

FURNESS RAILWAY TRUST

Registered Charity No. 1163073

2023

Trustees' Annual Report and Accounts

FURNESS RAILWAY TRUST

(Registered Charity No. 1163073)

Address for correspondence:

Meadowside,
105, Station Road,
Cark-in-Cartmel,
Grange-over-Sands,
Cumbria
LA11 7NY

Annual Report of the Trustees for 2023

1. Governance and Administration

The business of the Furness Railway Trust, a Charitable Incorporated Organisation (CIO), is managed by Trustees in accordance with a constitution approved by the Charity Commission. The Chairman is responsible for coordinating the day to day management of the affairs of the Trust. One third of the Trustees retire at each Annual General Meeting, in accordance with the constitution. A briefing document is given to new Trustees, which outlines the history of the Trust and its current obligations. The document also details the responsibilities of Trustees as defined by the Charity Commission.

The Trustees meet on a number of occasions throughout the year in order to manage the Trust's affairs and to agree required courses of action.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Financial Reporting Standard 102, effective from 1st January 2019, and with the Charities Act 2011.

The Trust's banker is The Co-operative Bank, PO Box 250, Southway, Skelmersdale WN8 6WT. Savings accounts are also held with the Furness Building Society, Emlyn Hughes House, Abbey Road, Barrow-in-Furness, LA14 5PQ, and the Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW.

The Trust's Independent Examiner is J. Priestley ACMA, CGMA, 24 Scarborough Road, St. Annes, Lytham St. Annes, Lancashire FY8 3ES

2. Trustees and Committee Members

The following were the appointed Trustees of the Furness Railway Trust during 2023:

P. Balshaw
K. Brewer
J. Dixon
J.M. Kay
A. Middleton
S. Middleton
T.D. Owen (Chairman)
A.M. Rigg
N.R. Smith
P. van Zeller

The above Trustees were responsible for preparing and approving this report.

3. Objectives and Activities

A summary of the Object and Powers of the Furness Railway Trust is attached as Appendix A at the end of this report.

The principal activities of the Furness Railway Trust (FRT) during 2023 were the acquisition, restoration and operation of historic items of rolling stock. The Trustees worked to address the long term objective of the establishment of a railway museum, with appropriate facilities for the display, storage and restoration of railway rolling stock and associated equipment.

In shaping the Trust's objectives, the Trustees gave due consideration to the Charity Commission's guidance on public benefit with the object of advancing education through its work, both in the short and longer term. The Trustees also took into account the need to maximise public accessibility to its assets, some of which are unique and of major historical importance, including affordability wherever possible.

4. Achievements and Performance

2023 proved to be yet another busy year for the Furness Railway Trust. Its historic Furness Railway 0-4-0 locomotive *No. 20* of 1863, which is Britain's oldest working standard gauge steam locomotive, made a very successful visit to new audiences at the Didcot Railway Centre in Oxfordshire followed by a period of operation at Blaenavon's Heritage Railway in south east Wales. At Blaenavon, *FR 20* was able to take centre stage in the Railway's 40th Anniversary Celebrations as well as its Autumn Steam Gala. The locomotive also steamed at its home base of the Ribble Steam Railway. The Trust's other operational locomotive, Hunslet 'Austerity' 0-6-0ST locomotive, *Cumbria*, was on hire to the Embsay & Bolton Abbey Steam Railway where it steamed on 62 occasions during 2023.

The Trust's volunteers were kept busy at its Preston base with the ten year overhaul of Great Western Railway 0-6-2T locomotive *No. 5643*. The engine, which last ran on the 27th December 2022, quickly became a kit of parts as the cab, tanks and boiler were removed to facilitate inspection and repairs. All the stripped components are being cleaned, repainted and put into store ready for refitting at the appropriate time. The chassis has also been lifted in order that a wheelset can be sent away for its tyres to be reprofiled. It is difficult to convey in these short words the large amount of time and effort that has already been put into this project by Trust volunteers.

The restoration of Great Western Railway 4-6-0 'Hall' class locomotive *No. 4979 Wootton Hall* has inevitably taken a back seat whilst work is focussed on *No. 5643*, however, it has been possible to acquire some key components, including a new driver's brake valve and a second hand coupling rod which help to take the project forward. Work has also continued on refurbishing the tender tank.

One of the highlights of 2023 was the return to operational use of Great Eastern Railway royal saloon *No. 5* of 1898 which had been the subject of extensive restoration by Trust members at Preston. The work included repairs to internal woodwork, including the floor, re-upholstery of internal panels and furniture, installation of new lighting and a new kitchen. The coach re-entered service at the Ribble Steam Railway's Autumn Steam Gala and proved to be hugely popular, being fully booked on both days.

Work has continued on the restoration of Peckett 0-4-0ST locomotive *Caliban*, although there was a big disappointment when a professional boiler examination revealed that the inner firebox had little life left. The Trustees will need to consider the options open to them for taking forward this project in 2024.

Finally, as predicted in last year's report, the restoration of former Furness Railway locomotive *No. 25* of 1865 has also had to be delayed whilst resources are committed to other projects and significant progress on this project is unlikely to take place in the immediate future.

The Trustees' annual Risks and Vulnerabilities Review continues to identify the need to attract more volunteers and the Trustees will endeavour to grow the Trust's workforce.

All activities of the Furness Railway Trust are undertaken by volunteers. There are no paid staff employed by the Trust.

5. Financial Position

Total income, at £54,901, was slightly down on that for 2022 (£58,737) reflecting the withdrawal from traffic of locomotive *No. 5643*, which reduced locomotive hire income by nearly 25 per cent to £37,438. However, this anticipated shortfall was partly made up by an increase in donations and Gift Aid which rose by over 60% to £10,549.

Expenditure on Charitable Activities rose slightly with locomotive repairs and restoration together with coach restoration accounting for the majority of outgoings. Further significant expenditure on locomotive repairs is to be expected in 2024 as the overhaul of the near century old *No. 5643* receives a thorough overhaul. This will require specialist engineering work in some areas. Insurance, at £4,336, has risen notably including the need to insure *5643* whilst under repair.

Net current assets rose slightly during the year from £239,230 to £249,195 which puts the Trust in a good position to be able to fund the ongoing repair of locomotive *5643* as well as other projects. With interest rates having risen in recent times the Trustees opted to open a second savings account resulting in a significant increase in bank interest received from £776 to £4,401.

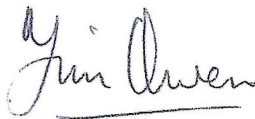
The extended hire of Furness Railway locomotive *No. 20* during 2023 was the key reason for travelling expenses of £1,325 being incurred, all of which was Gift Aided back to the Trust.

6. Reserves Policy

The Trustees believe that the Furness Railway Trust's current finances continue to be satisfactory. There is an ongoing need to maintain an appropriate level of reserves to provide for future overhauls of the Trust's operational locomotives and coaches. Fundraising will continue primarily for this purpose and also to fund the longer term restoration projects.

The FRT continues to be heavily reliant upon its volunteer workforce to operate and to progress projects. Once again, the Trustees wish to thank all members and followers of the FRT for their continued support and generosity during 2023.

The Trustees declare that they have approved the Trustees' Report above.



Tim Owen
Chairman
26th February 2024



Neil Smith
Secretary
26th February 2024

SUMMARY OF OBJECT AND POWERS

The object of the CIO is to establish a railway museum for the benefit of the public and the CIO has power to do anything to further its object, in particular, the power to:

- (a) acquire and preserve railway locomotives, railway carriages and other items of rolling stock and associated equipment.
- (b) restore and maintain such items, house them and put them on display; loan or hire them so that they may be used, if practicable, and make suitable arrangements for their continued preservation as far as is possible.
- (c) sponsor the publication of books, articles etc. containing information about these items and rolling stock and railways generally, and otherwise to promote interest in these subjects.
- (d) Procure contributions to the CIO by personal or written appeals, public meetings or otherwise.
- (e) employ and remunerate such staff as are necessary for carrying out the work of the CIO.
- (e) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use.
- (g) sell, lease or otherwise dispose of all or any part of the property belonging to the CIO.
- (h) borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed.

FURNESS RAILWAY TRUST

Registered Charity No. 1163073

Accounts for the 12 Months Ended 31st December 2023

Statement of Financial Activities

Notes	2023 Unrestricted Funds £	2022 Unrestricted Funds £
INCOMING RESOURCES		
Incoming Resources		
3 Income and Endowments from:		
4 Donations/Legacies and Tax Recoverable	11,902	7,943
5 Charitable Activities	37,438	49,400
6 Other Trading Activities	1,160	597
7 Investments	4,401	776
Other	-	21
Total Incoming Resources	54,901	58,737
Less RESOURCES EXPENDED		
8 Expenditure on:		
9 Raising Funds	318	129
10 Charitable Activities	49,466	46,592
11 Governance	369	271
Total Resources Expended	50,153	46,992
Net Income/(Expenditure)	4,748	11,745
Transfers Between funds	-	-
Net Movement in Funds	4,748	11,745
Reconciliation of Funds		
Total Funds Brought Forward	526,118	514,373
Total Funds Carried Forward	530,866	526,118

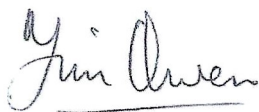
FURNESS RAILWAY TRUST

Registered Charity No. 1163073

Notes

Balance Sheet as at 31st December 2023

	2023 Unrestricted Funds £	2022 Unrestricted Funds £
Fixed Assets:		
13 Tangible Assets	178,066	183,161
14 Heritage Assets	106,296	106,296
Total Fixed Assets	284,362	289,457
Current Assets:		
15 Stock	11,011	11,331
16 Debtors	8,610	22,450
Cash at Bank	234,461	218,032
Cash in Hand	60	60
Total Current Assets	254,142	251,873
17 Creditors: amounts due within one yr.	(4,947)	(12,643)
Net Current Assets/(Liabilities)	249,195	239,230
Total Assets less Current Liabilities	533,557	528,687
17 Creditors: amounts due after one yr.	(2,691)	(2,569)
Total Net Assets	530,866	526,118
Funds of the Charity:		
Total Funds Brought Forward	526,118	514,373
Add Net Incoming Resources	4,748	11,745
Total Funds as at 31.12.2023	530,866	526,118



Tim Owen
Chairman
26th February 2024



Neil Smith
Secretary
26th February

FURNESS RAILWAY TRUST

Registered Charity No. 1163073

Notes to the Accounts –12 Months Ended 31st December 2023

Note 1 **Basis of Accounting**

The accounts are for the eighth full year of operation of the new Charitable Incorporated Organisation Furness Railway Trust 1163073 which took over the assets and operations of the unincorporated Furness Railway Trust Registered Charity 1005211 from the 1st December 2015.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective from 1st January 2019, Financial Reporting Standard 102, and with the Charities Act 2011.

The accounts have been prepared on the basis that the unincorporated and CIO charities have merged, as defined in the Statement of Recommended Practice.

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes(s) to these accounts.

The Furness Railway Trust constitutes a public benefit entity as defined by FRS 102

These accounts have been prepared on the basis that the Furness Railway Trust is a going concern after taking into account the current and anticipated levels of activity,

Note 2 **Accounting Policy**

Income

Incoming Resources, including grants, are accounted for on a receivable basis.

The value of donated goods is recognised only on sale because of the practicalities of measuring the value of such goods.

Goods donated for ongoing use by the charity are recognised as tangible assets and included in the Statement of Financial Activities as incoming resources when receivable.

The value of any voluntary help received is not included in the accounts but is described in the Trustees' Annual Report.

Expenditure

Resources Expended are accounted for on an accruals basis and include recognition of liabilities arising from legal or constructive obligation which commits the organisation to expenditure.

Certain support costs (Insurance and Printing, Stationery, Postage) are apportioned between activities based, where possible, on known cost drivers.

Governance Costs are shown separately for the purpose of clarity and, contrary to the SORP, not spread across activities because they are difficult to allocate and are not material in size.

Assets

Tangible and fixed assets for use by the charity

A long term shed lease, purchased in 2019, is being depreciated on a straight line basis over 50 years.

A portable building and fixed safety gear are being depreciated on a straight line basis over 15 years.

Plant and Equipment assets purchased which can be used for more than one year are capitalised and depreciated on a straight line basis at a rate of 25% per annum.

Assets purchased after 1st December 2015 are only capitalised if they cost £200 or more.

Heritage Assets

Heritage Assets are shown on the balance sheet at cost or, in the case of donated items, a realistic value estimated at the time of donation. An exception has been made for Furness Railway No. 20, built 1863. This historic locomotive is unique, difficult to value and is not included; there has been approximately £148,000 spent on it. The Trust's Collection and Disposal Policy states that there "should be a presumption against disposal." Grants received of £111,000 would potentially be repayable if this item was sold.

Stocks

Stocks are valued at the lesser of cost or recoverable value.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts. Subsequently they are measured at the cash or other consideration expected to be received.

Creditors

Creditors are measured at transaction price.

Note	Analysis of Income	2023	2022
		Unrestricted Funds £	Unrestricted Funds £
Note 4	Donations and Legacies		
	Donations and Gifts	8,336	5,327
	Legacies	0	0
	Gift Aid	2,213	1,213
	Membership Subscriptions	1,353	1,403
	Total	11,902	7,943
Note 5	Charitable Activities		
	Rolling Stock Hire	37,438	49,400
	Book Sales	0	0
	Other Income	0	0
	Total	37,438	49,400
Note 6	Other Trading Activities		
	Fundraising Sales	371	176
	Proceeds from <i>Live Steam</i>	200	230
	Donated Goods	236	110
	Workwear	353	81
	Total	1,160	597
Note 7	Investment Income		
	Bank Interest Received	4401	776
	Total	4401	776
	Other Income	0	21
	Total	0	21

Note 8 Analysis of Expenditure

	2023	2022
	Unrestricted	Unrestricted
	Funds	Funds
	£	£
Note 9 Expenditure on Raising Funds		
Sales Goods	260	109
Insurance	58	20
Total	318	129
Note 10 Expenditure on Charitable Activities		
Locomotive Restoration	10,529	5,513
Locomotive Repair/Maintenance	18,196	25,244
Coach Restoration	4,669	3,005
Building Maintenance	532	129
Transport/Craneage Costs	750	250
Magazine Publication	1,010	915
Insurance	4,278	2,294
Utilities	2,365	2,051
Membership Subscriptions	170	260
Travelling Expenses	1,325	0
Personal Safety Equipment	73	0
Workwear	225	109
Printing, Stationery, Postage etc	249	232
Depreciation of Fixed Assets	5,095	6,590
Total	49,466	46,592
Note 11 Governance Costs		
Independent Examination	240	220
Printing, Stationery, Postage etc	129	51
Total	369	271

Note 12 Expenditure Details

Insurance, amounting to £4,336 was purchased (£2,314 in 2021) which includes property and public liability insurance for certain activities (including funds generation) undertaken by the Trust, its Trustees and Members.

The work of the charity in restoring, maintaining and assisting in the operation of its assets is, in the main, carried out by volunteers with only specialist activities contracted out.

No staff were employed in either 2023 or 2022.

No fee for the Independent Examination of the 2023 accounts has been included. The cost of examining the 2022 accounts was £240 which is included in the 2023 accounts.

Note 13 Tangible Fixed Assets

	2023	2023	2023	2023
	Building	Mess Room/	Plant &	Total
	Lease	Safety Eqmt	Equipment	
	£	£	£	£
Cost				
At 1st January 2023	190,000	10,749	12,776	213,525
Additions/Disposals	-	-	-	0
At 31st December 2023	190,000	10,749	12,776	213,525
Depreciation				
At 1st January 2023	15,200	3,332	11,832	30,364
Depreciation	3,800	717	578	5,095
Less Depreciation on Disposal	-	-	0	0
At 31st December 2023	19,000	4,049	12,410	35,459
Net Book Value at 1st January 2023	174,800	7,417	944	183,161
Net book Value at 31st December 2023	171,000	6,700	366	178,066

Tangible Fixed Assets (Cont.)	2022	2022	2022	2022
Comparative figures for 2022	Building	Mess Room/ Safety Eqmt	Plant & Equipment	Total
	Lease			
	£	£	£	£
Cost				
At 1st January 2022	190,000	10,749	12,676	213,425
Additions	-	-	100	100
At 31st December 2022	190,000	10,749	12,776	213,525
Depreciation				
At 1st January 2022	11,400	2,616	10,389	24,405
Depreciation	3,800	716	2,073	6,589
Less Depreciation on Disposal	-	-	-630	-630
At 31st December 2022	15,200	3,332	11,832	30,364
Net Book Value at 1st January 2022	178,600	8,133	2,287	189,020
Net Book Value at 31st December 2022	174,800	7,417	944	183,161

Note 14 Heritage Assets

	2023	2023	2023	2023
	Locomotives	Other Rolling Stock	Other Artefacts	Total
	£	£	£	£
Cost				
At 1st January 2023	79,595	22,861	3,840	106,296
Additions/Disposals	-	-	-	-
At 31st December 2023	79,595	22,861	3,840	106,296

No depreciation has been applied to the Heritage Assets. Therefore the book values at 31st December 2023 are as above.

Comparative figures for 2022	2022	2022	2022	2022
	Locomotives	Other Rolling Stock	Other Artefacts	Total
	£	£	£	£
Cost				
At 1st January 2022	79,595	22,861	3,840	106,296
Additions/Disposals	-	-	-	-
At 31st December 2022	79,595	22,861	3,840	106,296

Five Year Summary of Heritage Asset Transactions

There have been no purchases, donations, disposals or impairments to Heritage Assets during the last five years.

Note 15 Stocks

	2023 Stock £	2022 Stock
Charitable Activities - Books		
Opening	9	9
Added in Period	0	0
Expensed in Period	0	0
Closing	<u>9</u>	<u>9</u>
Other Trading Activities		
Opening	1,710	1,839
Added in Period	165	89
Expensed in Period	486	218
Closing	<u>1,389</u>	<u>1,710</u>
Total Closing Sales Stock This year	1,398	1,719
Add Stocks of Stores	9,612	9,612
Total Stocks	11,010	11,331
Total Closing Stock Previous Year	11,331	1,848

Note 16 Analysis of Debtors

	2023 £	2022 £
Trade Debtors	4,800	18,480
Prepayments and Accrued Income	1,603	2,196
Other Debtors	2,207	1,774
Total	8,610	22,450

**Note 17 Creditors and Accruals
Analysis of Creditors**

	Amounts Falling Due Within One Year		Amounts Falling Due After One Year	
	2023 £	2022 £	2023 £	2022 £
Trade Creditors	3,787	5,283	-	-
Accruals & Deferred Income	798	595	2,691	2,569
Other Creditors	362	6,765	-	-
Total	4,947	12,643	2,691	2,569

Note 18 Deferred Income

Income was deferred in respect of some membership subscriptions which were paid in advance

Movement in Deferred Income Account

	2023		2022	
	Membership Subscriptions £	Vehicle Hire £	Membership Subscriptions £	Vehicle Hire £
Balance at the Start of the Reporting Period	3,164	0	3,282	329
Amounts Added in Current Period	1,125	0	692	0
Amounts Released to Income from Prev Periods	800	0	810	329
Balance at End of Reporting Period	3,489	0	3,164	0

Note 19 Charity Funds

Details of Movements in Funds in 2023

Purpose	Balance at		Expenditure	Transfers	Balance at
	01.01.2023	Income			31.12.2023
	£	£	£	£	£
Restricted Funds	-	-	-	-	-
Total Restricted Funds	-	-	-	-	-
Unrestricted Funds					
<i>Wootton Hall</i> Locomotive restoration	50	1,413	1,463	-	0
<i>Caliban</i> Locomotive restoration	5,580	0	620	-	4,960
<i>FR 25</i> Locomotive restoration	1,300	0	0	-	1,300
<i>Fluff</i> Locomotive restoration	1,493	0	420	-	1,073
NLR Brake Carriage restoration	1,237	0	0	-	1,237
Total Designated Funds	9,660	1,413	2,503	-	8,570
Total Non Designated Funds	516,458	53,488	47,650	-	522,296
Total Unrestricted Funds	526,118	54,901	50,153	-	530,866
Total All Funds	526,118	54,901	50,153	-	530,866

Details of Movements in Funds in 2022

Purpose	Balance at		Expenditure	Transfers	Balance at
	01.01.2022	Income			31.12.2022
	£	£	£	£	£
Restricted Funds	-	-	-	-	-
Total Restricted Funds	-	-	-	-	-
Unrestricted Funds					
<i>Wootton Hall</i> Locomotive restoration	50	1,413	1,463	-	0
<i>Caliban</i> Locomotive restoration	5,580	-	620	-	4,960
<i>FR 25</i> Locomotive restoration	1,300	-	-	-	1,300
<i>Fluff</i> Locomotive restoration	1,493	-	420	-	1,073
NLR Brake Carriage restoration	1,237	-	-	-	1,237
Total Designated Funds	9,660	1,413	2,503	-	8,570
Total Non Designated Funds	504,713	57,234	44,489	-	517,548
Total Unrestricted Funds	514,373	58,737	46,992	-	526,118
Total All Funds	514,373	58,737	46,992	-	526,118

Note 20 Transactions with Trustees and Related Parties

None of the trustees have been paid any remuneration or received any other benefits.
Two trustees were paid a total of £1,325 for travel expenses in 2023.

Independent Examiner's Report to the Trustees of the Furness Railway Trust

Registered Charity No. 1163073

I report on the accounts of the Trust for the 12 months ended 31st December 2023, which are set out on pages 1 to 7.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for this period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of Independent Examiner's Statement

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

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

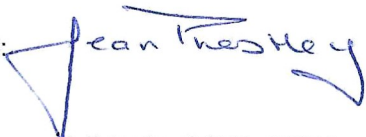
- (1) Which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act;

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Name:

J. Priestley ACMA, CGMA

24, Scarborough Road, St. Annes, Lytham St. Annes, Lancashire FY8 3ES

Date:

21st March 2024.