

**The Lynton and Barnstaple Railway Trust  
Report of the Trustees and Consolidated  
Financial Statements  
For the Year Ended 31 December 2022**

**Fawley Judge & Easton  
Chartered Certified Accountants  
1 Parliament Street  
Hull  
HU1 2AS**

# **The Lynton and Barnstaple Railway Trust**

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# **The Lynton and Barnstaple Railway Trust**

## **Report of the Trustees for the Year Ended 31 December 2022**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the audited financial statements of the charity for the year ended 31 December 2022.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Company No. 04040633**

**Charity No. 1082564**

#### **Principal Office**

Woody Bay Station  
Parracombe  
Barnstaple  
Devon  
EX31 4RA

#### **Registered Office**

Woody Bay Station  
Parracombe  
Devon  
EX31 4RA

#### **Directors and Trustees**

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

J. Barton  
I.P. Cowling  
P. Curson  
C.G. Duffell  
G.N. Hunt  
P. Miles  
P. Snashall  
C.E. Summers  
M.E.G. Swainson

#### **Company Secretary**

A.J. Nicholson

#### **Accountants**

Accountancy Edge Limited  
12 Culm Close  
Bideford  
Devon  
EX39 4AX

# **The Lynton and Barnstaple Railway Trust**

## **Report of the Trustees for the Year Ended 31 December 2022**

### **Bankers**

Lloyds Bank Plc  
17 Cross Street  
Barnstaple  
Devon  
EX31 1BE

### **Solicitors**

Crosse Wyatt Solicitors  
7 East Street  
South Molton  
Devon  
EX36 3BX

### **Auditors**

Fawley, Judge & Easton  
1 Parliament Street  
Hull  
HU1 2AS

### **OBJECTIVES AND ACTIVITIES**

The purposes of the charity as set out in its governing document are as follows: 1) To acquire preserve and restore for the public benefit items of historical, architectural, engineering or scientific value in connection with railways; and, 2) To advance the education of the public in the history, sociology and technology of narrow-gauge railways and railways in general by the acquisition, restoration, preservation, creation and exhibition of railway locomotives, carriages, rolling stock, equipment, artefacts, documents and records, together with any appropriate land, buildings and structures in particular but not exclusively those of the former Lynton & Barnstaple railway in Devonshire and to provide educational and training facilities to those engaged in the restoration and operation of the railway or railways generally.

During the year, the charity completed construction of new tearooms at Woody Bay Station. These should enhance the revenue earning potential of the Lynton & Barnstaple Railway Community Interest Company in its operation of the railway line at Woody Bay.

As Trustees of the charity, we have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

The major activity of the charity has been working on the ongoing project to re-open the Lynton to Barnstaple Railway. The charity has expanded its landholdings, carried out work to improve its heritage rolling stock, and continued to reach out to stakeholders.

### **ACHIEVEMENTS AND PERFORMANCE**

Through the Lynton and Barnstaple Railway Community Interest Company, the charity has continued to operate a heritage railway for the benefit of the public. The charity provides the railway assets used in this operation. This attracted tourists to the Exmoor National Park area and directly and indirectly increased employment.

In 2021 the charity secured ownership of Parracombe Halt, one of the historic stations of the railway. One of the major activities this year has been the Return to Parracombe appeal, which has raised funds to reconstruct the railway line to Parracombe Halt. We have successfully raised enough to reconstruct the railway to bridge 64.

# **The Lynton and Barnstaple Railway Trust**

## **Report of the Trustees for the Year Ended 31 December 2022**

### **FINANCIAL REVIEW**

The Trustees considered the charity's financial position at 31 December 2022 to be satisfactory. Thanks to the generosity of our members and benefactors, the charity achieved an operating surplus of £858,608.

The Board of Trustees has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets or fixed asset investment held by the charity should be sufficient to cover administrative expenses and the servicing of membership commitments for a period of twelve months. This would indicate that unrestricted cash reserves of around £17,000 should be in place. The charity has designated £17,000 of funds for this purpose. The charity now has free unrestricted cash reserves in excess of this, but these are likely to be committed in the short term to the Return to Parracombe Project and on the Old Station House Inn project among others.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation. The governing document is dated 25 July 2000 as amended 4 October 2003 and 24 March 2007.

The Trustees are always trying to identify members whose skillsets and interests would make them a suitable Trustee. The Board of Trustees can co-opt new Trustees during the year, but such appointments are subject to ratification at the charity's Annual General Meeting.

New Trustees are provided with training and induction as follows: they are provided with copies of minutes of previous meeting of the Board of Trustees; they are encouraged to seek help and guidance from any of the current Trustees; and, they are encouraged to read the Charity Commission publication, 'The essential trustee' (CC3).

The charity has a subsidiary company, The Lynton and Barnstaple Railway Community Interest Company. This is controlled by the charity as its controlling shareholder, but day to day management of the company is delegated to its own board of directors.

### **Statement of trustees' responsibilities in relation to the financial statements**

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements.

comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of information included on the company's website.

# **The Lynton and Barnstaple Railway Trust**

## **Report of the Trustees for the Year Ended 31 December 2022**

### **Statement of disclosure of information to auditor**

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant information and to establish that the company's auditors are aware of that information.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

### **Auditors**

Fawley Judge & Easton are deemed to have been reappointed in accordance with section 487(2) of the Companies Act 2006.

Signed on behalf of the board.

P. Miles  
Trustee  
31 March 2023

# **The Lynton and Barnstaple Railway Trust**

## **Report of the Auditors for the Year Ended 31 December 2022**

### **Opinion**

We have audited the company financial statements of Lynton and Barnstaple Railway Trust (the 'parent company') and its subsidiaries (the group) for the year ended 31 December 2022 which comprise the group statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cashflows and the notes to the financial statements including significant accounting policies.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as of 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis of opinion**

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

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

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

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

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

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on our work we have performed, we conclude that there is a material misstatement of this information, we are required to report that fact.

We have nothing to report.

# **The Lynton and Barnstaple Railway Trust**

## **Report of the Auditors for the Year Ended 31 December 2022**

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

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of The Lynton and Barnstaple Railway Trust for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing The Lynton and Barnstaple Railway Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud.

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

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.



## **The Lynton and Barnstaple Railway Trust**

### **Report of the Auditors for the Year Ended 31 December 2022**

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Jonathan Leathley (Senior Statutory Auditor)**  
**for and on behalf of Fawley Judge & Easton**  
**Chartered Certified Accountants**  
**Statutory Auditor**  
1 Parliament Street  
Hull  
HU1 2AS

25 September 2023

Fawley Judge & Easton is eligible for appointment as auditor of The Lynton and Barnstaple Railway Trust by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# The Lynton and Barnstaple Railway Trust

## Consolidated Statement of Financial Activities for the Year Ended 31 December 2022

				2022	2021
		Unrestricted	Restricted	Total	Total
	Notes	funds £	funds £	funds £	funds £
<b>INCOMING RESOURCES</b>					
<b>Income and endowments from:</b>					
Investment income	2	7,665	379	8,044	7,451
Donations and legacies	3	527,094	585,991	1,113,085	869,003
Charitable activities		29,990	-	29,990	36,908
Trading activities	4	360,632	-	360,632	395,006
Other		12,035	-	12,035	86,686
<b>Total</b>		<u>937,416</u>	<u>586,370</u>	<u>1,523,786</u>	<u>1,395,054</u>
<b>Expenditure on:</b>					
<b>Costs of generating funds</b>					
Raising funds	5	30,946	-	30,946	25,473
Charitable activities	6	21,461	-	21,461	24,328
Other	7	157,251	84,582	241,833	202,461
Trading activities	8	371,866	-	371,866	340,007
<b>Total</b>		<u>581,524</u>	<u>84,582</u>	<u>666,106</u>	<u>592,269</u>
Taxation		928	-	928	(1,922)
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>		<u>356,820</u>	<u>501,788</u>	<u>858,608</u>	<u>800,863</u>
Transfers between funds		205,703	(205,703)	-	-
<b>NET INCOME</b>		<u>562,523</u>	<u>296,085</u>	<u>858,608</u>	<u>800,863</u>
<b>RECONCILIATION OF FUNDS</b>					
Fund balances at 1 January		4,495,506	596,722	4,855,608	4,287,105
Shares issued		846,593	-	846,593	4,260
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>5,904,622</u>	<u>892,807</u>	<u>6,797,429</u>	<u>5,092,228</u>

### CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

**The Lynton and Barnstaple Railway Trust**

**Summary Consolidated Income and Expenditure Account  
For the Year Ended 31 December 2022**

	2022 £	2021 £
Income	1,515,742	1,387,603
Interest and Investment Income	8,044	7,451
	<hr/>	<hr/>
<b>Gross income for the year</b>	<b>1,523,786</b>	<b>1,395,054</b>
Expenditure	627,645	560,646
Depreciation and charges for the impairment of fixed assets	38,461	31,623
	<hr/>	<hr/>
<b>Total expenditure for the year</b>	<b>666,106</b>	<b>592,269</b>
	<hr/>	<hr/>
<b>Net income before tax for the year</b>	<b>857,680</b>	<b>802,785</b>
Taxation	928	(1,922)
	<hr/>	<hr/>
<b>Net income for the year</b>	<b>858,608</b>	<b>800,863</b>
	<hr/>	<hr/>

## The Lynton and Barnstaple Railway Trust

### Charity Balance Sheet at 31 December 2022 Company Number: 04040633

	Notes	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>			
Intangible	12	100	120
Tangible assets	13	3,931,855	3,805,160
Investments	15	328,376	87,116
		<u>4,260,331</u>	<u>3,892,396</u>
<b>CURRENT ASSETS</b>			
Debtors	17	4,021	4,021
Investments		115,000	115,000
Cash at bank and in hand		1,253,254	680,954
		<u>1,372,275</u>	<u>799,675</u>
<b>CREDITORS</b>			
Amounts falling due within one year	18	(79,352)	(90,275)
<b>NET CURRENT ASSETS</b>		<u>1,292,923</u>	<u>709,700</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,553,254	4,602,096
<b>NET ASSETS</b>		<u>5,553,254</u>	<u>4,602,096</u>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Restricted funds</b>			
Restricted income funds		892,807	596,722
<b>Unrestricted funds</b>			
General funds		3,501,106	4,006,780
Designated funds		17,000	17,000
<b>Reserves</b>			
Revaluation reserve		1,142,341	1,142,341
<b>TOTAL FUNDS</b>		<u>5,553,254</u>	<u>4,602,096</u>

The financial statements were approved by the Board of Trustees on 31 March 2023 and were signed on its behalf by P. Miles – Trustee

**The Lynton and Barnstaple Railway Trust**

**Consolidated Balance Sheet  
at 31 December 2022  
Company Number: 04040633**

	Notes	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>			
Intangible assets	12	525	545
Tangible assets	14	4,267,593	4,143,904
Investments	16	56	56
		<u>4,268,174</u>	<u>4,144,505</u>
<b>CURRENT ASSETS</b>			
Stocks		21,300	22,767
Debtors	17	13,430	14,910
Investments		115,000	115,000
Cash at bank and in hand		2,916,054	880,120
		<u>3,065,784</u>	<u>1,032,797</u>
<b>CREDITORS</b>			
Amounts falling due within one year	18	(524,559)	(72,176)
		<u>2,541,225</u>	<u>960,621</u>
<b>NET CURRENT ASSETS</b>			
		<u>2,541,225</u>	<u>960,621</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		6,809,399	5,105,126
<b>Provisions for liabilities</b>			
		(11,970)	(12,898)
<b>NET ASSETS</b>			
		<u>6,797,429</u>	<u>5,092,228</u>
<b>FUNDS</b>	21		
<b>Restricted funds</b>			
Restricted income funds		892,807	596,722
<b>Unrestricted funds</b>			
Unrestricted income funds		3,600,601	3,038,078
<b>Reserves</b>			
Revaluation reserve		1,220,808	1,220,808
<b>Capital</b>			
Share capital		1,082,113	235,520
Share premium		1,100	1,100
		<u>6,797,429</u>	<u>5,092,228</u>

The financial statements were approved by the Board of Trustees on 31 March 2023 and were signed on its behalf by P. Miles - Trustee

## The Lynton and Barnstaple Railway Trust

### Consolidated Cash Flow Statement for the Year Ended 31 December 2022

	Notes	2022 Group £	2021 Group £
<b>Cash generated from operating activities</b>	1	<u>1,351,471</u>	<u>788,546</u>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(162,129)	(680,096)
Repayment of amounts borrowed		0	(50,000)
<b>Cash used by investing activities</b>		<u>(162,129)</u>	<u>(730,096)</u>
<b>Financing activities</b>			
Proceeds from the issue of shares		846,592	4,260
<b>Cash raised by financing activities</b>		<u>846,592</u>	<u>4,260</u>
<b>Increase/(Decrease) in cash and cash equivalents in the year</b>		<u>2,035,934</u>	<u>62,710</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<u>880,120</u>	<u>817,410</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u>2,916,054</u>	<u>880,120</u>

**The Lynton and Barnstaple Railway Trust**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2022**

**1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2022	2021
	£	£
Net incoming resources	858,608	800,863
Depreciation charges	38,441	31,603
Amortisation	20	20
Increase/(decrease) of provisions	(928)	1922
Increase in stocks	1,467	(3,050)
Decrease/(increase) in debtors	1,480	1,422
(Decrease)/increase in creditors	452,383	(44,234)
	<hr/>	<hr/>
<b>Cash generated from operating activities</b>	<b>1,351,471</b>	<b>788,546</b>
	<hr/>	<hr/>

# **The Lynton and Barnstaple Railway Trust**

## **Notes to the Financial Statements for the Year Ended 31 December 2022**

### **1. ACCOUNTING POLICIES**

#### **Charity information**

The Lynton and Barnstaple Railway Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Woody Bay Station, Parracombe, Barnstaple, Devon, EX31 4RA.

#### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares.
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognized in profit or loss and in other comprehensive income.

#### **Basis of Consolidation**

In the parent company The Lynton and Barnstaple Railway Trust, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued, and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognized as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognized for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The companies The Lynton & Barnstaple Railway CIC and the L&B Blackmoor Company Plc, are consolidated as subsidiaries as the nature of the share capital owned by The Lynton and Barnstaple Railway Trust gives them complete control of those companies.

#### **Fund accounting**

Unrestricted funds: these are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Designated funds: these are unrestricted funds earmarked by the trustees for particular purposes.



# **The Lynton and Barnstaple Railway Trust**

## **Notes to the Financial Statements - continued for the Year Ended 31 December 2022**

Revaluation funds: these are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Restricted funds: these are available for use subject to restrictions imposed by the donor or through terms of an appeal.

### **Income**

Recognition of income: income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure: where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies: voluntary income received by way of grants, donations and gifts is included in the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts: income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities: these are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help: the value of any volunteer help received is not included in the accounts.

Investment income: this is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets: this includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets: this includes any gain or loss on the sale of investments.

### **Expenditure**

Recognition of expenditure: expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on raising funds: these comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.

Expenditure on charitable activities: these comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.

Grants payable: all grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.

Governance costs: these include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.

Other expenditure: these are support costs not allocated to a particular activity.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

# **The Lynton and Barnstaple Railway Trust**

## **Notes to the Financial Statements - continued for the Year Ended 31 December 2022**

### **Tangible fixed assets and depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	0% straight line
Plant & Machinery	0-33% straight-line
Motor vehicles	20% reducing balance
Track-work	5% straight line

Heritage rolling stock and locomotives are well maintained and their residual values are thought to be equal to or greater than their carrying values. Therefore, they are depreciated at a rate of 0%.

Freehold land and certain rolling stock are subject to revaluation and are carried at market value.

### **Intangible fixed assets and amortisation**

Intangible fixed assets (including purchased goodwill, patents and trademarks) are carried at cost less accumulated amortisation and impairment losses.

Patents and trademarks	10% straight-line
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### **Trade and other debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

### **Trade and other creditors**

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

### **Receipt of donated goods, facilities and services**

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 2. INVESTMENT INCOME

			2022	2021
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Rental income	7,375	-	7,375	7,374
Dividends	8	-	8	7
Interest receivable	282	379	661	70
<b>Total</b>	<u>7,665</u>	<u>379</u>	<u>8,044</u>	<u>7,451</u>

### 3. INCOMING RESOURCES FROM DONATIONS AND LEGACIES

			2022	2021
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Donations	161,098	585,991	747,089	407,290
Legacies receivable	428,221	-	428,221	417,871
Sponsorship	9,122	-	9,122	402
Subscriptions	60,075	-	60,075	73,440
<b>Total</b>	<u>527,094</u>	<u>585,991</u>	<u>1,113,085</u>	<u>869,003</u>

### 4. INCOMING RESOURCES FROM FUNDRAISING TRADING

			2022	2021
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Operation of Lynton & Barnstaple Railway CIC	359,020	-	359,020	394,538
Sale of scrap metals and wood	1,612	-	1,612	468
<b>Total</b>	<u>360,632</u>	<u>-</u>	<u>360,632</u>	<u>395,006</u>

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 5. EXPENDITURE ON RAISING FUNDS

			2022	2021
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<i>Costs of generating voluntary income</i>				
Donations	539	-	539	-
Subscriptions	30,407	-	30,407	25,473
<b>Total</b>	<u>30,946</u>	<u>-</u>	<u>30,946</u>	<u>25,473</u>

### 6. EXPENDITURE ON CHARITABLE ACTIVITIES

			2022	2021
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<i>Expenditure on charitable activities</i>				
Draw tickets and 100 Club	15,150	-	15,150	15,115
Magazine adverts	-	-	-	240
<i>Governance costs</i>				
Trustees' expenses	664	-	664	223
Trustees Indemnity Insurance	1,584	-	1,584	-
AGM Costs	4,063	-	4,063	8,362
Companies House fees	-	-	-	388
<b>Total</b>	<u>21,461</u>	<u>-</u>	<u>21,461</u>	<u>24,328</u>

### 7. OTHER EXPENDITURE

			2022	2021
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Repair and refurbishment of charity assets	17,020	100	17,120	20,864
Motor expenses	-	-	-	759
Premises costs	29,867	-	29,867	28,574
Amortisation, depreciation, and impairment	31,088	-	31,088	24,378
General administrative costs	10,183	-	10,183	1,380
AGM Costs	4,063	-	4,063	8,362
Legal and professional	69,093	84,482	153,575	126,506
<b>Total</b>	<u>157,251</u>	<u>84,582</u>	<u>241,833</u>	<u>202,461</u>

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 8. EXPENDITURE ON FUNDRAISING TRADING

			2022	2021
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Operation of Lynton & Barnstaple Railway CIC	371,866	-	371,866	340,007
<b>Total</b>	<u>371,866</u>	<u>-</u>	<u>371,866</u>	<u>340,007</u>

### 9. NET INCOMING/(OUTGOING) RESOURCES

Net incoming resources are stated after charging:

	2022	2021
	£	£
Auditors' remuneration	2,650	2,425
Depreciation – owned assets	38,441	31,783
Amortisation of intangible assets	20	20

### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

#### Trustees' expenses

Two Trustees were paid expenses totalling £662 (2021: £223). The nature of these expenses was reimbursed postage and travel expenses.

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 11. STAFF COSTS

2022	2021
£	£

Wages and salaries	<u>109,020</u>	<u>103,855</u>
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The average monthly number of employees during the year was as follows:

2022	2021
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Lynton and Barnstaple Railway CIC	7	7
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No employee received emoluments in excess of £60,000 (2021 – no employees).

### 12. INTANGIBLE FIXED ASSETS – Charity

Patents and trademarks	Total
£	£

#### COST

At 1 January 2022	200	200
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At 31 December 2022	<u>200</u>	<u>200</u>
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#### AMORTISATION

At 1 January 2022	80	80
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Charge for year	20	20
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At 31 December 2022	<u>100</u>	<u>100</u>
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#### NET BOOK VALUE

At 31 December 2022	<u>100</u>	<u>100</u>
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At 31 December 2021	<u>120</u>	<u>120</u>
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# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### INTANGIBLE FIXED ASSETS – Group

	Patents and trademarks £	Total £
<b>COST</b>		
At 1 January 2022	625	625
At 31 December 2022	625	625
<b>AMORTISATION</b>		
At 1 January 2022	80	80
Charge for year	20	20
At 31 December 2022	100	100
<b>NET BOOK VALUE</b>		
At 31 December 2022	525	525
At 31 December 2021	545	545

### 13. TANGIBLE FIXED ASSETS – Charity

	Land & Buildings £	Plant & machinery £	Motor vehicles £	Track Work £	Totals £
<b>COST</b>					
At 1 January 2022	1,912,313	1,912,348	14,854	193,135	4,032,650
Additions	134,689	23,074	-	-	157,763
At 31 December 2022	2,047,002	1,935,422	14,854	193,135	4,190,413
<b>DEPRECIATION</b>					
At 1 January 2022	9,495	69,180	2,971	145,844	227,490
Charge for year	7,185	11,256	2,971	9,656	31,068
At 31 December 2022	16,680	80,436	5,942	155,500	258,558
<b>NET BOOK VALUE</b>					
At 31 December 2022	2,030,032	1,854,986	8,912	37,635	3,931,855
At 31 December 2021	1,902,818	1,843,168	11,883	47,291	3,805,160

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 14. TANGIBLE FIXED ASSETS – Group

	Land & Buildings £	Plant & machinery £	Motor vehicles £	Track Work £	Totals £
<b>COST</b>					
At 1 January 2022	2,180,987	2,060,050	14,854	264,252	4,520,143
Additions	134,689	23,074	-	4,366	162,129
At 31 December 2022	2,315,676	2,083,124	14,854	268,618	4,682,272
<b>DEPRECIATION</b>					
At 1 January 2022	9,495	194,979	2,971	168,793	376,238
Charge for year	7,185	14,854	2,971	13,431	38,441
At 31 December 2022	16,680	209,833	5,942	182,224	414,679
<b>NET BOOK VALUE</b>					
At 31 December 2022	2,298,936	1,873,291	8,912	86,394	4,267,593
At 31 December 2021	2,171,492	1,865,071	11,883	95,459	4,143,905

A professional valuation of the charity's freehold land and buildings was carried out in April 2008 by R J Smith FRICS of Phillips Smith & Dunn, professional valuers. The value of the property held at that date on an existing use basis was £325,000.

The Trustees do not believe that the valuation of this freehold land and buildings has changed materially since that date.

The equipment donated by the Lynton & Barnstaple Railway Company Limited in 2007 were revalued on receipt by the Trustees at open market value. The Trustees do not believe that the valuation of this equipment has changed materially since that date.

Land at Blackmoor Gate donated to the charity in 2010, was valued by Roger Ladbury FRICS, Chartered Surveyor and Land Agents, at £23,000 in March 2011. All other land is held at purchase price. The Trustees do not believe this land has materially changed in value since its purchase.

In 2015 the four heritage coaches were revalued by the Trustees with a valuation of £250,000 each, a total of £1,000,000. The Trustees do not believe that the valuation of these coaches has changed materially since that date.

Minor holdings of freehold property in the CIC are valued at historic cost. The land and buildings at Chelfham Station were valued in July 2006 at open market value on the basis of existing use at £175,000.

In the Trustees' opinion there has been no material change in the valuation of the land and buildings at Chelfham Station since the last formal valuation.



# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 15. FIXED ASSET INVESTMENTS – Charity

	Subsidiaries £	Other unlisted £	Other listed £	Totals £
<b>COST</b>				
At 1 January 2022	87,060	26	30	87,116
Additions	241,260	-	-	241,260
At 31 December 2022	328,320	26	30	328,376
<b>NET BOOK VALUE</b>				
At 31 December 2022	328,320	26	30	328,376
At 31 December 2021	87,060	26	30	87,116

Name of company	Country of incorporation	Class of Share held	% of shares held	Capital and reserves	Profit/(loss) for year
Lynton and Barnstaple Railway CIC	England & Wales	Ordinary A	100	454,818	(914)
Lynton and Barnstaple Railway CIC	England & Wales	Ordinary B	2	454,818	(914)
L&B Blackmoor Company Plc	England & Wales	Ordinary A	100	1,088,473	-
L&B Blackmoor Company Plc	England & Wales	Ordinary B	19	1,088,473	-

### 16. FIXED ASSET INVESTMENTS – Group

	Other unlisted £	Other listed £	Totals £
<b>COST</b>			
At 1 January 2022	26	30	56
At 31 December 2022	26	30	56
<b>NET BOOK VALUE</b>			
At 31 December 2022	26	30	56
At 31 December 2021	26	30	56

**The Lynton and Barnstaple Railway Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**17. DEBTORS**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amount falling due within one year:				
Trade debtors	4,087	1,904	1,800	1,800
Other debtors	7,760	12,228	1,463	1,463
Prepayments	1,583	758	758	758
	<u>13,430</u>	<u>14,890</u>	<u>4,021</u>	<u>4,021</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	12,214	8,872	-	-
Other loans	408,800	14,800	14,800	14,800
Amounts owed to group undertakings	-	-	24,819	36,943
Taxes and social security	4,962	210	-	-
Loans from Trustees	32,032	32,032	32,032	32,032
Other creditors	50,287	280	-	-
Accruals and deferred income	<u>16,264</u>	<u>15,982</u>	<u>7,701</u>	<u>6,500</u>
	<u>524,559</u>	<u>72,176</u>	<u>79,352</u>	<u>90,275</u>

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans	<u>394,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

Michael Grimoldby's loan to the L&B Blackmoor Company Plc is secured by a charge over its assets.

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 20. MOVEMENT IN FUNDS

	At 1 January 2022	Incoming resources	Resources expended	Gross transfers	At 31 December 2022
Restricted funds:	£	£	£	£	£
Restricted income funds:					
Trackbed appeal	265,978	21,512	(30,831)	-	256,659
Locomotives and heritage coaches	23,696	28,696	(100)	(32,888)	19,404
LBBC	114,155	218,413	(9,316)	(34,858)	288,394
Return to Parracombe	-	221,987	-	-	221,987
All Aboard	12,264	34,206	(44,335)	-	2,135
General Manager's Equipment fund	2,069	1,352	-	18	3,439
Land purchase fund	34,600	-	-	-	34,600
Other small funds	143,960	60,204	-	(137,975)	66,189
<i>Total</i>	<u>596,722</u>	<u>586,370</u>	<u>(84,582)</u>	<u>(205,703)</u>	<u>892,807</u>
<b>Unrestricted funds:</b>					
General funds	3,021,078	937,416	(580,596)	205,703	3,583,601
<b>Designated funds</b>					
Contingency fund	17,000	-	-	-	17,000
					-
<i>Total</i>	<u>3,038,078</u>	<u>937,416</u>	<u>580,596</u>	<u>205,703</u>	<u>3,600,601</u>
<b>Revaluation reserve:</b>					
Revaluation fund	1,220,808	-	-	-	1,220,808
<i>Total Revaluation fund</i>	<u>1,220,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,220,808</u>

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### NOTE 20 continued

#### Share capital

Share capital	235,520	846,593	-	-	1,082,113
Share premium	1,100	-	-	-	1,100
<hr/>					
Total	236,620	846,593	-	-	1,083,213
<hr/>					
Total funds	5,092,228	2,370,379	665,178	-	6,797,429

#### Purposes and restrictions in relation to the funds:

Revaluation reserves Represent the amount by which investments exceed their historical cost.

#### Restricted funds:

Track bed appeal The Track bed appeal exists to raise funds for the purchase of the track bed of the former Lynton and Barnstaple Railway.

Locomotives and heritage coaches The Locomotives and Heritage coaches fund exists to finance the operation and maintenance of the Kerr Stuart build locomotive No 2451, known as "Axe" and the heritage coaches.

LBBC (formerly OSHI) The LBBC fund represents monies received to finance the plans and The LBBC fund represents monies received to finance the plans and corporate structures required to expand the railway at Blackmoor Gate.

Return to Parracombe This fund is to acquire the track bed between Killington Lane and Parracombe Halt

All Aboard The All Aboard fund exists to finance the planning permissions and Transport and Works order required to reinstate the railway between Lynton and Barnstaple.

General Manager's equipment fund The General Manager's equipment fund finances the purchase of tools and machinery needed by the General Manager.

Land Purchase Fund This fund represents shares held in the Lynton and Barnstaple Railway CIC which were obtained in a share swap with Exmoor Associates Ltd.

Other small funds These funds financed the purchase of various small fixed assets for the charity's general purposes.

#### Designated funds:

Contingency fund The purpose of these funds is to represent the cost of servicing membership obligations for one year in the event of the charity's income sources declining.

# The Lynton and Barnstaple Railway Trust

## Notes to the Financial Statements - continued for the Year Ended 31 December 2022

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	4,268,118	-	4,268,118
Investments	56	-	56
Net current assets	1,648,418	892,807	2,541,225
Provisions	(11,970)	-	(11,970)
	<hr/> 5904622	<hr/> 892807	<hr/> 6797429

### 22. RELATED PARTY TRANSACTIONS

During the year, C.E. Summers, a Trustee and member of the charity, extended an interest free loan to the charity with no fixed date for repayment. The amount outstanding at the reporting date was £32,032 (2021 - £32,032).

M. Grimoldby, a director of the Lynton and Barnstaple Railway CIC extended a loan to the L&B Blackmoor Company Plc of £394,000 (2021 - £nil). The loan is charging interest at a commercial rate and is secured on the fixed assets of that company. No interest was paid in the year under review.

### 23. CONTROLLING PARTY

The Lynton and Barnstaple Railway Trust is limited by guarantee and has no share capital; consequently there is no one individual in control of the company.