

**Charity Registration No. 263617**

**Company Registration No. 1038056 (England and Wales)**

**NENE VALLEY RAILWAY LIMITED  
AND ITS SUBSIDIARY**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Patron of Nene Valley Railway</b>	HRH The Duke of Gloucester	
<b>Honorary Vice President</b>	Cllr C Swift O.B.E	
<b>Trustees - Elected</b>	K J Parkinson P Marshall S J Bell M A Kerfoot (Chair) S L Derry T J Jennings	
<b>Trustees - Appointed</b>	S A Costello R J Dixon E A Walters A L Oates A M Deane	<i>(resigned 11 September 2021)</i> <i>(resigned 22 March 2022)</i> <i>(appointed 6 May 2021)</i> <i>(appointed 13 January 2022)</i> <i>(appointed 20 July 2022)</i>
<b>Key management personnel</b>	S Piggott K Shaw	
<b>Secretary</b>	N McGregor	
<b>Charity number</b>	263617	
<b>Company number</b>	1038056	
<b>Museum number</b>	1636	
<b>Principal address</b>	Wansford Station Old Great North Road Stibbington Peterborough PE8 6LR	
<b>Registered office</b>	Wansford Station Old Great North Road Stibbington Peterborough PE8 6LR	



## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Auditors</b>	Stephenson Smart & Co 36 Tyndall Court Commerce Road Lynchwood Peterborough PE2 6LR
<b>Bankers</b>	National Westminster Bank plc PO Box 15 Cathedral Square Peterborough Cambridgeshire PE1 1HW
<b>Solicitors</b>	Sloan Plumb Wood LLP Apollo House Minerva Business Park Lynch Wood Peterborough PE2 6QR
<b>Investment advisors</b>	Ravenscroft The Singing Men's Chambers 19 Minister Precincts Peterborough PE1 1XX
<b>Website</b>	<a href="http://www.nvr.org.uk">www.nvr.org.uk</a>



## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

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# **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

## **CHAIRMAN'S REPORT**

### ***FOR THE YEAR ENDED 31 JANUARY 2022***

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2021-22 was another year that was heavily impacted by the pandemic. Coming out of Christmas 2020 the railway again had to cope with a period of lockdown. Whilst in some ways this was fortunate in that it coincided with our quieter operating period it still meant we lost the revenues from early season activity such as the February half term, easter and mother's day. It also made planning difficult as ongoing uncertainty around the virus and the restrictions it imposed clouded much of the rest of the year.

The pandemic had a ripple effect throughout the railway impacting not only revenues but other areas too. Many volunteers, some of whom are older, were reluctant to return and in common with many organisations we found bringing in new volunteers was more difficult.

Not running trains saved costs but also limited opportunities for the training and development of staff and the succession pipeline for key roles such as guards, station staff and footplate crew was restricted. When we were able to run later in the spring, time and resources had to be deployed to clean trains and initially we only took advanced bookings which soaked up resources to manage the booking process.

As restrictions began to lift we received the very welcome news that we had been awarded £479,765 from the governments culture recovery fund, administered through the arts council. This helped to stabilise our finances and set us up well for a successful summer where we welcomed visiting engine, LMS Jubilee 45596 Bahamas. During August our family focused events proved extremely successful with trains very well loaded. The Autumn brought a well-attended diesel gala featuring the three peak diesel locomotives after which we went into another busy Santa season.

In April we welcomed back our General Manager, Sarah Piggott, from her maternity leave. Thanks must go to Kim Shaw who deputised extremely well through what was a very challenging period. We recruited two appointed Trustees, Lizzie Walters and Adrian Oates who bring legal, fundraising and marketing experience to the board. Adrian, who was previously a Trustee, also works for Nene Park Trust and is able to facilitate stronger links with them. Stuart Costello left the board and my thanks go to him for the support and guidance he was able to give during his time with us.

On the rolling stock front we acquired the two Sentinel shunters from the Iron and Steel Traction Group, brought a Pacer multiple unit to the railway and saw the magnificent Wagon Lits restaurant car enter service. The overhaul shed was busy with a variety of projects.

Notwithstanding the many challenges, 2021-22 was once again a tremendous team effort. We demonstrated incredible resilience in the face of significant headwinds.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **CHAIRMAN'S REPORT**


***FOR THE YEAR ENDED 31 JANUARY 2022***

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None of this would be possible without the exceptional team of people at the railway. Our small number of paid staff and army of volunteers once again came through for us and continue to provide the extraordinary level of commitment that we must never take for granted. I want to pay tribute to everyone that has contributed to this and record my profound thanks to all those that make what we do so special.

**M Kerfoot**

Dated .....

  
16/9/22

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022

The trustees present their report and financial statements for the year ended 31 January 2022.

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 charitable company's governing document, 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).

#### Our Mission

Nene Valley Railway Limited is a registered charity whose formal charitable purpose is:

'to promote the permanent preservation of railway lines, engines and rolling stock and equipment, and items of general railway interest of actual historic or scientific importance and education value, and to exhibit to members of the public interested in engines owned by the association any such engines, rolling stock, equipment and items as aforesaid by means of temporary or permanent exhibitions and to demonstrate and assist in demonstrating to such persons the working and operations of such engines, rolling stock and items of static or mobile displays'.

#### Status of the Charity

Peterborough Railway Society was incorporated as a company limited by guarantee in 1972 and subsequently acquired charitable status. The company name was changed to Nene Valley Railway Limited in 1984. The charity has no share capital and the liability of each member, in the event of winding up, is limited to £1. The governing documents are the Memorandum and Articles of Association of the company. Anyone may become a member by payment of the appropriate annual subscription.

The company has a wholly owned subsidiary Nene Valley Railway Enterprises Limited which is not a charity and has its own board and accounts. Its profits are gift aided to Nene Valley Railway Limited.

The charity can have up to nine trustees. The articles prescribe that six are elected by the members with up to three additional trustees on the basis that these persons have the skills required to ensure that the trustees as a body have in their opinion adequate financial, legal, business, charity and other professional skills.

#### The trustees serving during 2021 - 2022 and the meetings they attended were:

	Actual	Possible
Michael Kerfoot – <i>Chair</i>	12	12
Stanley Bell	12	12
Stuart Costello ( <i>resigned 11 August 2021</i> )	4	7
Sarah Derry	11	12
Richard Dixon	10	12
Tom Jennings	5	12
Philip Marshall	12	12
Adrian Oates – <i>appointed 13 January 2022</i>	1	1
Keith Parkinson	12	12
Elizabeth Walters – <i>appointed 6 May 2021</i>	8	9

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **Governance and Management**

The board normally meet every month of the year and subgroups of board members meet from time to time as business requires. The general manager is appointed by the trustees to carry out the policies laid down by the board and to manage the day to day operations of the charity.

The trustees are appointed by the subscribing members of the charitable company at the annual general meeting. All adult members have one vote and should the number of nominations to become trustees exceed the vacancies, a secret ballot is held. All trustees are subscribing members and must be nominated by two people. The initial appointment is for a three year term.

None of the trustees have any beneficial interest in the charitable company. All of the trustees are members of the charitable company and guarantee to contribute £1 in the event of a winding up.

#### **Health and Safety (H&S)**

Covid 19 continued to provide a focus for Health and Safety activity across the year.

Running of trains did not resume until April following another period of lockdown. Strict measures were put in place to ensure the safety of customers, volunteers and staff with procedures for social distancing and general cleaning and hygiene. Booking of seats in advance was required and it wasn't until much later in the year that this requirement was lifted and people could again simply turn up and travel. Mask wearing was still in force through the Santa season as the Omicron variant impacted.

During 2021 we had some turnover of Health and Safety managers and consequential lack of continuity. Our long term H&S manager stepped down and a replacement resigned after only a few months in post. By year end David Jackson had assumed responsibility for 'rail side' operations. Keith Parkinson kindly offered to cover the land side element and he stepped down to make way for Raymond Elgy who is now in post.

A health and safety audit was completed by an external consultant who provided some useful guidance. The anticipated ORR visit did not take place due to the backlog of work driven by Covid. The visit is anticipated during 2022.

There were a couple of incidents that were reportable to the ORR, one involving a wrong side failure of a signal at Orton Mere and the other concerning the splitting of a train in section following a problem with the locomotive. In both cases the ORR were satisfied with our internal investigation and learning points and no further action was necessary.

#### **Financial Review**

A year in which our finances were again significantly influenced by the pandemic which impacted our operations for much of the year. Nevertheless the receipt of the Culture Recovery grant of just over £497k meant that the end of year result was strong with a profit of just under £270k. The grant was specifically awarded to cover the replenishment of reserves and to fund restart costs. We had to provide evidence to the awarding body that we had spent the money in the agreed areas and this had to be verified by an independent auditor.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **Financial Review (continued)**

Without external funding our trading operations both in the charity and Enterprises made a loss. We could have mitigated some of this during the year by making some different choices especially around expenditure but this was not necessary. We were able to continue with our plans, maintain our staffing establishment and respond when opportunities arose such as the purchase of the Sentinel shunters.

#### **Commercial Operations**

This was a busy year coming out of Covid.

Customers were eager to get out and about, which resulted in an increased footfall on our Summer Family Fun Days, Halloween and Thomas events. There was a definite trend towards family oriented events this past year. This in turn saw the development of some new events, one being the Family Fish and Chip train a daytime event set up along the same basic principles of the very popular evening Jolly Fisherman Services. Taking a trusted format and developing it to work for the trending visitor customer base, worked well for the railway. New ideas such as the Gin train and 1950's event were tried and old favourites such as Thomas's birthday continued to delight.

The loved Santa Trains were again a near sell out it was just a shame that Covid cases rose again, so a number of bookings were cancelled. We tried our best to move customers if we had space on a later date train, not many spaces were available so some bookings evidentially ended up in refunds. Not all refunds were Covid related, a large portion of our refunds that were processed were due to the severe weather we experienced one weekend which left us with lighting problems on some of our carriages. These issues were looked at assessed and rectified quickly, so future customers were not impacted. Issues like these are sometimes unavoidable but demanding for the teams to deal with and disappointing for customers. The response to these challenges showed great team work. Credit must be given to the customer facing team worked extremely hard to keep our customers perception of the railway as positive as possible.

During the year the miniature railway opened at Wansford providing a new attraction and compliments the garden and model railway at the same location.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **Infrastructure**

The start of the year saw the railway closed to the public. This has a benefit in that infrastructure work can be progressed without interference from trains and people.

Down the line, the usual vegetation clearance made sure that sighting distances are kept as long as possible. There's a fundamental issue at Yacht Club, where a 15mph limit looks like it might be in place for some time as trees on the lineside prevent the required sighting distance for 25mph running.

The permanent way (track) continues to give concern. Much of it has been in place for more than half a century and inevitably it is wearing out. On the Castor Straight in the autumn, rail-end dips and poor sleeper state necessitated the imposition of a 10 mph temporary speed restriction for around a mile. Remedial work is planned and budgeted for the year ahead. At the end of 2021, the track condition inside Wansford Tunnel forced us to impose a 10mph temporary speed restriction. At the end of the year work commenced to replace some of the rail in the tunnel with a view to this being completed before the running season began in earnest. Drainage in the tunnel is poor and more work will be required at some stage.

A new tool – a stone blower – helps take some of the drudge out of packing chippings below sleepers. Another acquisition kindly donated by Network Rail, was some lengths of serviceable rail equivalent to sixteen 60' lengths.

Bridges were inspected by an external contractor and we were pleased with the generally favourable results. There is a requirement for remedial work on the horizon within the next 5 – 10 years.

#### **Locomotives and Rolling Stock**

At the start of the year our steam fleet was bolstered by a Great Western Railway pannier tank, 4612 which left us in February. This was replaced by a larger Great western Prairie tank 4144 which remained at the railway until early summer.

Most of the steam haulage thereafter was completed by the home fleet, Bullied Pacific 34081, '92 Squadron' and Polish 0-8-0T, 5485. Hudswell Clarke 0-6-0T 'Thomas' was in service for most of the year before failing with boiler problems in December. Also providing an additional interest was Aveling and Porter traction engine loco 'Blue Circle'.

Peak locomotive 45041 Royal Tank Regiment on loan from the Peak Locomotive Company was a popular diesel locomotive and ran throughout the year and Swedish railcar 1212 continued to be available for quieter days.

The Iron and Steel Traction (ISTG) group ceased operations during the year and disposed of its locomotives, spares and other equipment. This resulted in a class 14 diesel locomotive leaving the railway, however another example of the class, 9529, was bought by a private buyer and remains with us. The railway was also able to purchase two Sentinel diesel shunters from the ISTG which are essential for shunting in our yard at Wansford.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **Locomotives and Rolling Stock (continued)**

Visitors to the railway included Jubilee Class 4-6-0, 5596 Bahamas which was at the railway for a week in the summer. Later in the year we hosted the Three Peaks gala which brought together three Peak diesel locomotives and was a popular event.

In early July a Pacer diesel multiple unit was acquired by the railway but did not enter service.

In the overhaul shed the boiler of Danish locomotive 656 was returned and work on the refurbishment continued as did the overhaul of Hudswell Clarke tank engine, 'Derek Crouch' and diesel shunter Muriel. The longer term project with Standard Class 5, 73050, City of Peterborough progressed steadily.

Work on the carriage roofs of the mark one fleet was completed and in the autumn the Wagon Lits restaurant car entered service, looking magnificent, after an extensive refurbishment.

The wagon group continued to overhaul and maintain the many freight vehicles around the railway.

#### **Passenger Numbers**

Passenger numbers were 23,924 up on around 12,000 in 20-21. In both years the numbers were heavily impacted by Covid and this makes meaningful comparisons with other years difficult.

#### **Operations Department**

The operating department were able to staff all the trains that ran.

On the 1st August 2021, Tim Hobman stepped down from the position of Operating Manager. The railway is very grateful for all the hard work that Tim has put in during his time as Operating Manager, in particular the introducing of a structure for Platform Staff, which has seen many people come forward to help on the Platform.

Doug Thompson took over from the 1st August 2021, and has worked with the platform inspectors to fine tune the training booklet and exams. Margaret Stafford has been appointed as inspector for Platform Staff.

For the 2022 running season the timetables were reviewed and minor adjustments to them, so that where possible the departures from Wansford towards Yarwell are at 10:00, 12:00, 14:00 and 16:00 hours.

The new Operating Manager reports he is extremely impressed with the standard of all the staff in the department, with their uniform and willingness to help beyond their duties where required.



## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **Signal and Telecoms (S&T)**

The S&T year started off with collecting materials kindly donated by Network Rail from Fletton Junction and replacing a worn-out timber which supported a point operating crank at Orton Mere. We then moved into a bout of point gauge compliance checks at all stations on the railway. After some maintenance and other jobs, we began the process of bringing a new track circuit into use at Wansford. This circuit protects the Yarwell line from the Carriage & Wagon ground frame to the Limit of Shunt board at the tunnel mouth. Initially brought into use on an 'indication only' basis for trial purposes, the full circuit was commissioned to use later in the year.

A key highlight worth mentioning is the complete strip-out, correlation and maintenance of the Wansford lever frame interlocking in June 2021. This was only possible by bringing in a volunteer locking fitter as we do not have the skills in-house. Another skill we had to bring in was when an electric lever lock tappet (operating bar) failed in the late summer and needed replacing. Fortunately, we had a blank replacement bar in stock, and so this technician only had to precisely mark and cut it.

We ended 2021 with preparations to replace a poorly sighted shunt signal at Wansford with a better installation which was completed in very early 2022 giving drivers a better view of the new signals as well as route indication.

#### **Membership**

Membership has risen slightly this year from 739 memberships and 941 actual members in the previous year to 766 memberships and 949 actual members. The difference between memberships and actual members is because a membership may be joint and include more than one member.

After a drop in numbers on the previous year it is pleasing that this has stabilised.

As with many similar organisations we have found it tougher to recruit volunteers since the pandemic. Our very active Volunteer Liaison Group continue to be active in this area.

#### **Stations and Buildings**

In the early part of the year the station and buildings team complete tiling stairs to the public toilets at Wansford and decorated the stairwells.

From the spring they continued the refurbishment of the Barnwell Building on platform 2, replacing cladding boards etc. They stripped back, repainted the Barnwell canopy, dagger boards etc.

In the summer the children's play area was repaired and repainted. Fencing and access gates were installed to the bin area and fencing was repaired around public car parking area.

In October replacement running in boards were fitted at Peterborough Nene Valley station.

From January 2022 the team commenced the installation of a new tiled floor in the Retail Shop.

In addition general repairs and maintenance were completed in many areas.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2022

#### Fundraising

We have continued to support the railway through seeking grants and donations from a variety of sources. This included:

- General donations	£ 6,213
- Peterborough City Council	£ 36,568
- Arts Council	£ 479,765

Additional grants were also applied for to support specific projects including the Derek Crouch overhaul and the accessibility coach.

The charity shop is now well established and has been able to support a variety of projects around the railway.

Fundraising remains central to our strategy. We have improved our capability in identifying and securing funding from many different sources and ongoing we continue to seek further opportunities.

#### Summary

A satisfactory outcome to another challenging year that has seen the railway emerge from the pandemic in decent shape and ready to move forward. It was another colossal team effort from all areas of the railway, trustees, managers, paid staff and our huge army of volunteers. Thanks must go to everyone that contributed to this and to those that supported us in whatever way.

#### Audit

Each of the trustees have 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.

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



**M Kerfoot**

Chairman of the Trustees

Dated .....16/9/22.....

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 JANUARY 2022**

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The trustees who are also the directors of Nene Valley Railway Limited for the purposes of company law, are responsible for preparing the Trustees' Annual 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. 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 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 2019 (FRS 102);
- 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 operation.

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF NENE VALLEY RAILWAY LIMITED**

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#### **Opinion**

We have audited the financial statements of Nene Valley Railway Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 January 2022 which comprise the Group Statement of Financial Activities, the Group & Parent Charitable Company Balance Sheet's, the Group Cashflow Statement and the notes to the financial statements, including a summary of 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's and Parent charitable company's affairs as at 31 January 2022 and of the Group's 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 Charities Act 2011.

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

#### **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 or parent charitable company'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.

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **INDEPENDENT AUDITORS REPORT (CONTINUED) TO THE TRUSTEES OF NENE VALLEY RAILWAY LIMITED**

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#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustee's 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.

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 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**

In the light of our knowledge and understanding of the Group and Parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent charitable company; or
- the Parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's 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, the trustees (who are also the directors of the charitable company 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 Group's and Parent charitable company'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 Group or the Parent charitable company or to cease operations, or have no realistic alternative but to do so.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### INDEPENDENT AUDITORS REPORT (CONTINUED) TO THE TRUSTEES OF NENE VALLEY RAILWAY LIMITED

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with this Act.

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.

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:

#### Objectives

To identify and assess the risks of material misstatement of the financial statements due to irregularities, including fraud.

To design and implement appropriate processes to respond to fraud or suspected fraud

#### Audit response

- We identified the laws and regulations applicable to the company through discussion with directors and our knowledge of the business.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential basis;
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud;
- The audit procedures would also involve being aware of any such items from reviewing reports and discussions held with staff and management to obtain an understanding;
- Enquiring of management as to actual and potential litigation and claims; and
- Making enquires of management as to their knowledge of actual and suspected fraud.

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.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### INDEPENDENT AUDITORS REPORT (CONTINUED) TO THE TRUSTEES OF NENE VALLEY RAILWAY LIMITED

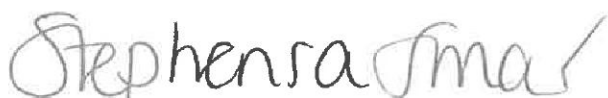
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#### Auditor's responsibilities for the audit of the financial statements (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company'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 charitable company'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 company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephenson Smart & Co

Statutory Auditor

36 Tyndall Court

Commerce Road

Lynchwood

Peterborough

PE2 6LR

Date: 16 September 2022.

Stephenson Smart & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including consolidated income and expenditure account)

**FOR THE YEAR ENDED 31 JANUARY 2022**

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
<b>Income from:</b>							
Donations and other fund raising income	4	67,587	38,664	580,191	-	686,442	174,471
Incoming resources from charitable activities	5	574,047	-	-	-	574,047	247,897
Commercial trading operations and investment in trading subsidiary	3	90,174	-	-	-	90,174	51,154
Investments	6	40	-	6,180	-	6,220	8,995
Other income	7	62,132	-	-	-	62,132	251,600
<b>Total income and endowments</b>		<b>793,980</b>	<b>38,664</b>	<b>586,371</b>	<b>-</b>	<b>1,419,015</b>	<b>734,117</b>
<b>Expenditure on:</b>							
<u>Raising funds</u>							
Commercial trading operations and investment in trading subsidiary	8	84,498	-	-	-	84,498	42,124
Net loss on disposal of fixed assets		89,834				89,834	-
Charitable activities	10	699,763	40,453	243,319	-	983,535	833,910
<b>Total resources expended</b>		<b>874,095</b>	<b>40,453</b>	<b>243,319</b>	<b>-</b>	<b>1,157,867</b>	<b>876,034</b>
Net gains/(losses) on investments	14	-	-	7,890	-	7,890	(23,049)
Net incoming/(outgoing) resources before transfers		(80,115)	(1,789)	350,942	-	269,038	(164,966)
Gross transfers between funds		294,142	22,215	(315,778)	(579)	-	-
<b>Net movement in funds</b>		<b>214,027</b>	<b>20,426</b>	<b>35,164</b>	<b>(579)</b>	<b>269,038</b>	<b>(164,966)</b>
Fund balances at 1 February 2021		1,734,928	122,841	446,147	579	2,304,495	2,469,461
<b>Fund balances at 31 January 2022</b>		<b>1,948,955</b>	<b>143,267</b>	<b>481,312</b>	<b>-</b>	<b>2,573,534</b>	<b>2,304,495</b>

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

All income and expenditure derive from continuing activities.



# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	15	1,980,817		1,967,816	
Investments	17	296,457		285,084	
		<u>2,277,274</u>		<u>2,252,900</u>	
<b>Current assets</b>					
Stocks	19	29,745		54,379	
Debtors	20	180,677		16,481	
Cash at bank and in hand		<u>341,247</u>		<u>278,476</u>	
		551,669		349,336	
<b>Creditors: amounts falling due within one year</b>	21	(147,750)		(175,308)	
<b>Net current assets</b>			403,919		174,028
<b>Total assets less current liabilities</b>			<u>2,681,193</u>		<u>2,426,928</u>
<b>Creditors: amounts falling due after more than one year</b>	22	(107,659)		(122,433)	
<b>Net assets</b>			<u>2,573,534</u>		<u>2,304,495</u>
<b>Capital funds</b>					
Endowment funds	26		-		579
<b>Income funds</b>					
Restricted funds	28	481,312		446,147	
Unrestricted funds:					
Designated funds	27	143,267		122,841	
General unrestricted funds		1,948,955		1,734,928	
		<u>2,573,534</u>		<u>2,304,495</u>	

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **CONSOLIDATED BALANCE SHEET (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022**

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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 January 2022, although an audit has been carried out under section 151 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 board of directors and authorised for issue on 16/9/22 and are signed on its behalf by:



**M Kerfoot**  
**Trustee**

**Company Registration No. 1038056**

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	15	1,980,817		1,967,816	
Investments	17	296,557		285,184	
		<u>2,277,374</u>		<u>2,253,000</u>	
<b>Current assets</b>					
Stocks	19	20,053		36,183	
Debtors	20	260,571		69,728	
Cash at bank and in hand		333,641		273,877	
		<u>614,265</u>		<u>379,788</u>	
<b>Creditors: amounts falling due within one year</b>	21	(140,615)		(167,774)	
Net current assets			473,650		212,014
<b>Total assets less current liabilities</b>			<u>2,751,024</u>		<u>2,465,014</u>
<b>Creditors: amounts falling due after more than one year</b>	22		(107,659)		(122,433)
<b>Net assets</b>			<u>2,643,365</u>		<u>2,342,581</u>
<b>Capital funds</b>					
Endowment funds	26		-		579
<b>Income funds</b>					
Restricted funds	28		481,312		446,147
Unrestricted funds:					
Designated funds	27		143,267		122,841
General unrestricted funds			2,018,786		1,734,928
			<u>2,643,365</u>		<u>2,304,495</u>

The net movement in funds for the year for the charity only was net surplus of £291,043 (2021: net deficit of £126,880). The charity's income was £1,356,838 (2021: £696,447) less expenditure of £1,073,685 (2021: £800,278) and net gain on investments of £7,890 (2021: net loss on investments of £23,049).

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **CHARITY BALANCE SHEET (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022**

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 January 2022, although an audit has been carried out under section 151 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 board of directors and authorised for issue on 16/9/22 and are signed on its behalf by:



**M. Kerfoot**  
Trustee

**Company Registration No. 1038056**

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flow from operating activities</b>	<b>34</b>		243,557		(54,500)
<b>Cash flow from investing activities</b>					
Purchase of tangible fixed assets		(137,453)		(56,582)	
Purchase of investments		(52,829)		(92,992)	
Proceeds on disposal of investments		49,347		158,538	
Interest received		6,220		8,995	
<b>Net cash flow from investing activities</b>			(134,715)		17,959
<b>Cash flow from financing activities</b>					
Interest paid		(20,789)		(30,211)	
New borrowings		-		50,000	
Repayment of borrowings		(25,282)		(11,813)	
<b>Net cash flow from financing activities</b>			(46,071)		7,976
<b>Net decrease in cash and cash equivalents</b>			62,771		(28,565)
Cash and cash equivalents at beginning of the year			278,476		307,041
<b>Cash and cash equivalents at end of the year</b>			<u>341,247</u>		<u>278,476</u>
<b>Relating to:</b>					
Bank balances and short term deposits			341,247		278,476
Bank overdrafts			-		-
			<u>341,247</u>		<u>278,476</u>

## **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022**

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#### **1 Accounting policies**

##### **Charity information**

Nene Valley Railway Limited is a private company limited by guarantee in England and Wales. The registered office is Wansford Station, Old North Road, Stibbington, Peterborough, PE8 6LR.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's governing document, 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 (FRS 102)" (effective 1 January 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

#### **1.2 Going concern**

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the charity and its subsidiary will continue in operational existence for the foreseeable future and have considered a period of at least 12 months in making this assessment.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The details of the restricted funds are set out in the notes to the accounts.

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

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### 1 Accounting policies (Continued)

##### 1.4 Incoming resources

- Income is recognised when the charitable company 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.

Donations and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are capable of financial measurement.

Legacy income is recognised either by the charity being notified of an impending distribution or the legacy being received.

Endowment income is restricted.

The charity benefits from many hours and unclaimed out-of-pocket expenses contributed by a number of supporters. It would be impossible to place a value on all these gifts in kind for which the charity is extremely grateful.

Grant income is recognised in the year in which the grant is receivable.

- Government grants relating to revenue are recognised as income over the periods when the related costs are incurred. This includes the Government Coronavirus Job Retention Scheme grant which is included as 'other income'.

Grants received from non-government sources are recognised under the performance model. Where there are no specific performance requirements the grants are recognised in the statement of comprehensive income when the proceeds are received or receivable. Where grant is received with specific performance requirements attached, it is recognised as a liability until the performance conditions are met and then it is recognised as turnover.

Income from driving courses is recognised when the income is receivable rather than when the course is booked, this is considered reasonable as the vouchers do not have an expiry date and in some instances have not been utilised.

Life membership subscriptions are released into income on a straight line basis at 8% per annum.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### 1 Accounting policies (Continued)

##### 1.5 Resources expended

Policy for recognition of liabilities is as soon as there is a legal or constructive obligation committing the charity to expenditure.

Recognition of the costs of generating funds is on an accruals basis, excluding VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and included audit fees and costs linked to the strategic management of the charity.

Costs are allocated, where possible, directly to the activity. Where the cost is not directly attributable it is allocated by informed management's best estimate of the activities undertaken.

The charity has three main objectives and the premises and promotion costs have been allocated 1/3rd to each of the main objectives.

##### 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.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	Mobile classroom - 10 years straight line Bridge improvements - 20 years straight line
Plant and machinery	Straight line over 5 years
Track and ballast	1% reducing balance
Rolling stock and locomotives	No depreciation is charged on items where the cost of restoration has been charged against income. On restored locomotives where work has been capitalised, the depreciation is written off over 10 years straight line from the date of completion

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 net income/(expenditure) for the year.

The trustees consider that the freehold buildings are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result the corresponding depreciation would not be material and therefore is not charged in the statement of financial activities.

Land at a value of £300,000 has not been depreciated.



## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### **1 Accounting policies (Continued)**

##### **1.7 Fixed asset investments**

Listed investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Investments in subsidiaries are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **1.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible and intangible 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 exact of the impairment loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

##### **1.9 Stocks**

Stock is valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

##### **1.10 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.

##### **1.11 Financial instruments**

The Company 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 when the charitable company becomes party to the contractual provisions of the instrument.

##### ***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.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

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#### **1 Accounting policies (Continued)**

##### **1.11 Financial instruments (continued)**

###### ***Basic financial liabilities***

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at cost using the effective interest method.

###### ***Derecognition of financial liabilities***

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

##### **1.12 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.13 Retirement benefits**

The charitable company operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

##### **1.14 Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charges against the category of resources expended for which it was incurred.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 2 Critical accounting estimates and judgements

In the application of the charitable company'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.

#### 3 Commercial trading operations and investment in trading subsidiary

	2022 £	2021 £
Non-charitable trading activities	90,174	51,154

#### 4 Donations and other fund raising income

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and gifts	31,710	38,664	100,426	170,800	155,824
Legacies receivable	14,500	-	-	14,500	-
Grants receivable	-	-	479,765	479,765	-
Membership fees	21,377	-	-	21,377	18,647
	67,587	38,664	580,191	686,442	174,471
For the year ended 31 January 2021	69,029	37,782	67,660		174,471

#### 5 Incoming resources from charitable activities

	2022 £	2021 £
Traffic and admission charges	244,729	128,203
Driving course income	11,122	4,737
Santa specials	297,215	97,971
Charitable rental income	12,081	13,534
Photo course and trade stands	-	122
Other income	8,900	3,330
	574,047	247,897

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 6 Investments

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Income from listed investments	-	-	6,180	-	6,180	8,808
Interest receivable	40	-	-	-	40	187
	40	-	6,180	-	6,220	8,995
<b>For the year ended 31 January 2021</b>	<b>187</b>	<b>-</b>	<b>8,808</b>	<b>-</b>		<b>8,995</b>

### 7 Other income

	2022 £	2021 £
Net gain on disposal of tangible fixed assets	-	21,000
Coronavirus job retention scheme grant	25,564	136,886
Other coronavirus related income	36,568	93,714
	62,132	251,600

### 8 Raising funds

	2022 £	2021 £
<b>Commercial trading operations and investment in trading subsidiary</b>		
Operating trading company undertaking non-charitable trading activity	84,498	42,124
	84,498	42,124

### 9 Trustees

No trustees (or any persons connected with them) received remuneration during the year. No trustees received expenses in the year (2021 - No trustees received expenses).

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 10 Charitable activities

	2022	2021
	£	£
Maintenance staff including NI and pension	153,265	188,589
Depreciation and impairment	34,618	34,279
Fuel and lubricants	61,122	23,801
Insurance	64,639	63,843
Hire and transport of rolling stock	82,393	38,066
Maintenance	120,676	92,390
Santa special purchases	60,514	32,343
Stamp purchases for resale	574	778
Refuse and cleaning	26,659	19,709
Subscriptions	1,822	1,814
Online booking system	5,365	7,893
Publicity and printing costs	5,768	7,743
Special event expenses	14,479	9,138
Bank, interest and credit charges	20,789	30,211
Expenditure from restricted funds	76,635	45,542
	<u>729,318</u>	<u>596,139</u>
Support costs (see note 11)	240,280	218,304
Governance costs (see note 11)	13,937	19,467
	<u>983,535</u>	<u>833,910</u>
<b>Analysis by fund</b>		
Unrestricted funds	699,763	740,344
Designated funds	40,453	43,506
Restricted funds	243,319	50,060
	<u>983,535</u>	<u>833,910</u>

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

### 11 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Administration and cleaning wages	191,258	-	191,258	195,458
Premises costs	39,865	-	39,865	14,581
Promotion costs	9,157	-	9,157	8,265
Auditors remuneration:				
- for audit services	-	4,500	4,500	4,500
- for non audit services	-	2,800	2,800	5,301
Legal and professional	-	6,637	6,637	9,666
	<u>240,280</u>	<u>13,937</u>	<u>254,217</u>	<u>237,771</u>
Analysed between:				
Charitable activities	<u>240,280</u>	<u>13,937</u>	<u>254,217</u>	<u>237,771</u>

### 12 Taxation

Nene Valley Railway Limited is a registered charity. It only applies its funds in accordance with its charitable objectives, and is not trading with a view to making distributable profits, therefore corporation tax is not chargeable.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 13 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration, shop, catering and cleaning	8	11
Mechanical	6	6
	<u>14</u>	<u>17</u>

##### Employment costs

	2022 £	2021 £
Wages and salaries	309,423	346,032
Social security costs	27,674	26,684
Other pension costs	9,893	11,331
	<u>346,990</u>	<u>384,047</u>

Included in the above employee costs is a sum of £24,684 (2021: £33,172) which are the wages costs of the trading subsidiary Nene Valley Railway Enterprises Limited.

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

#### 14 Net gains/(losses) on investments

	2022 £	2021 £
Revaluation of investments	2,619	(12,528)
(Loss)/Gain on investments	5,271	(10,521)
	<u>7,890</u>	<u>(23,049)</u>

# **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 JANUARY 2022**

### **15 Tangible fixed assets**

#### **Group and Charity**

	Freehold land and buildings £	Property improvements £	Plant and machinery £	Track and ballast £	Rolling stock and locomotives £	Total £
<b>Cost</b>						
At 1 February 2021	1,104,728	206,046	205,592	252,903	1,180,748	2,950,017
Additions	-	-	1,101	-	136,352	137,453
Disposals	-	-	(142,612)	-	(361,709)	(504,321)
At 31 January 2022	1,104,728	206,046	64,081	252,903	955,391	2,583,149
<b>Depreciation and impairment</b>						
At 1 February 2021	-	48,428	169,526	21,815	742,432	982,201
Depreciation charged in the year	-	4,704	11,642	2,311	15,961	34,618
Eliminated in respect of disposals	-	-	(141,177)	-	(273,310)	(414,487)
At 31 January 2022	-	53,132	39,991	24,126	485,083	602,332
<b>Carrying amount</b>						
At 31 January 2022	1,104,728	152,914	24,090	228,777	470,308	1,980,817
At 31 January 2021	1,104,728	157,618	36,066	231,088	438,316	1,967,816

Freehold land and buildings including improvements with a carrying amount of £1,257,642 (2021 - £1,262,346) have been pledged to secure borrowings of the charitable company. The charitable company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Freehold land and buildings are measured at deemed cost, based on a previous revaluation undertaken in 2012 and in accordance with the transitional provisions of FRS102.



**NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

<b>16 Financial instruments</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	521,924	294,957
Equity instruments measured at cost less impairment	296,457	285,084
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	248,559	284,941
<b>17 Fixed asset investments</b>		
<b>Group</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Listed investments	296,457	285,084
<b>Charity</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	100	100
Listed investments	296,457	285,084
	296,557	285,184

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 17 Fixed asset investments (Continued)

Movements in fixed asset investments Group and Charity	Shares £
<b>Cost or valuation</b>	
At 31 January 2021	285,084
Valuation changes	7,890
Investment management fees	(2,698)
Dividends received	6,181
At 31 January 2022	<u>296,457</u>
<b>Carrying amount</b>	
At 31 January 2022	<u>296,457</u>
At 31 January 2021	<u>285,084</u>

#### 18 Subsidiaries

The charity owns 100% of the ordinary shares of its subsidiary, Nene Valley Enterprises Limited which is a private company incorporated in England. (Registration number 2883483). The principle activities of the subsidiary are the operation of shop facilities, catering and commercial bar.

The subsidiary's results as extracted from the statutory financial statements for the year ended 31 January 2022 are outlined below:

	2022 £	2021 £
Turnover	115,174	53,489
Expenditure	(137,179)	(91,575)
Net loss	<u>(22,005)</u>	<u>(38,086)</u>

The aggregate of the assets, liabilities and reserves were:

	2022 £	2021 £
Current Assets	18,212	24,431
Current liabilities	(78,203)	(62,417)
Total reserves	<u>(59,991)</u>	<u>(37,986)</u>

**NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

<b>19 Stocks</b>			
<b>Group</b>		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Consumables		29,745	54,379
<b>Charity</b>		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Consumables		20,053	36,183
<b>20 Debtors</b>			
<b>Group</b>		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>			
Trade debtors		19,546	-
Other debtors		161,131	16,481
		180,677	16,481
<b>Charity</b>		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>			
Trade debtors		19,546	-
Amounts due from subsidiary undertakings		71,068	54,883
Other debtors		169,957	14,845
		260,571	69,728
<b>21 Creditors: amounts falling due within one year</b>			
<b>Group</b>		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Loans and overdrafts	24	37,245	27,753
Other taxation and social security		10,912	1,489
Deferred income	23	28,147	63,853
Trade creditors		31,794	54,561
Other creditors		32,802	14,852
Accruals		6,850	12,800
		147,750	175,308

# **NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 JANUARY 2022**

### **21 Creditors: amounts falling due within one year (continued)**

Charity	Notes	2022 £	2021 £
Loans and overdrafts	24	37,245	27,753
Other taxation and social security		9,005	1,489
Deferred income	23	28,147	63,853
Trade creditors		30,216	52,727
Other creditors		29,152	9,152
Accruals		6,850	12,800
		<u>140,615</u>	<u>167,774</u>

### **22 Creditors : amounts falling due after more than one year**

Group and Charity	Notes	2022 £	2021 £
Loans and overdrafts	24	48,286	72,433
Other borrowings	24	39,373	50,000
Other creditors		20,000	-
		<u>107,659</u>	<u>122,433</u>

### **23 Deferred income**

Group and Charity		2022 £	2021 £
Arising from wayleave income		-	3,675
Income received in advance		28,147	60,178
		<u>28,147</u>	<u>63,853</u>

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 24 Loans and overdrafts

Group and charity	2022 £	2021 £
Bank overdrafts	-	-
Bank loans	85,531	100,186
Other borrowings	39,373	50,000
	<u>124,904</u>	<u>150,186</u>
Payable within one year	37,245	27,753
Payable after one year	<u>87,659</u>	<u>122,433</u>

Amounts payable by instalments after 5 years is £Nil (2021: £8,986).

The long-term loan is secured by fixed charges over the freehold property known as Wansford Station, Peterborough and its associated assets.

The bank loan is repayable by monthly instalments over 4.5 years, the last instalment falling due in 2024. The interest rate in force for the year ended 31 January 2021 was 3.95%.

A bounce-back loan of £50,000 was received during the prior year. This loan is repayable by monthly instalments over 6.5 years including an 18 month repayment holiday. The interest rate for this loan is 2.5% fixed.

#### 25 Retirement benefit schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. At the year end a balance of £Nil is included in other creditors (2021 - £Nil).

The charge to profit and loss in respect of defined contribution schemes was £9,227 (2021 - £10,436).

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 26 Endowment funds

	Balance at 1 February 2021 £	Transfers £	Balance at 31 January 2022 £
<b>Expendable endowments</b>			
Movements in the year	579	(579)	-
	579	(579)	-

The Expendable Endowment Fund from the Commission for New Towns was established in 1994 to fund the management of the freehold property of the railway.

#### 27 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 February 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 January 2022 £
Friends of the Nene Valley Railway	2,510	3,044	(1,662)	-	3,892
Thomas fund	-	5,640	(7,437)	49,031	47,234
Legacy fund	44,220	-	-	-	44,220
Track appeal	-	9,729	(13,265)	3,536	-
Loco 656	26,038	17,924	-	(30,352)	13,610
Wagon Group	1,000	-	-	-	1,000
Carriage and Wagon	31,042	1,678	(74)	-	32,646
Restaurant car	18,031	649	(18,015)	-	665
	122,841	38,664	(40,453)	22,215	143,267

Money raised by the Friends of Nene Valley Railway is utilised on specific projects, as agreed by the charity's finance committee.

The Thomas fund has been set up to cover current repairs and overhaul costs.

The Legacy fund has been set up to earmark one off income to be used on specific projects.

Loco 656 funds have been set up to cover cost of the full overhaul.

The Carriage and Wagon fund is set aside to fund the restoration of carriages.

The Restaurant car fund is set aside to fund the restoration and maintenance of the restaurant car.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 28 Restricted funds

The income funds of the group include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

	Balance at 1 February 2021	Incoming resources	Resources expended	Transfers	Investments gains/ losses	Balance at 31 January 2022
	£	£	£	£	£	£
TPO Fund	29,932	5,652	(12,076)	-	-	23,508
Thomas	-	8,559	(8,559)	-	-	-
Small Engine Fund	1,976	200	-	-	-	2,176
Wansford Old Station	62,537	89	(1,876)	-	-	60,750
Nene Corridor (Yarwell)	4,431	-	-	-	-	4,431
Museum Fund	2,517	750	(139)	-	-	3,128
Loco 73050	7,433	16,780	(8,288)	-	-	15,925
Loco 73050 - investment	285,084	6,180	(2,697)	-	7,891	296,458
Wagon Group	1,317	10,465	(7,175)	-	-	4,607
Signal box	15,325	27,833	-	-	-	43,158
Yarwell	3,577	2,382	(240)	-	-	5,719
HLF	14,112	-	(12,225)	-	-	1,887
D Crouch	897	3,674	(3,540)	-	-	1,031
Pacer Appeal	8,822	725	(5,624)	-	-	3,923
Toilet Block Appeal	-	279	(279)	-	-	-
Other small funds	8,187	23,038	(16,614)	-	-	14,611
Arts Council England	-	479,765	(163,987)	(315,778)	-	-
	446,147	586,371	(243,319)	(315,778)	7,891	481,312

Restricted funds represent specific appeals and donations.

## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 28 Restricted funds (Continued)

The Travelling Post Office Fund is to be used for the restoration of the various Travelling Post Office coaches and also includes the funds raised and expended for the Ferry Meadows Night Mail Project, which is to fund a Museum for the Travelling Post Office coaches.

The Wansford Old Station was created to raise funds for the potential improvement and restoration of the old station building.

Loco 73050 fund is to be used for the maintenance and upkeep of Loco 73050.

Signal box funds are to be used for the maintenance and upkeep of the signal box.

HLF reserves relate to grant funding received from the Heritage Lottery Fund in relation to a detailed review of the Charities governance that has been performed. This fund is used to cover costs in relation to training in relation to governance projects as well as the implementation of any related items.

The other restricted funds cover a variety of specific donations and appeals relating to specific engines, rolling stock or other projects.

#### 29 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 January 2022 are represented by:						
Tangible assets	1,980,079	-	738	-	1,980,817	1,967,816
Investments	100	-	296,457	-	296,557	285,084
Current assets/ (liabilities)	66,175	143,267	184,117		393,559	174,028
Long term liabilities	(87,659)	-	-	-	(87,659)	(122,433)
	<u>1,958,695</u>	<u>143,267</u>	<u>481,312</u>	<u>-</u>	<u>2,583,274</u>	<u>2,304,495</u>

#### 30 Capital commitments

2022  
£

2021  
£

At 31 January 2022 the charitable company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment

- 13,039



## NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### 31 Control

The charity is a company limited by guarantee and has no share capital.

The liability of each member in the event of winding up is £1.

#### 32 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2022	2021
	£	£
Aggregate compensation	64,626	44,794

##### Transactions with related parties

During the year the charity received some donations from trustees.

During the year, expenditure totalling £380 (2021: £190) was paid to Moore East Midlands, a company in which Mr R Dixon is an employee.

During the year, expenditure totalling £Nil (2021: £275) was paid to Sloan Plumb Wood Solicitors, a company in which Mr P Corrigan is a director.

During the year, expenditure totalling £Nil (2021: £342) was paid to Mick George Limited, a company in which Mr S Costello is a director.

#### 33 Operating lease commitments

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

	2022	2021
	£	£
Within one year	6,519	7,446
Between two and five years	-	6,519
	6,519	13,965

# NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

<b>34 Cash flow from operating activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
(Deficit)/Surplus for the year	269,038	(164,966)
Adjustments for:		
Interest and dividend income	(6,220)	(8,995)
Interest paid	20,789	30,211
Loss/(Gain) on disposal of investments	(5,271)	10,521
Fair value gains and losses on investments	(2,619)	12,528
Depreciation and loss on disposal of tangible fixed assets	124,452	35,278
Movements in working capital:		
Decrease/(increase) in stocks	24,634	(5,359)
Decrease/(increase) in debtors	(164,196)	64,809
(Decrease)/increase in creditors	(17,050)	(28,527)
<b>Net cash outflow from operating activities</b>	<b>243,557</b>	<b>(54,500)</b>

### 35 Analysis of changes in net debt

	<b>As at 1 February 2021</b>	<b>Cash flows</b>	<b>Other non-cash movements</b>	<b>As at 31 January 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash	278,476	62,771	-	341,247
Overdraft	-	-	-	-
Loans due within one year	(27,753)	(9,492)	-	(37,245)
Loans due after one year	(122,433)	34,774	-	(87,659)
	<b>128,290</b>	<b>88,053</b>	<b>-</b>	<b>216,343</b>

