

Company registration number: 2023981

Charity registration number: 1186648

**EAST LANCASHIRE LIGHT RAILWAY COMPANY
LIMITED
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
31 DECEMBER 2020**

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

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EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Chairman	M W Kelly
Trustees	M Britten R G Chapman C E Jones M W Kelly C R Law D S Layland S Lea A Lee C Phillips G Thomas G S Thornton D Wilson
Principal Office	Bolton Street Station Bury Lancashire BL9 0EY The charity is incorporated in England and Wales.
Company Registration Number	2023981
Charity Registration Number	1186648
Auditor	Horsfield & Smith Tower House 269 Walmersley Road Bury Lancashire BL9 6NX

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

Trustees

M Britten (appointed 30 July 2021)

R Bulman (resigned 15 March 2021)

R G Chapman

C E Jones

M W Kelly

C R Law

D S Layland

S Lea (appointed 26 February 2021)

A Lee

C Phillips

G Thomas (appointed 26 February 2021)

G S Thornton

D Wilson

Objectives and activities

Objects and aims

The object of the charity is to advance education for the benefit of the public in the history, construction, engineering and operation of the East Lancashire Railway by:

- a) The acquisition, restoration, preservation and operation of heritage railway locomotives, carriages, wagons, station buildings, track between Rawtenstall and Heywood and other associated heritage infrastructure; and
- b) The establishment and maintenance of a museum.

Public benefit

The Charity aims to educate visitors to the heritage East Lancashire Railway about the different eras and activities in the history of the railways.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The charity and its subsidiary trading company would not be able to provide the services they do without the dedicated volunteers who give their time to the Railway. The companies are committed to the development of volunteers and improving volunteer recruitment, key base skills training and departmental placement sympathetic to specific departmental requirements.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

TRUSTEES' REPORT

Structure, governance and management

Nature of governing document

The organisation is a charitable company limited by guarantee, incorporated on 29 May 1986. The company is limited by guarantee and in the event being wound up each member is required to contribute an amount not exceeding ten pounds.

The company was established under a memorandum of association which established the objects and powers of the charity and is governed under its articles of association (last updated November 2019).

Recruitment and appointment of trustees

Trustees are appointed by ordinary resolution at a general meeting. There is no maximum number of trustees, the minimum is four. One third are required to retire by rotation at the annual general meeting of the charity. Where the trustees appoint a person who is willing to act as a trustee either to fill a vacancy or as an additional trustee that person must retire and may offer themselves for re-election at the next annual general meeting.

A person may not serve as a trustee unless they are a member of the charity. A person ceasing to be a member shall automatically cease to be a trustee.

Organisational structure

The company operated as a trading company up to December 2019. On 1 January 2020 the company was granted charitable status and the trading activities were passed to a new wholly owned trading subsidiary company East Lancashire Railway Limited.

Achievements and performance

The charity has had a difficult year with the Covid-19 pandemic. The trading subsidiary had to cancel many planned activities which would usually generate net income for the charity.

2020 started well for the trading subsidiary company with Union of South Africa visiting the Railway in January and a diesel gala in February followed by the spring Steam gala in March. On 20th March 2020 the Railway closed when the government announced the first Covid-19 national lockdown. The pubs were able to open on 4th July providing an outdoor service on the platforms at Bury and Rawtenstall stations. The rest of the Railway re-opened on 8th August but with a limited standard timetable service on the weekends and social distancing. The Diner services did not restart until mid September when improving public confidence made it once again viable to run these trains. Diners then ran to the end of October. The railway was also able to put on socially distanced Halloween event before the closing again for the second lockdown on 1st November. Unfortunately, the key event in the calendar for generating revenue (the Santa specials) which normally run from the end of November to Christmas Eve, had to be cancelled. The Railway was able to run Elfmas, a scaled back platform event for a limited time over the Christmas period.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

TRUSTEES' REPORT

The closures as a result of Covid have had a significant impact on the income generated by trading activities. This income fell from over £4M in 2019 to just under £1M in 2020. The trustees took appropriate action to revise spending plans where possible. The programme of repairs and restoration was scaled back. Many staff were put on furlough and, in a restructure necessitated by the reduced income, 14 positions were made redundant at a cost of £39K with a projected annual cost saving of £271K. Although there are some direct costs aligned to the number of visitors many more are aligned to the number of services run whether these are at full capacity or reduced by social distancing. Cleaning and additional sanitation facility cost have increased. Many indirect costs continue to be incurred whether the Railway runs or not. More security was required with less personnel being present on the premises.

An appeal was launched to the public to help the Railway through this difficult time. This raised donations of over £200K. the charity also secured financial assistance from government grants in excess of £1.1M

Going concern

There is considerable uncertainty about the ongoing impact of Covid-19 and the extent to which visitors will return to the railway. Forecasts have been prepared covering the period to December 2022 and these have been subjected to sensitivity analysis. The charity has also secured assistance in the form of new loans. The Directors recognise that, in preparing the forecasts, there is an inherent risk that the plans may not be achieved. Despite this risk, the Directors believe that the Railway has secured sufficient financial reserves to enable it to continue as a going concern.

Relationships with related parties

East Lancashire Railway Holdings Limited

The charity is under the control of a charitable holding company East Lancashire Railway Holdings Limited. As part of the re-structuring of the Railway it is the intention that East Lancashire Railway Holdings Limited will be closed and its charitable objects carried on by East Lancashire Light Railway Company Limited. On 1 January 2020 the benefit of the funds in East Lancashire Railway Holdings Limited was passed to the charity. Further donations have been received from East Lancashire Railway Holdings Limited during the year.

Financial review

Results for the year are shown in the Consolidated Statement of Financial Activities set out on page 11. This indicates a surplus of £373,864 however, included in this is £853,505 received from East Lancashire Railway Holdings Limited. The true financial result for the year is a deficit of £479,641.

Policy on reserves

So far as practicable the Trustees intend to reinvest surpluses in projects which will advance the charitable objects.

Investment policy and objectives

Under the Memorandum and Articles of association, the charity has the power to make any investment the Trustees consider will further the objects of the charity.

Currently neither the charity nor its trading subsidiary have excess funds available to invest. When such funds become available the Trustees feel that short term readily available products would be most suited to meet uncertain short term demands.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

TRUSTEES' REPORT

Financial instruments

Objectives and policies

The group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the group's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Charity relies on public donations to enable it to provide funds for the projects currently being financed. Cashflow can be very much affected by the willingness and ability of the general public to make donations.

Credit risk

The Charity's principal financial assets are bank balances and cash, and other receivables. The charity's primary credit risk is attributable to its receivables from the East Lancashire Railway Limited. An allowance for impairment is made where there is an identifiable loss as a result of a going concern risk in that company that would evidence a reduction in the recoverability.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of East Lancashire Light Railway Company Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

TRUSTEES' REPORT

Statement of Trustees' Responsibilities

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

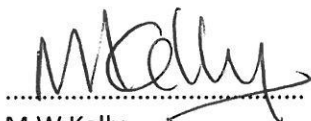
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditors Horsfield & Smith are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The annual report was approved by the trustees of the charity on 27 September 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Kelly', is written over a horizontal dotted line.

M W Kelly
Chairman and Trustee



EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

Opinion

We have audited the financial statements of East Lancashire Light Railway Company Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; 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 (set out on page 5), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.



EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

Auditor's responsibilities for the audit of the financial statements

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 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 industry and its control environment, and reviewed the documentation of the charity's 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 charity and trading subsidiary operate 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, Charities Act, and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the ability to operate or to avoid a material penalty. These included the line operating licence.

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:

- agreeing financial statement disclosures to supporting documentation;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.



EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group'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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
P G Nicol (Senior Statutory Auditor)

For and on behalf of Horsfield & Smith, Statutory Auditor

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

27 September 2021

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	2,071,164	189,329	2,260,493
Charitable activities	4	29,600	-	29,600
Investment income	5	22	-	22
Other income	6	978,849	-	978,849
Total income		<u>3,079,635</u>	<u>189,329</u>	<u>3,268,964</u>
Expenditure on:				
Raising funds	7	(1,881,598)	-	(1,881,598)
Charitable activities	8	(1,008,031)	-	(1,008,031)
Other expenditure		<u>(5,470)</u>	<u>-</u>	<u>(5,470)</u>
Total expenditure		<u>(2,895,099)</u>	<u>-</u>	<u>(2,895,099)</u>
Net income		<u>184,536</u>	<u>189,329</u>	<u>373,865</u>
Net movement in funds		184,536	189,329	373,865
Reconciliation of funds				
Total funds brought forward		<u>591,616</u>	<u>-</u>	<u>591,616</u>
Total funds carried forward	23	<u><u>776,152</u></u>	<u><u>189,329</u></u>	<u><u>965,481</u></u>

The notes on pages 16 to 34 form an integral part of these financial statements.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	Unrestricted funds £	Total 2019 £
Income and Endowments from:			
Donations and legacies	3	292,787	292,787
Charitable activities	4	29,597	29,597
Investment income	5	17	17
Other income	6	4,104,826	4,104,826
Total income		<u>4,427,227</u>	<u>4,427,227</u>
Expenditure on:			
Raising funds	7	(3,367,583)	(3,367,583)
Charitable activities	8	(1,098,039)	(1,098,039)
Other expenditure		<u>3,587</u>	<u>3,587</u>
Total expenditure		<u>(4,462,035)</u>	<u>(4,462,035)</u>
Net expenditure		<u>(34,808)</u>	<u>(34,808)</u>
Net movement in funds		(34,808)	(34,808)
Reconciliation of funds			
Total funds brought forward		<u>626,424</u>	<u>626,424</u>
Total funds carried forward	23	<u><u>591,616</u></u>	<u><u>591,616</u></u>

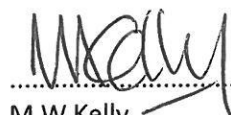
All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 23.

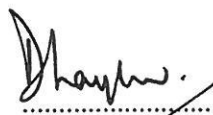
EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED**(REGISTRATION NUMBER: 2023981)****CONSOLIDATED BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	4,914,676	5,020,591
Current assets			
Stocks	17	99,722	73,443
Debtors	18	613,957	205,207
Cash at bank and in hand	19	<u>250,105</u>	<u>288,783</u>
		963,784	567,433
Creditors: Amounts falling due within one year	20	<u>(1,351,715)</u>	<u>(1,681,896)</u>
Net current liabilities		<u>(387,931)</u>	<u>(1,114,463)</u>
Total assets less current liabilities		4,526,745	3,906,128
Creditors: Amounts falling due after more than one year	21	<u>(3,561,264)</u>	<u>(3,314,512)</u>
Net assets		<u>965,481</u>	<u>591,616</u>
Funds of the group:			
Restricted income funds			
Restricted funds		189,329	-
Unrestricted income funds			
Unrestricted funds		<u>776,152</u>	<u>591,616</u>
Total funds	23	<u>965,481</u>	<u>591,616</u>

The financial statements on pages 11 to 34 were approved by the trustees, and authorised for issue on 27 September 2021 and signed on their behalf by:



M W Kelly
Chairman and Trustee



D S Layland
Trustee

The notes on pages 16 to 34 form an integral part of these financial statements.

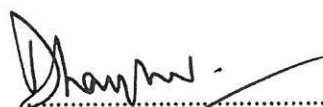
EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED**(REGISTRATION NUMBER: 2023981)****BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	4,880,944	5,020,591
Investments		<u>1</u>	<u>-</u>
		<u>4,880,945</u>	<u>5,020,591</u>
Current assets			
Stocks	17	-	73,443
Debtors	18	520,106	205,207
Cash at bank and in hand	19	<u>241,672</u>	<u>288,783</u>
		761,778	567,433
Creditors: Amounts falling due within one year	20	<u>(540,759)</u>	<u>(1,681,896)</u>
Net current assets/(liabilities)		<u>221,019</u>	<u>(1,114,463)</u>
Total assets less current liabilities		5,101,964	3,906,128
Creditors: Amounts falling due after more than one year	21	<u>(3,561,264)</u>	<u>(3,314,512)</u>
Net assets		<u><u>1,540,700</u></u>	<u><u>591,616</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		189,329	-
Unrestricted income funds			
Unrestricted funds		<u>1,351,371</u>	<u>591,616</u>
Total funds	23	<u><u>1,540,700</u></u>	<u><u>591,616</u></u>

The financial statements on pages 11 to 34 were approved by the trustees, and authorised for issue on 27 September 2021 and signed on their behalf by:



M W Kelly
Chairman and Trustee



D S Layland
Trustee

The notes on pages 16 to 34 form an integral part of these financial statements.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income/(expenditure)		373,865	(34,808)
Adjustments to cash flows from non-cash items			
Depreciation	7	212,485	202,702
Investment income	5	(22)	(17)
Profit on disposal of tangible fixed assets		<u>(8,992)</u>	<u>(5,691)</u>
		577,336	162,186
Working capital adjustments			
(Increase)/decrease in stocks	17	(26,279)	21,422
Increase in debtors	18	(408,750)	(20,599)
(Decrease)/increase in creditors	20, 21	(585,188)	150,802
Increase in deferred income	21	<u>125,202</u>	<u>76,898</u>
Net cash flows from operating activities		<u>(317,679)</u>	<u>390,709</u>
Cash flows from investing activities			
Interest receivable and similar income	5	22	17
Purchase of tangible fixed assets	15	(44,025)	(215,487)
Sale of tangible fixed assets		9,000	6,000
Transfer of tangible assets at net book value		<u>(62,553)</u>	<u>-</u>
Net cash flows from investing activities		(97,556)	(209,470)
Cash flows from financing activities			
Repayment of loans and borrowings	20, 21	<u>376,557</u>	<u>(84,951)</u>
Net (decrease)/increase in cash and cash equivalents		(38,678)	96,288
Cash and cash equivalents at 1 January		<u>288,783</u>	<u>192,495</u>
Cash and cash equivalents at 31 December		<u>250,105</u>	<u>288,783</u>

All of the cash flows are derived from continuing operations during the above two periods.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Bolton Street Station

Bury

Lancashire

BL9 0EY

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

East Lancashire Light Railway Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2020.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £949,084 (2019 - loss of £34,808).

The subsidiary East Lancashire Railway Limited is a wholly owned trading company. The trading activities of East Lancashire Light Railway Company Limited were transferred to the subsidiary on 1 January 2020.

The accounting policies of subsidiary are consistent with the policies adopted by the group.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Reclassification of comparative amounts

The profit and loss account reported in 2019 has been restated in the format of a Statement of Financial Activities. The elements of the trade carried on by the company in 2019, which are not permitted to be carried on by a charity, have been disclosed as discontinued operations. These operations are now undertaken by a subsidiary limited company.

Going concern

The Trustees have considered the impact of Covid on the ability of the charity to continue to operate. During the year, the Trustees took appropriate action to match expenditure with income. Forecasts have been prepared covering the period to December 2022, which indicate that the charity can continue to meet its charitable objects within its expected reduced income.

There is considerable uncertainty about the ongoing impact of Covid-19 and the extent to which visitors will return to the railway, and the forecasts have taken account of this. The forecasts have been subjected to sensitivity analysis, and the Trustees consider that the charity will be able to continue to operate for the foreseeable future.

The Trustees recognise that, in preparing the forecasts, there is an inherent risk that the plans may not be achieved. This risk creates a significant uncertainty around the use of the going concern basis of accounting. Despite this risk, the Trustees believe that the going concern basis is the most appropriate in the circumstances.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Museum	20 to 50 years straight line
Infrastructure and buildings	20 to 50 years straight line
Office fixtures and equipment	5 to 10 years straight line
Rolling Stock	10 to 50 years straight line
Plant and machinery	10 to 50 years straight line

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) basis.

Trade debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Deferred income

Deferred income are monies taken in advance for bookings yet to take place. Once the events have taken place the income is transferred to the profit and loss account.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Basic financial assets and liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction.

If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future cashflows discounted at a market rate of interest. Such instruments are subsequently measured at amortised cost using the effective interest method.

Other financial assets and liabilities that are not basic financial instruments are initially measured at fair value, which is normally the transaction price. Such instruments are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except where the fair values cannot be measured reliably the instrument is measured at cost less impairment.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	680,782	189,329	870,111	29,773
Donations from individuals	174,632	-	174,632	53,084
Legacies	51,000	-	51,000	111,371
Grants, including capital grants;				
Government grants	1,164,750	-	1,164,750	98,559
	<u>2,071,164</u>	<u>189,329</u>	<u>2,260,493</u>	<u>292,787</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Education	<u>29,600</u>	<u>29,600</u>	<u>29,597</u>

5 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>22</u>	<u>22</u>	<u>17</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6 Other income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Pub sales	290,991	290,991	828,682
Refreshments and catering	157,636	157,636	1,103,662
Shops and stalls	4,570	4,570	66,945
Fares and charters	243,762	243,762	1,003,654
Santa events	92,759	92,759	809,149
Footplate experience	12,112	12,112	96,880
Other rolling stock income	9,659	9,659	58,209
Miscellaneous income	136,267	136,267	61,904
Hire of locomotives	-	-	50,870
Rental income	31,093	31,093	24,871
	<u>978,849</u>	<u>978,849</u>	<u>4,104,826</u>

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2020 £	Total 2019 £
Wages - generating funds		44,523	44,523	45,444
Computer software and maintenance costs		1,239	1,239	-
Printing, postage and stationery		675	675	-
Trade subscriptions		900	900	-
		<u>47,337</u>	<u>47,337</u>	<u>45,444</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

b) Costs of trading activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Opening stock	73,443	73,443	94,865
Materials	66,071	66,071	199,895
Pub purchases	154,712	154,712	463,209
Refreshments and catering	80,902	80,902	442,644
Shops and stalls	101,597	101,597	40,000
Special events	56,118	56,118	338,494
Footplate experience	1,099	1,099	12,349
Closing stock	(99,722)	(99,722)	(73,443)
Wages and salaries	870,056	870,056	898,956
Commissions payable	59,029	59,029	82,497
Line operating charges	102,989	102,989	299,346
Rent and rates	31,746	31,746	48,324
Light, heat and power	63,774	63,774	87,992
Repairs and maintenance	108,257	108,257	114,360
Telephone and fax	15,313	15,313	13,499
Computer software and maintenance costs	9,169	9,169	12,330
Printing, postage and stationery	8,684	8,684	20,038
Courier services	1,909	1,909	4,837
Trade subscriptions	2,333	2,333	4,551
Equipment hire	12,471	12,471	12,497
Sundry expenses	29,514	29,514	50,642
Laundry and cleaning	22,640	22,640	39,673
Travel and subsistence	8,266	8,266	14,148
Promotional expenses	53,891	53,891	100,436
	<u>1,834,261</u>	<u>1,834,261</u>	<u>3,322,139</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8 Expenditure on charitable activities

		Unrestricted funds General £	Total 2020 £	Total 2019 £
	Note			
Education		31,413	31,413	32,927
Restoration and repair		364,706	364,706	504,712
Depreciation, amortisation and other similar costs		203,493	203,493	197,011
Staff costs		179,339	179,339	153,445
Governance costs	9	229,080	229,080	209,944
		<u>1,008,031</u>	<u>1,008,031</u>	<u>1,098,039</u>

In addition to the expenditure analysed above, there are also governance costs of £229,080 (2019 - £209,944) which relate directly to charitable activities. See note 9 for further details.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Audit fees			
Audit of the financial statements	9,692	9,692	5,000
Other fees paid to auditors	2,950	2,950	6,350
Legal fees	24,866	24,866	17,618
Insurance	94,838	94,838	101,862
Security costs	73,774	73,774	35,495
Bank charges	12,195	12,195	24,103
Bank interest payable	83	83	475
Bank loan interest payable	10,682	10,682	19,041
	<u>229,080</u>	<u>229,080</u>	<u>209,944</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

10 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2020 £	2019 £
Audit fees	9,692	5,000
Profit on disposal of tangible fixed assets	(8,992)	(5,691)
Depreciation of fixed assets	<u>212,485</u>	<u>202,702</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	1,402,205	1,399,825
Pension costs	<u>51,725</u>	<u>72,316</u>
	<u>1,453,930</u>	<u>1,472,141</u>

The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Administration and support	<u>60</u>	<u>54</u>

Contributions to the employee pension schemes for the year totalled £51,725 (2019 - £72,316).

No employee received emoluments of more than £60,000 during the year.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13 Auditors' remuneration

	2020	2019
	£	£
Audit of the financial statements	<u>9,692</u>	<u>5,000</u>
Other fees to auditors		
All other non-audit services	<u>2,950</u>	<u>6,350</u>

14 Taxation

The group is a registered charity and is therefore exempt from taxation.

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

15 Tangible fixed assets

Group

Cost

At 1 January 2020

Additions

Disposals

Transfers

At 31 December 2020

Depreciation

At 1 January 2020

Charge for the year

Eliminated on disposals

Transfers

At 31 December 2020

Net book value

At 31 December 2020

At 31 December 2019

	Bury transport museum £	Infrastructure and buildings £	Rolling stock £	Fixtures and equipment £	Plant and machinery £	Total £
At 1 January 2020	3,374,899	1,214,685	2,016,706	309,551	396,290	7,312,131
Additions	-	8,235	20,457	15,333	-	44,025
Disposals	-	-	(1,500)	-	-	(1,500)
Transfers	-	83,841	-	-	-	83,841
At 31 December 2020	3,374,899	1,306,761	2,035,663	324,884	396,290	7,438,497
At 1 January 2020	585,112	479,732	760,411	170,337	295,948	2,291,540
Charge for the year	67,488	49,786	59,898	19,713	15,600	212,485
Eliminated on disposals	-	-	(1,492)	-	-	(1,492)
Transfers	-	21,288	-	-	-	21,288
At 31 December 2020	652,600	550,806	818,817	190,050	311,548	2,523,821
At 31 December 2020	2,722,299	755,955	1,216,846	134,834	84,742	4,914,676
At 31 December 2019	2,789,787	734,953	1,256,295	139,214	100,342	5,020,591

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Charity

Cost

At 1 January 2020

Additions

Disposals

Transfers

At 31 December 2020

Depreciation

At 1 January 2020

Charge for the year

Eliminated on disposals

Transfers

At 31 December 2020

Net book value

At 31 December 2020

At 31 December 2019

	Bury transport museum £	Infrastructure and buildings £	Rolling stock £	Fixtures and equipment £	Plant and machinery £	Total £
At 1 January 2020	3,374,899	1,214,685	2,016,706	309,551	396,290	7,312,131
Additions	-	8,235	20,457	15,333	-	44,025
Disposals	-	-	(1,500)	-	-	(1,500)
Transfers	-	83,841	-	(128,096)	-	(44,255)
At 31 December 2020	3,374,899	1,306,761	2,035,663	196,788	396,290	7,310,401
At 1 January 2020	585,112	479,732	760,411	170,337	295,948	2,291,540
Charge for the year	67,488	49,786	59,898	14,445	15,600	207,217
Eliminated on disposals	-	-	(1,492)	-	-	(1,492)
Transfers	-	21,288	-	(89,096)	-	(67,808)
At 31 December 2020	652,600	550,806	818,817	95,686	311,548	2,429,457
At 31 December 2020	2,722,299	755,955	1,216,846	101,102	84,742	4,880,944
At 31 December 2019	2,789,787	734,953	1,256,295	139,214	100,342	5,020,591

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

16 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
Additions	<u>1</u>	<u>1</u>
At 31 December 2020	<u>1</u>	<u>1</u>
Net book value		
At 31 December 2020	<u>1</u>	<u>1</u>

17 Stock

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Stocks	<u>99,722</u>	<u>73,443</u>	<u>-</u>	<u>73,443</u>

18 Debtors

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	49,718	36,697	-	36,697
Prepayments	26	46,327	-	46,327
Other debtors	<u>564,213</u>	<u>122,183</u>	<u>520,106</u>	<u>122,183</u>
	<u>613,957</u>	<u>205,207</u>	<u>520,106</u>	<u>205,207</u>

19 Cash and cash equivalents

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Cash on hand	8,433	12,720	-	12,720
Cash at bank	<u>241,672</u>	<u>276,063</u>	<u>241,672</u>	<u>276,063</u>
	<u>250,105</u>	<u>288,783</u>	<u>241,672</u>	<u>288,783</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	59,096	57,624	59,096	57,624
Trade creditors	428,146	441,863	-	441,863
Other loans	56,515	3,182	53,333	3,182
Due to group undertakings	-	668,981	379,309	668,981
Other taxation and social security	31,501	48,010	31,502	48,010
Other creditors	15,091	11,352	13,519	11,352
Accruals	217,709	107,429	4,000	107,429
Deferred income	543,657	343,455	-	343,455
	<u>1,351,715</u>	<u>1,681,896</u>	<u>540,759</u>	<u>1,681,896</u>

21 Creditors: amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	157,462	-	157,462	-
Other loans	346,667	182,377	346,667	182,377
Deferred income	3,057,135	3,132,135	3,057,135	3,132,135
	<u>3,561,264</u>	<u>3,314,512</u>	<u>3,561,264</u>	<u>3,314,512</u>

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £51,725 (2019 - £72,316).

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

23 Funds

Group

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
<i>General</i>				
General Funds	591,616	3,004,635	(2,820,099)	776,152
Restricted funds				
Education	-	62,553	-	62,553
Aquisition of rolling stock	-	126,776	-	126,776
	-	189,329	-	189,329
Total funds	<u>591,616</u>	<u>3,193,964</u>	<u>(2,820,099)</u>	<u>965,481</u>

Charity

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
<i>General</i>				
General Funds	591,616	2,582,365	(1,822,610)	1,351,371
Restricted funds				
Education	-	62,553	-	62,553
Aquisition of rolling stock	-	126,776	-	126,776
	-	189,329	-	189,329
Total funds	<u>591,616</u>	<u>2,771,694</u>	<u>(1,822,610)</u>	<u>1,540,700</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	4,725,347	189,329	4,914,676
Current assets	963,784	-	963,784
Current liabilities	(1,351,715)	-	(1,351,715)
Creditors over 1 year	(3,561,264)	-	(3,561,264)
Total net assets	<u>776,152</u>	<u>189,329</u>	<u>965,481</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets		5,020,591	5,020,591
Current assets		567,433	567,433
Current liabilities		(1,681,896)	(1,681,896)
Creditors over 1 year		(3,314,512)	(3,314,512)
Total net assets		<u>591,616</u>	<u>591,616</u>

Charity

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	4,691,615	189,329	4,880,944
Fixed asset investments	1	-	1
Current assets	761,778	-	761,778
Current liabilities	(540,759)	-	(540,759)
Creditors over 1 year	(3,561,264)	-	(3,561,264)
Total net assets	<u>1,351,371</u>	<u>189,329</u>	<u>1,540,700</u>

EAST LANCASHIRE LIGHT RAILWAY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds General £	Total funds at 31 December 2019 £
Tangible fixed assets	5,020,591	5,020,591
Current assets	567,433	567,433
Current liabilities	(1,681,896)	(1,681,896)
Creditors over 1 year	<u>(3,314,512)</u>	<u>(3,314,512)</u>
Total net assets	<u>591,616</u>	<u>591,616</u>

25 Analysis of net funds

Group

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	<u>288,783</u>	<u>(38,678)</u>	<u>250,105</u>
Net debt	<u>288,783</u>	<u>(38,678)</u>	<u>250,105</u>

	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	<u>192,495</u>	<u>96,288</u>	<u>288,783</u>
Net debt	<u>192,495</u>	<u>96,288</u>	<u>288,783</u>