2025         | <b>456,565</b>   | <b>-</b>         | <b>221,019</b>    | <b>-</b>                        | <b>100,259</b>                                   | <b>777,722</b>   |
|                          | <hr/> <hr/>      | <hr/> <hr/>      | <hr/> <hr/>       | <hr/> <hr/>                     | <hr/> <hr/>                                      | <hr/> <hr/>      |
| <b>Net book value</b>    |                  |                  |                   |                                 |  |                  |
| At 31 March 2025         | <b>3,816,411</b> | <b>2,811,410</b> | <b>298,542</b>    | <b>597,305</b>                  | <b>2,838</b>                                     | <b>7,526,506</b> |
|                          | <hr/> <hr/>      | <hr/> <hr/>      | <hr/> <hr/>       | <hr/> <hr/>                     | <hr/> <hr/>                                      | <hr/> <hr/>      |
| At 31 March 2024         | <b>3,699,092</b> | <b>2,794,977</b> | <b>324,520</b>    | <b>597,305</b>                  | <b>483</b>                                       | <b>7,416,376</b> |
|                          | <hr/> <hr/>      | <hr/> <hr/>      | <hr/> <hr/>       | <hr/> <hr/>                     | <hr/> <hr/>                                      | <hr/> <hr/>      |

The P2 Steam locomotive is an asset in the course of construction and therefore no depreciation has been charged.

## Notes to the financial statements (continued)

### Tangible fixed assets (continued)

#### Company

|                          | A1<br>Locomotive | Mark 1<br>Coaches | Fixtures, fittings,<br>tools and<br>equipment | Assets under<br>construction | Total            |
|--------------------------|------------------|-------------------|---|------------------------------|------------------|
|                          | £                | £                 | £   | £                            | £                |
| <b>Cost or valuation</b> |                  |                   |   |                              |                  |
| At 1 April 2024          | 4,272,974        | 519,561           | 93,507  | 597,307                      | 5,483,349        |
| Additions                | 341,162          | -                 | 3,268   | -                            | 344,430          |
| Disposals                | (341,162)        | -                 | -   | -                            | (341,162)        |
| At 31 March 2025         | <b>4,272,974</b> | <b>519,561</b>    | <b>96,775</b>                                 | <b>597,307</b>               | <b>5,486,617</b> |
| <b>Depreciation</b>      |                  |                   |   |                              |                  |
| At 1 April 2024          | 573,896          | 195,041           | 93,507  | -                            | 862,444          |
| Charge for year          | 138,649          | 25,978            | 913   | -                            | 165,540          |
| Disposals                | (255,969)        | -                 | -   | -                            | (255,969)        |
| At 31 March 2025         | <b>456,661</b>   | <b>221,019</b>    | <b>94,420</b>                                 | <b>-</b>                     | <b>772,015</b>   |
| <b>Net book value</b>    |                  |                   |   |                              |                  |
| <b>At 31 March 2025</b>  | <b>3,560,429</b> | <b>298,542</b>    | <b>2,355</b>                                  | <b>597,307</b>               | <b>4,714,602</b> |
| At 31 March 2024         | 3,699,078        | 324,520           | -   | 597,307                      | 4,620,905        |

The locomotive was revalued in the year ended 31 March 1994, subsequent construction work is included at cost. Fixtures and fittings, tools and equipment are stated at cost with the exception of tools machinery and equipment, received by way of gift all of which are now written off.

The Trustees have carried out an impairment review to determine the net realisable value and the value in use of both the locomotive and coach. The value in use is considered to be greater than the net book value based upon the replacement cost of the asset.

Disposal of assets related to items replaced during the locomotive overhaul. The costs are estimated using the value of the items being replaced as per FRS102 section 17.27.

## Notes to the financial statements (continued)

### 15 Investments

Details of the subsidiaries of The A1 Steam Locomotive Trust are shown below:

| Name   | Status  | Company number | Ordinary £1 Share capital | Control |
|--|---------|----------------|---------------------------|---------|
| The P2 Steam Locomotive Company Limited        | Trading | 08549849       | 2                         | 100%    |
| Tornado Steam Traction Ltd                     | Trading | 04336467       | 100                       | 99%     |
| Tornado Merchandising Limited                  | Trading | 07357964       | 100                       | 100%    |
| The V4 Steam Locomotive Company Limited        | Trading | 05417383       | 100                       | 99%     |
| The A1SLT Support Services Limited             | Trading | 13244889       | 1                         | 100%    |
| 21 <sup>st</sup> Century Steam Limited         | Dormant | 11330729       | 1                         | 100%    |
| 21 <sup>st</sup> Century Rolling Stock Limited | Dormant | 11331808       | 1                         | 100%    |

### 16 Debtors

|   | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£<br>Restated |
|---|--------------------|--------------------|----------------------|----------------------------------|
| Trade debtors                                   | <b>22,483</b>      | 21,282             | <b>13,471</b>        | 1,603                            |
| Amount due from Tornado Steam Traction Limited  | -                  | -                  | -                    | -                                |
| Amount due from Tornado Merchandising Limited   | -                  | -                  | <b>31,847</b>        | 21,993                           |
| Amount due from The P2 Steam Locomotive Company | -                  | -                  | <b>3,046,806</b>     | 3,069,197                        |
| Amount due from The V4 Steam Locomotive Company | -                  | -                  | <b>8,463</b>         | 8,213                            |
| Other debtors                                   | <b>172,053</b>     | 196,492            | <b>30,312</b>        | 94,606                           |
| Prepayments                                     | <b>15,000</b>      | 94,786             | <b>15,000</b>        | 57,467                           |
|   | <b>209,536</b>     | 312,560            | <b>3,145,899</b>     | 3,253,079                        |

### 17 Creditors: amounts falling due within one year

|   | Group<br>2025<br>£ | Group<br>2024<br>£ | Charity<br>2025<br>£ | Charity<br>2024<br>£ |
|---|--------------------|--------------------|----------------------|----------------------|
| Bank loan   | <b>157,528</b>     | 160,314            | <b>134,778</b>       | 137,564              |
| Trade creditors                                       | <b>158,400</b>     | 254,978            | <b>71,539</b>        | 118,079              |
| Amount due to P2 Steam Locomotive Company             | -                  | -                  | -                    | -                    |
| Amount due to P2 Steam Locomotive – Construction Loan | -                  | -                  | -                    | -                    |
| Amount due to V4 Construction Company                 | -                  | -                  | <b>591</b>           | 591                  |
| Other creditors and accruals                          | <b>16,536</b>      | 51,026             | <b>3,148</b>         | 10,603               |
| Deferred income                                       | <b>47,433</b>      | 119,279            | -                    | -                    |
| Taxation and social security costs                    | <b>10,802</b>      | 12,823             | -                    | -                    |
|   | <b>390,699</b>     | 598,420            | <b>210,056</b>       | 266,837              |

## Notes to the financial statements (continued)

### 18 Creditors: amounts falling due after one year

|           | Group         | Group          | Charity       | Charity        |
|-----------|---------------|----------------|---------------|----------------|
|           | 2025          | 2024           | 2025          | 2024           |
|           | £             | £              | £             | £              |
| Bank loan | <u>56,749</u> | <u>222,437</u> | <u>56,749</u> | <u>222,437</u> |

The aggregate amount for creditors due after one year for which security has been given amounted to £56,749 (2024: £214,277). Security is in the form of a fixed and floating charge of the assets of the charitable company.

### 19 Deferred income

|                                 | Deferred income<br>£ |
|---------------------------------|----------------------|
| Deferred income brought forward | 119,279              |
| Amounts released in the year    | (71,846)             |
| Amounts charged in the year     | -                    |
|                                 | <u>47,433</u>        |

Deferred income relates to sales made for locomotive tours which fall after 31 March 2025.

### 20 Restricted funds

|                            | Revaluation Reserve | A1 No 60163 Tornado | P2 No 2007 Prince of Wales | V4 Locomotive | Total            |
|----------------------------|---------------------|---------------------|----------------------------|---------------|------------------|
|                            | £                   | £                   | £                          | £             | £                |
| Group                      |                     |                     |                            |               |                  |
| At 31 March 2024           | 8,588               | 3,730,155           | 3,549,761                  | 1,000         | 7,289,504        |
| Income for the year        | -                   | 877,317             | 320,318                    | -             | 1,197,635        |
| Expenditure for the year   | -                   | (697,417)           | (94,703)                   | -             | (792,120)        |
|                            | <u>8,588</u>        | <u>3,910,055</u>    | <u>3,775,376</u>           | <u>1,000</u>  | <u>7,695,019</u> |
| Charity – current year     |                     |                     |                            |               |                  |
| At 31 March 2024           | 8,588               | 3,861,001           | 3,656,403                  | -             | 7,525,992        |
| Income for the year        | -                   | 850,542             | 320,318                    | -             | 1,170,860        |
| Expenditure for the year   | -                   | (585,651)           | -                          | -             | (585,651)        |
| Intra group loan provision | -                   | (151,012)           | (98,901)                   | -             | (249,913)        |
| At 31 March 2025           | <u>8,588</u>        | <u>3,974,880</u>    | <u>3,877,820</u>           | <u>-</u>      | <u>7,861,288</u> |

## Notes to the financial statements (continued)

### Restricted funds

|                            | Revaluation<br>Reserve | A1 No<br>60163<br>Tornado | P2 No<br>2007<br>Prince of<br>Wales | V4<br>Locomotive | Total     |
|----------------------------|------------------------|---------------------------|-------------------------------------|------------------|-----------|
|                            | £                      | £                         | £                                   | £                | £         |
| Charity – prior year       |                        |                           | restated                            |                  | restated  |
| At 31 March 2023           | 8,588                  | 3,758,870                 | 4,196,851                           | -                | 7,964,309 |
| Prior year adjustment      | -                      | -                         | (797,763)                           | -                | (797,763) |
| Restated balance           | 8,588                  | 3,758,870                 | 3,399,088                           | -                | 7,166,546 |
| Income for the year        | -                      | 883,593                   | 320,804                             | -                | 1,204,397 |
| Expenditure for the year   | -                      | (743,086)                 | -                                   | -                | (743,086) |
| Intra group loan provision | -                      | (38,376)                  | (63,489)                            | -                | (101,865) |
| At 31 March 2024           | 8,588                  | 3,861,001                 | 3,656,403                           | -                | 7,525,992 |

An error has been identified in the prior period accounts relating to a provision which should have been made against amounts recoverable from The P2 Steam Locomotive Company. A total provision of £861,252 should have been made being a provision of £797,763 at 31 March 2023 and an increase in the provision of £63,489 for the year ended 31 March 2024. As noted above, the prior year figures have been adjusted accordingly, with the impact being a reduction to 2024 net incoming resources of £63,489 and a decrease of £861,252 to debtors and funds at 31 December 2024.

In the opinion of the trustees' sufficient resources are held in an appropriate form for each reserve to be applied in accordance with any restrictions imposed.

## 21 Related party transactions

Donations from trustees in the year were £345.

Trustees remuneration is disclosed in note 13.

## Notes to the financial statements (continued)

### 22 Reconciliation of consolidated net income/(expenditure) to net cash flow from operating activities

|  | Group 2025       | Group 2024 | Charity 2025    | Charity 2024   |
|--|------------------|------------|-----------------|----------------|
|  | £                | £          | £               | £              |
| <b>Net income for the year</b>                 | <b>405,515</b>   | 140,479    | <b>335,297</b>  | 407,185        |
| Interest received                              | (484)            | (1,069)    | (484)           | 486            |
| Depreciation of tangible fixed assets          | <b>165,540</b>   | 165,540    | <b>165,540</b>  | 165,540        |
| Loss on sale of assets                         | <b>85,195</b>    | 196,213    | <b>85,195</b>   | 170,280        |
| Decrease/(increase) in debtors                 | <b>103,022</b>   | (44,025)   | <b>107,178</b>  | (231)          |
| (Decrease)/increase in creditors               | <b>(204,935)</b> | (34,636)   | <b>(53,994)</b> | (6,608)        |
| Decrease/(increase) in stock                   | <b>14</b>        | 5,147      | <b>(2)</b>      | -              |
| <b>Net cash flow from operating activities</b> | <b>553,867</b>   | 427,649    | <b>638,730</b>  | <b>736,652</b> |

### 23 Analysis of changes in net debt

|  | 1 April 2024     | Cash flows | At 31 March 2025 |
|--|------------------|------------|------------------|
| Group  | £                | £          | £                |
| <b>Long term borrowings</b>                    | <b>(382,751)</b> | 168,474    | <b>(214,277)</b> |
| Cash and cash equivalents                      | <b>299,206</b>   | 25,014     | <b>324,220</b>   |
| <b>Net cash flow from operating activities</b> | <b>(83,545)</b>  | 193,488    | <b>109,953</b>   |

  

|  | 1 April 2024     | Cash flows | At 31 March 2025 |
|--|------------------|------------|------------------|
| Charity  | £                | £          | £                |
| <b>Long term borrowings</b>                    | <b>(360,001)</b> | 168,474    | <b>(191,527)</b> |
| Cash and cash equivalents                      | <b>140,277</b>   | 126,310    | <b>266,587</b>   |
| <b>Net cash flow from operating activities</b> | <b>(219,724)</b> | 294,784    | <b>75,060</b>    |