

**The Lynton and Barnstaple Railway Trust
Report of the Trustees and Consolidated
Financial Statements
For the Year Ended 31 December 2023**

**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 2023

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 2023.

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 and up to the date of the approval of this report:

R.B. Auger (appointed 11 May 2024)
J. Barton
A.E. Belsey (appointed 21 July 2023 and resigned 23 March 2024)
I.P. Cowling (resigned 11 May 2024)
P. Curson
C.G. Duffell (resigned 23 March 2024)
G.N. Hunt (resigned 13 May 2023)
P. Miles
G Perkins (appointed 11 May 2024)
R. G. Prosser (appointed 11 May 2024)
P. Snashall (resigned 21 August 2023)
C.E. Summers
M.E.G. Swainson

Company Secretary

A.J. Nicholson

The Lynton and Barnstaple Railway Trust

Report of the Trustees for the Year Ended 31 December 2023

Bankers

Lloyds Bank Plc
17 Cross Street
Barnstaple
Devon
EX31 1BE

Solicitors

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

Accountants

Accountancy Edge Limited
12 Culm Close
Bideford
Devon
EX39 4AX

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.

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.

The charity has two trading subsidiaries. The Lynton and Barnstaple Railway Community Interest Company operates the narrow-gauge railway at Woody Bay. In April 2023, the L&B Blackmoor Company Plc acquired the Old Station Inn at Blackmoor Gate and now owns and manages the public house trading there.

The Lynton and Barnstaple Railway Trust

Report of the Trustees for the Year Ended 31 December 2023

FINANCIAL REVIEW

The Trustees considered the charity's financial position at 31 December 2023 to be satisfactory. The charity achieved an operating surplus of £245,174. This represents a significant decrease on the prior year due to the change in income streams this year. Donations and legacies decreased by £282,745 and £418,627 respectively. Overall income levels remained similar, however, due to the commencement of trading by the L&B Blackmoor Company Plc at the Old Station Inn. This income, however, has associated costs so less of it translates to the operating surplus.

The acquisition of the Old Station Inn by the L&B Blackmoor Company Plc represents the major change in assets, accounting for £1,879,739 of the land and buildings acquired by the group in the year. This was funded by a combination of share capital and debt raised by the L&B Blackmoor Company Plc. Funds subscribing for shares were received and reflected in the consolidated balance sheet in the prior year.

The other major asset acquisitions by the charity were £50,000 of trackbed at Blackmoor Gate and £197,052 spent on an access road at Rowley Moor.

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 more than this.

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, 24 March 2007, 18 May 2008, 9 May 2009, and 14 May 2011.

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 two trading subsidiary companies, The Lynton and Barnstaple Railway Community Interest Company and the L&B Blackmoor Company Plc. These are controlled by the charity as their controlling shareholder, but day to day management of the companies are 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;

The Lynton and Barnstaple Railway Trust

Report of the Trustees for the Year Ended 31 December 2023

- 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.

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
25 September 2024

The Lynton and Barnstaple Railway Trust

Report of the Auditors for the Year Ended 31 December 2023

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 2023 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 2023 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 face.

We have nothing to report.

Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial

The Lynton and Barnstaple Railway Trust

Report of the Auditors for the Year Ended 31 December 2023

statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We were appointed as auditors of the company to carry out an audit on the financial statements to 31 December 2023. We were unable to satisfy ourselves by alternative means concerning the valuation of the land and rolling stock as at 31 December 2022 or 31 December 2023. Since the land and rolling stock enter into the determination of the financial performance, we were unable to determine whether adjustments might have been necessary in respect of the valuations for the year reported in the income statement.

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 alternative but to do so.

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.

The Lynton and Barnstaple Railway Trust

Report of the Auditors for the Year Ended 31 December 2023

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.

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 2024

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 2023

				2023	2022
		Unrestricted	Restricted	Total	Total
	Notes	funds £	funds £	funds £	funds £
INCOMING RESOURCES					
Income and endowments from:					
Investment income	2	39,534	7,009	46,543	8,044
Donations and legacies	3	143,067	262,990	406,057	1,125,017
Charitable activities		23,399	-	23,399	29,990
Trading activities	4	1,059,796	-	1,059,796	360,632
Other		9,200	-	9,200	103
Total		1,274,996	269,999	1,544,995	1,523,786
Expenditure on:					
Costs of generating funds					
Raising funds	5	83,861	-	83,861	46,096
Charitable activities	6	106,020	81,848	187,868	248,144
Trading activities	7	1,022,928	-	1,022,928	371,866
Total		1,212,809	81,848	1,294,657	666,106
Taxation		5,164	-	5,164	(928)
NET INCOMING RESOURCES BEFORE TRANSFERS		57,023	188,151	245,174	858,608
Transfers between funds		39,635	(39,635)	-	-
NET MOVEMENT IN FUNDS		96,658	148,516	245,174	858,608
RECONCILIATION OF FUNDS					
Fund balances at 1 January		5,904,622	892,807	6,797,429	5,092,228
Shares issued		48,855	-	48,855	846,593
TOTAL FUNDS CARRIED FORWARD		6,050,135	1,041,323	7,091,458	6,797,429

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 2023

	2023 £	2022 £
Income	1,498,452	1,515,742
Interest and Investment Income	46,543	8,044
Gross income for the year	1,544,995	1,523,786
Expenditure	1,239,169	627,645
Depreciation and charges for the impairment of fixed assets	55,488	38,461
Total expenditure for the year	1,294,657	666,106
Net income before tax for the year	250,338	857,680
Taxation	5,164	928
Net income for the year	245,174	858,608

The notes form part of these financial statements

The Lynton and Barnstaple Railway Trust

Charity Balance Sheet at 31 December 2023 Company Number: 04040633

	Notes	2023 Total funds £	2022 Total funds £
FIXED ASETS			
Intangible	11	80	100
Tangible assets	12	4,199,769	3,931,855
Investments	14	498,876	328,376
		<u>4,698,725</u>	<u>4,260,331</u>
CURRENT ASSETS			
Debtors	16	229,041	4,021
Investments		90,000	115,000
Cash at bank and in hand		824,587	1,253,254
		<u>1,143,628</u>	<u>1,372,275</u>
CREDITORS			
Amounts falling due within one year	17	(68,353)	(79,352)
NET CURRENT ASSETS		<u>1,075,275</u>	<u>1,292,923</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,774,000	5,553,254
NET ASSETS		<u><u>5,774,000</u></u>	<u><u>5,553,254</u></u>
THE FUNDS OF THE CHARITY			
Restricted funds			
Restricted income funds		1,041,323	892,807
Unrestricted funds			
General funds		3,573,336	3,501,106
Designated funds		17,000	17,000
Reserves			
Revaluation reserve		<u>1,142,341</u>	<u>1,142,341</u>
TOTAL FUNDS		<u><u>5,774,000</u></u>	<u><u>5,553,254</u></u>

The financial statements were approved by the Board of Trustees on 25 September 2024 and were signed on its behalf by P. Miles – Trustee

The notes form part of these financial statements

The Lynton and Barnstaple Railway Trust

Consolidated Balance Sheet at 31 December 2023 Company Number: 04040633

	Notes	2023 Total funds £	2022 Total funds £
FIXED ASSETS			
Intangible assets	12	505	525
Tangible assets	13	6,439,046	4,267,593
Investments	15	56	56
		<u>6,439,607</u>	<u>4,268,174</u>
CURRENT ASSETS			
Stocks		64,630	21,300
Debtors	16	63,355	13,430
Investments		90,000	115,000
Cash at bank and in hand		968,499	2,916,054
		<u>1,186,484</u>	<u>3,065,784</u>
CREDITORS			
Amounts falling due within one year	17	<u>(264,832)</u>	<u>(524,559)</u>
NET CURRENT ASSETS		<u>921,652</u>	<u>2,541,225</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,361,258</u>	<u>6,809,399</u>
CREDITORS			
Amounts falling due after one year	18	(252,667)	-
Provisions for liabilities		<u>(17,134)</u>	<u>(11,970)</u>
NET ASSETS		<u>7,091,458</u>	<u>6,797,429</u>
FUNDS	20		
Restricted funds			
Restricted income funds		1,041,323	892,807
Unrestricted funds			
Unrestricted income funds		3,697,259	3,600,601
Revaluation reserve		1,220,808	1,220,808
Share capital		1,130,968	1,082,113
Share premium		1,100	1,100
		<u>6,050,135</u>	<u>5,904,622</u>
		<u>7,091,458</u>	<u>6,797,429</u>

The financial statements were approved by the Board of Trustees on 25 September 2024 and were signed on its behalf by P. Miles - Trustee

The notes form part of these financial statements

The Lynton and Barnstaple Railway Trust

Consolidated Cash Flow Statement for the Year Ended 31 December 2023

	Notes	2023 Group £	2022 Group £
Cash generated from operating activities	1	<u>247,453</u>	<u>1,351,471</u>
Investing activities			
Purchase of tangible fixed assets		(2,227,243)	(162,129)
Repayment of amounts borrowed		0	0
Cash used by investing activities		<u>(162,129)</u>	<u>(162,129)</u>
Financing activities			
Proceeds from the issue of shares		48,855	846,592
Cash raised by financing activities		<u>48,855</u>	<u>846,592</u>
Increase/(Decrease) in cash and cash equivalents in the year		<u>(1,947,555)</u>	<u>2,035,934</u>
Cash and cash equivalents at the beginning of the year		<u>2,916,054</u>	<u>880,120</u>
Total cash and cash equivalents at the end of the year		<u>968,499</u>	<u>2,916,054</u>

The Lynton and Barnstaple Railway Trust

Notes to the Cash Flow Statement for the Year Ended 31 December 2023

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

	2023	2022
	£	£
Net incoming resources	245,174	858,608
Depreciation charges	55,468	38,441
Amortisation	20	20
Decrease in current asset investments	25,000	-
Increase/(decrease) of provisions	5,164	(928)
(Increase) in stocks	(43,330)	1,467
Decrease/(increase) in debtors	(49,925)	1,480
(Decrease)/increase in creditors	9,972	452,383
Cash generated from operating activities	247,543	1,351,471

The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

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 2023

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.

The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

Taxation

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

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 2023

2. INVESTMENT INCOME

			2023	2022
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Rental income	16,738	-	16,738	7,375
Dividends	8	-	8	8
Interest receivable	22,788	7,009	29,797	661
Total	39,534	7,009	46,543	8,044

3. INCOMING RESOURCES FROM DONATIONS AND LEGACIES

			2023	2022
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Donations	72,874	261,990	334,864	627,609
Legacies receivable	8,594	1,000	9,594	428,221
Sponsorship	1,244	-	1,244	9,112
Subscriptions	60,355	-	60,355	60,075
Total	143,067	262,990	406,057	1,125,017

4. INCOMING RESOURCES FROM FUNDRAISING TRADING

			2023	2022
	Unrestricted	Restricted	Total	Total
	funds £	funds £	funds £	funds £
Operation of Lynton & Barnstaple Railway CIC	462,648	-	462,648	359,020
Operation of L&B Blackmoor Company Plc	569,934	-	569,934	-
Sale of scrap metals and wood	2,214	-	2,214	1,612
Sale of surplus landholdings	25,000	-	25,000	-
Total	1,059,796	-	1,059,796	360,632

The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

5. EXPENDITURE ON RAISING FUNDS

			2023	2022
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<i>Costs of generating income</i>				
Donations	-	-	-	539
Cost of operating membership scheme	40,854	-	40,854	30,407
Investment and property management	9,271	-	9,271	-
Cost of operating lotteries and prize draws	8,736	-	8,736	15,150
Cost of surplus land sold	25,000	-	25,000	-
Total	83,861	-	83,861	46,096

6. EXPENDITURE ON CHARITABLE ACTIVITIES

			2023	2022
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<i>Expenditure on charitable activities</i>				
Repair and renewal of the charity's fixed assets	6,805	18,169	24,994	17,120
Premises expenses	12,646	13,794	26,440	37,867
General administration costs	298	-	298	2,183
Legal and professional costs	14,042	49,865	63,907	141,157
Depreciation and amortisation	55,488	-	55,488	38,461
<i>Governance costs</i>				
Auditor's fees	3,000	-	3,000	2,650
Trustees' expenses	-	-	-	664
Trustees Indemnity Insurance	1,742	-	1,742	1,584
AGM Costs	7,804	-	7,804	4,052
Total	106,020	81,848	187,868	248,144

The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

7. EXPENDITURE ON FUNDRAISING TRADING

			2023	2022
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Operation of Lynton & Barnstaple Railway CIC	404,591	-	404,591	371,866
Operation of L&B Blackmoor Company Plc	618,337	-	618,337	-
Total	<u>1,022,928</u>	<u>-</u>	<u>1,022,928</u>	<u>340,007</u>

8. NET INCOMING/(OUTGOING) RESOURCES

Net incoming resources are stated after charging:

	2023	2022
	£	£
Auditors' remuneration	3,000	2,650
Depreciation – owned assets	55,468	38,441
Amortisation of intangible assets	20	20

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

No Trustees were paid expenses (2022: two Trustees were paid expenses totalling £662). 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 2023

10. STAFF COSTS

2023	2022
£	£

Wages and salaries	<u>415,388</u>	<u>109,020</u>
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The average monthly number of employees during the year was as follows:

2023	2022
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Operation of trading subsidiaries	24	7
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No employee received emoluments in excess of £60,000 (2022 – no employees).

11. INTANGIBLE FIXED ASSETS – Charity

Patents and trademarks	Total
£	£

COST

At 1 January 2023	200	200
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At 31 December 2023	<u>200</u>	<u>200</u>
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AMORTISATION

At 1 January 2023	100	100
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Charge for year	20	20
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At 31 December 2023	<u>120</u>	<u>120</u>
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NET BOOK VALUE

At 31 December 2023	80	80
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At 31 December 2022	<u>100</u>	<u>100</u>
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The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

INTANGIBLE FIXED ASSETS – Group

	Patents and trademarks £	Total £
COST		
At 1 January 2023	625	625
At 31 December 2023	625	625
AMORTISATION		
At 1 January 2023	100	80
Charge for year	20	100
At 31 December 2023	120	120
NET BOOK VALUE		
At 31 December 2023	505	505
At 31 December 2022	525	525

12. TANGIBLE FIXED ASSETS – Charity

	Land & Buildings £	Plant & machinery £	Motor vehicles £	Track Work £	Totals £
COST					
At 1 January 2023	2,047,002	1,935,422	14,854	193,135	4,190,413
Additions	249,545	49,155	-	5,844	304,544
At 31 December 2023	2,296,547	1,984,577	14,854	198,979	4,494,957
DEPRECIATION					
At 1 January 2023	16,680	80,436	5,942	155,500	258,558
Charge for year	5,877	17,834	2,971	9,948	36,630
At 31 December 2023	22,557	98,270	8,913	164,448	295,188
NET BOOK VALUE					
At 31 December 2023	2,273,990	1,886,307	5,941	33,531	4,199,769
At 31 December 2022	2,030,032	1,854,986	8,912	37,635	3,931,855

The Lynton and Barnstaple Railway Trust

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

13. TANGIBLE FIXED ASSETS – Group

	Land & Buildings £	Plant & machinery £	Motor vehicles £	Track Work £	Totals £
COST					
At 1 January 2023	2,315,676	2,083,124	14,854	268,618	4,682,272
Additions	2,129,284	83,488	-	14,471	2,227,243
Disposals	-	(322)	-	-	(322)
At 31 December 2023	4,444,960	2,166,290	14,854	283,089	6,909,193
DEPRECIATION					
At 1 January 2023	16,680	209,833	5,942	182,224	414,679
Charge for year	13,749	24,565	2,971	14,183	55,468
At 31 December 2023	30,429	234,398	8,913	196,407	470,147
NET BOOK VALUE					
At 31 December 2023	4,414,531	1,931,892	5,941	86,682	6,439,046
At 31 December 2022	2,298,936	1,873,291	8,912	86,394	4,267,593

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 five heritage coaches were revalued by the Trustees with a valuation of £250,000 each, a total of £1,250,000. 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 2023

14. FIXED ASSET INVESTMENTS – Charity

	Subsidiaries £	Other unlisted £	Other listed £	Totals £
COST				
At 1 January 2023	328,320	26	30	328,376
Additions	170,500	-	-	170,500
At 31 December 2023	498,820	26	30	498,876
NET BOOK VALUE				
At 31 December 2023	498,820	26	30	498,876
At 31 December 2022	328,320	26	30	328,376

Name of company	Country of incorporation	Class of Share held	% of shares held	Capital and reserves	Profit for year
Lynton and Barnstaple Railway CIC	England & Wales	Ordinary A	100	505,752	54,578
Lynton and Barnstaple Railway CIC	England & Wales	Ordinary B	2	505,752	54,578
L&B Blackmoor Company Plc	England & Wales	Ordinary A	100	1,310,073	12,264
L&B Blackmoor Company Plc	England & Wales	Ordinary B	29	1,310,073	12,264

15. FIXED ASSET INVESTMENTS – Group

	Other unlisted £	Other listed £	Totals £
COST			
At 1 January 2023	26	30	56
At 31 December 2023	26	30	56
NET BOOK VALUE			
At 31 December 2023	26	30	56
At 31 December 2022	26	30	56

The Lynton and Barnstaple Railway Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

16. DEBTORS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Amount falling due within one year:				
Trade debtors	55,674	4,087	1,800	1,800
Other debtors	1,483	7,760	1,483	1,463
Prepayments	6,198	1,583	758	758
Amounts owed by group undertakings	-	-	225,000	-
	<u>63,355</u>	<u>13,430</u>	<u>229,041</u>	<u>4,021</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	30,863	12,214	-	-
Other loans	141,133	408,800	14,800	14,800
Amounts owed to group undertakings	-	-	48,052	24,819
Taxes and social security	35,879	4,962	-	-
Loans from Trustees	-	32,032	-	32,032
Other creditors	22,006	50,287	-	-
Accruals and deferred income	<u>34,51</u>	<u>16,264</u>	<u>5,501</u>	<u>7,701</u>
	<u>264,832</u>	<u>524,559</u>	<u>68,353</u>	<u>79,352</u>

18. CREDITORS: AMOUNTS FALLING AFTER ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Other loans	<u>252,667</u>	<u>-</u>	<u>-</u>	<u>-</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Other loans	<u>379,000</u>	<u>394,000</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 2023

20. MOVEMENT IN FUNDS

	At 1 January 2023	Incoming resources	Resources expended	Gross transfers	At 31 December 2023
Restricted funds:	£	£	£	£	£
Restricted income funds:					
Trackbed appeal	256,659	7,407	-	-	264,066
Locomotives and heritage coaches	19,404	38,987	(31,983)	-	26,408
LBBC	288,394	172,507	-	(37,917)	422,984
Return to Parracombe	221,987	21,758	-	20,845	264,590
All Aboard	2,135	24,717	(5,813)	-	21,039
General Manager's Equipment fund	3,439	397	-	(1,718)	2,118
Land purchase fund	34,600	-	-	-	34,600
Other small funds	66,189	4,226	(44,052)	(20,845)	5,518
<i>Total</i>	<u>892,807</u>	<u>269,999</u>	<u>(81,848)</u>	<u>(39,635)</u>	<u>1,041,323</u>
Unrestricted funds:					
General funds	3,583,601	1,274,996	(1,217,973)	39,635	3,680,259
Designated funds					
Contingency fund	17,000	-	-	-	17,000
					-
<i>Total</i>	<u>3,600,601</u>	<u>1,274,996</u>	<u>(1,217,973)</u>	<u>39,635</u>	<u>3,697,259</u>
Revaluation reserve:					
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 2023

NOTE 20 continued

Share capital

Share capital	1,082,113	48,855	-	-	1,130,968
Share premium	1,100	-	-	-	1,100
Total	1,083,213	48,855	-	-	1,132,068
Total funds	6,797,429	1,593,850	(1,299,821)	-	7,091,458

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 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 2023

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	6,016,567	422,984	6,439,551
Investments	56	-	56
Net current assets	50,646	871,006	921,652
Creditors due in more than one year and provisions	(17,134)	(252,667)	(269,801)
	<u>6,050,135</u>	<u>1,041,323</u>	<u>7,091,458</u>

22. RELATED PARTY TRANSACTIONS

M.J. Grimoldby extended the L&B Blackmoor Company Plc a loan of £579,000 (2022 - £394,000). The loan is repayable over three years from the reporting date.

Interest is charged on the loan at 6%. The loan is secured by a charge on the freehold land and buildings owned by that company. Interest of £24,270 was paid on the loan (2022 - £nil).

At the reporting date, the balance due to M.J. Grimoldby was £379,000 (2022 - £394,000).

M.J. Grimoldby is a director and shareholder of the L&B Blackmoor Company Plc and a director and shareholder of the Lynton and Barnstaple Railway Community Interest Company.

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.

The notes form part of these financial statements

The Lynton and Barnstaple Railway Trust

Summary Income and Expenditure Account - Charity For the Year Ended 31 December 2023

	2023 £	2022 £
Income	445,326	1,272,212
Interest and Investment Income	31,084	8,044
Gross income for the year	476,410	1,280,256
Expenditure	219,014	298,010
Depreciation and charges for the impairment of fixed assets	36,650	31,088
Total expenditure for the year	255,664	329,098
Net income before tax for the year	220,746	951,158
Taxation	-	-
Net income for the year	220,746	951,158