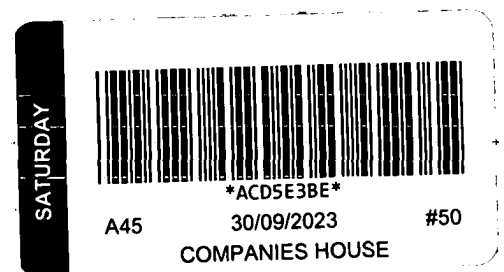


Charity Registration No. 263617

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 2023**



NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

LEGAL AND ADMINISTRATIVE INFORMATION

Patron of Nene Valley Railway	HRH The Duke of Gloucester
Honorary Vice President	Roger Manns
Trustees	K J Parkinson S J Bell E A Walters A L Oates M Stafford <i>(Appointed 9 March 2023)</i> T R Hobman <i>(Appointed 15 September 2022)</i> M D Purcell <i>(Appointed 3 November 2022)</i>
Secretary	N McGregor
Charity number	263617
Company number	1038056
Museum number	1636
Principal address	Wansford Station Old Great North Road Stibbington Peterborough PE8 6LR
Registered office	Wansford Station Old Great North Road Stibbington Peterborough PE8 6LR

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

LEGAL AND ADMINISTRATIVE INFORMATION

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

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CONTENTS

	Page
Chairman's report	1 - 2
Trustees' report	3 - 8
Statement of trustees' responsibilities	9
Independent auditor's report	10 - 13
Consolidated statement of financial activities	14
Consolidated balance sheet	15-16
Charity balance sheet	17 - 18
Consolidated statement of cash flows	19
Notes to the financial statements	20 - 40

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

2022 saw us free of Covid restrictions.

I joined the board in November 2022 and following Mike Kerfoot's resignation for health reasons, I was elected chairman by the board on 9th March 2023. I want to thank Mike for everything he did as chairman and I am pleased to say that he has made a good recovery and is once again driving locos. He has provided me with useful guidance and support since I took over.

Sadly, Charles Swift, our Vice-President died during the year. A railwayman by profession, Charles started his career on steam at New England, working his way up to driver. Charles was a supporter of the creation of the Nene Valley Railway and was a great friend and advocate of the railway.

Although we mounted a good programme of events and services during the year, we were badly hit by the rising costs of coal, oil and electricity. Following a lineside fire during the summer, we were forced to suspend steam services, which also affected our income.

The lack of Thomas through the whole year also deprived us of the considerable income that he generates.

We had a strong Santa season and introduced two train operation to facilitate the cleaning and preparation of services. Unfortunately, only one steam locomotive was available, which made steam heating the coaches difficult. Fortunately, 5485, the Polish Tank managed right up until the final day.

The visit of 6233 Duchess of Sutherland was a pleasant bonus. Originally arriving for overnight stabling, we were able to operate a service using her and volunteers and staff pulled together to make that possible at very short notice.

One of our appointed trustees, Amanda Deane resigned during the year. Rich Dixon resigned as a director and as chairman of the Finance Committee and Sarah Derry, one of the elected directors also resigned. Phil Marshall did not seek re-election at the 2022 AGM. On behalf of the board, I want to thank them all for their service and the enthusiasm they brought to their roles.

Roger Manns, member number 1 was appointed as our Vice-President, I welcome him to this latest of many roles in which he has served NVR.

The engineering shed was busy with a variety of projects during the year.

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CHAIRMAN'S REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

All of our volunteers and permanent staff worked hard all year to keep our services and events running. Without their effort and teamwork, it wouldn't be possible and I am hugely grateful for everything they do.


M Purcell

Dated29/9/23

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 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.

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

The trustees serving during 2022 - 2023 and the meetings they attended were:

	Actual	Possible
Michael Purcell - Chair (appointed 3 November 2022)	3	3
Michael Kerfoot	13	15
Stanley Bell	15	15
Tom Jennings	11	15
Adrian Oates	12	15
Keith Parkinson	15	15
Elizabeth Walters	11	15
Timothy Hobman (appointed 15 September 2022)	5	5
Philip Marshall (resigned 15 September 2022)	9	10
Rich Dixon (resigned 23 March 2022)	1	2
Sarah Derry (resigned 24 September 2022)	10	11
Amanda Deane (resigned 12 December 2022)	6	8

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)

The anticipated ORR visit took place in July 2022. They found that;

- Overall, control of risk created by the operation of the Railway and associated work activities was well managed and consistent with the duties placed on it by the legal framework;
- Document management/record keeping is good and NVR has begun to make effective use of the Heritage Operations Processing System (HOPS); and
- Well-founded skills, knowledge and experience of their areas of responsibility on the railway of those we spoke to was evident, as was their positive approach to safety management. General conditions/housekeeping in workshops were good. Engineering machinery was effectively guarded. Lifting equipment/accessories and pressure systems are thoroughly examined in compliance with relevant legislation. There were some good examples of provision of work at height equipment, i.e., the scissor lift at Overton Yard.

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

Health and Safety (H&S) (continued)

However, as discussed, some concerns were noted with; inspection of track geometry; inadequate means of preventing falls during work at height; several metres of exposed electrical cable on rough stony ground in Overton Yard; inadequate measures in place to prevent access by members of the public, including young children, to unsupervised areas of Overton Yard; informal supervision/monitoring of signallers and multiple sign-on points (introduced during the pandemic). All of these have been addressed and a response to the ORR was sent within their required timetable.

There were no incidents during the year that required reporting to the ORR.

Financial Review

Although the influence of the pandemic on our finances had waned, this was a year in which we started to regain our momentum. However, our income was affected by the lack of Thomas throughout the year; the inability to run steam during the hot, dry summer months; and the lack of coach C during the Santa season.

Income from charitable activities was £658,537. In addition, we received donations and other fundraising income of £175,266. Although every effort was made to control costs, they increased from £1,157,867 to £1,299,734.

This year, there was a deficit of £257,860 compared to a surplus of £269,038 in the previous year.

Our trading operations both in the charity and Enterprises made a loss. We have introduced tighter controls around expenditure but were able to continue with our essential maintenance and renewal projects and maintained our staffing establishment.

We took the decision to outsource the café, although this was not implemented until the 2023-24 period.

Commercial Operations

The events team have continued to introduce innovative and profitable events. However, we were adversely affected by the lack of Thomas and problems with 34081, '92 Squadron' which meant that we were reliant on 5485 the Polish Tank to provide steam traction for much of the year. However, following a lineside fire in the summer, we were forced to suspend steam services, which adversely affected our income.

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

Commercial Operations (continued)

The Santa services were a near sellout and this year, we operated two rakes to assist with cleaning and preparation. This worked well and volunteers and allowed volunteers to have better breaks between services. However, we only had one steam locomotive, which caused problems with steam heating. Income was also affected by the lack of Coach C, which reduced our capacity.

Infrastructure

At the beginning of the year, the permanent way (track) team completed re-railing work in the tunnel contending with constricted space, the dark and constantly dripping water.

Work was completed on the Castor straight that allowed the temporary speed restriction to be lifted. This was an immense effort by the P/way team with the assistance of volunteers from many other parts of the railway.

During the summer, inspection of the Fletton Branch showed that it had to be closed due to its poor condition. Again massive team effort by the P/way team with the assistance of volunteers from other departments meant that the branch could be reopened in 2023.

Locomotives and Rolling Stock

Most of the steam haulage during the year was undertaken by completed by the home fleet, Bullied Pacific 34081, '92 Squadron' and Polish 0-8-OT, 5485.

Hudswell Clarke 0-6-OT 'Thomas' spent the year in the shed following boiler problems.

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

The Pacer DMU was brought into service and has proved to be a reliable train.

Visitors to the railway included 6233 Duchess of Sutherland, which arrived for stabling but ended up in service.

In the overhaul shed work on the overhaul of Hudswell Clarke tank engine, 'Derek Crouch' and diesel shunter Muriel continued. The longer term project with Standard Class 5, 73050, City of

Work continued on Coach C and the accessible coach.

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

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

Passenger Numbers

Passenger numbers were 42,903, up on 23,924 in 21-22.

Operations Department

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

The rule book was updated and reissued. The major revisions were to language; changes to reflect the changing role of the station master; and If a train has more than one locomotive hauling it (including top and tail mode), the section staff is carried on the leading locomotive.

The Operating Manager continues to report 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.

Signal and Telecoms (S&T)

The S&T team continued to maintain our signalling assets during the year and undertook many minor and not so minor replacement and upgrade tasks.

However, they had to contend with a cable theft at Orton Mere, which rendered the signalling there ineffective. Their response was impressive and service was restored in a matter of weeks.

The interlocking at Orton Mere was also modified so that when OM box is closed, the route is set through Platform 2 thereby reducing the wear on the turnouts at both ends of the station.

Although occurring in 2023, the arson attack on the signal box at Orton Mere has to be mentioned. Repairs are progressing well and the box should be back in service by September 2023.

Membership

Membership has fallen slightly this year from 766 memberships and 949 actual members in the previous year to 750 memberships and 912 actual members. The difference between memberships and actual members is because a membership may be joint and include more than one member.

Our very busy Volunteer Liaison Group continue to be active in this area, holding regular inductions for new members and the number of working volunteers continues to increase.

Stations and Buildings

The team completed the installation of a new tiled floor in Retail Shop.

In addition general repairs and maintenance were completed in many areas, including the repainting of the exterior of the café conservatory.

New level crossing gates were made and fitted. These are perfect replicas of the originals.

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

Fundraising

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

Additional grants were also applied for to support specific projects including the tunnel, level crossing and yard.

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 saw 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 Purcell

Chairman of the Trustees

Dated 29/9/23

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 JANUARY 2023

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

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 2023 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 2023 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

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

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:

- 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 bias;
- 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

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: 29/9/23

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 2023

	Notes	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:						
Donations and other fund raising income	4	76,956	18,898	79,412	175,266	686,442
Incoming resources from charitable activities	5	658,537	-	-	658,537	574,047
Commercial trading operations and investment in trading subsidiary	3	178,378	-	-	178,378	90,174
Investments	6	1,068	-	5,990	7,058	6,220
Other income	7	37,250	-	-	37,250	62,132
Total income and endowments		952,189	18,898	85,402	1,056,489	1,419,015
Expenditure on:						
<u>Raising funds</u>						
Commercial trading operations and investment in trading subsidiary	8	102,640	-	-	102,640	84,498
Other		1,247			1,247	89,834
Charitable activities	10	1,079,061	30,384	86,402	1,195,847	983,535
Total resources expended		1,182,948	30,384	86,402	1,299,734	1,157,867
Net gains/(losses) on investments	14	-	-	(14,615)	(14,615)	7,890
Net incoming/(outgoing) resources before transfers		(230,759)	(11,486)	(15,615)	(257,860)	269,038
Gross transfers between funds		65,505	(68,086)	2,581	-	-
Net movement in funds		(165,254)	(79,572)	(13,034)	(257,860)	269,038
Fund balances at 1 February 2022		1,948,955	143,267	481,312	2,573,534	2,304,495
Fund balances at 31 January 2023		1,783,700	83,693	448,280	2,315,674	2,573,534

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	1,957,144		1,980,817	
Investments	17	285,368		296,457	
		<u>2,242,512</u>		<u>2,277,274</u>	
Current assets					
Stocks	19	29,455		29,745	
Debtors	20	49,686		180,677	
Cash at bank and in hand		<u>267,541</u>		<u>341,247</u>	
		346,682		551,669	
Creditors: amounts falling due within one year	21	(211,029)		(147,750)	
		<u></u>		<u></u>	
Net current assets		135,653		403,919	
Total assets less current liabilities		<u>2,378,165</u>		<u>2,681,193</u>	
Creditors: amounts falling due after more than one year	22	(62,492)		(107,659)	
Net assets		<u>2,315,673</u>		<u>2,573,534</u>	
Income funds					
Restricted funds	27	448,280		481,312	
Unrestricted funds:					
Designated funds	26	83,693		143,267	
General unrestricted funds		1,783,700		1,948,955	
		<u>2,315,673</u>		<u>2,573,534</u>	

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CONSOLIDATED BALANCE SHEET (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

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 2023, 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 29/9/23 and are signed on its behalf by:



.....
M Purcell
Trustee

Company Registration No. 1038056

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	1,957,144		1,980,817	
Investments	17	285,468		296,557	
		<u>2,242,612</u>		<u>2,277,374</u>	
Current assets					
Stocks	19	18,282		20,053	
Debtors	20	114,569		250,830	
Cash at bank and in hand		<u>261,785</u>		<u>333,641</u>	
		394,636		604,524	
Creditors: amounts falling due within one year	21	(203,730)		(140,615)	
Net current assets			190,906		463,909
Total assets less current liabilities			<u>2,433,518</u>		<u>2,741,283</u>
Creditors: amounts falling due after more than one year	22	(62,492)		(107,659)	
Net assets			<u><u>2,371,026</u></u>		<u><u>2,633,624</u></u>
Income funds					
Restricted funds	27	448,280		481,312	
Unrestricted funds:					
Designated funds	26	83,693		143,267	
General unrestricted funds		<u>1,839,052</u>		<u>2,009,045</u>	
		<u><u>2,371,026</u></u>		<u><u>2,633,624</u></u>	

The net movement in funds for the year for the charity only was net deficit of £258,809 (2022: surplus of £291,043). The charity's income was £907,703 (2022: £1,356,838) less expenditure of £1,151,897 (2022: £1,073,685) and net loss on investments of £14,615 (2022: gain of £7,890).

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CHARITY BALANCE SHEET (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

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 2023, 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 29/9/23 and are signed on its behalf by:



.....
M Purcell
Trustee

Company Registration No. 1038056

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Cash flow from operating activities	32		(33,408)		243,557
Cash flow from investing activities					
Purchase of tangible fixed assets		(12,920)		(137,453)	
Purchase of investments		(94,609)		(52,829)	
Proceeds on disposal of investments		91,082		49,347	
Interest received		<u>7,058</u>		<u>6,220</u>	
Net cash flow from investing activities			(9,388)		(134,715)
Cash flow from financing activities					
Interest paid		(29,835)		(20,789)	
New borrowings					
Repayment of borrowings		<u>(34,748)</u>		<u>(25,282)</u>	
Net cash flow from financing activities			<u>(64,583)</u>		<u>(46,071)</u>
Net decrease in cash and cash equivalents			(107,379)		62,771
Cash and cash equivalents at beginning of the year			341,247		278,476
Cash and cash equivalents at end of the year			<u><u>233,868</u></u>		<u><u>341,247</u></u>
Relating to:					
Bank balances and short term deposits			267,541		341,247
Bank overdrafts			(33,673)		-
			<u><u>233,868</u></u>		<u><u>341,247</u></u>

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

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 2023**

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 2023

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 2023

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 2023

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 2023

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

	2023 £	2022 £
Non-charitable trading activities	178,378	90,174

4 Donations and other fund raising income

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and gifts	13,562	18,898	76,412	108,872	170,800
Legacies receivable	5,000	-	-	5,000	14,500
Grants receivable	39,554	-	3,000	42,554	479,765
Membership fees	18,840	-	-	18,840	21,377
	76,956	18,898	79,412	175,266	686,442
For the year ended 31 January 2022	67,587	38,664	580,191		686,442

5 Incoming resources from charitable activities

	2023 £	2022 £
Traffic and admission charges	306,701	244,729
Driving course income	14,679	11,122
Santa specials	283,194	297,215
Charitable rental income	8,945	12,081
Other income	45,018	8,900
	658,537	574,047

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

6 Investments

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from listed investments	-	-	5,990	5,990	6,180
Interest receivable	1,068	-	-	1,068	40
	1,068	-	5,990	7,058	6,220
For the year ended 31 January 2022	40	-	6,180		6,220

7 Other income

	2023 £	2022 £
Net gain on disposal of tangible fixed assets	-	-
Coronavirus job retention scheme grant	-	25,564
Other coronavirus related income	37,250	36,568
	37,250	62,132

8 Raising funds

	2023 £	2022 £
Commercial trading operations and investment in trading subsidiary		
Operating trading company undertaking non-charitable trading activity	102,640	84,498
	102,640	84,498

9 Trustees

No trustees (or any persons connected with them) received remuneration during the year. No trustees received expenses in the year (2022 - No trustees received expenses).

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

10 Charitable activities

	2023 £	2022 £
Maintenance staff including NI and pension	165,090	153,265
Depreciation and impairment	35,346	34,618
Fuel and lubricants	84,204	61,122
Insurance	70,890	64,639
Hire and transport of rolling stock	80,817	82,393
Maintenance	198,903	120,676
Santa special purchases	80,426	60,514
Stamp purchases for resale	-	574
Refuse and cleaning	31,697	26,659
Sundry operating expenses	12,694	-
Subscriptions	550	1,822
Online booking system	4,635	5,365
Publicity and printing costs	18,253	5,768
Spécial event expenses	23,808	14,479
Bank, interest and credit charges	29,835	20,789
Expenditure from restricted funds	83,937	76,635
	<u>921,085</u>	<u>729,318</u>
Support costs (see note 11)	255,754	240,280
Governance costs (see note 11)	19,008	13,937
	<u>1,195,847</u>	<u>983,535</u>
Analysis by fund		
Unrestricted funds	1,079,061	699,763
Designated funds	30,384	40,453
Restricted funds	86,402	243,319
	<u>1,195,847</u>	<u>983,535</u>

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

11 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Administration and cleaning wages	191,782	-	191,782	191,258
Premises costs	40,136	-	40,136	39,865
Promotion costs	23,836	-	23,836	9,157
Auditors remuneration:				
- for audit services	-	4,500	4,500	4,500
- for non audit services	-	2,800	2,800	2,800
Legal and professional	-	11,708	11,708	6,637
	<u>255,754</u>	<u>19,008</u>	<u>274,762</u>	<u>254,217</u>
Analysed between:				
Charitable activities	<u>255,754</u>	<u>19,008</u>	<u>274,762</u>	<u>254,217</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 2023

13 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration, shop, catering and cleaning	10	8
Mechanical	6	6
	<u>16</u>	<u>14</u>

Employment costs

	2023 £	2022 £
Wages and salaries	323,582	309,423
Social security costs	24,806	27,674
Other pension costs	10,277	9,893
	<u>358,665</u>	<u>346,990</u>

Included in the above employee costs is a sum of £41,408 (2022: £24,684) 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

	2023 £	2022 £
Revaluation of investments	(12,178)	2,619
(Loss)/Gain on investments	(2,437)	5,271
	<u>(14,615)</u>	<u>7,890</u>

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

15 Tangible fixed assets Group and Charity

	Freehold land and buildings £	Property improvements £	Plant and machinery £	Track and ballast £	Rolling stock and locomotives £	Total £
Cost						
At 1 February 2022	1,104,728	206,046	64,081	252,903	955,391	2,583,149
Additions	-	-	11,920	-	1,000	12,920
Disposals	-	-	-	-	(1,386)	(1,386)
At 31 January 2023	<u>1,104,728</u>	<u>206,046</u>	<u>76,001</u>	<u>252,903</u>	<u>955,005</u>	<u>2,594,683</u>
Depreciation and impairment						
At 1 February 2022	-	53,132	39,991	24,126	485,083	602,332
Depreciation charged in the year	-	4,692	13,285	2,288	15,080	35,345
Elimated in respect of disposals	-	-	-	-	(139)	(139)
At 31 January 2023	<u>-</u>	<u>57,824</u>	<u>53,276</u>	<u>26,414</u>	<u>500,024</u>	<u>637,538</u>
Carrying amount						
At 31 January 2023	<u>1,104,728</u>	<u>148,222</u>	<u>22,725</u>	<u>226,489</u>	<u>454,980</u>	<u>1,957,144</u>
At 31 January 2022	<u>1,104,728</u>	<u>152,914</u>	<u>24,090</u>	<u>228,777</u>	<u>470,308</u>	<u>1,980,817</u>

Freehold land and buildings including improvements with a carrying amount of £1,252,950 (2022 - £1,257,642) 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 2023

16 Financial instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	317,227	521,924
Equity instruments measured at cost less impairment	285,368	296,457
Carrying amount of financial liabilities		
Measured at amortised cost	266,671	248,559
17 Fixed asset investments	2023	2022
Group	£	£
Listed investments	285,368	296,457
Charity	2023	2022
	£	£
Investments in subsidiaries	100	100
Listed investments	285,368	296,457
	285,468	296,557

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

17 Fixed asset investments (Continued)

Movements in fixed asset investments Group and Charity	Listed investments £
Cost or valuation	
At 31 January 2022	296,457
Valuation changes	(14,614)
Investment management fees	(2,465)
Dividends received	5,990
At 31 January 2023	<u>285,368</u>
Carrying amount	
At 31 January 2023	<u>285,368</u>
At 31 January 2022	<u>296,457</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 2023 are outlined below:

	2023 £	2022 £
Turnover	178,378	115,174
Expenditure	(173,640)	(137,179)
Net loss	<u>4,738</u>	<u>(22,005)</u>

The aggregate of the assets, liabilities and reserves were:

	2023 £	2022 £
Current Assets	16,929	18,212
Current liabilities	(72,182)	(78,203)
Total reserves	<u>(55,253)</u>	<u>(59,991)</u>

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

19 Stocks

Group	2023 £	2022 £
Consumables	29,455	29,745

Charity	2023 £	2022 £
Consumables	18,282	20,053

20 Debtors

Group	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	22,118	19,546
Other debtors	27,567	161,131
	49,686	180,677

Charity	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	22,118	19,546
Amounts due from subsidiary undertakings	64,884	71,068
Other debtors	27,567	160,216
	114,569	250,830

21 Creditors: amounts falling due within one year

Group		2023 £	2022 £
	Notes		
Loans and overdrafts	24	71,337	37,245
Other taxation and social security		8,917	10,912
Deferred income	23	43,996	28,147
Trade creditors		34,355	31,794
Other creditors		45,574	32,802
Accruals		6,850	6,850
		211,029	147,750

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

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

Charity	Notes	2023 £	2022 £
Loans and overdrafts	24	71,337	37,245
Other taxation and social security		6,149	9,005
Deferred income	23	43,996	28,147
Trade creditors		33,674	30,216
Other creditors		41,724	29,152
Accruals		6,850	6,850
		<u>203,730</u>	<u>140,615</u>

22 Creditors : amounts falling due after more than one year

Group and Charity	Notes	2023 £	2022 £
Loans and overdrafts	24	23,177	48,286
Other borrowings	24	29,315	39,373
Other creditors		10,000	20,000
		<u>62,492</u>	<u>107,659</u>

23 Deferred income

Group and Charity	2023 £	2022 £
Income received in advance	43,996	28,147
	<u>43,996</u>	<u>28,147</u>

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

24 Loans and overdrafts

Group and charity	2023 £	2022 £
Bank overdrafts	33,673	-
Bank loans	60,841	85,531
Other borrowings	29,315	39,373
	<u>123,829</u>	<u>124,904</u>
Payable within one year	71,337	37,245
Payable after one year	<u>52,492</u>	<u>87,659</u>

Amounts payable by instalments after 5 years is £Nil (2022: £Nil).

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 2023 was 3.95%.

The bounce-back 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 (2022 - £Nil).

The charge to profit and loss in respect of defined contribution schemes was £10,277 (2022 - £9,893).

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

26 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 2022	Incoming resources	Resources expended	Transfers	Balance at 31 January 2023
	£	£	£	£	£
Friends of the Nene Valley Railway	3,892	2,783	(2,758)	-	3,917
Thomas fund	47,234	7,505	(13,932)	-	40,807
Legacy fund	44,220	-	-	(44,220)	-
Track appeal	-	8,057	(1,875)	(1,335)	4,847
Loco 656	13,610	553	(4,704)	-	9,459
Wagon Group	1,000	-	-	(1,000)	-
Carriage and Wagon	32,646	-	(6,081)	(22,000)	4,565
Restaurant car	665	-	(1,035)	469	100
Signal box	-	-	-	19,998	19,998
	143,267	18,898	(30,384)	(48,088)	83,693

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 2023

27 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 2022	Incoming resources	Resources expended	Transfers	Investments gains/ losses	Balance at 31 January 2023
	£	£	£	£	£	£
TPO Fund	23,508	13,100	(23,529)	-	-	13,079
Small Engine Fund	2,176	115	(2,279)	-	-	12
Wansford Old Station	60,750	-	-	-	-	60,750
Nene Corridor (Yarwell)	4,431	-	-	-	-	4,431
Museum Fund	3,128	-	-	-	-	3,128
Loco 73050	15,925	10,810	(7,861)	-	-	18,874
Loco 73050 - investment	296,458	5,990	(2,465)	-	(14,615)	285,368
Wagon Group	4,607	14,903	(12,507)	531	-	7,534
Signal box	43,158	3,050	(10,885)	(19,998)	-	15,325
Yarwell	5,719	-	-	-	-	5,719
HLF	1,887	-	(1,143)	-	-	744
D Crouch	1,031	14,131	(6,757)	2,050	-	10,455
Pacer Appeal	3,923	-	(88)	-	-	3,835
Other small funds	14,611	23,303	(18,888)	-	-	19,026
	481,312	85,402	(86,402)	(17,417)	(14,615)	448,280

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 2023

27 Restricted funds (Continued)

Restricted funds represent specific appeals and donations.

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

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

28 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 January 2023 are represented by:					
Tangible assets	1,957,144	-	-	1,957,144	1,980,817
Investments	-	-	285,368	285,368	296,457
Current assets/ (liabilities)	(110,952)	83,693	162,912	135,653	413,659
Long term liabilities	(58,703)	-	-	(58,703)	(107,659)
	1,787,489	83,693	448,280	2,319,462	2,583,274

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

29 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.

30 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023	2022
	£	£
Aggregate compensation	37,906	64,626

Transactions with related parties

During the year the charity received some donations from trustees.

During the year, income totalling £36 (2022: £Nil) was received from Nene Park Trust, a business in which director Mr A Oates is an employee.

During the year, income totalling £7,311 (2022: £nil) was received from Railworld, a business in which former director Mr P Marshall is a trustee.

31 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:

	2023	2022
	£	£
Within one year	5,869	6,519
Between two and five years	22,010	-
	27,879	6,519

NENE VALLEY RAILWAY LIMITED AND ITS SUBSIDIARY

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

32 Cash flow from operating activities	2023 £	2022 £
(Deficit)/Surplus for the year	(257,860)	269,038
Adjustments for:		
Interest and dividend income	(7,058)	(6,220)
Interest paid	29,835	20,789
Loss/(Gain) on disposal of investments	2,437	(5,271)
Fair value gains and losses on investments	12,178	(2,619)
Depreciation and loss on disposal of tangible fixed assets	36,592	124,452
Movements in working capital:		
Decrease/(increase) in stocks	290	24,634
Decrease/(increase) in debtors	130,991	(164,196)
(Decrease)/increase in creditors	19,187	(17,050)
Net cash outflow from operating activities	(33,408)	243,557

33 Analysis of changes in net debt

	As at 1 February 2022 £	Cash flows £	Other non-cash movements £	As at 31 January 2023 £
Cash	341,247	(73,706)	-	267,541
Overdraft	-	(33,673)	-	(33,673)
Loans due within one year	(37,245)	(34,092)	-	(71,337)
Loans due after one year	(87,659)	35,167	-	(52,492)
	216,343	(106,304)	-	110,039