

Charity registration number 1176862

Company registration number 10919496 (England and Wales)

STATFOLD NARROW GAUGE MUSEUM TRUST LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr G Lee Mr N J Noon Mr H R Noon Mr A M Ashworth Mr P A Lewin Mr P Ingham Mr D J Lee Mr G I Lee
Secretary	Mr H Noon
Charity number	1176862
Company number	10919496
Registered office	The Grain Store Statfold Barn Farm Ashby Road Tamworth Staffordshire B79 0BU
Auditor	Azets Audit Services Westpoint Lynch Wood Peterborough Cambridgeshire United Kingdom PE2 6FZ

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

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STATFOLD NARROW GAUGE MUSEUM TRUST LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Articles of Association, the Companies Act 2006 and "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 2019)".

Objectives and activities

The objects of the charity are:

To educate the public in the history and development of our steam heritage by;

- maintaining, encouraging and continuing the establishment of a Steam Heritage Museum at Statfold Barn, Statfold, Tamworth, in the County of Staffordshire;
- promoting the preservation, conservation, maintenance and repair of heritage steam locomotives and rolling stock and other steam powered vehicles; and
- maintaining railway archives, historical records and railway artefacts.

In furtherance of these objects the Charity may:

- organise and promote such meetings, exhibitions, festivals, open days and other events as will foster interest in and enjoyment of the Museum, and further the purposes of the Charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant activities

Our aim is to develop our infrastructure, café, car park, toilets, and provide facilities for Junior visitors, creating a more interesting place for all.

The Trust is performing as expected. The growth in footfall and revenue is moving towards the Trust mission to be self-sufficient and more importantly moving away from the reliance on financial support from trustees. We are maintaining a footfall of 120,000 per year and our target is 200,000 per annum. The revenue generated by this will enable the Trust to invest back into the collection.

Achievements and performance

Financial review

The Statement of Financial Activities shows a net deficit for the year of £202,613 for the charity (2022: surplus of £461,710) and a net deficit of £168,743 for the group (2022: surplus of £461,710). Our reserves, all of which are unrestricted, stand at £4,217,532 for the charity (2022: £4,420,145) and £4,251,402 for the group (2022: £4,420,145).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Whilst this is our aim, the charity continues to be dependent on the support of certain of its Trustees, in the form of donations, to enable it to meet its site development and operating costs. These Trustees have confirmed their intention to continue to provide financial support such that the charity can operate as a going concern and meet its debts and liabilities as they fall due for a period of 12 months from the date of approval of these accounts.

The charity also occupies land and buildings owned by Mr G Lee, one of the Trustees, for which a nominal rental charge is made. A lease is currently being prepared which will secure the charity's right to occupy all the property and land on the site currently occupied, with provision for further expansion if required.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Risks

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

We aim to extend the amount and variety of our already successful events in order for visitors to learn about steam heritage. We aim to take on board from previous events any way that we are able to improve in order to enhance peoples enjoyment and experience and build up a recurring visitor base for the future which will hopefully build to future generations.

Structure, governance and management

Constitution

The company was registered as a charity on 26 January 2018. The charity is a company limited by guarantee and is governed by its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr G Lee
Mr N J Noon
Mr H R Noon
Mr A M Ashworth
Mr P A Lewin
Mr P Ingham
Mr D J Lee
Mr G I Lee

The minimum number of trustees shall be two but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The charity may by ordinary resolution appoint a person who is willing to act to be a trustee and determine the rotation in which any additional trustees are to retire.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Detailed Income & Expenditure

	2023	2022	2021	2020
<u>Income</u>				
Fundraising activities	1,148,375	879,288	548,513	112,220
Donations	705,820	1,363,770	1,019,073	1,349,096
COVID grants	-	96	56,754	70,605
Trading activities: in trading subsidiary	324,727	-	-	-
Trading activities: in charity	25,363	63,228	76,782	52,677
Hire of facilities & building rental	52,392	56,302	21,542	12,790
Other (secretarial services, sale of assets)	14,400	22,250	12,000	12,000
Total income	2,271,077	2,384,934	1,734,664	1,609,388
<u>Expenditure</u>				
CONSERVATION				
Salaries	177,900	148,370	-	-
Direct costs	104,939	96,392	100,554	81,380
Share of support costs	236,570	206,298	-	-
CHARITABLE EVENTS				
Staff costs: events	257,297	117,127	67,007	23,325
Staff costs: maintenance	98,297	138,465	311,539	266,922
Depreciation	259,288	259,949	153,319	80,385
Direct costs	554,487	548,100	289,530	86,963
Share of support costs	472,868	355,384	378,042	263,203
NON-CHARITABLE TRADING EVENTS				
Direct costs	240,858	16,914	33,757	25,968
Allocation of support costs	37,317	36,225	23,478	20,777
SUPPORT COSTS				
Salaries	375,673	256,460	149,873	125,531
Other overheads	323,886	295,705	228,704	121,284
Governance costs	25,416	31,646	17,015	32,896
Depreciation	21,779	14,096	5,928	4,269
Reallocated as above	(746,755)	(597,907)	(401,520)	(283,980)
Total expenditure per accounts	2,439,820	1,923,224	1,357,226	848,923
<u>Fixed assets movements</u>				
Depreciation	281,067	274,045	156,896	84,654
Capital expenditure	184,520	737,962	758,307	862,001
Surplus / (Deficit)	(168,743)	461,710	377,438	760,465

NOTE:

Conservation costs are not associated with operation running costs. £519,409 is the cost of complete restoration of Taymar (ongoing) and Baldwin (ongoing). Mease Valley coaches x Liverpool festival, 4 disabled conversion works completed. Cosmetic conservation of Handyman £50,000 donation to the overhaul of Darjeeling Loco. There are also numerous ongoing small museum projects to further the originality of the individual exhibits. The ongoing maintenance and preservation of the Hunslet Archive.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2023***

The trustees' report was approved by the Board of Trustees.

Mr G Lee

Trustee

Dated: 2 September 2024

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of Statfold Narrow Gauge Museum Trust Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF STATFOLD NARROW GAUGE MUSEUM TRUST LTD

Opinion

We have audited the financial statements of Statfold Narrow Gauge Museum Trust Ltd (the 'charity') and its subsidiary for the year ended 31 December 2023 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 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 for 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 statements* section of our report. We are independent of the charity 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 charity'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 the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF STATFOLD NARROW GAUGE MUSEUM TRUST LTD

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity'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.

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.

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF STATFOLD NARROW GAUGE MUSEUM TRUST LTD

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Mark Jackson FCA DChA (Senior Statutory Auditor)

for and on behalf of Azets Audit Services

Chartered Accountants

Statutory Auditor

5 September 2024

Westpoint
Lynch Wood
Peterborough
Cambridgeshire
United Kingdom
PE2 6FZ

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Group		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	705,820	1,363,866
Charitable activities	4	1,148,375	879,288
Other trading activities	5	402,482	119,530
Other income	6	14,400	22,250
Total income		2,271,077	2,384,934
<u>Expenditure on:</u>			
Raising funds	7	278,175	53,139
Charitable activities	8	2,161,645	1,870,085
Total resources expended		2,439,820	1,923,224
Net (expenditure)/income for the year/ Net movement in funds		(168,743)	461,710
Fund balances at 1 January 2023		4,420,145	3,958,435
Fund balances at 31 December 2023		4,251,402	4,420,145

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		4,858,386		4,954,932
Current assets					
Stocks	14	45,020		27,588	
Debtors	15	45,076		45,217	
Cash at bank and in hand		55,235		53,002	
			145,331		125,807
Creditors: amounts falling due within one year	17	(731,972)		(630,375)	
Net current liabilities			(586,641)		(504,568)
Total assets less current liabilities			4,271,745		4,450,364
Creditors: amounts falling due after more than one year	18		(20,343)		(30,219)
Net assets			4,251,402		4,420,145
Income funds					
Unrestricted funds			4,251,402		4,420,145
			4,251,402		4,420,145

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 2 September 2024

Mr G Lee
Trustee

Company Registration No. 10919496

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		4,858,386		4,954,932
Current assets					
Stocks	14	45,020		27,588	
Debtors	15	56,434		45,217	
Cash at bank and in hand		32,644		53,002	
			134,098		125,807
Creditors: amounts falling due within one year	17	(754,605)		(630,375)	
Net current liabilities			(620,507)		(504,568)
Total assets less current liabilities			4,237,879		4,450,364
Creditors: amounts falling due after more than one year	18		(20,343)		(30,219)
Net assets			4,217,536		4,420,145
Income funds					
Unrestricted funds			4,217,536		4,420,145
			4,217,536		4,420,145

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 2 September 2024

Mr G Lee
Trustee

Company registration number 10919496

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	23		196,629		740,765
Investing activities					
Purchase of tangible fixed assets		(184,520)		(737,962)	
Net cash used in investing activities			(184,520)		(737,962)
Financing activities					
Repayment of bank loans		(9,876)		(9,634)	
Net cash used in financing activities			(9,876)		(9,634)
Net increase/(decrease) in cash and cash equivalents			2,233		(6,831)
Cash and cash equivalents at beginning of year			53,002		59,833
Cash and cash equivalents at end of year			55,235		53,002

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Statfold Narrow Gauge Museum Trust Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is The Grain Store, Statfold Barn Farm, Ashby Road, Tamworth, Staffordshire, B79 0BU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity continues to be dependent on the support of certain of its Trustees, in the form of donations, to enable it to meet its site development and operating costs. These Trustees have confirmed their intention to continue to provide financial support such that the charity can operate as a going concern and meet its debts and liabilities as they fall due for a period of 12 months from the date of approval of these accounts. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Event centre	2% straight line
Plant and equipment	15% reducing balance
Fixtures, fittings and event equipment	15% - 33% reducing balance
Computers and office equipment	33% straight line
Locomotives, trains and rolling stock	Heritage assets not depreciated

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The event centre has been built on land owned by one of the trustees for which no rent charge is made. On the basis that the trustees believe they will continue to occupy the land in the long term the event centre is being depreciated over the buildings useful economic life.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
Donations and gifts	755,820	1,363,770	705,820	1,363,770
Other government grants	-	96	-	96
	<u>755,820</u>	<u>1,363,866</u>	<u>705,820</u>	<u>1,363,866</u>
Donations and gifts				
Donations	568,120	1,092,916	568,120	1,092,916
Gift aid receivable	137,700	270,854	137,700	270,854
Distribution from subsidiary	50,000	-	-	-
	<u>755,820</u>	<u>1,363,770</u>	<u>705,820</u>	<u>1,363,770</u>

Donations and gifts include cash donations from Mr G Lee of £359,400 (2022: £670,000), Mrs CA Lee of £180,000 (2022: £385,000), Mr G I Lee of £nil (2022: £715) and Mrs T Lee of £nil (2022: £2,000).

4 Charitable activities

Charity & Group	2023 £	2022 £
Steam museum guide books	5,581	6,223
Train driver experience receipts	1,900	6,799
Railway track rentals	12,000	12,000
Income from events	1,128,894	854,266
	<u>1,148,375</u>	<u>879,288</u>

Track rental income is receivable from Statfold Engineering, a business in which certain of the Trustees have a financial interest.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Other trading activities

	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
Sales within trading company	-	-	324,727	-
Fundraising events	25,363	63,228	25,363	63,228
Hire of events centre	38,392	47,802	38,392	47,802
Building rental	14,000	8,500	14,000	8,500
Other trading activities	77,755	119,530	402,482	119,530

6 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Charity & Group		
Secretarial services	14,400	13,800
Other income	-	8,450
	14,400	22,250

Secretarial services relate to charges made to G & CA Lee for the shared use of resources and facilities.

7 Raising funds

	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
<u>Fundraising and publicity</u>				
Staging fundraising events	-	16,914	-	16,914
<u>Trading costs</u>				
Other trading activities	-	-	240,858	-
Support costs	37,317	36,225	37,317	36,225
	37,317	53,139	278,175	53,139

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Charitable activities

	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
Staff costs	243,034	255,592	243,034	255,592
Depreciation and impairment	259,288	259,949	259,288	259,949
Conservation of steam collection	282,838	244,762	282,838	244,762
Guide books	-	5,042	-	5,042
Event costs	667,047	543,058	667,047	543,058
	<u>1,452,207</u>	<u>1,308,403</u>	<u>1,452,207</u>	<u>1,308,403</u>
Share of support costs (see note 9)	684,022	537,948	684,022	537,948
Share of governance costs (see note 9)	25,416	23,734	25,416	23,734
	<u>2,161,645</u>	<u>1,870,085</u>	<u>2,161,645</u>	<u>1,870,085</u>

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022	Basis of allocation
	£	£	£	£	£	£	
Staff costs	375,674	-	375,674	256,460	-	256,460	Staff time
Depreciation	21,779	-	21,779	14,096	-	14,096	Staff time
Repairs	104,399	-	104,399	145,043	-	145,043	Staff time
Insurances	77,752	-	77,752	39,094	-	39,094	Staff time
Printing and stationery	11,719	-	11,719	7,153	-	7,153	Staff time
Telecommunications	10,339	-	10,339	4,480	-	4,480	Staff time
IT costs and website	8,907	-	8,907	2,794	-	2,794	Staff time
Subscriptions	4,103	-	4,103	4,229	-	4,229	Staff time
Heat and light	73,045	-	73,045	67,017	-	67,017	Staff time
Bank and finance charges	32,739	-	32,739	24,381	-	24,381	Staff time
Office expenses	883	-	883	1,514	-	1,514	Staff time
Audit fees	-	9,600	9,600	-	9,000	9,000	Governance
Legal and professional	-	11,316	11,316	-	20,196	20,196	Governance
Accountancy fees	-	4,500	4,500	-	2,450	2,450	Governance
	<u>721,339</u>	<u>25,416</u>	<u>746,755</u>	<u>566,261</u>	<u>31,646</u>	<u>597,907</u>	
Analysed between							
Trading	37,317	-	37,317	28,313	7,912	36,225	
Charitable activities: conservation	228,095	8,475	236,570	197,581	8,717	206,298	
Charitable activities: steam events	455,927	16,941	472,868	340,367	15,017	355,384	
	<u>721,339</u>	<u>25,416</u>	<u>746,755</u>	<u>566,261</u>	<u>31,646</u>	<u>597,907</u>	

Governance costs includes payments to the auditors of £9,600 (2022- £9,000) for audit fees.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	Charity 2023 Number	Group 2023 Number	Charity 2022 Number	Group 2022 Number
	57	57	44	44
Employment costs	Charity 2023 £	Group 2023 £	Charity 2022 £	Group 2022 £
Wages and salaries	717,425	829,984	589,861	589,861
Social security costs	51,119	51,119	46,623	46,623
Other pension costs	10,955	10,955	9,880	9,880
	779,499	892,058	646,364	646,364

There were no employees whose annual remuneration was £60,000 or more.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Tangible fixed assets

Charity & Group

	Event centre	Plant and equipment	Fixtures, fittings and event equipment	Computers and office equipment	Locomotives, trains and rolling stock	Total
	£	£	£	£	£	£
Cost						
At 1 January 2023	1,404,074	432,365	822,304	54,398	2,802,194	5,515,335
Additions	-	21,652	151,921	10,947	-	184,520
At 31 December 2023	1,404,074	454,017	974,225	65,345	2,802,194	5,699,855
Depreciation and impairment						
At 1 January 2023	65,141	139,641	323,264	32,356	-	560,402
Depreciation charged in the year	28,081	45,254	185,953	21,779	-	281,067
At 31 December 2023	93,222	184,895	509,217	54,135	-	841,469
Carrying amount						
At 31 December 2023	1,310,852	269,122	465,008	11,210	2,802,194	4,858,386
At 31 December 2022	1,338,932	292,723	499,040	22,043	2,802,194	4,954,932

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Stocks

	2023 £	2022 £
Charity & Group		
Goods held for resale	45,020	27,588

15 Debtors

	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
Amounts falling due within one year:				
Trade debtors	13,749	14,765	15,695	14,765
Amounts owed by subsidiary undertakings	13,304	-	-	-
Other debtors	2,255	-	2,255	-
Prepayments and accrued income	27,126	30,452	27,126	30,452
	<u>56,434</u>	<u>45,217</u>	<u>45,076</u>	<u>45,217</u>

16 Loans and overdrafts

	2023 £	2022 £
Charity & Group		
Bank loans	31,125	41,001
Payable within one year	10,782	10,782
Payable after one year	<u>20,343</u>	<u>30,219</u>

The charity has a bank loan comprising a 2.5% fixed rate loan totalling £50,000 repayable in equal instalments by June 2026, following a 12 month capital repayment holiday.

17 Creditors: amounts falling due within one year

	Notes	Charity 2023 £	Charity 2022 £	Group 2023 £	Group 2022 £
Bank loans	16	10,782	10,782	10,782	10,782
Other taxation and social security		74,852	39,999	85,424	39,999
Trade creditors		587,578	531,740	588,319	531,740
Amounts owed to subsidiary undertakings		44,545	-	-	-
Other creditors		4,137	2,819	4,137	2,819
Accruals and deferred income		32,714	45,035	43,310	45,035
		<u>754,608</u>	<u>630,375</u>	<u>731,972</u>	<u>630,375</u>

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

18 Creditors: amounts falling due after more than one year

Charity & Group	Notes	2023 £	2022 £
Bank loans	16	20,343	30,219

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £10,955 (2022 - £9,880).

20 Operating lease commitments

Charity & Group

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	-	1,000

21 Related party transactions

The Group has taken advantage of the exemption permitted by FRS 102 Section 33 "Related Party Disclosures" not to provide disclosures of transactions entered into with other wholly owned members of the Group.

Trade debtors include the amount of £1,200 (2022: £1,200) due from Statfold Engineering Ltd, a company in which certain of the Trustees hold a financial interest, and £849 (2022: £nil) due from G & CA Lee, a partnership in which certain of the Trustees hold a financial interest.

Trade creditors include the amount of £411,043 (2022: £407,243) due to G & CA Lee, a partnership in which certain of the Trustees have a financial interest.

The charity's activities are located on land owned by Mr G Lee, one of the trustees, for which annual rent of £1,000 (2022: £1,000) is paid.

The charity purchased goods and services in the amount of £12,472 (2022: £45,221) and recharged costs of £41,924 (2022: £16,560) to G & CA Lee, a partnership in which certain trustees have a financial interest.

The charity purchased goods and services in the amount of £6,525 (2022: £12,029) and received income of £14,704 (2022: £14,400) from Statfold Engineering Limited, a company in which certain trustees have a financial interest.

A distribution of £50,000 was paid to the charity by its subsidiary Statfold Narrow Gauge Museum (Trading) Ltd during the year (2022: £nil), with a further £33,869 to be paid after the year end (2022: £nil).

STATFOLD NARROW GAUGE MUSEUM TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

22 Subsidiaries

Details of the charity's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Statfold Narrow Gauge Museum (Trading) Ltd	England & Wales	Operation of events and facilities to support the museum (dormant in previous year)	Ordinary	100.00

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Statfold Narrow Gauge Museum (Trading) Ltd	33,870	33,871

23 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(168,743)	461,710
Adjustments for:		
Depreciation and impairment of tangible fixed assets	281,067	274,045
Movements in working capital:		
(Increase) in stocks	(17,433)	(26,474)
Decrease in debtors	141	36,665
Increase/(decrease) in creditors	101,597	(5,181)
Cash generated from operations	196,629	740,765

24 Analysis of changes in net funds	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	53,002	2,233	55,235
Loans falling due within one year	(10,782)	-	(10,782)
Loans falling due after more than one year	(30,219)	9,876	(20,343)
	<u>12,001</u>	<u>12,109</u>	<u>24,110</u>