

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales · Charity number 1079591

Details

Other names	THE SIR NIGEL GRESLEY LOCOMOTIVE PRESERVATION TRUST LIMITED, A4 LOCOMOTIVE SOCIETY, SNGLPT
Status	Registered
Legal form	Charitable company
Company number	00901015
Registered	2000-02-28
Register	View on the Charity Commission register

Contact

Address	LLoyds Bank Chambers Hustlergate Bradford BD1 1UQ
Phone	07594522369
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Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC THROUGH THE PRESERVATION, OPERATION AND EXHIBITION OF LOCOMOTIVES OF HISTORIC OR SCIENTIFIC IMPORTANCE SPECIFICALLY THE A4 PACIFIC LOCOMOTIVE NAMED SIR NIGEL GRESLEY. (1) TO PROVIDE WORKING EXHIBITS OF LOCOMOTIVES AND ROLLING STOCK FOR STUDY BY AND FOR THE EDUCATION OF THE PUBLIC BY MAINTAINING THEM IN MAIN LINE WORKING ORDER. (2) TO PROMOTE INTEREST IN THE PRESERVATION OF STEAM AND OTHER RAILWAY LOCOMOTIVES AND ROLLING STOCK, MACHINERY AND EQUIPMENT OF HISTORICAL INTEREST.

Activities: Our historic locomotive is operational on the main line railway network and goes all over the country. We also go to private railways, where our members and the general public see her at close quarters. This year we are taking part in the Railways 200 events as holder of the post-war speed record for steam trains of 112mph. Looking to the future we encourage junior volunteers to learn skills.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Recreation
- **Who:** The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£283,992	£221,459	-	-
2023-12-31	£315,567	£195,549	-	-
2022-12-31	£218,000	£144,612	-	-
2021-12-31	£61,659	£18,803	-	-
2020-12-31	£56,514	£14,656	-	-

Trustees

Name	Role	Appointed
MR NIGEL WILSON	Chair	
ALISON JANET MARION FLOOD LLB		2018-03-14
Alan Harold Pitt		2024-07-23
DAVID RICHARD MCINTOSH		
JOAN FRANCES MARY JACKSON		
Myles Keith Walmsley		2025-01-25
RICHARD SWALES		
Robert James Shearman		2018-03-03

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales - Charity number 1079591

Accounts

SNGLT signed copy

**THE SIR NIGEL GRESLEY LOCOMOTIVE
TRUST LIMITED**

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2024

Company No. 00901015

Registered Charity No. 1079591

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED
Annual Report of the Trustees for the year ended 31 December 2024

Trustees' Report

The Trust Board has pleasure in presenting their report and the group financial statements for the year ended 31 December 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Constitution

Following a special resolution of 'The A4 Locomotive Society Limited' to change its name to 'The Sir Nigel Gresley Locomotive Preservation Trust Limited' in 1998 as a company limited by guarantee and not having a share capital (retaining company registration number 901015), the Trust was registered as a charity number 1079591. An Extraordinary General Meeting held on the 26th October 2014 passed a resolution that changed the name to 'The Sir Nigel Gresley Locomotive Trust Limited'. The Trust is governed by a Memorandum and Articles of Association. In the event of the company being wound up or dissolved the liability in respect of the guarantee is limited to a sum not exceeding £10.00 per member of the company.

The Charity's Objects

The Trust was established to advance the education of the public through the preservation, operation and exhibition of locomotives of historic or scientific importance, specifically the A4 Pacific Locomotive named 'Sir Nigel Gresley'. The Trustees will carry forward the original objectives of The A4 Locomotive Society from its formation in 1967 to maintain 'Sir Nigel Gresley' in main line working order. To this end overhauls have been carried out periodically to comply with the safety requirements of the national railway system. The most recent overhaul commenced in November 2015 and was completed with various milestones between April 2022 & April 2023.

There were no material changes in the policies of the Charity during the year.

Risks & Reserves

The Trustees continue to identify and review major risks to which the Charity is exposed in furthering its objectives and have put systems in place to mitigate these risks. The locomotive is protected and insulated in the ownership of the Trust and an improved distinction between the owner (The Trust) and the Operator (The Sir Nigel Gresley Locomotive Company Limited (SNGLC)) exists, in particular the financial arrangements incorporated in a Bailment Agreement between the Companies.

A register of relevant interests of Trustees and SNGLC Directors is maintained in line with Charity Commission guidance.

The principal risks are currently those associated with operating. Compared to previous operating periods the agreement the Trust has executed with the Royal Scot Locomotive and General Trust (RSL>) greatly reduces the risks by giving us a guaranteed income.

The Trust policy on reserves is somewhat different from most charities in that the objective of the charity is on a 10-year funding cycle based on the operational period of the locomotive. For that reason, the policy of the Trust is to accumulate a reserve in a designated overhaul fund sufficient to fund an overhaul every 10 years. This policy has been in place since the formation of the Trust and the last review was carried out in 2022. The accumulated overhaul fund, currently £526,000, is represented by cash and investments in the group balance sheet with the balance of cash and investments being a general reserve to cover day to day and other operating requirements. The purpose of the designated overhaul fund is to overhaul our locomotive and coach and to return them to mainline operation. The timing of the majority of expenditure will be during the overhaul process at the end of the 10-year cycle. It is our objective to have a residual balance in the overhaul fund to start the next 10-year cycle. This was achieved in 2022/23, but the Trustees recognise that the nature of our activity is such that it is impossible to guarantee that it will always be achieved.

Main activities and achievements of the year 2024

The 2024 raitour programme commenced in March with successful tours King's Cross to York (return) and Newcastle to London. In between these *Sir Nigel Gresley* was a popular visitor to the East Lancs Railway 'Legends of Steam' gala. The locomotive was then based at Crewe for most of 2024, operating a number of raitours to Carlisle. These were mainly over the S&C however the tour on 23rd May ran over Shap outbound celebrating 65 years since the 112 mph run. The trip was preceded by overnight storms, meaning *Sir Nigel Gresley* was at the head of one of very few trains from the south to reach Carlisle that day.

In the autumn 60007 was the only guest locomotive attending the 'Giants of Steam' gala at the Bluebell railway. The event was a great success with record attendances. During the visit a SNGLT Members' Day was held on the same day as the AGM, with 60007 operating two round trips for members.

The year was rounded off with Christmas tours to York, 60007 operating Peterborough – York and return.

The financial results for the year are set out in the following Group Statement of Financial Activities. The final results show the group net income for the year was £62,533. Cash at the end of the year was £382,885, an increase of £18,707 during the year. In addition, investment funds were held with a value at the end of the year of £180,424, an increase of £145,376. This result is on track with the SNGLT business plan looking towards the next overhaul in circa 2032.

Income from subscriptions, donations and gift aid amounted to £62,479 (2023 - £108,410). Merchandise and memorabilia sales amounted to £ 38,979 (2023 - £31,641). Income from hire of the locomotive was £154,841 (2023 - £169,293).

To keep members up to date with activities regular updates are made on our website, including the exclusive Members' area, and in our magazine 'Chime'. In addition, the Trust runs a Facebook page to provide regular updates and as a promotional activity.

During 2024 *Sir Nigel Gresley* was operated by Locomotive Services Limited under our agreement with the Royal Scot Locomotive and General Trust concerning the mainline operation. The arrangement achieves the following objectives:

- a mainline base at Crewe;
- a secure engineering base which provides under-cover accommodation for our locomotive year-round;
- the ability to maintain our strong engineering team, and in particular continue the employment of our locomotive engineer;
- maintain our educational and training activities;
- continued engagement with our membership;
- a continued relationship with the North Yorkshire Moors for heritage running; and
- a business plan that would see a mix of mainline and heritage operation to fund an overhaul in ten years' time.

Operation of the Locomotive on heritage railways was managed by the engineering and support team organised in The Sir Nigel Gresley Locomotive Company Limited (SNGLC). SNGLC also plays a vital role providing engineering support and support crew for LSL mainline operations,

At the end of the 2024, Trust membership was stable at a healthy total of 857 (865 in 2023), comprising 224 life members (227 in 2023) and 633 annual members (638 in 2023).

Future Developments

The year started with a day trip to Alstom at Derby for the press launch of 'The Greatest Gathering' event in August 2025, this event has become the flagship for the Railways 200 celebration. The launch was a great success with a lot of positive media coverage and *Sir Nigel Gresley* the undoubted star of the show. After foreshortened winter maintenance the locomotive visited the NYMR, where it operated sixteen sell-out specials. A members' train was planned in April but unfortunately this was cancelled due to a prolonged period of warm, dry weather resulting in a steam ban on the NYMR due to fire risk.

The locomotive subsequently moved back to Crewe where there was time to complete scheduled maintenance.

The 2025 railtour season has got off to a slow start with some tours cancelled however the summer and autumn will be very busy for *Sir Nigel* and our support team.

Financially, it is expected that 2025 will be a difficult year with a number of unplanned expenses, principally concerning the coach. Initially 'flats' on the wheels resulted in new tyres being required. This was organised, however further expenses will be incurred because the roller bearings were found to need replacement. Income for the year is expected to be on-plan.

The Trustees are confident that the company remains a going concern.

The Trustees

The Trustees at the date of signing this report are:

President	J F Graham
Chair	C N Wilson
Deputy Chair	A H Pitt (appointed 23 rd July 2024)
Secretary	J F M Jackson
Chief Mechanical Engineer	R Swales
Treasurer	M K Walmsley (appointed 25 th January 2025)
Trustee	M McHugh
Education Officer	D McIntosh
Trustee	A M Flood
Volunteering Representative	R J Shearman

In addition, Don Gott and Malcolm Bateman served during the year and retired as Trustees at the 2024 AGM.

In accordance with the Articles of Association of the Trust, Keith Walmsley retires, having been appointed since the last AGM, and John Graham, Alison Flood and Richard Swales retire by rotation from the Board. Being eligible to do so, Keith Walmsley, Alison Flood and Richard Swales offer themselves for re-election. The Trustees would like to thank John Graham, who is standing down as a Trustee, for the immense contribution he has made to our organization over the years. John retains the role of Honorary President of SNGLT.

Although the Trustees provide their time on a voluntary basis, there is a recognised need for professionalism and safety in the ownership, repair and running of the locomotive. The Trustees have working roles as indicated above.

Vacancies for Trustees are advertised in 'Chime' from time-to-time. Potential new Trustees are asked to provide a CV, after which they are interviewed by the Chairman and at least one other appropriate Trustee, appropriate being determined by anticipated responsibilities.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Independent Examiner's Report to the Trustees of The Sir Nigel Gresley Locomotive Trust Limited

I report on the financial statements of The Sir Nigel Gresley Locomotive Trust Limited for the year ended 31 December 2024 set out on pages 5 to 11 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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 financial statements, and seeking explanations from the 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 financial statements 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- the financial statements fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102).
- in my opinion the matter should be drawn to the attention of the reader to gain a proper understanding of the financial statements.



K R Varley
Chartered Accountant
Bradford

5th August 2025

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Accounting Policies

The Trust and its subsidiary company have adopted the following accounting policies which form an integral part of the financial statements.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 102 (Charities SORP (FRS 102)), as updated, and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 102 (FRS 102) and with the Companies Act 2006. The Trust is a public benefit entity for the purposes of FRS 102.

Basis of consolidation

The group financial statements combine the financial statements of The Sir Nigel Gresley Locomotive Trust Limited and its subsidiary company made up to 31 December each year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of any of the purposes of the Trust.

Designated funds form part of the unrestricted funds and represent funds earmarked by the Trustees for particular purposes. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds are subject to restrictions imposed by donors as to the purposes to which the funds may be applied.

Income recognition

All income is included in the statement of financial activities when the group is entitled to the income, the receipt of the income is considered probable and the amount can be measured reliably. Donated goods and services are included at the value to the Trust, when any conditions associated with the donated items have been met and economic benefit can be measured reliably.

Expenditure

Expenditure is recognised on the accruals basis when there is a legal or constructive obligation to make payment to a third party and the amount of the obligation can be measured reliably. Expenditure on raising funds comprises costs of commercial trading and the Chime publication. Expenditure on charitable activities comprises locomotive running and repair costs, insurance, other direct costs and associated support costs.

Support costs are those functions that assist the work of the company but are not directly incurred in raising funds and undertaking charitable activities. Such costs are presently allocated wholly to expenditure on charitable activities on the grounds that any costs relating to the raising of funds are insignificant.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The locomotive, boiler and coach are treated as separate assets and each are subject to periodic major overhauls that restore the operating potential of the asset.

The cost of such major overhauls is capitalised as representing the cost of the asset concerned.

Depreciation is calculated to write off the above costs over the period to the next expected major overhaul. No depreciation is charged whilst overhauls are in progress.

Investments

Investments are stated at fair value. In the case of managed investment funds, fair value is determined by reference to prices advised by the fund managers.

Stock

Stock is stated at the lower of purchase cost and net realisable value.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Group Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2024**

	£	2024 £	£	2023 £
Donations and legacies:				
Membership subscriptions	11,979		11,798	
Gift Aid tax receivable	10,338		10,207	
Other donations and legacies	<u>40,162</u>		<u>86,405</u>	
		62,479		108,410
Other trading activities:				
General sales		38,979		31,641
Investment income:				
Bank deposit interest	16,318		4,694	
Investment income	3,562		271	
Gains on investments	<u>7,813</u>	27,693	<u>1,258</u>	6,223
Income from charitable activities				
Hire of locomotive and engineer services		<u>154,841</u>		<u>169,293</u>
Total income and endowments		283,992		315,567
Expenditure on raising funds				
Fund raising trading: Cost of general sales	<u>22,898</u>		<u>19,627</u>	
Expenditure on charitable activities				
General repairs and maintenance	61,179		41,546	
Locomotive running costs	8,220		9,330	
Insurance	11,039		10,549	
Travelling and subsistence	5,777		3,384	
Depreciation	<u>99,107</u>		<u>98,940</u>	
	<u>185,322</u>		<u>163,749</u>	
Support costs allocated to charitable activities				
China magazine	6,723		6,340	
Postage and telephone	508		1,652	
Printing and stationery	887		228	
General expenses	2,541		877	
Bank charges	614		791	
Professional fees	666		1,000	
Independent examiner's fee	<u>1,300</u>		<u>1,280</u>	
	<u>13,239</u>		<u>12,168</u>	
Total expenditure		<u>221,459</u>		<u>195,544</u>
Net income before depreciation	161,640		218,963	
Depreciation	<u>99,107</u>		<u>98,940</u>	
Net income before taxation		62,533		120,023
Taxation (note 3)		-		-
Net movement in funds (note 9)		<u>62,533</u>		<u>120,023</u>

The above statement relates entirely to unrestricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Group Balance Sheet 31 December 2024

	2024	2023
	£	£
Net assets employed		
Fixed assets		
Tangible fixed assets (note 4)	752,350	851,457
Current assets		
Stock held for sale	14,449	10,111
Trade debtors	-	8,473
Other debtors	10,338	10,207
Prepayments and accrued income	16,275	17,068
Investments (note 6)	180,424	35,048
Cash at bank and building society	<u>382,885</u>	<u>364,178</u>
	<u>604,371</u>	<u>445,085</u>
Current liabilities		
Creditors due within one year:		
Trade creditors	4,564	2,197
Other taxes and social security	20,722	24,028
Accruals	<u>23,011</u>	<u>24,426</u>
	<u>48,297</u>	<u>50,651</u>
Net current assets	<u>556,074</u>	<u>394,434</u>
Total assets less current liabilities	<u>1,308,424</u>	<u>1,245,891</u>
Represented by		
Unrestricted funds:		
Designated funds (note 7)	526,000	338,000
General funds (note 7)	<u>782,424</u>	<u>907,891</u>
Total funds (note 9)	<u>1,308,424</u>	<u>1,245,891</u>

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

Approved by the trustees on 5th August 2025 and signed on their behalf by:



C. N. WILSON
Chairman



J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Balance Sheet 31 December 2024

	£	2024 £	£	2023 £
Net assets employed				
Fixed assets				
Tangible fixed assets (note 4)		750,518		848,793
Investment in subsidiary companies (note 5)		<u>100</u>		<u>100</u>
		750,618		848,893
Current assets				
Stock held for sale	14,449		10,111	
Trade debtors	-		2,250	
Other taxes and social security	1,131		-	
Other debtors	10,338		10,207	
Prepayments and accrued income	3,613		11,131	
Investments (note 6)	180,424		35,048	
Cash at bank and building society	<u>354,671</u>		<u>357,020</u>	
	<u>564,626</u>		<u>425,767</u>	
Current liabilities: creditors due within one year				
Trade creditors	3,423		1,440	
Other taxes and social security	-		164	
Amount owed to subsidiary	122,318		71,275	
Accruals	<u>657</u>		<u>1,698</u>	
	<u>126,398</u>		<u>74,577</u>	
Net current assets		<u>438,228</u>		<u>351,190</u>
Total assets less current liabilities		<u>1,188,846</u>		<u>1,200,083</u>
Represented by				
Unrestricted funds:				
Designated funds (note 7)		526,000		338,000
General funds (note 7)		<u>662,846</u>		<u>862,083</u>
Total funds (note 9)		<u>1,188,846</u>		<u>1,200,083</u>

For the year ended 31 December 2024 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

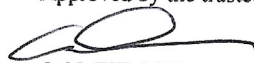
The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.


The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year, and of its profit or loss for each financial year, in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the trustees on 5th August 2025 and signed on their behalf by:


C. N. WILSON
Chairman


J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2024

1. Statutory information

The Sir Nigel Gresley Locomotive Trust Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 00901015 and its registered office is Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ. The Trust is a registered charity, number 1079591.

2. Staff costs and Trustees' remuneration and expenses

The average number of employees during the year was one (2023 – one).

Staff salaries amounted to £52,135 (2023 - £42,937) and employer's pension contributions amounted to £1,626 (2023 - £1,083).

The Trustees received no remuneration for the year (2023 - none).

The Trustees incurred travel and other expenses in the course of providing services to the Trust and its subsidiaries amounting to £6,497 (2023 - £5,156) including VAT, from which donations amounting to £6,325 (2023 - £5,013) were made to the Trust.

3. Taxation

No charge for taxation arises on the net income for the year (2023 – none).

In general terms the Trust is exempt from tax on income and gains applied to its charitable objects.

4. Tangible fixed assets

Group and company	Locomotive £	Boiler £	Coach £	Motor vehicle £	Total £
Cost:					
1 January 2024 and 31 December 2024	<u>529,487</u>	<u>369,940</u>	<u>104,609</u>	<u>3,329</u>	<u>1,007,365</u>
Depreciation:					
1 January 2024	86,431	60,594	8,218	665	155,908
Charge	54,775	38,270	5,230	832	99,107
31 December 2024	<u>141,206</u>	<u>98,864</u>	<u>13,448</u>	<u>1,497</u>	<u>255,015</u>
Net book value - 31 December 2024	<u>388,281</u>	<u>271,076</u>	<u>91,161</u>	<u>1,832</u>	<u>752,350</u>
- 31 December 2023	<u>443,056</u>	<u>309,346</u>	<u>96,391</u>	<u>2,664</u>	<u>851,457</u>

With the exception of the motor vehicle all tangible fixed assets are held by the Trust and are considered to be heritage assets for the purposes of the Charities SORP (FRS 102), as updated.

5. Investment in subsidiary companies

The Trust has effective voting control of The Sir Nigel Gresley Locomotive Company Limited, which is a company limited by guarantee (company no. 03700456) and there is therefore no cost of investment. The main activity of the subsidiary is the operation of Class A4 steam locomotive Sir Nigel Gresley, including overhauls. Transactions for the year comprised group VAT movements of £30,758 (2023 - £20,270) less funding and other transfers of £81,801 (2023 - £153,609). Last year there were also overhaul transactions of £7,073.

In 2022 the Trust formed a new subsidiary, SNG Engineering Limited, a company limited by shares (company no. 13861809). At 31 December 2024 the company had not undertaken any transactions.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2024

5. Investment in subsidiary companies (contd.)

The summary financial performance of The Sir Nigel Gresley Locomotive Company Limited is as follows:

	2024	2023
	£	£
Income	154,841	169,293
Expenditure	81,071	61,240
Net income/(loss)	<u>73,770</u>	<u>108,053</u>

The assets and liabilities of the subsidiary were:

Fixed assets	1,832	2,664
Current assets	163,094	90,493
Current liabilities	(45,348)	(47,349)
Net assets	<u>19,578</u>	<u>45,808</u>

6. Current asset investments

	2024	2023
	£	£
Fair value:		
Managed investment funds	<u>180,424</u>	<u>35,048</u>

If investments were not restated to fair value, they would be stated at cost of £167,519 (2023 - £33,519).

7. Fund accounts

	General Fund £	Major Overhaul Fund £	Total £
Group			
Opening balances	907,891	338,000	1,245,891
Net income for the year	62,533	-	62,533
Transfer of funds	(188,000)	188,000	-
Closing balances	<u>782,424</u>	<u>526,000</u>	<u>1,308,424</u>
Analysis of net assets between funds:			
Tangible fixed assets	752,350	-	752,350
Current assets	78,371	526,000	604,371
Current liabilities	(48,297)	-	(48,297)
Net assets	<u>782,424</u>	<u>526,000</u>	<u>1,308,424</u>

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2024

7. Fund accounts (contd.)

	General Fund £	Major Overhaul Fund £	Total £
Company			
Opening balances	862,083	338,000	1,200,083
Net (deficit)/income for the year	(11,237)	-	(11,237)
Transfer of funds	(188,000)	188,000	-
	<u>662,846</u>	<u>526,000</u>	<u>1,188,846</u>
Closing balances			
	<u>662,846</u>	<u>526,000</u>	<u>1,188,846</u>
Analysis of net assets between funds:			
Tangible fixed assets	750,518	-	750,518
Investment in subsidiary companies	100	-	100
Current assets	38,626	526,000	564,626
Current liabilities	(126,398)	-	(126,398)
	<u>662,846</u>	<u>526,000</u>	<u>1,188,846</u>
Net assets			
	<u>662,846</u>	<u>526,000</u>	<u>1,188,846</u>

Both funds are unrestricted funds. The major overhaul fund is a designated fund. There are no restricted funds.

8. Parent company statement of financial activities

As permitted by Section 408 of the Companies Act 2006 the statement of financial activities of the parent company has not been presented. In summary, the financial performance of the parent company included in the group statement of financial activities is as follows:

	2024 £	2023 £
Income	129,151	146,274
Expenditure	140,388	134,304
	<u>(11,237)</u>	<u>11,970</u>
Net (deficit)/income		
	<u>(11,237)</u>	<u>11,970</u>

9. Reconciliation of movement in members' funds

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Opening members' funds	1,245,891	1,125,868	1,200,083	1,188,113
Net income for the year	62,533	120,023	(11,237)	11,970
	<u>1,308,424</u>	<u>1,245,891</u>	<u>1,188,846</u>	<u>1,200,083</u>
Closing members' funds				
	<u>1,308,424</u>	<u>1,245,891</u>	<u>1,188,846</u>	<u>1,200,083</u>

10. Financial commitments

There were no contracted capital expenditure commitments at 31 December 2024 or 31 December 2023.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2024**

	£	2024 £	£	2023 £
Income				
Membership subscriptions		11,979		11,798
Gift Aid tax receivable		10,338		10,207
Other donations and fund-raising activities		40,162		86,405
Bank deposit interest		16,318		4,694
Investment income		3,562		271
Gain on investments		7,813		1,258
General sales		38,979		31,641
		<hr/>		<hr/>
Total income		129,151		146,274
Expenditure on raising funds				
Fund raising: Cost of general sales	22,898		19,627	
Direct charitable expenditure				
Insurance		1,570		1,579
Travelling		5,777		3,384
Depreciation		98,275		98,275
		<hr/>		<hr/>
		105,622		103,238
Management and administration				
Chime magazine		6,723		6,340
Postage and telephone		508		1,638
Printing and stationery		887		218
General expenses		2,541		877
Bank charges		559		726
Independent examiner's fee		650		640
Professional		-		1,000
		<hr/>		<hr/>
		11,868		11,439
Total expenditure		140,388		134,304
		<hr/>		<hr/>
Net (deficit)/income		(11,237)		11,970

This page does not form part of the statutory financial statements

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales - Charity number 1079591

Accounts

**THE SIR NIGEL GRESLEY LOCOMOTIVE
TRUST LIMITED**

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2023

Company No. 00901015

Registered Charity No. 1079591

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED
Annual Report of the Trustees for the year ended 31 December 2023

Trustees' Report

The Trust Board has pleasure in presenting their report and the group financial statements for the year ended 31 December 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Constitution

Following a special resolution of 'The A4 Locomotive Society Limited' to change its name to 'The Sir Nigel Gresley Locomotive Preservation Trust Limited' in 1998 as a company limited by guarantee and not having a share capital (retaining company registration number 901015), the Trust was registered as a charity number 1079591. An Extraordinary General Meeting held on the 26th October 2014 passed a resolution that changed the name to 'The Sir Nigel Gresley Locomotive Trust Limited'. The Trust is governed by a Memorandum and Articles of Association. In the event of the company being wound up or dissolved the liability in respect of the guarantee is limited to a sum not exceeding £10.00 per member of the company.

The Charity's Objects

The Trust was established to advance the education of the public through the preservation, operation and exhibition of locomotives of historic or scientific importance, specifically the A4 Pacific Locomotive named 'Sir Nigel Gresley'. The Trustees will carry forward the original objectives of The A4 Locomotive Society from its formation in 1967 to maintain 'Sir Nigel Gresley' in main line working order. To this end overhauls have been carried out periodically to comply with the safety requirements of the national railway system. The most recent overhaul commenced in November 2015 and was completed with various milestones between April 2022 & April 2023.

There were no material changes in the policies of the Charity during the year.

Risks & Reserves

The Trustees continue to identify and review major risks to which the Charity is exposed in furthering its objectives and have put systems in place to mitigate these risks. The locomotive is protected and insulated in the ownership of the Trust and an improved distinction between the owner (The Trust) and the Operator (The Sir Nigel Gresley Locomotive Company Limited (SNGLC)) exists, in particular the financial arrangements incorporated in a Bailment Agreement between the Companies.

A register of relevant interests of Trustees and SNGLC Directors; this is in line with Charity Commission guidance.

With an overhaul now complete the risk profile has changed to those associated with operating. Compared to previous operating periods the agreement the Trust has executed with the Royal Scot Locomotive and General Trust Limited (RSL>) greatly reduces the risks by giving us a guaranteed income.

The Trust policy on reserves is somewhat different from most charities in that the objective of the charity is on a 10-year funding cycle based on the operational period of the locomotive. For that reason, the policy of the Trust is to accumulate a reserve in a designated overhaul fund sufficient to fund an overhaul every 10 years. This policy has been in place since the formation of the Trust and a review was carried out in 2022. Cash and investments in the group balance sheet therefore represent the accumulated overhaul fund of £338,000 with the balance being a general reserve to cover day to day and other operating requirements. The purpose of the designated overhaul fund is to overhaul our locomotive and coach and to return them to mainline operation. The timing of the majority of expenditure is during the overhaul process at the end of the 10-year cycle. It is our objective to have a residual balance in the overhaul fund to start the next operating period. This was achieved in 2022/23, but the Trustees recognise that the nature of our activity is such that it is impossible to guarantee that it will always be achieved.

Main activities and achievements of the year 2023

Having run in black livery as No. 4498 in 2022 the start of 2023 saw *Sir Nigel Gresley* repainted into BR express blue livery as voted for by Trust members during the overhaul. Following the painting routine maintenance was carried out before a successful visit to the Nene Valley Railway over Easter 2023. During the visit a SNGLT Members' Day was held with 60007 providing footplate rides to members. The locomotive then returned to Crewe. Over the summer a program of tours was operated in the South West for Saphos Trains with the locomotive based at Bishops Lydeard. During these tours repairs were necessary to the little end of the middle engine and also replacement of left engine piston valve rings.

In the Autumn the locomotive visited the NYMR for their Autumn gala and also working a joint SNGLT members' train with the LNER Coach Association.

The locomotive then worked a railtour for 'Steam Dreams' to Edinburgh but unfortunately the piston valve rings in the right engine failed and the locomotive was unavailable for the remainder of the tour. Repairs were instigated to allow the locomotive to return to Crewe where winter maintenance commenced slightly early. As a preventative measure all the valve rings were replaced as part of a full valve and piston examination.

The locomotive was ready for its next planned railtours in March 2024.

The financial results for the year are set out in the following Group Statement of Financial Activities. The final results show the group net income for the year was £120,023. Cash at the end of the year was £364,178, an increase of £172,381 during the year. In addition investment funds were held with a value at the end of the year of £35,048. This result is on-track with the SNGLT business plan looking towards the next overhaul in circa 2032.

Income from subscriptions, donations and gift aid amounted to £108,410 (2022 - £106,778). Merchandise and memorabilia sales amounted to £31,641 (2022 - £41,398). Income from hire of the locomotive was £169,293 (2022 – £69,277).

To keep members up to date with activities regular updates are made on our website, including the exclusive Members' area, and in our magazine 'Chime'. In addition, the Trust runs a Facebook page to provide regular updates and as a promotional activity.

During 2023 *Sir Nigel Gresley* was operated by Locomotive Services Limited (LSL) under our agreement with the Royal Scot Locomotive and General Trust concerning the mainline operation. The arrangement achieves the following objectives:

- a mainline base at Crewe;
- a secure engineering base which provides under-cover accommodation for our locomotive year-round;
- the ability to maintain our strong engineering team, and in particular continue the employment of our locomotive engineer;
- maintain our educational and training activities;
- continued engagement with our membership;
- a continued relationship with the North Yorkshire Moors for heritage running; and
- a business plan that would see a mix of mainline and heritage operation to fund an overhaul in ten years' time.

Operation of the locomotive on heritage railways was managed by the engineering and support team organised in The Sir Nigel Gresley Locomotive Company Limited (SNGLC). SNGLC also plays a vital role providing engineering support and support crew for LSL mainline operations,

At the end of the 2023, Trust membership has grown slightly to a healthy total of 865 (855 in 2022), comprising 227 life members (236 in 2022) and 638 annual members (619 in 2022).

Future Developments

The 2024 railtour programme commenced in March with successful tours from King's Cross to York (return) and Newcastle to London. In between these *Sir Nigel Gresley* was a popular visitor to the East Lancs Railway 'Legends of Steam' gala. The locomotive will be based at Crewe for most of 2024 although a month is planned at Bishops Lydeard for three mainline tours. In the autumn 60007 is booked to attend the Autumn gala of the Bluebell Railway.

In order to take advantage of potential contract engineering opportunities, a new company has been established named SNG Engineering Ltd. This company a company limited by shares and is 100 % owned by SNGLT Ltd. It has not yet traded.

The Trustees are confident that the company remains a going concern.

The Trustees

The Trustees during the year and at the date of signing this report are:

President	J F Graham
Chairman	C N Wilson
Secretary	J F M Jackson
Chief Mechanical Engineer	R Swales
Treasurer	M McHugh
Education Officer	D McIntosh
Trustee responsible for sales	D B Gott
Trustee	A M Flood
Editor of Chime	M Bateman
Volunteering Representative	R J Shearman

On 7th October 2023 Vice President and life Trustee, C D D Newton passed away. Charles had been a Director / Trustee since 1967. The funeral and tributes were covered in 'Chime'.

In accordance with the Articles of Association of the Trust, Malcolm Bateman, Bob Shearman and Nigel Wilson retire from the Board and, being eligible to do so, Bob Shearman and Nigel Wilson offer themselves for re-election. Malc Bateman wishes to retire at the AGM. Additionally Don Gott has informed the Trustees he wishes to retire at the AGM and Mike McHugh has informed the Trustees that he wishes to retire before the end of 2024.

Although the Trustees provide their time on a voluntary basis, there is a recognised need for professionalism and safety in the ownership, repair and running of the Locomotive. The Trustees have working roles as indicated above.

It has been agreed the responsibility for Sales will pass to David Marsh. Mr Marsh will not become a Trustee at this time but will report to the Board on Sales matters after the retirement of Mr Gott. The remaining vacancies have been advertised in 'Chime'. Potential new Trustees are asked to provide a CV, after which they are interviewed by the Chairman and at least one other appropriate Trustee, appropriate being determined by anticipated responsibilities. The prospective appointee must then be approved by the board of Trustees and must provide two references of good character that will be reviewed by the Hon. Secretary and the Chairman. They are also directed

to the Charity Commission website in order to read the duties and responsibilities of trustees, after which they must sign an eligibility to become a trustee form. Once these steps have been completed the appointment is confirmed by the Hon. Secretary.

The Trustees would like to thank all those retiring for their many years of dedicated service.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements for each accounting period in accordance with applicable law and regulations. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Charities SORP (FRS 102) requires Trustees to include in their report:

- a statement of their policy on reserves
- the level of reserves held and an explanation of why they are held
- where material funds have been designated, the amount and the purpose of the designation should be explained
- where designated funds are set aside for future expenditure, the likely timing of that expenditure

Independent Examinations

A company that meets two of the following three criteria may elect for exemption from audit under company law:

- income not more than £10.2 m;
- gross assets not more than £5.1 m; and
- average number of employees for the year not more than 50.

To be eligible for Independent Examination a charity's gross income must not exceed £1,000,000 or where gross income exceeds £250,000, the aggregate value of its assets must not exceed £3.26m.

As the Trust fulfils the above criteria the Trustees resolved in 2012 and until further notice to move to publishing Independently Examined accounts in place of Audited accounts.

So far as each Trustee is aware, there is no relevant information of which the company's Independent Examiner is unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

Other relevant organisations

Independent Examiner:	Roger Varley of Rawse, Varley & Co, Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ
Bankers:	HSBC Bank plc, The Parade, Leamington Spa for main business accounts; The Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB for members' subscriptions and regular donations
Trading Companies:	The Sir Nigel Gresley Locomotive Company Limited, Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ; SNG Engineering Limited, Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ

Independent Examiner

Roger Varley of Rawse, Varley & Co is willing to continue in office, and a resolution proposing his reappointment and authorising the Trustees to fix his remuneration will be put to the annual general meeting.

Signed on behalf of the Trustees by

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

15 June 2024

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Independent Examiner's Report to the Trustees of The Sir Nigel Gresley Locomotive Trust Limited

I report on the financial statements of The Sir Nigel Gresley Locomotive Trust Limited for the year ended 31 December 2023 set out on pages 5 to 11 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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 financial statements, and seeking explanations from the 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 financial statements 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- the financial statements fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102).
- in my opinion the matter should be drawn to the attention of the reader to gain a proper understanding of the financial statements.

K R Varley
Chartered Accountant
Bradford

15 June 2024

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Accounting Policies

The Trust and its subsidiary company have adopted the following accounting policies which form an integral part of the financial statements.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 102 (Charities SORP (FRS 102)), as updated, and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 102 (FRS 102) and with the Companies Act 2006. The Trust is a public benefit entity for the purposes of FRS 102.

Basis of consolidation

The group financial statements combine the financial statements of The Sir Nigel Gresley Locomotive Trust Limited and its subsidiary company made up to 31 December each year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of any of the purposes of the Trust.

Designated funds form part of the unrestricted funds and represent funds earmarked by the Trustees for particular purposes. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds are subject to restrictions imposed by donors as to the purposes to which the funds may be applied.

Income recognition

All income is included in the statement of financial activities when the group is entitled to the income, the receipt of the income is considered probable and the amount can be measured reliably. Donated goods and services are included at the value to the Trust, when any conditions associated with the donated items have been met and economic benefit can be measured reliably.

Expenditure

Expenditure is recognised on the accruals basis when there is a legal or constructive obligation to make payment to a third party and the amount of the obligation can be measured reliably. Expenditure on raising funds comprises costs of commercial trading and the Chime publication. Expenditure on charitable activities comprises locomotive running and repair costs, insurance, other direct costs and associated support costs.

Support costs are those functions that assist the work of the company but are not directly incurred in raising funds and undertaking charitable activities. Such costs are presently allocated wholly to expenditure on charitable activities on the grounds that any costs relating to the raising of funds are insignificant.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The locomotive, boiler and coach are treated as separate assets and each are subject to periodic major overhauls that restore the operating potential of the asset.

The cost of such major overhauls is capitalised as representing the cost of the asset concerned.

Depreciation is calculated to write off the above costs over the period to the next expected major overhaul. No depreciation is charged whilst overhauls are in progress.

Investments

Investments are stated at fair value. In the case of managed investment funds, fair value is determined by reference to prices advised by the fund managers.

Stock

Stock is stated at the lower of purchase cost and net realisable value.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Group Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2023**

	£	2023 £	£	2022 £
Donations and legacies:				
Membership subscriptions	11,798		8,653	
Gift Aid tax receivable	10,207		10,305	
Other donations and legacies	<u>86,405</u>		<u>87,820</u>	
		108,410		106,778
Other trading activities:				
General sales		31,641		41,398
Investment income:				
Bank deposit interest	4,694		547	
Investment income	271		-	
Gains on investments	<u>1,258</u>	6,223	<u>-</u>	547
Income from charitable activities				
Hire of locomotive and engineer services		<u>169,293</u>		<u>69,277</u>
Total income and endowments		315,567		218,000
Expenditure on raising funds				
Fund raising trading: Cost of general sales		<u>19,627</u>		<u>21,575</u>
Expenditure on charitable activities				
General repairs, maintenance and engineer costs	41,546		10,649	
Locomotive running costs	9,330		28,118	
Insurance	10,549		9,384	
Travelling and subsistence	3,384		4,480	
Depreciation	<u>98,940</u>		<u>56,968</u>	
		<u>163,749</u>		<u>109,599</u>
Support costs allocated to charitable activities				
Chime magazine	6,340		5,984	
Postage and telephone	1,652		1,147	
Printing and stationery	228		1,691	
General expenses	877		1,473	
Bank charges	791		893	
Professional fees	1,000		970	
Independent examiner's fee	<u>1,280</u>		<u>1,280</u>	
		<u>12,168</u>		<u>13,438</u>
Total expenditure		<u>195,549</u>		<u>144,612</u>
Net income before depreciation	218,963		130,356	
Depreciation	<u>98,940</u>		<u>56,968</u>	
Net income before taxation		120,023		73,388
Taxation (note 3)		<u>-</u>		<u>-</u>
Net movement in funds (note 9)		<u>120,023</u>		<u>73,388</u>

The above statement relates entirely to unrestricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Group Balance Sheet 31 December 2023

	£	2023 £	£	2022 £
Net assets employed				
Fixed assets				
Tangible fixed assets (note 4)		851,457		939,994
Current assets				
Stock held for sale	10,111		5,063	
Trade debtors	8,473		1,961	
Other debtors	10,207		10,305	
Prepayments	17,068		15,761	
Investments (note 6)	35,048		-	
Cash at bank and building society	<u>364,178</u>		<u>191,797</u>	
		<u>445,085</u>		<u>224,887</u>
Current liabilities				
Creditors due within one year:				
Trade creditors		2,197		1,172
Other taxes and social security		24,028		13,882
Accruals		<u>24,426</u>		<u>23,959</u>
		<u>50,651</u>		<u>39,013</u>
Net current assets		<u>394,434</u>		<u>185,874</u>
Total assets less current liabilities		<u>1,245,891</u>		<u>1,125,868</u>
Represented by				
Unrestricted funds:				
Designated funds (note 7)		338,000		164,749
General funds (note 7)		<u>907,891</u>		<u>961,119</u>
Total funds (note 9)		<u>1,245,891</u>		<u>1,125,868</u>

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

Approved by the trustees on 15 June 2024 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Balance Sheet 31 December 2023

	£	2023 £	£	2022 £
Net assets employed				
Fixed assets				
Tangible fixed assets (note 4)		848,793		939,994
Investment in subsidiary companies (note 5)		<u>100</u>		<u>100</u>
		848,893		940,094
Current assets				
Stock held for sale	10,111		5,063	
Amount owed by subsidiary	-		69,236	
Trade debtors	2,250		1,961	
Other debtors	10,207		10,305	
Prepayments	11,131		28	
Investments (note 6)	35,048		-	
Cash at bank and building society	<u>357,020</u>		<u>165,263</u>	
	<u>425,767</u>		<u>251,856</u>	
Current liabilities: creditors due within one year				
Trade creditors	1,440		-	
Other taxes and social security	164		1,161	
Amount owed to subsidiary	71,275		100	
Accruals	<u>1,698</u>		<u>2,576</u>	
	<u>74,577</u>		<u>3,837</u>	
Net current assets		<u>351,190</u>		<u>248,019</u>
Total assets less current liabilities		<u>1,200,083</u>		<u>1,188,113</u>
Represented by				
Unrestricted funds:				
Designated funds (note 7)		338,000		164,749
General funds (note 7)		<u>862,083</u>		<u>1,023,364</u>
Total funds (note 9)		<u>1,200,083</u>		<u>1,188,113</u>

For the year ended 31 December 2023 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year, and of its profit or loss for each financial year, in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the trustees on 15 June 2024 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2023

1. Statutory information

The Sir Nigel Gresley Locomotive Trust Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 00901015 and its registered office is Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ. The Trust is a registered charity, number 1079591.

2. Staff costs and Trustees' remuneration and expenses

The average number of employees during the year was one (2022 – one).

Staff salaries amounted to £42,937 (2022 - £39,586) and employer's pension contributions amounted to £1,083 (2022 - £1,000). Staff costs have been charged fixed assets, where appropriate, until final completion of the overhaul.

The Trustees received no remuneration for the year (2022 - none).

The Trustees incurred travel and other expenses in the course of providing services to the Trust and its subsidiaries amounting to £5,156 (2022 - £6,348) including VAT, from which donations amounting to £5,013 (2022 - £5,924) were made to the Trust.

3. Taxation

No charge for taxation arises on the net income for the year (2022 – none).

In general terms the Trust is exempt from tax on income and gains applied to its charitable objects.

4. Tangible fixed assets

Group and company	Locomotive £	Boiler £	Coach £	Motor vehicle £	Total £
Cost:					
1 January 2023	524,584	369,940	102,438	-	996,962
Additions	<u>4,903</u>	<u>-</u>	<u>2,171</u>	<u>3,329</u>	<u>10,403</u>
31 December 2023	<u>529,487</u>	<u>369,940</u>	<u>104,940</u>	<u>3,329</u>	<u>1,007,365</u>
Depreciation:					
1 January 2023	31,656	22,324	2,988	-	56,968
Charge	<u>54,775</u>	<u>38,270</u>	<u>5,230</u>	<u>665</u>	<u>98,940</u>
31 December 2023	<u>86,431</u>	<u>60,594</u>	<u>8,218</u>	<u>665</u>	<u>155,908</u>
Net book value - 31 December 2023	<u>443,056</u>	<u>309,346</u>	<u>96,391</u>	<u>2,664</u>	<u>851,457</u>
- 31 December 2022	<u>492,928</u>	<u>347,616</u>	<u>99,450</u>	<u>-</u>	<u>939,994</u>

With the exception of the motor vehicle all tangible fixed assets are held by the Trust and are considered to be heritage assets for the purposes of the Charities SORP (FRS 102), as updated.

5. Investment in subsidiary companies

The Trust has effective voting control of The Sir Nigel Gresley Locomotive Company Limited, which is a company limited by guarantee (company no. 03700456) and there is therefore no cost of investment. The main activity of the subsidiary is the operation of Class A4 steam locomotive Sir Nigel Gresley, including the overhaul. Transactions for the year comprised overhaul costs of £7,073 (2022 - £89,964) and group VAT movements of £20,270 (2022 - £17,650) less funding and other transfers of £153,609 (2022 - £66,444).

Last year the Trust formed a new subsidiary, SNG Engineering Limited, a company limited by shares (company no. 13861809). At 31 December 2023 the company had not undertaken any transactions.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2023

5. Investment in subsidiary companies (contd.)

The summary financial performance of The Sir Nigel Gresley Locomotive Company Limited is as follows:

	2023	2022
	£	£
Income	169,293	69,277
Expenditure	61,240	48,031
Net income/(loss)	<u>108,053</u>	<u>21,246</u>

The assets and liabilities of the subsidiary were:

Fixed assets	2,664	-
Current assets	90,493	42,267
Current liabilities	(47,349)	(104,512)
Net liabilities	<u>45,808</u>	<u>(62,245)</u>

6. Current asset investments

	2023	2022
	£	£
Fair value:		
Managed investment funds	<u>35,048</u>	<u>-</u>

If investments had not been restated to fair value, they would be stated at cost of £33,519.

7. Fund accounts

	General Fund	Major Overhaul Fund	Total
	£	£	£
Group			
Opening balances	961,119	164,749	1,125,868
Net income for the year	120,023	-	120,023
Transfer of funds	(173,251)	173,251	-
Closing balances	<u>907,891</u>	<u>338,000</u>	<u>1,245,891</u>
Analysis of net assets between funds:			
Tangible fixed assets	851,457	-	851,457
Current assets	107,085	338,000	445,085
Current liabilities	(50,651)	-	(50,651)
Net assets	<u>907,891</u>	<u>338,000</u>	<u>1,245,891</u>

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2023

7. Fund accounts (contd.)

	General Fund £	Major Overhaul Fund £	Total £
Company			
Opening balances	1,023,364	164,749	1,188,113
Net income for the year	11,970	-	11,970
Transfer of funds	(173,251)	173,251	-
	<u>862,083</u>	<u>338,000</u>	<u>1,200,083</u>
Closing balances			
Analysis of net assets between funds:			
Tangible fixed assets	848,793	-	848,793
Investment in subsidiary companies	100	-	100
Current assets	87,767	338,000	425,767
Current liabilities	(74,577)	-	(74,577)
	<u>862,083</u>	<u>338,000</u>	<u>1,200,083</u>
Net assets			

Both funds are unrestricted funds. The major overhaul fund is a designated fund. There are no restricted funds.

8. Parent company statement of financial activities

As permitted by Section 408 of the Companies Act 2006 the statement of financial activities of the parent company has not been presented. In summary, the financial performance of the parent company included in the group statement of financial activities is as follows:

	2023 £	2022 £
Income	146,274	148,723
Expenditure	134,304	96,581
	<u>11,970</u>	<u>52,142</u>
Net Income		

9. Reconciliation of movement in members' funds

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Opening members' funds	1,125,868	1,052,480	1,188,113	1,135,971
Net income for the year	120,023	73,388	11,970	52,142
	<u>1,245,891</u>	<u>1,125,868</u>	<u>1,200,083</u>	<u>1,188,113</u>
Closing members' funds				

10. Financial commitments

There were no contracted capital expenditure commitments at 31 December 2023 (2022 – £1,535).

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2023**

	£	2023 £	£	2022 £
Income				
Membership subscriptions		11,798		8,653
Gift Aid tax receivable		10,207		10,305
Other donations and fund-raising activities		86,405		87,820
Bank deposit interest		4,694		547
Investment income		271		-
Gain on investments		1,529		-
General sales		31,641		41,398
		-----		-----
Total income		146,274		148,723
Expenditure on raising funds				
Fund raising: Cost of general sales	<u>19,627</u>		<u>21,575</u>	
Direct charitable expenditure				
Insurance		1,579		1,484
Travelling		3,384		4,480
Depreciation		98,275		56,968
		-----		-----
		<u>103,238</u>		<u>62,932</u>
Management and administration				
Chime magazine		6,340		5,984
Postage and telephone		1,638		1,090
Printing and stationery		218		1,684
General expenses		877		1,152
Bank charges		726		824
Independent examiner's fee		640		640
Professional		1,000		700
		-----		-----
		<u>11,439</u>		<u>12,074</u>
Total expenditure		134,304		96,581
		-----		-----
Net income		<u>11,970</u>		<u>52,142</u>

This page does not form part of the statutory financial statements

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales - Charity number 1079591

Accounts

**THE SIR NIGEL GRESLEY LOCOMOTIVE
TRUST LIMITED**

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2022

Company No. 00901015

Registered Charity No. 1079591

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED
Annual Report of the Trustees for the year ended 31 December 2022

Trustees' Report

The Trust Board has pleasure in presenting their report and the group financial statements for the year ended 31 December 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Constitution

Following a special resolution of 'The A4 Locomotive Society Limited' to change its name to 'The Sir Nigel Gresley Locomotive Preservation Trust Limited' in 1998 as a company limited by guarantee and not having a share capital (retaining company registration number 901015), the Trust was registered as a charity number 1079591. An Extraordinary General Meeting held on the 26th October 2014 passed a resolution that changed the name to 'The Sir Nigel Gresley Locomotive Trust Limited'. The Trust is governed by a Memorandum and Articles of Association. In the event of the company being wound up or dissolved the liability in respect of the guarantee is limited to a sum not exceeding £10.00 per member of the company.

The Charity's Objects

The Trust was established to advance the education of the public through the preservation, operation and exhibition of locomotives of historic or scientific importance, specifically the A4 Pacific Locomotive named 'Sir Nigel Gresley'. The Trustees will carry forward the original objectives of The A4 Locomotive Society from its formation in 1967 to maintain 'Sir Nigel Gresley' in main line working order. To this end overhauls have been carried out periodically to comply with the safety requirements of the national railway system. The most recent overhaul commenced in November 2015 and was completed with various milestones between April 2022 & April 2023.

There were no material changes in the policies of the Charity during the year.

Risks & Reserves

The Trustees continue to identify and review major risks to which the Charity is exposed in furthering its objectives and have put systems in place to mitigate these risks. The locomotive is protected and insulated in the ownership of the Trust and an improved distinction between the owner (The Trust) and the Operator (The Sir Nigel Gresley Locomotive Company Limited (SNGLC)) exists, in particular the financial arrangements incorporated in a Bailment Agreement between the Companies.

A register of relevant interests of Trustees and SNGLC Directors is maintained; this is in line with Charity Commission guidance.

With an overhaul now complete the risk profile has changed to those associated with operating. Compared to previous operating periods the agreement the Trust has executed with the Royal Scot Locomotive and General Trust (RSL>) greatly reduces the risks by giving us a guaranteed income.

The Trust policy on reserves is somewhat different from most charities in that the objective of the charity is on a 10-year funding cycle based on the operational period of the locomotive. This means that what the Trust often refers to as the "overhaul fund" is in other words a type of reserve. As such, the policy of the Trust is to accumulate a reserve sufficient to fund an overhaul every 10 years. This policy has been in place since the formation of the Trust and the latest review was carried out as at the end of 2022. In line with the SORP requirements (see below), the level of reserves is effectively our existing cash balance, as documented herein, and the purpose of the funds is to fund the overhaul of our locomotive and coach, and return them to mainline operation. The timing of the majority of expenditure is during the overhaul process. It is our objective to have a residual reserve fund to start the next operating period and this was achieved in 2022 but, as noted above, the Trustees recognise that the nature of our activity is such that this is impossible to guarantee will always be achieved.

Main activities and achievements of the year 2022

The start of 2022 saw a strong push towards the completion of the overhaul. The locomotive was rolled out for Members on the 12th February in temporary LNER black livery. It was steamed in March then immediately moved to the Severn Valley Railway for running in. *Sir Nigel Gresley* made its first moves under its own power on 23rd March and returned to revenue earning service on 21st April 2022.

The overhaul of E21096 was also completed and the coach joined the locomotive at the Severn Valley Railway in March, where it was used on the running in trains. The coach was formally named "The Roger Barker Coach" at a ceremony in Grosmont which took place on members' day in October.

Following a starring role in the Severn Valley Railway spring gala, the locomotive was moved by rail back to Crewe, where final preparations for mainline certification were made. Light and loaded test runs were completed in mid-May. On 21st May the locomotive worked its first mainline tour since 2014 with a SNGLT Members train from Crewe to Carlisle. This was made possible by the working relationship we have (via the agreement with RSL>) with Locomotive Services Group, who provided the stock and operated the train.

Following the initial tour, inspection of the boiler showed a defect in the main steam pipe which was fitted during the 2002 – 2005 overhaul. Repairs took until September when the locomotive was once again the star of a steam gala, this time at the North Yorkshire Moors Railway. Following some further special services on the NYMR the locomotive returned to Crewe before successfully working three railtours in the run-up to Christmas. These trips started with a return to the East Coast Mainline with a King's Cross to York tour.

During the year the locomotive remained in its temporary black livery as LNER No. 4498.

The financial results for the year are set out in the following Group Statement of Financial Activities. The final results show the group net income for the year was £73,388. Cash at the end of the year was £191,797, an increase of £63,411 during the year. Coming at the end of the overhaul this represents a very satisfactory result. Although the overhaul expenditure was over budget, income held up well, meaning cash reserves were enough to complete the overhaul.

Income from subscriptions, donations and gift aid amounted to £106,778 (2021 - £56,302). Merchandise and memorabilia sales amounted to £41,398 (2021 - £4,509). Income from hire of the locomotive and associated engineer services was £69,277 (2021 – NIL).

To keep members up to date with activities regular updates are made on our website, including the exclusive Members' area, and in our magazine 'Chime'. In addition, the Trust runs a Facebook page to provide regular updates and also as a promotional activity.

During 2022, the overhaul and operation of the Locomotive was managed by the engineering and support team organised in The Sir Nigel Gresley Locomotive Company Limited.

The Trust has an agreement with the Royal Scot Locomotive and General Trust about the mainline operation of 60007. The arrangement achieves the following objectives:

- a mainline base at Crewe;
- a secure engineering base which provides under-cover accommodation for our locomotive year-round;
- the ability to maintain our strong engineering team, and in particular continue the employment of our locomotive engineer;
- maintain our educational and training activities;
- continued engagement with our membership;
- a continued relationship with the North Yorkshire Moors for heritage running; and
- a business plan that would see a mix of mainline and heritage operation to fund an overhaul in ten years' time.

At the end of the 2022, Trust membership has grown to a healthy total of 855 (789 in 2021/22), comprising 236 life members (241 in 2021/22) and 619 annual members (548 in 2021/22)).

Future Developments

The start of 2023 saw *Sir Nigel Gresley* repainted into BR express blue livery as voted for by Trust members during the overhaul. Following the painting, routine maintenance was carried out before a successful visit to the Nene Valley Railway over Easter 2023. The locomotive then returned to Crewe. Over the summer a programme of tours will be operated in the South West for Saphos Trains with the locomotive based at Bishops Lydeard.

In order to take advantage of potential contract engineering opportunities, a new company has been established named SNG Engineering Limited. This company is a company limited by shares and is wholly owned by SNGLT Ltd. It has not yet traded.

The Trustees are confident that the company remains a going concern.

The Trustees

The Trustees during the year and at the date of signing this report are:

President	J F Graham
Vice President	C D D Newton
Chairman	C N Wilson
Secretary	J F M Jackson
Chief Mechanical Engineer	R Swales
Treasurer	M H McHugh
Education Officer	D R McIntosh
Trustee responsible for sales	D B Gott
Trustee	A J M Flood
Editor of Chime	M W Bateman
Volunteering Representative	R J Shearman

In accordance with the Articles of Association of the Trust, Don Gott, David McIntosh and Joan Jackson retire from the Board and, being eligible to do so, offer themselves for re-election.

Although the Trustees provide their time on a voluntary basis, there is a recognised need for professionalism and safety in the ownership, repair and running of the Locomotive. The Trustees have working roles as indicated above.

The Trustees periodically review the composition of the board of Trustees and from time to time seek to appoint new Trustees. Vacancies are usually advertised in 'Chime'. Potential new Trustees are asked to provide a CV, after which they are interviewed by the Chairman and at least one other appropriate Trustee, appropriate being determined by anticipated responsibilities. The prospective appointee must then be approved by the board of Trustees and must provide two references of good character that will be reviewed by the Hon. Secretary and the Chairman. They are also directed to the Charity Commission website in order to read the duties and responsibilities of trustees, after which they must sign an eligibility to become a trustee form. Once these steps have been completed the appointment is confirmed by the Hon. Secretary.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements for each accounting period in accordance with applicable law and regulations. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Charities SORP (FRS 102) requires Trustees to include in their report:

- a statement of their policy on reserves
- the level of reserves held and an explanation of why they are held
- where material funds have been designated, the amount and the purpose of the designation should be explained
- where designated funds are set aside for future expenditure, the likely timing of that expenditure

Independent Examinations

A company that meets two of the following three criteria may elect for exemption from audit under company law:

- income not more than £10.2 m;
- gross assets not more than £5.1 m; and
- average number of employees for the year not more than 50.

To be eligible for Independent Examination a charity's gross income must not exceed £1,000,000 or where gross income exceeds £250,000, the aggregate value of its assets must not exceed £3.26m.

As the Trust fulfils the above criteria the Trustees resolved in 2012 and until further notice to move to publishing Independently Examined accounts in place of Audited accounts.

So far as each Trustee is aware, there is no relevant information of which the company's Independent Examiner is unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

Other relevant organisations

Independent Examiner: Roger Varley of Rawse, Varley & Co, Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ

Bankers: HSBC Bank plc, The Parade, Leamington Spa for main business accounts;
The Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB for members' subscriptions and regular donations

Subsidiary Companies: The Sir Nigel Gresley Locomotive Company Limited (Formerly The A4 Locomotive Society Ltd.), Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ
SNG Engineering Limited, Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ

Independent Examiner

Roger Varley of Rawse, Varley & Co is willing to continue in office, and a resolution proposing his reappointment and authorising the Trustees to fix his remuneration will be put to the annual general meeting.

Signed on behalf of the Trustees by

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

10th June 2023

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Independent Examiner's Report to the Trustees of The Sir Nigel Gresley Locomotive Trust Limited

I report on the financial statements of The Sir Nigel Gresley Locomotive Trust Limited for the year ended 31 December 2022 set out on pages 5 to 11 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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 financial statements, and seeking explanations from the 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 financial statements 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- the financial statements fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102).
- in my opinion the matter should be drawn to the attention of the reader to gain a proper understanding of the financial statements.

K R Varley
Chartered Accountant
Bradford

10th June 2023

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Accounting Policies

The Trust and its subsidiary companies have adopted the following accounting policies which form an integral part of the financial statements.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 102 (Charities SORP (FRS 102)), as updated, and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 102 (FRS 102) and with the Companies Act 2006. The Trust is a public benefit entity for the purposes of FRS 102.

Basis of consolidation

The group financial statements combine the financial statements of The Sir Nigel Gresley Locomotive Trust Limited and its subsidiary companies made up to 31 December each year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of any of the purposes of the Trust.

Designated funds form part of the unrestricted funds and represent funds earmarked by the Trustees for particular purposes. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds are subject to restrictions imposed by donors as to the purposes to which the funds may be applied.

Income recognition

All income is included in the statement of financial activities on the accruals basis when the group is entitled to the income, the receipt of the income is considered probable and the amount can be measured reliably. Donated goods and services are included at the value to the Trust, when any conditions associated with the donated items have been met and economic benefit can be measured reliably.

Expenditure

Expenditure is recognised on the accruals basis when there is a legal or constructive obligation to make payment to a third party and the amount of the obligation can be measured reliably. Expenditure on raising funds comprises costs of commercial trading and the Chime publication. Expenditure on charitable activities comprises locomotive running and repair costs, insurance, other direct costs and associated support costs.

Support costs are those functions that assist the work of the company but are not directly incurred in raising funds and undertaking charitable activities. Such costs are presently allocated wholly to expenditure on charitable activities on the grounds that any costs relating to the raising of funds are insignificant.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The locomotive, boiler and coach are treated as separate assets and each are subject to periodic major overhauls that restore the operating potential of the asset.

The cost of such major overhauls is capitalised as representing the cost of the asset concerned.

Depreciation is calculated to write off the above costs over the period to the next expected major overhaul at the following annual rates:

Locomotive	- 10.3% of cost
Boiler	- 10.3% of cost
Coach	- 5% of cost

No depreciation is charged whilst major overhauls are in progress.

Stock

Stock is stated at the lower of purchase cost and net realisable value.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Group Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2022

	£	2022 £	£	2021 £
Donations and legacies:				
Membership subscriptions	8,653		7,409	
Gift Aid tax receivable	10,305		9,694	
Other donations and legacies	<u>87,820</u>		<u>39,199</u>	
		106,778		56,302
Other trading activities:				
General sales		41,398		4,509
Investment income:				
Bank deposit interest		547		848
Income from charitable activities				
Hire of locomotive and engineer services		<u>69,277</u>		<u>-</u>
Total income and endowments		218,000		61,659
Expenditure on raising funds				
Fund raising trading: Cost of general sales		<u>21,575</u>		<u>1,940</u>
Expenditure on charitable activities				
General repairs and maintenance	10,649		-	
Locomotive running costs	28,118		170	
Insurance	9,384		6,540	
Travelling and subsistence	4,480		1,937	
Depreciation	<u>56,968</u>		<u>-</u>	
		<u>109,599</u>		<u>8,647</u>
Support costs allocated to charitable activities				
Salaries and national insurance (note 2)	-		-	
Chime magazine	5,984		5,227	
Postage and telephone	1,147		120	
Printing and stationery	1,691		60	
General expenses	1,473		748	
Bank charges	893		337	
Professional fees	970		472	
Independent examiner's fee	<u>1,280</u>		<u>1,252</u>	
		<u>13,438</u>		<u>8,216</u>
Total expenditure		<u>144,612</u>		<u>18,803</u>
Net income before depreciation	130,356		42,856	
Depreciation	<u>56,968</u>		<u>-</u>	
Net income before taxation		73,388		42,856
Taxation (note 3)		<u>-</u>		<u>-</u>
Net movement in funds (note 8)		<u>73,388</u>		<u>42,856</u>

The above statement relates entirely to unrestricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Group Balance Sheet 31 December 2022

	£	2022 £	£	2021 £
Net assets employed				
Fixed assets				
Tangible fixed assets (note 4)		939,994		906,998
Current assets				
Stock held for sale	5,063		3,989	
Trade debtors	1,961		412	
Other debtors	10,305		14,711	
Prepayments	15,761		17,984	
Cash at bank and building society	<u>191,797</u>		<u>128,386</u>	
		<u>224,887</u>		<u>165,482</u>
Current liabilities				
Creditors due within one year:				
Trade creditors	1,172		11,673	
Other taxes and social security	13,882		2,658	
Accruals	<u>23,959</u>		<u>5,669</u>	
		<u>39,013</u>		<u>20,000</u>
Net current assets		<u>185,874</u>		<u>145,482</u>
Total assets less current liabilities		<u>1,125,868</u>		<u>1,052,480</u>
Represented by				
Unrestricted funds:				
Designated funds (note 6)		164,749		164,749
General funds (note 6)		<u>961,119</u>		<u>887,731</u>
Total funds (note 8)		<u>1,125,868</u>		<u>1,052,480</u>

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

Approved by the trustees on 10th June 2023 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Balance Sheet 31 December 2022

	2022	2021
	£	£
Net assets employed		
Fixed assets		
Tangible fixed assets (note 4)	939,994	906,998
Investment in subsidiary companies (note 5)	<u>100</u>	<u>-</u>
	940,094	906,998
Current assets		
Stock held for sale	5,063	3,989
Amount owed by subsidiary	69,236	110,406
Trade debtors	1,961	412
Other debtors	10,305	9,694
Prepayments	28	6,965
Cash at bank and building society	<u>165,263</u>	<u>102,121</u>
	<u>251,856</u>	<u>233,587</u>
Current liabilities: creditors due within one year		
Other taxes and social security	1,161	43
Amount owed to subsidiary	100	-
Accruals	<u>2,576</u>	<u>4,571</u>
	<u>3,837</u>	<u>4,614</u>
Net current assets	<u>248,019</u>	<u>228,973</u>
Total assets less current liabilities	<u>1,188,113</u>	<u>1,135,971</u>
Represented by		
Unrestricted funds:		
Designated funds (note 6)	164,749	164,749
General funds (note 6)	<u>1,023,364</u>	<u>971,222</u>
Total funds (note 8)	<u>1,188,113</u>	<u>1,135,971</u>

For the year ended 31 December 2022 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year, and of its profit or loss for each financial year, in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the trustees on 10th June 2023 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2022

1. Statutory information

The Sir Nigel Gresley Locomotive Trust Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 00901015 and its registered office is Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ. The Trust is a registered charity, number 1079591

2. Staff costs and Trustees' remuneration and expenses

The average number of employees during the year was one (2021 – one).

Staff salaries amounted to £39,586 (2021 - £37,970) and Employer's National Insurance contributions amounted to £1,000 credit (2021 - £1,315 credit). These amounts have been charged to the overhaul contract until its completion (2021 – net of government grants of £24,500 specifically related to staff costs).

The Trustees received no remuneration for the year (2021 - none).

The Trustees incurred travel and other expenses in the course of providing services to the Trust and its subsidiaries amounting to £6,348 (2021 - £2,152) including VAT, from which donations amounting to £5,924 (2021 - £2,152) were made to the Trust.

3. Taxation

No charge for taxation arises on the net income for the year (2021 – none).

In general terms the Trust is exempt from tax on income and gains applied to its charitable objects.

4. Tangible fixed assets

Group and company	Locomotive £	Boiler £	Coach £	Total £
Cost:				
1 January 2022	472,807	341,780	92,411	906,998
Additions	<u>51,777</u>	<u>28,160</u>	<u>10,027</u>	<u>89,964</u>
31 December 2022	<u>524,584</u>	<u>369,940</u>	<u>102,438</u>	<u>996,962</u>
Depreciation:				
1 January 2022	-	-	-	-
Charge	<u>31,656</u>	<u>22,324</u>	<u>2,988</u>	<u>56,968</u>
31 December 2022	<u>31,656</u>	<u>22,324</u>	<u>2,988</u>	<u>56,968</u>
Net book value - 31 December 2022	<u>492,928</u>	<u>347,616</u>	<u>99,450</u>	<u>939,994</u>
- 31 December 2021	<u>472,807</u>	<u>341,780</u>	<u>92,411</u>	<u>906,998</u>

The above assets are considered to be heritage assets for the purposes of the Charities SORP (FRS 102), as updated.

5. Investment in subsidiary companies

The Trust has effective voting control of The Sir Nigel Gresley Locomotive Company Limited, which is a company limited by guarantee (company no. 03700456) and there is therefore no cost of investment. The main activity of the subsidiary is the operation of Class A4 steam locomotive Sir Nigel Gresley, including the overhaul. Transactions for the year comprised overhaul costs of £89,964 (2021 - £83,100) and group VAT movements of £17,650 (2021 - £6,031) less funding and other transfers of £66,444 (2021 - £72,885).

During the year the Trust formed a new subsidiary, SNG Engineering Limited, a company limited by shares (company no. 13861809). At 31 December 2022 the company had not undertaken any transactions.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2022

5. Investment in subsidiary companies (contd.)

The summary financial performance of The Sir Nigel Gresley Locomotive Company Limited is as follows:

	2022	2021
	£	£
Income	69,277	-
Expenditure	48,031	6,608
Net income/(loss)	<u>21,246</u>	<u>(6,608)</u>

The assets and liabilities of the subsidiary were:

Current assets	42,267	42,301
Current liabilities	104,512	125,792
Net liabilities	<u>(62,245)</u>	<u>(83,491)</u>

6. Fund accounts

	General Fund	Major Overhaul Fund	Total
	£	£	£
Group			
Opening balances	887,731	164,749	1,052,480
Net income for the year	73,388	-	73,388
Transfer of funds	-	-	-
Closing balances	<u>961,119</u>	<u>164,749</u>	<u>1,125,868</u>

Analysis of net assets between funds:

Tangible fixed assets	939,994	-	939,994
Current assets	60,138	164,749	224,887
Current liabilities	(39,013)	-	(39,013)
Net assets	<u>961,119</u>	<u>164,749</u>	<u>1,125,868</u>

Company

Opening balances	971,222	164,749	1,135,971
Net income for the year	52,142	-	52,142
Transfer of funds	-	-	-
Closing balances	<u>1,023,364</u>	<u>164,749</u>	<u>1,188,113</u>

Analysis of net assets between funds:

Tangible fixed assets	939,994	-	939,994
Investment in subsidiary companies	100	-	100
Current assets	87,107	164,749	251,856
Current liabilities	(3,837)	-	(3,837)
Net assets	<u>1,023,364</u>	<u>164,749</u>	<u>1,188,113</u>

Both funds are unrestricted funds. The major overhaul fund is a designated fund. There are no restricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2022

7. Parent company statement of financial activities

As permitted by Section 408 of the Companies Act 2006 the statement of financial activities of the parent company has not been presented. In summary, the financial performance of the parent company included in the group statement of financial activities is as follows:

	2022 £	2021 £
Income	148,723	61,659
Expenditure	96,581	12,195
	<hr/>	<hr/>
Net Income	<u>52,142</u>	<u>49,464</u>

8. Reconciliation of movement in members' funds

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Opening members' funds	1,052,480	1,009,624	1,135,971	1,086,507
Net income for the year	73,388	42,856	52,142	49,464
	<hr/>	<hr/>	<hr/>	<hr/>
Closing members' funds	<u>1,125,868</u>	<u>1,052,480</u>	<u>1,188,113</u>	<u>1,135,971</u>

9. Financial commitments

There were contracted capital expenditure commitments at 31 December 2022 of £1,535 (2021 – £7,150).

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales - Charity number 1079591

Accounts

**THE SIR NIGEL GRESLEY LOCOMOTIVE
TRUST LIMITED**

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2021

Company No. 00901015

Registered Charity No. 1079591

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED
Annual Report of the Trustees for the year ended 31 December 2021

Trustees' Report

The Trust Board has pleasure in presenting their report and the group financial statements for the year ended 31 December 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Constitution

Following a special resolution of 'The A4 Locomotive Society Limited' to change its name to 'The Sir Nigel Gresley Locomotive Preservation Trust Limited' in 1998 as a company limited by guarantee and not having a share capital (retaining company registration number 901015), the Trust was registered as a charity number 1079591. An Extraordinary General Meeting held on the 26th October 2014 passed a resolution that changed the name to 'The Sir Nigel Gresley Locomotive Trust Limited'. The Trust is governed by a Memorandum and Articles of Association. In the event of the company being wound up or dissolved the liability in respect of the guarantee is limited to a sum not exceeding £10.00 per member of the company.

The Charity's Objects

The Trust was established to advance the education of the public through the preservation, operation and exhibition of locomotives of historic or scientific importance, specifically the A4 Pacific Locomotive named 'Sir Nigel Gresley'. The Trustees will carry forward the original objectives of The A4 Locomotive Society from its formation in 1967 to maintain 'Sir Nigel Gresley' in main line working order. To this end overhauls have been carried out periodically to comply with the safety requirements of the national railway system. The most recent overhaul commenced in November 2015 and was completed in April 2022.

There were no material changes in the policies of the Charity during the year.

Risks & Reserves

The Trustees continue to identify and review major risks to which the Charity is exposed in furthering its objectives and have put systems in place to mitigate these risks. The locomotive is protected and insulated in the ownership of the Trust and an improved distinction between the owner (The Trust) and the Operator (The Sir Nigel Gresley Locomotive Company Limited (SNGLC)) exists, in particular the financial arrangements incorporated in a Bailment Agreement between the Companies.

A register of relevant interests of Trustees and SNGLC Directors is maintained; this is in line with Charity Commission guidance.

With an overhaul now complete the risk profile has changed to those associated with operating. Compared to previous operating periods the agreement the Trust has executed with the Royal Scot Locomotive and General Trust (RSL>) greatly reduces the risks by giving us a guaranteed income.

The Trust policy on reserves is somewhat different from most charities in that the objective of the charity is on a 10-year funding cycle based on the operational period of the locomotive. This means that what the Trust often refers to as the "overhaul fund" is in other words a type of reserve. As such, the policy of the Trust is to accumulate a reserve sufficient to fund an overhaul every 10 years. This policy has been in place since the formation of the Trust and a review was carried out in 2017. In line with the SORP requirements (see below), the level of reserves is effectively our existing cash balance, as documented herein, and the purpose of the funds is to fund the overhaul of our locomotive and coach, and return them to mainline operation. The timing of the majority of expenditure is during the present overhaul process. It is our objective to have a residual reserve fund to start the next operating period but, as noted above, the Trustees recognise that the nature of our activity is such that this is impossible to guarantee.

Main activities and achievements of the year 2021

The beginning of 2021 saw work on the overhaul continuing to progress, although progress was constrained to some extent by on-going COVID-19 restrictions. On 20th May we were given notice by the National Railway Museum (NRM) that we were required to vacate their workshop; this was in line with the Licence to Occupy which had been agreed between SNGLT/C and NRM in 2015. The locomotive was forthwith made ready to vacate the NRM and the locomotive was ready to move on 20th August in compliance with the notice period in the agreement. The locomotive was moved by rail across York, then loaded onto road transport for onwards movement to the Crewe engineering works of Locomotive Services Ltd. After a period of settling in work re-commenced on completing the overhaul. By the end of 2021 the work was well advanced.

The financial results for the year are set out in the following Group Statement of Financial Activities. The final results show the group net income for the year was £42,856. Cash at the end of the year was £128,386 a decrease of £47,202 during the year. In the difficult circumstances the results for the year were satisfactory. The overhaul expenditure is over budget, but income has continued to hold up well, meaning that cash reserves were considered sufficient to complete the overhaul of the locomotive. However, at the year end the margin for further overspend remained limited.

Income from subscriptions, donations and gift aid amounted to £56,302 (2020 - £50,959). Merchandise and memorabilia sales amounted to £4,509 (2020 - £4,224).

Where possible during 2021 work has progressed the overhaul of the chassis and reassembly at York; unfortunately the progress was relatively limited. This year the ‘Roger Barker Coach’ was at Rampart Engineering Ltd. in Chesterfield for fitting of a waste retention tank in order to meet mainline operating requirements – this work is funded by Network Rail. Rampart Engineering will also carry out the overhaul of the bogies; the current BR1 roller-bearing units will be retained.

To keep members up to date with activities regular updates are made on our website, including the exclusive Members’ area, and in our magazine ‘Chime’. In addition, the Trust runs a Facebook page to provide regular updates and also as a promotional activity.

During 2021, the overhaul of the Locomotive was managed by the engineering and support team organised in The Sir Nigel Gresley Locomotive Company Limited.

The Trust has an agreement with the Royal Scot Locomotive and General Trust about the mainline operation of 60007 following completion of the overhaul. The arrangement achieves the following objectives:

- a mainline base at Crewe;
- a secure engineering base which provides under-cover accommodation for our locomotive year-round;
- the ability to maintain our strong engineering team, and in particular continue the employment of our locomotive engineer;
- maintain our educational and training activities;
- continued engagement with our membership;
- a continued relationship with the North Yorkshire Moors for heritage running; and
- a business plan that would see a mix of mainline and heritage operation to fund an overhaul in ten years’ time.

At the end of the 2021 Membership year, Trust membership remained healthy at a total of 789 (781 in 2020/21), comprising 241 life members (244 in 2020/21) and 548 annual members (537 in 2020/21)).

Future Developments

The start of 2022 saw a strong push towards the completion of the overhaul. The locomotive was rolled out for Members on the 12th February in temporary LNER black livery. The locomotive was steamed in March and immediately moved to the Severn Valley Railway for running it. *Sir Nigel Gresley* made its first moves under its own power on 23rd March and returned to revenue earning service on 21st April 2022.

The Trustees are monitoring the situation closely and will continue to take appropriate actions. We still have a number of uncertainties in the route to completion which makes predicting timescales impractical at the time of writing.

The Trustees are confident that the company remains a going concern.

The Trustees

The Trustees during the year and at the date of signing this report are:

Vice President	C D D Newton
Vice President	J F Graham
Chairman	C N Wilson
Secretary	J F M Jackson
Chief Mechanical Engineer	R Swales
Treasurer	M H McHugh
Education Officer	D R McIntosh
Trustee responsible for sales	D B Gott
Trustee	A J M Flood
Editor of Chime	M W Bateman
Volunteering Representative	R J Shearman

In addition, J R Wilkinson served until his resignation on 15 August 2021.

In accordance with the Articles of Association of the Trust, John Graham, Mike McHugh, Richard Swales and Alison Flood retire from the Board and, being eligible to do so, offer themselves for re-election.

Although the Trustees provide their time on a voluntary basis, there is a recognised need for professionalism and safety in the ownership, repair and running of the Locomotive. The Trustees have working roles as indicated above.

The Trustees periodically review the composition of the board of Trustees and from time to time seek to appoint new Trustees. Vacancies are usually advertised in ‘Chime’. Potential new Trustees are asked to provide a CV, after which they are interviewed by the Chairman and at least one other appropriate Trustee, appropriate being determined by anticipated responsibilities. The prospective appointee must then be approved by the board of Trustees and must provide two references of good character that will be reviewed by the Hon. Secretary and the Chairman. They are also directed to the Charity Commission website in order to read the duties and responsibilities of trustees, after which they must sign an eligibility to become a trustee form. Once these steps have been completed the appointment is confirmed by the Hon. Secretary.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements for each accounting period in accordance with applicable law and regulations. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Charities SORP (FRS 102) requires Trustees to include in their report:

- a statement of their policy on reserves
- the level of reserves held and an explanation of why they are held
- where material funds have been designated, the amount and the purpose of the designation should be explained
- where designated funds are set aside for future expenditure, the likely timing of that expenditure

Independent Examinations

A company that meets two of the following three criteria may elect for exemption from audit under company law:

- income not more than £10.2 m;
- gross assets not more than £5.1 m; and
- average number of employees for the year not more than 50.

To be eligible for Independent Examination a charity's gross income must not exceed £1,000,000 or where gross income exceeds £250,000, the aggregate value of its assets must not exceed £3.26m.

As the Trust fulfils the above criteria the Trustees resolved in 2012 and until further notice to move to publishing Independently Examined accounts in place of Audited accounts.

So far as each Trustee is aware, there is no relevant information of which the company's Independent Examiner is unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

Other relevant organisations

Independent Examiner: Roger Varley of Rawse, Varley & Co, Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ

Bankers: HSBC Bank plc, The Parade, Leamington Spa for main business accounts;
The Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB for members' subscriptions and regular donations

Trading Company: The Sir Nigel Gresley Locomotive Company Limited (Formerly The A4 Locomotive Society Ltd), Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ

Independent Examiner

Roger Varley of Rawse, Varley & Co is willing to continue in office, and a resolution proposing his reappointment and authorising the Trustees to fix his remuneration will be put to the annual general meeting.

Signed on behalf of the Trustees by

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

13th June 2022

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Independent Examiner's Report to the Trustees of The Sir Nigel Gresley Locomotive Trust Limited

I report on the financial statements of The Sir Nigel Gresley Locomotive Trust Limited for the year ended 31 December 2021 set out on pages 5 to 11 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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 financial statements, and seeking explanations from the 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 financial statements 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- the financial statements fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102).
- in my opinion the matter should be drawn to the attention of the reader to gain a proper understanding of the financial statements.

K R Varley
Chartered Accountant
Bradford

13th June 2022

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Accounting Policies

The Trust and its subsidiary company have adopted the following accounting policies which form an integral part of the financial statements.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 102 (Charities SORP (FRS 102)), as updated, and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 102 (FRS 102) and with the Companies Act 2006. The Trust is a public benefit entity for the purposes of FRS 102.

Basis of consolidation

The group financial statements combine the financial statements of The Sir Nigel Gresley Locomotive Trust Limited and its subsidiary company made up to 31 December each year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of any of the purposes of the Trust.

Designated funds form part of the unrestricted funds and represent funds earmarked by the Trustees for particular purposes. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds are subject to restrictions imposed by donors as to the purposes to which the funds may be applied.

Income recognition

All income is included in the statement of financial activities when the group is entitled to the income, the receipt of the income is considered probable and the amount can be measured reliably. Donated goods and services are included at the value to the Trust, when any conditions associated with the donated items have been met and economic benefit can be measured reliably.

Expenditure

Expenditure is recognised on the accruals basis when there is a legal or constructive obligation to make payment to a third party and the amount of the obligation can be measured reliably. Expenditure on raising funds comprises costs of commercial trading. Expenditure on charitable activities comprises locomotive running and repair costs, insurance, other direct costs and associated support costs.

Support costs are those functions that assist the work of the company but are not directly incurred in raising funds and undertaking charitable activities. Such costs are presently allocated wholly to expenditure on charitable activities on the grounds that any costs relating to the raising of funds are insignificant.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The locomotive, boiler and coach are treated as separate assets and each are subject to periodic major overhauls that restore the operating potential of the asset.

The cost of such major overhauls is capitalised as representing the cost of the asset concerned.

Depreciation is calculated to write off the above costs over the period to the next expected major overhaul. No depreciation is charged whilst overhauls are in progress.

Stock

Stock is stated at the lower of purchase cost and net realisable value.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Group Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2021**

	£	2021 £	£	2020 £
Donations and legacies:				
Membership subscriptions	7,409		10,077	
Gift Aid tax receivable	9,694		8,244	
Other donations and legacies	<u>39,199</u>		<u>32,638</u>	
		56,302		50,959
Other trading activities:				
General sales		4,509		4,224
Investment income:				
Bank deposit interest		848		1,331
Income from charitable activities				
Hire of locomotive		-		-
Total income and endowments		61,659		56,514
Expenditure on raising funds				
Fund raising trading: Cost of general sales	<u>1,940</u>		<u>1,784</u>	
Expenditure on charitable activities				
General repairs and maintenance	-		-	
Locomotive running costs	170		-	
Insurance	6,540		6,212	
Travelling and subsistence	1,937		120	
Depreciation	<u>-</u>		<u>-</u>	
	<u>8,647</u>		<u>6,332</u>	
Support costs allocated to charitable activities				
Salaries and national insurance (note 2)	-		-	
Chime magazine	5,227		3,677	
Postage and telephone	120		366	
Printing and stationery	60		76	
General expenses	748		302	
Bank charges	337		305	
Professional fees	472		586	
Independent examiner's fee	<u>1,252</u>		<u>1,228</u>	
	<u>8,216</u>		<u>6,540</u>	
Total expenditure		<u>18,803</u>		<u>14,656</u>
Net income before depreciation	42,856		41,858	
Depreciation	<u>-</u>		<u>-</u>	
Net income before taxation		42,856		41,858
Taxation (note 3)		<u>-</u>		<u>-</u>
Net movement in funds (note 8)		<u>42,856</u>		<u>41,858</u>

The above statement relates entirely to unrestricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Group Balance Sheet 31 December 2021

	2021	2020
	£	£
Net assets employed		
Fixed assets		
Tangible fixed assets (note 4)	906,998	823,898
Current assets		
Stock held for sale	3,989	4,228
Trade debtors	412	-
Other debtors	14,711	9,310
Prepayments	17,984	6,932
Cash at bank and building society	<u>128,386</u>	<u>175,588</u>
	<u>165,482</u>	<u>196,058</u>
Current liabilities		
Creditors due within one year:		
Trade creditors	11,673	2,977
Other taxes and social security	2,658	2,078
Accruals	<u>5,669</u>	<u>5,277</u>
	<u>20,000</u>	<u>10,332</u>
Net current assets	<u>145,482</u>	<u>185,726</u>
Total assets less current liabilities	<u>1,052,480</u>	<u>1,009,624</u>
Represented by		
Unrestricted funds:		
Designated funds (note 6)	164,749	164,749
General funds (note 6)	<u>887,731</u>	<u>844,875</u>
Total funds (note 8)	<u>1,052,480</u>	<u>1,009,624</u>

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

Approved by the trustees on 13th June 2022 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Balance Sheet 31 December 2021

	2021	2020
	£	£
Net assets employed		
Fixed assets		
Tangible fixed assets (note 4)	906,998	823,898
Investment in subsidiary company (note 5)	-	-
Current assets		
Stock held for sale	3,989	4,228
Amount owed by subsidiary	110,406	94,160
Trade debtors	412	-
Other debtors	9,694	8,244
Prepayments	6,965	6,540
Cash at bank and building society	<u>102,121</u>	<u>154,417</u>
	<u>233,587</u>	<u>267,589</u>
Current liabilities: creditors due within one year		
Other taxes and social security	43	1,026
Accruals	<u>4,571</u>	<u>3,954</u>
	<u>4,614</u>	<u>4,980</u>
Net current assets	<u>228,973</u>	<u>262,609</u>
Total assets less current liabilities	<u>1,135,971</u>	<u>1,086,507</u>
Represented by		
Unrestricted funds:		
Designated funds (note 6)	164,749	164,749
General funds (note 6)	<u>971,222</u>	<u>921,758</u>
Total funds (note 8)	<u>1,135,971</u>	<u>1,086,507</u>

For the year ended 31 December 2021 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year, and of its profit or loss for each financial year, in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the trustees on 13th June 2022 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2021

1. Statutory information

The Sir Nigel Gresley Locomotive Trust Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 00901015 and its registered office is Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ. The Trust is a registered charity, number 1079591

2. Staff costs and Trustees' remuneration and expenses

The average number of employees during the year was one (2020 – one).

Staff salaries amounted to £37,970 (2020 - £37,350) and Employer's National Insurance contributions amounted to £1,315 credit (2020 - £2,281). For the current and previous year these amounts have been charged to the overhaul contract in progress in full, net of government grants of £4,500 (2020 - £14,757) specifically related to staff costs.

The Trustees received no remuneration for the year (2020 - none).

The Trust reimbursed travel and subsistence expenses incurred by Trustees in the course of providing services to the Trust and its subsidiary amounting to £2,152 (2020 - £117) including VAT, from which donations amounting to £2,152 (2020 - £117) were made to the Trust.

3. Taxation

No charge for taxation arises on the net income for the year (2020 – none).

In general terms the Trust is exempt from tax on income and gains applied to its charitable objects.

4. Tangible fixed assets

Group and company	Locomotive £	Boiler £	Coach £	Total £
Cost:				
1 January 2021	416,564	333,495	73,839	823,898
Additions	<u>56,243</u>	<u>8,285</u>	<u>18,572</u>	<u>83,100</u>
31 December 2021	<u>472,807</u>	<u>341,780</u>	<u>92,411</u>	<u>906,998</u>
Depreciation:				
1 January 2021 and 31 December 2021	—	—	—	—
Net book value - 31 December 2021	<u>472,807</u>	<u>341,780</u>	<u>92,411</u>	<u>906,998</u>
- 31 December 2020	<u>416,564</u>	<u>333,495</u>	<u>73,839</u>	<u>823,898</u>

The above assets are considered to be heritage assets for the purposes of the Charities SORP (FRS 102), as updated.

No charge for depreciation has been made, because the overhaul of the assets was in progress at the year end.

5. Investment in subsidiary company

The Trust has effective voting control of The Sir Nigel Gresley Locomotive Company Limited, which is a company limited by guarantee (company no. 03700456) and there is therefore no cost of investment. The main activity of the subsidiary is the operation of Class A4 steam locomotive Sir Nigel Gresley, including the overhaul.

Transactions with the subsidiary comprised overhaul costs of £83,100 (2020 - £46,089) and group VAT movements of £6,031 (2020 - £11,949) less funding and minor transfers of £72,885 (2020 - £64,875).

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2021

5. Investment in subsidiary company (contd.)

The summary financial performance of the subsidiary is as follows:

	2021	2020
	£	£
Income	-	-
Expenditure	6,608	6,387
Net income/(loss)	<u>(6,608)</u>	<u>(6,387)</u>

The assets and liabilities of the subsidiary were:

Current assets	42,301	23,655
Current liabilities	125,792	100,538
Net liabilities	<u>(83,491)</u>	<u>(76,883)</u>

6. Fund accounts

	General Fund	Major Overhaul Fund	Total
	£	£	£
Group			
Opening balances	844,875	164,749	1,009,624
Net income for the year	42,856	-	42,856
Transfer of funds	-	-	-
Closing balances	<u>887,731</u>	<u>164,749</u>	<u>1,052,480</u>
Analysis of net assets between funds:			
Tangible fixed assets	906,998	-	906,998
Current assets	733	164,749	165,482
Current liabilities	(20,000)	-	(20,000)
Net assets	<u>887,731</u>	<u>164,749</u>	<u>1,052,480</u>
Company			
Opening balances	921,758	164,749	1,086,507
Net income for the year	49,464	-	49,464
Transfer of funds	-	-	-
Closing balances	<u>971,222</u>	<u>164,749</u>	<u>1,135,971</u>
Analysis of net assets between funds:			
Tangible fixed assets	906,998	-	906,998
Current assets	68,838	164,749	233,587
Current liabilities	(4,614)	-	(4,614)
Net assets	<u>971,222</u>	<u>164,749</u>	<u>1,135,971</u>

Both funds are unrestricted funds. The major overhaul fund is a designated fund. There are no restricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2021

7. Parent company statement of financial activities

As permitted by Section 408 of the Companies Act 2006 the statement of financial activities of the parent company has not been presented. In summary, the financial performance of the parent company included in the group statement of financial activities is as follows:

	2021 £	2020 £
Income	61,659	56,514
Expenditure	12,195	8,269
	<hr/>	<hr/>
Net income	<u>49,464</u>	<u>48,245</u>

8. Reconciliation of movement in members' funds

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Opening members' funds	1,009,624	967,766	1,086,507	1,038,262
Net income for the year	42,856	41,858	49,464	48,245
	<hr/>	<hr/>	<hr/>	<hr/>
Closing members' funds	<u>1,052,480</u>	<u>1,009,624</u>	<u>1,135,971</u>	<u>1,086,507</u>

9. Financial commitments

There were contracted capital expenditure commitments at 31 December 2021 of £7,150 (2020 – £1,000).

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

England & Wales - Charity number 1079591

Accounts

**THE SIR NIGEL GRESLEY LOCOMOTIVE
TRUST LIMITED**

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2020

Company No. 00901015

Registered Charity No. 1079591

RAWSE, VARLEY & CO
Chartered Accountants
Bradford

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED
Annual Report of the Trustees for the year ended 31 December 2020

Trustees' Report

The Trust Board has pleasure in presenting their report and the group financial statements for the year ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Constitution

Following a special resolution of 'The A4 Locomotive Society Limited' to change its name to 'The Sir Nigel Gresley Locomotive Preservation Trust Limited' in 1998 as a company limited by guarantee and not having a share capital (retaining company registration number 901015), the Trust was registered as a charity number 1079591. An Extraordinary General Meeting held on the 26th October 2014 passed a resolution that changed the name to 'The Sir Nigel Gresley Locomotive Trust Limited'. The Trust is governed by a Memorandum and Articles of Association. In the event of the company being wound up or dissolved the liability in respect of the guarantee is limited to a sum not exceeding £10.00 per member of the company.

The Charity's Objects

The Trust was established to advance the education of the public through the preservation, operation and exhibition of locomotives of historic or scientific importance, specifically the A4 Pacific Locomotive named 'Sir Nigel Gresley'. The Trustees will carry forward the original objectives of The A4 Locomotive Society from its formation in 1967 to maintain 'Sir Nigel Gresley' in main line working order. To this end overhauls have been carried out periodically to comply with the safety requirements of the national railway system. The most recent overhaul commenced in November 2015.

There were no material changes in the policies of the Charity during the year.

Risks & Reserves

The Trustees continue to identify and review major risks to which the Charity is exposed in furthering its objectives and have put systems in place to mitigate these risks. The locomotive is protected and insulated in the ownership of the Trust and an improved distinction between the owner (The Trust) and the Operator (The Sir Nigel Gresley Locomotive Company Limited (SNGLC)) exists, in particular the financial arrangements incorporated in a Bailment Agreement between the Companies.

A register of relevant interests of Trustees and SNGLC Directors is maintained; this is in line with Charity Commission guidance.

With an overhaul now under way the key risk the Trust faces is that the cost of the work required may exceed the available funds. In common with all steam locomotive overhauls it is impossible to fully quantify the work required until the locomotive is fully dismantled; however, this stage has been achieved and nothing beyond normal expectations has been uncovered. The Trustees are regularly monitoring committed costs vs. planned spend. The impact of COVID-19 has had a significant impact on the Trust and was not a risk previously identified. Delays to the overhaul compounded by the impact of COVID-19 restrictions means we are beyond the terms of our workshop access agreement – this represents a new substantive risk to the organisation which is being addressed by attempting to conclude the overhaul as swiftly as possible but without jeopardising the safety of our team.

The Trust policy on reserves is somewhat different from most charities in that the objective of the charity is on a 10-year funding cycle based on the operational period of the locomotive. This means that what the Trust often refers to as the "overhaul fund" is in other words a type of reserve. As such, the policy of the Trust is to accumulate a reserve sufficient to fund an overhaul every 10 years. This policy has been in place since the formation of the Trust and a review was carried out in 2017. In line with the SORP requirements (see below), the level of reserves is effectively our existing cash balance, as documented herein, and the purpose of the funds is to fund the overhaul of our locomotive and coach, and return them to mainline operation. The timing of the majority of expenditure is during the present overhaul process. It is our objective to have a residual reserve fund to start the next operating period but, as noted above, the Trustees recognise that the nature of our activity is such that this is impossible to guarantee.

Main activities and achievements of the year 2020

The beginning of 2020 saw work on the overhaul continuing to progress, however the global pandemic of COVID-19 brought work to a stop. The Trustees agreed a policy on COVID-19 which was revised regularly during 2020. With the enforced closure of the NRM during lock-down, work on the overhaul was suspended on 19th March. Despite the easing of UK Government restrictions during the summer of 2020 many of the NRM staff remained on furlough making even communication about restarting work difficult. We were not permitted to re-start work at the NRM until the autumn. When work re-commenced on 6th October SNGLC was limited to only four days a week with working-time restrictions and a maximum of 5 people per shift. The headcount limit stayed in force for the rest of the year and beyond.

In view of the situation SNGLC took cost saving measures making use of the UK Government's furlough scheme to pay 80 % of the wages of their one employee. Further savings have come from a reduction in rent payments until we can return to the workshop facilities. We were in the fortunate situation that all our primary assets were in secure, covered locations prior to the lock-down.

The financial results for the year are set out in the following Group Statement of Financial Activities. The final results show the group net income for the year was £41,858. Cash at the end of the year was £175,588, a decrease of only £8,928 during the year. In the difficult circumstances the results for the year were satisfactory. The overhaul expenditure is over-budget, however income has continued to hold up well, meaning cash reserves appear sufficient to complete the overhaul of the locomotive. However, the margin for further overspend remains limited.

Income from subscriptions, donations and gift aid amounted to £50,959 (2019 - £60,324). Merchandise and memorabilia sales amounted to £4,224 (2019 - £10,726) despite internet sales being limited to calendars and face-coverings for the majority of the year.

Where possible during 2020 work has progressed the overhaul of the chassis and reassembly at York, unfortunately the progress was relatively limited. Late in the year the 'Roger Barker Coach' was moved from storage at Margate to Rampart Engineering Ltd. in Chesterfield for fitting of a waste retention tank in order to meet mainline operating requirements – this work is funded by Network Rail. Rampart Engineering will also carry out the overhaul of the bogies; the current BR1 roller-bearing units will be retained.

To keep members up to date with activities regular updates are made on our website, including the exclusive Members' area, and in our magazine 'Chime'. In addition, the Trust runs a Facebook page to provide regular updates and also as a promotional activity.

During 2020, the overhaul of the Locomotive was managed by the engineering and support team organised in The Sir Nigel Gresley Locomotive Company Limited.

The Trust has an agreement with the Royal Scot Locomotive and General Trust about the mainline operation of 60007 following completion of the overhaul. The arrangement achieves the following objectives:

- a mainline base at Crewe;
- a secure engineering base which provides under-cover accommodation for our locomotive year-round;
- the ability to maintain our strong engineering team, and in particular continue the employment of our locomotive engineer;
- maintain our educational and training activities;
- continued engagement with our membership;
- a continued relationship with the North Yorkshire Moors for heritage running; and
- a business plan that would see a mix of mainline and heritage operation to fund an overhaul in ten years' time.

At the end of the 2020 Membership year, Trust membership remained healthy at a total of 781 (809 in 2019/20), comprising 244 life members (236 in 2019/20) and 537 annual members (573 in 2019/20)).

Future Developments

As the COVID-19 situation deteriorated in early 2021, a number of volunteers stopped attending York pending access to vaccination and in mid-January the decision was taken to suspend all activities in York in line with Government advice. Although we could have attempted to maintain some activity, the decision to shut down was taken because the Trustees considered we had a duty of care to the SNGLC team. From March 2021 activities have been cautiously re-started.

The Trustees are monitoring the situation closely and will continue to take appropriate actions. We still have a number of uncertainties in the route to completion which makes predicting timescales impractical at the time of writing.

The Trustees are confident that the company remains a going concern.

The Trustees

The Trustees during the year and at the date of signing this report are:

Vice President	C D D Newton
Vice President	J F Graham
Chairman	C N Wilson
Deputy Chairman	J R Wilkinson
Secretary	J F M Jackson
Chief Mechanical Engineer	R Swales
Treasurer	M McHugh
Education Officer	D McIntosh
Trustee responsible for sales	D B Gott
Trustee	A Flood
Editor of Chime	M Bateman
Volunteering Representative	B Shearman

In accordance with the Articles of Association of the Trust, Messrs Bob Shearman, Malc Bateman, David McIntosh and Nigel Wilson retire from the Board and, being eligible to do so, offer themselves for re-election.

Although the Trustees provide their time on a voluntary basis, there is a recognised need for professionalism and safety in the ownership, repair and running of the Locomotive. The Trustees have working roles as indicated above.

The Trustees periodically review the composition of the board of Trustees and from time to time seek to appoint new Trustees. Vacancies are usually advertised in 'Chime'. Potential new Trustees are asked to provide a CV, after which they are interviewed by the Chairman and at least one other appropriate Trustee, appropriate being determined by anticipated responsibilities. The prospective appointee must

then be approved by the board of Trustees and must provide two references of good character that will be reviewed by the Hon. Secretary and the Chairman. They are also directed to the Charity Commission website in order to read the duties and responsibilities of trustees, after which they must sign an eligibility to become a trustee form. Once these steps have been completed the appointment is confirmed by the Hon. Secretary.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements for each accounting period in accordance with applicable law and regulations. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The Charities SORP (FRS 102) requires Trustees to include in their report:

- a statement of their policy on reserves
- the level of reserves held and an explanation of why they are held
- where material funds have been designated, the amount and the purpose of the designation should be explained
- where designated funds are set aside for future expenditure, the likely timing of that expenditure

Independent Examinations

A company that meets two of the following three criteria may elect for exemption from audit under company law:

- income not more than £10.2 m;
- gross assets not more than £5.1 m; and
- average number of employees for the year not more than 50.

To be eligible for Independent Examination a charity's gross income must not exceed £1,000,000 or where gross income exceeds £250,000, the aggregate value of its assets must not exceed £3.26m.

As the Trust fulfils the above criteria the Trustees resolved in 2012 and until further notice to move to publishing Independently Examined accounts in place of Audited accounts.

So far as each Trustee is aware, there is no relevant information of which the company's Independent Examiner is unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

Other relevant organisations

Independent Examiner: Roger Varley of Rawse, Varley & Co, Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ

Bankers: HSBC Bank plc, The Parade, Leamington Spa for main business accounts;
The Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB for members' subscriptions and regular donations

Trading Company: The Sir Nigel Gresley Locomotive Company Limited (formerly The A4 Locomotive Society Ltd.), Lloyds Bank Chambers, Hustlergate, Bradford, BD1 1UQ

Independent Examiner

Roger Varley of Rawse, Varley & Co is willing to continue in office, and a resolution proposing his reappointment and authorising the Trustees to fix his remuneration will be put to the annual general meeting.

Signed on behalf of the Trustees by

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

8 May 2021

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Independent Examiner's Report to the Trustees of The Sir Nigel Gresley Locomotive Trust Limited

I report on the financial statements of The Sir Nigel Gresley Locomotive Trust Limited for the year ended 31 December 2020 set out on pages 5 to 11 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets and the related notes.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's statement

My examination was carried out in accordance with 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 financial statements, and seeking explanations from the 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 financial statements 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 to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- the financial statements fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102).
- in my opinion the matter should be drawn to the attention of the reader to gain a proper understanding of the financial statements.

K R Varley
Chartered Accountant
Bradford

8 May 2021

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Accounting Policies

The Trust and its subsidiary company have adopted the following accounting policies which form an integral part of the financial statements.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland 102 (Charities SORP (FRS 102)), as updated, and with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland 102 (FRS 102) and with the Companies Act 2006. The Trust is a public benefit entity for the purposes of FRS 102.

Basis of consolidation

The group financial statements combine the financial statements of The Sir Nigel Gresley Locomotive Trust Limited and its subsidiary company made up to 31 December each year.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of any of the purposes of the Trust.

Designated funds form part of the unrestricted funds and represent funds earmarked by the Trustees for particular purposes. The Trustees have the power to re-designate such funds within unrestricted funds.

Restricted funds are subject to restrictions imposed by donors as to the purposes to which the funds may be applied.

Income recognition

All income is included in the statement of financial activities when the group is entitled to the income, the receipt of the income is considered probable and the amount can be measured reliably. Donated goods and services are included at the value to the Trust, when any conditions associated with the donated items have been met and economic benefit can be measured reliably.

Expenditure

Expenditure is recognised on the accruals basis when there is a legal or constructive obligation to make payment to a third party and the amount of the obligation can be measured reliably. Expenditure on raising funds comprises costs of commercial trading. Expenditure on charitable activities comprises locomotive running and repair costs, insurance, other direct costs and associated support costs.

Support costs are those functions that assist the work of the company but are not directly incurred in raising funds and undertaking charitable activities. Such costs are presently allocated wholly to expenditure on charitable activities on the grounds that any costs relating to the raising of funds are insignificant.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The locomotive, boiler and coach are treated as separate assets and each are subject to periodic major overhauls that restore the operating potential of the asset.

The cost of such major overhauls is capitalised as representing the cost of the asset concerned.

Depreciation is calculated to write off the above costs over the period to the next expected major overhaul. No depreciation is charged whilst overhauls are in progress.

Stock

Stock is stated at the lower of purchase cost and net realisable value.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

**Group Statement of Financial Activities
(incorporating an income and expenditure account)
Year ended 31 December 2020**

	£	2020 £	£	2019 £
Donations and legacies:				
Membership subscriptions	10,077		7,292	
Gift Aid tax receivable	8,244		9,507	
Other donations and legacies	<u>32,638</u>		<u>43,525</u>	
		50,959		60,324
Other trading activities:				
General sales		4,224		10,726
Investment income:				
Bank deposit interest		1,331		3,067
Income from charitable activities				
Hire of locomotive		-		-
Total income and endowments		56,514		74,117
Expenditure on raising funds				
Fund raising trading: Cost of general sales		<u>1,784</u>		<u>2,406</u>
Expenditure on charitable activities				
General repairs and maintenance	-		-	
Locomotive running costs	-		-	
Insurance	6,212		5,851	
Travelling and subsistence	120		2,361	
Depreciation	<u>-</u>		<u>-</u>	
		<u>6,332</u>		<u>8,212</u>
Support costs allocated to charitable activities				
Salaries and national insurance (note 2)	-		-	
Chime magazine	3,677		5,743	
Postage and telephone	366		316	
Printing and stationery	76		672	
General expenses	302		4,726	
Bank charges	305		338	
Professional fees	586		692	
Independent examiner's fee	<u>1,228</u>		<u>1,204</u>	
		<u>6,540</u>		<u>13,691</u>
Total expenditure		<u>14,656</u>		<u>24,309</u>
Net income before depreciation	41,858		49,808	
Depreciation	<u>-</u>		<u>-</u>	
Net income before taxation		41,858		49,808
Taxation (note 3)		<u>-</u>		<u>-</u>
Net movement in funds (note 8)		<u>41,858</u>		<u>49,808</u>

The above statement relates entirely to unrestricted funds.

Group Balance Sheet 31 December 2020

	£	2020 £	£	2019 £
Net assets employed				
Fixed assets				
Tangible fixed assets (note 4)		823,898		777,809
Current assets				
Stock held for sale	4,228		4,101	
Trade debtors	-		867	
Other debtors	9,310		19,513	
Prepayments	6,932		-	
Cash at bank and building society	<u>175,588</u>		<u>184,516</u>	
		<u>196,058</u>		<u>208,997</u>
Current liabilities				
Creditors due within one year:				
Trade creditors	2,977		8,971	
Other taxes and social security	2,078		2,153	
Accruals	<u>5,277</u>		<u>7,916</u>	
		<u>10,332</u>		<u>19,040</u>
Net current assets		<u>185,726</u>		<u>189,957</u>
Total assets less current liabilities		<u>1,009,624</u>		<u>967,776</u>
Represented by				
Unrestricted funds:				
Designated funds (note 6)		164,749		164,749
General funds (note 6)		<u>844,875</u>		<u>803,017</u>
Total funds (note 8)		<u>1,009,624</u>		<u>967,766</u>

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

Approved by the trustees on 8 May 2021 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

Balance Sheet 31 December 2020

	2020	2019
	£	£
Net assets employed		
Fixed assets		
Tangible fixed assets (note 4)	823,898	777,809
Investment in subsidiary company (note 5)	-	-
Current assets		
Stock held for sale	4,228	4,101
Amount owed by subsidiary	94,160	87,323
Trade debtors	-	867
Other debtors	8,244	9,673
Prepayments	6,540	-
Cash at bank and building society	<u>154,417</u>	<u>164,336</u>
	<u>267,589</u>	<u>266,300</u>
Current liabilities: creditors due within one year		
Other taxes and social security	1,026	-
Accruals	<u>3,954</u>	<u>5,847</u>
	<u>4,980</u>	<u>5,847</u>
Net current assets	<u>262,609</u>	<u>260,453</u>
Total assets less current liabilities	<u>1,086,507</u>	<u>1,038,262</u>
Represented by		
Unrestricted funds:		
Designated funds (note 6)	164,749	164,749
General funds (note 6)	<u>921,758</u>	<u>873,513</u>
Total funds (note 8)	<u>1,086,507</u>	<u>1,038,262</u>

For the year ended 31 December 2020 the company was entitled to exemption from audit under Section 477 (2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (i) ensuring the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year, and of its profit or loss for each financial year, in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the trustees on 8 May 2021 and signed on their behalf by:

C. N. WILSON
Chairman

J. F. M. JACKSON
Secretary

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2020

1. Statutory information

The Sir Nigel Gresley Locomotive Trust Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 00901015 and its registered office is Lloyds Bank Chambers, Hustlergate, Bradford BD1 1UQ. The Trust is a registered charity, number 1079591

2. Staff costs and Trustees' remuneration and expenses

The average number of employees during the year was one (2019 – one).

Staff salaries amounted to £37,350 (2019 - £41,019) and Employer's National Insurance contributions amounted to £2,281 (2019 - £1,171). These amounts have been charged to the overhaul contract in progress in full. For the current year the charge has been made net of government grants of £14,757 specifically related to staff costs.

The Trustees received no remuneration for the year (2019 - none).

The Trust reimbursed travel and subsistence expenses incurred by Trustees in the course of providing services to the Trust and its subsidiary amounting to £117 (2019 - £2,459) including VAT, from which donations amounting to £117 (2019 - £2,026) were made to the Trust.

3. Taxation

No charge for taxation arises on the net income for the year (2019 – none).

In general terms the Trust is exempt from tax on income and gains applied to its charitable objects.

4. Tangible fixed assets

Group and company	Locomotive £	Boiler £	Coach £	Total £
Cost:				
1 January 2020	370,996	333,312	73,501	777,809
Additions	<u>45,568</u>	<u>183</u>	<u>338</u>	<u>46,089</u>
31 December 2020	<u>416,564</u>	<u>333,495</u>	<u>73,839</u>	<u>823,898</u>
Depreciation:				
1 January 2020 and 31 December 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value - 31 December 2020	<u>416,564</u>	<u>333,495</u>	<u>73,839</u>	<u>823,898</u>
- 31 December 2019	<u>370,996</u>	<u>333,312</u>	<u>73,501</u>	<u>777,809</u>

The above assets are considered to be heritage assets for the purposes of the Charities SORP (FRS 102), as updated.

No charge for depreciation has been made, because the overhaul of the assets was in progress at the year end.

5. Investment in subsidiary company

The Trust has effective voting control of The Sir Nigel Gresley Locomotive Company Limited, which is a company limited by guarantee (company no. 03700456) and there is therefore no cost of investment. The main activity of the subsidiary is the operation of Class A4 steam locomotive Sir Nigel Gresley, including the overhaul.

Transactions with the subsidiary comprised overhaul costs of £46,089 (2019 - £193,261) and group VAT movements of £11,949 (2019 - £27,993) less funding and minor transfers of £64,875 (2019 - £231,680).

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2020

5. Investment in subsidiary company (contd.)

The summary financial performance of the subsidiary is as follows:

	2020	2019
	£	£
Income	-	-
Expenditure	6,387	9,664
Net income/(loss)	<u>(6,387)</u>	<u>(9,664)</u>

The assets and liabilities of the subsidiary were:

Current assets	23,655	30,020
Current liabilities	100,538	100,516
Net liabilities	<u>(76,883)</u>	<u>(70,496)</u>

6. Fund accounts

	General Fund £	Major Overhaul Fund £	Total £
Group			
Opening balances	803,017	164,749	967,766
Net income for the year	41,858	-	41,858
Transfer of funds	-	-	-
Closing balances	<u>844,875</u>	<u>164,749</u>	<u>1,009,624</u>

Analysis of net assets between funds:

Tangible fixed assets	823,898	-	823,898
Current assets	31,309	164,749	196,058
Current liabilities	(10,332)	-	(10,332)
Net assets	<u>844,875</u>	<u>164,749</u>	<u>1,009,624</u>

Company

Opening balances	873,513	164,749	1,038,262
Net income for the year	48,245	-	48,245
Transfer of funds	-	-	-
Closing balances	<u>921,758</u>	<u>164,749</u>	<u>1,086,507</u>

Analysis of net assets between funds:

Tangible fixed assets	823,898	-	823,898
Current assets	102,840	164,749	267,589
Current liabilities	(4,980)	-	(4,980)
Net assets	<u>921,758</u>	<u>164,749</u>	<u>1,086,507</u>

Both funds are unrestricted funds. The major overhaul fund is a designated fund. There are no restricted funds.

THE SIR NIGEL GRESLEY LOCOMOTIVE TRUST LIMITED

Notes to the Financial Statements 31 December 2020

7. Parent company statement of financial activities

As permitted by Section 408 of the Companies Act 2006 the statement of financial activities of the parent company has not been presented. In summary, the financial performance of the parent company included in the group statement of financial activities is as follows:

	2020 £	2019 £
Income	56,514	74,117
Expenditure	8,269	14,645
Net income	<u>48,245</u>	<u>59,472</u>

8. Reconciliation of movement in members' funds

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Opening members' funds	967,766	917,958	1,038,262	978,790
Net income for the year	41,858	49,808	48,245	59,472
Closing members' funds	<u>1,009,624</u>	<u>967,766</u>	<u>1,086,507</u>	<u>1,038,262</u>

9. Financial commitments

There were contracted capital expenditure commitments at 31 December 2020 of £1,000 (2019 – £2,000).