

THE ALN VALLEY RAILWAY TRUST

England & Wales · Charity number 1063332

Details

Status Registered

Legal form Charitable company

Company number [03319861](#)

Registered 1997-07-08

Register [View on the Charity Commission register](#)

Contact

Address The Aln Valley Railway Trust
Lionheart Station
Lionheart Enterprise Park
Alnwick
Northumberland
NE66 2EZ

Phone 07974040486

Email secretary@alnvalleyrailway.co.uk

Website www.alnvalleyrailway.co.uk

Activities

Objects: THE TRUST 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

Activities: Promote the re-opening of the Alnmouth to Alnwick railway line and associated cycleway/footpath

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** The General Public/mankind

Geography

- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£419,211	£219,327	-	-
2023-12-31	£241,542	£178,655	-	-
2022-12-31	£381,796	£180,557	-	-
2021-12-31	£261,393	£167,524	-	-
2020-12-31	£152,848	£124,684	-	-

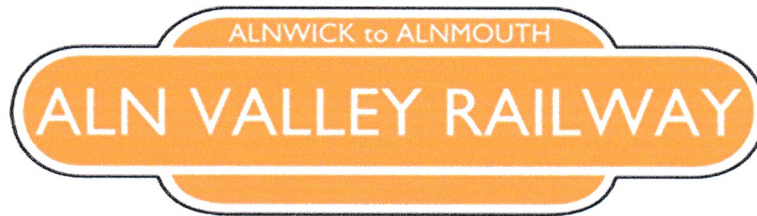
Trustees

Name	Role	Appointed
Michael Proctor	Chair	2020-10-03
Adam Hogg		2018-04-24
Adam John William Stone		2021-07-24
Gavin Head		2020-10-03
George Christopher Angus Freeman		
John Peter Hurlbutt		2024-07-20
Mark Hayton		2020-10-03
Penelope Ann Ford		2024-07-20
Simon Graham Craster Hadden		2024-07-20

THE ALN VALLEY RAILWAY TRUST

England & Wales - Charity number 1063332

Accounts



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 15 MONTH PERIOD ENDED 31 March 2025



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)
C Freeman
M Hayton
G Head
A Hogg
A Stone
S Hadden (appointed 20th July 2024)
P Ford (appointed 20th July 2024)
J Hurlbutt (appointed 20th July 2024)

The following Directors/Trustees served during the period:

R Maughan (resigned 20th July 2024)
M Clark (resigned 21st June 2024)
R Sewell (resigned 24th March 2025)
P Stonell (resigned 26th July 2024)
C Davidson (appointed 20th July 2024, resigned 6th February 2025)

COMPANY SECRETARY: Simon Hadden

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 - 6
Independent Examiners Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 17

TRUSTEES REPORT FOR THE PERIOD ENDED 31 MARCH 2025

Introduction

The trustees present their report and the financial statements for the 15 month period ended 31 March 2025.

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 2024/25

The 2024 operating season saw some big changes for the railway across a number of areas as we introduced new services and an additional steam locomotive, initiated major capital improvements and further developed our plans for the extension to Alnmouth.

The season got underway at Easter with the first outing of Hudswell Clark 0-6-0ST Renishaw of 1919, recently purchased by Adam and Diana Stone and offered on loan to the railway, in part to address a gap in our steam fleet following the departure of Hudswell Clark 0-6-0T Jennifer to the Flour Mill workshop for investigation of its very poor ride.

Renishaw has quickly become popular with visitors and crew and has proven a reliable and capable engine. Jennifer, meanwhile, has had much of the bottom end of the locomotive rebuilt and arrived at the Avon Valley Railway near Bristol before Christmas for testing. The locomotive will be staying there until after its 10 year boiler overhaul due in July 2025, when further discussions will take place with the owner about its future.

Our plans to expand the range of special trains on offer led to the introduction of afternoon tea trains early in the season. These proved extremely popular and sold out quickly. Interestingly, they have attracted a new audience to the railway, many of whom hadn't visited before. Two days of afternoon tea trains were operated in the 2024 season and the service has continued in the 2025 season. The opportunity to be served a delicious afternoon tea on vintage bone china, while travelling through the Northumberland countryside hauled by steam is very much a winner and huge thanks are due to the small team who have worked tirelessly to make this possible.

Also new for 2024 was the Footplate Explorers day for young children which provides the opportunity to help clean and prepare a steam locomotive, including access to the footplate, followed by a ride on the train and lunch. This has been another sellout success and is a tribute once again to those involved in making it happen.

Also for 2024, our Pacer trains were in the spotlight, with our first annual Pacer festival. Although relatively modern trains, that were largely unloved in their operational days, they do attract their very own band of enthusiasts, who often travel some distance to take part.

This wasn't the Pacers' only moment in the spotlight as they featured in May in a major filming contract to film an advert for Newcastle United's away strip. So much secrecy surrounded the filming that only a handful of people knew what was being filmed. The site was tightly controlled by security as Lionheart station became Newcastle Central station and the 2 car Pacer became a 6 car express complete with restaurant car and the train

THE ALN VALLEY RAILWAY TRUST

was filled with Newcastle players old and new, sporting the new strip. It was a fascinating experience for all involved and, to their credit, no-one involved leaked what had gone on before the strip launch some three or four months later. The advert can be viewed on YouTube at <https://www.youtube.com/watch?v=pXj7Em6X7mg>

Sadly, our Class 11 diesel electric loco, Shirley, suffered a major failure of the air compressor, mid-season, which meant that our diesel service was curtailed once again. Shirley is one of only very few of these locos surviving in operating condition and has her own following, who again will travel long distances for a train ride.

Other special events, including classic cars, model railway exhibition and 40s weekend continued to prove as popular as ever and were joined in August by Cream Tea and a Talk events on Wednesdays during August. Designed to draw in railway enthusiasts on often quieter operating days, these provide a talk on a railway topic in the museum, followed by cream tea and the opportunity to talk to the speaker.

Visitor numbers continued to hold up well, with estimated numbers around 13,000, similar to the 2023 season. This is a very good performance in what continues to be a challenging environment for heritage railways.

Unlike many heritage railways, we are able to cover all of our operating costs from visitor income due to being volunteer run and having very low overheads. However, a decision was taken by the board in 2023 that we could not plan to undertake any capital work unless it was externally funded or the board was satisfied that it could be covered by income. In June 2024, a positive income position led the board to decide to fund two medium sized projects.

The first of these was to replace the existing visitor toilets. The existing toilets consisted of an ex-hire mobile events toilet block and represented a vast improvement on previous facilities of two toilets shared with volunteers in the workshop. However, they were always going to be a temporary measure when they were introduced in 2021 and were past their useful working life. A solution was required that could be put in place between the railway closing at the end of December and re-opening at Easter. The solution is a new shipping container custom fitted with male, female and disabled toilets, along with a baby change room and volunteer shower. This has the additional benefit of freeing up the space previously occupied by the disabled toilet in the café for additional storage.

The second capital investment funded was the development of a business case for the extension to Alnmouth. Andrew Fox of Fox Hospitality Consulting was commissioned to work with trustees and managers on this. The completed item was delivered in April and will be an essential document when seeking funds to build the extension.

Smaller development projects included the completion and fitting out of the new museum, which has allowed us to display more artefacts and modifications to the café servery to improve the flow for volunteers and speed up the service for customers. The café menu was also reviewed and streamlined and from the 2025 season will be operating a tea room menu which can be offered with limited staffing.

The biggest capital project of the year was the development of plans for a maintenance shed. Previous attempts to construct a carriage shed had come to nothing, but the need for covered space to undertake maintenance and restoration work had become more

THE ALN VALLEY RAILWAY TRUST

pressing as the railway has grown. Plans were drawn up for a two road shed with sufficient space for four coaches. It was quickly recognised that the shed would need to accommodate locomotives as well as rolling stock, keeping the existing engine shed effectively as a running shed. With the offer of two large donations towards the cost of its construction, work started on site early in 2025 and the structure is now complete and an appeal has been launched to raise funds to complete the building.

We've also seen major changes in people over the course of the year, undoubtedly, the biggest of which was the sudden death of our former Treasurer and Company Secretary, Peter Stonell. His death, shortly after the 2024 AGM left a huge gap in our knowledge and expertise, which we are still dealing with. Although Peter had prepared to hand on the Company Secretary role to Simon Hadden, it was his intention to carry on as Treasurer for two more years and there was no time for a handover between his falling ill and dying.

2024 was a challenging year for many of us as we worked to keep the business going, understand how the finances worked, and grieved for the loss of a much loved friend and colleague.

The board appointed Gary Kennedy to the role of Treasurer and he soon got up to speed on the finances. Sadly, Gary has suffered major ill health himself in the last six months. By December, it was apparent that he could no longer manage the role. While we keep the post open for him in the hope of his recovery, we have put in place interim arrangements, with Bernie Wardlaw taking on the post of Finance Manager, supported by our Finance Group, Michael Proctor, Adam Stone and Simon Hadden. Thanks are due to all of them for helping to maintain a good standard of financial management while also holding other demanding positions at the railway.

Other changes at board level during the year were Mel Clark, who resigned in June 2024 and Richard Maughan who stepped down as Deputy Chairman and Trustee after the end of his term of office. At the 2024 AGM, four new Trustees were elected – Colin Davidson, Penny Ford, Simon Hadden and John Hurlbutt. In addition to Peter Stonell's death in August 2024, there were two further Trustee resignations during the year, Colin Davidson in February and Anthony Sewell in March. Thanks are due to all departing trustees for their contributions to the success of the railway

This has undoubtedly been an unsettling year, with significant change. Despite that, the current board of nine members is working extremely well together. Changes at other levels of the organisation have allowed new people to step up, bringing fresh ideas. It has been rewarding to have others volunteer to take on roles in key areas including visitor services, operations, membership and marketing. One thing we have learnt from the last year is the need to share responsibilities so that we aren't over-reliant on single individuals. Doing this will make the organisation stronger and more agile for the future.

FINANCIAL REVIEW

This financial review covers the 15 month period from January 2024 to March 2025 (2023: year ended 31st December 2023)

Financially, this was a successful period for the charity. Overall income increased to £419,211 (2023: £241,542), the income including £259,821 from donations (including Gift Aid) and grants, and £155,998 from other charitable activities (operation of the railway,

THE ALN VALLEY RAILWAY TRUST

fundraising and events etc.). Of the monies very generously donated to the charity, £205,926 was for restricted purposes including maintenance of the locomotives, and future capital projects. Of this restricted money, £35,833 was spent in the period on capital improvements to the railway site.

The charity continued to very carefully monitor and control its running and maintenance costs. Overall costs in the period remained level at £219,327 for the 15 month period (2023: £178,655 for a 12 month period).

Loans – during the year the charity continued to make repayments of the £100,000 interest free loan from the National Lottery Heritage Fund. This loan is due for complete repayment by the end of 2026. At 31 March 2025 this loan balance stood at £43,750.

2024/25 outturn

As the accounts show, we made a revenue surplus in 2024/25 of £199,884 (2023: £62,887 surplus). However, this does include a surplus of £169,638 which is restricted to specific purposes. At 31 March 2025, net current assets were £203,158 with bank balance of £236,661. This does mean that the charity will be able to use these funds in the coming period to continue to invest in the site and facilities, and to fund maintenance programmes on the rolling stock.

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 March 2025, the Charity's short term unrestricted working capital (net current assets) amounted to approximately £44,000, 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
- 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 30th June 2025 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 15 month period ended 31 March 2025, which are set out on pages 8 to 17.

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.

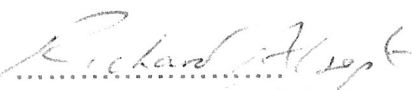
Independent examiner's statement

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

25th June 2025

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 March 2025

		Unrestricted Funds	Restricted Funds	Total p/e 31 March 2025	Total y/e 31 December 2023
	Note	£	£	£	£
INCOME					
Donations and grants	3	53,895	205,926	259,821	118,457
Charitable activities	3	155,998	-	155,998	122,701
<i>Investment income:</i>					
Interest received		3,392	-	3,392	384
Total Income		213,285	205,926	419,211	241,542
EXPENDITURE					
Charitable activities	4	183,039	36,288	219,327	178,655
Total Expenditure		183,039	36,288	219,327	178,655
Net Income/(expenditure)		30,246	169,638	199,884	62,887
Transfer between funds		-	-	-	-
Net Movement in Funds		30,246	169,638	199,884	62,887
Reconciliation in funds:					
Fund balances brought forward		476,204	472,461	948,665	885,778
Fund balances carried forward		506,450	642,099	1,148,549	948,665

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

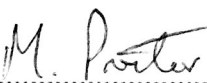
BALANCE SHEET AS AT 31 March 2025

	Notes	March 2025 £	£	December 2023 £	£
FIXED ASSETS	2		964,141		926,426
CURRENT ASSETS					
Stocks		6,460		7,146	
Debtors	5	16,577		26,016	
Cash at bank and in hand		<u>236,661</u>		<u>68,766</u>	
		259,698		101,928	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(56,540)		(29,689)	
Net Current Assets / Liabilities (working capital)			203,158		72,239
Creditors due after one year	7		(18,750)		(50,000)
NET ASSETS			<u>1,148,549</u>		<u>948,665</u>
Restricted Funds	11		642,099		472,461
Designated Funds	11		-		-
Unrestricted Funds			<u>506,450</u>		<u>476,204</u>
TOTAL CHARITY FUNDS			<u>1,148,549</u>		<u>948,665</u>

For the financial period ended 31 March 2025, 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 30th June 2025 and signed on its behalf by:


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M Proctor, 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 xxth July 2025.

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
Site facilities	-	Over the term of the lease
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 March 2025

2. Tangible Fixed Assets

	Structures and Track	Rolling Stock	Site Facilities & Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2024	829,169	215,042	94,362	1,138,573
Additions	6,259	1,177	75,562	82,998
As at 31 March 2025	<u>835,428</u>	<u>216,219</u>	<u>169,924</u>	<u>1,221,571</u>
Depreciation				
As at 1 January 2024	115,698	62,994	33,455	212,147
Charge for period	21,555	9,695	14,033	45,283
As at 31 March 2025	<u>137,253</u>	<u>72,689</u>	<u>47,488</u>	<u>257,430</u>
Net book value At 31 March 2025	<u>698,175</u>	<u>143,530</u>	<u>122,436</u>	<u>964,141</u>
At 31 December 2023	<u>713,471</u>	<u>152,048</u>	<u>60,907</u>	<u>926,426</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2025

3. Income

	Unrestricted Funds	Restricted Funds	Total p/e 31 March 2025	Total y/e 31 December 2023
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations / bequests	42,503	203,750	246,253	97,599
Fundraising activities / events	37,792	-	37,792	24,538
Donations, friends of AVR	6,901	-	6,901	6,000
<i>Grants</i>				
Museum Grants	-	-	-	6,250
Duke of Northumberland	-	-	-	2,500
Northumberland CC Other	-	2,176	2,176	1,500
Northumberland CC Rates	4,491	-	4,491	4,608
<i>Other Charitable activities</i>				
Membership subscriptions	27,021	-	27,021	15,648
Trading income	91,185	-	91,185	82,515
	<u>209,893</u>	<u>205,926</u>	<u>415,819</u>	<u>241,158</u>
<i>Interest receivable</i>				
Bank interest receivable	3,392	-	3,392	384
	<u>3,392</u>	<u>-</u>	<u>3,392</u>	<u>384</u>
Total	<u>213,285</u>	<u>205,926</u>	<u>419,211</u>	<u>241,542</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2025

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total p/e 31 March 2025	Total y/e 31 December 2023
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	433	-	433	440
Fundraising and events	23,990	-	23,990	7,071
Café and other trading	13,899	-	13,899	11,461
General running costs	82,750	6,926	89,676	53,259
Building and site maintenance	31,559	-	31,559	11,084
Mechanical Engineering				16,945
Plant	5,533	-	5,533	8,948
Civil Engineering	6,545	-	6,545	22,939
Depreciation	15,921	29,362	45,283	38,770
	180,630	36,288	216,918	170,917
<i>Support & Governance</i>				
Fees and commissions	694	-	694	5,105
Independent Examination Fee	650	-	650	650
Bank charges and interest	1,065	-	1,065	1,983
	2,409	-	2,409	7,738
Total	183,039	36,288	219,327	178,655

5. Debtors

	31 March 2025	31 December 2023
	£	£
Trade debtors	1,670	1,655
VAT repayable	-	1,491
Other debtors & prepayments	14,907	22,870
Total	16,577	26,016

6. Creditors: amounts falling due within one year

	31 March 2025	31 December 2023
	£	£
Accruals & Creditors	31,540	4,689
Other loan NHLF <i>(note 7)</i>	25,000	25,000
Total	<u>56,540</u>	<u>29,689</u>

7. Creditors: amounts falling due after one year

	31 March 2025	31 December 2023
	£	£
Other loans - NHLF	18,750	50,000
Total	<u>18,750</u>	<u>50,000</u>

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.

9. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	506,018	-	458,123	964,141
Net Current Assets	19,182	-	183,976	203,158
Long term Creditors	(18,750)	-	-	(18,750)
Total	506,450	-	642,099	1,148,549

10. Transactions with Trustees

Other transactions with Trustees – aggregate donations of £195,000 (including related Gift Aid) were received during the year from Trustees.

11. Restricted Funds

	Balance 1 January 2024 £	Incoming Resources £	Resources Expended and depreciation £	Balance 31 March 2025 £
Restricted donations (see below) *	-	167,917	4,750	163,167
Restricted capital donations	-	35,833	-	35,833
Richboro Fund	42,380	-	5,873	36,507
Cawledge Viaduct	159,190	-	10,481	148,709
Track and permanent way, including canopy and shed	137,538	-	8,856	128,682
Mains Electricity	19,987	-	1,537	18,450
Other track and permanent way	107,241	2,176	4,321	105,096
Museum	6,125	-	470	5,655
	472,461	205,926	36,288	642,099

Of the restricted funds total of £652,099, the amount of £422,290 (2023: £451,652) is represented by capital assets (the Richboro Steam Locomotive, the Cawledge Viaduct Project, Electrical works and other track/permanent way), together with £35,833 of capital assets (trackwork and maintenance shed) purchased in 2024.

* The other restricted donations are represented, and are for the purpose of, as follows:
 Richboro maintenance £18,750
 General locomotive maintenance and future capital projects £144,417

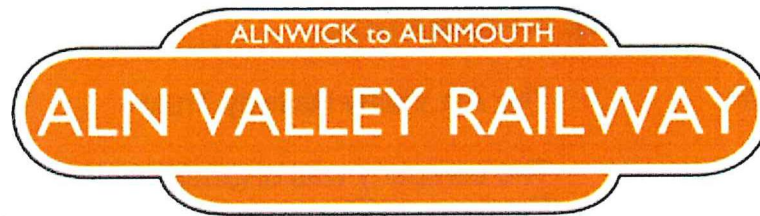
11. Lease Commitments

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.

THE ALN VALLEY RAILWAY TRUST

England & Wales - Charity number 1063332

Accounts



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 2023



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)
M Clark
C Freeman
M Hayton
G Head
A Hogg
R Sewell
A Stone
P Stonell

The following Director/Trustee served during the year:
K Holden (resigned 6th December 2023)

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 2023

Introduction

The trustees present their report and the financial statements for the year ended 31 December 2023.

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 2023

Achievements and Performance 2023

2023 has seen us continue the trend seen in 2022, with visitor numbers and income remaining steady despite the ongoing cost of living crisis which has affected many families. This, in itself, is a significant achievement for any visitor attraction. As is becoming apparent to all heritage railways, maintaining financial stability and continuing to develop in this hostile financial environment will continue to be a challenge as we seek to maintain services and develop and expand the railway.

The year was very much one of consolidation of our achievements in 2022 and planning and laying the foundations for the future. A significant achievement at the start of the year was the installation of mains power to the Lionheart site, following prolonged delays with our landlords and contractors. Aside from enjoying the silence on site, without the constant background noise of generators, having mains power has opened up many possibilities, not least of which was the sale of ice creams in the café. This has been much appreciated by footplate crew and visitors alike.

At the start of the year, we reluctantly had to close the old museum building and move all of the artefacts out for safe keeping. Work was already underway on a new museum on platform 2, but despite our best efforts, the condition of the old building had reached a point where no amount of refurbishment would save it from collapse. Thanks to the hard work of a small band of volunteers and the generosity of donors, work has progressed well on the new building, which should be ready to open during the 2024 season. The new building is more than four times the size of the old one and will allow us to display and interpret our collection much more effectively.

The highlight of the year was undoubtedly the visit of HRH the Duke of Gloucester, accompanied by Her Grace the Duchess of Northumberland in June. The Royal party toured the Lionheart site meeting volunteers before travelling to Greenrigg aboard the director's saloon to formally open Greenrigg Halt. This was our first Royal visit and provided an incentive to make sure that the railway looked its best as well as giving an opportunity for our volunteers and their families to put on their glad rags and come along to join in the celebrations. Even the weather played along, with a gloriously hot sunny day to mark what was a joyful occasion.

The day also marked the first public outing of our 1896 NER director's saloon after its major restoration and extensive testing. It certainly proved itself well suited to the task and provided the opportunity for many of our volunteers to test it out as well as the visiting party. We

THE ALN VALLEY RAILWAY TRUST

subsequently had a private hire of the coach for a family occasion in the autumn and hope to further expand its use in 2024.

Following the failure of our Class 11 diesel electric locomotive, Shirley, on the first trials of a diesel service in 2022, extensive work had been carried out to replace a faulty voltage regulator and Shirley was successfully reintroduced to the timetable in 2023 now repainted and bearing its original BR unlined black livery. It performed well throughout the season before being withdrawn over the winter for repairs to the radiator and new brake blocks to be fitted. Shirley will be back in the 2024 season.

The school summer holidays saw a test of an Alnwick tourist bus service. The availability of such a service was something we'd previously argued for, connecting the railway to the town centre, but had been unaffordable until a deal, brokered by the town council with support from all of the major visitor attractions. Uptake was slow, but all parties have agreed to operate the free service again in 2024, but with better advertising. If successful, it has the real potential to connect the railway with the town centre.

The Annual General Meeting was held in July in the engine shed with a good turnout of members. It provided the opportunity to present the two possible options for the route from Greenrigg Halt to Alnmouth station. Members voted overwhelmingly in favour of the option that takes the line through a greenfield site to a station to the west of Alnmouth mainline station. This decision freed up the planning group to focus on more detailed plans for the preferred option as well as opening discussions with Network Rail. Work continues on this into 2024 with members kept up to date via the Link magazine. A motion to complete the footpath from Greenrigg to Alnmouth ahead of starting work on the railway line was rejected by members as being premature.

Behind the scenes, the railway benefitted greatly from the sale of workshop equipment from the former Amble boatyard. This allowed us, at a very reasonable price, to add to our workshop facilities. We also, thanks to a member donation, were able to purchase a wooden woodworking shop, which, once fully commissioned, will more than double the amount of space for woodworking and allow us to add new equipment. Together, these two developments will expand the range of work we can do in house.

To close the main running season, we held a music event and beer festival in the engine shed. The beer festival was a first for us and a considerable success. We learnt many things from the exercise, which will be built into a bigger event for 2024 which has the potential to bring more visitors to the railway.

2022 saw the introduction of a miniature railway operated independently by GLMR and running initially from the rear of the café to the main gate. To ensure its success, the railway provided a small amount of subsidy. In 2023, working with GLMR, we were able to extend the track behind the play area and around the back of platform 1. The extension and a consequent change in pricing allowed the miniature railway to make a profit in the second half of the year, which is then shared with the AVR. In addition, there is no doubt that it is an additional draw to visit the railway and that families typically stay longer on site incorporating trips on both the big railway and the miniature one with a visit to the café and shop.

Following continued issues with poor ride quality, Jennifer left the railway in September en route to the Flour Mill workshop in the Forest of Dean, where the owners were currently having work done on two of their other locos. This left space to get class 11 Shirley into the

THE ALN VALLEY RAILWAY TRUST

shed for winter maintenance. Following long delays in Jennifer getting into the workshop at the Flour Mill, progress has been made early in 2024 in identifying the cause of the problems and discussions are ongoing with the owners to resolve these.

Meanwhile, Merlin, which came to us at the end of 2022 with plans to quickly complete a 10 year boiler overhaul has also not been in action after problems were identified with a leak around the foundation ring. Plans are in hand to have a boilersmith complete the work on site and we hope to be in a position to test the loco later in 2024.

The year ended with a very good Christmas season, despite atrocious weather. The Santa Specials, run over two weekends in December, were a complete sell out and despite the failure of our two car Pacer set, we were able to run the full timetable operating a five car Pacer train for the first time. The mince pie specials also proved popular, exceeding expectations, again despite the weather.

As a volunteer led and operated railway, one of our great challenges is maintaining sufficient numbers of volunteers to do all that we'd like to do. We must acknowledge the vast amount of time and expertise that our volunteers bring to the railway every year, which makes everything possible. However, inevitably we lose some people every year through age, infirmity and the pressure of other commitments, so need to replace them and add to their numbers to allow us to expand services. A volunteer recruitment day at the start of the season generated a lot of interest and some additional volunteers. We're now looking at new ways that we can recruit and retain more volunteers and reward them for their efforts through social events, training and links with other organisations.

FINANCIAL REVIEW

Financially, we had a very successful year with income from visitor related activities increasing by nearly 40% to £122,701. Whilst donations, bequests, and grants at £118,457 were reduced this was, primarily, due to fundraising for the Cawledge Viaduct works in 2022.

How was this achieved?

Income - this was due to

- visitor numbers increased by 11.5% to 13,220.
- generous bequests and donations of £81,678.
- volunteer donations towards railway costs of £15,921.

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 2023 we were able to reclaim £11,757 from HM Revenue and Customs.

Expenditure – there was a slight decrease of £1,902 in the cost of our charitable activities due to our continuing careful management of spending.

Loans – during the year we repaid £25,000 of the £100,000 interest-free loan from the National Lottery Heritage Fund utilised in funding work on phase 2 of the Cawledge Viaduct and the installation of mains electricity.

2023 outturn

As the accounts show we made a surplus of £62,887 on our 2023 activities; and we used this to invest in capital works in respect of the installation of mains electricity, continuing work on the new museum, the purchase of tools and equipment from the Amble marina and improvements around Lionheart Station.

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 during the January to March non-running window.

At 31 December 2023, the Charity's unrestricted working capital (net current assets) amounted to £51,430. This represents 6 months of operating costs and so the current reserve policy is met.

The Trustees regularly review the level of unrestricted reserves at board meetings.

In conclusion

The Trustees' strategy is to continue to develop income streams and control costs to meet the essential expenses which underpin the provision of the service to our visitors and members; whilst at the same time seeking funding for the significant costs of providing an additional maintenance shed and developing the line from Greenrigg Halt to Alnmouth.

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
- 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 17th April 2024 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 2023, 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

17th April 2024

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2023

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2023	Total y/e 31 December 2022
	Note	£	£	£	£
INCOME					
Donations and grants	3	86,189	32,268	118,457	294,178
Charitable activities	3	122,701	-	122,701	87,571
<i>Investment income:</i>					
Interest received		384	-	384	47
Total Income		209,274	32,268	241,542	381,796
EXPENDITURE					
Charitable activities	4	126,860	51,795	178,655	180,557
Total Expenditure		126,860	51,795	178,655	180,557
Net Income/(expenditure)		82,414	(19,527)	62,887	201,239
Transfer between funds		-	-	-	-
Net Movement in Funds		82,414	(19,527)	62,887	201,239
Reconciliation in funds: Fund balances brought forward		393,790	491,988	885,778	684,539
Fund balances carried forward		476,204	472,461	948,665	885,778

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 2023

	Notes	December 2023 £	£	December 2022 £	£
FIXED ASSETS	2		926,426		892,565
CURRENT ASSETS					
Stocks		7,146		14,440	
Debtors	5	26,016		4,498	
Cash at bank and in hand		68,766		80,046	
		<u>101,928</u>		<u>98,984</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(29,689)		(30,771)	
Net Current Assets / Liabilities (working capital)			72,239		68,213
Creditors due after one year	7		(50,000)		(75,000)
NET ASSETS			<u>948,665</u>		<u>885,778</u>
Restricted Funds	11		472,461		491,981
Designated Funds	11		-		18,000
Unrestricted Funds			476,204		375,797
TOTAL CHARITY FUNDS			<u>948,665</u>		<u>885,778</u>

For the financial year ended 31 December 2023, 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 17th April 2024 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 xxth April 2024.

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
Site facilities	-	Over the term of the lease
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 2023

2. Tangible Fixed Assets

	Structures and Track	Rolling Stock	Site Facilities & Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2023	805,656	213,141	47,145	1,065,942
Additions	23,513	1,901	47,217	72,631
As at 31 December 2023	<u>829,169</u>	<u>215,042</u>	<u>94,362</u>	<u>1,138,573</u>
Depreciation				
As at 1 January 2023	95,494	54,991	22,892	173,377
Charge for year	20,204	8,003	10,563	38,770
As at 31 December 2023	<u>115,698</u>	<u>62,994</u>	<u>33,455</u>	<u>212,147</u>
Net book value At 31 December 2023	<u>713,471</u>	<u>152,048</u>	<u>60,907</u>	<u>926,426</u>
At 31 December 2022	<u>710,162</u>	<u>158,150</u>	<u>24,253</u>	<u>892,565</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2023

3. Income

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2023	Total y/e 31 December 2022
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations / bequests	75,581	22,018	97,599	251,642
Fundraising activities / events	24,538	-	24,538	25,873
Donations, friends of AVR	6,000	-	6,000	7,120
<i>Grants</i>				
Museum Grants	-	6,250	6,250	-
Duke of Northumberland	-	2,500	2,500	-
Northumberland CC (Covid related)	-	-	-	2,667
Northumberland CC Other	-	1,500	1,500	1,500
Northumberland CC Rates	4,608	-	4,608	5,376
<i>Other Charitable activities</i>				
Membership subscriptions	15,648	-	15,648	13,878
Trading income	82,515	-	82,515	73,693
	<u>208,890</u>	<u>32,268</u>	<u>241,158</u>	<u>381,749</u>
<i>Interest receivable</i>				
Bank interest receivable	384	-	384	47
	<u>384</u>	<u>-</u>	<u>384</u>	<u>47</u>
Total	<u>209,274</u>	<u>32,268</u>	<u>241,542</u>	<u>381,796</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2023

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2023	Total y/e 31 December 2022
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	440	-	440	4,174
Fundraising and events	7,071	-	7,071	20,430
Café and other trading	11,461	-	11,461	17,722
General running costs	46,195	7,064	53,259	30,179
Building and site maintenance	11,084	-	11,084	9,396
Mechanical Engineering	16,945	-	16,945	34,641
Plant	8,948	-	8,948	4,728
Civil Engineering	-	22,939	22,939	5,951
Depreciation	16,978	21,792	38,770	40,752
	119,122	51,795	170,917	167,973
<i>Support & Governance</i>				
Fees and commissions	5,105	-	5,105	8,521
Independent Examination Fee	650	-	650	650
Bank charges and interest	1,983	-	1,983	3,413
	7,738	-	7,738	12,584
Total	126,860	51,795	178,655	180,557

5. Debtors

	31 December 2023	31 December 2022
	£	£
Trade debtors	1,655	-
VAT repayable	1,491	602
Other debtors & prepayments	22,870	3,896
Total	26,016	4,498

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2023

6. Creditors: amounts falling due within one year

	31 December 2023 £	31 December 2022 £
Accruals & Creditors	4,689	5,771
Other loan NHLF (note 7)	25,000	25,000
Total	<u>29,689</u>	<u>30,771</u>

7. Creditors: amounts falling due after one year

	31 December 2023 £	31 December 2022 £
Other loans - NHLF	50,000	75,000
Bounce Back loan	-	-
Total	<u>50,000</u>	<u>75,000</u>

The Bounce Back bank loan was repaid in full in 2022.

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 11 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 29,105 hours were donated by volunteers to the activities of the Charity. At National Minimum Wage rates this equates to approximately £302,336 of volunteer support.

9. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	474,774	-	451,652	926,426
Net Current Assets	51,430	-	20,809	72,239
Long term Creditors	(50,000)	-	-	(50,000)
Total	476,204	-	472,461	948,665

The designated fund represented funds transferred from the unrestricted fund, to be held as a reserve for the maintenance of the charity's 'Jennifer' engine. This fund was transferred back to unrestricted funds during the year, with the designated fund no longer required.

10. Transactions with Trustees

Other transactions with Trustees – aggregate donations of £42,701 were received during the year from Trustees.

11. Restricted Funds

	Balance 1 January 2023 £	Incoming Resources £	Resources Expended and depreciation £	Balance 31 December 2023 £
Richboro Fund / Coal	48,129	1,315	7,064	42,380
Cawledge Viaduct	164,135	3,439	8,384	159,190
Track and permanent way, including canopy and shed	170,181	-	32,643	137,538
Mains Electricity	5,302	17,264	2,579	19,987
Other track and permanent way	104,241	4,000	1,000	107,241
Museum	-	6,250	125	6,125
	491,988	32,268	51,795	472,461

Of the restricted funds total of £472,461, the amount of £451,652 (2022: £450,878) is represented by capital assets (the Richboro Steam Locomotive, the Cawledge Viaduct Project, Electrical works 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.

THE ALN VALLEY RAILWAY TRUST

England & Wales - Charity number 1063332

Accounts



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 - AMENDED

FOR THE YEAR ENDED 31 December 2022



THE ALN VALLEY RAILWAY TRUST


Revised Financial Statements

These revised financial statements replace the original financial statements for the year ended 31st December 2022 which were approved by the Trustees on 16th March 2023.

These revised financial statements are now the statutory financial statements of the Charity for this period.

In accordance with the Companies Act 2006, the financial statements have been revised as at the date of the original financial statements, and not as at the date of this revision. Accordingly, they do not deal with events between those dates.

The revision is made in order to reflect the correct split between long-term and short-term creditors.

A handwritten signature in black ink, appearing to read 'Peter Stonell', followed by three dots '...' to the right.

Peter Stonell
Trustee
12th July 2023

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:



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).

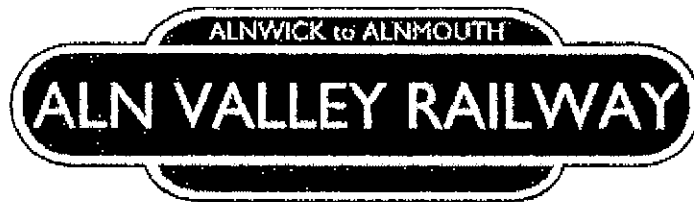
11. Lease Commitments

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.

THE ALN VALLEY RAILWAY TRUST

England & Wales - Charity number 1063332

Accounts



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 2021



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
Maureen Hayton
G Head
A Hogg
G Maughan
R Sewell
P Stonell
K Holden (appointed 24th July 2021)
A Stone (appointed 24th July 2021)

The following Directors/Trustees served during the year:
T Spence (resigned 7th July 2021)
M Robinson (resigned 24th July 2021)
W Stafford (resigned 24th July 2021)

COMPANY SECRETARY: Mark Hayton

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 - 6
Independent Examiners Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 17

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The trustees present their report and the financial statements for the year ended 31 December 2021.

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 is 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.

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

Where appropriate, policies and procedures or 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 2021

2021 Annual Report Achievements and Performance

2021 started much the same as 2020 ended, with another long period of lockdown due to a surge in Covid cases. Inevitably this meant that some of the planned winter maintenance work was either delayed or constrained by the availability of volunteers and changed working practices in order to keep everyone safe.

However, work did continue on site to a limited extent, while essential planning and strategy work were able to continue thanks to video conferencing, which trustees and managers have become experts at by necessity. In particular, the extra time gave us the opportunity to completely rewrite our Safety Management System, the key foundation document setting out how the railway operates safely, as well as many of the policies and procedures that underpin it. Lockdown also gave us the opportunity to do some long term planning work as a board, much of which was brought together in a planning day in September, that will form the foundation for a five year strategic plan, due to be completed in the spring of 2022.

As restrictions started to ease, attention turned to planning for re-opening. Inevitably, having been closed for 18 months, this meant that all train crew needed to be re-assessed, as did locomotives, rolling stock and track. Not only that, but we needed to plan for how we'd re-open safely within whatever Covid restrictions might be in place at that time and be ready to cope with any changes at short notice. A decision was made to re-open on 26th June, meaning a much shorter running season, but it gave the railway enough time to be confident that everything was in place.

Firsts

Despite previous difficulties and the ever present threat of Covid, 2021 was a year of firsts. Our two Pacer train sets arrived directly from main line service in December 2020. Completely new to us at the time, we had a rapid learning curve to make sure that they were fit to run and get crew trained so that we were ready to operate passenger services. In addition, the cramped airline style seating was stripped out and rearranged to make more family friendly groups of four seats. The seats were refurbished, the interiors repainted and Covid protective Perspex screens installed to provide a barrier between seat groups. The tired Northern Rail livery remained for most of the running season, but work started as soon as the season ended to repaint the two car set in Regional Railways livery from the early 1990s. The Pacers proved invaluable to us and provided a huge step up from brake van rides that were previously our only alternative for non steam days.

THE ALN VALLEY RAILWAY TRUST

2020 was to have seen the grand opening of Greenrigg Halt, but that was another casualty of Covid. For 2021, we were able to run trains to Greenrigg, crossing the magnificent Cawledge viaduct. As the platform surface wasn't complete at that time, it remained a round trip, without passengers being able to leave the train. With the new platform surface installed after the end of the main running season, Greenrigg will be fully open for 2022.

Covid was the spur to another innovation, the introduction of online booking and seat reservations. With concerns about safety and the spread of infection, a decision was taken to allocate a whole compartment or seating area on the Pacer to each group of visitors. That required a complete re-think to how we operated and online booking was a key part of this. The planning and logistics of this were complex, but the system worked well and will be retained for the future, but with restrictions lifted. Alongside this, we also introduced card payment systems in both the cafe and shop to keep up with the increasing shift towards contactless payment.

2021 also saw the introduction of new visitor toilets, increasing capacity three fold as well as providing a more appropriate environment for visitors than the former toilets in the workshop.

Aside from the Pacers there were a number of other additions to our operating rolling stock. Most notably we took delivery of a third operational steam locomotive – Hudswell Clark 0-6-0T Jennifer of 1943 in June. Jennifer is on a free long term loan to the railway and we plan to see her in service in 2022. Meanwhile, we also saw the return to service of ex BR Class 11 diesel electric 12088, Shirley to operational use. With the addition of vacuum brakes, Shirley entered passenger service for the last running day of the season and will be a regular part of our operation in 2022. Shirley's return provided the opportunity to withdraw Drewry diesel manual loco, Drax, from service for much needed attention to the air system. With a repaint over the winter and the installation of vacuum brakes, Drax will also be available for passenger services this year. Finally, the acquisition of another Mark 1 coach for a rapid restoration should see us able to operate 3 coach trains soon.

The last running days of the main season saw a visit from the Go Loco Miniature Railway, which proved popular with children as an additional attraction at Lionheart. So much so that we have now entered into an agreement that will see it as a regular feature at Lionheart operating from the cafe towards the main gate. Also on the last weekend of the season, we took part for the first time in the Heritage Open Days scheme, offering behind the scenes guided tours. Something that we will look to repeat in 2022.

We ended the year with our most successful ever Santa Specials operating for three weekends in December. Moving on from a short brake van ride to Santa's grotto in a coach, our new approach involved a Pacer ride to Greenrigg with Santa visiting children on the train and delivering bespoke high value gifts to each child. The Pacers had the big advantage of being warm and well lit and were decorated and had Christmas music. In all we carried over 1000 passengers and Santa met over 400 children.

Fundraising

At the start of 2021 we set the ambitious target of raising £100,000 to undertake the first stage of repairs to the Cawledge Viaduct. Years of neglect to the viaduct had led to serious damage to the brickwork of the arches caused by blocked drains and water percolating through the structure. The funds were to cover the first stage of repairs, laying a waterproof membrane and new drainage to prevent any further damage to the structure.

THE ALN VALLEY RAILWAY TRUST

Thanks to the amazing generosity of members and supporters, sufficient funds were raised by the summer and in September, the viaduct was closed, the track lifted and a waterproof membrane installed by contractors. The surface was then relaid and the track reinstalled in time to operate the Santa Specials in December. A huge achievement and another great milestone in our journey to Alnmouth.

Departures and appointments

For the first time, the Trust held the Annual General Meeting in the engine shed at the end of an operating day in July. The new approach resulted in significantly more members taking part in the AGM and we are looking at the possibility of adding a social event for members to follow the AGM in 2022.

Former chairmen Tom Spence and Martin Robinson both stood down from the Board of Trustees as did William Stafford. All three had been long standing members of the board of trustees and their commitment to the railway was recognised in the award of Patron Membership to them and their spouses in recognition of their extraordinary contributions to the railway. In addition, members voted to appoint Tom Spence an Honorary Vice President of the railway.

Two new Trustees were elected at the meeting – Kevin Holden and Adam Stone, returning the number of Trustees to 12, which had been expanded slightly in response to the problem of holding elections during Covid restrictions.

At management level, 2021 saw Pat Murphy retire as Chief Civil Engineer and Roger Harrison as General Manager. It also saw the appointment of Stuart Edgar as Site Maintenance Manager, who together with Tom Lloyd and Tom Morrow has formed a Civil Engineering Team to take on Pat's former role; Norman Brason as General Manager; and Mel Clark as Visitor Services Manager, a completely new role for the railway.

Huge thanks are due to all of those retiring from active roles for the dedication and effort they have put into the railway's success as well as tanks to those picking up these challenging roles, who will help support the railway in the next stages of its development.

Conclusion

With creative use of marketing, and particularly making good use of social media, where our profile has increased substantially, we were able to make up for the loss of more traditional media such as posters and leaflets due to Covid. Despite a late start and early end to the season, we still had over 6,000 visitors, managed to hold a number of our regular seasonal events and increased visitor income by almost £3,000 compared to 2019. That, alongside introducing a range of improvements to our visitor offering, makes 2021 a very successful year and gives us a good foundation for 2022's season.

FINANCIAL REVIEW

There was one financial priority in 2021 and that was to re-commence running and do so in a financially viable way – given we could not commence operations until late June, and in a limited way, due to Covid restrictions.

However, even allowing for the restrictions, we had a successful year financially and ended with a good and improving picture with surpluses shown on the Statement of Financial Affairs, and increased cash and net assets of £84,278, rising from £47,671 in 2020.

THE ALN VALLEY RAILWAY TRUST

How was this achieved?

Income - the accounts show that donations and grants increased by £62,159 despite the ending of government Covid support.

This was due to

- increased membership fees due to the final implementation of the 2021 increase; a 10% increase in membership and the integration of gift aid into fees led to an increase of £5,178 to £14,982.
- a generous bequest of over £30,000 from Kay Seymour-Walker
- volunteer donations towards railway costs of £26,889
- fundraising efforts which produced a phenomenal £83,041 towards the costs of waterproofing of the Cawledge Viaduct.

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 2021 we were able to reclaim £26,548 from HM Revenue and Customs.

Expenditure – there was a slight increase of £14,422 in the cost of our charitable activities which demonstrates our continuing careful management of spending; whilst at the same time we invested £109,151 of capital spending in running stock, the estate and, most importantly, waterproofing the Cawledge Viaduct.

Loans – during the year we arranged for the repayment of all outstanding loans to volunteers and commenced then 10-year repayment of our government bounce back loan.

We were also successful in receiving a £100,000 interest-free loan from the National Lottery Heritage Fund which facilitates an immediate start to the planning and work on phase 2 of the Cawledge Viaduct repairs whilst, at the same time, undertaking a fundraising appeal to meet these costs. At the conclusion of the works and phase 2 appeal we will be able repay the loan.

In conclusion

We express our thanks to Roger Bagnall who retired after 6 years as our bookkeeper and a welcome to Graham Morton who has taken on this role.

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 2021, the Charity's free unrestricted working capital (net current assets) amounted to £48,470. This represented approximately 3 – 4 months' operating costs, and so the current reserve policy is just met.

THE ALN VALLEY RAILWAY TRUST

The Trustees' strategy is to continue to build reserves through economies of scale wherever possible, suitable cost control, and seeking additional funding to meet essential expenses which underpin the provision of service to members. The Trustees regularly review the level of unrestricted reserves at Council meetings with the aim of ensuring that any temporary shortfall in funding does not have an immediate impact on services for 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.

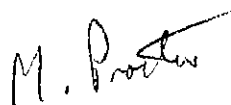
Responsibilities of the Trustees

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
- 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 10th March 2022 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 2021, which are set out on pages 8 to 17.

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.

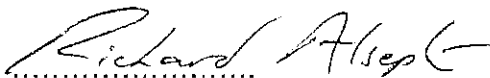
Independent examiner's statement

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

10th March 2022

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2021

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	Note	£	£	£	£
INCOME					
Donations and grants	3	103,087	99,846	202,933	140,774
Charitable activities	3	58,452	-	58,452	12,073
<i>Investment income:</i>					
Interest received		8	-	8	1
Total Income		161,547	99,846	261,393	152,848
EXPENDITURE					
Charitable activities	4	139,106	28,418	167,524	124,684
Total Expenditure		139,106	28,418	167,524	124,684
Net Income/(expenditure)		22,441	71,428	93,869	28,164
Transfer between funds		-	-	-	-
Net Movement in Funds		22,441	71,428	93,869	28,164
Reconciliation in funds: Fund balances brought forward		247,886	342,784	590,670	562,506
Fund balances carried forward		270,327	414,212	684,539	590,670

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

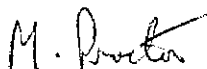
BALANCE SHEET AS AT 31 December 2021

	Notes	December 2021 £	£	December 2020 £	£
FIXED ASSETS	2		747,483		638,332
CURRENT ASSETS					
Stocks		10,209		13,416	
Debtors	5	15,997		6,714	
Cash at bank and in hand		119,957		40,188	
		<u>146,163</u>		<u>60,318</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(61,885)		(12,647)	
Net Current Assets / Liabilities (working capital)			84,278		47,671
Creditors due after one year	7		(147,222)		(95,333)
NET ASSETS			<u>684,539</u>		<u>590,670</u>
Restricted Funds	10		414,212		342,784
Unrestricted Funds			270,327		247,886
TOTAL CHARITY FUNDS			<u>684,539</u>		<u>590,670</u>

For the financial year ended 31 December 2021, 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 10th March 2022 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 10th March 2022.

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.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

- 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 2021

2. Tangible Fixed Assets

	Structures and Track £	Rolling Stock £	Tools & Equipment £	Total £
Cost				
As at 1 January 2020	524,690	194,758	21,460	740,908
Additions	119,802	17,633	1,765	139,200
As at 31 December 2021	<u>644,492</u>	<u>212,391</u>	<u>23,225</u>	<u>880,108</u>
Depreciation				
As at 1 January 2020	55,034	37,946	9,596	102,576
Charge for year	17,352	8,722	3,975	30,049
As at 31 December 2021	<u>72,386</u>	<u>46,668</u>	<u>13,571</u>	<u>132,625</u>
Net book value At 31 December 2021	<u>572,106</u>	<u>165,723</u>	<u>9,654</u>	<u>747,483</u>
At 31 December 2020	<u>469,656</u>	<u>156,812</u>	<u>11,864</u>	<u>638,332</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

3. Income

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations	69,924	86,595	156,519	115,839
Fundraising activities	6,184	280	6,464	-
Donations, friends of AVR	3,000	-	3,000	-
<i>Grants</i>				
Northumberland				
Community Chest	-	2,971	2,971	-
Alnwick Town Council	-	2,000	2,000	-
National Lottery Heritage				
Fund	-	8,000	8,000	13,300
Northumberland CC (Covid				
related)	4,364	-	4,364	11,635
Northumberland CC Other	14,239	-	14,239	-
Northumberland CC Rates	5,376	-	5,376	-
<i>Other Charitable activities</i>				
Membership subscriptions	14,758	-	14,758	9,804
Trading income	43,694	-	43,694	2,269
	<u>161,539</u>	<u>99,846</u>	<u>261,385</u>	<u>152,847</u>
<i>Interest receivable</i>				
Bank interest receivable	8	-	8	1
	<u>8</u>	<u>-</u>	<u>8</u>	<u>1</u>
Total	<u>161,547</u>	<u>99,846</u>	<u>261,393</u>	<u>152,848</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2021	Total y/e 31 December 2020
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	3,308	-	3,308	22,153
Fundraising and publicity	3,896	-	3,896	-
Café and other trading	11,690	-	11,690	-
General running costs	19,646	9,000	28,646	10,854
Building and site maintenance	8,843	-	8,843	10,908
Rolling stock	27,479	3,834	31,313	17,239
Plant and Transport	17,166	-	17,166	17,866
Civil engineering	22,766	-	22,766	18,317
Depreciation	14,465	15,584	30,049	24,821
	129,259	28,418	157,677	122,158
<i>Support & Governance</i>				
Professional fee	6,389	-	6,389	-
Independent Examination Fee	650	-	650	650
Bank charges and interest	2,808	-	2,808	1,876
	9,847	-	9,847	2,526
Total	139,106	28,418	167,524	124,684

5. Debtors

	31 December 2021 £	31 December 2020 £
VAT repayable	15,946	5,652
Prepayments	51	1,062
Total	15,997	6,714

6. Creditors: amounts falling due within one year

	31 December 2021 £	31 December 2020 £
Accruals	11,885	6,777
Deferred income / grants	50,000	5,870
Total	<u>61,885</u>	<u>12,647</u>

Deferred income relates to donations held, pending further work on the Cawledge Viaduct.

7. Creditors: amounts falling due after one year

	31 December 2021 £	31 December 2020 £
Member loans (note 10)	-	45,333
Other loans - NHLF	100,000	-
Bounce Back loan	47,222	50,000
Total	<u>147,222</u>	<u>95,333</u>

The Bounce Back bank loan is repayable over a maximum of 10 years at an interest rate of 2.5%.

All loans to members were fully repaid or waived during the year.

The National Lottery Heritage Fund 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 13 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 24,217 hours were donated by volunteers to the activities of the Charity. At National Minimum Wage rates this equates to £215,000 of volunteer support.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2021

9. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	369,079	378,404	747,483
Net Current Assets	48,470	35,808	84,278
Long term Creditors	(147,222)	-	(147,222)
Total	<u>270,327</u>	<u>414,212</u>	<u>684,539</u>

10. Transactions with Trustees

Loans from Trustees in the amount of £33,333 from two Trustees were repaid in full or waived during the year. Interest of £287 was paid on these loans during the year.

Other transactions with Trustees – aggregate donations of £35,692 were received during the year from Trustees.

11. Restricted Funds

	Balance 1 January 2021 £	Incoming Resources £	Resources Expended and depreciation £	Balance 31 December 2021 £
Richboro Fund / Coal	58,815	3,834	9,314	53,335
Cawledge Viaduct donations	-	83,041	3,321	79,720
Track and permanent way, including canopy and shed	182,699	-	6,783	175,916
National Lottery Heritage Fund	-	8,000	8,000	-
Other track and permanent way	101,270	4,971	1,000	105,241
	<u>342,784</u>	<u>99,846</u>	<u>28,418</u>	<u>414,212</u>

Of the restricted funds total of £414,212, the amount of £378,404 is represented by capital assets (the Richboro Steam Locomotive and track/permanent way).

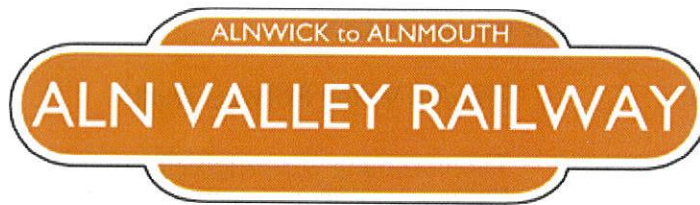
11. Lease Commitments

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.

THE ALN VALLEY RAILWAY TRUST

England & Wales - Charity number 1063332

Accounts



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 2020



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) (appointed 3rd October 2020)
T Spence
C Freeman
A Hogg
M Robinson
W Stafford
R Maughan (appointed 3rd October 2020)
G Maughan (appointed 3rd October 2020)
G Head (appointed 3rd October 2020)
Mark Hayton (appointed 3rd October 2020)
Maureen Hayton (appointed 3rd October 2020)
P Stonell (appointed 3rd October 2020)
R Sewell (appointed 3rd October 2020)

The following Directors/Trustees served during the year:

R Mitchell (resigned 13th October 2020)
K Holden (resigned 3rd October 2020)
M Fairnington (resigned 3rd October 2020)
N Brison (resigned 3rd October 2020)
T Allen (resigned 3rd October 2020)

COMPANY SECRETARY: M Hayton

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

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

BANKERS: Lloyds Bank

THE ALN VALLEY RAILWAY TRUST

CONTENTS	Page
Trustees Report	1 - 6
Independent Examiners Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 17

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The trustees present their report and the financial statements for the year ended 31 December 2020.

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 January 2015.

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.

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

Where appropriate, policies and procedures or 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 2020

Achievement and performance

2020 was to have been a significant year for the Aln Valley Railway, with the opening of Greenrigg Halt, giving us, for the first time, a destination where passengers could leave the train. A grand opening was planned for Easter and the start of a new season.

Ahead of that, a major piece of work to review operating procedures and training was started, led by Tom Allen. This recognised that we were moving up a gear in the heritage railway stakes and so needed to significantly improve competence management and maintenance procedures to be ready to operate safely in a tightly regulated environment. Trustees placed a ban on all but essential train movements whilst we undertook the review.

Of course, no-one expected what happened next and the complete lockdown caused by the Covid 19 pandemic put a halt to much of the good work that had started and led to a virtual complete closure of the site, aside from essential security and maintenance patrols.

A visit from our regulators, The Office of Rail and Road (ORR) in July was extremely helpful in confirming what we already knew was required to improve our operating procedures and gave us a clear set of targets to aim for. The board agreed to extend the ban on train movements while we completed the work that had been started earlier in the year.

Thanks to a huge effort from volunteers across the organisation, a return visit from the ORR in December noted great progress since July. Not only that, but a number of our key documents have been highly commended and recommended to other heritage railways. We still have more to do, but we're clearly now on the right track and can look forward to being better still when we re-open for 2021.

While Covid 19 has been a huge blow to us, we have weathered the loss of visitor income much better than many other heritage railways, mainly due to being entirely volunteer run, so we don't have the problem of paying salaries with no income. Of course, Covid has seen many of our volunteers staying away for the sake of their own and their family's wellbeing, while those who have been on site to undertake essential maintenance have been constrained in what they can do by Covid restrictions. We look forward to the gradual lifting of these restrictions during 2021 so that we can welcome more volunteers back to the railway.

The departure of a number of Trustees during the course of the year led to an unusually high number of vacancies at a delayed Annual General Meeting held under very restricted

THE ALN VALLEY RAILWAY TRUST

Covid safe arrangements in October. Having eight new Trustees out of 13 current board members has given the board the opportunity to undertake a fundamental review of where we are now and our aspirations and our plans for the future. This work started immediately after the AGM and continues, with a view to developing a medium-term strategic plan for the railway in 2021.

Thanks are due to those departing Trustees –Tom Allen, Neil Brison, Mick Fairnington, Kevin Holden and Robin Mitchell for the sterling work they have done leading the railway to where we are today. Some continue to be actively involved in the railway in other capacities and we hope to welcome others back when their personal circumstances allow.

Despite the many challenges caused by a combination of repeated lockdowns, fewer volunteers and a ban on train movements lasting much of the year, we have continued to make progress in a number of areas. These include:

- Continued work on the restoration and overhaul of Class 11 diesel electric 'Shirley'. Although a key member of our diesel fleet, Shirley has seen little use as it was in a very fragile state mechanically. With the addition of vacuum brakes almost complete, we can expect to see Shirley hauling passengers in 2021, one of only a small number of this class that have survived into preservation.
- Continued work on the restoration of our NER directors' saloon. This unique survivor of the Victorian railway age should also be ready to launch into service for an extremely luxurious ride in 2021.
- Construction of additional storage sidings to provide additional space for stock and reduce congestion at the Lionheart station site.
- The arrival of two Pacer trains direct from mainline service, thanks to the generosity of both the leasing company and several of our members who funded their purchase and delivery. Although not everyone's cup of tea, the Pacers provide a cheap and easy to operate solution, which will be ideal for midweek operations as well as the possibility of evening and out of season services. Rest assured though that our priority will always be to run steam or heritage diesel trains whenever we can.
- Laying additional ballast, kindly funded by a generous donation from one of our members, all along the main line ready for a tamper visit.
- Completion of the conversion of our LMS style Brake Goods coach to act as a cafe, toilet and waiting room at Greenrigg. Again, this should see service later in 2021.
- A major overhaul of electrical systems on site including the installation of a dedicated power supply to the workshop area and the complete refit of the electrical systems for our Lister generator so that it is available as backup for the main generator and a source of power for quieter days.

All told, it's fair to say that nothing about 2020 turned out as planned, however we have used the year as a vital opportunity to prepare for a return to service in 2021. The railway will be open to visitors again as soon as circumstances allow, bigger and better than before.

FINANCIAL REVIEW

There were 2 main financial priorities in 2020:

1. for the Aln Valley Railway Trust to remain solvent in a year when we would not be operational, but nevertheless still needed to keep the railways in good order; as well as meeting the costs associated with an ORR inspection and report.
2. to ensure we had a sufficient "pot of money" available to fund the re-opening of the railway in 2021.

That we achieved a surplus of £28,164 and had cash reserves as at 31 December 2020 of £47,671 is testimony that these twin aims were more than achieved!

How was this achieved?

Income - the accounts show that membership fees, and donations more generally, were only slightly reduced. Details of the various contributions are detailed below: -

- members continued to support us during closure and a decision was made to defer the planned increase in membership fee renewals until 2021; nevertheless, membership fees received in 2020 totalled £9,804.
- donations totalled £26,999.
- fundraising efforts undertaken produced the following outcomes:
 - to complete the purchase of Richboro - £24,132.
 - "Sponsor a Sleeper" appeal - £7,100.
 - a "Buckets of Coal" appeal to build coal stocks as supplies become less available - £9,630.
 - a "Bounce Back Bank" appeal to fund re-opening expenses which reached £4,918 by the end of December.
- Everyone who supports us by their fees and donations can make their payment via gift aid; this enables the railway to reclaim the tax previously paid on these contributions - in 2020 we were able to reclaim £25,242 from HM Revenue and Customs.
- we received a generous £17,309 bequest from the estate of Mike Little.
- grant income improved through a £13,300 National Lottery Heritage Fund grant and £11,634 of government support funding during the lockdowns to suppress the spread of Covid-19.
- we also took advantage of the government supported Bounce Back Loan facility of £50,000 - to be repaid over 10 years after an interest free first year.

Expenditure - was only slightly reduced as maintenance and other works continued to ensure the railways various assets were maintained in a safe and running order.

In conclusion

It would be remiss not to acknowledge that a great deal of the achievements in 2020 are due to the efforts of Robin Mitchell, Finance Director, who stood down in October after 5 and a half years of sterling service to the Aln Valley Railway Trust.

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 the Charity's free unrestricted working capital (net current assets) amounted to £14,655. This represented approximately just over 1 month of the 2021 operating costs, and so the current reserve policy is not met.

The Trustees' strategy is therefore to continue to build reserves through economies of scale wherever possible, suitable cost control, and seeking additional funding to meet essential expenses which underpin the provision of service to members. The Trustees regularly review the level of unrestricted reserves at Council meetings with the aim of ensuring that any temporary shortfall in grant funding does not have an immediate impact on services for 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 January 2015) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 8th April 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'M. Proctor', written in a cursive style.

M Proctor, Director (Chair of Trustees)

THE ALN VALLEY RAILWAY TRUST

**INDEPENDENT EXAMINERS REPORT ON THE UNAUDITED FINANCIAL STATEMENTS
TO THE TRUSTEES OF THE ALN VALLEY RAILWAY TRUST.**

I report on the accounts of The Trust for the year ended 31 December 2020, which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of The Aln Valley Railway Trust for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed.

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

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

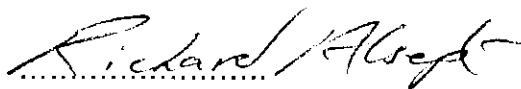
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or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

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

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

have not been met.



Richard Alsept
Chartered Accountant
16 Burlington Terrace
Cardiff
CF5 1GG

8th April 2021

THE ALN VALLEY RAILWAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 December 2020

		Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	Note	£	£	£	£
INCOME					
Donations and grants	3	93,711	47,063	140,774	162,003
Charitable activities	3	12,073	-	12,073	72,426
<i>Investment income:</i>					
Interest received		1	-	1	2
Total Income		105,785	47,063	152,848	234,431
EXPENDITURE					
Charitable activities	4	98,827	25,857	124,684	140,775
Total Expenditure		98,827	25,857	124,684	140,775
Net Income/(expenditure)		6,958	21,206	28,164	93,656
Transfer between funds		-	-	-	-
Net Movement in Funds		6,958	21,206	28,164	93,656
Reconciliation in funds: Fund balances brought forward		240,928	321,578	562,506	468,850
Fund balances carried forward		247,886	342,784	590,670	562,506

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 2020

	Notes	December 2020 £	£	December 2019 £	£
FIXED ASSETS	2		638,332		657,136
CURRENT ASSETS					
Stocks		13,416		-	
Debtors	5	6,714		26,203	
Cash at bank and in hand		40,188		2,385	
		<u>60,318</u>		<u>28,588</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	6	(12,647)		(75,385)	
Net Current Assets / Liabilities (working capital)			47,671		(46,797)
Creditors due after one year	7		(95,333)		(47,833)
NET ASSETS			<u>590,670</u>		<u>562,506</u>
Restricted Funds	10		342,784		321,578
Unrestricted Funds			247,886		240,928
TOTAL CHARITY FUNDS			<u>590,670</u>		<u>562,506</u>

For the financial year ended 31 December 2020, 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 8th April 2021 and signed on its behalf by:

M. Proctor

.....

M Proctor, Director

P. Stonell

.....

P Stonell, Director

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

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 8th April 2021.~~

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) 2015), 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.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

- 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% 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 2020

2. Tangible Fixed Assets

	Structures and Track £	Rolling Stock £	Tools & Equipment £	Total £
Cost				
As at 1 January 2019	523,490	194,133	17,268	734,891
Additions	1,200	625	4,192	6,017
As at 31 December 2020	<u>524,690</u>	<u>194,758</u>	<u>21,460</u>	<u>740,908</u>
Depreciation				
As at 1 January 2019	42,000	29,693	6,062	77,755
Charge for year	13,034	8,253	3,534	24,821
As at 31 December 2020	<u>55,034</u>	<u>37,946</u>	<u>9,596</u>	<u>102,576</u>
Net book value At 31 December 2020	<u>469,656</u>	<u>156,812</u>	<u>11,864</u>	<u>638,332</u>
At 31 December 2019	<u>481,490</u>	<u>164,441</u>	<u>11,206</u>	<u>657,136</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

3. Income

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	£	£	£	£
<i>Donations and Fundraising</i>				
General donations	82,076	33,763	115,839	77,264
Donations, friends of AVR	-	-	-	4,500
<i>Grants</i>				
EAFRD	-	-	-	80,239
National Lottery Heritage Fund	-	13,300	13,300	-
Northumberland CC (Covid related)	11,635	-	11,635	-
<i>Other Charitable activities</i>				
Membership subscriptions	9,804	-	9,804	9,861
Trading income	2,269	-	2,269	62,565
	<u>105,784</u>	<u>47,063</u>	<u>152,847</u>	<u>234,429</u>
<i>Interest receivable</i>				
Bank interest receivable	1	-	1	2
	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>
Total	<u>105,785</u>	<u>47,063</u>	<u>152,848</u>	<u>234,431</u>

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

4. Expenditure

	Unrestricted Funds	Restricted Funds	Total y/e 31 December 2020	Total y/e 31 December 2019
	£	£	£	£
<i>Charitable Activities:</i>				
General expenditure	15,114	7,689	22,803	38,465
General running costs	9,254	1,600	10,854	36,815
Building and site maintenance	10,908	-	10,908	7,964
Rolling stock	16,739	500	17,239	13,386
Plant and Transport	15,737	2,129	17,866	6,789
Civil engineering	16,188	2,129	18,317	-
Depreciation	13,011	11,810	24,821	30,468
	96,951	25,857	122,808	133,886
<i>Support & Governance</i>				
Bank charges and interest	1,876	-	1,876	6,889
	1,876	-	1,876	6,889
Total	98,827	25,857	124,684	140,775

5. Debtors

	31 December 2020 £	31 December 2019 £
Other Debtors	5,652	443
Prepayments	1,062	25,761
Total	6,714	26,203

6. Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Bank overdraft and loan	-	75,332
Accruals	6,777	53
Deferred grants	5,870	-
Total	<u>12,647</u>	<u>75,385</u>

7. Creditors: amounts falling due after one year

	31 December 2020 £	31 December 2019 £
Member loans (note 10)	45,333	25,000
Other loans	-	22,833
Bounce Back loan	50,000	-
Total	<u>95,333</u>	<u>47,833</u>

The Bounce Back bank loan is repayable over a maximum of 10 years at an interest rate of 2.5%.

The loans from Members have no formal repayment terms, but are repayable as the Charity is able to do so. The Charity does not anticipate making any repayments of these loans in 2021, and therefore these loans have been classified as falling due after one year.

8. Staff costs and numbers

During the financial period, the company had a maximum of 13 Directors. There were no staff costs, and no remuneration was paid to Directors during the year.

No employee received emoluments of more than £60,000.

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

9. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	328,564	309,768	638,332
Net Current Assets	14,655	33,016	47,671
Long term Creditors	(95,333)	-	(95,333)
Total	247,886	342,784	590,670

10. Transactions with Trustees

Creditors due after one year (note 7) include loans totalling £33,333 from two current Trustees. Of these loans, the amount of £24,500 carries an interest charge of 1.5% per annum. The remainder of the loan is interest free. In the year ended 31st December 2020 interest of £315.75 was paid to a Trustee.

There were other transactions with one former Trustee totalling £5,109. This transaction was undertaken on normal commercial terms.

11. Restricted Funds

	Balance 1 January 2020 £	Incoming Resources £	Resources Expended and transfers £	Balance 31 December 2020 £
Richboro Fund	40,452	24,132	5,769	58,815
Heritage Canopy	14,611	-	-	14,611
SK Coach E25032	5,694	-	-	5,694
Powerhouse Community Fund	3,725	-	-	3,725
ECF Award	540	-	-	540
Leader – Track and permanent way	64,813	-	-	64,813
EAFRD – permanent way	84,918	-	6,041	78,877
EAFRD – BG Coach 31407	13,989	-	-	13,989
Carriage Shed	450	-	-	450
National Lottery Heritage Fund	-	13,300	13,300	-
Other track and permanent way	92,386	9,631	747	101,270
	321,578	47,063	25,857	342,784

Of the restricted funds total of £342,784, the amount of £309,768 is represented by capital assets (the Richboro Steam Locomotive and track/permanent way).

THE ALN VALLEY RAILWAY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 December 2020

11. Lease Commitments

The Charity operates from a site at Lionheart Enterprise Park, Alwick. 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.
